Employer Advisory Committee Meeting Notes 12/07/2005

Employers In Attendance:

Sharon May, Marion County
Gordon Allen, OHSU
Penny Lien, OHSU
Lori Ortiz, Central Oregon Community College
Marita Dizon, Metro
Maria Keltner, LGPI Attorney & AOC
Melissa Hager, Coos County
Lynn Evans, Umatilla-Morrow School District
Venice Anderson, Sutherlin School District
Marsha Ehlers, Multnomah County
Fred Welding, Fern Ridge Library District
Mary Helen Simonson, Multnomah ESD

PERS Employees In Attendance:

Jeanette Zang, CSD Administrator
David Crosley, Communications Officer
Susan Angus, ART Team
Jim Demetry, Employer Communications Team
Tom Andrews, Employer Communications Team
Dan McElhinny, EDX Support Team

Tom Andrews: Good afternoon & welcome. We have a new EAC member, Lynn Evans. Lynn is here from the Umatilla School District. Lynn I thought you could take a second and introduce yourself?

Lynn Evans: Thank you. I actually have six different employers that I report for but the most sizable one, with about 300 employees, is employer number 4223…and then the other ones. I do their very small schools so not nearly as challenging. I have been this since about August.

Tom Andrews: Thank you very much, Lynn. Ok, the first item on our agenda is an update on 2004 member statements from David Crosley.

Topic #1: 2004 Member Statements

David Crosley: Greetings everyone. Well, the good news is that the 2004 Tier One and Tier Two member annual statements will be mailed to employees, at their address on file, in January 2006. Members should receive their statements by January 31st. The technical staff worked last weekend to update accounts to reflect the *Strunk* and *Eugene* cases. We are currently testing those files with the state printer. After testing is complete we'll post information about annual statements on the web site, probably late this week, and e-mail information to employers regarding the January timeline. So it's good news; we realize they're late through a number of circumstances and we're going to get these out and then start planning for 2005 annual statements.

ER: What type of questions are employers likely to get?

David Crosley: I really don't think there will be a lot. You might get questions on what the re-calculated account balances mean but on the statement itself we put an explanation of what was done to the account basically the Strunk decision, the crediting, the Eugene case, the re-calculation for 1999. And then we'll also post information on the PERS member web site, including a sample annual statement that a member can move their mouse to any of the information on there - like total account balance and a little pop up box will appear and explain what that is. Hopefully, we will ward off some of the questions by going to that level of detail.

Gordon Allen: David, will there be a comment both on the web site and on the annual statement that "This does not include the IAP account balance"?

David Crosley: What it says on the statement, Gordon, is your IAP statement is sent separately.

Gordon Allen: Right, we know that, but members may not.

David Crosley: That's true. We still have people that call and say they see their IAP statement, and they thought we just stole money from them and took their $200,000 out of their PERS account. We tried to let people know on the Tier 1 Tier 2 statement its chapter 238 only and the IAP will be separate.

Venice Anderson: Hi David, this is Venice at Sutherlin Schools. Regarding "Perspectives" - when will the hard copies be coming out to employers?

David Crosley: Hi Venice, I got your e-mail earlier. I haven't had a chance to check with our Auxiliary Services, our mailroom in other words. They've been backed up so I'm trying to get a good date when they will have everything out and I'll e-mail back as soon as I can.

Venice Anderson: That would be great. I was just going to let our employees know in my payroll memo for their paychecks so they know when to look for it.

David Crosley: Yes. It's hard for us because we have a small mailroom and small staff -but we mail out about 75,000 Perspectives. So we do get behind. So I will try to get a date to you today on when they will be out.

Venice Anderson: Not a problem. Thank you very much.

Topic #2: Electronic Remittance / ACH

Tom Andrews: Thank you very much, David. The next item we're going to talk about briefly is electronic fund transfers. ACH, as we all know by now, is the Automated Clearing House, which is going to be required of employers in 2006. Here to give us an update is Susan Angus.

