

**Cognitive Testing of 2014 Supplement on Retirement, Pensions and Related
Content Pensions Module and CPS Email Module A
Cognitive Interview Protocol Guide**

PARTICIPANT ID #: _____

DATE: ___ / ___ / 2013

COGNITIVE INTERVIEWER NAME:

START TIME: ____: ____ AM / PM

SECTION I. INTERVIEW CONSENT

(COGNITIVE INTERVIEWER: READ)

PLACE THE CONSENT FORM IN FRONT OF PARTICIPANT

A. Hello, I'm [NAME OF COGNITIVE INTERVIEWER]. I work for the Census Bureau. Thanks for agreeing to help me today.

Before we start, I would like you to read over the document in front of you. This document explains a little bit about this interview and provides information about your rights as a participant. It also asks for your permission to have this session audio recorded. Please ask me any questions you have about this document. Once you have finished reading the document, please sign it.

- PARTICIPANT READS AND SIGNS FORM

B. IF PARTICIPANT PROVIDES CONSENT TO HAVE THE SESSION AUDIO-TAPED: I will now turn on the tape recorder.

TEST TAPE RECORDER AND TURN IT ON AGAIN AFTER TEST

A. Introduction

(COGNITIVE INTERVIEWER: READ/PARAPHRASE)

“Let me begin by telling you a little more about what we’ll be doing today. The United States Census Bureau counts population in the U.S and also conducts various kinds of surveys.

Today, with your help, we will be testing some new questions that were developed for a national survey called the Survey of Income and Program Participation. I will first ask you some survey questions and you’ll answer the questions just like you would if you were doing it with an interviewer in a regular survey. We are interested in how you understand these questions and how these questions work for you. I am interested in your answers, but I am also interested in the process you go through in your mind when you answer the questions. So I’d like you to think aloud as you answer the questions, just tell me everything you are thinking about as you go about answering each question. From time to time, I’ll ask you some questions about your answers, or about the questions themselves.

Our goal here is to get a better idea how well the new questions work with people such as yourself before we actually use them in the survey. So the purpose of our session today is to collect your thoughts and opinions on these new questions and materials. I just want to remind you that I'm only asking for your thoughts and opinions on these materials. There is no right or wrong answer. We are simply trying to make sure the question wording is clear and easy for most people to understand. Your feedback will be very useful for helping make sure these questions will make sense to other people.

Your participation in this interview and the review of the materials is very important because it will help the Census Bureau with improving these questions.

Do you have any questions before we begin?”

A. THINK-ALoud PRACTICE

Let’s begin with a practice question. Remember to try to think aloud as you answer.

**Practice Question 1. How many windows are there in the house or apartment where you live?
WINDOWS _____**

[IF NEEDED:] Try to visualize the place where you live, and think about how many windows there are in that place. As you count up the windows, tell me what you are seeing and thinking about.

PROBES:

- How did you come up with that answer?
- Tell me more about that. Why did you say [ANSWER]?
- I noticed that you hesitated. Tell me what you were thinking.

SIPP PENSION MODULE

NOTE TO COGNITIVE INTERVIEWER: START INTERVIEW. NOTE ANY PROBLEMS/COMMENTS/QUESTIONS/PUZZLED LOOKS/EXASPERATED SIGHS RESPONDENT HAS DURING THE INTERVIEW. WHEN NECESSARY, PROBE ON THESE AFTER THE RESPONDENT ANSWERS THE QUESTION.

a. What is your name? _____

b. What is your age? ◆(FR instruction: Report age in years.)

1. 14 years old or younger -- End SIPP Module and go to CPS Email Module on p. 13
2. 15 years old or older

1. This section contains questions about your current employment and pension plan coverage. First, I would like to ask you about your work situation as of today.

Do you currently have a job or business or do any kind of work for pay, either full time or part time?

