

# 2008 Impact Report



NATIONAL INSTITUTE ON  
**Retirement Security**

Reliable Research. Sensible Solutions.



**“The beginning is  
the most important  
part of the work.”**

**Plato**

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, NIRIS fulfills this mission by conducting national research and education programs.

# Ideas to Impact

In 2007, the National Institute on Retirement Security was an idea. The idea was to build an organization that would contribute to informed policymaking by fostering a deep understanding of retirement security issues. This mission would be fulfilled through national research and education programs. Our founding members – the Council of Institutional Investors, the National Association of State Retirement Administrators, and the National Council on Teacher Retirement – made the commitment to bring this idea into reality. The organization began to take shape with a board of directors, staff, an office, a brand, and a work plan.

In 2008, we rolled up our sleeves and got to work...and quickly began to make an impact. In May, NIRS issued its first research product and launched its primary education and information tool – [www.nirsonline.org](http://www.nirsonline.org). Throughout the course of the year, NIRS issued original research reports and briefs, spoke at conferences from coast to coast, testified on our research findings, built relationships with key national and grassroots organizations, secured extensive print and broadcast media coverage, and significantly expanded our membership base.

In short, NIRS has rapidly moved from ideas to impact, evolving into a credible and relevant voice for retirement security.

2008 also marked the beginning of a global financial crisis the likes of which the world has not seen since the Great Depression. The wreckage the crisis has wrought on American's retirement prospects makes our work that much more critical.

Even before the economic meltdown, the early warning systems of retirement policy "wonks," academics and other experts indicated that storm clouds were on the horizon. Today, the retirement crisis alarm bell has sounded so loudly that all Americans now hear it.

Thanks to the foundation we've laid, NIRS is positioned to be part of the solution as our nation comes to grips with how to rebuild Americans' retirement readiness. Policymakers and ordinary Americans alike can look to NIRS for reliable research and education initiatives that contribute to reshaping a retirement system that simultaneously meets the needs of employers, employees, and the public interest.

We hope you will take a few minutes to review our first Annual Impact Report to learn more about NIRS's initiatives and results to date. With the continued and generous support of our members and Educational Sustainers, NIRS will be able to translate more ideas into positive impacts on restoring – and even improving – retirement readiness for all Americans.



*Beth Almeida*

Beth Almeida  
Executive Director



# Research Results

## IDEA: Reliable Research to Foster Sensible Solutions

One of the founding ideas behind NIRS was to generate reliable, high quality research that will help generate pragmatic, economical approaches for overcoming what has become a retirement crisis in America. The overarching goal of our 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.

NIRS research is making an impact with careful and balanced analysis that is prompting a re-examination of retirement “conventional wisdom.” NIRS research reports are reviewed by independent academics and retirement experts to ensure high quality and accuracy.

## IMPACT: Original Research Reports and Briefs



**“A Better Bang for the Buck: The Economic Efficiencies of DB Plans”** presents an apples-to-apples comparison of the defined benefit and the defined contribution approaches for funding a target retirement benefit. The analysis finds that the economic efficiencies embedded in defined benefit plans enable them to deliver the same retirement income at 46% lower cost than defined contribution accounts.

**“Retirement Readiness: What Difference Does a Pension Make?”** reviews the role of pensions in enabling Americans to be self-sufficient in retirement. It also examines recent trends in pension coverage, and discusses areas worthy of exploration for policymakers.

**“Look Before You Leap: The Unintended Consequences of Pension Freezes”** finds that freezing a pension plan can have serious and unintended consequences — increased costs, reduced benefits, or some combination thereof.

**“The New Intersection on the Road to Retirement: Public Pensions, Perceptions, and Politics”** is a working paper scheduled to be 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.



**“Patience is a Virtue: Asset Allocation Patterns of DB & DC Plans”** finds that the shift from DB to DC plans may have reduced the supply of patient capital over time, meaning that businesses may have a harder time than in the past getting the financing for long-term productive investment projects.

**“In it for the Long Haul: The Investment Behavior of Public Pensions”** uses U.S. Census and Federal Reserve data to examine the investment behavior of public pensions in bear and bull markets. The analysis indicates that public retirement plans exhibit prudent investment behavior.



