

BUDGET NARRATIVE

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 103 - Enhanced Staffing for Data Verification

Cross Reference Name: Limited - Operations
 Cross Reference Number: 45900-500-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,873,806	-	-	-	1,873,806
Total Revenues	-	-	\$1,873,806	-	-	-	\$1,873,806
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	535,752	-	-	-	535,752
Empl. Rel. Bd. Assessments	-	-	308	-	-	-	308
Public Employees' Retire Cont	-	-	84,597	-	-	-	84,597
Social Security Taxes	-	-	40,987	-	-	-	40,987
Worker's Comp. Assess. (WCD)	-	-	483	-	-	-	483
Mass Transit Tax	-	-	3,877	-	-	-	3,877
Flexible Benefits	-	-	213,696	-	-	-	213,696
Total Personal Services	-	-	\$879,700	-	-	-	\$879,700
Services & Supplies							
Employee Training	-	-	7,158	-	-	-	7,158
Office Expenses	-	-	35,017	-	-	-	35,017
Expendable Prop 250 - 5000	-	-	7,000	-	-	-	7,000
IT Expendable Property	-	-	28,000	-	-	-	28,000
Total Services & Supplies	-	-	\$77,175	-	-	-	\$77,175
Total Expenditures							
Total Expenditures	-	-	956,875	-	-	-	956,875
Total Expenditures	-	-	\$956,875	-	-	-	\$956,875

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Public Employees Retirement System, Oregon
 Pkg: 103 - Enhanced Staffing for Data Verification

Cross Reference Name: Limited - Operations
 Cross Reference Number: 45900-500-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	916,931	-	-	-	916,931
Total Ending Balance	-	-	\$916,931	-	-	-	\$916,931
Total Positions							
Total Positions							7
Total Positions	-	-	-	-	-	-	7
Total FTE							
Total FTE							7.00
Total FTE	-	-	-	-	-	-	7.00

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 103 - Enhanced Staffing for Data Verification

Cross Reference Name: Customer Services Division
 Cross Reference Number: 45900-500-05-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,873,806	-	-	-	1,873,806
Total Revenues	-	-	\$1,873,806	-	-	-	\$1,873,806
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	535,752	-	-	-	535,752
Empl. Rel. Bd. Assessments	-	-	308	-	-	-	308
Public Employees' Retire Cont	-	-	84,597	-	-	-	84,597
Social Security Taxes	-	-	40,987	-	-	-	40,987
Worker's Comp. Assess. (WCD)	-	-	483	-	-	-	483
Mass Transit Tax	-	-	3,877	-	-	-	3,877
Flexible Benefits	-	-	213,696	-	-	-	213,696
Total Personal Services	-	-	\$879,700	-	-	-	\$879,700
Services & Supplies							
Employee Training	-	-	7,158	-	-	-	7,158
Office Expenses	-	-	35,017	-	-	-	35,017
Expendable Prop 250 - 5000	-	-	7,000	-	-	-	7,000
IT Expendable Property	-	-	28,000	-	-	-	28,000
Total Services & Supplies	-	-	\$77,175	-	-	-	\$77,175
Total Expenditures							
Total Expenditures	-	-	956,875	-	-	-	956,875
Total Expenditures	-	-	\$956,875	-	-	-	\$956,875

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 103 - Enhanced Staffing for Data Verification

Cross Reference Name: Customer Services Division
 Cross Reference Number: 45900-500-05-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	916,931	-	-	-	916,931
Total Ending Balance	-	-	\$916,931	-	-	-	\$916,931
Total Positions							
Total Positions							7
Total Positions	-	-	-	-	-	-	7
Total FTE							
Total FTE							7.00
Total FTE	-	-	-	-	-	-	7.00

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12/15/14 REPORT NO.: PDPFISCAL DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM PAGE 6
 REPORT: PACKAGE FISCAL IMPACT REPORT 2015-17 PROD FILE
 AGENCY:45900 PUB EMPLOYEES RETIREMNT SYSTEM PICS SYSTEM: BUDGET PREPARATION
 SUMMARY XREF:500-05-00 Customer Services Division PACKAGE: 103 - Enhanced Staffing for Data Ver

