



2013 Impact Report

REACHING NEW HEIGHTS



NATIONAL INSTITUTE ON
Retirement Security

Reliable Research. Sensible Solutions.

Another Year of Progress

2013 was a year of continued progress and new achievements at the National Institute on Retirement Security. With the support of our diverse and growing membership, we are making a real impact to inform and re-shape the nation's retirement policy debate.

On the research front, we issued five important products that span studying the retirement finances of American households to looking at retirement savings models around the globe. Of particular note is the report, *The Retirement Savings Crisis: Is It Worse Than We Think?* This report is groundbreaking because it calculates the retirement savings shortfall for all Americans, not just those with workplace retirement plans. We found that the typical working household has virtually nothing saved for retirement, and we calculated that the aggregate U.S. retirement savings gap is between \$6.8 and \$14.0 trillion.

Our companion study, *Race and Retirement Insecurity*, took a deeper dive and found even more alarming data for Blacks, Latinos and Asians. With low access to retirement plans and low wages, we found little if any retirement savings among Americans of color.

NIRS research products continue to be the cornerstone of our education programming. The stark facts behind the significant retirement challenge facing all working Americans complemented the findings of our public opinion research and made the job of raising awareness easier. In fact, 2013 marks the first year that our time spent on in-bound inquiries exceeded our efforts to proactively inform stakeholders of our data findings. More specifically, we fielded incoming media inquiries on almost every workday, and we have more speaking requests than we can fulfill. That's a good place to be!

Our fourth annual retirement policy conference in March 2013 set the stage for a wider NIRS lens on retirement security. International experts gave this event a new angle examining the retirement successes of other nations. Conference attendees also valued insights and discussions with top thought leaders like the Honorable Kathleen Kennedy Townsend, California State Senator Kevin de León, and Prudential Bank & Trust CEO Jamie Kalamarides.

Today hopeful signs dot the retirement policy landscape. States are considering innovative retirement security solutions. The White House announced a retirement proposal in the State of the Union speech. Congress has expressed interest in pensions for the 21st century.

NIRS will remain vigilant in generating impactful research focused on how to build a financially secure retirement that benefits our nation's economy. With strong support from our members, we'll build on our new heights until all working Americans are positioned to live out their retirement years with financial security and dignity.



A handwritten signature in black ink that reads "Greg Smith".

Greg Smith
NIRS Chairman & President



A handwritten signature in blue ink that reads "Diane Oakley".

Diane Oakley
NIRS Executive Director

Research

Reaching New Heights

Since 2008, NIRS has released a full body of high quality retirement research products, with a special focus on pensions. A full listing of NIRS research products is available at www.nirsonline.org.

The research issued in 2013 was broad, substantive, and covered new territory. It examined topics such as retirement readiness across the entire working population and among racial groups while also looking at the important role that shared responsibility played in public retirement systems.



Pensions & Retirement Security 2013: A Roadmap for Policy Makers

outlines public opinion research that finds Americans remain highly anxious about their retirement prospects and would participate in a new pension system to help rebuild the road to retirement.



The Retirement Savings Crisis: Is It Worse Than We Think?

uses the Federal Reserve's Survey of Consumer Finances to analyze retirement plan participation, savings, and overall assets of all U.S. households. The research finds retirement savings are dangerously low, and the U.S. retirement savings deficit is between \$6.8 and \$14.0 trillion.



Race and Retirement Insecurity in the United States

examines retirement readiness racial disparities among working households age 25-64. It analyzes three key areas—workplace retirement coverage, retirement account ownership, and retirement account balances.



Lessons for Private Sector Retirement Security from Australia, Canada, and the Netherlands

provides international perspectives on retirement security by outlining social security and universal, quasi-universal, and voluntary employer-provided retirement plans in Australia, Canada, and the Netherlands.



Shared Responsibility: Economic and Legal Aspects of Employee Contributions to Public Pensions (Members Only)

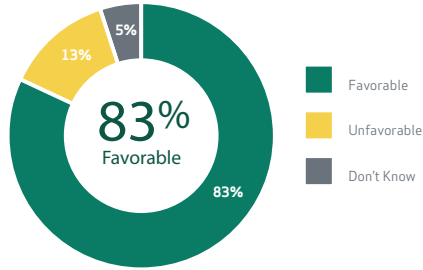
Released only to members, the research seeks to inform policymakers and stakeholders about the economic and legal aspects of employee pension contributions in the public sector.



