

Quarterly Survey of Public Pensions

Systems Methodology

The U.S. Census Bureau sponsors and conducts this Quarterly Survey of Public Pensions as authorized by Title 13, Section 182, United States Code.

The survey collects and publishes data on the financial holdings and activities of the 100 largest public-employee retirement systems based on total cash and security holdings as identified in the most recent Census of Governments: Finance Component. Financial holdings data show assets in various types of securities such as stocks, bonds, federal notes, and mortgages. Revenue data consist of earnings, as well as contributions from governments and employees. Expenditure data consist primarily of administrative costs and payments to beneficiaries.

Public-employee retirement systems must meet two criteria: (1) they are sponsored by a recognized unit of government as defined by the Census Bureau; and (2) their membership must be comprised of public employees compensated with public funds. These retirement systems consist of defined benefit plans not defined contribution or post-employment healthcare plans.

Data Collection

Data for the Quarterly Survey of Public Pensions have been collected on a quarterly basis since 1968. The collection starts at the beginning of each calendar quarter and continues for about three months. Revenue collected, payments made, and asset amounts are as of the end of each calendar quarter (March, June, September, and December).

Effective with the first quarter of 2012, the Survey of the Finances of Public Employee Retirement Systems was renamed to the Quarterly Survey of Public Pensions (QSPP). Several other modifications and improvements were made to the survey at the same time. In Part 1, realized net gains or losses was separated from unrealized net gains or losses. In Part 3, the asset Federally-sponsored agency securities was moved from Corporate Bonds to Federal Government Securities.

Usable replies are received from at least 80 percent of the systems canvassed. Effective in the second quarter of 2013, the Quarterly Survey of Public Pensions (QSPP) improved upon item imputation method to fill in missing data based on grouping similar retirement systems together. Both partial and full nonrespondents were imputed using either a mean growth rate, median growth rate, or direct substitution. These methods are applied to certain variables based on research conducted in 2013. A bridge study which reviews the imputation methodology in detail is forthcoming.

The "response rate" for any given quarter rises in subsequent quarters as non-respondent systems provide data that were previously unavailable. Within a year, the "response rate" for a quarter usually averages around 90 percent. The tables present updated information as revisions (r) when we replace imputed data with actual responses.

Data Editing and Data Quality

Editing is a process that ensures survey data are accurate, complete, and consistent. Efforts are made at all phases of collection, processing, and tabulation to minimize errors. Although some edits are built into the Internet data collection instrument and the data entry programs, the majority of the edits are performed after the retirement system's data have been loaded into the Census Bureau's database. Edits consist primarily of two types: consistency and a ratio of the current quarter's reported value to the same quarter in the prior year. The consistency edits check the logical relationships of data items reported on the form. For example, if a value exists for the number of retirees receiving benefits because of age or length of service then there must be a value reported for the amount paid. The ratio edits compare, by item code, the data reported for the current

quarter with data reported for the prior quarter. If the data fall outside of the acceptable tolerance range, the item is flagged for review. For both types of edits, the edit results are reviewed by analysts and data are adjusted when needed. When the analyst is unable to resolve or accept the edit failure, the respondent is contacted to verify or correct the reported data.

Although every effort is made in all phases of collection, processing, and tabulation to minimize errors, the sample data are subject to nonsampling errors such as the inability to obtain data for every variable from all units in the sample, inaccuracies in classification, response errors, misinterpretation of questions, mistakes in keying and coding, and coverage errors. Data in these tables are subject to possible inaccuracies in classification, response, and processing. Every effort is made to keep such errors to a minimum through examining, editing, and tabulating the data submitted. In addition, effective with the first quarter of 2012, the survey form was changed to reflect changes in asset classification.

It should be noted that some public-employee retirement systems report all or part of receipts and expenditures on an "accrued" basis, while others report receipts on an accrual basis and expenditures on a cash basis. Therefore, the relationship between quarterly revenues and expenditures does not directly tie to an equivalent change in Cash and Security Holdings. However, these differences in the quarterly series will generally be resolved within the fiscal year.