

2009 Impact Report

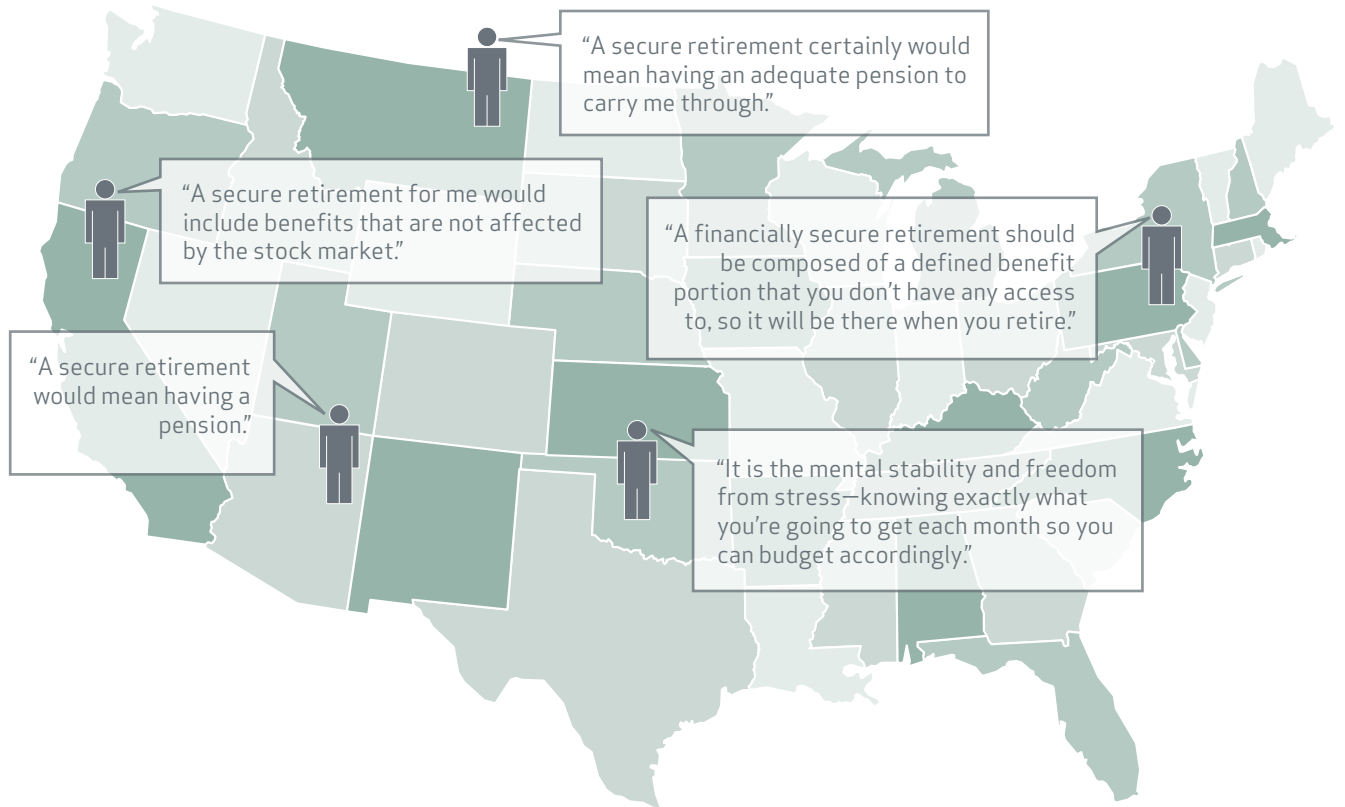
DELIVERING RESULTS COAST TO COAST



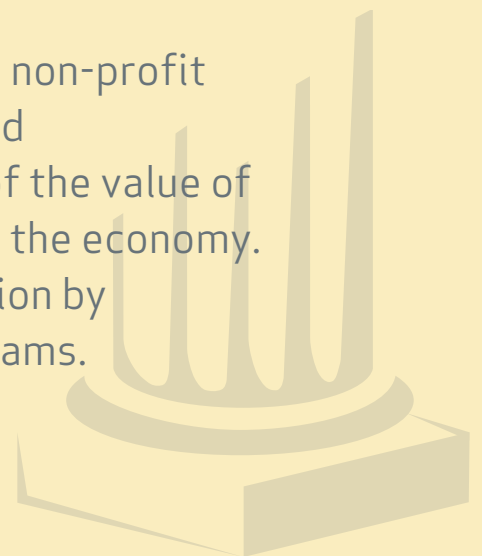
NATIONAL INSTITUTE ON
Retirement Security

Reliable Research. Sensible Solutions.

