The TRENDSMatrixV2013 is a Microsoft Excel workbook provided to assist the user in the organization of census and financial information. An institute will have many more income and expense categories than those available in TRENDS. The matrix helps consolidate the institute’s financial data and allocate amounts between census-driven and non-census-driven income and expenses. You are not required to use the matrix workbook when working with TRENDS, but it provides a trail of allocation decisions that may prove to be helpful in succeeding updates.

NOTE: data organized in the matrix workbook needs to be manually entered into MyTRENDS.

The TRENDS matrix consists of worksheets that correspond to the tabs in MyTRENDS. These worksheets, with the exception of the Members tab, can be tailored to fit the situation of your institute. On the Members tab, columns A through M should remain ‘as is’, with no additional columns inserted, since it is intended that the membership data from the Members tab in the matrix can be copied and pasted into the Members Tab in TRENDS. The matrix tabs and their purpose follow. NOTE: use the Members tab for individual members input method or the Members Summary tab for the members summary input method. You do not need to complete both tabs.

1. **Assumptions tab** – Assists in organizing assumptions for input into MyTRENDS.

2. **Members tab** – Use for Individual Members census projection method

3. **Members Summary tab** – Use for Members Summary projection method.

4. **Cost of Care tab** – Use for organizing the care level census data.

5. **Identify Funds** – Assists with allocating cash and investments to the various funds. It is important to make sure that the total cash and investments, regardless of how the funds are allocated, adds up to the total cash and investments of the institute.

6. **Income tab** – Used to allocate income from the institute’s chart of accounts to the categories in MyTRENDS as well as the various funds used.

7. **Expense tab** – Used to allocate expenses from the institute’s chart of accounts to the categories in MyTRENDS as well as the various funds used.
Intro Tab
Note copyright notices, name of religious institute, field where you can input a report date (e.g. end of fiscal year), and report print date (today’s date).

Index Tab
The Index tab provides a list of the respective tabs found in TRENDS. Each tab name listed on the index tab shows a hyperlink to the corresponding worksheet. You can click on the hyperlink to move directly to that worksheet.

Members Tab
There are two methods for census input in TRENDS, the Members Summary Method and the Individual Members Method. The members’ tab is used for the Individual Member Method only. If the Members’ Summary Method is used, the census data is entered through the MyTRENDS application.

The Members tab in TRENDS is set up to receive the individual member information from the members’ tab in the Excel Matrix Workbook. Directions to transfer census data from the Matrix to this tab in TRENDS follow.

1. On the Members tab, choose Add Member(s). Enter the number of members in your religious institute less one member.
2. On the Members tab, choose Prepare for Paste. Choose “Yes” when query box appears.
3. Keep TRENDS open but minimize it.
4. Open the TRENDS Matrix to the “Members Tab”
5. Highlight the census information in the Matrix to be copied to TRENDS (beginning with cell A19 and ending with the last row of information in column M) and click on the COPY icon.
6. Maximize TRENDS.
7. Place cursor over the first Formula Record cell on the Members tab (Cell C13) and click the PASTE icon. This will copy all of the highlighted cells from the Matrix to TRENDS.
8. Go to the bottom of your list to check for any extra rows. Put cursor on the extra rows in column C and choose the Delete Members to eliminate any extras. If you did not add enough rows for all members, you will get the message that the data cannot be copied.
9. Choose Format Members.

Check Members tab for accuracy and reasonableness
1. Column A: scan for a “*” warning indicator. A warning means you need to look at the projected Non-earning date (must be 12/31/20xx or any date in the future).
2. Check the non-earning limit (cell I8). Is it reasonable?
3. Is the date to calculate age in (cell R8) the midpoint of the fiscal year?
4. Pensions should be estimated on a separate spreadsheet and entered on row 16 of the operating tab.
5. Column I: (Inflation %), is there a number in every row with an earning in Column H.
6. Column J: is the Earning date prior to the historical year for all earners, other than for the exceptional person who will begin earning in the future?
7. Column K: does anyone who has an income reported in Column H have a non-earning date prior to 12/31/historical year? If yes, clarification is needed on the correct date. This will be identified with an * in Column B.
8. Column K: is there any earner (a dollar amount in Column H) where the non-earning date is February 29 in a non-leap year? This will be identified with an * in Column B and the non-earning date will be left justified in Column K.
9. Column K: check everyone who will stop earning in the historical year and be certain that the non-earning date is 12/31/XX (historical year) in order to have their income count for the historical year.
10. Column M: age 25 is automatically assumed as the entry age for members of the institute in order to avoid over or under estimating the Past Service Liability.
11. Column O: definitions of care levels are found on the “Help” tab.
12. Column P: scan for a “**” warning indicator. TRENDS evaluates if a member is over the retirement age, but listed as ‘Active’ (care level = 5), and has earnings greater than zero but less than the non-earner limit. Consider changing level of care to a 1, 2, 3 or 4 category when income is less than expenses for members above the assumed retirement age.
13. Column R: there is no average cost of care for active members.
14. Column S: scan the “earner/non-earner” classification to spot check appropriate value in relation to the levels of care, e.g. would you expect to see an earner in skilled care?
15. Column T: scan all ages to be sure there are no negative ages (if so, go to the birth date column and make sure the years were entered as MM/DD/YYYY) and all dates are right justified.
16. Go to the bottom of the list of members. Is the final row a member? If it says Formula Row, that row must be deleted using the Delete Members button in cell D-3. (This is NOT the Formula Row that is seen several rows below the end of the list of members.)

