

Employer Advisory Committee Meeting Minutes-  
May 17, 2012

**DRS Staff Members Present:**

George Pickett, Chairperson  
Amanda Persell, Administrative Assistant  
Danielle Hiatt, Office Assistant  
Chris Lamb, ISD Assistant Director  
Gayle McGee, Project Manager  
Dave Nelsen, Legal/Legislative Services Manager  
Karla Phillips, Accounts Receivable/Audit Manager  
Steve Lyle, Employer Auditor  
Shannon Davis, Employer Auditor  
David Brine, Communications Director  
Eleanor Conway, ESS Information Technology Specialist  
Jeff Groebner, ESS Information Technology Specialist

**Employer Members Present:**

Sheryl Gordon, Green River Community College  
Nancy Savage, Pierce County  
Kimberly Fleming, King County Metro  
Kathy Palladino, Washington State Patrol  
Sheena Fournier, DSHS  
Patty Orchard, Department of Enterprise Systems

**Employer Members Present via Conference Call:**

Lisa Croft, Port of Tacoma  
Gail Davila, City of Bellevue  
Lynn Guyton, Puyallup SD  
Nancy Pooler, Port of Seattle

**Welcome**

Chairman Pickett welcomed everyone to the meeting and thanked them for attending.

**EIS Update**

Chairman Pickett introduced Chris Lamb, Assistant Director of the Information Services Division, who provided a summary on the proposed Employer Information System updates. The committee was directed to view the "Conceptual Design Elements" on page five. Chris stated that the fundamental goal of the update to EIS (Employer Information System) is to provide real time edits and error corrections to employers. Currently the reporting cycle is overnight through WBET, SFT or other programs (depending on the size of the reporting employer). DRS understands that processing payroll is a high priority and if the department can give real time feedback on errors, it would be better for everyone involved in the process.

Nancy Savage, Pierce County, asked if the new system will allow for an employee with two accounts (a new employee leaving one plan and entering into another). Chris said that, yes, the department's intent is that EIS would be fully transactional based.

Bullet 3 of the Real-Time Edits and Error Corrections section outlines that DRS wants to make the information in the new EIS to be available in a single portal. This is beneficial to users that want to filter through data and use scan and search tools. This means a mechanism in which probably corrections can be suggested and which would be intuitive. Kimberly Fleming of King County Metro asked if this is like a default. Chris would not categorize it as a default. It would provide suggestions based on several criteria (i.e. school employee, PERS, etc).

The new EIS would provide different tools including calendars that would outline deadlines for submitted reports, self-maintain employer account security such as resetting passwords, and the ability to review Accounts Receivable statements. Kimberly asked if the RSA contact schedules could be added to the calendar function. Chris said that yes, it is something that DRS can work with.

#### "Ability to Test Employer Reports"

The new EIS could provide the ability to submit files in a 'test' status to allow for trials of new systems or specialized situations. No coordination with DRS would be necessary for this method of testing. This would minimize the need for DRS intervention and eliminate the current difficult and time-consuming process used to test new payroll reporting situations.

DRS has received feedback that a change in DRS requirements translates into a system change for employers. The new EIS would allow each employer to use their own file and processes, and then provide a map file. From there, DRS will figure it out. DRS would provide a list of data elements required to use the employer's reporting and as long as all of the data elements are present, DRS can use the file in any layout used by the employer. In order for DRS to use the file, a 'map' file would need to be provided to allow us to then translate the file for processing. This will provide additional flexibility to the employers in terms of file format instead of requiring compliance to DRS format requirements.

#### "Modern Technology and Standards/Building for the Future"

DRS will build a behind-the-scenes infrastructure that will be more advanced and will allow for faster response to legislation changes, technological trends, etc.

## “Additional Considerations”

We would love to do all of the things that employer feedback as shown us is important to them. We may have to add some of them in later instead of rushing them into the first release. We know these suggestions/issues are important and these changes would be useful to employers. In particular, these topics are being considered for later addition or further considerations

### -Credit Redistribution

We heard that the ability of employers to perform their own credit redistributions would provide big value. Because the credit redistribution is actually a DRS Account Receivable function and not directly a reporting function within EIS, we are concerned that the scope of the change is actually outside of the EIS project. DRS will consider this capability during project analysis, though. At minimum, the ability of the new EIS to provide Account Receivable Statements to employers would make viewing current allocation of funds easier. The project team will need to research this situation further.

### -As Paid vs. As Earned

Employers outlined their difficulty with reporting earnings and contributions to DRS on an ‘as earned’ basis. Employer payroll systems process earnings and contributions on an ‘as paid’ basis. Unfortunately, statute required that DRS continue to collect the information ‘as earned’. We understand that this poses difficulties for employers. If DRS can provide something to help in dealing with these calculation challenges, we will. DRS will explore the creation of a tool that will help to translate the calculations.

