



Highlights of [GAO-05-955](#), a report to the Senate and House Committees on the Judiciary

## 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, or 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 50 percent of the plan's costs. 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.

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' contribution rate. GAO disagrees with AOUSC's interpretation of the act's requirements.

[www.gao.gov/cgi-bin/getrpt?GAO-05-955](http://www.gao.gov/cgi-bin/getrpt?GAO-05-955).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Steven J. Sebastian at (202) 512-3406 or [sebastians@gao.gov](mailto:sebastians@gao.gov).

# FEDERAL PENSIONS

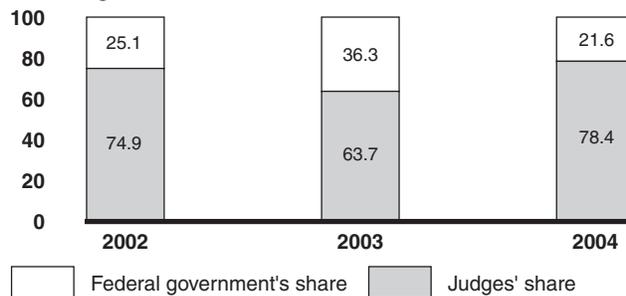
## Judicial Survivors' Annuities System Costs

### What GAO Found

During plan years 2002 through 2004, the participating judges' contributions funded more than 50 percent of the JSAS normal costs, as shown in the figure below. The participating judges funded approximately 75 percent of JSAS normal costs during plan year 2002, 64 percent during plan year 2003, and 78 percent during plan year 2004. On average over the 3-year period, the participating judges funded approximately 72 percent of JSAS normal costs, while the federal government funded approximately 28 percent. The variance in the government's contribution rates was a result of the fluctuation in normal costs resulting from several combined factors, such as changes in assumptions; lower-than-expected rates of return on plan assets; demographic changes—retirement, death, disability, new members, and pay increases; as well as an increase in plan benefit obligations.

**JSAS Normal Costs**

Percentage



Source: JSAS actuarial reports, 2002-2004.

For the 3 years covered by the review, GAO determined that an adjustment to the judges' contribution rate was not needed because their average contribution share for the review period was approximately 72 percent, which exceeded the minimum 50 percent contribution goal specified by law. In addition, 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 55 percent of JSAS's normal costs.