Members Summary Tab
Scan data and census projections for reasonableness. Be sure to scan for any red warnings. The most common is the warning that earnings and benefits need to be recalculated. If so, go to Calculate in cell J210 and choose it.

Does the institute have any members who are on Title 19 Nursing Home benefit, and whose social security benefit is going directly to the nursing home? If yes, the number of members receiving Title 19 should be included in row 119 or the average social security benefit will be incorrect.

Extended Census Tab
The Extended Census Tab requires no data input from the user. The census data from the Members Summary tab is extended for years 16 through 30.
Operating Tab
The Operating tab is used to project the cash flow of funds normally designated as Operating Funds. As a user, you have the option to use only this tab to project all the cash and investments for the institute, rather than to separate monies into various other funds. The income and expense categories on this tab represent the more common categories. The projection for each category includes a user specified positive or negative inflation rate. Some categories are projected based solely on inflation rates, while others are census-driven and include average costs based on census numbers. In the income section, the categories labeled membership earnings and benefits, and social security are census-driven. In the expense section, the categories labeled direct living cost (both retired/non-active and active), medical (retired and active) and FICA are census-driven. For census-driven projections, a positive inflation rate may result in declining dollar amounts as the underlying census declines.

Historical year financial data has been entered on the operating tab through MyTRENDS. Inflation assumptions for the historical year through the end of the projection have also been entered through MyTRENDS.

1. If the members pay a “tax” or “assessment” instead of all earned income directly to the institute, are the individual living expenses netted from the income attributed to earnings? If gross earnings are reported, then expenses should be reflected as well.
2. Does the historical year ending balance agree with the total for cash and investments from the audited or reviewed financial statement for the fiscal year?
3. Are there any red warning messages?
4. Are the values in year one of the projection (the year after the historical year) reasonable amounts to begin a long-range financial projection?
5. Does debt service include both interest and principal payments?
6. Do adjustments need to be made in any years of the projection? For example, a building will be sold in year two of the projection. An amount for the approximate amount to be received for the sale should be entered in year two of the projection.
7. Is it anticipated that the number of employees will increase or decrease in any years of the projection. If so, adjust the number of employees.
8. Is the rate of return on investments the net return after fees?
9. Review the intrafund transfers and adjust as needed. Transfers occur as follows in TRENDS.

<table>
<thead>
<tr>
<th></th>
<th>Transfers Out To</th>
<th>Receives Transfers In From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Fund</td>
<td>All Funds</td>
<td>All Funds</td>
</tr>
<tr>
<td>Retirement Fund</td>
<td>Operating Fund</td>
<td>Operating &amp; Development Funds</td>
</tr>
<tr>
<td>Development Fund</td>
<td>All Funds</td>
<td>n/a</td>
</tr>
<tr>
<td>Funds A through J</td>
<td>Operating Fund</td>
<td>Operating &amp; Development Funds</td>
</tr>
</tbody>
</table>

If any transfer configuration is desired in addition to the one shown above, the transfer needs to go through the operating fund. For example, if the user wishes to transfer funds between Fund A and Fund B, the transfer path is: Fund A → Operating Fund → Fund B.
Retirement Tab
The Retirement tab is used to project the cash flow of funds normally designated as Retirement Fund or Charitable Trust. As a user, you can choose to solely use this page to project the retirement cash and investments for the institute.
1. Do not use this tab if you have included the retirement assets in the Operating Tab. The income and expense categories on this tab represent some of the typical retirement fund categories.
2. As in the Operating Tab, some categories are projected based solely on inflation rates, while others are census-driven and include average costs based on census numbers. In the income section, the Social Security category is census-driven, while in the expense section, the Support of Members category is census-driven.
3. Does the historical year ending balance for the retirement fund agree with the total for cash and investments from the audited or reviewed financial statement for the fiscal year?

