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STATEWIDE ASSESSMENT SURVEY OF MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM MEMBERS TO DETERMINE PENSION BENEFIT AWARENESS

by
Gary Roy Ford

A dissertation submitted in partial fulfillment
of the requirements for the degree of
Doctor of Philosophy
(Education)
in The University of Michigan
1975

Doctoral Committee:

Professor Curtis Van Voorhees, Chairman
Assistant Professor Terrence Davidson
Professor Franklin Moore
Assistant Professor Joseph Vollmer

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TABLE OF CONTENTS

Page

ACKNOWLEDGEMENTS ii

LIST OF TABLES vi

LIST OF APPENDICES x

CHAPTER

I. INTRODUCTION 1

Statement of the Problem 1
Background Information 2

II. REVIEW OF THE LITERATURE 6

Definition of Retirement 6
Historical Development of Retirement Systems . 8
Private Pension Plans 8
Public Pension Plans 10
Teacher Retirement Systems 11
Michigan Public School Employees' Retirement System 12
Background and Current Data 13
Membership 13
Administrative Structure 14
Financing 15
Creditable Service 17
Vesting 20
Refunds 20
Retirement Benefit Formula Provisions . . 21
Requirements for the Right to Retire . . 23
Retirement Options 23
Work after Retirement 25
Health and Medical Coverage 25
Planning for Retirement 25
The Necessity of Planning for Retirement . . . 30
The Necessity for Retirement Research 36

Page

III. PRESENTATION OF THE FINDINGS 39

Methodology 40
Statistical Procedures 40
Survey Instrument Development 41
Selection of the Survey Sample 44
Characteristics of the Survey Sample . . . 46
Demographic Variables 48
Educational and Work Experience Variables 49
Professional Involvement Variables 50
Hypotheses 56
Data Presentation and Analyses 58
Chapter Summary 87

IV. SUMMARY AND RECOMMENDATIONS 89

Summary 89
Review of Findings 89
Recommendations 93
Recommendations for Future Research . . . 104

APPENDICES 106

SELECTED BIBLIOGRAPHY 127

LIST OF TABLES

TABLE		Page
2.1	Types of State-Wide Retirement Systems to Which Teachers Belong	12
2.2	Investments of the Michigan Public School Employees' Retirement System	16
3.1	Comparison of Reliability Test Results to Scores Achieved by the Survey Sample	43
3.2	A Demographic Comparison of the Responding Survey Sample with the Total State Public School Education Population Figures as Provided by the 1974-75 State of Michigan Department of Education Professional Personnel Report . . .	51
3.3	One-Way Analysis of Variance Between Males and Females on Total Score - Items 1-55 Concerning Knowledge of the Michigan Public School Employees' Retirement System	58
3.4	One-Way Analysis of Variance Between Racial Groups on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System	59
3.5	One-Way Analysis of Variance Between Age Groups on Total Score - Items 1-55 Concerning Knowledge of the Michigan Public School Employees' Retirement System	60
3.6	One-Way Analysis of Variance Between Income Levels on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System	62
3.7	One-Way Analysis of Variance Between Number of Dependents on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System	63

TABLE Page

3.8 One-Way Analysis of Variance Between Married and Single on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 64

3.9 One-Way Analysis of Variance Between Age Levels of Spouse on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 65

3.10 One-Way Analysis of Variance Between Married Respondents Subgrouped by Number of Years Married on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 66

3.11 One-Way Analysis of Variance Between Employed and Unemployed Spouses on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 67

3.12 One-Way Analysis of Variance Between Employed Spouses Eligible for a Michigan Public School Employees' Retirement System Pension on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 68

3.13 One-Way Analysis of Variance Between Income Levels of Employed Spouse on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 70

3.14 One-Way Analysis of Variance Between the Educational Preparation Levels of Respondents on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 71

3.15 One-Way Analysis of Variance Between the Number of Years Spent Working at the Present Job Location on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 72

TABLE Page

3.16 One-Way Analysis of Variance Between the Number of Years Spent Working in Public Education in Michigan on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 74

3.17 One-Way Analysis of Variance Between Employment by Grade Level on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 75

3.18 One-Way Analysis of Variance Between Levels of Job Status on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 76

3.19 One-Way Analysis of Variance Between Professional Group Membership on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System . . 78

3.20 One-Way Analysis of Variance Between Respondents Having or Not Having Experience as a Negotiator for a Teacher Group on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 79

3.21 One-Way Analysis of Variance Between Number of Years Spent as a Teacher Group Negotiator on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 80

3.22 One-Way Analysis of Variance Between Respondents Having Experience Negotiating for a Board of Education on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 81

3.23 One-Way Analysis of Variance Between the Number of Years Negotiating for a Board of Education on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 82

TABLE Page

3.24 One-Way Analysis of Variance Between Respondents Having Executive Board Experience for a Teacher Group on Total Score - Items 1 to 55 Concerning Knowledge of the Michigan Public School Employees' Retirement System 83

3.25 Response Rate to Question 57 Regarding Who Should Set Up a Preretirement Counseling Program for Those in a District Who Are About to Retire 85

3.26 Response Rate to Question 58 Regarding a Ranking of Topics to be Covered in any Pre-retirement Counseling Program 86

3.27 Comparison of Significant Variables Which Emerged from the Data Analysis 88

LIST OF APPENDICES

APPENDIX		Page
I.	Survey Cover Letter	106
II.	Survey Instruction Sheet	108
III.	Survey Answer Sheet with Correct Answers Given .	110
IV.	Survey Questionnaire	112
V.	Item Analysis Reporting the Percent of Respondents with Correct Answer Per Item	125

CHAPTER I

STATEMENT OF THE PROBLEM

The problem of this investigation was to ascertain the level of factual information possessed by the public school teachers of Michigan with regard to their pension plan -- the Michigan Public School Employees' Retirement System.

Survey methodology was utilized in this investigation using a randomly selected group of 750 teachers chosen equally from the membership lists of the Michigan Education Association and the Michigan Federation of Teachers. The two teachers' organizations represent all of the public school teachers in the state due to the operation of the Public Employment Relations Act which went into effect on July 23, 1965, and authorized collective bargaining by a duly-elected representative team from either group.

The survey instrument utilized fifty-five questions for the retirement test based on information contained in the Public School Employees' Retirement Act (P. A. 136) of 1945 as recently amended by Public Act No. 244 of 1974. The test was scientifically validated and tested for reliability prior to its use as the survey instrument. The mean scores of the respondents were used to correlate with demographic data supplied by those responding to the survey;

these correlations were analyzed to ascertain if any significant differences would emerge to show trends in the amount of information possessed by the respondents about their retirement system.

The underlying aim of this effort was to provide a data base from which concerned groups and official organizations which deal with teacher socio-economic welfare could develop more adequate preretirement training and education for the public school teachers of Michigan.

BACKGROUND INFORMATION

Retirement, as known by most Americans today, is a relatively new phenomenon on the social scene. With the changes brought about by the Industrial Revolution and the subsequent move from an agrarian economy to an industrialized one, there has been a radical change in a number of population and life-style patterns. One of these changes has been a marked increase in the number of older citizens in our population. About 10 percent, or over 20 million persons in the United States are 65 years old or older. This percentage has more than doubled since 1900 when older persons made up only about 4 percent, or 3 million people, of the total population. Since the numbers of our "senior citizens" have increased so drastically, provisions for their care and consideration had to naturally evolve during this period of historical development.

Over the years, social and financial provisions have been made for this large percentage of our total population -- these provisions came in the form of Social Security legislation and other forms of federal, state and local assistance by law. By and large though, care for our persons of retirement age has come about by the advent and development of private and public pensions in these economic sectors of American life.

Since the percentage of older Americans is growing steadily, it is imperative to the great numbers of prospective retirees to gain as much factual information about their retirement systems as possible if this retirement phase of life is to provide the hoped for results whatever they deem to be. Knowledge is the key to successful planning and this becomes quite evident when future retirement plans are being developed by a prospective retirant.

One must, of necessity then, have ready access to the exact benefits which will become available upon termination of employment, for only through study of these benefit plans prior to the retirement date can a worker develop a scheme that will make the post-employment years as fruitful as possibly dreamed. This study of future retirement benefits can come about in many ways either through an individual or group effort. It is the rare individual who sets

about in the early years of employment to draw up a "plan for action" to be utilized a great number of years in the future.

Quite typically, the employee waits until just a few months prior to his termination date to begin an investigation of his potential benefits in retirement. It is felt that this lack of planning causes many unnecessary hardships at a later date that could have been avoided or possibly minimized if the employees had easy access to preretirement information and counseling.

The actual machinery to carry out an educational endeavor such as this generally is within the scope of either the retirement system itself, the employer's bureaucratic set-up, or employee union or professional associations.

Preretirement education of this nature will yield knowledge, and with such knowledge comes power, the power to provide for oneself and family near a level to which they had become accustomed in the preceeding years.

It is widely acknowledged, even by the management personnel of the Michigan Public School Employees' Retirement System that contributors (members) of the pension plan know little or nothing about that pension plan to which they must legally contribute five percent of their gross annual earnings (on July 1, 1977, the plan becomes non-

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contributory for all members). It is further acknowledged that the members will receive all requisite pension information on a "need to know" basis directly from the system or in addition to what the professional teachers organizations randomly put out in their house organs.

At best, information as to the exact details of the Michigan Public School Employees' Retirement System pension plan is disseminated to the constituents in an almost haphazard fashion rather than in a well-organized and developmental, preretirement counseling plan as is called for by professional personnel policies as operative in most other governmental agencies and corporate bodies in the economic market place today.

Quite simply, preretirement education is called for, but as in any advisement endeavor one must first assess the level of knowledge before prescriptive remediation can take place in the most efficacious manner. This need for a knowledge assessment prior to the development of any preretirement education plan is the basis for this research effort. This study then concerns itself with one aspect of the public pension system -- that of the Michigan Public School Employees' Retirement System. This system now represents over 271,000 persons in the state, all of whom are involved with public education in all strata of employment in one way or another from administrators and teachers to clerical and custodial staff.

CHAPTER II

REVIEW OF THE LITERATURE

DEFINITIONS OF RETIREMENT

Inherent in the life-cycle of most modern American workers is the concept of retirement from the primary source of regular employment. The literature is resplendent with a variety of definitions and viewpoints as to the nature of this event, but there is no clear and single meaning for the term "retirement". Consequently, the term evokes many different connotations and is therefore used in many different ways thus leading to a great deal of confusion when accuracy of statement is pursued.

Most authors though seem to unwittingly agree with Frances M. Carp who sees retirement as encompassing three social phenomena: he sees it as an event, a process and as a status sociologically. Carp clarifies these phenomena thusly:

> Retirement as an Event:
>
> Some future anthropologist may describe the retirement dinner as a typical rite of passage similar in function to puberty ceremonies, marking for the individual and his society a turning point in his life history and a change in his status . . . the moment of formal retirement is a crucial turning point in the life history, one of those developmental "corners" around which a person turns to find a different view of the world and of the self.

Retirement as a Process:

> A more meaningful view of retirement seems to be that of a process which goes on within the individual over a period of time, a conscious or unconscious working-through of a new problem in adjustment to the demands of life, a transference from one relatively stable period, that of young adult-producer, to another relatively stable period, that of person in retirement. The process comes to a close when the person completes the transmutation and establishes a new level or form of stability in his personality organization, interpersonal relationships, and life pattern.

Retirement as a Status:

> Probably some persons never complete the process, never become retired in the psychological sense . . . however . . . most persons make an adjustment, and their lives become stable again in retirement. In this usage the word is descriptive of a status which lasts until death, and during which the person and his situation undergo many changes.[1]

With slight variation Sheldon, McEwan and Ryser are in contextual agreement the only difference being semantical, they reiterate thusly:

> Retirement may be viewed in three ways: as an event, occuring at a particular moment, as a process stemming from that event, or as the period in the life-cycle during which the process develops.[2]

---

[1]Frances M. Carp, "Background and Statement of Purpose -The Lifespan Development Context," The Retirement Process, Report of a Conference (Gaithersburg, Md., December, 1966), U. S. Department of H.E.W., Public Health Service, p. 10.

[2]Alan Sheldon, Peter J. M. McEwan, and Carol Pierson Ryser, Retirement: Patterns and Predictions (Rockville, Md., National Institute of Mental Health Section on Mental Health of the Aging, 1975), p. 2.

These all-encompassing definitions of the term "retirement" are basically sociological, and thus contain all of the generalities associated with the socio-economic aspects of retirement as a human developmental stage. Thus, if retirement is viewed as part of the normal life-cycle, especially the work part of that cycle, then one can possibly predict its occurence and thus develop plans for its advent.

Operationally and for the purpose of this investigation, the term "retirement" as applied specifically to Michigan teachers shall mean simply the cessation of active teaching for pay in the public schools of Michigan and the subsequent receipt of an earned pension from the Michigan Public School Employees' Retirement System.

HISTORICAL DEVELOPMENT OF RETIREMENT SYSTEMS

Private Pension Plans

A better understanding of teacher retirement systems is quite possible if a general view of the major developments of the private business and industrial pension plans are considered in historical perspective.

The first private pension plan in the United States was set up by the American Express Company in 1875. Stone lists the major early private pension plans in the sequence of their development as follows:

> This (the 1875 American Express Company Plan) was followed five years later by the Baltimore and Ohio Railroad plan. Similarly, labor unions soon entered the movement as the Pattern Makers' League of North America adopted a plan in 1900. This was soon followed by the International Jewelry Workers Union of America, National Association of Letter Carriers, the Granite Cutters' International Typographical Union. By 1930 at least 13 international unions had established programs and in some cases large locals had been able to set up old-age funds.[3]

Despite these early plans and the development of Social Security in 1935, no major growth in the private pension plan system took place until World War II when rapid growth began. Schmid summarizes this era of rapid pension plan development by listing the following accountable factors which include:

> . . . the establishment of Social Security which formed a base upon which private pensions could be built; World War II with the resulting wage price freeze which made pensions attractive to business as a method of holding employees; union emphasis upon the development of pensions as fringe benefits and the Supreme Court in the Inland Steel case which found that pensions are subject to collective bargaining and could be considered as deferred wages.[4]

---

[3]Charles Edward Stone, Teacher Retirement Systems (Lexington, Ky.: University of Kentucky - Bureau of School Service, 1971), pp. 16-17.

[4]W. William Schmid, Retirement Systems of the American Teacher, (New York: Fleet Academic Editions, Inc., 1971), p. 8.

Since the post-World War II era the private pension plans have gone through a period of rapid expansion. By way of example, Schmid states that in 1950 the book value of assets held in private pension plans was $11.7 billion and only twelve years later, in 1962, the book value was $60.7 billion.[5] Currently assets of American private pension funds are about $135 billion and cover approximately 30 million persons in the United States.

Public Pension Plans

More germane to the development of this study is the necessity for overview of the historical development of public pension plans. It is widely agreed that public pensions fall into four general categories as follows: (1) retirement plans for federal employees which number twelve separate and distinct systems - the largest of these is the Civil Service Retirement program started in 1920. Some of the larger plans of this type are the Tennessee Valley Authority Retirement System and the Armed Forces Retirement System. (2) The Railroad Retirement System which is for the employees of a private business but is underwritten and administered by the Railroad Retirement Board that was established in 1937 by the federal government and is tightly coordinated with the Social Security System.

---

[5]Ibid.

(3) OASDHI (Old Age, Survivors, Disability and Health Insurance Programs) i.e. Social Security - passed into law in 1935 but most employees of state and local government were excluded from coverage due to a myriad of legal and administrative causes. In 1951 the Social Security Act was amended to include coverage on a voluntary basis for all local and state governmental employees (except most teachers) not covered by a public employee retirement system. Finally, due to a 1954 amendment, teachers had the opportunity to join the system. (4) retirement systems of local and state governmental units make up the fourth category of public pension plans. In this category are found the teacher retirement systems of this nation.

