Annual Survey of Public Pensions (ASPP) Cognitive Interview DRAFT PROTOCOL

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This protocol is a guide – the questions presented here will not necessarily be asked exactly as worded in the protocol or in this order. It is important to note that not all questions will be asked in every interview.

Note: As much information about interview participants and enterprise/establishments should be obtained prior to the interview as possible. Conduct background research on each enterprise/establishment prior to each interview. In some cases probing may need to be adjusted based on the background research that was conducted.

Part A – Introduction (5 minutes)

1. **Introduce observers and their background**

2. **Purpose of visit:**

    Thank you very much for your time. Let me start by telling you a little about what we will be doing today. We are working on revisions to the Annual Survey of Public Pensions, which is conducted annually and collects information on the finances and membership of public employee defined benefit pension plans. We are in the process of redesigning portions of this form in order to better meet our data users' needs. We would like to get your input on the revised questions, in order to make them as clear and easy to complete as possible.

3. **Permission to audio record discussion? Have R sign consent form.**

    Before we get started, I would like to audio record this interview so I don't have to rely on my memory later. This session is confidential. Only persons connected with this project will have access to your recording. If that is all right with you, please sign this consent form. It also tells you about the confidentiality of this session.

Part B – Background Information (5 minutes)

1. **Respondent Background**

Before we start with more specific questions, I would like to ask you a few questions about this organization and your role in it.

1. (For each person in the room) What is your formal job title?
   a. Could you tell me a little about your role and responsibilities?

2. **Government Background**

   1. What would you consider to be the main activity of this government?

Part C – GASB Standards 67 and 68 (5-10 minutes)

Before we look at the draft questions, I would like to get some information about your accounting practices.

The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for established governmental accounting and financial reporting principles.

A: Do you apply GASB pronouncements in your reporting and accounting operations?
     Yes – go to question C.
     No - continue to question B.

B: What guidelines do you use when preparing your reporting and accounting operations?

A few of the more recently issued GASB Statement are Statements No. 67 and No. 68. The objective of these two statements is to improve financial reporting for most pension plans by state and local governments.

C: Have your implemented Statements 67 and Statement 68?
     Yes – Go to Part D
     No – continue to question D.

D: Can you tell me about your decision to not implement Statements 67 and 68?

Do you have any other input for us on your use of GASB standards or any other accounting standards?

Part D – Testing of Draft Questions (25-30 minutes)

Now, I wanted to review a draft copy of the Annual Survey of Public Pensions. Here is a copy of last year's form, if you'd like to glance through it to orient yourself.

Note: Probe retrospectively, after the respondent has completed all the questions.

If a respondent answers, "I don't know" to any of these questions, follow up with these probes:
- Who in your organization would know about that?
- What is their title?
- Do they work at this location?
- *(If no)* Where are they located?
    - *Continue to probe on any answers that seem to contrast previously reported answers.*

F-12 form (questions will replace Part 7)

OK, at this time, I will be sharing the current draft of the relevant questions with you. This is a draft of questions that would replace Section 7 in the current form I just showed you. The final version of these questions will eventually be part of an electronic version of the survey.

F-11 form (questions to be added at end)

OK, at this time, I will be sharing the current draft of the relevant questions with you. This is a draft of questions that would come at the end of the current form I just showed you. The final version of these questions will eventually be part of an electronic version of the survey.

To complete this part, continue using the CAFR or annual report used to complete the previous parts of the form. *Use this report even though more recent data may be available.*

1.Are actuarial data available for this plan?
> Yes – continue
> No – go to Part 8, Remarks.

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "actuarial data" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Do you have any suggestions to improve this question?

2.What is the employers' total pension liability (TPL) for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?

- What does "employers' total pension liability" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

3. What is the fiduciary net position (FNP) for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "fiduciary net position" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

4. What is the employer's net pension liability (NPL) for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "employer's net pension liability" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

5. Below is the calculated ratio of fiduciary net position (FNP) to employer's total pension liability (TPL) for this plan. Is the ratio correct?
Yes – continue
No – If No, please correct #2 or #3.

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- Does this ratio have any meaning to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

6. What is the actuarially determined contribution amount for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "actuarially determined contribution amount" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

7.What were the contributions actually received in relation to the actuarial determined contribution for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

8.What is the amount of covered-employee payroll for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "covered-employee payroll" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

9.What is the current discount rate for this plan?

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- What does "current discount rate" mean to you?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

10. The table below asks about the sensitivity of net pension liability/(asset) to changes in the discount rate for this plan. What is the amount of the net pension liability with a 1% decrease in the discount rate? What is the amount of the net pension liability with a 1% increase in the discount rate?

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	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	((Fill from #9) minus 1)%	(Fill from #9)%	((Fill from #9) plus 1)%
Net Pension Liability Amount	$_____	$(Fill from #4)	$_____

- How did you go about answering this question?
- Could you tell me what this question is asking for in your own words?
- Would you consult any records or anyone else in your organization in order to answer this question?
- Does this wording match how it is recorded in your records?
- How long would you estimate it would take to answer this question?
- Do you have any suggestions to improve this question?

Part E – Wrap Up (5 minutes)
1. Overall, what do you think of the questions we discussed today?
2. Would you say that someone in your role would be an appropriate person to answer questions like these? If not, who would be the best person to answer questions like these?
3. How long would you estimate it would take to complete the questions we discussed today?
4. Do you have any other comments, questions or suggestions for us?

Thank you for your help today!