Development Tab
The Development tab is used to project the cash flow of funds normally designated as coming from the activity of a Development Office. The income and expense categories on this tab represent some of the typical development fund categories.
1. Do not use this tab if you have included the development income and expenses in the Operating Tab.
2. The categories on the development tab are projected based solely on inflation rates. Total employee salaries are projected based on the number of employees as well as the average salary and benefit inflation rate. Note that the number of employees should be the number of full time equivalent employees.
3. Does the historical year ending balance for the development fund agree with the total for cash and investments from the audited or reviewed financial statement for the fiscal year?

Tabs A through J
These tabs are to be used for funds specific to the religious institute (e.g. patrimony, ministry fund, funded plant fund).
1. All income and expense categories are projected solely on inflation rates so if there is an income or expense. No income or expense categories are census-driven.
2. It is important to make sure that income, expenses and cash and investment balances for any and all of the A through J funds are not included in the operating, retirement or development fund.
3. Fund names are shown at the top of each fund in cell I-4.
4. Do not change the names on the fund tabs (e.g. Fund A) because these names are used in the calculation macros and changing the names on the fund tabs will compromise the integrity of the projection.
5. Does the historical year ending balance for each fund agree with the total for cash and investments from the audited or reviewed financial statement for the fiscal year?
6. The sequential order of the Excel spreadsheet tabs for Funds A through J can be changed; however, none of these tabs should ever be deleted, even if they are not used.
Summary Tab
The Summary tab requires no data input from the user. The cash flow data is collected from the various tabs in TRENDS and summarized on this worksheet. Review this tab for reasonableness.
1. Does the ending balance (cell I 124) agree with the total for cash and investments from the audited or reviewed financial statements for the institute for the fiscal year?
2. A warning message will appear “Transfer money into depleted funds or interest income will be overestimated” when some funds are negative although the composite fund balance is positive. This warning alerts the user to transfer funds to pay the expenses in underfunded areas or interest income and the total fund balance for the institute will be overstated.

Notes Tab
Use this tab to annotate your projection with any notes you want to make sure to remember. Directions on the use of this tab are provided at the top of the tab.

Graphs
Thirty graphs are provided showing the results of the census and financial projections. These graphs are particularly useful in explain the projection results to leadership, membership, and other groups associated with the institute such as finance and investment committees, property planning task forces, and retirement planning committees. The graphs can be copied and pasted into word and powerpoint presentations.

Cost of Care Tab
This worksheet has three sections: Cost of Care, Current Membership Assessment, and Cost of Care Assessment. This information is used in the calculation of the Past Service Liability and the subsequent impact of the retirement costs on the Retirement Fund assets as reflected in the RNA tab. Note: for the definitions of the care levels see the Help tab.

Cost of Care
The user can select one of two approaches, to assessing membership levels of care.
1. Current Membership - This approach automatically calculates the percentages of age cohorts in the various levels of care from the information provided on the Members tab.
2. Average National Membership - This approach automatically enters the national statistics for religious institutes. It should be used if the institute has no historical data on which to base future projections.

Two boxes are available to [Reset 1-9 yr Census] and [Reset 10-15 yr Census]. Make sure these boxes have been chosen.
NOTE: it may be very instructive to compare the cost of care values of the individual institute to the national cost of care data for all religious institutes in the National Religious Retirement Office database (found on the NRRO website Statistics).

Current Membership Assessment
This section shows the historical year census by level of care and age cohort above age 70. This is followed by the percentages calculated for each level of care in each 5-year cohort over age 70 in the historical year. Percentages for years 1 through 9; and years 10-15 will remain the same as the historical year percentages unless adjusted by the user.
Cost of Care Assessment
This section projects the cost of care per member by care level; the total cost of care for all members in each care level; the total cost of care for all members in all care levels; and the weighted average cost of care. If the congregation has no historical cost of care data on which to base costs of care in the various care levels, the national cost of care values and inflation rates can be used.

