

2002 Census of Public Employee Retirement Systems Methodology

The U.S. Census Bureau sponsors and conducts a Census of Governments at 5-year intervals, as required by law under Title 13, United States Code, Section 161.

The 2002 Census of Public Employee Retirement Systems, similar to those taken since 1957, provides revenues, expenditures, financial assets, and membership information for public employee retirement systems that are defined benefit plan pensions. Data are shown for individual retirement systems as well as at the national, state, and local government level. The Census yields a series of tables and files that provide users with comprehensive statistical information about the financial activity and the membership of state and local government employee retirement systems. In non-census years the [Annual Survey of State and Local Government Employee Retirement Systems](#) is conducted covering equivalent data detail.

Population of Interest

The population of interest for this survey contains 218 state government employee retirement systems and 2,452 local government employee retirement systems. Retirement systems were only included if they met the following two criteria: (1) they were sponsored by a recognized unit of government as defined by the Census Bureau and (2) their membership was comprised of public employees compensated with public funds. These retirement systems consist of defined benefit plans – not defined contribution or post-employment healthcare plans. In years ending in '2' and '7' the entire universe is canvassed. In intervening years, a sample of the population of interest is surveyed.

Change in Measurement Basis

From 1986 to 2001, the nongovernmental security categories of corporate bonds were included at par (book) value and corporate stocks at book (cost) value. Beginning in the early 1990's these two investment categories were measured at market value, in addition to book value. The decision to use both measures resulted from changes in accounting practices and the standardization of accounting practices in the government sector as called for by the Governmental Accounting Standards Board. While market value measures were not included in the standard tabular presentation, the two variables were included in the public use data files. Effective with the 2002 Census of Governments the nongovernmental security categories of corporate bonds and corporate stocks are reported at fair market value in accordance with Statement 34 of the Governmental Accounting Standards Board. Users should use caution when comparing asset data from earlier years to data from fiscal year 2002 and forward.

Content of the Survey

A retirement system is a pension plan in which investments, contributions, and benefits are administered as a separate entity independent of the parent government general fund. Assets are accumulated and benefits paid under a particular set of actuarial assumptions, including employee age, compensation, and service credits. They include single employer systems, in which one government is the sole sponsor of the pension plan, as well as multiple employer systems, where two or more governments maintain membership on behalf of their employees.

For both the census and annual survey, the detail of the data is equivalent, encompassing the entire range of financial activity for government employee retirement systems – benefits paid, government contributions, employee contributions, and total holdings and investments. Total holdings and investments data include securities and other assets, such as cash and short-term investments, corporate bonds and stocks, and mortgages held directly.

The forms listed below are used to collect the data. The variables collected on these forms are explained in detail in the [1992 Government Finance and Employment Classification Manual](#).

Form Number	Survey Name
F11 FY2002	Locally Administered Employee Retirement Systems
F12 FY2002	State Administered Employee Retirement Systems

Data Collection

Data collected for the Census of Public Employee Retirement Systems are public record and are not confidential, as authorized by Title 13, United States Code, Section 9. Data for this survey were collected using the F-11 and F-12 forms listed in the Content of the Survey section above.

The disseminated data are based on information obtained for the Census of Governments. Forms were mailed to the 218 state retirement systems and 2,452 local retirement systems in the 2002 public employee retirement universe. Staff contacted nonrespondents through a follow-up mail-out and by way of follow-up telephone calls. When a system returned its Comprehensive Annual Financial Report (CAFR) instead of completing the form, Census Bureau staff compiled the data using the report. Staff also used CAFRs available on the Internet to compile data for nonrespondents. All respondents had the option of returning their survey form by mail or reporting their data on-line through the Census Bureau Retirement Website.

The data collection schedule used for the 2002 Census of Public Employee Retirement Systems follows:

Initial mail-out	10/2002
Follow-up mail-out	12/2002

Data Processing

Editing

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 post collection. Edits consist primarily of two types: consistency edits and historical ratio edits of the current year's reported value to the prior year's value.

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 of benefits paid.

The historical ratio edits compare by item code the data reported for the current year with data reported for the prior year. If data fall out of acceptable tolerance levels, the item is flagged for review.

For both types of edits, the edit results are reviewed by analysts and adjusted when needed. When analysts are unable to resolve or accept an edit failure, contact is made with the respondent to verify or correct the reported data.

Imputation

Not all respondents answer every item on the questionnaire. There are also questionnaires that are not returned despite efforts to gain a response. Imputation is the process of filling in missing or invalid data with reasonable values in order to have a complete data set for analytical purposes. For census years, the complete data set is also needed for sample design purposes.

For both state and local government employee retirement systems the imputations were based on either a prior year annual survey or the most recent Census of Governments. All but four missing variables (Z90, Z92, Z95, Z97) were imputed using one of the following methods: cell median or donor distribution of Z81, cell mean, or reported prior year or census year data that were multiplied by a growth factor. If the respondent did not write in anything in Z90, Z92, Z95, and Z97, we imputed those variables to be zero.

Sampling Error

The data for the census year are not subject to sampling and do not contain sampling error. The user should be mindful that the data for years not ending in '2' or '7' are from sample surveys and are subject to sampling error. Discussions of sampling error are available in the survey methodology descriptions for those years.

Nonsampling Error

Although every effort (as described in the Data Processing section above) 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.

Overall Unit Response Rate

The overall unit response rate for the 2002 Census of Public Employee Retirement Systems was 89.3% percent. The response rate was calculated as the number of responses received divided by the number of parent governments mailed minus the number of governments that were determined to be out of scope.

Response Rate Tables

Quantity response rates for 2002 are available in downloadable Excel files on the Website: <http://www.census.gov/govs/estimate>