Teacher Retirement Systems

There are three major types of retirement systems to which teachers belong in the United States. The first of these can be considered the "pure" form of teacher retirement systems for in it only teachers are members. The second type of system will include all public employees of a state or local government whether or not they have anything to do with the educational process. The third type, of which Michigan is a prime example, includes all public school employees regardless of the nature of their contact with the pupil population. Table 2.1 lists these major divisions by state.

TABLE 2.1

TYPES OF STATE-WIDE RETIREMENT SYSTEMS TO WHICH TEACHERS BELONG

I: State-wide Teachers' Retirement Systems		II: State-wide Public Employee Systems to which Teachers Belong	III: State-wide Education or School Employees' System to which Teachers Belong
Alabama	N. Dakota	Arizona	Kansas
Alaska	Ohio	Colorado	Michigan
Arkansas	Oklahoma	Delaware	Missouri
California	S. Dakota	Hawaii	Nebraska
Connecticut	Tennessee	Idaho	New Mexico
Florida	Texas	Iowa	Pennsylvania
Georgia	Vermont	Maine	
Illinois	Washington	Mississippi	
Indiana	W. Virginia	Nevada	
Kentucky	Wisconsin	New Hampshire	
Louisiana		N. Carolina	
Maryland		Oregon	
Massachusetts		Rhode Island	
Minnesota		S. Carolina	
Montana		Utah	
New Jersey		Virginia	
New York		Wyoming	

Source: W. William Schmid, Retirement Systems of the American Teacher, (New York: Fleet Academic Editions, (NC., 1971), p. 16.

Michigan Public School Employees' Retirement System

Primary in this investigation is an assessment of the amount of information possessed by teachers in Michigan about their retirement system and its various disability

and pension provisions. To more fully appreciate the Michigan Public School Employees' Retirement System one must of necessity know something of its development and general provisions if this study is to have relevance in the data presentation and subsequent recommendations generated by the investigation.

Background and Current Data

The Michigan Public School Employees' Retirement System originated as a retirement system for Michigan's teachers in 1915 and was later expanded to include all teaching and non-teaching employees of the state's public schools.

During the 1974-75 school year (the latest for which figures are currently available) over 250,000 members contributed to the retirement fund and as of June 30, 1975, 30,013 retirees average annual allowance for this group was $3,143.49. As of June 30, 1975, the investment assets of the fund were $1,801,998,615.00.[6]

Membership

Membership in the retirement system is mandatory for all public school employees of local boards of education and all intermediate school districts. Included in membership are all employees of Eastern Michigan University,

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[6]Letter from Norvel A. Hansen, Executive Director, Michigan Public School Employees' Retirement System, Lansing, August 12, 1975.

Central Michigan University, Northern Michigan University, Western Michigan University, Ferris State College, Michigan Technological University, Lake Superior State College, and all tax-supported community colleges. It includes all persons holding Michigan teacher certificates performing educational services who are Intermediate Superintendents of Schools, employees of the Department of Education and employees of the Michigan High School Athletic Association. Included in membership also are employees of the Michigan School for the Deaf, Michigan School for the Blind, Michigan Training School, Girls' Training School, Michigan Reformatory, State Prison of Southern Michigan, State House of Correction and Branch Prison, Coldwater State Home and Training School, Caro State Hospital for Epileptics, Lapeer State Home and Training School and Newberry State Hospital.

The only exception to this mandated membership are those members on the faculty and staff of the four-year colleges who have elected the optional retirement system such as that offered by Teachers Insurance and Annuity Association - College Retirement Equities Fund (more commonly known as TIAA-CREF).

Administrative Structure

The Michigan Public School Employees' Retirement System is a trust fund administered by the Michigan Department of Management and Budget and a Retirement Board. This Retire-

ment Board consists of seven members: the Superintendent of Public Instruction and six other members appointed by the Governor by and with the advice and consent of the Senate. The law provides that at least one of the members shall be a woman teacher, at least one shall be a non-teaching public school employee, at least one shall be a retired public school employee and at least one shall be a public member with experience in the insurance, actuarial or institutional investment field. Members of the Board are appointed for a term of six years, beginning March 1 of the year.

Financing

The system is funded jointly by member contributions and public revenue due to the passage of Public Act 244, passed into law on July 13, 1974, which affected numerous changes to the retirement plan and established a noncontributory plan which is mandatory as of July 1, 1977. Between July 1, 1974 (retroactive date of P. A. 244) and July 1, 1977, a noncontributory plan may be negotiated as part of the collective bargaining process.

A five percent contribution is required whether deducted from the employee's gross pay or paid by the employment without attaining the service and age requirements necessary to receive a pension allowance.

The member's social security tax is in addition to these requirements and is paid through the retirement system by the employers.

A breakdown of the general categories of the investment portfolio of the Michigan Public School Employees' Retirement System will give a clearer understanding of the scope and size of this fund and yield a better picture of its nature; the breakdown is as follows in Table 2.2:

TABLE 2.2

INVESTMENTS OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Investments	Dollars Invested	Percent of Total Invest.
Equity in the State Treasurer's Common Cash Fund	$ 2,396,589.43	.15
U.S. Government Agencies	28,575,062.44	1.76
U.S. Merchant Marine Guaranteed Notes	63,380,934.84	3.90
U.S. Merchant Marine Guaranteed Notes	1,108,625.00	.07
F.H.A. Debentures	13,276,300.00	.82
F.H.A. Mortgages	151,501,291.30	9.31
F.H.A. Block Mortgages	29,826,737.40	1.83
Farmers Home Adm. Mortgages	3,125,019.70	.19
S.B.I.C. Note*	8,277,450.00	.51
Prime Commercial Paper	20,000,000.00	1.23
Railway E.T.C. & C.S.A.**	151,192,601.87	9.30
Railway E.T.C. & C.S.A.**	816,799.07	.05
Corporate Bonds	615,206,854.12	37.83
Conventional Mortgages	19,399,604.64	1.19
Convertible Bonds	118,370,500.00	7.28
Preferred Stock	5,899,918.28	.36
Common Stock	318,762,142.10	19.60

TABLE 2.2 (Continued)

Investments	Dollars Invested	Percent of Total Invest.
Mutual Funds	$ 36,818,630.80	2.26
GNMA (mtge. backed sec.)***	12,500,000.00	.77
Hospital Const. Loan (Government Guaranteed) . .	25,900,815.88	1.59
	$1,626,335,876.87	100.00 %

* S.B.I.C. (Small Business Investment Certification)
** E.T.C. (Equipment Trust Certificate)
*** G.N.M.A. (Government National Mortgage Association)

Source: Retirement Coordinating Council News, Vol. 1, No. 12, December, 1974, p. 2.

The Fund is growing at the rate of 12% per year. There is an unfunded accrued liability of approximately 1.3 billion dollars which is being amortized over a period of 30 to 40 years at the rate of 1.5% of payroll annually. This liability was incurred prior to 1964 because the state did not currently fund the system. Before '64 the retirees were paid out of annual contributions (plus interest earned on these) collected from active employees. The new 1964 Constitution mandated current service funding by the state from that year forward.

Creditable Service

The great number of teachers and the variety of their personal experiences necessitates a clear-cut statement of

allowable circumstances for inclusion of creditable service in the pension plan. The 1974 Highlights brochure of the retirement system states these qualifications thusly:

> Employment in Michigan public schools is creditable toward retirement. A year of credit is granted to a member who has been employed during the school fiscal year for 170 days at not less than six hours per day. Part-time work receives proportionate service credit. Not more than one year of credit may be earned in any 12-month period.
>
> Other types of public employment creditable toward retirement service credit are:
>
> 1. Military service. Members who left public work under this System, directly entered active duty, and then returned to public school work under this System within 24 months after release from active duty can receive up to six years of military credit as a maximum. No payment is required. Official documentation must be submitted showing the beginning and ending dates of the active duty.
>
> 2. Out-of-System Service. A maximum of 15 years of service performed in public school work outside this Retirement System, including community colleges, colleges and universities may be credited. A member may not receive credit for more out-of-system service than service performed under this System except as indicated in (4). Such service must be followed by at least five years under this System and may not be used as part of the minimum of 10 years necessary to qualify for an allowance. It is not creditable if it will be used to qualify for an allowance from another System for the same years. There is no credit for work in private or parochial schools.
>
> The charge for out-of-system service performed prior to July 1, 1974, is computed according to the contributed schedule in effect under this System for those same

years, plus 2 1/2% per year interest for the date of service until payment is made. For service performed after June 30, 1974, other than in (4), the charge is 5% of the members full-time or equated full-time salary during the year in which payment is made, for each year of out-of-system service purchased. Forms for certifying such service may be obtained from your administrator's office or the Retirement Office.

3. Overseas Service. Persons who left public school work under this Retirement System to directly enter overseas service as a teacher or administrator employed by the Federal Government in schools for U.S. Nationals, who returned to public school work under this System within 24 months of the termination of such service may purchase this credit. The charge for service performed prior to July 1, 1974, is double the rate in effect in the same years for members of this System, plus 2 1/2% simple interest from the date of service until payment is made. The charge for service performed after June 30, 1974, is 5% of the member's full-time or equated full-time salary during the year of overseas service purchased. Such service must be followed by five years of service under this System and may not be used as part of the minimum of 10 years of service under this System required for a monthly allowance.

4. Detroit Board of Education and State of Michigan Service. Persons employed by the Detroit Board of Education or the State of Michigan, who become members of this Retirement System may purchase all years of service credit under either system. The charge is based upon the contribution schedule in effect for this System during the same years of service, plus 2 1/2% interest from the date of service until payment is made.

5. Juvenile Training Schools. Persons who were employed in Juvenile Training Schools operated by a County may purchase such service, providing they meet the same requirements as stated in (2).[7]

Vesting

Any member, regardless of age, having 10 or more years of service credit under the contributory plan, noncontributory plan, or a combination of both, who terminates his employment and leaves his contributions on deposit, is entitled to receive a monthly allowance upon attaining age 60. Also, any member having 30 or more years of service credit, who leaves his employment before age 55 and leaves his contributions on deposit, shall be entitled to a monthly allowance upon reaching age 55. In both cases, the member must no longer be working in any Michigan tax-supported school, community college, college or university or as a State of Michigan employee. The allowance is computed according to the benefit formula in effect at the time the member terminated his employment.

Refunds

Any member, who terminates his employment before satisfying the age and service requirements to start receiving a

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[7]Michigan Public School Employees' Retirement Board, Highlights of the Michigan Public School Employees' Retirement Law and the Noncontributory Plan (Lansing, MI: Michigan Department of Management and Budget, 1974), pp. 2-3.

monthly allowance, may withdraw his accumulated contributions made under the contributory plan. A member eligible for an allowance under this system, who is entitled to credit for all or part of his service in another retirement plan, may with a written waiver, receive a refund. Former members of this system employed in the seven 4-year colleges and universities who elected the optional retirement program may also withdraw their contributions.

Service credit canceled by refund(s) may be reinstated if the amount refunded is repaid, together with regular annual compound interest, and the member returns to public school work under this system for one year. However, if the member was separated from public school work under this system for more than five calendar years, he must return to work under this system for five years.

Retirement Benefit Formula Provisions

The prime concern of most potential retirees is almost always financial in nature and revolves around the actual computation of eventual retirement benefits. The Michigan Public School Employees' Retirement System utilizes the following formula to compute a retirement allowance:

> The retirement allowance is computed by a formula which is the average of the member's best five consecutive years of earnings multiplied by 1 1/2%, and the result then multiplied by total years of service figured to the closest tenth of a year.

(1)	(2)
5 Consecutive Yrs. Salary Average	1 1/2% of Average (1 1/2% of Column 1)
$ 7,000.00	$105.00
12,000.00	180.00
20,000.00	300.00

(3)	(4)
Years of Service	Annual Allowance (Column 2 x Column 3)
20	$ 2,100.00
30	5,400.00
35	10,500.00

Retirement allowances are effective the first of the month following the month in which the member has satisfied the age and service requirements to begin receiving an allowance, has terminated his Michigan public school work and returned the completed application forms to the Retirement Office. Checks are mailed near the end of each month. Members planning to retire are encouraged to make application four to five months in advance of the time they wish to start receiving an allowance. Application forms may be obtained by phoning or writing the Retirement Office, or by a personal visit. Proof of age is also required.

The provisions of the Retirement System also provide for certain contingencies should they occur before a member's retirement.

1.) Disability. Any member, who acquires 10 or more years of service credit and becomes disabled from performing his duties as a public school employee, is eligible to receive a disability allowance upon recommendation of the Retirement Fund Physician and the approval of the Retirement Board. Application for a disability

allowance must be made within 36 months after the member terminated his service. An allowance cannot be granted to a person who is on a leave of absence.
2.) Any member, who acquired 15 or more years of service before age 60, or has reached age 60 and has attained 10 or more years of service, who dies before retirement leaving a widow, dependent widower, or dependent children under 18 years of age, can provide allowance computed under Option 2. (If there is some person other than those named above dependent upon the member for 50% or more of his own personal support, a monthly allowance may be provided for such person if an Option 2 election has been filed with the Retirement Office.)[8]

Requirements for the Right to Retire

A member of the system is entitled to a monthly retirement allowance after attaining age 60 with 10 or more years of full service credit or its equivalent. A member with 30 or more years of service is entitled to receive a retirement allowance at age 55. Retirement provisions do not contain a mandatory retirement age.

Any member having the equivalent of 10 or more years of service credit, who becomes disabled from performing his duties while serving as a school employee, may qualify for a disability allowance regardless of age.

Retirement Options

At the time the member applies for a retirement allow-

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[8]Ibid., p. 4.

ance, there are three options available. A fourth option is available to persons who start drawing an allowance prior to age 61. Options 1 and 4 pay the full amount to the retiree, with no allowance provided for a beneficiary. Options 2 and 3 provide protection to be a beneficiary after the retiree's death. Under Option 2, the same amount of allowance the retiree received each month is continued to the beneficiary. Under Option 2, one-half the amount of allowance the retiree received is continued to the beneficiary. Options 2 and 3 require that the retiree give up a portion of his monthly allowance to extend such coverage to his beneficiaries. This reduction is an actuarial determination and is dependent upon the joint life expectancy of the retiree and his beneficiary at the time of retirement and varies from case to case.

Should a member die before retirement, and a monthly allowance is not payable to his beneficiary, all contributions made by the member under the Contributory Plan are refundable to the member's beneficiary or estate. Members are encouraged to file a Nomination of Beneficiary Form with the Retirement System. If the member is uncertain whether one has been filed, or there has been a change in marital status, birth of new children, or an individual's preference, a Member Information Form RS-105 should be completed and returned to this office; Form RS-105 is available in any school administration's central office.

Work After Retirement

A person receiving a retirement allowance may earn in Michigan public school work as much as is permitted by Social Security and still continue to receive his monthly allowance. Persons whose allowances are less than $2500 annually may earn an additional $1500 above the amount permitted by Social Security. There is no restriction on private employment or public school work in other states.

Health and Medical Coverage

As of January 1, 1975, the Retirement System will pay up to $25 per month toward hospital insurance coverage for retirees who are enrolled in a group plan authorized by the Department of Management and Budget and the Retirement Board.