RNA (Retirement Needs Analysis) Tab
The RNA Tab serves to provide three pieces of information
1. the calculation of the Past Service Liability (PSL) based on the user assumptions in TRENDS;
2. an annual cost of support that would be needed based on the weighted average cost of care and the number of retired members based on the assumed retirement age selected by the user;
3. a restatement of information from the retirement tab is provided.

The definitions of some of the critical terms used on the RNA Tab are as follows:
1. Total Past Service Liability is the amount of money that needs to be in the Retirement Fund in order to care for the retirement needs of all members currently above retirement age, as well as the amount that should already be in savings for the members below retirement age in anticipation of their future retirement needs. The PSL is based on the institute's cost of care, return on investments, inflation rate, demographics of members and the retirement age specified on the RNA tab. Note that the PSL in TRENDS may differ from the PSL calculated for the institute by the National Religious Retirement Office because of different assumptions used in the calculations.
2. Designated retirement assets is the amount of money in the retirement fund. If the institute is not using the Retirement tab, the comparative section may not provide meaningful data for the user.
3. Weighted average cost of care for retired members was calculated on the Cost of Care tab.
4. Net Support is the difference between the institute’s retirement expenses and the social security benefit. This represents “out-of-pocket” retirement monies that the institute needs to generate for sufficient retirement funds.
5. Members retired (Cost of Care) is the non-active census numbers from the Cost of Care tab which is based on the way the user classified the members of the institute into care levels.
6. Members retired (Members Summary/Age xx) is the number of members over the retirement age assumed by the user. NOTE: If you receive a warning that that the assumed retirement age may be too high or too low based on the current member classification, bringing the number of non-active members and the number of members above the retirement age closer together will project a better PSL. This can be done by re-classifying member care levels or changing the retirement age.
7. Total Net Support is calculated on the Cost of Care tab. This is the amount of financial support needed annually to support all retired members based on the cost of care.
8. The last matrix on the page is a restatement of the income, expenses and balances from the retirement tab. If the institute is not using the Retirement tab, this section will not provide meaningful data for the user. Compare the total net support needed based on the cost of care
to the retirement expenses from the retirement tab (and the operating tab if retirement expenses are paid from that fund). They should be close. If not, there may be a problem with how actual retirement expenses are being allocated to the retirement tab or how the cost of care is being calculated.

RNA Worksheet Tab
This RNA Worksheet tab is distinct from the RNA Tab. Whenever the Recalculate RNA button is invoked on the RNA Tab, this worksheet is used to calculate the Past Service Liability (PSL) based on the factors entered by the user. The calculation goes through an iterative process beginning at age 25, counting the members at that age and summing the PSL for each age. This process continues through a determined age (110) at which time the total PSL is determined for the institute. (That is why cell I13 contains an age following this calculation process, and it has no bearing upon the actual age of members in the institute).

The worksheet can also be used to quantify the amount of funds that theoretically should be part in the retirement fund for a new member entering the institute. You can enter a prospective age in cell F19 and the worksheet will reflect the present value and PSL for that particular age. You will get a warning on this tab if the average weighted cost of care is less than the Social Security benefit. To adjust the cost of care value to reflect an appropriate amount which exceeds the Social Security benefit, refer to the Cost of Care Tab note on pages 36-37 of the TRENDSv3 User Manual.

Assumptions Tab
The Assumptions Tab provides a summary of the data assumptions that have been entered in the TRENDS tabs (primarily inflation rates and transfers in and out). The tab requires no data input from the user.

Internal Control Tab
The Internal Control tab summarizes, in one location, all warnings and potential errors, which can be reviewed by the user. In the first section, all the interactive worksheets are listed. If a warning or error appears on the specific tab, a red “Yes” is listed in column F, indicating the user should examine what has caused the error, and attempt to correct it, if applicable. In the remaining sections, the individual tabs are listed, along with warnings/errors that can potentially occur on that respective tab. These warnings/errors are flagged with either a “Yes” or “No” to alert the user to the source of the problem. NOTE: Each warning is a hyperlink to the area which would need correction. For further explanation of the warnings see the TRENDSv3 Support Manual pages 45-51.

Print out assumptions page and attach
## Assumptions

There are many assumptions that need to be made throughout the TRENDS program. Each income and expense item in every Fund needs to include the rate of inflation. Those assumptions are not included in this worksheet. This worksheet lists assumptions that need to be entered BEFORE you begin entering data into the program, and the tabs in TRENDS where you will enter the figure.

