

Employer Advisory Committee Meeting Minutes-  
February 14, 2013

**DRS Staff Members Present:**

Mike Ricchio, Chairperson  
Amanda Persell, Administrative Assistant  
Danielle Hiatt, Office Assistant  
Dave Nelsen, Legal/Legislative Services Manager  
Marcie Frost, Director  
Rachel Jo Nesse, Project Manager  
Rose Bossio, Project Manager  
Sue Gordon, Web & Client Services Manager  
Stefanie Randolph, Communications Consultant  
Kim Smith, Employer Support Services Manager  
Debbie Callar, Employer Support Services  
Larry Bona, Employer Support Services  
Jamie Carl, Employer Support Services  
Kym Nelsen, Employer Support Services  
Melanie Piccin, Employer Support Services  
Eleanor Conway, Employer Support Services  
Sharon Houseman, Accounts Receivable Manager  
David Brine, Communications Director  
Chris Lamb, ISD Assistant Director  
Lorna Linden, Education & Outreach Manager  
Bill Sherman, Employer Audit

**Employer Members Present:**

Nancy Savage, Pierce County  
Kimberly Fleming, King County Metro  
Sheena Fournier, DSHS  
John Boesenberg, State Board of Community & Technical Colleges  
Holly Jordan, Department of Enterprise Services

**Employer Members Present via Conference Call:**

Lynn Guyton, Puyallup School District  
Maureen Kwant, Washington School Information Processing Cooperative  
Nancy Pooler, Port of Seattle  
Angie Gill, Washington State Patrol  
Lisa Croft, Port of Tacoma  
Barbara Cox, Port of Tacoma

**Welcome**

Chairman Ricchio welcomed everyone to the meeting and thanked them for attending. He summarized the minutes from the last meeting and also let everyone know that the May meeting has been moved to May 9<sup>th</sup>.

The speakers at the EAC meetings have historically been DRS team members. Chairman Ricchio would like volunteers from the employers to speak at future meetings. Employers may be contacted to be asked to speak on future agenda items.

In past meetings, Chairman Ricchio had spoken about putting together an EAC subcommittee to review DRS rules on eligibility, interest and penalties on late payments, and the way DRS calculates benefits for independent contractors who have subsequently been deemed to have been employees, as well as any other topics that employers feel should be reviewed. DRS now has a resource to assist with this subcommittee. Brian Berghoff will be working with Dave Nelsen on rules; including those that relate to employers. Chairman Ricchio will contact some employers to ask that they help with this subcommittee.

### **Legal/Legislative Update**

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

One additional bill that came in the morning of the meeting was SB 5781 – which would expand the employer list for PSERS to include DSHS and modify the criteria regarding employee eligibility. Essentially, the bill would include anyone who provides direct care of patients in state institutions participating in PSERS. It would also open up a transfer window for those who are current PERS members and would be covered by this and they would be able to choose if they would like to be transferred into PSERS or not. Future employees hired into one of these PSERS eligible positions would be mandated into PSERS. This bill also encompasses current PSERS employers, requiring them to look at their current positions to determine if they include positions providing direct care.

Mr. Nelsen also gave an update on the DRS lawsuits:

*Gain-Sharing: Gain-Sharing:* The parties are in the process of filing legal briefs on the case at the Supreme Court level. DRS filed the first brief, and the plaintiffs can now file their cross brief and reply. Each party to the case will have an additional opportunity to reply after that. It is expected that final briefs will be to the Court by late April or May. At that point the Court will have all the information to decide whether or not to hear the case.

*Removal of the uniform COLA (the annual increase for PERS and TRS 1 retirees):* The Superior Court judge ruled the removal of the COLA was unconstitutional. This case may go to the Supreme Court. The plaintiffs have asked this case to be put on hold until the gain-sharing lawsuit is completed; they believe the issues are very similar. The State has not decided if they will agree to this or ask the Supreme Court to look at both cases together.

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

### **Workflow Project**

Rachel Nesse, Project Manager, joined the meeting to talk about the restructuring that DRS is doing within the Retirement Services Division. To see her presentation, click [here](#).

Nancy Savage, Pierce County, suggested that any correspondence come from DRS as opposed to a specific Retirement Services Analyst. There have been instances where they have gotten correspondence from an RSA and, when contacting DRS, that RSA is no longer with DRS. Rachel stated that the goal of this project is that everyone is trained on all aspects of retirement and can answer any questions.

Kimberly Fleming, King County, suggested that correspondence come from one email address and that there be one phone number to call to respond to that correspondence. Rachel stated that she will add this idea to her list and take it back to the project team.

Chairman Ricchio stated that DRS' Employer Satisfaction efforts tie into this. DRS contacted various employers and asked them what it would take for them to be completely satisfied with DRS. DRS evaluated that feedback and created criteria. At this time, those criteria are being sent out to employers for validation and to create a baseline rating for DRS. Final criteria will be then be published. The next step will be to periodically contact a new set of randomly selected employers to rate DRS based on those criteria. The results of that rating will be reviewed to determine where DRS should apply resources to problem areas to bring them into compliance with expectations.

Please contact [Rachel Nesse](#) with any questions or feedback.

### **Marcie Frost, DRS Director**

Chairman Ricchio introduced Marcie Frost, the new director at the Department of Retirement Systems. Marcie introduced herself, summarizing her 11 year employment history with DRS. Marcie stated that DRS will get very focused on customer needs. DRS team members are going out on a regular basis to get customer data, and the department will use that data to facilitate the teams' success. Currently, leaders in the organization are going through training on how to gather that data. DRS will make sure that Department team members have everything that they need in order to meet customer needs, including necessary tools, skills and knowledge. DRS will pursue having excellent relationships with stakeholders; being trustworthy, good stewards; being fair and approachable and being a good value for employers. Overall, DRS is seeing really great results during the quarterly target reviews that DES uses to manage its business.

### **E-Pay**

Over 97% of the payments DRS receives are electronic. DRS is working to convert the remaining 3% of employers from paper checks to electronic payments. Chairman Ricchio asked that the EAC employers be willing to help DRS in this initiative by giving testimonials regarding the ease and efficiency of using electronic payment options. If you are willing to help, please contact [Mike Ricchio](#).

### **Employer Information System**

Sue Gordon, Rose Bossio and Stefanie Randolph spoke on the progress of the new Employer Information System. To see their presentation, click [here](#).

The DRS Communications department is working with its webmaster to put project milestones on DRS' website. Once this is in place, employers will have the option to subscribe to GOV delivery for notifications. Notifications will be in the form of an automatic email that is sent each time the page is updated.

Chairman Ricchio asked if any committee members had been through a large information technology project similar to DRS' new EIS system, and if so, to please share lessons learned. Also, DRS is looking for a core group of employers for DRS to contact at intervals throughout the project for feedback. Chairman Ricchio will be contacting the EAC group as well as other employers, making sure there is a good cross-section of all sizes and types of employers to give feedback.

Project managers and team members from DRS' Communications team will continue to attend the EAC meetings to give updates.

[Kim Smith](#) is available for any questions, concerns or feedback.

**Open Discussion**

Sheena Fournier asked if Chairman Ricchio had found an answer to her question regarding invoices on contributions during a non-taxed period billing for both the employer and employee portion, requiring the employer to then bill the employee. She inquired as to why it doesn't go directly to the employee. Chairman Ricchio reported that this falls under the employer pick up rule and that DRS cannot bill the employee directly.

**Closing**

Next meeting will be May 9, 2013 at the Department of Retirement Systems.