PLANNING FOR RETIREMENT

An underlying interest and force of this investigation is the concept of preretirement education as it could, and should, apply to the teachers of Michigan. In the literature there is a myriad of material on such generalized areas of retirement as ideal retirement climates and communities, hobby development, religious practices, budgeting your retirement income, but very little has been written on preretirement counseling and education programs for currently employed persons. Most of the references rely on the

concept of preparation for retirement two or less years prior to the actual termination date - some even shorten such lead time to just a few months before the actual retirement date. It is maintained, however, by a few popular writers and obscure researchers and practitioners that preparation for retirement must begin as soon as possible after employment. A key concept in this preretirement preparation endeavor is the development of a knowledge of the workings of one's pension plan. The most recent such statement in this regard comes from the noted economics columnist Sylvia Porter when speaking of the possible changes in the federal regulation of pension plans, she states:

> In the meantime, your best protection remains: be sure you know what your pension does and does not cover.[9]

Mrs. Porter goes on in a like vein and states:

> Your best move now is to take advantage of the little-known amendments to the 1958 Welfare and Pension Plans Disclosure Act which require your employer to disclose to you your pension rights, benefits and limitations regularly and clearly . . . your plan's administrators must make available to all participants a complete, up-to-date description of the plan and also a special supplement explaining the plan in understandable language; check up now on your pension plan's details. This plan is at the very foundations of your financial security.[10]

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[9]Sylvia Porter, "Pensions: How Reforms will Affect You," The Detroit Free Press, March 18, 1974, p. 9B.

[10]Ibid.

William B. Castetter, noted school personnel authority, feels that not only is it part of the school district's function to see that an adequate pension system is provided for its employees, but that it has the obligation to provide counseling services to school personnel prior to and after retirement.[11]

Castetter also feels that not only should this counseling service be the duty of the school personnel officer, but that the initiative should be taken by "unions and educational associations to deal with retirement issues."[12] He sums up his feelings best when he states that:

> Results of current practice indicate that preretirement orientation programs and post-retirement relationships with retired employees are highly desirable. The personnel office typically provides information to potential retirants concerning the nature of retirement benefits and assists in processing applications for retirement. Other common and well-regarded services to retirants include individual counseling, distribution of published materials such as the house organ, group meetings and lectures. Counseling services include discussion with retirees about what they will do in the post-retirement period, where they will live, and the state of their health and what to do about it. The obligation of the school system to provide retirement planning sessions for its personnel is patent. The fact that problems of retirement affect all personnel on the

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[11]William B. Castetter, The Personnel Functions in Educational Administration (New York: The MacMillan Company, 1971), p. 310.

[12]Ibid.

> payroll of the school system, and the relationship of the increasing life span to retirement bring to hold relief and need for preparation of personnel for retirement.[13]

Writer after writer calls for those in some sort of a "position of power" to fill in the information gaps of employees with regard to their knowledge of their pension plans and retirement future. The majority of books and articles on the subject deal with the private sectors of our economy, but one logically is able to arrive at the conclusion that their advice and admonitions should hold true for all employer-employee relationships regardless of their private or public nature.

One of the most thorough studies on this problem was done by H. C. Pyron of the University of Oregon: his research involved over 100 companies (predominantly West Coast firms) which he surveyed to determine the type and scope of their preretirement counseling programs. In addition to his scientific findings he notes that

> organized labor has not begun to bargain for this kind of employee benefit (i.e., preretirement education and counseling.[14]

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[13]Ibid.

[14]H. C. Pyron, "Preparing Employees for Retirement," Personnel Journal, Vol. 48, No. 9 (September, 1969), pp. 722-27.

He feels that it should be made a part of every union contract if the employers do not provide such a service to their workers.

The established need for more retirement information from companies and unions becomes a problem because of the employees themselves. While some employees begin their retirement planning early in their careers, others avoid it completely and some, though resistant, at least think about it. Many refuse to admit that they must retire someday and staunchly refuse to plan for retirement. Despite these factors, Pyron believes that:

> Of the perceived values of the (preretirement counseling) program, the most interesting appear to be those which express a belief that the program improved the morale and increases the contributions of the older employees before retirement. If this observation is accurate, many companies could justify a preretirement counseling program purely on the basis of its contribution to company profit.[15]

Gerald Gallop in a highly regarded article on the subjects of preretirement education and counseling states much the same case as Pyron when he observes that:

> The reluctance of so many employees to acknowledge, or even prepare financially for retirement, all too frequently determine whether retirement will be reward or punishment.[16]

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[15]Ibid.

[16]Gerald Gallop, "Retirement-Reward of Punishment," Personnel Journal, Vol. 49, No. 4 (April, 1970), pp. 338-39.

The researchers and writers in the retirement field generally feel that retirement preparation, education, or counseling should take place, but no statement was found to enforce the ideas that some sort of assessment should take place prior to this proposed retirement service so that those developing and conducting such an endeavor can tailor-make their program to accomplish the sought-after goal of retirement planning. It is a basic scientific, and pedagogical principle that before one proceeds to teach a specific skill, one must of necessity at least try to accurately assess the participants' level of mastery of that skill if precious time and effort are to be conserved.

THE NECESSITY OF PLANNING FOR RETIREMENT

The conclusion reached by most writers within the broad scope of retirement literature is the almost obvious one that some sort of planning for retirement is necessary. Most authors state the obvious categories for retirement planning such as forced saving programs, development of investment portfolios, land acquisition for investment purposes, development of hobbies, choosing a place to live, and so forth, but sorely neglected in the majority of the literature is the concept of a preferred time to begin such planning.

Since retirement is viewed by most developmental psychologists, sociologists, and gerontologists as a foreseeable developmental process, one then, it would logically seem, begin the retirement planning process well in advance of the actual event.

In a recent study, conducted by M. H. Ingraham for the Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF), which gave the reactions and experiences in retirement of TIAA/CREF annuitants, one quote which is quite applicable to this endeavor stands out, for in it is the germ of the ideas inherent in the rest of the advice from those surveyed; that quote is:

> . . . Begin 40 years before retirement to save, save, save . . . - Male, Single, Age 73.[17]

To reinforce this dictum, two of the most knowledgeable and popular authors, L. F. and L. M. Cooley in their book How To Avoid the Retirement Trap, put such thoughts into everyday advice, they state:

> In Swan Song, John Galsworthy wrote, "If you do not think about the future you cannot have one." How tragically true!

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[17]Mark H. Ingraham with the collaboration of James M. Mulanaphy, My Purpose Holds (New York: TIAA/CREF, 1974), p. 51.

> Indeed, if you have not already begun planning for your future retirement needs by the time you receive your first regular paycheck, you have already begun to write your own personal "swan song" . . . it is no exaggeration to say that if you are between the age of forty and fifty and you have not done your retirement planning, while there may be something left, it is going to be a narrow squeak.
>
> But if you are around thirty years old and have just entered the economy, then you have an excellent chance to avoid the retirement trap - if you employ a little painless planning.[18]

The authors go in in like manner to reiterate the numerous pitfalls which are due to the lack of planning for the natural developmental state of life called "retirement", and sum up their reasoning on the subject in the following statements:

> There is only one way to be reasonably certain that you will escape the troubles that beset most older persons: You must understand what difficulties you are likely to encounter and then initiate a planned program that will help you circumvent them.
>
> Except for inherited physical infirmities, most problems should not be difficult to avoid if they are anticipated soon enough. The most of us find ourselves on the horns of the retirement dilemma is simple procrastination.

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[18]Leland F. and Lee M. Cooley, How to Avoid the Retirement Trap, (Los Angeles: Nash Publishing Co., 1972), XII.

> Generally, we do not think about such problems until we are forced to - and then it is likely to be too late.[19]

This kind of attitude toward retirement planning is the basic motivation for a number of efforts conducted by government, business and industry, to educate their employees not only in the provisions of specific pension plans, but also in the fine points of a new style of life within this human developmental stage called "retirement".

A number of well-organized research efforts to test the efficacy and efficiency of preretirement education, and counseling programs have been undertaken by various individuals and agencies in recent years.

In 1973, P. R. Miller conducted such a study to ascertain the relationship between preretirement education and the adjustment to retirement. Her findings are as follows:

> The analysis of data indicated a relationship between education and retirement adjustment. While the two groups comprising the sample showed a commonality in social factors, they differed significantly in their adjustment to retirement. Based on these findings, the conclusion can be stated that preretirement education is a positive factor in retirement adjustment.[20]

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[19]Ibid.

[20]Phyllis R. Miller, "Preretirement Education: A Factor in Retirement Adjustment" (unpublished Ph.D. dissertation, University of Maryland, 1973), p. 82.

Among the many implications inherent in Miller's research is the fact that preretirement education, having been shown to be beneficial, is a form of adult education and therefore should be of concern to professional educators who should then assume the responsibility for leadership in such an endeavor - this implication is quite germane to this investigation.

A study conducted by B. E. Griffin compared and contrasted the preretirement training efforts of the state universities of Arizona (The University of Arizona, Arizona State University and Northern Arizona University) with those of the regional telephone company - Mountain Bell. Dr. Griffin found that preretirement counseling was almost non-existent at the universities and that most retirement questions received by the personnel department were forwarded to the Arizona State Retirement System.

Quite to the contrary, Mountain Bell in cooperative effort with the Telephone Pioneers of America (an employee group) presents a series of four counseling programs on a yearly basis for its employees in Arizona. The format for their effort is as follows:

> These were concerned with a wide range of problem areas of retirement. In the financial area: the company pension and insurance plans, stocks and bonds, Social Security and Medicare, and annuity programs. In the legal area: will and probates, trust funds, joint tenancy, and property ownership. Some

> of the other subjects were: health care and medical insurance, budgeting, travel information, hobbies, and community service. All employees were invited to these seminars and the personnel department has urged every employee to attend at least one four-day session before they reached their 40th birthday. Since most of the seminar leaders were retired colleagues, few questions went unasked and none went unanswered. Thus, as individuals, the employees have had the opportunity to gain information from sources other than their supervisors. Spouses were urged to attend with the employees, so retirement planning has been a family affair at Mountain Bell. Five years before the employee's indicated date of retirement, the employee and spouse received individualized counseling from the personnel department. Three months before actual retirement, retirement updatings, reviews and individual counselings were held. The company had managed to provide a continuing relationship between current employees and those who have retired. This has seemed to make an easy transition for the new retirees.[21]

Further research by this investigator failed to find any program of this kind developed and in use by the school systems of this nation; whereas this approach is quite common in the business and industrial sectors of the economy as well as in the federal governmental agencies.

Another researcher in the field, D. L. Fisher, set up a study to scientifically test the efficacy of pre-retirement education and counseling in resolution of the

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[21]Bert Eldon Griffin, "Retirement Preparations at Arizona's State Universities" (unpublished Ph.D. dissertation, Arizona State University, 1974), p. 77.

psychological, social, and financial burdens of aged, retired persons. The results of his preretirement training laboratory experiment as measured by pre- and post- psychological testing are as follows:

> Analysis of data resulted in 80 statistically significant determinations between various groups. From these determinations came verification of the value and effectivity of pre-retirement training and education.
>
> From the results four main conclusions were drawn: There are the following: 1. People enter retirement relieved of false and denigrating preconcepts. 2. Continuing education enhances retirement lifestyles. 3. Activity characterizes self-actualizing persons in retirement. 4. Realistic preparation for retirement must go beyond the limitations of this experiment in pre-retirement training.[22]

THE NECESSITY FOR RETIREMENT RESEARCH

Throughout the related literature there has been nothing found in disagreement with the basic philosophy that retirement planning is necessary. There is only slight disagreement on when it should begin as a serious effort as well as which topics should receive major emphasis. The preponderance of opinion is in favor of early preparation for this event of life and financial concerns most generally

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[22]Donald Leon Fisher, "A Psychology Experiment: Training Laboratory for Retirement" (Published Ph.D. dissertation, United States International University, 1974), p. 151.

are rated of primary interest.

Frances M. Carp, summing up a 1966 conference on the retirement process conducted by the United States Department of Health, Education and Welfare, felt that more scientific research needs to be done to determine the effective elements of retirement preparation programs and determining the most exact and efficacious time to begin such efforts. He suggests possible methods of study development and the setting up of data banks so that investigators could share and pool information on the various aspects of the topic. Carp sums up his beliefs thusly:

> Retirement into the new end-of-life leisure period is a developmental process of major importance. Study of it deserves the highest priority among developmental scientists.
>
> The most pressing need is for systematic statements of the retirement process which will guide research toward the building of theory systems. Closely related is the retirement process. The relevant characteristics of persons and of physical and social settings must be discovered and studied in their interactions, as they relate to the problems posed by retirement and the outcomes of the retirement crisis. Future research designs must develop strategies to measure or to control all of these variables. Studies of select groups and special phenomena should be undertaken as society produces variants of the retirement process. There is need for sustained attention to methodological problems which plague research in this area, for improvement and expansion of techniques and materials and for establishment of suitable norms.

> Retirement is a relatively new phase in human development. Study of it has a short history, and the major work lies ahead. At present, questions outnumber answers, and intriguing research topics are legion. The creative and energetic investigator will find this is a fruitful and rewarding research domain.[23]

It is the researcher's sincere hope that this investigation will be a small step forward in realizing Dr. Carp's dream for investigative work on the retirement topic.

23Frances M. Carp, "Summary and Prospect," The Retirement Process, Report of a Conference (Gaithersburg, Md., December, 1966), U.S. Department of H.E.W., Public Health Service, pp. 157-58.

CHAPTER III

PRESENTATION OF FINDINGS

The general purpose of this study was to gather information about what is known of the pension and retirement provisions of the Michigan Public School Employees' Retirement System. It was felt that without such a firmly established data base any attempt to dessiminate retirement plan information by a concerned group or organization would be without basis in fact, and would therefore lack program accuracy and direction.

It is becoming increasingly self-evident, even to the most casual observer, that the necessity of one's having command of the provisions of their retirement-pension plan is becoming absolutely necessary if one is to make adequate provision for a cessation of employment and adoption of a new life-style in their post-employment years. This knowledge of the strengths and weaknesses of an employer's retirement system is a necessary prerequisite if sufficient plans are to be made to terminate employment. These retirement plans are never made too early in an employee's working career; adequate planning for the future can save many worries at a later date. This planning factor of retirement interest is true in the public as well as the private sectors of our economy and public school employees are not an exception to this rule.

METHODOLOGY

A survey instrument was designed to test the knowledge of 750 randomly selected teachers across the state of Michigan about the retirement system and its plans. The knowledge factors were correlated with twenty-two demographic, educational and employment variables to see if any significance existed statistically in these relationships.

STATISTICAL PROCEDURES

The data were statistically analyzed using the MIDAS computer program of the School of Education at the University of Michigan; the MIDAS program's commands of HISTOGRAM, ANOVA and TWOWAY were used.

The HISTOGRAM command yielded histograms of each of the test items (questions 1-55: see Appendix IV) enabling the researcher to judge number and percent response patterns to the designated correct answer; this command also produced histograms for each of the variables to be tested (questions 56-58: see Appendix IV) and their response number and percent.

The ANOVA command produced a one-way analysis of variance between the obtained mean scores for each variable category by question; and F-Statistic was also produced which enables one to gain the sought after level of significance (a level of significance at the .05 level was decided to be

used to reject or not reject the proposed null hypotheses).

SURVEY INSTRUMENT DEVELOPMENT

The development of the survey instrument came about after intensive research and study into the philosophical and practical foundations of many and various retirement plans. The actual set of test questions (items 1-55: Appendix IV) were based on the contents of the 1973 booklet entitled Information . . . Michigan Public School Employees' Retirement Fund published by the Michigan Public School Employees Retirement Board's Department of Administration, as well as information supplied by the MPSERS Executive Secretary Norvel Hansen, Michigan legislators and both the Michigan Education Association and the Michigan Federation of Teachers - these last resources supplied current information with regards to the new legislation that was being introduced and eventually passed in the legislature of the state (H.B. 5888-P.A. 244) as the questionnaire was being developed.