1. Yes
 2. No
 3. Dk
 4. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

2. Do you work for an employer, are you self-employed, or do you have some other work arrangement?

If necessary: A job for an employer exists when there is:

- A definite arrangement for regular work, the arrangement is on a continuing basis (like every week or month), and a person receives pay or other compensation for his/her work. The schedule of days or hours can be irregular as long as there is a definite arrangement to work on a continuing basis.

Who to include:

1. **Employer-paid workers:** Persons who worked for an employer other than themselves for wages, salary, commission, tips, piece-rates, or pay-in-kind.
2. **Self-employed:** Persons who work for profit or fees in their own business whether that be a family farm, professional practice, or shop. A business exists if one or more of the following conditions exists:
 - Machinery or equipment of substantial value is used in conducting the business.
 - An office, store, or other place of business is maintained.
 - The business is advertised to the public. Examples of advertising are a listing in the telephone book, displaying a sign, maintaining a website for the business on the internet, publicizing the work or service offered through leaflets, cards, TV/Radio ads, or internet ads.

*The term Self-employed does **not** apply to:*

- Superintendents, managers, or other executives hired to manage a business or farm, Salespersons working for a commission, or Officers of corporations.
- Businesses that are owned as an investment only - (investments in a non-corporate business venture managed by others (e.g., a limited partnership) or investments in a corporation; or businesses where the respondent has a PASSIVE financial interest.)

1. Employer -- Skip to question 4
 2. Self-employed (owns a business) -- Skip to question 7
 3. Both employer and self-employed -- Continue with **READ 1**
 4. Other work arrangement -- Skip to question 3
 5. Dk
 6. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

READ 1: Read to respondent: "We'll get to your self-employment shortly, but first I want to ask about your work as an employee." -- Skip to question 4

3. Do you have a definite arrangement with one or more employers to work on an ongoing basis?

If necessary: A definite arrangement would include positions that occur with continuity and regularity, or a contract to work on a project with a specified ending even if there are no plans to continue in the future. Freelancers, consultants, and contractors usually have definite work arrangements. A sporadic activity would not qualify as definite arrangement.

1. Yes
 2. No
 3. Dk
 4. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

PROBE:

- What does this question mean in your own words?

Check Item 1: Refer to items above: Question 2 = ____ Question 3 = ____

4. How many employers do you currently have?

1. 1 employer -- Skip to question 6
 2. 2 employers
 3. 3 employers
 4. 4 employers
 5. 5 employers
 6. 6 employers
 7. 7 employers
 8. Dk
 9. Refuse
- } -- Skip to question 6

5. You said you currently work for more than one employer. What is the name of the employer that you consider to be your main job?

◆ (FR instruction: If the respondent needs help determining the main job:

- ask for the name of the employer for whom the respondent has worked the longest.
- If there are 2 or more jobs the respondent started on the same date, ask for the name of the employer for whom the respondent works the most hours per week.)

◆ (FR instruction: If the respondent answers Don't know or Refuse, enter "Employer A".)

Name of Employer: _____

PROBE:

- **If not already stated: how did you come up with your answer?**
- **What about the job you chose makes it a "main job?"**

Refer to Check Item 1 on page 4:

- If question 2 equals #1 or question 3 equals #1 -- Skip to question 11.
- If question 2 equals #3 -- Skip to question 7.

6. What is the name of the employer?

◆ (FR instruction: If the respondent answers Don't know or Refuse, enter "Employer A".)

Name of Employer: _____

Refer to Check Item 1 on page 4:

- If question 2 equals #1 or question 3 equals #1 -- Skip to question 11.
- If question 2 equals #3 -- Continue with question 7.

7. How many businesses do you currently own, alone or jointly?

◆ (FR instruction: Consider a professional practice or a farm to be a business.)

1. 1 business -- Skip to question 9
 2. 2 businesses
 3. 3 businesses
 4. 4 businesses
 5. 5 businesses
 6. 6 businesses
 7. 7 businesses
 8. Dk
 9. Refuse
- } -- Skip to question 9

8. You said you are currently self-employed and own more than one business. What is the name of the business, professional practice, or farm that produces the highest earnings before expenses as of today?