Susan Angus: Good afternoon everyone. Since the employer announcement on electronic remittance was issued on November 18th we've received a strong response - As of yesterday we had more than 300 ACH agreement forms returned from employers, that's about 50% of employers. So far 128 employers have chosen ACH Credit, and 152 employers have chosen ACH debit.

We've received about 24 forms from employers that will need follow-up. One of the most common errors so far occurs when an employer chooses debit on the agreement form, then forgets to send in debit authorization and we're left without any bank account information or routing numbers. And also one of the other most common problems is an improper signature. If we feel that it is signed by a clerk or payroll representative we are calling to make sure that they are an authorized bank signer for these documents and agreements.

Lastly, testing is well underway. I know some of you have agreed to be testers. Either Mary Dunn or myself will keep in contact with you to keep you informed. We're just processing 10-dollar transitions and those credits will be shown on your EDX statements that are currently taking place in December. Are there any questions?

Fred Welding: Hi Susan. I had volunteered and filled out the form and sent it in and I haven't heard anything back. So, when do you anticipate this testing to start?

Susan Angus: Fred, I will be calling you with the exact dates on the statement date and when you can expect to see them on your December statement.

Venice Anderson: I know that our 10-dollar transaction went to our account in November and showed for my November statement.

Susan Angus: Yes- that would have been the first round of testing. We're now in the second round of testing with more employers. And just a reminder, all employers will receive confirmation letters on whether they've chosen debit or credit. If they choose credit they will be receiving confirmation letters detailing how to set up the credit transaction between your bank, your financial institution and PERS/Oregon State Treasury. In these confirmation letters they will be list exactly what statement it will be effective that these transactions will need to take place on and also, as I think you are all aware of any penalties for method of payment without ACH are blanket waived until 1st of May.

Tom Andrews: Other questions regarding ACH? Any feedback or comments? Once again one of the great purposes, of course, of this EAC group is to let us put a finger on the pulse of how things are going for employers. Would anyone like to share anything in terms of the information that they received? How they decided between credit and debit, etc.

Marsha Ehlers: This is Marsha at Multnomah County. I left it up to our treasurer to decide.

Mary Helen Simonson: This is Mary Helen at Multnomah ESD. Of our constituent districts half of them choose credit and half choose debit. Some people think that credit would be a better idea because then they can make sure they had the money in their bank. And I guess some of them wanted to just have you take what you said they owed, hoping they have the money to cover the debit.

Susan Angus: It is interesting- at this point there are more employers choosing the debit rather than the credit process - I think the main reason is that they won't have to worry about it being a late payment or incurring penalties, and there's no charges for the transaction.

Sharon May: Marion County first leaned towards credit but our treasurer decided debit was a lot better, especially for any future penalties. Also, being bi-weekly doesn't really co-incide the 5th and the 20th with our by-weekly payroll. So that way it doesn't get missed somewhere in the middle of all that. So, thought that would work out better for us.

Susan Angus: And just a reminder – employers have the right to change the type of agreement between credit or debit at any time. All we would need is a new ACH agreement and correlating forms.

Topic #3: New File Format Guide

Tom Andrews: Next, Jim Demetry is going to talk about the file format guide and the file format release that's upcoming.

Jim Demetry: The new file format development guide went out on the 6th of December. It was e-mailed to all employers and it was e-mailed to a list of vendors who perform third party software development for our various PERS employers.

Overall the file format guide does not differ too significantly from the old guide. Some of these differences and changes are noted in Roman numeral section III. As indicated in a message that went out with the guide PERS will have support on board to answer any developmental questions beginning January 1, 2006. So if you're looking through the guide and you have questions please hold onto those until January 1, 2006.

Again, the file format guide is being released about one year ahead of the anticipated file format change implementation date. This is in response to requests from employers to have as much time as possible to prepare for any changes to software that PERS might mandate.

Right now the software update that will support the new format will be released around the 2nd quarter of 2006. They should come up on a test status at that time. Presently the new file format will be optional for production use, chose either new or old beginning 3rd quarter of this coming year and the new guide will be mandatory for production use beginning January 1, 2007 as we know it best. So this should give developmental efforts about a year lead-time before you are expected to use the guide. That's pretty much it in a nutshell.