Upon completion of the questionnaire, copies were sent to four experts in the field of Michigan teacher retirement and pensions for a rating as to the suitability and accuracy of each question. The panel of expert raters was made up of:

(1) Dr. John Meeder
Research Director
Michigan Education Association

(2) Mr. Henry Linne
President
Michigan Federation of Teachers

(3) Mrs. Dorothy Eubank
Executive Director
Retirement Coordinating Council

(4) Mr. Paul Hunt
Chairman
Dearborn School Employee Pension
Improvement Committee

This panel was asked to rate the fifty-five questions on a seven point Likert scale (1 being low to a high of 7). The mean rating by the experts was 5.86 out of a possible high rating of 7.00; the range of mean ratings for the fifty-five questions was 4.50 to 7.00.

To test for reliability, the test was given to a random sample of teachers comprising eighteen percent (N=10) of the staff at Charles E. Brake Junior High School in Taylor, Michigan, with the resultant reliability coefficient of .801. This was computed using the Kuder-Richardson Formula 21 (K-R21). This group had a mean score of 14.900 and a standard deviation of 7.119 with a minimum percentage score of 7.27 (four items correct) and a maximum percentage score of 54.55 (thirty items correct). Those scores are all within the general range established by the respondents to the mailed questionnaire.

TABLE 3.1

COMPARISON OF RELIABILITY TEST RESULTS TO SCORES ACHIEVED BY THE SURVEY SAMPLE

	N	Mean Score	S.D.	Minimum % Correct	Maximum % Correct
Reliability Test Group	10	14.900	7.1179	7.2727	54.5454
Survey	304	18.947	9.3437	3.6364	49.0910

(K-R21) Reliability Coefficient = .801

The variables to be tested were then added to the retirement test portion of the questionnaire and once completed, the questionnaire was typed, printed and readied for mailing to the survey sample of 750 Michigan teachers.

Once the completed questionnaire was mailed out to the 750 teachers a response rate graph was developed to record the response return rate. It became apparent not long after this that the rate of return was dropping off approximately one month after a steady but lighter than expected rate of return. At this point a follow-up postcard (N=500) was sent out which generated additional returns. A final, useable response of forty-one percent (N=304) out of the 750 questionnaires mailed out is what the results of this data presentation are based on.

It should be noted here that the fifty-nine percent who did not respond to the survey questionnaire most likely did not do so for a variety of reasons. One can assume

that chief amongst these reasons must be: (1) that they do not care about their retirement system (especially at this point in time) or (2) that they have minimal knowledge about the pension system and felt that they could not complete the survey adequately.

After the self-coded answer sheets were edited, check-coded and the data cleaned, they were then keypunched and a datafile was set up in the computer facilities at the University of Michigan to be analyzed using the MIDAS program of the School of Education. A presentation of the computerized printout of the findings follows later in this chapter.

SELECTION OF THE SURVEY SAMPLE

The State of Michigan has 109,470 teachers and administrators employed in its public schools at this time. Each of the teachers is represented by law (P.A. 379) by a contractual bargaining agent which has been duly-elected by the local teachers in an authorized election to determine whether or not the Michigan Education Association (84 percent of the teachers) would represent them in the yearly rounds of contract negotiations and maintenance of the said contract. Since there is this representational factor included throughout the bargaining units of public education throughout the state's school districts, one

must of necessity seek out such assistance when doing research concerning teachers.

Originally, the basic focus of this research had been to randomly survey the entire membership of the Michigan Public School Employees' Retirement System (MPSERS) in hopes of ascertaining the level of knowledge possessed by all members of the MPSERS from a representative sample of superintendents, administrators, teachers, part-time employees, substitutes, cooks, clerical personnel, bus drivers and custodial staff - all of whom are members of the retirement system. On contacting the administration of the retirement system in Lansing it was learned that there is no master membership list of Michigan public school system employees from which to gather a randomized sample. Unbelievable as this might seem, the fact remains that there was no master list of the over 200,000 "active" members of the MPSERS who at this time contribute five percent of their annual compensation to the retirement fund - for example, the average teacher salary in Michigan is $13,774.00 multiplied by a five percent assessment yields an average yearly contribution of $688.70. This average teacher contribution times the number of school personnel in the state yields an approximate yearly income of $75,391,989.00. Data is reported only by local districts, and therefore, personnel information is not individually sorted and thus, a master membership file has not been created.

This necessitated the random selection of the survey sample from the two groups with the largest memberships representing one group of contributors, these groups, of necessity, were the Michigan Education Association (MEA), (93,000 members) and the Michigan Federation of Teachers (MFT), (18,000 members). Together these two groups represent over fifty percent of the contributors to the MPSERS, and thus, account for the greatest dollar amount input into the pension fund accumulation. The MEA and MFT were contacted to gain access to their membership records; both groups agreed to provide a randomly selected group of 375 teachers for a total survey sample of 750 teachers. No effort was made to weight the socio-economic data and other such information was unavailable to adequately weight the groups in this survey. For this purpose the only factors held constant were "teacherness", and membership in one or the other teacher group.

One must realize that since the MEA group is approximately four times larger than the MFT group, the sample statistics will naturally bear more resemblance to the demographic characteristics of the larger, MEA, group.

CHARACTERISTICS OF THE SURVEY SAMPLE

The questionnaire sought to develop a profile of the demographic, educational and professional involvement

characteristics of the teacher respondents to the survey instrument; these variables comprised items fifty-nine through seventy-eight on the questionnaire. The responses to these questions were correlated in the one-way analysis of variance with the total scores obtained on items one to fifty-five which made up the test of retirement plan knowledge.

The first grouping of variables comprised the following demographic categories: sex, race, age, respondent income, length of marriage, employment of spouse, spouse's right to a state teacher's pension, spouse's level of income.

The second group of variables included the following variables which pertained to the respondent's educational preparation and current employment situation, they are: highest degree held, number of years at the present job, number of years in education in Michigan, present teaching level and present job classification.

The third set of grouped variables sought to gain information on the respondent's level of professional involvement, they are: membership in professional associations, experience as a negotiator for teachers, experience as a negotiator for a board of education, number of years as a negotiator for a board, membership on the executive board of a teacher negotiating group.

In order to determine if the survey sample composition validly represented the total statewide teacher population

a contact was made with the Coordinator of Teacher Certification of the State of Michigan's Department of Education who was able to provide data from the 1974-75 Professional Personnel Report in seven comparable variable areas, these areas were: sex, age, income, degree, years of experience, teaching level and job classification. These seven areas show that there was a high degree of similarity between the survey sample and the rest of Michigan's professional educators. This comparison data is given alongside the survey sample figure presented in Table 3.2.

DEMOGRAPHIC VARIABLES

In the survey sample males accounted for 40.3 percent of the group while females accounted for 59.7 percent; these figures approximate the statewide percentages to a high degree as shown in Table 3.2 as are all of the other variables which follow in this section.

Racially the survey sample was composed of 94 percent whites, 4.6 percent black, and 1.3 percent who classified themselves as "other". The State has no figures on this variable.

The majority of the teachers surveyed (60.9 percent) fell into the two categories between ages twenty-six and forty-five with the mean age for educators in the state was 42.9 years.

With regards to income levels of those teachers surveyed, 82.2 percent earned between $10,000, and $19,999, whereas the state average for all educators was $18,191.89 (teachers and administrators included) and a mean salary for teachers alone of $13,774.00; this shows the survey sample to be within the average salary range.

The majority of surveyed teachers (69.6 percent) had between one and four dependents - 40.6 percent had two to four dependents. There are no figures available from the state on this variable.

Of the 304 respondents, 71.4 percent were married and 28.6 percent were single. Of those who were married 62.1 percent had a spouse whose age (percentage of) approximated theirs - that is between the ages of twenty-six and forty-five. This group also showed a stable marital relationship with 63.9 percent having been married over ten years. Seventy percent (70.4 percent to be exact) reported that their spouse was employed and 29.6 percent stated the opposite. Thirty-three percent of these whose spouses were working stated that their mates would be entitled to a Michigan Public School Employees' Retirement System pension. Of those spouses who were employed 78 percent earned over $10,000.00 yearly.

EDUCATIONAL AND WORK EXPERIENCE VARIABLES

The majority of educators surveyed had obtained their

masters degree (53.5 percent), and had been teaching at their present location for between five and twenty-five years (74.4 percent). The great majority of teachers (73.6 percent) had between five and twenty-five years in public education in Michigan: this figure compared favorably with the figure presented in the Professional Personnel Report as shown in Table 3.2.

PROFESSIONAL INVOLVEMENT VARIABLES

The original survey sample was made up of 750 teachers half of which were members of the Michigan Education Association (MEA) and half of which were Michigan Federation of Teachers (MFT) members. The response rate showed that 51 percent of respondents were MEA members while 40.5 percent were MFT members - 8.6 percent listed themselves as members of both professional groups.

Of those responding, 16.2 percent stated that they had represented their teacher negotiating group at the bargaining table - 83.8 percent had no such experience. This group with negotiating experience showed that 61.7 percent had had more than one years negotiating experience.

Only one percent of those contacted had any experience negotiating a master contract sitting as a member of a local board of education. Of those three persons reporting one had one years experience, one had two years and one had more than two years experience negotiating "for the other side."

Fifty-two respondents (17.5 percent) of the survey sample stated that they had been on the executive or governing board of a duly-elected teacher bargaining group, while the majority (82.5 percent) could not claim such involvement.

TABLE 3.2

A DEMOGRAPHIC COMPARISON OF THE RESPONDING SURVEY SAMPLE WITH THE TOTAL STATE PUBLIC SCHOOL EDUCATION POPULATION FIGURES AS PROVIDED BY THE 1974-75 STATE OF MICHIGAN DEPARTMENT OF EDUCATION PROFESSIONAL PERSONNEL REPORT

		Survey Sample (N=304)		Total Population (N=109,470)	
		No.	Percent	No.	Percent
Sex:	Males	122	40.3	44,342	41
	Females	181	59.7	65,128	59
		303		109,470	
Race:	White	284	94	(no figures available)	
	Black	14	4.6		
	Other	4	1.3		
		302			
Age:	Under 25	22	7.2	(mean age = 42.9 years)	
	26-35	107	35.2		
	36-45	78	25.7		
	46-55	56	18.4		
	56-65	41	13.5		
		304			

TABLE 3.2 (Continued)

Survey Sample (N=304)			Total Population (N=109,470)	
	No.	Percent	No.	Percent
Income:				Mean Salary
less 5000	2	.7	All Educators	$18,191.89
5-9000	15	4.9	Teachers Only	13,774.00
10-14999	121	39.8	Administrators	21,727.33
15-19999	129	42.4	Administrator/	
over 20000	37	12.2	Teacher	19,074.32
	304			
No. of Dependents:				
none	54	17.8		
one	88	29.0		
2-4	123	40.6	(No figures available)	
5-6	35	11.6		
over 6	3	1.0		
	303			
Marital Status:				
Married	217	71.4		
Single	87	28.6	(No figures available)	
	304			
Age of Space:				
Under 25	8	3.7		
26-35	76	35.2		
36-45	58	26.9	(No figures available)	
46-55	43	19.9		
56-65	31	14.4		
	216			
Length of Marriage:				
Less than 5 years	40	18.5		
5-9	38	17.6		
10-19	68	31.5mn	(No figures available)	
20 +	70	32.4		
	216			

TABLE 3.2 (Continued)

	Survey Sample (N=304)		Total Population (N=109,470)	
	No.	Percent	No.	Percent
Spouse Employed:				
Yes	152	70.4	(No figures available)	
No	64	29.6		
Spouse - MPSERS Pension?				
	62	33.0	(No figures available)	
	126	67.0		
	188			
Spouse Income:				
Less than $5000	19	11.9		
5 - 9999	16	10.1		
10 -14999	60	37.7	(No figures available)	
15 -19999	41	25.8		
over-20000	23	14.5		
Degree:				
Normal/Life	2	.7	772	1
Bachelors	124	40.9	62,506	57
Masters	162	53.5	43,917	40
Specialists	12	4.0	1,392	1
Doctors	3	1.0	883	1
Years at Present Job:				
Less than 5 years	61	20.3		
5-15	165	54.8	(No figures available)	
16-25	59	19.6		
26-35	13	4.3		
36 +	3	1.0		

TABLE 3.2 (Continued)

Survey Sample (N=304)			Total Population (N=109,470)	
	No.	Percent	No.	Percent
Years in Education in Michigan:				
Less than 5 years	52	17.2		
5-15	147	48.5	Mean number of years of teaching experience = 15.44	
16-25	76	25.1		
26-35	21	6.9		
36 +	7	2.3		
	303			
Present Training Level:				
Pre-School/ Day-Care	2	.7	All grades	6,906 6.0
Elementary	134	45.0	Elem. (K-6) (K-8)	50,843 46.0
Junior High/ Middle Sch.	70	23.5	JHS. (7-8) (7-9)	18,699 17.0
Senior High/ Vocational/ Technical	76	25.5	S.H. (9-12)	27,346 24.0
Higher Educ.	16	5.4	Central Admin.	2,557 2.0
	298		JHS/SHS	3,119 2.0
				109,470
Job Classification:				
P.T. Teacher/ Sub	9	3.0		
F.T. Teacher	277	92.6	101,070	92.8
P.T. Teacher/ P.T. Admin.	9	3.0	995	.9
F.T. Admin.	1	.3	7,405	6.8
On leave/ Sabbatical	3	1.0		
	299		109,470	

TABLE 3.2 (Continued)

	Survey Sample (N=304)		Total Population (N=109,407)	
	No.	Percent	No.	Percent
Professional Association:				
MEA	155	51.0	92,000	84
MFT	123	40.5	18,000	16
Both	26	8.6	(No figures available)	
	304			
Negotiator - Employees				
Yes	49	16.2		
No	254	83.8	(No figures available)	
	303			
No. of years negotiating for Teacher group:				
1	18	38.3		
2	12	25.5		
3	8	17.0	(No figures available)	
4	5	10.6		
5	4	8.5		
	47			
Experience as a Negotiator for a board of education:				
Yes	3	1.0		
No	296	99.0	(No figures available)	
	299			
Number of years negotiating for a board of education:				
1	1	33.0		
2	1	33.0	(No figures available)	
More than 2	1	33.0		
	3			
Membership on the executive board of a teacher group:				
Yes	52	17.5		
No	245	82.5	(No figures available)	
	297			

HYPOTHESES

The major hypotheses to be tested statistically are divided into three main categories which cover the three general variable groupings; these areas are: (1) demography, (2) educational and employment, (3) professional involvement. Each general hypotheses grouping represents more than one specific hypotheses as brought forth in the hypothesis statement below. They are stated in the null form for the purpose of statistical testing.

Demographic Hypothesis (H_o1)

There will be no significant difference in the mean test scores of the survey respondents on the retirement test with regard to:

a) sex
b) race
c) age
d) income
e) number of dependents
f) marital status
g) age of spouse
h) length of marriage
i) employment of spouse
j) spouse's pension
k) spouse's income

Educational and Employment Hypothesis (H_o2)

There will be no significant difference in the mean test scores of the survey respondents on the retirement test with regard to:

a) highest degree obtained
b) number of years teaching at present location
c) number of years working in public education in Michigan

d) present job level
e) present employment status

Professional Involvement Hypothesis (H_o3)

There will be no significant difference in the mean test scores of the survey respondents on the retirement test with regard to:

a) professional association membership
b) experience as a negotiator for a teacher group
c) number of years of negotiating for a teacher group
d) experience negotiating for a board of education
e) number of years of negotiating experience for a board of education
f) membership on the executive board of a teacher negotiating group

DATA PRESENTATION AND ANALYSIS

No significant difference was found between male and female respondents when their mean scores on the retirement test items (Nos. 1-55) of the questionnaire were compared by sex. The survey sample group mean score was 18.947 (34.454 percent) with a standard deviation of 9.3437; the range of scores for the survey sample was from 2.0 to 27.0 which represented 3.636 percent to 49.091 percent respectively. Table 3.3 shows that the mean for males was 19.36 and for females was 18.59 with an F-statistic of .4902 which indicated a significance of .4844. The null hypothesis could not be rejected.