◆(FR instruction: If the respondent answers Don't know or Refuse, enter "Business A".)

Name of Business: _____

PROBE:

- **If not already stated: How did you decide on your answer?**
- **What does it mean to you to "produce the highest earnings before expenses?"**

Refer to Check Item 1 on page 4:

- *If question 2 equals #3 -- Skip to question 10.*
- *If question 2 equals #1 or question 3 equals #1 -- Skip to question 11.*
- *If question 2 equals #2 -- Skip to question 14.*

9. What is the name of your business, professional practice, or farm?

◆(FR instruction: If the respondent answers Don't know or Refuse, enter "Business A".)

Name of Business: _____

Refer to Check Item 1 on page 4:

- *If question 2 equals #3 -- Continue with question 10.*
- *If question 2 equals #1 or question 3 equals #1 -- Skip to question 11.*
- *If question 2 equals #2 -- Skip to question 14.*

10. You said you work for an employer and own a business. As of today, is your primary source of work-related income from your job or from your business?

- 1. Job
 - 2. Business – *Skip to question 14*
 - 3. Dk
 - 4. Refuse
- } -- End SIPP Module and go to CPS Email Module **on p. 13**

PROBE:

- **If not already stated: How did you decide on your answer?**
- **What does "primary" mean to you in this sentence?**

11. Thinking about the location where you work, about how many people are employed there by

[Name of Employer]?

1. Less than 10
2. 10 to 25
3. 26 to 50
4. 51 to 100
5. 101 to 200
6. 201 to 500
7. 501 to 1000
8. Greater than 1000
9. Dk
10. Refuse

PROBE:

- **If not already stated: how did you come up with your answer?**
- **Did you have any difficulty coming up with your answer to this question?**

12. Does [Name of Employer] operate in more than one location?

1. Yes
 2. No
 3. Dk
 4. Refuse
- } -- Skip to question 15

13. About how many people are employed by [Name of Employer] at all locations together?

1. Less than 10
 2. 10 to 25
 3. 26 to 50
 4. 51 to 100
 5. 101 to 200
 6. 201 to 500
 7. 501 to 1000
 8. Greater than 1000
 9. Dk
 10. Refuse
- } -- Skip to question 15

PROBE:

- **If not already stated: how did you come up with your answer?**
- **Did you have any difficulty coming up with your answer to this question?**

14. About how many people (including you) are employed by [Name of Business]?

1. 1 (Only self)
2. 2 to 9
3. 10 to 25
4. 26 to 50
5. 51 to 100
6. 101 to 200
7. 201 to 500
8. 501 to 1000
9. Greater than 1000
10. Dk
11. Refuse

PROBE:

- **If not already stated: how did you come up with your answer?**
- **Did you have any difficulty coming up with your answer to this question?**

15. Now I'd like to ask about retirement plans offered on this job, not Social Security, but plans that are sponsored by your [employer/union/business]. This includes regular pension plans as well as other kinds of retirement plans like thrift and savings plans, 401k or 403b plans, and deferred profit-sharing and stock plans.

Does your [employer/union/business] have any kind of pension or retirement plans for anyone in your company or organization?

1. Yes
 2. No
 3. Dk
 4. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

PROBE:

- **If not already stated: What kind of plan are you thinking about when answering this question?**
- **Did you have any difficulty coming up with your answer to this question?**

16. Are you included in such a plan?

1. Yes – Skip to question 19
 2. No
 3. Dk
 4. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

17. Why are you not included? ♦ (FR instructions: Read answer categories, except for “Don’t know” and “Refuse”, if necessary. Mark all that apply.)