New Facts to Change the Debate

83% of Americans Support Pensions

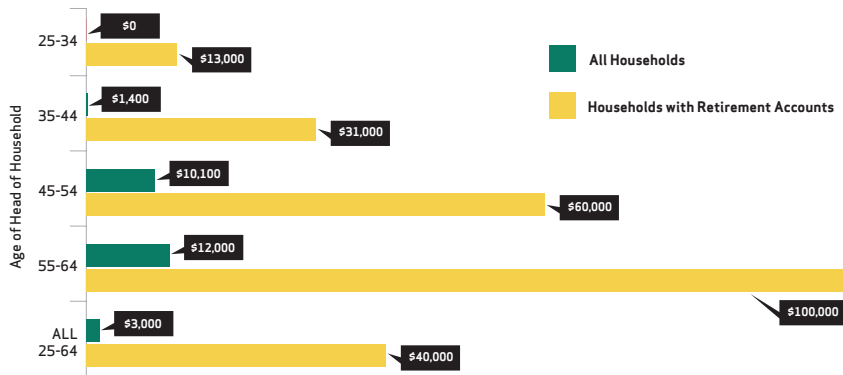
How would you describe your overall view of a defined benefit pension?



Source: *Pensions & Retirement Security 2013: A Roadmap for Policy Makers*, February 2013

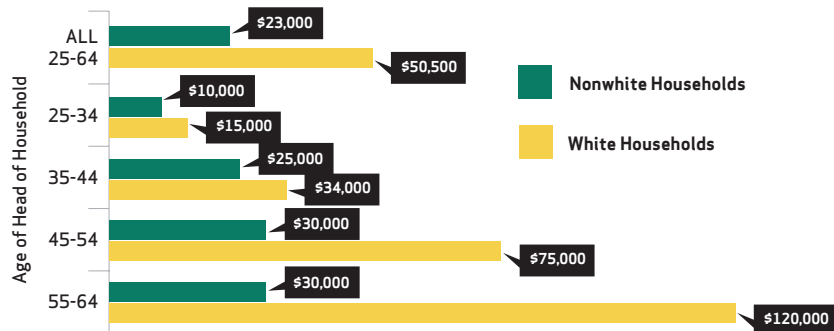
Typical Working-Age Household Has Only \$3,000 in Retirement Account Assets; Typical Near-Retirement Household Has Only \$12,000

Median retirement account balances, households with retirement accounts vs. all households, 2010



Source: *The Retirement Savings Crisis: Is it Worse Than We Think?*, June 2013.

Among Near-Retirees with Retirement Assets, Typical Household of Color Has One-Fourth the Retirement Savings of Typical White Household



Source: *Race and Retirement Insecurity in the United States*, December 2013.

Education

Speaking Engagements & Media Outreach

Speaking Engagements

Again this year, NIRS has been in high demand on the speaking circuit discussing our research and retirement issues. This includes testimony and at conferences, seminars, and trainings.

The year 2013 was no different. We participated in more than 40 events from Washington, D.C. to Seattle—and cities in between. We also reached a diverse audience of policymakers, journalists, plan sponsors, experts and retirees through speaking engagements with organizations such as the National Conference of State Legislatures, the National Association of Latino Elected and Appointed Officials, and the Atlantic Media among others.

Media

A key priority of NIRS is to help improve the balance and accuracy of media coverage of retirement issues. We have diligently built trusted relationships with media outlets, and our efforts continue to get results.

This year in particular, NIRS reached new heights with the quantity of high quality news articles. We soared this year, as our reports and experts were cited in more than 200 news stories. Also, the volume and quality of the articles continue to grow. Below are just a few examples from 2013.

Retirees Face Their Own Fiscal Cliff

“It has been too hard to exact returns from 401(k) plans and other self-managed vehicles. One reason, says Diane Oakley of the National Institute on Retirement Security, is that it’s much easier to plan for the risks of a large group, which has a real average for health and longevity. Then there is the burden of choosing investments that track with your changing needs. Traditional pension plans, called defined benefit plans, don’t have to move in and out of their investments that way.”

USA Today

January 10, 2013

Retirement Security

A guest on C-SPAN’s Washington Journal, Diane Oakley talked about the trend of more Americans dipping into their retirement savings accounts for non-retirement purposes. Topics included the reasons for tapping into accounts such as 401(k) plans, associated penalties, and how employers are helping their employees save for the future. She also responded to live telephone calls and electronic communications.