TABLE 3.3

ONE-WAY ANALYSIS OF VARIANCE BETWEEN MALES AND FEMALES ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Males	122	19.36	8.85	.4902	.4844
2. Females	181	18.59	9.65		

There was no significant difference to be found between groups of respondents who racially designated themselves as white, black or other. Their mean scores on the retirement test were, white: 18.75; black: 23.51; other: 16.36 compared to a total survey sample mean of 18.947. Table 3.4 reports an F-statistic of 1.9052 with a corresponding significance of .1506 thus the null hypothesis could not be rejected.

TABLE 3.4

ONE-WAY ANALYSIS OF VARIANCE BETWEEN RACIAL GROUPS ON TOTAL SCORE-ITEMS 1-55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. White	284	18.75	9.10	1.9052	.1506	+1,-3
2. Black	14	23.51	12.94			+1,-2,+1,-2
3. Other	4	16.36	8.27			-3

* (-) = significance lower
(+) = significance higher
(1-3) = (1=white, 2=black, 3=other.)

A highly significant difference was found between the various age groupings when their mean scores on the retirement test were compared. The mean score for those under 25 was 11.98, standard deviation of 6.73; the mean score of

those from ages 26 to 35 was 17.55 with a standard deviation of 9.19. Those in the 36-45 age group obtained a mean score of 18.70 and a standard deviation of 8.36. This group's mean approximated the total survey sample's mean of 18.947. The 46 to 55 age group obtained a mean score of 20.91 with a standard deviation of 10.16. Mean scores went up to 24.12 with a standard deviation of 8.67 for the 56 to 65 age group. Table 3.5 shows this data along with a F-statistic of 8.1275 and a significance level of .0000. The null hypothesis was rejected.

TABLE 3.5

ONE-WAY ANALYSIS OF VARIANCE BETWEEN AGE GROUPS ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. under 25	22	11.98	6.73	8.1275	.0000	+2,+3,+4,+5
2. 26-35	107	17.55	9.19			-3,+4,+5
3. 36-45	78	18.70	8.37			-4,+5
4. 46-55	56	20.91	10.06			-5
5. 56-65	41	24.12	8.67			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=under 25, 2=26-35, 3=36-45, 4=46-55, 5=56-65)

Respondent income levels when subjected to the one-way analysis of variance showed significant differences when mean scores on the retirement test were compared by these levels. Table 3.6 shows a mean score of 25.46 and a standard deviation of 25.71 for this group (N=2) who earn less than $5000 yearly. Those respondents in the $5-9999 income bracket achieved a mean score of 13.70 with a standard deviation of 8.01; this trend now continued to increase as the mean score for those in the $10-14,999 group emerged at 16.91 with a standard deviation of 9.02. Those earning in the range of $15 to 19,999 had a mean score of 20.72 and a standard deviation of 9.04. The respondents who earned over $20,000 yearly had a mean score of 21.23 and a standard deviation of 9.26 - the means of these last two groups exceeded the survey sample group mean of 18.947. An F-statistic of 4.8187 and a level of significance of .0009 was reported. The null hypothesis was rejected.

TABLE 3.6

ONE-WAY ANALYSIS OF VARIANCE BETWEEN INCOME LEVELS ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. less than $5000	2	25.46	25.71	4.8137	.0009	-5
2. 5-9999	15	13.70	8.01			-2,-3,-4
3. 10-14,999	121	16.91	9.02			-3,+4,+5
4. 15-19,999	129	20.72	9.04			+4,+5
5. over 20,000	37	21.23	9.26			-5

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=less than $5000, 2=5-9999, 3=10-14,999, 4=15-19,999, 5=over 20,000.)

No significant difference was found between respondents' mean scores and the number of dependents they had when those mean scores were compared as shown in Table 3.7. Those with no dependents had a mean score of 17.68 (S.D. 8.83). Those with between two and four dependents exceeded the total survey sample mean of 18.947 with a mean score of 19.94 (S.D. 9.69) as did the following groups of those respondents with five or six dependents who had a mean score of 19.90 (S.D. 9.57) and those who had over six dependents who obtained a mean of 21.82 (S.D. 3.15). An F-statistic of 1.0359 was reported along with a level of significance of .3888. The null hypothesis could not be rejected.

TABLE 3.7

ONE-WAY ANALYSIS OF VARIANCE BETWEEN NUMBER OF DEPENDENTS ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. none	58	17.68	9.43	1.0359	.3888	-2,-3,-4,-5
2. one	88	17.89	8.83			-3,-4,-5
3. 2-4	123	19.94	9.69			-4,-5
4. 5-6	35	19.90	9.57			-5
5. over 6	3	21.82	3.15			

* (-) significantly lower
(+) significantly higher
(1-5) = (1=none, 2=one, 3=2-4, 4=5-6, 5=over 6.)

No significant difference was found between married and single respondents when their mean scores were compared using the marital state as a variable. The married respondents whose mean score was 19.20 (S.D. 9.03) exceeded the mean for the total survey sample which was 18.947 (S.D. 9.34). The single respondents achieved a mean score of 18.31 (S.D. 10.12). The 3.8 reports these figures as well as an F-statistic of .5713 and a significance level of .4503 and consequently the null hypothesis could not be rejected.

TABLE 3.8

ONE-WAY ANALYSIS OF VARIANCE BETWEEN MARRIED AND SINGLE RESPONDENTS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Married	217	19.20	9.03	.5173	.4503
2. Single	87	18.31	10.12		

Table 3.9 reports an F-statistic of 2.2081 and a total level of significance of .0692 for the total one-way analysis of variance between age levels of the respondent's spouse and mean scores on the retirement test. Those whose spouse was under 25 had a mean score of 12.41 (S.D. 7.07); spouse age level between ages of 26-35 had a mean score higher than the total for the survey sample which was 18.947 (S.D. 8.67) and finally, those whose spouses were between 56 and 65 had a mean score of 21.17 (S.D. 9.19). The null hypothesis could not be rejected in this case.

TABLE 3.9

ONE-WAY ANALYSIS OF VARIANCE BETWEEN AGE LEVELS OF SPOUSE ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM		NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1.	under 25	8	13.41	7.07	2.2081	.0692	-2,-3,+4,+5
2.	26-35	76	17.34	8.75			-3,-4,+5
3.	36-45	58	19.50	8.67			-4,-5
4.	46-55	43	20.21	8.92			-5
5.	56-65	31	21.17	9.19			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=under 25, 2=26-35, 3=36-45, 4=46-55, 5=56-65.)

A significant difference was found between married respondents subgrouped by the number of years they were married when their mean scores on the retirement test were compared by these levels. Those married less than 5 years and 9 years had a mean score of 18.09 (S.D. 8.42). These last two groups surpass the survey sample mean of 18.947 (S.D. 9.34) and are: those married between 10 and 19 years had a mean score of 19.31 (S.D. 8.55) whereas those reporting a marriage of over 20 years had a mean of 21.40 (S.D. 8.90). An F-statistic of 3.2425 and a level of significance of .0230 is reported as shown in Table 3.10. The null hypothesis is rejected in this instance.

TABLE 3.10

ONE-WAY ANALYSIS OF VARIANCE BETWEEN MARRIED RESPONDENTS SUBGROUPED BY NUMBER OF YEARS MARRIED ON TOTAL SCORE - ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. less than 4 years	40	16.23	9.01	3.2425	.0230	-2,-3,+4
2. 5-9	38	18.09	8.42			-3,-4
3. 10-19	68	19.31	8.55			-4
4. over 20	70	21.40	8.90			

* (-) = significantly lower
(+) = significantly higher
(1-4) = (1=less than 5 years, 2=5-9, 3=10-19, 4=over 20.)

Table 3.11 presents data which shows that when the respondents' mean scores are subjected to a one-way analysis of variance between respondents' spouses who are employed or unemployed no significant difference appears. Those whose spouses were employed had a mean score of 19.26 (S.D. 8.96) and those whose mates were unemployed had a mean score of 18.89 (S.D. 8.89) with a reported F-statistic of .75618 and a level of significance of .7836. The null hypothesis could not be rejected.

TABLE 3.11

ONE-WAY ANALYSIS OF VARIANCE BETWEEN EMPLOYED AND UNEMPLOYED SPOUSES ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Employed	152	19.26	8.96	.75618	.7836
2. Unemployed	64	18.89	8.89		

Respondents whose spouses were employed were asked if these spouses would be eligible for a Michigan Public School Employees' Retirement System Pension (i.e. were they married to persons presently teaching or had been teachers in Michigan). A presentation of that data is presented in Table 3.12 where it was subjected to a one-way analysis of variance of mean scores of those whose spouses were eligible for such a pension (mean: 20.3 - S.D. 9.67) and those whose spouses were ineligible for one (mean: 19.08 - S.D. 8.47). An F-statistic of .47782 and a level of significance of .4903 were generated by this analysis which makes it clear that this specific null hypothesis could not be rejected.

TABLE 3.12

ONE-WAY ANALYSIS OF VARIANCE BETWEEN EMPLOYED SPOUSES ELIGIBLE FOR A MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM PENSION ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Eligible	62	20.03	9.67	.47782	.4903
2. Ineligible	126	19.08	8.47		

Using the income levels of the respondents' employed spouse as a variable in a one-way analysis of variance between obtained mean scores and the income levels stated, as shown in Table 3.13, no significant level of difference was shown to exist for those earning less than $5000, which got a mean score of 22.68 (S.D. 8.49), those earning between $5000 and $9999 which received a mean score of 16.82 (S.D. 8.33). The next two strata both scored over the survey group's mean of 18.947 (S.D. 9.3437). Those whose spouses earned between $10,000 and $14,999, had a mean score of 19.27 (S.D. 8.83); those in the $15,000 to $19,000 bracket had a mean obtained score of 19.69 (S.D. 9.82). The last stratum, those over $20,000 had a lower score than the overall mean and received a tally of 17.71 (S.D. 8.64). The reported F-statistic was 1.1766 and a significance of .3233. The null hypothesis was not rejected.

TABLE 3.13

ONE-WAY ANALYSIS OF VARIANCE BETWEEN INCOME LEVELS OF EMPLOYED SPOUSE ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. less than $5000	19	22.68	8.49	1.1766	.3233	-2,-3,-4,-5
2. 5-9999	16	16.82	8.33			-3,-4,-5
3. 10-14999	60	19.27	8.83			-4,-5
4. 15-19999	41	19.69	9.82			-5
5. over $20,000	23	17.71	8.64			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=less than $5000, 2=5-9999, 3=10-14,999, 4=15-19999, 5=over $20,000.)

With regard to the level of educational preparation (college degree held) by the respondents it was found that a significant difference exists between the degree levels indicated and the mean obtained scores. Table 3.14 shows those with a life certificate had a mean score of 11.82 (S.D. 3.86); those with a bachelors scored a mean of 17.85 (S.D. 9.33); those with their masters degree had a mean score of 19.42 (S.D. 9.00); those with a specialists degree scored a mean score of 26.06 (S.D. 12.41). These last

two groups exceeded the survey sample mean of 18.947 (S.D. 9.3437). Those surveyed with a doctorate had a mean score of 17.58 (S.D. 5.56). An F-statistic of 2.6306 and a significance level of .0346 were obtained in this analysis. The null hypothesis was rejected.

TABLE 3.14

ONE-WAY ANALYSIS OF VARIANCE BETWEEN THE EDUCATIONAL PREPARATION LEVELS OF RESPONDENTS ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. Normal/ Life	2	11.82	3.86	2.6303	.0346	-2,-3,+4,-5
2. B.A./B.S.	124	17.85	9.33			-3,+4,-5
3. M.A./M.S.	162	19.42	9.00			+4,-5
4. Ed. Sp.	12	26.06	12.41			-5
5. Ed.D./ Ph.D.	3	17.58	5.56			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=normal/life, 2=B.A./B.S., 3=M.A./M.S., 4=Ed. Sp., 5=Ed.D./Ph.D.)

As expected, a significant difference was found in this one-way analysis of variance between the mean scores on retirement test and the number of years spent working on the present job in education. Table 3.15 illustrates that

those with less than 5 years scored a mean of 15.47 (S.D. 9.83); those with between 5 and 15 years scored a mean of 19.01 (S.D. 9.46); those with 16 to 25 years there scored 20.15 as a mean score (S.D. 7.53); those surveyed who had 26 to 35 years at that location had a mean score of 26.85 (S.D. 6.97) and those with 36 or more years had a mean score of 24.24 (S.D. 3.79). An F-statistic of 5.2203 and a level of significance figure of .0004 were generated that enabled the null hypothesis to be rejected in this variables regard.

TABLE 3.15

ONE-WAY ANALYSIS OF VARIANCE BETWEEN THE NUMBER OF YEARS SPENT WORKING AT THE PRESENT JOB LOCATION ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. Less than 5 years	61	15.47	9.83	5.2203	.0004	+2,+3,+4,-5
2. 5-15	165	19.01	9.46			-3,+4,-5
3. 16-25	59	20.15	7.53			+4,-5
4. 26-35	13	26.85	6.97			-5
5. 30 or more	3	24.24	3.79			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=less than 5 years, 2=5-15, 3=16-25, 4=26-35,5=30 or more.)

Statistically, a significant difference was found between the respondent's number of years spent in public education in Michigan on their mean scores on the retirement test. All stratum showed higher scores than the survey sample mean of 18.947 (S.D. 9.34) except the first two. Those with less than 5 years experience had a mean score of 14.97 (S.D. 9.10) and those with between 5 and 15 years achieved a mean of 18.29 (S.D. 9.41). Those surveyed with between 15 and 25 years public education experience got a mean score of 21.17 (S.D. 8.35); the group with 26-35 years had a mean achieved score of 23.98 (S.D. 9.23). The remaining seven respondents with 36 or more years in Michigan's system of public education received a mean score of 22.34 (S.D. 8.95). Table 3.16 shows an F-statistic of 5.6938 with its .0002 level of significance thus forcing the null hypothesis to be rejected.

TABLE 3.16

ONE-WAY ANALYSIS OF VARIANCE BETWEEN THE NUMBER OF YEARS SPENT WORKING IN PUBLIC EDUCATION IN MICHIGAN ON TOTAL SCORE-ITEMS 1-55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. Less than 5 years	52	14.97	9.10	5.6938	.0002	+2,+3,+4,+5
2. 5-15	147	18.29	9.41			+3,+4,-5
3. 16-25	76	21.17	8.35			-4,-5
4. 26-35	21	24.98	9.23			-5
5. 36 or more	7	22.34	8.95			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=less than 5 years, 2=5-15, 3=16-25, 4=26-35, 5=36 or more.)

With regard to the employment by grade level when compared to the respondents' mean scores, no significant difference was found to exist. As shown in Table 3.17 preschool/day care teachers (mean: 17.27 - S.D. 9.00), elementary personnel (mean: 18.73 - S.D. 9.61) all scored below the survey mean of 18.947 (S.D. 9.3437). Only those in the senior high/vocational schools (mean: 19.71 - S.D. 8.99) and those involved in higher education (mean: 17.50 - S.D. 9.85) exceeded the total group figure. The F-statistic was .26073 with a corresponding level of signi-

ficance of .9030. Here, therefore, we are unable to reject the null hypothesis as set up for this variable analysis.

TABLE 3.17

ONE-WAY ANALYSIS OF VARIANCE BETWEEN EMPLOYMENT BY GRADE LEVEL ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. Preschool/ Day Care	2	17.27	9.00	.26073	.9030	-2,-3,-4,-5
2. Elementary	134	18.73	9.61			-3,-4,-5
3. Middle or J.H.S.	70	18.78	9.30			-4,-5
4. Senior H. or Voc.	76	19.71	8.99			-5
5. Higher Ed.	16	17.50	9.85			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=Preschool/day care, 2=Elementary, 3=Middle or J.H.S., 4=H.S./Vocational, 5=Higher Ed.)