NIRS polled Americans across the country about how they would define a financially secure retirement. Here is what we heard:



The National Institute on Retirement Security is a non-profit organization established to contribute to informed policymaking by fostering a deep understanding of the value of retirement security to employees, employers, and the economy. Located in Washington, DC, NIRS fulfills this mission by conducting national research and education programs.



Coast to Coast Impact

Thank you for helping to make 2009 a tremendous success for the National Institute on Retirement Security! With the support of our members and the hard work of our board and staff, NIRS has quickly established itself as a leading source of quality information and analysis on retirement security issues. I'm pleased that our work is reaching a broad array of stakeholders from coast to coast—from high level policymakers to ordinary working Americans and retirees.

The recent economic downturn has made it crystal clear that retirement issues affect all Americans, young and old, in every state across the nation. With this in mind, in 2009 we expanded our research and education programs even more broadly, reaching across the country to inform retirement policy discussions and deeply impress upon stakeholders the value of retirement security to employees, employers, and the broader economy.

We kicked off 2009 with the release of national public opinion polling on Americans' views on pensions and retirement issues, finding—not surprisingly—that Americans really do want pensions. Soon after, we unveiled our *Pensionomics* report—a study of the economic impact of public pension expenditures both nationwide and on a state-by-state basis. Later in the year, we wrote about the special challenges women face in achieving a secure retirement and on the staying power of pensions in the public sector. Finally, our *Pension Factor* report drove home just how effective pensions are in protecting older Americans from economic hardships and reducing their reliance on public assistance.

As part of our 2009 education program, we provided expert testimony to national and state level policymakers, and traveled the country extensively to inform stakeholders about our work. We gave interviews to a wide variety of media outlets all over the country, helping to shape stories from national papers such as the *Wall Street Journal* and the *Washington Post* to local papers like the *Oregonian* and the *Sioux City Journal*.

In the past year, NIRS has also steadily expanded its membership ranks. By the end of 2009, our members stretched from Maine to Hawaii, covering nearly each of the 50 states and Puerto Rico. Our members extend the reach of our work, as they deploy our research and educational materials with their own local stakeholders to make an impact with legislators and policymakers. NIRS members are also benefiting from new, members-only educational opportunities, like our newly-launched “Retirement Dialogues” webinar series. This series provides a forum to obtain insights from retirement experts and to discuss timely issues with other NIRS members.

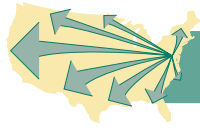
I hope you will take a few minutes to review our 2009 Impact Report to learn more about our initiatives and results for the past year. We look forward to working with you in the months ahead to build on these accomplishments, expand our impact across the country, and continue our work in support of broad-based retirement security for hard-working Americans.



Beth Almeida
Executive Director



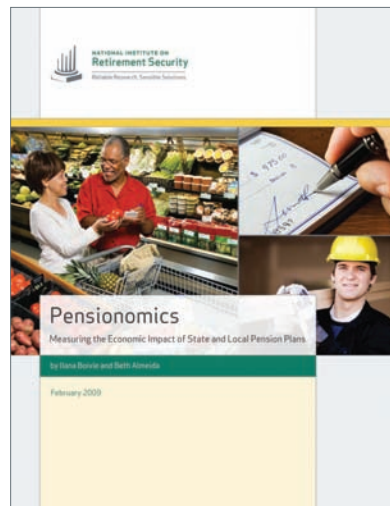
Research Results



Original Research Reports and Briefs

The overarching goal of NIRS' research program is to provide accurate, unbiased and non-partisan analysis that will foster informed policy solutions to restore and expand retirement readiness in America. In 2009, NIRS examined retirement issues at the broad national level and the detailed local level.

NIRS research reports are reviewed by independent academics and retirement experts to ensure high quality and accuracy.



“Pensions and Retirement Security: A Roadmap for Policy Makers” finds a high level of retirement concerns across America. Americans say that access to pensions would reduce anxiety, and they express strong support for government action to ease the way for employers to offer pensions.

“Pensionomics: Measuring the Economic Impact of State and Local Pension Plans” finds that the benefits provided by state and local government pension plans have a sizable economic impact that ripples through every state and industry across the nation. Expenditures made from these benefits support 2.5 million jobs and \$358 billion in economic output.