C-SPAN

Washington Journal

January 19, 2013

Americans Anxious About Retirement

“Even as the economy slowly improves, the vast majority of Americans remain deeply worried about their ability to achieve a secure retirement, according to a new survey. The poll, to be released by the National Institute on Retirement Security (NIRS) at a conference on Tuesday, found that 55 percent of Americans are “very concerned” that the current economic conditions are harming their retirement prospects.”

The Washington Post

February 25, 2013

401(k): Pass or Fail

“Now, many boomers can’t afford to leave the work force, which is bad news for the Millennials just entering the labor market. That’s the important thing about a retirement plan—it is designed to encourage people to leave the workforce when it’s time for them to leave, but now people are working longer, which disrupts the labor market by not opening up positions to be filled with the younger generations,” says Oakley.

FOXBusiness

February 26, 2013

Rowboats for Retirement

“A new report from the National Institute on Retirement Security, based on analysis of the 2010 Survey of Consumer Finances, shows that about 45 percent of all working-age households don’t hold any retirement account assets, whether in an employer-sponsored 401(k) type plan or an individual retirement account.”

The New York Times

June 24, 2013

Why Minorities Are Losing the Retirement Game

“The issue of retirement inequality has caught fire in Washington, D.C., and a report issued this week throws a new log on the flames. The report zeroes in on the appalling gap in retirement security among racial groups in America. The National Institute on Retirement Security (NIRS), a non-profit research group, found that workers of color—especially Latinos—are far behind whites by every measure.”

Reuters

December 12, 2013

Conference



NIRS' Fourth Annual Policy Conference

Convening retirement experts and policy leaders is an important aspect of NIRS work. In 2013, we convened another substantive and widely attended policy conference that took a new direction—looking at successful retirement programs in other nations.

On February 25-26, NIRS held its Fourth Annual Retirement Policy Conference, “Retirement Insecurity: Can We Meet the Generational and Global Challenges?” in Washington, D.C.

Nearly 200 retirement leaders examined key questions: What are the pragmatic policy solutions to mitigate both the immediate and long term retirement crises? What is the global outlook? What lessons and solutions from other nations can we bring to bear in the U.S.?

The conference featured the release of “Pensions & Retirement Security 2013: A Roadmap for Policy Makers”, which was featured in *The Washington Post* on the day of the conference. Again this year, the conference was live webcast and featured distinguished thought leaders. Some on these speakers included:

- **Honorable Kathleen Kennedy Townsend**, Former Lieutenant Governor, State of Maryland and Director, Rock Creek Group
- **Senator Kevin de León**, California State Senator, 22nd District
- **Ms. Frances Denmark**, Senior Reporter, Institutional Investor
- **Mr. David John**, Senior Research Fellow, The Heritage Foundation
- **Ms. Rosemarie McClean**, Senior VP, Member Services, Ontario Teachers' Pension Plan
- **Mr. Stephan Schuller**, Associate Director, U.S. Asset Management, APG
- **Dr. Sylvester Schieber**, Former chairman of the Social Security Advisory Board and Author, *The Predictable Surprise: The Unraveling of the U.S. Retirement System*
- **John J. (Jamie) Kalamarides**, CEO, Prudential Bank & Trust, FSB and Senior Vice President, Institutional Investment Solutions, Prudential Retirement



Honorable Kathleen Kennedy Townsend



Jamie Kalamarides



Conference attendees

Members

The National Institute on Retirement Security is guided by the vision that all Americans should have access to retirement security. NIRS members share this vision. Our diverse membership of over 130 organizations interested in retirement security issues makes our work possible.

Leadership Members

Council of Institutional Investors
 National Association of State Retirement Administrators
 National Conference on Public Employee Retirement Systems
 National Council on Teacher Retirement

In 2012, NIRS launched the Visionary Circle and the Director Circle, two new levels of membership offered to Associate members and Educational Sustainers looking to enhance their involvement with and commitment to NIRS.

Visionary Circle

AARP
 British Columbia Municipal Pension Board of Trustees
 California State Teachers' Retirement System
 California Public Employees' Retirement System
 Public Employees' Retirement Association of Colorado
 District of Columbia Retirement Board
 IAM National Pension Plan
 Illinois Municipal Retirement Fund
 Kentucky Teachers' Retirement System
 Los Angeles County Employees Retirement Association
 Missouri State Employees' Retirement System
 New York State Teachers' Retirement System
 Ohio Public Employees Retirement System
 Public School and Education Employee Retirement System of Missouri
 Sacramento County Employees' Retirement System
 School Employees' Retirement System of Ohio
 State of Wisconsin Investment Board
 Teachers' Retirement System of the State of Illinois
 Teachers Retirement System of Texas
 Wisconsin Department of Employee Trust Funds

