

Pension

Defined Contribution (401(k) Plan) - The amount contributed by the employer or employee is fixed, but the payout at retirement is not. Employers expense contributions as incurred.

Defined Benefit (Pension Plan) - The payout upon retirement is fixed.

2 Defined Benefit Plan Entities - Employer that supports the pension and the pension plan itself.

Employer Entries	Pension Plan Entries
Pension expense	Projected benefit obligation
Deferred pension cost	Plan assets
Prepaid or accrued pension cost	Vested benefits
Minimum pension liability	Accumulated benefit obligation
Net loss not recognized as pension expense	
Unrecognized past service cost	
Unrecognized gains/losses	

Pension Expense - Unrelated to cash contributions. Recognize expense over the period of employee's employment (the service period).