Whether or not one is a full or part-time employee, teacher, administrator or on leave of one sort or another makes no significant difference when mean scores are tested by a one-way analysis of variance for significance. Part-time teachers and substitutes had a mean score of 14.34 (S.D. 7.52), full-time teachers had 18.85 as a mean score (S.D. 9.36), part-time teacher/part-time administrators achieved a mean score of 24.65 (S.D. 11.69) out of a pos-

sible perfect score of 55.00. An F-statistic of 2.0906 and a level of significance of .0821 is reported in Table 3.18. With this level of significance present, the null hypothesis could not be rejected.

TABLE 3.18

ONE-WAY ANALYSIS OF VARIANCE BETWEEN LEVELS OF JOB STATUS ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. Part-time/ Substitute	9	14.34	7.52	2.0906	.0821	-2,+3,-4,+5
2. Full-time Teacher	277	18.85	9.36			-3,-4,-5
3. P.T. Teacher	9	24.65	8.68			-4,-5
4. Full-time Admin.	1	18.18				-5
5. On Leave/ Sabbatical	3	27.88	11.69			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=P.T./Sub., 2=F.T. Teacher, 3=P.T., 4=F.T. Administrator, 5=On leave/Sabbatical.)

Professional group membership in either the Michigan Education Association (MEA) or the Michigan Federation of Teachers (MFT) or even membership in both groups could not account for any difference in mean scores obtained on the retirement test. The MEA group achieved a mean score of 18.07 (S.D. 9.10) and the MFT group received a score of 19.59 (S.D. 9.82). Those respondents belonging to both the MEA and MFT achieved a higher mean score 21.19 (S.D. 8.11) than those with single membership but this higher score was not significant at the .05 level. Table 3.19 shows an F-statistic of 1.7358 with a subsequent significance of .1780 which means that the null hypothesis could not be rejected in this case. When the mean scores of those who belonged to the MEA were compared to those belonging to the MFT (disregarding the "other" group) the level of significance was .1774 and the null hypothesis could not be rejected even though it was surmised that since the MEA group is four times larger than the MFT group, the data would show greater resemblance to the MEA group - such was not the case.

TABLE 3.19

ONE-WAY ANALYSIS OF VARIANCE BETWEEN PROFESSIONAL GROUP MEMBERSHIP ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. MEA	155	18.07	9.10	1.7358	.1780	-2,-3
2. MFT	123	19.59	9.82			-3
3. Both	26	21.19	8.11			

* (-) = significantly lower
(+) = significantly higher
(1-3) = (1=MEA, 2=MFT, 3=Both.)

A significant difference was found between those who had experience as a negotiator for a teacher group in master contract negotiations when these stratum were analyzed comparing the mean scores. Those who had negotiated for teachers had a mean score of 21.82 (S.D. 7.53) which is above the mean score for the entire survey sample which was 18.947 (S.D. 9.3437). Those respondents not having this experience had a mean score of 18.40 (S.D. 9.59) which is below the surveyed group score. Table 3.20 shows an F-statistic of 5.5733 and a significance figure of .0189 which therefore rejects the null hypothesis.

TABLE 3.20

ONE-WAY ANALYSIS OF VARIANCE BETWEEN RESPONDENTS HAVING OR NOT HAVING EXPERIENCE AS A NEGOTIATOR FOR A TEACHER GROUP ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Yes	49	21.82	7.53	5.5733	.0189
2. No	254	18.40	9.59		

No significant difference was found between the number of years spent as a negotiator for a teacher group and the mean scores on the retirement test obtained by the respondents. Those surveyed all obtained scores higher than the

total sample mean of 18.947 (S.D. 9.3437). The respondents with one year experience had a mean of 19.60 (S.D. 6.73), those with two years a mean score of 22.58 (S.D. 7.13). Table 3.21 goes on to give a mean score of 19.32 (S.D. 5.66) for those with three years experience and a mean of 28.00 (S.D. 9.06) for the five respondents with four years experience. Those with five years to their credit had a mean of 21.35 (S.D. 9.89). An F-statistic of 1.3288 and level of significance of .2708 causes us to be unable to reject the null hypothesis.

TABLE 3.21

ONE-WAY ANALYSIS OF VARIANCE BETWEEN NUMBER OF YEARS SPENT AS A TEACHER GROUP NEGOTIATOR ON TOTAL SCORE -ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. 1 year	18	19.60	6.73	1.3288	.2708	-2,-3,+4,-5
2. 2 years	12	22.58	7.13			-3,-4,-5
3. 3 years	8	19.32	5.66			+4,-5
4. 4 years	5	28.00	9.06			-5
5. 5 years	4	21.35	9.89			

* (-) = significantly lower
(+) = significantly higher
(1-5) = (1=1 year, 2=2 years, 3=3 years, 4=4 years, 5=5 years.)

There were only three persons responding in the affirmative to the question whether they had any experience as a negotiator for a board of education (employer as opposed to employee group). Of those three respondents a mean score emerged of 21.82 (S.D. 7.93) which was above the survey sample mean of 18.947 (S.D. 9.3437). Those citing a negative response obtained a mean score of 18.88 (S.D. 9.40). An F-statistic of .29028 with a significance of .5904 which forces one to state that no significant differences exist there and that the null hypothesis could not be rejected in this instance.

TABLE 3.22

ONE-WAY ANALYSIS OF VARIANCE BETWEEN RESPONDENTS HAVING EXPERIENCE NEGOTIATING FOR A BOARD OF EDUCATION ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Yes	3	21.82	7.93	.29028	.5904
2. No	296	18.88	9.40		

Table 3.23 shows that the one-way analysis of variance for this item was not able to be computed due to the small number of respondents per stratum.

TABLE 3.23

ONE-WAY ANALYSIS OF VARIANCE BETWEEN THE NUMBER OF YEARS NEGOTIATING FOR A BOARD OF EDUCATION ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.	PAIRWISE*
1. 1 year 2. 2 years 3. more than 2 years				UNABLE TO COMPUTE		

As shown in Table 3.24, a significant difference exists between those having had the experience to be on the executive board (governing body) and those who did not. The fifty-two who had such an experience scored significantly higher with a mean score of 21.19 (S.D. 7.14) than those who did not - their mean score was 18.40 (S.D. 9.75). An F-statistic of 3.8263 with a significance of .0514 was generated thus enabling the rejecting of the null hypothesis.

TABLE 3.24

ONE-WAY ANALYSIS OF VARIANCE BETWEEN RESPONDENTS HAVING EXECUTIVE BOARD EXPERIENCE FOR A TEACHER GROUP ON TOTAL SCORE-ITEMS 1 TO 55 CONCERNING KNOWLEDGE OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.

STRATUM	NO.	MEAN	S.D.	F-STAT.	SIGNIF.
1. Yes	52	21.19	7.14	3.8263	.0514
2. No	245	18.40	9.75		

In addition to the data obtained when items one through fifty-five of the retirement test were subjected to statistical analysis, there were four other questionnaire items (56, 56A, 57, and 58) which were not officially part of the test but were informational in nature.

Question 56 asked if the respondent would like to have a formalized retirement preparation program (i.e. pre-retirement counseling) set up for persons in their district who are about to retire. The majority answered in the affirmative (91.8 percent) and only a small percentage responded negatively (8.2 percent).

Question 56A asked, in correlation with question 56, "why is that?" Even though a great number of respondents chose not to reply to this query, those who did simply answered that they, as well as most teachers, knew absolutely nothing of their retirement system.

Question 57 sought to determine just who should be responsible for setting up such a pre-retirement counseling program. From the choices provided, the majority felt that it was the responsibility of the Michigan Public School Employees' Retirement System (54.7). The remainder of the responses are listed in Table 3.25 which follows.

TABLE 3.25

RESPONSE RATE TO QUESTION 57 REGARDING WHO SHOULD SET UP A PRERETIREMENT COUNSELING PROGRAM FOR THOSE IN A DISTRICT WHO ARE ABOUT TO RETIRE.

CATEGORY	NO.	PERCENT
1. Local School Board - Local Personnel Department	21	7.3
2. Local Bargaining Agent (MEA/MFT Affiliate)	51	17.8
3. Michigan Public School Employees' Retirement System	157	54.7
4. Retirement Coordinating Council	43	15.0
5. Other - Please specify (Use bottom of answer sheet)	15	5.2

Those fifteen respondents who chose option five all picked some remote category of the first four choices, perhaps not realizing that their choice was an affiliate of one of the first four categories.

Question 58 asked the respondents to rank the listed topics of general interest to most retirees for possible coverage in a retirement preparation program, if such existed, regardless who ran it. Table 3.26 gives the results of the ranking which shows that the great majority (90.3 percent) of those surveyed wanted more information with regards to the financial aspects of retirement.

TABLE 3.26

RESPONSE RATE TO QUESTION 58 REGARDING A RANKING OF TOPICS TO BE COVERED IN ANY PRERETIREMENT COUNSELING PROGRAM.

CATEGORY	NO.	PERCENT
1. Health, Food and Nutrition	14	5.0
2. Money and Financial Matters (Insurance, Pension, Social Security, etc.)	252	90.3
3. Leisure Activities (Hobbies, Travel, etc.)	2	.7
4. Employment Opportunities	9	3.2
5. Other - Please specify (Use bottom of answer sheet)	2	.7

Those respondents in category five (N=2) both gave topics that were offshoots of category two, thus increasing the concern of respondents to the money and financial matters category.

CHAPTER SUMMARY

From the data, as previously analyzed, there were eight variables that emerged as significant when subjected to the one-way analysis of variance (ANOVA). Table 3.27 gives these significant variables with their level of significance.

It is clear that respondents' income level, age, length of marriage, highest college degree obtained, number of years involved in public education in Michigan, experience as a negotiator for a teacher bargaining group and experience as a member of an executive board of a teacher group all were significant factors as to just what amount of knowledge of the Michigan Public School Employees' Retirement System was possessed by those surveyed.

With exception of the last two variables cited (negotiating experience/executive board experience) all of the significant variables are a function of time or number of years in general - i.e. the older one is, the longer one could be married, have a higher college degree, and therefore, have a higher income; also, the older one is also affects the income due to the fact that the number of years of service at any location, tends to increase earnings. The practical ramifications of this data will be put into more useable terms in Chapter IV.

TABLE 3.27

COMPARISON OF SIGNIFICANT VARIABLES WHICH EMERGED FROM THE DATA ANALYSIS

VARIABLE	LEVEL OF SIGNIFICANCE ONE-WAY ANALYSIS
Respondent Income	.0009
Respondent Age	.0000
Length of Marriage	.0230
College Degree	.0346
No. of Years at Present Location	.0004
No. of Years in Public Ed. in Michigan	.0002
Experience as Negotiator/ Teachers	.0189
Experience on Executive Board/ Teachers	.0514

CHAPTER IV

SUMMARY AND RECOMMENDATIONS

SUMMARY

This study clearly indicates that, virtually, very little is known by the public school teachers of Michigan with regard to the benefits entitled to them by virtue of their membership and contributions into their retirement system. Hopefully, something will be done to remedy this deficiency by those concerned in utilizing proper personnel practices. This study was an attempt to not only provide a data base to document this deficiency but also to spur further research into this vital area.

REVIEW OF THE FINDINGS

The overall purpose of this investigation was to determine the extent of knowledge possessed by the public school teachers of Michigan about their retirement system. Once such a determination was made, this information was correlated with personal data supplied by the respondents to ascertain if there were any significant data trends and thus test the major hypotheses that had been postulated. Thus, with such a data base having been established by the survey, there could be developed a series of recommendations focused on the establishment and improvement of pre-retirement edu-

cation and counseling efforts by the concerned parties of such involvement.

In reviewing the three major hypotheses postulated earlier in this study, the research shows that in the demographic hypothesis (H_o1), there were no significant differences in the mean test scores on the retirement test of the respondents with regard to sex, race, number of dependents, marital status, age of spouse, employment of spouse, spouse's pension system, or spouse's income level (if indeed in the last four items the respondent was married). However, there were significant differences found in the obtained mean test scores with regard to the respondents' age, income, and length of marriage (if married).

With regard to the educational and employment hypothesis (H_o2). there were no significant differences found in the mean test scores obtained on the retirement test with regard to present job level (i.e. elementary, secondary and the like), or present employment status (i.e. part-time, full-time and the like). It was found, however, that the mean scores obtained on the retirement test showed significant differences when tested against the variables of highest degree obtained, number of years teaching at the present location, and the number of years spent working in public education in Michigan.

The research showed that there was no significant dif-

ference when the professional involvement hypothesis (H_o3) was tested in the mean scores obtained regardless of membership in the various professional organizations; neither did significant differences emerge when the variables of number of years negotiating for a teacher group or a board of education were tested using the respondents' mean scores. Experience as a negotiator for a board of education also did not yield a significant difference with regard to the obtained mean scores of the respondents when this variable was tested.

There was a significant difference found by the analysis of the data when the mean scores of the respondents who had negotiated for a teacher group or had been on the executive board of a teacher negotiating group were tested in statistical analyses of the survey data.

The numerous tables showing the one-way analyses of variance contained in the presentation of findings showed that the respondents' income, age, length of marriage (if married), highest college degree obtained, length of teaching service at the present location, length of service to public education in Michigan, experience as a member of an executive board for a duly-elected teachers bargaining group were all successful indicators of a relatively high level of knowledge attainment about the specifics of the Michigan Public School Employees' Retirement System.

The significant variables (as analyzed in Chapter III) are all a function of age with the exception of the last two (experience as a negotiator and experience as a member of a teacher group's executive board) which are professional involvement variables and not really subject to age functions. This fact would seem to clearly indicate that the closer one comes to a given retirement age, the more one knows about their potential pension benefits. Also suggested is the fact that the older one is, the more one has been exposed to the limited amount of retirement information which has been made available through the system itself and the various personnel and teacher welfare groups.

At this juncture, evident also is the fact that even though the above-mentioned variables emerged as significant indicators of pension plan knowledge, the range of scores on the retirement test was from 3.6 percent to 49.1 percent, with a reported mean score of 18.9 percent. These scores indicate a definite lack of knowledge about the Michigan Public School Employees' Retirement System, and therefore, indicate an extreme need for education of the members with reference to the plan's provisions. Quite simply put, the teachers of Michigan know little or nothing about their retirement system and serious remediation of this deficiency is called for.

RECOMMENDATIONS

The following recommendations are offered to the administration of the Michigan Public School Employees' Retirement System and those concerned with teacher welfare, namely the state and local personnel departments, the Michigan Education Association, and the Michigan Federation of Teachers, with respect to the insights gained through this survey effort. Hopefully, these groups will eventually initiate programs aimed at increased pension benefit awareness amongst their members through coordinated, concerted, and perpetually ongoing effort.

1.) Recommendation:

Yearly financial statements of contributions accumulated and interest earned by individual contributors be put out by the Michigan Public School Employees' Retirement System.

Rationale:

Banks, insurance firms, annuities all issue regular (at least yearly) reports as to the status of one's investment - it was six years (1968-74) between such statements for the teachers of Michigan.

2.) Recommendation:

Yearly (or as needed due to legislative changes) updates of the retirement information brochure sent to pension system members.

Rationale:

The information brochure put out by the Michigan Public School Employees' Retirement System was last put out in 1973; immediately prior to that, it was last printed in 1970. Since the new legislative changes, only a fold-out pamphlet highlighting the Public Act No. 244 of 1974 was put out which left many questions unanswered.

3.) Recommendation:

A redesign of the retirement information brochure to be more eye-catching and more practically readable.

Rationale:

The brochures of 1970 and 1973 as well as the pamphlet of 1974 put out by the Retirement Board were drab to look at and difficult to read. The readability difficulty seems to be due to almost exact citations of the original public act which is resplendent with legal terms and phraseology which

tends to confuse the lay reader. As for the aesthetic appeal of the brochure, it is felt that commercial artists should be consulted and the brochure brought up to the standard of other states' brochures (New York for example).