1. No one in my type of job is allowed in the plan
2. Don't work enough hours, weeks or months per year
3. Haven't worked long enough for this employer
4. Started job too close to retirement date
5. Too young
6. Can't afford to contribute
7. Don't want to tie up money
8. Employer doesn't contribute, or contribute enough
9. Don't plan to be in job long enough
10. Don't need it
11. Have an IRA or other pension plan
12. Spouse has pension plan
13. Haven't thought about it
14. Some other reason

◆ (FR instructions: Do not select with any other category.)

15. Don't know
16. Refuse

PROBE:

- **If not already stated: How did you decide on your answer?**

18. Is the plan something like a 401k plan, where workers contribute to the plan and their contributions are tax deferred?

1. Yes
 2. No
 3. Dk
 4. Refuse
- } -- End SIPP Module and go to CPS Email Module on p. 13

PROBE:

- **If not already stated: how did you decide on your answer to this question?**
- **Have you heard of a 401K plan before?**
- **What does "tax-deferred" mean to you in this question?**

19. Some workers participate in more than one retirement plan. For example, they might have a regular pension plan and also have some kind of retirement savings plan.

How many different pension or retirement plans do you have on this [job/business]?

1. 1 plan -- Skip to question 20
 2. 2 or more plans
 3. Dk
 4. Refuse
- } -- Continue with READ 2

READ 2: Read to respondent: "The following question is about the retirement plan you consider to be your most important retirement plan on this job." – Continue with question 20

20. ♦ (FR instruction: Refer to FLASHCARD A if respondent needs clarification. Do NOT show it to the respondent.)

There are several types of retirement plans.

In the first type, your benefit is defined by a formula usually involving your earnings and years on the job.

In the second type of plan, contributions made by you and/or your employer go into an individual account for you.

The third type of plan shares some characteristics with the above two plans. In this type of plan, your employer contributes a value equal to a percent of each of your earnings each year and there is a rate of return on that contribution. This type of plan is sometimes called a cash balance plan.

Which type of plan are you in?

1. Plan based on earnings and years on the job
2. Individual account plan
3. Cash balance plan
4. Dk
5. Refuse

PROBE:

- **If not already stated: how did you decide on your answer to this question?**
- **Was it easy or difficult for you to determine which type of plan you belong to?**

Check Item 2: Refer to items above: Question 2 = ____ Question 3 = ____ Question 10 = ____
Question 19 = ____ Question 20 = ____

Refer to Check Item 2:

- If (question 2 equals #1 or question 3 equals #1 or question 10 equals #1) and question 19 equals (#1, #3, or #4) and question 20 equals #3 -- Skip to question 24.
- If (question 2 equals #1 or question 3 equals #1 or question 10 equals #1) and question 19 equals (#1, #3, or #4) and question 20 equals (#1, #2, #4 or #5) -- Skip to question 22.
- If (question 2 equals #1 or question 3 equals #1 or question 10 equals #1) and question 19 equals #2 – Continue with question 21.
- If (question 2 equals #2 or question 10 equals #2) and question 19 equals (#1, #3, or #4) -- Skip to question 22.
- If (question 2 equals #2 or question 10 equals #2) and question 19 equals #2 – Continue with question 21.

21. What is your second most important plan on this job?

◆ (FR instruction: Refer to FLASHCARD A, if necessary)

1. Plan based on earnings and years on the job
2. Individual account plan
3. Cash balance plan
4. Don't know
5. Refuse

Refer to Check Item 2 on page 10:

- If (question 2 equals #1 or question 3 equals #1 or question 10 equals #1) and question 20 equals #3 -- Skip to question 24.
- If (question 2 equals #1 or question 3 equals #1 or question 10 equals #1) and question 20 equals (#1, #2, #4 or #5) -- Continue with question 22.
- If (question 2 equals #2 or question 10 equals #2) -- Continue with question 22.

22. ◆ (FR instruction: Read the text in grey ONLY if Question 19 = #2, #3, or #4 in Check Item 2.)

The following series of questions refer to your (most important) plan.

Do you contribute any money to this plan, for example, through payroll deductions?

