



Highlights of [GAO-08-1104](#), a report to congressional committees

FEDERAL PENSIONS

Judicial Survivors' Annuities System Costs

Why GAO Did This Study

The Judicial Survivors' Annuities System (JSAS) was created in 1956 to provide financial security for the families of deceased federal judges. It provides benefits to eligible spouses and dependent children of judges who elect coverage within 6 months of taking office, 6 months after getting married, 6 months after being elevated to a higher court, or during an open season authorized by statute. Active and senior judges currently contribute 2.2 percent of their salaries to JSAS, and retired judges contribute 3.5 percent of their retirement salaries to JSAS.

Pursuant to the Federal Courts Administration Act of 1992 (Pub. L. No. 102-572), GAO is required to review JSAS costs every 3 years and determine whether the judges' contributions fund at least 50 percent of the plan's costs during the 3-year period. If the contributions fund less than 50 percent of these costs, GAO is to determine what adjustments to the contribution rates would be needed to achieve the 50 percent ratio.

What GAO Recommends

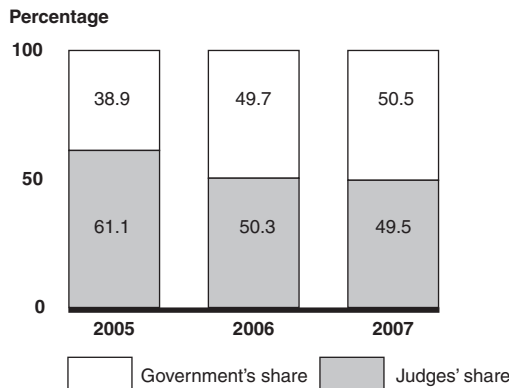
GAO is not making any recommendations in this report. The Administrative Office of the United States Courts (AOUSC) believes that GAO should be recommending a reduction in the judges' rate. GAO disagrees with AOUSC's interpretation of the act's requirements.

To view the full product, including the scope and methodology, click on [GAO-08-1104](#). For more information, contact Steven J. Sebastian, (202) 512-3406 sebastians@gao.gov, Joseph A. Applebaum, (202) 512-6336, applebaumj@gao.gov.

What GAO Found

For the 2005 to 2007 time frame covered by this review, the participating judges funded approximately 54 percent of JSAS costs, and the federal government funded 46 percent. The increase in the government's contribution rate over the 3-year period was a result of increases in costs. The increase in costs reflected the combined effects of changes in actuarial assumptions; lower-than-expected rates of return on plan assets; demographic changes such as retirement, death, disability, new members, and pay increases; as well as an increase in plan benefit obligations.

Judges' and Federal Share of Costs



Source: JSAS actuarial valuation reports 2005-2007.

GAO determined that an adjustment to the judges' contribution rate was not needed because their average contribution share for the 3-year period exceeded the 50 percent minimum contribution goal specified by law. GAO examined the annual share of normal costs covered by judges' contributions over a 9-year period and found that, on average, the participating judges funded approximately 60 percent of JSAS's costs.