

**BOARD OF PENSIONS  
ADMINISTRATIVE RULES**

<b>Section:</b>	8 (Disability)	<b>Subject:</b>	CALCULATION OF DISABILITY BENEFITS FOR MEMBERS WITH SALARIES BELOW THE MINIMUM PENSION PARTICIPATION BASIS
<b>Rule Number:</b>	820	<b>Resource:</b>	Healthcare Team
<b>Reference:</b>		<b>Original Date:</b>	12/92
		<b>Revision Date:</b>	6/95, 3/98, 6/00, 9/01, 4/05

If a member's effective salary is less than 25% of the church wide median salary, the employing organization is required to remit dues on this minimum pension participation basis (for pension, death and disability coverage).

To maintain consistency with how disability benefits are calculated for members remitting dues on the minimum unemployed basis, it is equitable to use the minimum pension participation basis as a "substitute effective salary".

Therefore, a Member who earns a full time salary below the minimum pension participation basis will receive a disability benefit equal to 100% of the Minimum Pension Participation Basis.

As stated in the provisions of the Benefits Plan, the disability cannot be less than 60% of the church wide median salary or greater than the effective salary.

**Example-Clergy**

Effective Salary - \$10,000 (full-time)

Substitute Effective Salary - \$11,375 (Minimum Pension Participation Basis, 2005)

Benefit based on church wide median: \$45,500 @ 60% = \$27,300

In this situation, the Plan Member will receive 100% of \$11,375 as 60% of median is greater than effective salary basis.

**Example-Professional Lay**

Effective Salary - \$10,00 (full time)

Substitute Effective Salary - \$11,375 (Minimum Pension Participation Basis, 2005)

Benefit based on churchwide median: \$33,400 @ 60% = \$20,040.

**Example-Non Exempt Lay:**

Effective Salary - \$10,000, (full time)

Substitute Effective Salary - \$11,375 (Minimum Pension Participation Basis, 2005)

Benefit based on church wide median: \$24,400 @ 60% = \$14,640

In this situation, the Plan Member will receive 100% of \$11,375, as 60% of median is greater than effective salary basis.

A Member who earns a part-time salary below the minimum pension participation basis may be eligible to receive a disability benefit based on a prorated church wide median salary, if 60% of the prorated median salary is less than the Member's part-time salary. This situation could occur with a non-exempt Member.