Tom Andrews: Any questions on the EDX file format guide that we sent out? Has anyone heard yet from their vendors how its been, in terms of how is has been in absorbing that material, that information. Mary Helen, I think you already sent yours to your people?

Mary Helen Simonson: Yes, I long wondered why the job class code, FTE Equivalent code and overtime hours code aren't on the detail 1 and the detail 2 record. And you are indicating, on page numbered 144, the beginning, that you only want a detail 1 when employment status, hire terminations, start and leave, name, address or SSN change and so I don't really understand why you need those fields on the detail 1.

Jim Demetry: Wish I had a ready answer for you but I don't.

Mary Helen Simonson: If you could ask somebody about those fields, they cause us a bunch of trouble because telling the computer when to include them and when not to include them are sort of, well-

Tom Andrews: Labor intensive?

Mary Helen Simonson: Yes. And so if we can leave them off the detail 1 that would be wonderful.

Tom: Andrews: I'm wondering if there aren't specific reasons or exceptions which come up which require those fields, like job class code, FTE etc. to be on both the detail 1 and detail 2. I don't know but that's very valuable feedback.

Jim Demetry: We will explore that question and get back to you.

Tom Andrews: Thanks, Mary Helen, and definitely save file format questions between now and the first of January when the contracted file format support person is in place to help answer questions and problem solve. Are there any other comments or questions about the file format and the guide that was sent out?

Sharon May: Isn't it on the detail 1 though that the new hire demographic record and wouldn't you want to now what job class code rather than waiting for the first upload of a detail 2.

Tom Andrews: That's correct.

ER: Using job class code in the detail 2 is only used for a job classification change like Police and Fire to General Service and vice-versa.

Tom Andrews: Correct - a detail 2 class change is for when somebody changes job class.

ER: The FTE is on both of them as well and it would seem to me that if that changes we can generate a new detail 1 easier than we can try to tell the computer that it needs to be both on the Detail 1 and the Detail 2. .

ER: But if you put it on the detail 1 and the detail 2 in the same report then one will be suspended.

ER: So that has been forcing some of our users to try to send detail 1's in a separate file.

ER: We do that as well.

Tom Andrews: And that's a very common piece of advice given to employers. Almost analogous to when in doubt separate the two and maybe put the detail 1s in a Demographic and Adjustment Report. And retouch on that as well. Are there any other comments or questions about the development guide?

Topic #4: 2005 Employer Survey Results

Tom Andrews: The next item I wanted to talk about is the results from the annual employer survey. I sent it to each of you earlier.

A couple of things I thought were interesting and then I would open it up for some questions or comments. We got a really great response. Like I said at the last meeting we had a total of 344 employers take the survey. It was all done within two weeks. So it was really great to have that flurry of activity.

A couple of the questions did raise our eyebrows in terms of the responses. Such as question # 7 – "How often do you refer to the EDX Guide?" We had more than half say less than monthly and almost a quarter all employers who say we simply don't refer to the EDX Guide.

The second one, which is very similar, concerns employer announcements we send out. Twelve percent of the employers do not read the PERS employer announcements. Obviously, that's an item for concern. Announcements are usually major pieces of information or notice of a change.

Another interesting question was number14: "what is your greatest challenge in reporting the data to PERS?" There were a numerous answers to that question. However it was interesting many had almost the same wording. You could sort similar responses and put them in buckets labeled such as difficulty determining eligibility, EDX being too complex, EDX taking too much time, suspended records are too difficult to clear, etc.

So again we found the responses very, very valuable. It was the first year we had done a survey online. It will be interesting to repeat some of these questions next year and begin measuring responses across time. I think its part of the backbone to see how well we are dong.