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1710301	OA	C0841 AA	RETIREMENT COUNSELOR 1	1	1.00	24.00	02	3,001.00		72,024 47,524			72,024 47,524
1710302	OA	C0841 AA	RETIREMENT COUNSELOR 1	1	1.00	24.00	02	3,001.00		72,024 47,524			72,024 47,524
1710303	OA	C0841 AA	RETIREMENT COUNSELOR 1	1	1.00	24.00	02	3,001.00		72,024 47,524			72,024 47,524
1710304	OA	C0870 AA	OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	02	3,450.00		82,800 50,049			82,800 50,049
1710305	OA	C0842 AA	RETIREMENT COUNSELOR 2	1	1.00	24.00	02	3,290.00		78,960 49,150			78,960 49,150
1710306	OA	C0842 AA	RETIREMENT COUNSELOR 2	1	1.00	24.00	02	3,290.00		78,960 49,150			78,960 49,150
1710307	OA	C0842 AA	RETIREMENT COUNSELOR 2	1	1.00	24.00	02	3,290.00		78,960 49,150			78,960 49,150
TOTAL PICS SALARY										535,752			535,752
TOTAL PICS OPE										340,071			340,071
TOTAL PICS PERSONAL SERVICES =				7	7.00	168.00				875,823			875,823

BUDGET NARRATIVE

Package 104 Technology Maintenance and Enhancements (M&E)

Package Description

Purpose: PERS requests \$3,281,250 Other Funds limitation in the Information Services Division to address necessary system enhancements to existing jClarety architecture. PERS has been administering its benefit programs on the jClarety platform, a system architecture that was designed and developed over a decade ago. Over time, technologies have changed, requirements for data volume and transactions have increased, and the jClarety limitations, flaws, and inefficiencies have emerged in its operation. This proposal is to create a team of existing staff and contractors to analyze and implement architectural updates to the jClarety system. Technical debt and system enhancements are the two areas addressed in this package.

Technical Debt

Purpose and How Achieved:

PERS requests \$1,771,875 Other Funds limitation in the Information Services Division to address technical debt. All applications have “technical debt” and the jClarety system is no exception. Technical debt is poor or inefficient software architecture or development within a code-base. Industry best practice recommends budgeting up to 20% of development resources to address technical debt issues. Left unmanaged, technical debt can evolve into significant system issues that may be difficult to resolve. The increase in Other Funds limitation includes:

- \$1,215,000 in IT professional services for software development
- \$ 405,000 in IT professional services for implementation and deployment
- \$ 151,875 in IT professional services for system architecture and development

The PERS Enterprise Architecture Team and Technical Leads Team have identified several areas of jClarety that need maintenance, enhancements, or revisions:

- **Batch Job Failures, Error Reporting, and Optimization.** Batch jobs in jClarety are difficult to trouble shoot when they fail or run for unexpectedly long periods. The technical debt project will analyze these jobs to optimize, improve error handling and reporting.
- **Processing Member Accounts Resulting in Timeouts.** Transactions on certain member accounts cannot be processed due to complex data conditions. Software design flaws create conditions where the transaction “times out” when executed against these members’ accounts.

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- **Manual Overrides.** The jClarety system design has a strict protocol in place to process data. However, complex accounts can require solutions that jClarety was not programmed to process, given their “one-off” nature. The solution is to create a more flexible business override module that adequately processes and records the transaction.
- **Removing Outdated Reporting Tool.** The jClarety reporting module uses SQR technology to create reports. This technology is licensed, expensive, and requires installation of a tool for users to view the reports. It is outdated and can be updated with a more cost effective modern solution.
- **Letter Templates.** The letter templates in jClarety are difficult to maintain or update, and require a developer and analyst to implement changes. In addition, jClarety does not support current industry standard PDF documents, or other modern file format types.
- **Database Design.** Database tables are growing rapidly, and duplicate data stored in the system is causing problems with queries and performance. Analysis and redesign for more efficient data handling is necessary.
- **Code Maintenance.** The original error log tool in jClarety was not implemented properly and the current implementation creates log files that are difficult to read and contain limited useful information. In addition, jClarety code was built upon another state’s implementation and contains code and database tables that are not relevant to PERS.

Alternatives Considered:

Without investment in correcting technical debt issues, many development resources will be spent on reactive system fixes only. It will be difficult for system functionality to keep up with business demands and legislative changes to the plans.

