

Argus Consulting Ltd

NGO Retirement Plan Survey – 2005

Results

Demographics

9 non-government organizations (NGOs) participated in the survey this year – down from 16 in 2002. The respondents included a wide cross-section of NGOs with various missions.

US Employees

- 33% of the respondent's organizations have fewer than 100 US employees.
- 67% had 150 or more US Employees.

International Staff

- US Citizens
 - 67% of the respondents have fewer than 50 International staff that are US citizens.
- Non-US Citizens
 - 44% of the respondent's organizations have fewer than 100 non-US citizens.
 - 56% have 150 or more.

Most organizations operate throughout the world in very similar regions.

Size of Annual Budget

The respondent's annual budgets range from under \$50 million to over \$200 million.

<u>Annual Budget</u>	<u>Percentage of Plans</u>
Under \$50 Million	22%
\$50-\$150 Million	33%
Greater than \$150 Million	45%

Retirement Plans

Vehicles

Survey participants offer a variety of retirement plans to their employees.

The most common retirement vehicle for both US and Non-US employees is a 403(b) plan. Over 75% offer a 403(b) for their US employees working in the US, and over 50% offer a 403(b) for US employees working internationally.

Two NGOs sponsor defined benefit plans with one of these being a cash balance plan.

For Non-US International employees, 55% offer an offshore plan. Other vehicles used include 401(k) plan and local plans.

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Contribution Levels

NGOs contribute various amounts to the retirement plans. The table below summarizes the responses:

% Employer Contribution	# NGOs
3%	1
4	2
5	2
6 – 10	0
10 +	2

Actual employee salary deferral rates varied from 2% up to 10% with an average of approximately 6%.

Other

Many NGOs (56%) have contemplated making a change to their retirement program with one-third actually making changes. The most popular reason cited for changing plan design was to reduce volatility.

Two-thirds of the respondents don't have or were unsure of the existence of an investment policy.

Communication, security of pension funds and administration services were cited as major concerns looking forward.