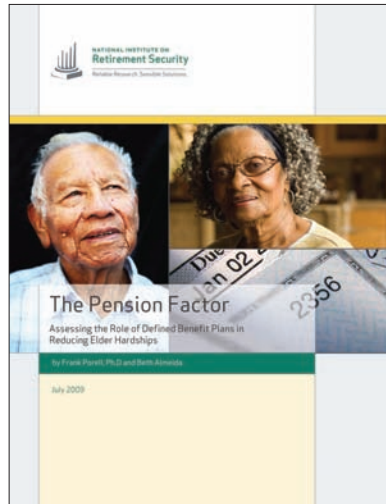
State-by-State Pensionomics Fact Sheets: NIRS also measured the economic impact of expenditures made from state and local pension benefits for each of the fifty states. NIRS finds that pension expenditures have a significant economic footprint in every state in the nation.

“The Economic Impact of Nevada PERS” is an economic impact study prepared for the Nevada Public Employees Retirement System by NIRS. The report measures the economic “footprint” of pension benefits paid by Nevada PERS, and finds sizeable results: over 5,700 jobs and \$1 billion in total economic output throughout the state.

“The Staying Power of Pensions in the Public Sector,” a paper published by the *California Public Employee Relations Journal*, explores why DB plans have “staying power” in the public sector. It concludes that pensions are an effective way to meet the objectives of employees, employers, and taxpayers alike.

“Shattering the Retirement Glass Ceiling: Women Need a Three-Legged Stool” finds that achieving retirement security often is more challenging for women than men. Retirement risks can be reduced with the combination of a traditional defined benefit pension, Social Security, and supplemental individual savings.

“The Pension Factor: Assessing the Role of Defined Benefit Plans in Reducing Elder Hardships” finds that defined benefit pension income plays a critical role in reducing the risk of poverty and hardship for older Americans. Pensions reduce poverty among older households and spending on public assistance programs by about 40%.



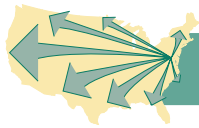
“Recruitment and Retention in the Public Sector: The Role of Pensions” was published in the Proceedings of the 61st Annual Meeting of the Labor and Employment Relations Association. It finds that traditional pensions are an effective retention tool for governmental employers and are highly valued by public sector employees. Because pensions serve employees, employers, and taxpayers well, the public sector is unlikely to mimic the trend away from DB pensions witnessed in the private sector.

“The New Intersection on the Road to Retirement: Public Pensions, Perceptions, and Politics” is a chapter in a new volume, *The Future of Public Employee Retirement Systems*, published by the Pension Research Council at the University of Pennsylvania’s Wharton School. The research indicates that efforts to dismantle public pensions were found to have ties to partisan politics and organized ideological interest groups.

“The results of [NIRS] economic impact analysis are important to all Alaskans and, specifically, the members of the Alaska State Legislature who are currently considering...[restoring] the defined benefit retirement system for teachers and public employees.”