4.) Recommendation:

Training of personnel administrators in local school districts to provide pre- and post-retirement counseling.

Rationale:

At this point in time, such training is non-existent. Modern personnel practices dictate such a program which is operative in most private and public sectors of the economy.

5.) Recommendation:

Direct mailings of updates on retirement (new brochures, statement of accounts) to members' addresses.

Rationale:

The present system calls for distribution of such material on a district by district basis with such materials being handed out in the local school building by personnel who should

not have such a duty (e.g. students).

6.) Recommendation:

Monthly newsletters on the status of contributors retirement system (i.e., changes in coverage, portfolio, make-up, possible legislative changes).

Rationale:

This recommendation is akin to the status reports enclosed in insurance billings. Up to this time such information was given upon direct request or on a need-to-know basis rather than on a "report to investors" basis.

7.) Recommendations:

Regular columns in professional group or employer house organs strictly devoted to retirement issues, planning, use of time, income, pension knowledge via questions and answers, and current lobbying efforts for pension revision.

Rationale:

At this juncture, most written material aimed at pension members was as the result of questions posed in inquiries to the house organ editor or

as a column when a major legislative change came about. It is maintained that a regular feature in these publications on the subject of retirement would be more effective.

8.) Recommendation:

Development and dissemination of packets of information dealing directly with pension benefits planning, services, insurance, social security benefits be made available to local members by local school districts.

Rationale:

Upon employment in most major business firms and governmental agencies one is presented with such a packet of information which details such information; in the education field such practices are the exception rather than the rule.

9.) Recommendation:

In-service educational sessions on the pension system and retirement in general, held on a regular basis for interested members.

Rationale:

At present, the only such sessions conducted are those of the Retirement Coordinating Council (RCC) which is a private group that represents most of the pension system members in an indirect fashion -- no such sessions, it appears, have ever been generated by the Michigan Public School Employees' Retirement System itself for its members.

10.) Recommendation:

Development of campaigns on a regular basis to get younger members "thinking retirement."

Rationale:

With the legislative changes in 1974 the principle of "30 and out" (at age 55) became a reality; it is felt that the retirement system, as well as the teacher groups and local personnel offices could all benefit by such advertising campaigns.

11.) Recommendation:

A concerted inter-group lobbying effort to improve pension plans and supplemental benefits packages and make efforts known to their members via meetings and publications - i.e., make the Retirement Coordinating Council more effective.

Rationale:

At present, the Retirement Coordinating Council has a very loose federation of members promoting such efforts; with more teamwork it is maintained that this group could be more effective statewide.

12.) Recommendation:

Increased funding should be more available to support retirement plan information dissemination.

Rationale:

The Michigan Public School Employees' Retirement System is not entirely at fault for its apparent lack of publicity effort; its hands are tied due to the budgetary constraints placed on its administrative and operational functions by the state legislature.

13.) Recommendation:

Set up official executive board positions in state-wide professional groups to be in charge of retirement pension plan information to members.

Rationale:

Presently, the representatives of the major teacher groups who work in coordination with the Retirement Coordinating Council do this job in addition to their regular function in the group; increasing the status to a board position would enable teacher groups to have a full-time retirement officer thus providing more effective service to members.

14.) Recommendation:

Encourage membership (as associate/working or full/retired) in the National Retired Teachers Associated (NRTA), i.e., earmark $2.00 of members dues for membership.

Rationale:

Many employed teachers are unaware that while they are working they can be associate members of the NRTA. With increased membership such groups as the NRTA can work for pension, welfare and social security reform - such effort is unavailable to an individual without such numbers of concerned teachers at his side. The earmarking of such an amount of dues is a small price to pay for such lobbying effort as the NRTA provides.

15.) Recommendation:

Promote the membership and activities of the NRTA local and state chapters.

Rationale:

Once again, once membership in the NRTA is publicized and made available, locally concerted effort must be made by all concerned to make the NRTA's activities viable and effective.

16.) Recommendation:

Develop and negotiate supplemental benefits packages (contributory and/or noncontributory) into local contracts to provide for adequate early retirement possibilities.

Rationale:

Often, teachers cannot take advantage of provisions in the retirement act such as "30 and out" due to family and other private commitments. Since this is true, it is advisable for supplemental investment packages be negotiated so that the added income will be available to those who otherwise could not take advantage of such early retirement options.

17.) Recommendation:

Coordinate statewide efforts in public and private pension benefit improvement and plan dissemination i.e., act as clearinghouses for retirement/pension information.

Rationale:

Teachers often do not know where to go to get their specific retirement questions answered. It is maintained that the concerned professional groups gather such requisite information and act is a depository of such not only on a local or statewide basis but on a national scale as well.

18.) Recommendation:

Develop a computerized Michigan Public School Employees' Retirement System membership list.

Rationale:

At present such a listing does not exist and it is unthinkable that it does not especially with the easy access to excellent data processing that exists in the state offices. Such a listing would simplify the development of many of the previous recommendations.

In conclusion, it becomes obvious, with some reflection on the issues raised, that this list of eighteen recommendations is not meant to be all inclusive, nor are the recommendations prioritized. An exact prioritization of the aforementioned issues is almost impossible to develop, but the bulk of the improvements sought after must come from the agency which deals directly with the members' contributions; therefore, the Michigan Public School Employees' Retirement System must bear the brunt of the improvement effort along the suggested lines. To aid in this regard it is suggested that they give serious consideration to recommendation 18, 12, 1, 2, 3, and 5 in that order of importance.

The question of what is the best time to get retirement plan information to the system's members is an ever-challenging one. The data suggests that since age is the key factor in retirement knowledge (i.e. the older one is the more one knows and needs to know about his pension plan), that one should provide such information as one approaches the retire-years -- this has been the practice thus far and the results show such efforts to be a dismal failure as witnessed by the scores on this survey questionnaire. Recommendation 8 can be an effective tool to get such pension information to "new hires" the moment they sign contracts in the local district, and should be followed up by constant reinforcement on a regular, planned basis by all concerned groups.

RECOMMENDATIONS FOR FURTHER RESEARCH

Much research needs to be done on all aspects of retirement, the aging process and pension plans. This study, though, concerns itself generally with teacher retirement and more specifically with retirement and the pension plan of the public school teachers of the State of Michigan.

It is apparent after this investigation that further research efforts might concern themselves with the following questions:

1.) What is the level of knowledge held by the school administrators who fall under the same retirement plan as Michigan's teachers?

2.) What do the non-certified members of the Michigan Public School Employees' Retirement System know about their pension plan?

3.) Is the investment portfolio of the Michigan Public School Employees' Retirement System a sound investment portfolio? If not, suggestions are in order for its improvement.

4.) Can effective models be developed of negotiated supplemental benefits packages which will enable teachers to take advantage of early retirement?

5.) What existing models of preretirement education and/or counseling are most efficacious when applied to the public school staff of Michigan?

6.) What improvements in the present retirement system should be made according to those presently retired from Michigan school service?

7.) How does the Michigan teacher retirement system compare or contrast with any of the other state plans across this nation?

8.) What exact strategy should be developed by teacher welfare groups to increase pension awareness amongst their members?

9.) What should be the exact role of the local school district personnel officer or department with regard to pre- and post-retirement counseling of its employees?

10.) What role should adult, continuing, and community education, play in the development of a structured approach to preretirement education?

This listing is not meant to be all-inclusive but should provide stimulus for further research efforts in the general topical area.

APPENDIX I

SURVEY COVER LETTER

Retirement Coordinating Council

For Michigan Public School Employees

P.O. BOX 673-EAST LANSING-MICHIGAN 48823

517/332-6551

MEMBER ORGANIZATIONS

State School Employee Organizations

Dearborn School Employees Pension Improvement Committee
Michigan Association of Classroom Teachers
Michigan Association of Educational Office Personnel
Michigan Association of Elementary School Principals
Michigan Association for Higher Education
Michigan Association of Intermediate School Administrators
Michigan Association for Public Adult & Community Education
Michigan Association of School Administrators
Michigan Association of School Boards
Michigan Association of School Employees
Michigan Association of School Personnel Administrators
Michigan Association of Secondary School Principals
Michigan Congress of School Administrator Associations
Michigan Council of Vocational Administrators
Michigan Education Association
Michigan Federation of Teachers
Michigan Retired Teachers Association
Michigan School Business Officials

Public School Retirement Systems

Employees Retirement System of the School District of the City of Detroit
Michigan Public School Employees Retirement Fund

Detroit Public School Employees Pension Improvement Committee

AFSCME Local 345; Local 706; Chapter of Professional Engineers, Board of Education, Local 706; Classified Custodians A-B-C No. 706.
Carpenters District Council of Detroit, Wayne, Oakland, St. Clair, Sanilac and Monroe Counties and Vicinities
Detroit Association of Educational Office Employees
Detroit Federation of Teachers
Detroit Retired Teachers Association
Governmental Accountants and Analysts Association
International Association of Machinists & Aerospace Workers, Lodge No. 82, AFL-CIO
International Union of Operating Engineers, Local 547, A-B-C
Non-Instructional Supervisory Employees Organization of School Administrators and Supervisors
Radio & Television Broadcast Engineers, Local Union No. 58
Teamsters, State, County and Municipal Workers Local 214
Wayne, Macomb & Oakland Building and Construction Trades Council

January 6, 1975

Dear Michigan Educator:

Attached to this letter is a questionnaire prepared by Gary R. Ford, a teacher in Taylor, Michigan who is working on his doctoral dissertation at the University of Michigan. This questionnaire seeks to establish the extent of teachers' knowledge about their retirement system and to correlate this information with certain demographic data which you can provide.

You have been chosen at random from the membership lists of the Michigan Education Association and the Michigan Federation of Teachers to participate in this survey. Your response to this questionnaire will hopefully lead to an establishment of a data base from which new and better programs of pre-retirement education and retirement information dissemination can eventually evolve.

Your response to this survey will be greatly appreciated and all information provided will be held in the strictest of confidence. Thank you.

Sincerely,

Dorothy M Eubank

DOROTHY M. EUBANK
Executive Director

DME:rjg

APPENDIX II

SURVEY INSTRUCTION SHEET

the university of michigan
school of education

MICHIGAN TEACHER RETIREMENT SYSTEM SURVEY

SURVEY INSTRUCTIONS

1.) *Please record the number of your response on the buff colored answer sheet.*

2.) *Make sure that all response blanks are filled in.*

3.) *Return the completed answer sheet in the white, stamped and addressed envelope.*

4.) *Thank you for your help.*

Sincerely,

Gary R. Ford.

APPENDIX III

SURVEY ANSWER SHEET

WITH

CORRECT ANSWERS GIVEN

ANSWER SHEET — RETIREMENT SURVEY - G. R. FORD — I.D. # — Key Correct Answers

Please place all of your responses for questions 1-78 on this sheet. When you have completed this form, please fold and place it in the attached stamped, addressed envelope and drop it in the mail. Thank you for your time.

(1:11) 1. 1	(1:24) 14. 2	(1:38) 28. 1	(1:50) 40. 2	(1:62) 52. 3	(1:74) 64. ___
2. 1	15. 1	29. 1	41. 1	53. 3	65. ___
3. 3	16. 1	30. 1	42. 2	54. 1	66. ___
4. 1	17. 1	31. 2	43. 2	55. 3	67. ___
5. 1	18. 2	32. 1	44. 3	56. ___	68. ___
6. 2	19. 1	33. 1	45. 3	57. ___	(2:11) 69. ___
7. 3	20. 1				70. ___
					71. ___
(1:18) 8. 2	(1:31) 21. 1	(1:44) 34. 2	(1:56) 46. 2	(1:68) 58. ___	(2:14) 72. ___
9. 1	22. 2	35. 1	47. 2	59. ___	73. ___
10. 3	23. 2	36. 2	48. 1	60. ___	74. ___
11. 1	24. 3	37. 2	49. 2	61. ___	75. ___
12. 2	25. 3	38. 1	50. 1	62. ___	76. ___
13. 1	26. 2	39. 1	51. 1	63. ___	(2:19-20) 76A ___
	27. 3				(2:21) 77. ___
					(2:22-23) 77A ___
					(2:24) 78. ___

56A _____

57-5 _____

58-5 _____

60-3 _____

APPENDIX IV

SURVEY QUESTIONNAIRE

1. The new retirement legislation (HB5888-P.A. 244) now provides for a non-contributory retirement system for all school employees effective July 1, 1977, but allows a phase-in period between June 30, 1974, and July 1, 1977, wherein bargaining agents must negotiate their own date for participation.

   1. *True*
   2. *False*
   3. *Don't know*

2. The formula used to compute your regular retirement benefit allowance has just been changed--please check the new formula:

   1. *Salary average for best 5 consecutive years times 1.5% of that average--multiply this amount by the total number of years of service.*
   2. *Salary average for best 5 consecutive years times 1.25% of the first $4200 and 1.5% of the remainder over $4200.*
   3. *Salary average for best 5 consecutive years times 1.25% on the first $8400 and 1.5% on the amount over $8400.*
   4. *Don't know*

3. Social Security coverage for all Michigan Public School Employees Retirement System (herein called the MPSERS) members was adopted in:

   1. *1935*
   2. *1945*
   3. *1956*
   4. *Don't know*

4. Upon retirement, the pension money that you receive will be in addition to whatever amount you are entitled to under Social Security.

   1. *True*
   2. *False*
   3. *Don't know*

5. The retirement system is designated by statute to pay the employer's Social Security Tax from the Pension Fund for all MPSERS members.

   1. *True*
   2. *False*
   3. *Don't know*

6. Tax-Sheltered Annuities are made available to MPSERS members.

   1. *Directly through the MPSERS office*
   2. *Through the local school board employer*
   3. *Through the State Department of Education*
   4. *Don't know*

7. The Michigan Public School Employees' Retirement System has a governing board (herein called the Retirement Board) made up of:

   1. *6 members*
   2. *8 members*
   3. *7 members*
   4. *Don't know*

8. The MPSERS Retirement Board's members are:

   1. *Appointed by the Retirement Coordinating Council*
   2. *Appointed by the governor*
   3. *Appointed by the State Board of Education*
   4. *Don't know*

9. The membership of the MPSERS Retirement Board must contain which of the following groups:

   1. *Superintendent of Public Instruction, one retiree, one non-teacher and one woman.*
   2. *Superintendent of Public Instruction, one retiree, and one woman.*
   3. *One teacher, one administrator, and one representative from the Michigan Department of Education*
   4. *Don't know*

10. The members of the MPSERS Retirement Board have terms of office that are:

   1. *2 years long with a new board replacing it every 2 years*
   2. *4 years long with 1/2 of the group replaced every 4 years*
   3. *6 years long with staggered appointments 1 replaced every year*
   4. *Don't know*

11. The retirement law fixes limits on the amount of interest that can be paid to the pension plan members accounts, that limit ranges from:

   1. *1% to 3%*
   2. *2% to 4%*
   3. *1% to 5%*
   4. *Don't know*

12. The amount of compounded annual interest credited to each member's account and posted each December 31 is:

   1. *2 percent*
   2. *2 1/2 percent*
   3. *3 percent*
   4. *Don't know*

The Michigan Public School Employees Retirement System (MPSERS) has the legal right to invest all contributions to the retirement fund to insure growth of retirement capital so that retirement funds will be readily available for future use. This section of the questionnaire seeks to find out what you know about the MPSERS investments.

13. MPSERS investments may be made in U.S. Government Bonds or other U.S. obligations.

   1. *True*
   2. *False*
   3. *Don't know*

14. MPSERS investments may not be made in bonds or obligations of the State of Michigan or those of a county, city, village, or school district:

1. *True*
2. *False*
3. *Don't know*

15. MPSERS investments can be made in FHA mortgage notes or bonds, and debentures under FHA and other obligations in which principal and interest are guaranteed by the U.S. Government.