<table>
<thead>
<tr>
<th>Name of Category</th>
<th>Assumptions (Enter)</th>
<th>Location for Entry Tab</th>
<th>Location Hyperlink or Cell</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic input</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Members input</td>
<td>X</td>
<td>Members Summary</td>
<td>Cell H10</td>
</tr>
<tr>
<td>Members Summary input</td>
<td></td>
<td>Members Summary</td>
<td>Cell H10</td>
</tr>
<tr>
<td>Assumptions</td>
<td>XXXXXXXX</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-earner income limit</td>
<td>$20,000</td>
<td>Members</td>
<td>Cell I8</td>
</tr>
<tr>
<td>Date on which to calculate age</td>
<td>1/1/2012</td>
<td>Members</td>
<td>Cell S8</td>
</tr>
<tr>
<td>Beginning Age for Social Security</td>
<td>65</td>
<td>Members Summary</td>
<td>Cell H11</td>
</tr>
<tr>
<td>FICA payments stop at this age</td>
<td>65</td>
<td>Members Summary</td>
<td>Cell H12</td>
</tr>
<tr>
<td>Historical Year</td>
<td>2012</td>
<td>Members Summary</td>
<td>Cell H7</td>
</tr>
<tr>
<td>Gender</td>
<td>F</td>
<td>Members Summary</td>
<td>Cell H8</td>
</tr>
<tr>
<td>Number of Years to Project TRENDS</td>
<td>15</td>
<td>Members Summary</td>
<td>Cell H9</td>
</tr>
<tr>
<td>Retirement Age</td>
<td>67</td>
<td>RNA</td>
<td>Cell I6</td>
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<tr>
<td>Interest Rate for Retirement Fund</td>
<td>6.00%</td>
<td>RNA</td>
<td>Cell I7</td>
</tr>
<tr>
<td>Percent of Age Cohort by Level of Care</td>
<td>Choose one</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current History of your Order</td>
<td>X</td>
<td>Cost of Care</td>
<td>Cell C7</td>
</tr>
<tr>
<td>National Statistics</td>
<td></td>
<td>Cost of Care</td>
<td>Cell C8</td>
</tr>
<tr>
<td>Cost of care for each Level of Care</td>
<td>Choose one</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use National Stats Cost of Cost Values</td>
<td></td>
<td>Cost of Care</td>
<td>Cell C253</td>
</tr>
<tr>
<td>Use this Order's avg. Cost of Care Values</td>
<td>X</td>
<td>Members/Cost of Care</td>
<td>Cell M2/258 to I264 or J258 to J264</td>
</tr>
<tr>
<td>Enter individual cost for each member</td>
<td>Members</td>
<td></td>
<td>Cell M2</td>
</tr>
<tr>
<td>Cost of care by Level of Care</td>
<td>Not used with Cell C253 National Stats option</td>
<td>Cost of Care Assessment</td>
<td></td>
</tr>
<tr>
<td>Independent ($ amount)</td>
<td>$29,450</td>
<td>Cost of Care</td>
<td>Cell I258 or J258</td>
</tr>
<tr>
<td>Independent with Services ($ amt.)</td>
<td>$30,800</td>
<td>Cost of Care</td>
<td>Cell I260 or J260</td>
</tr>
<tr>
<td>Assisted ($ amount)</td>
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<td>Cost of Care</td>
<td>Cell I262 or J262</td>
</tr>
<tr>
<td>Skilled ($ amount)</td>
<td>$55,350</td>
<td>Cost of Care</td>
<td>Cell I264 or J264</td>
</tr>
<tr>
<td>Percent increase in Cost of Care</td>
<td>Can be used with Cell C253 Nat. Stats option</td>
<td>Cost of Care Assessment</td>
<td></td>
</tr>
<tr>
<td>% change Independent</td>
<td>3.00%</td>
<td>Cost of Care</td>
<td>Cell L257</td>
</tr>
<tr>
<td>% change Independent with Services</td>
<td>3.00%</td>
<td>Cost of Care</td>
<td>Cell L259</td>
</tr>
<tr>
<td>% change Assisted</td>
<td>5.00%</td>
<td>Cost of Care</td>
<td>Cell L261</td>
</tr>
<tr>
<td>% change Skilled</td>
<td>5.00%</td>
<td>Cost of Care</td>
<td>Cell L263</td>
</tr>
<tr>
<td>Reset % for each year</td>
<td>BUTTON</td>
<td>Cost of Care</td>
<td>Cost of Care Assessment/Cell E254</td>
</tr>
</tbody>
</table>