1. Yes
 2. No
 3. Dk
 4. Refuse
- } - Skip to question 24

23. In some plans, like 401k plans, the money you contribute is tax-deferred. Are your contributions to this (most important) plan tax-deferred?

1. Yes
2. No
3. Dk
4. Refuse

PROBE:

- If not already stated: how did you decide on your answer to this question?
- Have you heard of a 401K plan before?
- What does "tax-deferred" mean to you in this question?

24. If you were to leave your [employer/business] now or within the next few months, could you eventually receive some benefits from this (most important) plan when you reach retirement age?

1. Yes
2. No
3. Dk
4. Refuse

PROBE:

- **If not already stated: how did you come up with your answer to this question?**

25. If you left your [employer/business] now, could you get a lump-sum payment from this (most important) plan when you left?

1. Yes
2. No
3. Dk
4. Refuse

PROBE:

- **What is this question asking in your own words?**

26. How many years have you been included in this (most important) plan?

		Number of years in plan
--	--	-------------------------

100. Dk
101. Refuse

27. As of today, are your pension benefits in this (most important) plan increasing with additional earnings and/or years of service, or are your benefits no longer increasing?

1. Benefits increasing with additional earnings and/or years of service
2. Benefits no longer increasing
3. Dk
4. Refuse

PROBE:

- **How would you say this question in your own words?**
- **What does it mean to have your “benefits increase?”**
- **What does the “additional earnings” mean to you in this question?**

Note to Cognitive Interviewer: Take note of and probe on any signs of confusion or other noteworthy reactions to this question.

CPS EMAIL AND INTERNET MODE SUPPLEMENT

Intro. **This month we are asking a few additional questions to explore whether in the future we can use email to contact people for our surveys.**

Q1A. Do you have an email address we could use to contact you?

- 1) Yes → Go to Q1AA.
- 2) No → Go to Q2a.
DK → Go to Q2a.
RF → Go to Q2a.

Note to Cognitive Interviewer: Take note of whether R asks why or needs an explanation before giving an email address.

Note to Cognitive Interviewer: Take note of whether R answers yes/no or just provides the email address hence you don't need to ask Q1AA.

Q1AA. What is that email address?

- Open Entry → Goto Q3.
DK → Go to Q2a.
RF → Go to Q2a.

Q2a. Did you say no I couldn't have your email address because you don't have one, or because you don't want to share it with the Census Bureau?

- 1) Do not have -- End Interview and Go to Debriefing Section **on p. 19**
- 2) Do not want to share – Q2b

Note to Cognitive Interviewer: Take note of whether R responds to the mention of the word "study" or thought the mentioning the term "study" multiple times throughout the interview was repetitive.

PROBE:

- **How might you say this question in your own words?**

Q2b. What is your main reason for not providing an email address?

- 1) Personal Use only, do not give out to agencies/stores/etc.
 - 2) Privacy/Security Concerns
 - 3) Receive too much email
 - 4) I don't want the Census Bureau contacting me via email
 - 5) Don't use email very often
 - 6) Other
- RF/DK

Skip: 1-5, RF, DK → End Interview and Go to Debriefing Section **on p. 19**

6 → Skip to Q2c.

NOTE to Cognitive Interviewer: Take verbatim notes of why R refuses to provide email address.

Probe: Are there any other reasons you would have mentioned even if it isn't your main reason for not providing an email?

Q2c. **What is that other reason?**

Open Ended _____

RF

DK

Skip: End Interview and Go to Debriefing Section **on p. 19**

NOTE to Cognitive Interviewer: Take verbatim notes of why R refuses to provide email address.