I wanted to pick your brain as the EAC group as to maybe getting some feedback. And this all touches on how we can get information out to employers more effectively. As far as getting employers to use the EDX guide and to read announcements and absorb which is of course a lot of information we send out during the year- does anyone have any comments or feedback or suggestions for helping with that? Also, we asked one question about how would you like to receive information from PERS and it was a multiple choice. You could select more than one answer. 92% said e-mail but also 15% said regular mail, 14% said the bulletins when you log on top the EDX screen and 3% said "call me." (Laughter).

So there's quite a variety of preferences and certainly can't do everything in terms of communication methods.

Marita Dizon: For question #9, how frequently do you refer to employer announcements? I'm wondering if that's referring back to old ones?

Fred Welding: That's a great point. I agree with that. That's how I interpreted it.

Marita Dizon: I would say never because I don't refer back to them, I read them once.

Tom Andrews: So there may be confusion on reading new ones or reading old ones?

Marita Dizon: Yes, that's a possibility.

Tom Andrews: I appreciate that feedback. Anyone else?

Mary Helen Simonson: One of the things that I had thought about that might make EDX site more user friendly was to have suspended records have an optional link to a FAQ or a page in the EDX manual that describe the problem and suggested some possible solutions.

Dan McElhinny: That's a very good question. I know the EDX team is providing input to folks who are revising the manual and a staff person has provided some of the most common problems and the solutions to the person drafting that document.

Tom Andrews: Mary Helen, do you mean a link on the screen that creates a pop-up?

Mary Helen Simonson: Yes. If you needed help resolving a suspended record you could click on some button or click on the suspended reason and it would take you to the page in the manual that describes the problem and suggests some possible solutions.

Dan McElhinny: Neat idea.

Tom Andrews: I agree. Maybe a page that says these are the top four reasons you get this particular error… that sort of thing?

Mary Helen Simonson: I'd suggest that sort of online help.

Dan McElhinny: To my understanding in the updated EDX manual is going to have the most common problems and what to do with them.

Penny Lien: Most of us, at least in my side of things, deal with a computer not a book and if I need a solution now I'm looking for it on line because that's where I do my work.

Tom Andrews: And the clearing of suspended records is one of the biggest challenges, in the reporting. One of the questions was: How often do you call or e-mail the EDX support team. Which we have Dan here. If 3% said daily then maybe an indicator there are some errors that seem to come up on a continual basis.

Penny Lien: Also maybe EDX error messages could be rewritten to be a little clearer?

Tom Andrews: Yes, we've received that suggestion on many occasions.

Melissa Heager: When you guys rolled out EDX did you do much training or impromptu training or you thinking of doing any training in the future?

Tom Andrews: We have ongoing training – "EDX 101", a beginning EDX classes here at PERS in Tigard and we're planning on bringing it "out on the road" in 2006 and also providing it on-line through web conferencing software. There will also be different trainings coming in the future. Any other comments- especially suggestions- on effective communication, on ways that are sometimes very large nuggets of information to get those out to make sure they are absorbed and make sure that they are noticed?

Mary Helen Simonson: One of the complaints I heard most often last year in reconciling annuals was people sent demographic change requests and they got lost and then they sent them again and one of them faxed them five different times and no body could find them. How should we tell users to submit things so they don't get lost? We send the forms in and then turn around and get a second request and it's been a month because the paperwork comes up and is not directed back to any one person.

Dan McElhinny: If I may interrupt for a minute. The Demographic Correction Form process has been streamlined, to a certain degree, within the EDX team. So I would suggest when you call, take the name and phone number of the person you spoke to on the team and hopefully that will streamline efforts at making sure we keep track of these documents. Sometimes something simply doesn't get faxed or it doesn't go through. Having a name and number to verify or call back if there were problems helps.

Tom Andrews: And especially if your going to fax a lot of DCRs, those demographic correction reports, I would certainly recommend an employer call first and have someone basically awaiting it.

Mary Helen Simonson: Ok.

ER: The question about, I can't remember who asked it, the one about the time lag in submitting a paper report and getting a request for the second one.

ER: Primarily that happens when we've received salary certs. They don't come in saying send to this person, they just say send it back. So it is different from Demographic Corrections Forms.