**Senator Joe Paskvan,
Chair, Senate Labor & Commerce Committee, Alaska State Senate**

Education Results



Reaching Audiences Coast to Coast

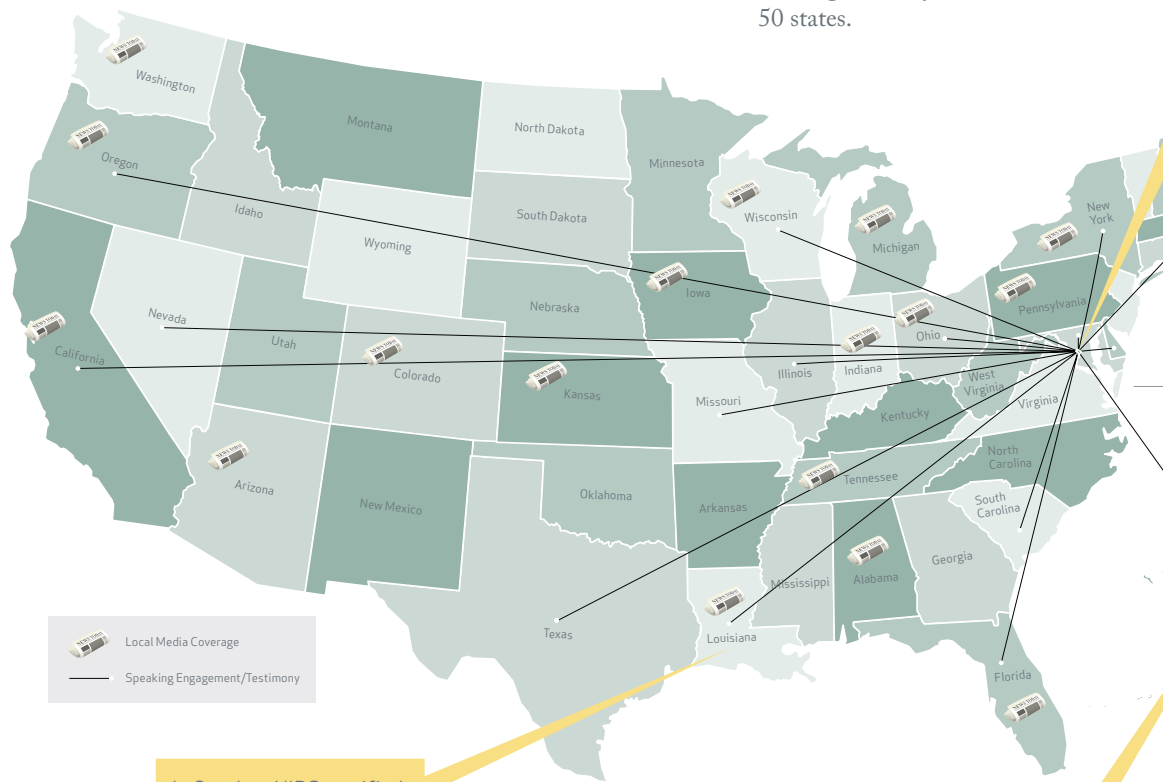
In 2009, NIRS testified before both national and state level policymakers, interviewed with a wide range of national and local media outlets, and travelled the country extensively to inform stakeholders about our work.

Speaking Engagements:

NIRS spoke at dozens of events nationwide, to diverse organizations including AARP, the National Association of Counties, and the National Association of State Treasurers, as well as industry, academic, union, and retiree audiences. NIRS also testified before federal and state level policymakers.

Webinars:

In 2009, NIRS launched its “Retirement Dialogues” webinar series, a forum to provide NIRS Members with insights from experts and members on key retirement issues. Webinar topics included Educating Stakeholders in Tough Times and Confronting Pension Envy. These Webinars reached NIRS members residing in nearly each of the 50 states.



In October, NIRS testified before the Louisiana Joint House and Senate Retirement Committees on its *Pensionomics* and *Bang for the Buck* reports.

In February and March, NIRS testified before the Alaska Senate Labor and Commerce Committee on its *Pensionomics* report, as well as the Senate State Affairs Committee and the State Legislature's House Labor & Commerce Committee on its *Pensionomics* and *Bang for the Buck* reports.

MEDIA OUTREACH

In 2009, NIRS was cited in more than 100 news articles from coast to coast—even reaching across the Atlantic. Below are just a few examples of NIRS' media reach in 2009.

The Wall Street Journal

Dumping Defined-Benefit Plans Has a Cost, Too

“Our research shows that...the economic efficiencies embedded in pensions enable them to deliver the same retirement benefit at half the cost of individual accounts.”

June 1, 2009

US News & World Report

Survey: Americans Want Pensions Back

“Americans with shrunken nest eggs are feeling nostalgic for pensions. About half of those without a pension (55 percent), say the old-fashioned retirement plan would ease their money worries.”

May 4, 2009

Governing

Pensions with Big Feet

“A new study by the National Institute on Retirement Security reports on the economic impact of state and local pension plans. The report, with the catchy name of *Pensionomics*, finds that in 2006 state and local pensions had a total economic impact of more than \$358 billion.”

March 2009

The Washington Post

Boomers Going Bust

“A poll released in January by the National Institute on Retirement Security shows the anxiety about this issue. Because of the recession, 83 percent of those polled said they were worried about having a secure retirement...”

May 7, 2009

USA Today

Dismantling Pensions Would Hurt More Than Help

“The solution to our retirement challenge isn't a race to the bottom where no one has a shot at a decent retirement. Rather, the solution is to raise the bottom and give all Americans access to a low-cost, professionally managed retirement program that allows them to share responsibility for financing their retirement years.”

July 21, 2009

Fox Business/MarketWatch

Retirement Plan Recovery Still Far Off

“Pensions reduce—and in some cases eliminate—the greater risk of poverty and public-assistance dependence that women and minority populations otherwise would face.”

August 4, 2009

The Economist

Economist Debates:

Reaching 65

“Restoring Americans' retirement readiness will require policymakers to set different priorities, engage in creative thinking and embrace sensible solutions. Changes in our economy and society speak in favour of retooling pensions to meet 21st-century needs, not abandoning the goal of broad-based retirement security.”

