

**Employer Advisory Committee Conference Call Notes
6/8/05 2:00 p.m.**

PERS In Attendance:

Gayle Lansky
David Crosley
Kirstin Carlson

Doug Hartzell
Loren Cheel
Steve Delaney

Employers In Attendance:

Venice Anderson, Sutherlin School Dist
Marsha Ehlers, Multnomah Cty
Melissa Hager, Coos Cty
Pennie Lien, OHSU
Debbie Vuylsteke, TV Fire and Rescue
Mark Villegas, City of Eugene
Lori Ortiz, Central Oregon CC
Gay Fletcher, Sunrise Water Authority

Fred Welding, Fernridge Library Dist
Shirley Alt, Legislative Branch
Kim White, Judicial Branch
John Craven, OUS
Linda Ely, OSPA
Denise Yunker OUS
Denise Hall, OSPA

Thanks from Melissa Hager to PERS technician Paul Scholes for help with all of her suspended "07" records.

Introductions:

Welcome to new member John Craven from OUS. Employers introduced themselves by name and identified their respective organizations. John introduced himself and described the reporting challenges unique to the Oregon University System.

AGENDA

IAP Statements and PINS

Gayle Lansky described PERS' current initiative of adding additional FAQs to the member website and asked ERs to share the questions they are receiving from employees:

A:

- What happened to my PERS account?
- Where did my money go?
- Why are there different Rates of Return even with apparently identical hours and pay between employees?
- Why has money posted at what seem to be random intervals?

Q: Are PINs still being mailed?

A: (David Crosley) No, the last mailing for PINs was 6/2/05. PERS is working with CitiStreet to ensure everyone gets a PIN. Members who did not receive a PIN should call Customer Service.

A: (GL) PERS is attempting to synchronize three databases: RIMS, EDX, and CitiStreet. The problem at hand is that due to current system limitations, the only way to update the address on the CitiStreet database is for the ER to submit a DTL-1 Demographic record with the

correct address. Address changes made internally at PERS are not transmitted to CitiStreet. Only CitiStreet can generate and mail the PINs.

Q: Are statements still being mailed?

A: (DC) If an address was on file with CitiStreet and the member qualified in 2004, the statement was mailed. Statements returned to PERS by the USPS are being mailed to employers to distribute to members. Returned PINs will be destroyed.

ER Comment: My system sends a new DTL-1 with address every month.

PROBLEM WITH SPEAKER PHONE--- Interference from a cell phone was disrupting the call. The cell phone exited the conference.

Question posed by GL: Are there other suggestions for items to be placed into FAQs? Employers had their own questions for which they wanted answers today, if possible.

Q: When are units at CitiStreet purchased?

Q: Why are December & November not shown on the IAP Statements?

Q: What are the dates units are purchased?

A: (GL) IAP Units are purchased once a month on the first business day of the month. Since the first electronic reports were submitted in January of 04, the first IAP units were not purchased until February 1, 2004. Regarding November and December, here is the scenario: For a monthly reporter, the report was due on November 30th. Assuming the report was received and posted in a timely manner, the statement would have been generated on December 1 and remittance would have been submitted shortly thereafter. The December purchase of units would have occurred on December 1, so IAP units for the November contributions would not be purchased until January 1, 2005. Thus, neither the November nor the December contributions are typically reflected on the 2004 IAP statement, and many statements reflect nine or fewer months of contributions. Once members have PINs, they will be able to see the accurate account balances and generate and print statements.

Q: Contributions plus fees are not adding up.

Q: EEs have differing balances even though they have same wage and work same hours.

A: (DC) During this first year there are varying fees. PERS charges a monthly fee beginning in the month the account is established. CitiStreet charges an annual fee regardless of when the member account is established. Market fluctuations may also add to the differences.

Q: Please explain how the rate of return is calculated.

A: (GL) The PIP is a completely different calculation than the Total Return we were accustomed to with the PERS member accounts. PIP is a complex, Time Weighted formula. We are working to put some examples together. (DC) We will bring this up to CitiStreet in the next conference call to confirm the actual calculations.