An alternative to addressing technical debt would be to invest in newer software architecture. However, the time and resources spent on designing a replacement system would be in excess of resolving current system issues.

Staffing Impact:

- None

Quantifying Results:

PERS proposes to create a team of existing staff and contractors to address the technical debt priorities of jClarety. The team objectives over the 2015-17 biennium will be to:

- Resolve processing errors and potential data corruption of poorly programmed batch jobs. Improve batch error handling and reporting.
- Resolve timeout errors and redesign steps for handling complex member data benefit processing.
- Redesign software architecture flaws.

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- Create an override module in jClarety.
- Update jClarety reporting to use standard, cost-effective technologies.
- Provide a modern tool to allow more flexibility in preparing template letters generated by jClarety.
- Refine the jClarety database design; remove obsolete tables, and the storage of duplicate data.
- Remove jClarety obsolete code and add proper error handling and reporting to improve the ability to diagnosis and maintain the application.

System Enhancements

PERS requests \$1,509,375 Other Funds limitation in the Information Services Division to address system enhancements to the OPSRP pension program. This proposal covers the inception, elaboration, construction, testing, and deployment of changes to enhance system functionality. In meeting the tight deadline to deploy OPSRP in 2003, some system functionality was left out of jClarety or limited in its application. Functions that were left out of the system are now needed, which requires staff to process requests manually outside of the system. The volume of OPSRP accounts is increasing and it is becoming difficult for staff to manage the manual processes. The increase in Other Funds limitation includes:

- \$ 1,035,000 in IT professional services for software development
- \$ 345,000 in IT professional services for implementation and deployment
- \$ 129,375 in IT professional services for system architecture and development

Purpose and How Achieved: The OPSRP program was created by the Legislature in 2003 with passage of House Bill 2020. That bill also included direction to develop a program administration system. Because of the narrow window (less than six months) between the passage of legislation and program administration, some key components of system administration were not included in production. The subsequent project to convert the legacy retirement administration system (RIMS Conversion Project) did not include in its scope, further changes to the OPSRP functionality.

Consequently, the jClarety system does not have functionality with regard to some administrative functions that are now surfacing due to the maturing of OPSRP over the last ten years. Missing functions include processes related to Alternate Payees (AP) and divorce; membership and benefit structure; some retirement calculation and benefit maintenance; and Loss of Membership (LOM). For example, the LOM function was not a high priority at the time jClarety was established since it would have taken several years before any OPSRP member could reach LOM status. These types of transactions are now occurring with OPSRP members and their accounts must be handled manually. Manual work leads to a higher rate of errors and use of additional staff time.

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PERS proposes to establish a team of existing staff and contractors to build additional OPSRP functionality into the system to address previously described challenges. In many cases, the functions are needed to administer benefit payment types that will become more prevalent as OPSRP continues to mature. Automating these OPSRP processes will allow staff to stop manual reviews, overrides, and ad-hoc calculations to administer benefit transactions that are not currently programmed into jClarety.

The alternative to this proposal is to continue the current practice of processing specific OPSRP accounts outside of the system when jClarety functionality is missing. Agency goals to process benefits more efficiently will not be met, and member service will not improve without system enhancements.

Staffing Impact:

- None

Quantifying Results:

Proposed maintenance and enhancements to jClarety will result in broad improvements in agency operating and supporting processes:

- Increased accuracy and timeliness of benefit processing, calculations, and payments, particularly for OPSRP.
- Overall increased satisfaction, accuracy, and timeliness of member services.
- Improved overall satisfaction of PERS staff due to increased ability to perform work correctly and efficiently.
- Decreased number of manual checks due to enhanced system automation.
- Reduced legal risk due to improved audit capability, accuracy, and timeliness, and increased ability to respond to changes in legal requirements.
- Improved letter templates, leading to better quality communications.
- Improved ability to resolve exceptions and omissions.
- Resolved batch job failures which will minimize the backlog or disruption of employer contributions.

- KPM #1 Timely Retirement Payments
 - a. 80% of retirement benefits paid within 45 days
- KPM #2 Total Benefit Administration Costs per Member
- KPM #4 Accurate Benefit Calculations
 - a. Calculate service retirements within \$5 per month
- KPM #6 Customer Service
 - a. Maintain or exceed 80% of customers rating their satisfaction with the agency's customer service as good or excellent

BUDGET NARRATIVE

Revenue Source: Revenues to fund administrative expenditures are obtained from the various PERS' programs and activities in accordance with Oregon Revised Statute and applicable administrative rules.

