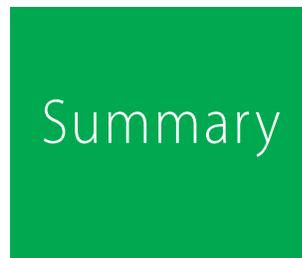




Retirement patterns of California prekindergarten–grade 12 educators





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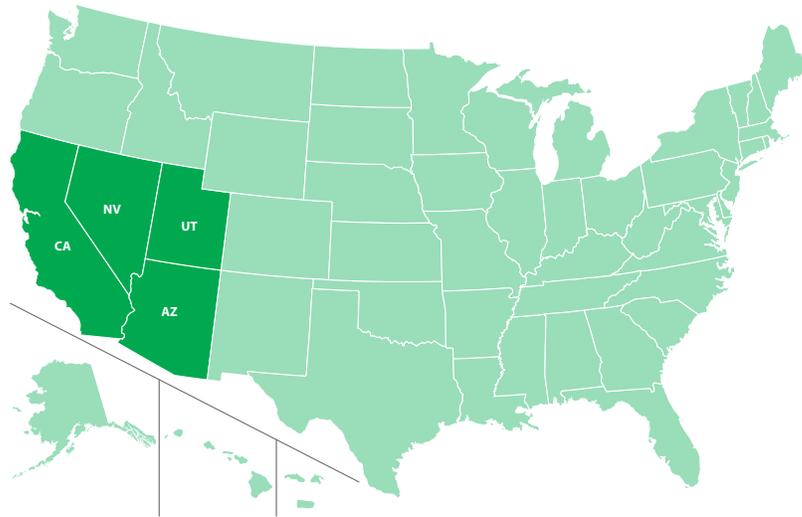
Summary

February 2012

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Retirement patterns of California prekindergarten–grade 12 educators

This study examines retirement patterns of California educators from 1995/96 to 2009/10. It finds that the percentage of educators over age 60 doubled, educators were more likely to retire when a school district’s local revenue decreased, and the percentage of retired educators returning to work increased.

Education leaders in California have expressed growing interest in learning whether and how the recent economic recession and the aging of the baby boomer population, whose first wave has reached peak retirement ages, have affected California educators’ age distribution and retirement rates.

Four research questions covering the period 1995/96–2009/10 guided this study:

- How has the age distribution of preK–12 certificated educators changed?
- How have the retirement rates of preK–12 certificated educators for each age in the peak retirement age range of 58–64 changed?
- How have individual retirement decisions varied across districts with different levels of per student state and local revenue and

across counties with different unemployment rates?

- How has the proportion of preK–12 retirees employed in the California public school system after retirement changed?

This study examined the retirement patterns of California educators using three datasets. Data for 1995/96–2009/10 were obtained by special request from the California State Teachers’ Retirement System (CalSTRS), the state’s defined benefit retirement program. All full-time certificated employees (such as teachers, school nurses, speech therapists, and school administrators) of noncharter California public schools and school districts are automatically members of CalSTRS, and certificated employees of charter schools and certificated part-time staff may elect to participate. The CalSTRS data showed, for each year and age, the number of current members, retiring members, and members who had previously retired but worked during that year in the California public school system.

In addition, annual district-level financial data were collected from the California Department of Education (2011), and annual county-level unemployment rates in California over 1995–2010 were retrieved from the California Employment Development Department (2011).

Study findings revealed that:

- The age span of California educators widened from 1995/96 to 2009/10 as the ages of the state's oldest educators rose.
- In 1995/96, the statewide age distribution had a single peak, with educators clustered at approximately age 49; in 2009/10, the statewide age distribution had two peaks, clustered around ages 39 and 60.
- Retirement rates among those ages 61–64 were on an upward trend from 2005/06 to 2009/10.
- Among educators ages 58–64, retirement rates were higher in 1995/96, 2003/04, and 2009/10 than in other years.
- On average, a \$1,000 reduction in a district's "other local revenue" per student was associated with approximately a 4 percent higher probability of educators retiring.
- Over the study period, the percentage of retired California educators working in the state's public school system after retirement increased steadily, from approximately 3 percent of retirees in 1995/96 to more than 11 percent in 2007/08–2009/10.

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