Q: Could a Q&A be composed and include "Why are earnings rates not the same?"

A: (DC) ,Most definitely and we are currently working on it. We will try to put more details together and add examples to show differences.

Q: When will we get PERS Statements?

A: (DC) We can't prepare and distribute PERS Tier One and Tier Two annual statements until the *City of Eugene* case is settled. Unfortunately, we don't know when that will be.

Updating Addresses

Question posed by GL:

As we mentioned earlier, we are attempting to reconcile the jClarety/EDX member database and the CitiStreet database regarding member addresses. One possibility for doing this is to ask you again to send us your employee addresses so that we may upload them to a .dat file. Will extracting addresses and placing them into spreadsheet format then sending them to us be a difficult or onerous task for employers?

A: No Problem. (OHSU, Sutherland, Eugene, OSPS)

Q: When will we be able to see the address that is currently in the system? We can't tell if addresses need to be updated. (Multnomah County)

A: (GL) We apologize for this difficulty. Currently it is not possible and we understand it's like flying blind. We hope to add this functionality late this year.

Q: What do we do about changing the address of Retirees?

A: (GL) Employers can't change addresses once a member has retired or terminated. Our Benefits Processing department maintains accurate addresses on retirees in order for benefits to be paid.

File Format Changes

Kirstin Carlson:

Biggest changes/impact for ERs will be the addition fields (refer to matrix) we will add to collect data currently gathered on paper forms.

Some fields may or may not be added. Those not added may end up on the Self-Service website.

Question posed by GL:

We will be sending the first notification to all employers by email next week, letting them know that the changes will be coming, and what the approximate time frame will be. Given that we can't offer specifics at this point, what information do you think will be most helpful to ERs as an initial heads-up?

A:

- Definitions of waiting time salary.
- Want specifics on how to fill in the fields
- Need mathematical formulas starting with Gross then adding/subtracting subject salary, Overtime Salary, Lump Sum Payout, and of course the new fields.
- Need to know the detail of each field.

GL: PERS will be meeting with the major payroll software vendors, to include them on the front end of the process and ensure they understand the data requirements.

ERs: That will save a lot of time and headache for ERs.

GL: Note that one data field we will need to collect relates to the "Earned when Earned" vs "Earned when Paid" problem. For Final Average Salary, we will have to find a way to correctly apportion salary to the month in which it was earned, as well as the month in which it was paid.

A:

- (OHSU, OSPA, OUS, others in unison...) "This would be an absolute nightmare to do."
- (OSPA) Only a small percent of our people deviate from a very regular pattern, and the cost of programming is too high to justify the return.
- This is just not possible—we simply do not collect that information, and there is no way for our system to report it.

GL: How do you feel about an "Annual Reconciliation?"

A: Resounding "NO."

KC: Perhaps a Self Service Screen?

A: If our system doesn't produce the information, we can't report it, whether annually or not.

GL/KC: We intend to get the new file format out to ERs by November with the implementation required for all employers by January of 2007. Is that an adequate time frame?

A: Resounding "YES."

GL: Are any of you willing to be part of our Beta Test Group?

A: Yes

Volunteers include: Sunrise, State of Oregon, Multnomah County, Sutherland and OUS.

ER comments:

- Appreciate PERS working with vendors, keeping the ER out of it unless we are needed.

Q: In OHSU, programming is done "in-house." Could we include our in-house programmers with the vendor group?

A: (GL) Yes, of course. We will keep a list of vendors & IT contacts to communicate this.

Q: Can PERS include the vendors & IT with "early on" ER communications?

Q: IT & Vendors need a time line so they can budget and get their ducks all in a row.

A: (GL) Absolutely. I will take this into account when I draft the notice next week and I will suggest that employers send their contact information to me. Thanks for the suggestion.

Other Employer Questions or Concerns?

Q: Is there any solution in the works for the Contributions Start Dates problems?

A: KC: We are still working on a fix, but this probably won't be resolved until the December 2005 software release.

Thanks to all for joining the call and lending your ideas and support.

The call was concluded at 3:05 p.m.

Loren Cheel, Note Taker