## IMPACT: Academic Advisory Board

*The Academic Advisory Board is an invaluable resource for NIRS. Comprised of leading experts in the fields of pension policy, economics, actuarial science, and benefits law, these 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**

Professor of Finance,  
Graduate School of Management  
Director, Center for Investor Welfare  
and Corporate Responsibility  
University of California Davis

**Ron Gebhardtsbauer, FSA, MAAA**

Faculty-in-Charge, Actuarial Science Program  
Smeal College of Business  
Pennsylvania State University

**Teresa Ghilarducci, PhD**

Irene and Bernard L. Schwartz  
Professor of Economics  
Director, Bernard Schwartz Center  
for Economic Policy Analysis

**Jacob S. Hacker, PhD**

Professor of Political Science  
Co-Director, Center on Health,  
Economic and Family Security  
University of California Berkeley

**Regina T. Jefferson, JD, LLM**

Professor of Law  
Columbus School of Law  
Catholic University of America

**Alicia H. Munnell, PhD**

Peter F. Drucker Professor  
of Management Sciences,  
Carroll School of Management Director,  
Center for Retirement Research  
Boston College

**Jeffrey B. Wenger, PhD**

Associate Professor  
Department of Public Administration and Policy  
University of Georgia

**“NIRS research reports are a valuable tool for policymakers. The fact-based research findings inform the policy debate on how to rebuild our nation’s ailing retirement infrastructure.”**

**Congressman Earl Pomeroy,  
North Dakota**

# Education Results



## Idea: Raise Awareness, Set the Record Straight

Research is the backbone of NIRS's work. But research that sits on a shelf or hard drive can't inform policy solutions. That's why NIRS is actively educating key audiences about our work. This approach simultaneously helps to raise awareness of retirement issues and to set the record straight where misperceptions and misinformation exist.



## IMPACT: User Friendly Information Resources

In May 2008, NIRS launched [www.nirsonline.com](http://www.nirsonline.com) as a one-stop source for NIRS research and educational information.

### RESEARCH:

Downloadable research reports and briefs accompanied by supporting "Tool Kits"

### MEDIA:

A resource area for reporters and other interested parties including press releases, letters to the editor, news articles.

### COMMENTARY:

Perspectives on current issues including blogs, book reviews, and analysis of research in the field.



## IMPACT: Spreading the Word

It's not enough to build an information portal. Impact comes from proactively delivering information to key stakeholders. NIRS takes a multi-pronged approach to engaging audiences.



**Speaking Engagements:** NIRS hit the road speaking at nearly 50 events from coast-to-coast including presentations for AARP, the Center for American Progress, the Pension Research Council of the Wharton School of the University of Pennsylvania, and the National Conference of State Legislatures.



**Testimony:** We delivered testimony to a Kentucky legislative commission and the American Academy of Actuaries. NIRS research findings also were cited in testimony before the U.S. Congress.



**Media Outreach:** Interviews with reporters, news releases, and press conferences resulted in NIRS inclusion in some 40 media reports on retirement issues. This included major media outlets such as Business Week, CNN, National Public Radio, US News & World Report, as well as trade and local media.



**Noteworthy from NIRS:** To our fast growing list of subscribers, we deliver a monthly e-newsletter with thought provoking commentary coupled with a recap of NIRS research and educational activities.



**Communication Tool Kits:** We make it easy for our members to educate their stakeholders about retirement issues. Our research reports are supplemented by Tool Kits of communication materials with easy-to-understand Fact Sheets, FAQs, charts & data, opinion pieces and newsletter copy.

**"Strengthening our nation's retirement infrastructure is of paramount importance to American retirees, workers, and our economy. NIRS plays a vital role in the policy debate with its substantive research and education programs."**

**Megan Stevens Hookey,  
Vice President, NRTA: AARP's Educator Community**

# Who We Are

## Board of Directors

### Officers

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

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

### Members

Glenda Chambers  
Executive Director, National Association of State Retirement Administrators

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

Jeffrey Ezell  
President, National Council on Teacher Retirement and Executive Director,  
Teachers Retirement System of Georgia