Q3. **Is this email address used only by you or is it shared with other people in your household?**

1) Just me

2) Shared

DK

RF

PROBE:

- **How might you say this question in your own words?**
- **What does “sharing” an email address with other people in your household mean to you?**
- **[If the email address is shared]: How many people share this email address?**

Q4. **Typically, how often do you check this email address?**

1) **More than once a day**

2) **Once a day**

3) **Every two days**

4) **Once or twice a week**

5) **Few times a month**

6) **Once a month or less**

7) **Varies (Not Read aloud – only if respondent volunteers)**

DK

RF

Q5. **If you had a choice, how would you prefer to answer this survey?**

- 1) **In Person**
- 2) **On the Phone**
- 3) **Over the Internet**
- 4 through 7 is not read aloud

- 4) Combo – Phone/Person
- 5) Combo – Phone/Internet
- 6) Combo - Person/Internet
- 7) No Preference
- DK/RF

Skip: If Q4 not blank, Go to Q6.
If Q4 is blank(off-path), go to Q7.

PROBE:

- **If not already stated: how did you decide on your answer to this question?**
- **Would you give the same answer regardless if you were asked to answer the survey questions once or every month for several months?**
- **[If respondent answers with category 1, 2, or 3]: Instead of just one of three ways, would you answer this survey in a combination of two of the three ways (i.e., in person, phone, or over the internet)?**

Q6* **Would it be okay to contact you by email for the following reasons :**

Q6a. **Provide feedback to the Census Bureau on this survey?**
Yes, No, DK, RF

Q6b. **Set an appointment for next month's interview?**
Yes, No, DK, RF

Q6c. **Provide a link to do this survey over the internet?**
Yes, No, DK, RF

PROBE:

- **If yes to Q6a, Q6b, or Q6c: Would it still be okay for you to be contacted for this/these reasons if you knew the survey would happen once a month for several months? If no, why not?**
- **If no to Q6a, Q6b, or Q6c: Would your answer to this question be any different if you knew this survey would happen once a month for several months? If yes, how?**

Q7. If this survey was available on the internet, how likely on a scale of 1 to 10 would you be to complete the survey with 1 being would not do it and 10 being very likely to do it?

Valid Values – 1 through 10

DK

RF

Q8. Have you ever done an Internet or Online survey before?

Yes

No

DK

RF

PROBE:

• If yes to Q8:

- Tell me about the surveys you've done. What kind of surveys were they?**
- What was your experience like with them?**
- Would do an online survey in the future? If no, why not?**

BRING YOUR OWN DEVICE GALLUP QUESTIONS

1. **Do you have a cell phone?** *If yes, ask 2. If no, ask 3.*

1. Yes
2. No
3. Dk
4. Refuse

2. **Some cell phones are called "smartphones" because of certain features they have. Is your cell phone a smartphone, such as an iPhone, Android, BlackBerry or Windows phone, or are you not sure?**

1. Yes
2. No
3. Don't Know or Not Sure
4. Refuse

3. **Do you have a tablet computer like an iPad, Samsung Galaxy, Motorola Xoom, or Kindle Fire?**

1. Yes
2. No
3. Dk
4. Refuse

PROBE:

- **What is a "tablet computer" in your own words?**
- **Have you ever heard of the brands of tablet computers I mentioned to you?**
- **Do you know of any other brands of tablet computers besides the ones I mentioned to you?**

*If yes to 2 or 3, ask 4. If no to 2 and 3, End Interview and Go to Debriefing Section **on p. 19***

4. Would you be willing to use your own smartphone or tablet...

a. To make and receive phone calls for work purposes?

- i. Yes
- ii. No
- iii. Undecided

b. for work email?

- i. Yes
- ii. No
- iii. Undecided

c. to download and use apps for your job?

- i. Yes
- ii. No
- iii. Undecided

PROBE:

- **Regardless of answers to 4a, 4b, or 4c. Can you tell me more about that?**
- **Have you ever used your smartphone or tablet for any of these reasons in the past? If yes, what was your experience like? Did your employer require you to use your own smartphone or tablet, or was it your choice?**

5. If no or undecided for 4a, b, c, What are you MOST concerned about? (Do not read any of the response options)

- a. Cost
- b. Privacy
- c. Device being lost or stolen
- d. Working after hours
- e. Concerns about IT security (downloading apps)
- f. Other, *specify*

PROBE:

- **Can you tell me more about that?**
- **Do you have any other important concerns? If so, what are they?**

SECTION III. DEBRIEFING QUESTIONS

AFTER THE INTERVIEW:

Now, I am going to ask you some questions about your answers and about the questions themselves. I am really interested in how these questions work for you, so there are no right or wrong answers.