Director Circle

AFL-CIO
 AFSCME
 MetLife
 National Coordinating Committee for Multiemployer Plans

Educational Sustainers

Acadian Asset Management
AllianceBernstein
American Federation of Teachers
AON Hewitt
British Columbia Pension Corporation
California Retired Teachers Association
California Teachers Association
Callan Associates Inc.
Cavanaugh Macdonald Consulting, LLC
CEM Benchmarking, Inc.
Cheiron
Florida Public Pension Trustees Association
Gabriel Roeder Smith and Company
Georgia Association of Public Pension Trustees
Ice Miller LLP
Illinois Public Pension Fund Association
International Brotherhood of Teamsters
J.P. Morgan Asset Management
Kentucky Education Association
Lazard Asset Management
LRWL Incorporated
Miliman, Inc.

National Retiree Legislative Network
New Jersey Education Association
New York State United Teachers
Ohio Education Association
Ohio Retired Teachers' Association
Pension Consulting Alliance
Pension Trustee Advisors
Private Equity Growth Capital Council
Prudential Financial
Robbins, Gellar, Rudman & Dowd LLP
Rock Creek Investment Group
Segal Company
SEIU
State Street Corporation
Tegrit Group
Texas Association of Public Employee Retirement System
Texas Retired Teachers' Association
The Carlyle Group
TIAA-CREF
UBS Global Asset Management
UFCW



Associate Members

Arkansas Public Employee Retirement System
Charlotte Firefighters' Retirement System
Chicago Teachers' Pension Fund
City of Milwaukee Employees' Retirement System
Contra Costa County Employees' Retirement Association
Delaware Public Employees' Retirement System
Duluth Teachers' Retirement Fund Association
El Paso Firemen & Policemen's Pension Fund
Employees' Retirement Fund of Dallas
Employees' Retirement System of Rhode Island
Fire & Police Pension Association of Colorado
Houston Municipal Employees Pension System
Iowa Public Employees' Retirement System
IUE-CWA Pension Fund
Jacksonville Police and Fire Pension Fund
Kansas City Public School Retirement System
Kansas Public Employee Retirement System
Laborers National Pension Fund
LEOFF Plan 2 Retirement Board
LiUNA Staff and Affiliates Pension Fund
Louisiana State Employees' Retirement System
Maine Public Employees Retirement System
Massachusetts Port Authority Employees' Retirement System
Michigan Office of Retirement Services
Minnesota State Board of Investment
Minnesota State Retirement System
Mississippi Public Employees Retirement System
Missouri Local Government Employees Retirement System
(LAGERS)
MoDOT and Patrol Employees' Retirement Administration
Montana Public Employees Retirement Administration
Montana Teachers' Retirement System
Municipal Employees' Retirement System of Michigan
New Mexico Educational Retirement Board
New York City Office of the Comptroller

New York State and Local Retirement System
North Carolina Retirement Systems
North Dakota Public Employees Retirement System
North Dakota Retirement and Investment Office
Ohio Police Pension & Retirement System
Oklahoma Police Pension & Retirement System
Oklahoma Teachers Retirement System
Omaha School Employees' Retirement System
Oregon Public Employees Retirement System
Pennsylvania Public School Employees' Retirement System
Pennsylvania State Education Association
Public Employees Retirement Association of Minnesota
Public Employees' Retirement System of Idaho
Public Employees' Retirement System of Nevada
Public Safety Personnel Retirement System of Arizona
Puerto Rico Government Employees Retirement Systems
Sheet Metal Workers National Pension Fund
Sonoma County Employees Retirement Association
South Dakota Retirement System
State Retirement and Pension System of Maryland
State Teachers Retirement System of Ohio
State Universities Retirement System of Illinois
Teachers Retirement Association of Minnesota
Teachers Retirement System of Georgia
Teachers' Retirement System of Louisiana
Tennessee Consolidated Retirement System
Texas County & District Retirement System
Texas Municipal Retirement System
The Educational Employees' Supplementary Retirement System
of Fairfax County
Utah Retirement Systems
Virginia Retirement System
Washington State Department of Retirement Systems
Wyoming Retirement System

Who We Are

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Meredith Williams, NIRS Vice Chair

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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 them achieve their human resources goals;
- employees can count on a secure source of retirement income that enables them 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

Our approach involves:

- High-quality research that informs the public debate on retirement policy. The 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. NIRS disseminates its research findings to 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.



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