

Background: Retirement Fund for Religious

In 1988, Catholic bishops in the United States launched the Retirement Fund for Religious (RFR) to address the significant lack of retirement funding for Catholic sisters, brothers, and priests in religious orders. The National Religious Retirement Office (NRRO), formerly the Tri-Conference Retirement Office, was established to coordinate the annual collection and to distribute the proceeds of this collection to religious institutes in need.

The crisis in retirement funding can be attributed to three primary factors: insufficient retirement savings, rising health-care costs, and declining income. Traditionally, women and men religious worked for small stipends that furnished only the basics of daily living. As a result, a majority of religious communities lack adequate savings for retirement. At the same time, the cost of care continues to increase, especially as older religious now outnumber younger religious. Today, there are nearly 35,000 religious past age 70 living in the United States. In 2009, the average annual cost for their care was over \$36,000 per person. Skilled care averaged \$56,000 per person. Currently, the income of younger religious supports a large portion of elder-care expenses. In the coming years, however, this will no longer be the case as more religious reach retirement age and leave compensated ministry.

The annual appeal for the Retirement Fund for Religious, which is taken up each December in most U.S. Catholic parishes, provides vital support to religious institutes in meeting current and future retirement needs. Since 1989, the National Religious Retirement Office has distributed over \$582 million to religious institutes across the nation, including almost \$517 million to help underwrite the direct care of elderly religious. More than \$65 million has supported efforts by religious institutes to stabilize retirement savings and to develop comprehensive retirement strategies.

Approximately 95 percent of donations to the Retirement Fund for Religious aid senior religious.

In addition to sponsoring the annual appeal, the National Religious Retirement Office offers assessment tools, educational programming, services, and resources that enable religious institutes to evaluate and prepare for long-term retirement needs. The NRRO also coordinates an extensive network of volunteer consultants, including experts in elder care and financial planning, to help religious institutes plan for the ongoing care of senior members.

The NRRO is sponsored by the Conference of Major Superiors of Men (CMSM), the Council of Major Superiors of Women Religious (CMSWR), the Leadership Conference of Women Religious (LCWR), and the United States Conference of Catholic Bishops (USCCB).

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For more information, visit www.retiredreligious.org.