



## Select Committee on Pension Policy

### SCPP Study: School Employee ERFs

Aaron Gutierrez, Policy Analyst

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### Committee Activity

- In June the SCPP received a briefing on study mandate
- In July staff presented research, analysis, and framework for evaluating options
- In September staff presented preliminary findings
- In October staff submitted draft report to SCPP Executive Committee
- Draft report in meeting materials



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## Today's Presentation

- Review mandate
- Review findings
- Possible SCPP action on draft report
- Last chance for SCPP action
  - Report due to Legislature on December 15, 2012



## Approach To Study Mandate

- "Study existing early retirement factors and job requirements that may limit the effectiveness of the older classroom employee."
- Assumed "classroom employees" means members of TRS
  - Some overlap with other systems; notably SERS
- Prepared in coordination with OSPI and WSIPP
- Staff met with members and stakeholders
- Reviewed multiple studies and texts on teacher effectiveness and retirement



## Key Findings: Classroom Effectiveness

- Pension policy is not a factor impacting classroom effectiveness
  - Can be a way to manage impact of other factors
- Factors impacting classroom effectiveness may vary in a given circumstance
  - Effectiveness is subjective and difficult to define
- Study identified factors that can impact effectiveness
  - Work conditions
    - Class size, security, facilities, leadership, colleagues, and school policies
  - Personal circumstances
    - Career stage, health and health care, challenging work, sense of efficacy, and qualifications and training



## Key Findings: Pension Policy

- Pension policy is better-suited to address factors related to age and length of service
- Other factors may be better addressed outside the pension system
  - For example, human resources policy, etc.
- Sample considerations if policy makers choose to modify pension policy
  - State policy is to provide consistent benefits, unless job requirements or conditions warrant otherwise
  - Changing pension policy may create long-term contractual rights
    - These changes may be difficult to undue the factors limiting employee effectiveness change
  - Selecting appropriate retirement ages and ERFs for school employees is a balancing act between employee and employer needs and affordability



## Options For Further Study

- SCPP may consider further study of ERFs, or other pension policies for teachers and/or classified school employees
- Further study of classroom effectiveness is not likely to change findings
  - Staff not experts in education policy
  - Others may be better suited to studying this aspect



## Executive Committee Recommendation



## Possible Next Steps

- SCPP may choose to
  - Adopt report findings
  - Make recommendation(s)
  - Adopt additional findings
  - Forward without adopting findings or making a recommendation
- Staff will finalize and send to Legislature