James Mosman  
Executive Director, National Council on Teacher Retirement

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

### Staff

Beth Almeida, Executive Director

Ilana Boivie, Policy Analyst

Kelly Kenneally, Communications Consultant



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

# 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.

**“The full range of NIRS research reports and communication materials has been a critical component of our strategy to educate our stakeholders on retirement security issues.”**

**Chris DeRose,  
CEO, Ohio Public Employees Retirement System**

# Members

*Our work would not be possible without the generous financial support of our Founding Members, Educational Sustainers, and Associate Members. In our first year, we have expanded our support to include a diverse membership of organizations interested in retirement security issues such as employee benefit plans, state or local agencies that manage retirement plans, financial services firms, and other retirement service providers.*

## 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\*

Barroway Topaz Kessler Meltzer & Check LLP

Gabriel Roeder Smith and Company

Milliman

Segal Company

State Street Corporation

\* Denotes Benefactor level.

“Access to the NIRS research team is a real value. The economic impact report NIRS developed for Nevada PERS helped build an understanding of the substantial positive economic impact of PERS throughout the state.”

**Dana Bilyeu, Executive Officer,  
Nevada Public Employees Retirement Systems**

## 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.*

- California Public Employees' Retirement System\*
- California State Teachers' Retirement System\*
- Charlotte Firefighters' Retirement System
- Chicago Teachers' Pension Fund\*
- Colorado Public Employee Retirement Assoc.\*
- Contra Costa County Employees' Retirement Assoc.\*
- CWA/ITU Negotiated Pension Plan\*
- Delaware Public Employees Retirement System\*
- Denver Public Schools Retirement System\*
- Employees Retirement System of Rhode Island\*
- Employees' Retirement System of Georgia\*
- Employees' Retirement System of the State of Hawaii\*
- IAM National Pension Fund
- IAMAW Grand Lodge Pension Plan
- Illinois Municipal Retirement Fund\*
- Illinois Teachers' Retirement System\*
- Iowa Public Employees' Retirement System\*
- Jacksonville Police and Fire Pension Fund\*
- Kansas Public Employees Retirement System
- Kentucky Retirement Systems\*
- Kentucky Teachers' Retirement System\*
- Laborers National Pension Fund\*
- Los Angeles County Employees Retirement Assoc.\*
- Louisiana State Employees Retirement System\*
- Massachusetts Teachers' Retirement System\*
- Minnesota Teachers Retirement Association\*
- Mississippi Public Employees' Retirement System\*
- Missouri Local Government Employees Ret. System\*
- Missouri State Employees' Retirement System\*
- Missouri Department of Transportation and Highway Patrol Employees' Retirement System\*
- Montana Teachers' Retirement System\*
- Municipal Employees' Ret. System of Michigan\*
- Nebraska Public Employees Retirement System\*
- New York City Employees' Retirement System\*
- New York State Teachers' Retirement System\*
- North Carolina Retirement System\*
- North Dakota Employees Retirement System\*
- North Dakota Retirement and Investment Office\*
- Ohio Police and Fire Pension Fund\*
- Ohio Public Employees Retirement System\*
- Oklahoma Police Pension & Retirement System
- Pennsylvania Public School Employees' Ret. System\*
- Pennsylvania State Education Association
- Public Employees Retirement Assoc. of New Mexico\*
- Public Employee Retirement System of Idaho\*
- Public Employees Retirement Assoc. of Minnesota\*
- Public Employees' Retirement System of Nevada\*
- Public Safety Personnel Ret. System of Arizona\*
- Public School and Education Employee Retirement Systems of Missouri \*
- Sacramento County Employees' Retirement System\*
- School Employees Retirement System of Ohio\*
- Sheet Metal Workers' National Pension Fund\*
- South Carolina Retirement Systems\*
- South Dakota Retirement System\*
- St. Paul Teachers' Retirement Fund Association\*
- State Retirement and Pension System of Maryland\*
- State Teachers Retirement System of Ohio\*
- State Universities Retirement System of Illinois\*
- Teacher Retirement System of Texas\*
- 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\*
- UNITE HERE National Retirement Fund
- Utah Retirement Systems\*
- Virginia Retirement System\*
- West Virginia Consolidated Public Ret. Board\*
- Wisconsin Department of Employee Trust Fund\*

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

Note: Membership as of May 31, 2009



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