June 24, 2009

The Wall Street Journal

Local Govts Seek Ways to Make Pension Costs 'Manageable'

“What we are really seeing around the country are not knee-jerk reactions to dramatic events. You are seeing a more deliberate reaction,” Almeida said. “The public pensions have been through market cycles before.”

September 22, 2009

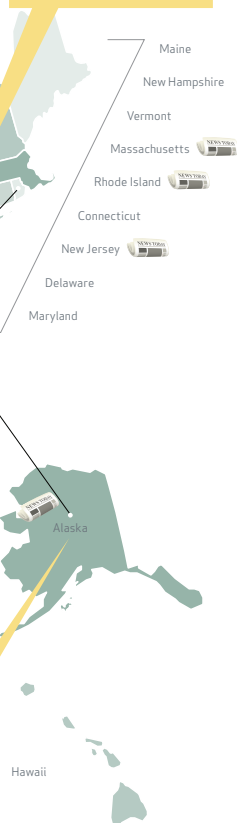
The Oregonian

Mom's Dreary Retirement Prospects

“Despite all the educational and employment gains women have made over the last three decades, there's still a tremendous gender gap in retirement prospects.”

May 9, 2009

Here in Washington, NIRS testified before the President's Economic Recovery Advisory Board and the U.S. Department of Labor's Advisory Council on Employee Welfare and Pension Benefit Plans. NIRS also participated in a forum on the future of DB plans, sponsored by the Pension Benefit Guaranty Corporation.



Who We Are

Board of Directors

Laurie Fiori Hacking, Chair and President
Executive Director, Minnesota Teachers Retirement Association

Ann Yerger, Secretary/Treasurer
Executive Director, Council of Institutional Investors

Glenda Chambers
Executive Director, National Association of State Retirement Administrators

Jack Ehnes
Chief Executive Officer, California State Teachers' Retirement System

Gary Harbin
President, National Council on Teacher Retirement and Executive Secretary, Kentucky Teachers' Retirement System

James Mosman
Executive Director, National Council on Teacher Retirement

Michael Williamson
President Elect, National Association of State Retirement Administrators and Director, North Carolina Retirement Systems

Staff

Beth Almeida, Executive Director

Ilana Boivie, Policy Analyst

Kelly Kenneally, Communications Consultant

Academic Advisory Board

The Academic Advisory Board is an invaluable resource for NIRS.

Comprised of leading pension experts, this group of advisors help ensure that our research projects meet the highest standards. We are grateful to these individuals for their advice, guidance, and counsel.

Brad M. Barber, PhD
University of California Davis

Ron Gebhardtshauer, FSA, MAAA
Pennsylvania State University

Teresa Ghilarducci, PhD
The New School for Social Research

Jacob S. Hacker, PhD
Yale University

Regina T. Jefferson, JD, LLM
Catholic University of America

Alicia H. Munnell, PhD
Boston College

Jeffrey B. Wenger, PhD
University of Georgia



Left to right: Ilana Boivie, Beth Almeida, and Kelly Kenneally.

What We Do

Mission

The National Institute on Retirement Security is a non-profit research and education organization established to contribute to informed policymaking by fostering a deep understanding of the value of retirement security to employees, employers, and the economy as a whole.

Vision

Through our activities, NIRS seeks to encourage the development of public policies that enhance retirement security in America. Our vision is one of a retirement system that simultaneously meets the needs of employers, employees, and the public interest. That is, one where:

- Employers can offer affordable, high quality retirement benefits that help achieve human resources goals;
- Employees can count on a secure source of retirement income to maintain a decent living standard after a lifetime of work;
- The public interest is well served by retirement systems that are managed in ways that promote fiscal responsibility, economic growth, and responsible stewardship of retirement assets.

Approach

High-quality research that informs the public debate on retirement policy. Our research program focuses on the role and value of defined benefit pension plans for employers, employees, and the public at large. We also conduct research on policy approaches and other innovative strategies to expand broad based retirement security.

Education programs that disseminate our research findings broadly. We share our research findings with the public, policy makers, and the media by distributing reports, conducting briefings, and participating in conferences and other public forums.

Outreach to partners and key stakeholders. By building partnerships with other experts in the field of retirement research and with stakeholders that support retirement security, we leverage the impact of our research and education efforts. Our outreach activities also improve the capacity of government agencies, non-profits, the private sector, and others working to promote and expand retirement security.