1. *True*
2. *False*
3. *Don't know*

16. MPSERS investments may be made in building and loan, or saving and loan associations situated in Michigan or obligations of national mortgage associations under the National Housing Act.

1. *True*
2. *False*
3. *Don't know*

17. Up to 10% of the MPSERS investments can be in common stock.

1. *True*
2. *False*
3. *Don't know*

18. Investment is not allowed by statute in corporate bonds on the same basis as allowed by statute to domestic life insurance companies.

1. *True*
2. *False*
3. *Don't know*

19. The retirement board of the MPSERS is responsible for the investment of all funds.

1. *True*
2. *False*
3. *Don't know*

20. When the MPSERS seeks to invest funds, the approval of the state treasurer is required.

1. *True*
2. *False*
3. *Don't know*

21. As of June 30, 1974, the total investments of MPSERS amount to $1,600,000.00.

    1. *True*
    2. *False*
    3. *Don't know*

22. Assuming that you had a sizeable amount of money-$1,000 or over for example--to invest, you could make a voluntary contribution to the MPSERS to buy supplementary benefits.

    1. *True*
    2. *False*
    3. *Don't know*

23. As of June 30, 1974, there were approximately these many "active" (non-retired) members of the MPSERS.

    1. *100,000*
    2. *200,000*
    3. *300,000*
    4. *Don't know*

24. As of June 30, 1974, there were approximately these many "retired" members of the MPSERS and their beneficiaries receiving pensions.

    1. *10,000*
    2. *20,000*
    3. *30,000*
    4. *Don't know*

25. Among the changes brought about by the new retirement bill (HB 5888-P.A. 244) this July were some that affected membership in the MPSERS, one of these changes:

    1. *Dropped the Detroit Public School Employees from the MPSERS*
    2. *Added all state university employees not previously covered to the MPSERS*
    3. *Merged the Detroit Public School Retirement System with the MPSERS*
    4. *Don't know*

26. The median annual retirement allowance for the MPSERS retirees as of June 30, 1974, was about:

    1. *$3000*
    2. *$4000*
    3. *$5000*
    4. *Don't know*

27. How many years of credit can be purchased by persons who worked in the parochial schools of this state?

    1. *10 years of service credit*
    2. *15 years of service credit*
    3. *No years of service credit*
    4. *Don't know*

28. Military Service is creditable without limit at no cost to the member provided that member left Michigan Public Schools Service to enter Military Service and returned to Michigan Public School work within 24 months of discharge or relief from active duty.

1. *True*
2. *False*
3. *Don't know*

29. No more than 15 years of out-of-state service credit can be purchased and out-of-state service cannot exceed in-system unless it is prior to July 1, 1974.

1. *True*
2. *False*
3. *Don't know*

30. Teaching in Overseas Dependents Schools is creditable as out-of-state service if the MPSERS members returned to Michigan Public School service for this purpose within 24 months after termination of Oversea's Service.

1. *True*
2. *False*
3. *Don't know*

31. If you taught in an Overseas Dependents School and returned to Michigan to gain credit for this work toward your pension you must pay back:

1. *An amount equal to your contribution as if you had been in Michigan plus 5% simple interest.*
2. *An amount twice what you would have contributed in Michigan plus 2 1/2% simple interest.*
3. *An amount equal to your contribution had you taught in Michigan.*
4. *Don't know*

32. Credit toward retirement (i.e. a year of service credit) is given for your time spent on an authorized sabbatical leave.

1. *True*
2. *False*
3. *Don't know*

33. Monies that you have contributed into the MPSERS pension accumulation fund:

1. *May not be borrowed from*
2. *Can be borrowed up to 75% of total amount contributed and returned with 5% interest*
3. *Can be borrowed up to 100% after 10 years of service and returned at 2 1/2% interest*
4. *Don't know*

34. If you leave public school service prior to retirement can you withdraw the money you contributed into the MPSERS pension accumulation fund?

1. Yes, all of it minus 2 1/2% service charge
2. Yes, all of it
3. No, only after 10 years of service
4. Don't know

35. A member of the MPSERS who withdraws accumulated contributions and is separated from public school service for five or more calendar years must serve 5 years in the system before the forfeited service can be restored by payment of the accumulated contributions withdrawn, together with regular 2 1/2% interest on that amount compounded annually, computed from the date of withdrawal to the date of repayment, and prior to retirement.

1. True
2. False
3. Don't know

Vesting quite simply means that a pension member is entitled to a future retirement benefit when he reaches retirement age regardless of where he is employed at the time.

36. The new retirement bill recently passed (HB5888) calls for vesting (benefit eligibility) at:

1. 10 years of service--no age limit specified
2. 15 years of service at age 60
3. 10 years of service at age 60
4. Don't know

37. MPSERS and state statute still set the normal retirement age at:

1. 55 years old
2. 60 years old
3. 65 years old
4. Don't know

38. Effective July 1, 1974, retirement with no penalty at age 55 with 30 years of MPSERS service will be available.

1. True
2. False
3. Don't know

39. With 30 years of service, retirement prior to age 55 is allowed with a reduction of retirement allowance of 1/2% for each month to the date the retirant would attain age 55.

1. True
2. False
3. Don't know

40. In order to qualify for a total and permanent disability retirement allowance, one must (at any age) have accumulated how many years of service in the schools of Michigan?

1. *5 years*
2. *10 years*
3. *15 years*
4. *Don't know*

41. Disability retirement benefits are computed:

1. *The same as normal retirement benefits*
2. *On a reduced basis of 1/2% per month for each month of retirement prior to age 55*
3. *On a 95% basis of what one would get if he retired at age 60*
4. *Don't know*

42. To qualify for a disability retirement allowance one must be "totally and permanently" disabled. The terms totally and permanently here mean:

1. *Unable to work for at least 1 year*
2. *The inability to work for at least 6 months*
3. *Completely incapacitated and certified so by a panel of doctors chosen by the MPSERS*
4. *Don;t know*

43. Once you are totally and permanently disabled, and are collecting a disability retirement allowance, you are not allowed to do any school work except for:

1. *Substituting once per week with doctor's approval*
2. *A partial return for rehabilitation purposes subject to MPSERS Board prior approval*
3. *No more than 20 hours per week with no approval necessary*
4. *Don't know*

44. What is the compulsory retirement age set by the MPSERS?

1. *65 years*
2. *70 years*
3. *No age set by MPSERS*
4. *Don't know*

45. What percentage of your gross wages are being paid into the MPSERS pension accumulation fund?

1. *3% of the first $8400 and 5% of money in excess of $8400*
2. *3% of all money earned*
3. *5% of all money earned*
4. *Don't know*

46. If a MPSERS member dies before he is eligible for retirement and has less than 15 years of service credit what happens to his accumulated contributions?

1. His contributions go into the State General Fund
2. His designated beneficiary get the refunded contributions
3. His designated beneficiary (ies) gets 1/2 his pension for life
4. Don't know

47. If a MPSERS member who has 15 years of service credit or more, or if he is eligible for retirement and then dies, what happens to his accumulated contributions?

1. His contributions go into the State General Fund
2. His designated beneficiary (who is dependent for 1/2 of his support) gets the same pension he would have retired with
3. His designated beneficiary, gets the accumulated contribution in one lump sum
4. Don't know

At the time of your retirement you must make a choice of what kind of pension allowance you wish to receive. You have 3 choices or options. The next three questions are on Options I, II, and III.

48. Option I called "Regular" allowance pays you the most during your lifetime but stops at your death; your beneficiary or estate then gets what you would have gotten to the date of your death or the balance of contributions still in your account, whichever is greater.

1. True
2. False
3. Don't know

49. Option II pays a reduced allowance to you during your lifetime and should you die, your beneficiary will get a lump sum payment equal to the amount of your contribution balance.

1. True
2. False
3. Don't know

50. Option III will pay a reduced allowance to you during your lifetime and 1/2 that amount in the event of your death to your beneficiary for the remainder of his or her lifetime.

1. True
2. False
3. Don't know

51. Retirants are eligible for employment in private or parochial schools or in private industry without affecting pension benefits.

1. True
2. False
3. Don't know

52. The retirement legislation (HB5888-P.A. 244) gives all retirees an additional allowance for health insurance for approved (list to be determined) group health insurance carriers effective January 1, 1975. How much will a retired MPSERS member get to cover health insurance costs?

1. *$15.00 per month*
2. *$20.00 per month*
3. *$25.00 per month*
4. *Don't know*

53. The new retirement legislation has given out retirees who retired prior to July 1, 1956, a guaranteed minimum pension amount to increase their purchasing power, this minimum pension amount is:

1. *$3000 with 30 years of service*
2. *$3750 with 30 years of service*
3. *$125 par year of service*
4. *Don't know*

54. The new retirement legislation (HB 5888-P.A. 244) just passed will give the present retirees who retired after 1956 a purchasing power adjustment--please choose the answer which best describes this change:

1. *An increase of 1% per year of service 1958-present*
2. *An increase of 3% per year of service 1956-present*
3. *A cost-of-living escalator based on Bureau of Labor Statistics figures*
4. *Don't know*

55. What is the amount (percentage) of the cost-of-living factor in the MPSERS pensions?

1. *5.5%*
2. *6%*
3. *No cost-of-living factor is built*
4. *Don't know*

56. Would you like to have a formalized retirement preparation program (i.e. pre-retirement counseling) set up for persons in your district who are about to retire?

1. *Yes*
2. *No*

56A. Why is that? (Use space provided at the bottom of the answer sheet.)

57. Who should set up such a program?

1. *Local school board--local personnel department*
2. *Local bargaining agent (MEA/MFT Affiliate)*
3. *Michigan Public School Employees Retirement System*
4. *Retirement Coordinating Council*
5. *Other--please specify. (Use bottom of answer sheet)*

58. If such a retirement preparation program were set up, regardless of who ran it, please rank (one to five) the items you think should be covered.

1. *Health, food and nutrition*
2. *Money and financial matters (insurance, pension, social security, etc.)*
3. *Leisure activities (hobbies, travel, etc.)*
4. *Employment opportunities*
5. *Other--please specify.* *(Use bottom of answer sheet.)*

*This section of the questionnaire seeks to find out personal data on you (and your spouse and family if you are married) that will enable us to correlate and profile your previous responses in a meaningful manner--your cooperation is appreciated.

59. Your sex:

1. *Male*
2. *Female*

60. Your race:

1. *White*
2. *Black*
3. *Other--please specify.* *(Use bottom of answer sheet.)*

61. Your present age:

1. *Under 25*
2. *26-35*
3. *36-45*
4. *46-55*
5. *56-65*

62. To get an accurate picture of people's financial situation, we need to know the income of all of the respondents that fill out this questionnaire. Would you fill in the blank near the salary level that best describes your income this year.

1. *Less than $5000*
2. *$5000-$9999*
3. *$10,000-$14,999*
4. *$15,000-$19,999*
5. *Over $20,000*

63. Please fill in the number in the blank provided for the number of dependents (as if for income purposes) you have--include yourself:

1. *None*
2. *One*
3. *2-4*
4. *5-6*
5. *Over 6*

64. Your marital status:

1. *Married (If #1 is applicable go on to the next question)*
2. *Single (If #2 is applicable go to #70)*

65. What is the present age of your spouse (if married)?

1. *Under 25*
2. *26-35*
3. *36-45*
4. *46-55*
5. *56-65*

66. How long have you been married?

1. *Less than 5 years*
2. *5-9 years*
3. *10-19 years*
4. *20 years and over*

67. Is your spouse employed?

1. *Yes*
2. *No*

68. If your spouse is employed, will he/she be entitled to a pension from the Michigan Public School Employees' Retirement System?

1. *Yes*
2. *No*

69. If your spouse is employed, what is his/her level of income?

1. *Less than $5000*
2. *$5000-$9999*
3. *$10,000-$14,999*
4. *$15,000-$19,999*
5. *Over $20,000*

70. Level of Job/Professional Preparation:

Please fill in the appropriate number which gives your highest degree held:

1. *Normal School-Life Certificate*
2. *BA/BS*
3. *MA/MS*
4. *ES.Sp*
5. *Ph.D/Ed.D*

71. How many years have you been employed in your present job location?

1. *Less than 5 years*
2. *5-15 years*
3. *16-25 years*
4. *26-35 years*
5. *36 or more years*

72. Total numbers of years employed in the field of Public Education in Michigan.

1. *Less than 5 years*
2. *5-15 years*
3. *16-25 years*
4. *26-35 years*
5. *36 or more years*

73. In the job categories listed below, classify your present position:

1. *Pre-School/Day Care School*
2. *Elementary School*
3. *Junior High or Middle School*
4. *Senior High or Vocational/Technical School*
5. *Higher Education (community college/university)*

74. Does your present job status classify you as:

1. *A part-time teacher or substitute*
2. *A full-time classroom teacher*
3. *A part-time teacher and part-time administrator*
4. *A full-time administrator*
5. *An educator on leave or on sabbatical*

75. To which professional association or union do you belong?

1. *Michigan Education Association*
2. *Michigan Federation of Teachers*
3. *Both A & B*

76. Have you had experience at the bargaining table as a negotiator for duly-elected bargaining agent? (i.e. Employees Team)

1. *Yes*
2. *No*

76A. If your answer is yes, how many years of this negotiating experience have you had?

Number of years negotiating for employees (use bottom of answer sheet).

77. Have you had any experience as a negotiator on a Board of Education team (i.e. Employer's Team)?

1. *Yes*
2. *No*

77A. If your answer is yes, how many years of this negotiating experience have you had?

Number of years negotiating for employer (use bottom of answer sheet).

78. Have you been on the Executive Board of duly-elected bargaining agent?

1. *Yes*
2. *No*

APPENDIX V

ITEM ANALYSIS
REPORTING THE PERCENT
OF RESPONDENTS WITH
CORRECT ANSWER PER ITEM

* Item Analysis: Percent of Respondents with correct answer per item

ANSWER SHEET: RETIREMENT SURVEY - G. R. FORD I.D. #_____

Please place all of your responses for questions 1-78 on this sheet. When you have completed this form, please fold and place it in the attached stamped, addressed envelope and drop it in the mail. Thank you for your time.

** Percent correct on each item

(1:11)	1. 63.0%	(1:24)	14. 12.5	(1:38)	28. 37.8	(1:50)	40. 31.3	(1:62)	52. 26.3	(1:74)	64. -
	2. 43.4%		15. 20.1		29. 31.4		41. 14.5		53. 10.5		65. -
	3. 27.8%		16. 13.5		30. 40.6		42. 3.6		54. 9.2		66. -
	4. 92.8		17. 11.8		31. 9.9		43. 16.5		55. 29.9		67. -
	5. 6.6		18. 3.3		32. 40.8		44. 24.0		56. -		68. -
	6. 57.2		19. 25.1		33. 21.1		45. 44.1		57. -	(2:11)	69. -
	7. 17.6		20. 19.4								70. -
											71. -
(1:18)	8. 11.3	(1:31)	21. 9.5	(1:44)	34. 65.8	(1:56)	46. 44.2	(1:68)	58. -	(2:14)	72. -
	9. 5.6		22. 37.8		35. 33.1		47. 19.4		59. -		73. -
	10. 8.6		23. 8.2		36. 25.4		48. 28.6		60. -		74. -
	11. 12.2		24. 20.7		37. 27.2		49. 19.4		61. -		75. -
	12. 18.2		25. 32.0		38. 69.0		50. 23.4		62. -		76. -
	13. 35.4		26. 12.2		39. 35.0		51. 43.1		63. -	(2:19-20)	76A. -
			27. 20.6							(2:21)	77. -
										(2:22-23)	77A -
										(2:24)	78. -

56A_____

57-5_____

58-5_____

60-3_____

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