- Overall, what did you think of this interview? Was it easy or difficult?
- Have you had any other pension plans besides the ones you mentioned today?
 - *If yes, what kind were they? How were they the same as the ones you mentioned today? Different?*
- Have you ever refused to give out your email address in the past? If yes, why? OR IF EMAIL ADDRESS REFUSED, can you tell me more about why you refused to give your email address?
- Of all the ways to answer this survey [Cognitive Interviewer: state all of the ways below],
 - 1) In Person
 - 2) On the Phone
 - 3) Over the Internet
 - 4) Combo - Phone/Person
 - 5) Combo - Phone/Internet
 - 6) Combo - Person/Internet

...are there any ways on this list that you would not want to do at all? What if you knew this survey would be done once a month for eight months? Would your answer by any different?

JUST A FEW FINAL QUESTIONS TO WRAP UP -

- Overall, do you think some people might find these questions sensitive?
- Do you have anything else you would like to tell us that you haven't had a chance to mention yet?

I want to thank you very much for your participation. I will now give you \$40 and I will ask you to sign a receipt form verifying that you received the money.

TURN OFF THE TAPE RECORDER. HAND THE CASH INCENTIVE TO THE PARTICIPANT.

COGNITIVE INTERVIEWER ONLY: ANSWER THESE QUESTIONS AFTER THE INTERVIEW.

HOW DIFFICULT WAS IT FOR YOU TO CONDUCT THE INTERVIEW WITH THIS RESPONDENT?

1 Very difficult 2 Somewhat difficult 3 Somewhat easy 4 Very easy

WHAT FACTOR DO YOU THINK ATTRIBUTE TO THIS RESPONDENT'S COGNITIVE INTERVIEW MOST?

1 Age 2 Education 3 Others (Specify: _____)

END TIME: ____: ____ AM / PM

FLASHCARD A

TRADITIONAL(DEFINED BENEFIT) PLANS:

- Specifies a guaranteed monthly benefit at retirement, which is established while working.
- Amount of this benefit is based on factors such as age, earnings, and years of service.
- Employer (if job)/Self (if business) funds pension plan, and plan assets are invested by a professional manager.
- For married persons, these plans pay an annuity to a surviving spouse for the spouse's life, unless otherwise elected.
- Contributions are pre-calculated to derive a specific monthly amount that the employee will receive during retirement years.

INDIVIDUAL ACCOUNT (DEFINED CONTRIBUTION) PLANS:

- Employer/Self maintains employee individual accounts. Plans may be called thrift savings plans; 401k, 403b, 457 plans; profit sharing; or Simplified Employee Pensions (SEP).
- Employees may or may not select how assets are invested.
- Value of the account is determined by contributions made into the account.
- When employee/self retires or changes jobs he/she can receive the value of the account in a lump sum or transfer to another plan.
- Employee/Self makes monthly contributions to the plan. This results in an unknown account value until retirement.

CASH BALANCE (HYBRID OF DEFINED BENEFIT AND DEFINED CONTRIBUTION) PLANS:

- Employer/Self sets aside money from company/business funds. This amount is equal to a percentage of the employee's earnings each year.
- Contributions are placed in a separate retirement account for employee. When employee retires, he/she can choose to receive either a lifetime monthly benefit from plan, or receive entire amount in the account as a lump sum payment.
- If employee changes jobs/businesses, he/she has the option to take the money from the account and transfer it into another plan.
- These plans are like 401k plans except that they are funded and managed by employers, and the benefits, once earned, are not subject to financial market fluctuations.
- These plans favor employees who work for the company a short time because employees build equity in it sooner than they would in a defined benefit plan.