“NIRS has been an invaluable resource. Staff members are informed, accessible, and extremely accommodating.”

Maris E. LeBlanc
Deputy Director, LASERS

Members

Our work would not be possible without the generous financial support of our Founding Members, Educational Sustainers, and Associate Members. We thank the following organizations who supported NIRS in 2009.

Founding Members

Council of Institutional Investors

National Association of State Retirement Administrators

National Council on Teacher Retirement

Educational Sustainers

Any individual, incorporated entity, educational institution, association, or other group interested in retirement security and pensions may become a NIRS Educational Sustainer.

AARP*

Florida Public Pension Trustees Association

Gabriel Roeder Smith and Company

Milliman Inc.

New Jersey Education Association

State Street Corporation

The Segal Company

** Denotes support at the Benefactor level.*

“I have seen NIRS in national publications and am impressed with your ability to get the word out. In **The Wall Street Journal, Pensions and Investments, USA Today** – I continually see references to NIRS in an article or letter to the editor.”

Glenn D. Bowen,
Principal, Consulting Actuary, Milliman

Associate/Charter Members

Associate membership in NIRS is open to employee benefit plans, state or local agencies officially charged with investing public funds (such as state investment boards), and charitable, tax-exempt foundations and endowments.

American Federation of Teachers Staff Pension Plan	North Dakota Retirement and Investment Office*
CalPERS*	Ohio Police & Fire Pension Fund*
CalSTRS*	Ohio Public Employees Retirement System*
Charlotte Firefighters' Retirement System	Ohio School Employees Retirement System*
Chicago Teachers' Pension Fund*	Oklahoma Police Pension & Retirement System
Colorado PERA*	Pennsylvania Public School Employees' Retirement System*
Contra Costa County Employees' Retirement Assoc.*	Pennsylvania State Education Association
CWA/ITU Negotiated Pension Plan*	PERA of New Mexico*
Delaware Public Employees' Retirement System*	Public Employees Retirement Assoc. of Minnesota*
Denver Public Schools Retirement System*	Public Employees' Retirement System of Nevada*
District of Columbia Retirement Board	Public Safety Personnel Retirement System of Arizona*
Employees' Retirement System of Georgia*	Public School Retirement System of Missouri*
Employees Retirement System of Rhode Island*	Puerto Rico Government Employees Retirement Systems
Employees' Retirement System of the State of Hawaii*	Sacramento County Employees' Retirement System*
IAM National Pension Fund	San Bernardino County Employees' Retirement Association
IAMAW Grand Lodge Pension Plan	Sheet Metal Workers' National Pension Fund*
Illinois Municipal Retirement Fund*	Sonoma County Employees' Retirement Association
Iowa Public Employees' Retirement System*	South Carolina Retirement Systems*
Jacksonville Police and Fire Pension Fund*	South Dakota Retirement System*
Kansas Public Employees Retirement System	St. Paul Teachers' Retirement Fund Association*
Kentucky Retirement Systems*	State Retirement and Pension System of Maryland*
Kentucky Teachers' Retirement System*	State Teachers Retirement System of Ohio*
Laborers National Pension Fund*	State Universities Retirement System of Illinois*
Los Angeles County Employees Retirement Assoc.*	Teacher Retirement System of Texas*
Louisiana State Employees' Retirement System*	Teachers Retirement System of Georgia*
Maine Public Employees Retirement System	Teachers' Retirement System of Illinois*
Massachusetts Teachers' Retirement System*	Teachers' Retirement System of Louisiana*
Minnesota Teachers Retirement Association*	Tennessee Consolidated Retirement System*
Mississippi Public Employees Retirement System*	Texas County & District Retirement System*
Missouri Local Government Employees Retirement System*	Texas Municipal Retirement System*
Missouri State Employees' Retirement System*	The Educational Employees' Supplementary Retirement System of Fairfax County*
MoDOT and Patrol Employees' Retirement System*	UNITE HERE National Retirement Fund
Montana Teachers' Retirement System*	Utah Retirement Systems*
Municipal Employees' Retirement System of Michigan*	Virginia Retirement System*
Nebraska Public Employees Retirement System*	West Virginia Consolidated Public Retirement Board*
New York State Teachers' Retirement System*	Wisconsin Department of Employee Trust Funds*
North Carolina Retirement Systems*	
North Dakota Public Employees Retirement System*	

* Denotes Exclusive "Charter Members" – those organizations affiliated with the Founding Members and joining NIRS in its first year of operation.



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