

System and State Police Retirement System undertake an educational campaign to acquaint members with the workings of the systems and that members receiving salary scale increases be notified of their option to increase their contributions to the system and thereby increase retirement income.

WHEREAS, In accordance with the terms of Joint Resolution 10 of the 1957 General Assembly the Special Committee on Taxation and Fiscal Matters of the Legislative Council has undertaken a general review of the operations of the State Teachers' Retirement System, State Employees' Retirement System and State Police Retirement System; and

WHEREAS, The Committee's report makes the following observations resulting from the inadequacy of employee understanding of the retirement system:

"In its sessions with personnel officials of the State and with representatives of employee groups, the Committee has been impressed by the general opinion that many members do not know, understand or appreciate the operations of the Retirement Systems and the benefits and options available to them. If this condition exists, it means that the State is not getting full value from its large investment in retirement. It has also been stated that many employees appear not to understand fully the various optional benefits available to them and in the opinion of the Retirement System administrators and personnel officers there have been instances in which it appeared to such officials that employees were not exercising the options available to them in the manner best calculated to serve their own interests.

"It is recommended that there be a positive and aggressive educational campaign to acquaint members with the working of the System. In a previous report this Committee recommended that responsibility for agency personnel matters be centralized in a single official in the various departments. Such personnel officials should take appropriate action in their agencies to disseminate useful and accurate information concerning the retirement systems and to advise with individual employees in connection with their retirement problems. Particular attention should be devoted to assisting prospective retirants in understanding the pros and cons of the various options and alternative benefits available to them. Care must be exercised, however, that the personnel officers not attempt precise calculations of prospective benefits which should be left to the office of the retirement system. The educational and informational program should be a continuing responsibility of the retirement system carried out in close cooperation with the Commissioner of Personnel, Superintendent of Schools, Superintendent of Police and other departmental officials.

"It is further recommended that the Retirement Systems prepare and distribute an easy-to-read pamphlet outlining the benefits and advantages of the Retirement Systems and how they operate. It is essential for both the State and members that a clearer understanding of the workings of the System be obtained.

"There should be clearly set forth in such literature the three major elements of retirement pay: The annuity, the pension and the Social Security benefits. Members who are familiar with the way