Tom Andrews: We are aware of that, and know it is very frustrating. We have a central address but its actually going to a second stop once it gets here. Sometimes when that happens it's not really clear when something is received. Any other questions?

Ok. I wanted to give you a brief heads up on our employer manual, which we talked about briefly at the last EAC meeting. His name is Radford and he is bringing it all up to date and giving it a snazzy look and putting in all up to date information. He wanted to send out the table of contents to EAC members, basically letting you know this is the stuff that this manual is going to cover.

Our premise is this: you have a new employer that has never heard of PERS - and If they can have an introduction of what they need to know is in this manual and hopefully sending out the table of contents would give you a 20,000 foot view of that. Did anybody have any comments on that or suggestions for what to include. Again, it is not an EDX manual so it doesn't go into technical issue- it just goes into the basics of what a PERS employer should know.

Marsha Ehlers: I am looking forward to this manual. One question I had, and I'm reasonably certain it will be covered or I'm hopeful it will be covered under full time vs. part time is the seasonal on call situation which some of us deal with probably most of us deal with.

Tom Andrews: Yes. The manual does talk about part timers and addresses topics like partial years, less than 600 hours-several things like that are in the manual.

Dan McElhinny: I believe also there's going to be a chapter on re-hiring retirees.

ER: Saw that too. That should be good.

Tom Andrews: Anyone else with comments or questions on the employer manual?

Fred Welding: I think that eligibility needs to be streamlined and made clear. When I saw that I actually pulled out the old manual and went though it for the umpteenth time. It showed up in your the survey that it needs emphasis right now. And one thing… instead of updated the manual all at one time take sections and make it available on time would be beneficial to a lot of employers.

Tom Andrews: Thank you very much Fred. The advantage of the manual is it is small - especially in comparison to the EDX Guide. Some sections may only be five or six pages if it's a fairly concise subject. You all know that the EDX Guide is more of a very heavy desktop paperweight. I think we will be able to finish it all in one swoop and then if there are updates we will do that. Fred you mentioned you looked up the old one. I believe the date on that is 1997?

ER: Correct.

Tom Andrews: There have been a couple of changes since then. (laughter)

Mary Helen Simonson: I know for school districts we struggle so greatly with substitute teachers and their eligibility. Especially when they sub for so many different employers. Will there be a section for that?

Tom Andrews: Yes. That again is under part time employees and employees with concurrent employment.

Maria Keltner: This is Maria. I don't have the old version and I either didn't get or missed the table of content that was sent out. So my question is does it include some information about elected official in terms of eligibility and opting in or out.

Jim Demetry: Yes it will.

Fred Welding: In the table of contents there was one item kinda jumped out at me and it said Final Average Time. Will this manual be only talking about that or will it speak to other forms of overtime?

Jim Demetry: Yes, it will speak to overtime both average overtime code and its use and treatment of overtime as well.

Tom Andrews: And now I would like to open it up to general comments or general questions. Any items to check up on for the next meeting.

ER: Last year we were working on an eligibility matrix. Will that be part of the new guide?

Tom Andrews: Yes. The eligibility matrix that was given out last year will be given out this year as well. It's basically applicable as is.

ER: It has helped.

ER: Can you give us an update on implementing the 2005 legislative changes?

Jim Demetry: That is part of the update. The announcement should be out to you within the week.

ER: So the lump sum problem and new format field is addressed in the new version?

Jim Demetry: Yes. There is going to be an additional field in the new formal which part of the descriptions in the new guide.

ER: So the EDX system will be programmed to know which pension they should be in and when the 6% should be withheld.

Jim Demetry: Yes.

Marsha Ehlers: Three things. Eligibility, concurrent employment, creditable service. When they vote on that when will they come into play?

Jeannette Zang: Marsha, we will get back to you on that.

Tom Andrews: Anyone else?

Mary Helen Simonson: This is Mary Helen. The EDX team is now including the ER #. This helps a great deal. I appreciate that.

Tom Andrews: Thanks Mary Helen. Ok, thank you everyone.

Next Meeting: 2/1/2006 at 2:00 pm