



NATIONAL ASSOCIATION OF STATE RETIREMENT ADMINISTRATORS

**Survey on Retirement Systems' Use of In-House Actuaries
Conducted November 2004**

30 Systems Responded

Does your system employ one or more professional actuaries on your staff?

Yes: 4 No: 26

For those responding "Yes:"

How many actuaries does your system employ as staff members?

- One
- 17
- One
- One professional actuary with a staff of four

What is the scope of responsibilities assigned to your in-house actuary(ies)?

- Evaluate legislation, review work of actuarial consultants, consult on retirement issues
- The full range of actuarial services is performed in-house for pension issues. External actuaries are used for health care and long-term care valuations.
- We are responsible for monitoring the retirement systems of public employers that do not participate in the system. Our staff actuary is responsible for reviewing the plan design and valuations provided by these plans to insure they meet the actuarially sound funding method required of public retirement plans in the state.
- Heads a decision support group with a growing level of responsibilities including: provides training for staff, directly supports field services and communications groups, prepares various special actuarial and funding studies, participates in staff development of legislative recommendations, manages and coordinates audits of consulting actuary, serves as liaison with consulting actuary, manages relationship with consulting actuary, reviews results provided by consulting actuary, serves as actuarial representative on executive staff management team, assists staff with proper interpretation and understanding of actuarial valuation results and experience investigation process, leads staff efforts in review and input into experience investigation process and setting of actuarial assumptions, provides input and technical support in development of staff recommendations to board.

Does your in-house actuary(ies) work solely on pension issues, or do they also work on disability benefits, medical, other insurance, etc.?

- Our System does not provide health care for its members, but our System has a program where it pays the Medicare Care Premiums of some of its members. In addition, it has studied health issues. The in-house actuary has been involved in these issues.
- One actuary works in the health care area. All of the remaining actuaries work in the pension area.
- Solely on pension issues as described above for public employers offering a retirement plan that do not participate in the system.
- Work on all issues where their expertise and input are likely to add value. Not limited to just actuarial issues. Operate as a component of the Communication division.

Does your system retain an actuarial consultant in addition to the consultant that performs your plan's actuarial valuation(s)?

All four systems with one or more in-house actuaries responded affirmatively to this question. Two also submitted the following observations:

- External actuaries used to review pension plan actuarial valuations prepared by internal actuaries. External actuaries used in asset allocation process and to prepare health care and long-term care valuations.
- We retain a contract actuary for the valuations and other consulting needs of the system.

Other comments from systems that do not employ an in-house actuary:

- Every 5 yrs, another actuarial firm reviews retained actuary's valuation procedures.
- Every 10 years we have an outside review of our actuarial assumptions
- We retain an outside actuary as our only actuarial staff.
- We have an outside review done every 5 years.
- We have an actuarial audit conducted every 3-5 years.

Thanks to the following systems that responded to this survey:

Arkansas PERS	Massachusetts TRS
CalPERS	Michigan Office of Retirement Services
CalSTRS	Missouri LAGERS
Colorado PERA	Missouri SERS
Delaware PERS	Nevada PERS
District of Columbia Retirement Board	New Hampshire RS
Florida RS	New Jersey Division of Pensions and Benefits
Georgia TRS	New Mexico PERA
Idaho PERS	Ohio PERS
Illinois Municipal Retirement Fund	Oklahoma PERS
Illinois SERS	South Dakota RS
Indiana State TRF	Tennessee Consolidated Retirement System
Kansas PERS	Texas County & District Retirement System
Kentucky TRS	Texas TRS
Louisiana TRS	Virginia RS