

Survey Methodology for the 2011 Annual Survey of Public Pensions: State-Administered Defined Benefit Data

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

The survey measures revenues, expenditures, financial assets, and membership information for public employee retirement systems classified as defined benefit plans. Data are shown for individual retirement systems as well as at the national and state level. The survey yields a series of tables and files that provide users with comprehensive statistical information about the financial activity and the membership information of state and local government employee retirement systems.

Population of Interest

The population of interest for this survey includes public employee retirement systems administered by state governments throughout the nation. 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 as part of the Census of Governments. In intervening years, a sample of the population of interest is surveyed.

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 of Governments and the 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 2011 survey year encompasses fiscal years that end between July 1, 2010 and June 30, 2011. Most state-administered retirement systems have fiscal years that end on June 30th and for these systems, the 2011 survey year covers the period from July 1, 2010 to June 30, 2011. For those retirement systems with fiscal years that end **after** June 30th, the survey year includes data from their 2010 fiscal year.

There are exceptions to the fiscal year definition rule for the state retirement systems in Alabama, Michigan, and Texas. For systems in these states, the fiscal year moves beyond the June 30 cutoff, so that the data for survey year 2011 covers the fiscal year from September 1, 2010 to August 31, 2011 (TX), and from October 1, 2010 to September 30, 2011 (AL, MI). This exception is applied in order to better align the retirement data with data from the State Finance Survey.

The forms listed below are used to collect the data. The variables collected on these forms are explained in detail in the [2006 Government Finance and Employment Classification Manual](#).

Form Number	Survey Form Name
<u>F12 FY2011</u>	State Administered Employee Retirement Systems

Data Collection

Data collected for the Annual Survey of Public Pensions are a matter of 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-12 form listed in the [Content of the Survey](#) section above.

Data in these files are based on information obtained in the Annual Survey of Public Pensions. Forms were mailed to the 222 state government employee retirement systems, with a response rate of 100 percent. In 2007, the state systems accounted for 83.7 percent of the total assets of the 2007 public-employee retirement system 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 or reporting their data on the Census Bureau's Internet collection instrument.

The data collection schedule used for the 2011 Annual Survey of Public-Employee Retirement Systems follows:

Initial mail-out	November, 2011
Follow-up mail-out	February, 2012

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. For units missing details of a reported total, items are imputed using a distribution from prior years.

Nonsampling Error

The data from this survey are not from a sample and are not subject to sampling error, but they are subject to nonsampling error. Although every effort (as described in the Data Processing section) is made in all phases of collection, processing, and tabulation to minimize errors, the data are subject to nonsampling errors such as the inability to obtain data for every variable from all units in the survey, inaccuracies in classification, response errors, misinterpretation of questions, mistakes in keying and coding, and coverage errors.