

President's Report

—Dallas L. Salisbury

December 15, 2005

EBRI President's Report 2005 Review and Looking to 2006

2005 has been one of the busiest and most interesting years in the history of EBRI. All of the issues EBRI works on have been in play at the same time. Requests from government and media organizations have never been heavier. The environment has never provided more meaningful opportunities.

EBRI and its work were given recognition in both the U.S. House and the U.S. Senate, and EBRI provided executive branch agencies, congressional committees, the General Accountability Office (GAO) and the Congressional Budget Office with research assistance, briefings, and testimony on pension and health issues.

EBRI played a central role in organizing a GAO seminar on pension reform, and I moderated one of the three working groups at the meeting. EBRI also organized two White House Conference on Aging Mini-Conferences this year ("Employer Plans and Savings" and "Financial Literacy Throughout the Lifespan") and co-organized a joint US-UK Pension Policy Conference with the AARP. This was in addition to our two policy forums—one on retirement prospects for the baby-boom generation, the other on consumerism in health care—and our participation in more than 100 other educational meetings.

EBRI worked with more reporters and gained more use of its work by Internet, print, and video media than in any year since our 1978 founding. We were on all the major networks and cable station news programs, a number of special-purpose programs, and local radio and television venues around the nation. Paul Fronstin, Jack VanDerhei, and Craig Copeland have become relied-upon sources for data and insights on the full range of health, pension, savings, and human resources strategy questions for the nation's media and policymakers.

EBRI ends 2005 with good financial results and excellent prospects for 2006. With broad-based support, we were able to invest \$3 million in research and \$1 million in education in 2005, and these numbers will increase in 2006. EBRI and ERF did this while maintaining reserves equal to two years' operating expenses—implementing the explicit Board intent since 2000: put all annual revenue *into our work* and *not* to build additional reserves.

EBRI has continued to expand its work in aiding human resources strategic planning. Over the year, this effort has included special studies, data runs, and planning discussions that have then been folded into distributions to all our sponsors. One of these projects, *The EBRI/Commonwealth Fund Consumerism in Health Care Survey*, was released as the December *EBRI Issue Brief*, and will provide an annual benchmark on the nation's success in using IT, medical evidence, and quality measures to improve coverage, individuals' satisfaction, and quality. Funding for the survey and policy forum was provided by The Commonwealth Fund, IBM, Pfizer, and Procter & Gamble.

Two *Issue Briefs* were published in 2005 with special funding from the Investment Company Institute using data from the EBRI/ICI Participant-Directed Retirement Plan Database. At least two more *Issue Briefs* are expected from that program in 2006.

Reports are currently being written on the implications of Social Security reform for employers, with funding from the Ford Foundation, and on 21st century retirement, with funding from the HR Policy Association. Both of these reports will also be published as *Issue Briefs*.

The 2005 Health Confidence Survey was released as the November *EBRI Notes* feature and was funded by 12 of our Members. The 2005 Retirement Confidence Survey was published as the April 2005 *Issue Brief*, and the 2006 RCS (with funding from 29 organizations) will soon go into the field.

The Choose to Save[®] program was expanded in 2006 with a new Web site, new versions of the Ballpark E\$timate[®] worksheet, two Emmy Awards, and new public service announcements for radio and television. Primary underwriting for this program has been provided by Fidelity Investments since 1997 (\$8.5 million from 1997 through 2005 and a commitment of \$0.5 million for 2006), with additional funding from the 20 organizations that underwrite our American Savings Education Council[®] program and significant in-kind contributions from AP Radio, the National Association of Broadcasters, Bonneville Corporation Radio, and WJLA/ABC-7 television in Washington, DC. All of these education programs have been given recognition by the Congressional Caucus on Financial Literacy, the Congressional Caucus on Savings and Ownership, and the President's Commission on Financial Literacy and Education, and have been featured in a number of popular books, including books by Jane Bryant Quinn (her latest book includes the full Ballpark E\$timate[®] worksheet) and Terry Savage. Special versions of the Ballpark E\$timate[®] worksheet will soon be posted on the U.S. Government Web site incorporating the federal retirement and thrift savings plans and will be available to all federal employees.

Savings, retirement, and health issues will become increasingly dominant in the lives of individuals, employers, and public policymakers as the baby-boom generation moves into retirement and the proportion of the population over age 65 increases from about 13 percent to 20 percent. EBRI is uniquely positioned to help all three constituencies and the news media develop plans and strategies for creating opportunities and meeting challenges. We can expect a growing number of commissions and caucuses and single-firm-sponsored institutes to focus on these issues. EBRI has 27 years of research; many years of health, retirement, and value-of-benefit surveys; our health coverage and defined contribution plan databases; and a skilled team that will be invaluable to all of these efforts.

The Founders' vision of EBRI as a nonprofit, nonpartisan organization designed to contribute to, to encourage, and to enhance the development of sound employee benefit programs and sound public policy through objective research and education has been embraced by all of our constituencies. The support and input of EBRI Members and grantors make our work possible. Moving into 2006, we have added nine new Sustaining Members and continue to add new organizations that endorse our mission.

I thank you for your support and participation as 2005 comes to a close, and as we open the door on 2006. EBRI is needed now more than ever, as is your involvement.

Happy Holidays and Happy New Year!



Dallas L. Salisbury
President and CEO