Kimberly Fleming stated that she is interested in the ability to explain lump-sum payments carrying an M code. She, and other employers, would like the ability to explain what the M code is for. Currently the RSA must contact the employer to inquire why they used the code and the date of the earnings. Eleanor Conway stated that the DRS system cannot currently work with the M code. Chris stated that it is something the project team can look into; maybe we won’t use them in the future. The team is open to the idea of re-thinking the process to make it work better for everyone.

### -Tying Employer Data to DRS Data

Many times, employers have trouble tying SSN vs. Employee IDs into their reporting data. A resolution would involve the ability of the employer to

tag data with an Employer Identifier (such as an Employee ID). Then any files DRS sends back to the employer will have the tag that the employer has assigned to it. DRS would be making a commitment to include these tags with each communication.

#### -Data Warehouse

An actual data warehouse is a huge undertaking. We will attempt to get more data to the employers so they can do their jobs. Because this project would vastly exceed the scope of the new EIS project, it would need to be worked toward as an independent initiative.

Nancy Savage of Pierce County stated that they need the ability to identify members that have died so they can close their employee file. Chris stated that he sees that happening under the data warehouse project. Kimberly Fleming then asked if, under the data warehouse, employees who have previously worked for a first class city could be flagged. She said that it would be important to the employers. Sheena Fournier of DSHS asked if a new code could be created to flag overtime in HRMS. Chris said that the system is limited and more codes are not necessarily an option.

Dave Nelsen commented that the next step is the budget package. Stakeholder input will be needed and statements of support will be very welcome from employers in addition to any feedback.

Sheryl Gordon, Green River Community College, wanted to know if this copy can be circulated. Chris said that the draft document first went to those who attend the EAC meetings and those who participated in the interviews. Chris asked that this Draft copy not be circulated outside of the EAC, as it still needs to be edited. Chris stated to please feel free and circulate the second version of the draft that will be provided in the near future.

Please contact [Chris Lamb](#) with any questions.

#### **Legal/Legislative Update**

Chairman Pickett introduced Dave Nelsen, Legal/Legislative Services Manager. Dave gave a legislative update. Please click [here](#) to see what's happening in the Legislature.

Kimberly Fleming, King County Metro, asked if SB 6378 (Pension Reform) applied to both SERS and TRS. Dave stated that it does.

Please contact [Dave Nelsen](#) with any questions.

### **Online Retirement Application Update**

Chairman Pickett introduced Gayle McGee, Project Manager, stating first that the ORA project is an impressive accomplishment. Gayle updated the EAC on the Online Retirement Application process. Click [here](#) to see Gayle's presentation.

The project team will have a follow up meeting after implementation and will look at the changes that may need to be made.

If you have any ideas on training, comments or questions, please contact [Gayle McGee](#). If you have any suggestions or input on how DRS might be able to spread the word to employers, please contact [David Brine](#).

### **Idea Scale & Online Retirement Application Promotion**

Chairman Pickett introduced David Brine, the new DRS Communications Director. After David introduced himself and shared some of his background, he stated that there is an effort to change the culture and organization change at DRS by empowering employees to deliver total customer service and letting them be empowered to make decisions to bring change. To see David's presentation, click [here](#).

If you have any questions or comments, please contact [David Brine](#).

### **Fund Sweep/Projected Fee Increase**

Chairman Pickett and Dave Nelsen provided an update on the Legislature's approval of a two-step "sweep" of the DRS Expense Account and the associated impacts to the Administrative Expense Fee. (The supplemental budget transferred \$2.33 million from the Expense Account to the state General Fund in June; an additional \$4.33 million is scheduled to be transferred in June 2013.) Under current projections, Nelsen said, a sweep of this magnitude will increase the Administrative Fee to 0.18 percent in FY 2013 because it will take the fund well below the recommended reserve target. Even with a fee increase, he said, the fund would not recover enough to proceed with upgrading the Employer Information System. It was noted that DRS is already working on the supplemental budget process for the coming year to try and reduce or remove the second transfer. Patty Orchard, DES, asked how often these sweeps happen. Nelsen said they occur fairly regularly, however this is the largest to date.

### **Miscellaneous Items**

Chairman Pickett informed the committee that DRS has begun a dialog with members. It is the goal to contact approximately 2,500 members over the next two months to collect some rigorous and thorough feedback about DRS. The question that will be asked is "What will it take for you, as a member, to be 100% satisfied?". Beginning June 1, we will also be contacting employers; approximately 70. This will be an ongoing effort. DRS will not

stop measuring and will ask for feedback from members and employers on a quarterly basis.

Chairman Pickett also asked how the committee felt about a one day conference hosted by DRS. The morning would be spent in an organized discussion, and the afternoon would be constructed of break-out sessions based on plan. This would be an opportunity to make organization information available. Nancy Savage stated that DRS should consider whether they want to incur this additional expense during a budget crunch. Please email [Chairman Pickett](#) with any comments, questions or suggestions.

**Open Discussion**

Next meeting will be August 16, 2012 at the Department of Retirement Systems.