2017-19 Fiscal Impact: There is no fiscal impact to 2017-19.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 104 - Technology Maintenance & Enhancements

Cross Reference Name: Limited - Operations
 Cross Reference Number: 45900-500-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	3,281,250	-	-	-	3,281,250
Total Revenues	-	-	\$3,281,250	-	-	-	\$3,281,250
Services & Supplies							
IT Professional Services	-	-	3,281,250	-	-	-	3,281,250
Total Services & Supplies	-	-	\$3,281,250	-	-	-	\$3,281,250
Total Expenditures							
Total Expenditures	-	-	3,281,250	-	-	-	3,281,250
Total Expenditures	-	-	\$3,281,250	-	-	-	\$3,281,250
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 104 - Technology Maintenance & Enhancements

Cross Reference Name: Information Services Division
 Cross Reference Number: 45900-500-04-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	3,281,250	-	-	-	3,281,250
Total Revenues	-	-	\$3,281,250	-	-	-	\$3,281,250
Services & Supplies							
IT Professional Services	-	-	3,281,250	-	-	-	3,281,250
Total Services & Supplies	-	-	\$3,281,250	-	-	-	\$3,281,250
Total Expenditures							
Total Expenditures	-	-	3,281,250	-	-	-	3,281,250
Total Expenditures	-	-	\$3,281,250	-	-	-	\$3,281,250
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

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Package 105 Disaster Recovery Infrastructure Upgrades

Package Description

Purpose: PERS requests \$1,581,200 Other Funds limitation, in the Information Services Division to further develop the agency's Disaster Recovery (DR) and Business Continuity (BC) technology infrastructure in support of the Oregon Retirement Information Online Network (ORION). Once implemented, the DR and BC solutions will allow the resumption of critical business and infrastructure services within 48 hours of a localized catastrophic event. Through this initiative, the agency's Business Continuity Plan (BCP) will be updated to reflect current technology systems and business expectations. Infrastructure changes to a Virtual Desktop Environment and Single Sign-On capabilities will facilitate more robust and efficient recovery and resumption activities. The Virtual Desktop replaces the approximately 400 desktop and laptop systems currently distributed throughout the agency with a virtual desktop hosted in a data center which can be accessed remotely. This new environment will also improve data security, reduce life-cycle replacement and other maintenance costs, and provide more efficient and flexible deployments of software upgrades agency-wide. A Single Sign-On infrastructure provides enhanced end-user and application access security, which will be more important in a DR or BC scenario.

Disaster Recovery Planning and Infrastructure

Purpose and How Achieved: PERS requests \$881,000 Other Funds limitation for Disaster Recovery (DR) and Business Continuity (BC) technology infrastructure development. This includes the following expenditures:

- \$ 552,000 in Capital Outlay-hardware
- \$ 100,000 in IT professional services for implementation and deployment
- \$ 220,000 in data processing for network infrastructure
- \$ 9,000 in IT training for network monitoring

Currently, PERS backs up technology applications, databases, and file systems to storage tape on a daily basis. However, the backups are sent to an offsite storage facility only two times per week. If PERS experiences a localized catastrophic event that requires recovery of a server, file, or entire system, the agency could experience a loss of up to four days of data by relying only on tape backups.

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Additionally, PERS does not have a secure offsite location for recovery of data, and equipment is not available to rebuild systems if necessary. In the event of a localized catastrophe that disables a facility, system, or both, acquiring the equipment and network infrastructure to recover system applications necessary to meet business expectations could take more than 30 days. Failing to adequately plan and resource for disaster recovery and business continuity puts at risk the over \$300 million that PERS distributes to members each month, with substantial ripple effects throughout Oregon's economy.

An agency Business Continuity Plan (BCP) was prepared and published in 2009. While the plan is extensive, it must be updated to cover current technology systems and business operations. The Disaster Recovery elements in the 2009 BCP must also be updated to acknowledge current service level agreements for production systems.

PERS proposes to establish a "warm site" that will include necessary network, service, and data storage infrastructure to support agency operations in the event of a data or facility catastrophe. An existing, yet outdated, Business Continuity Plan (BCP) will also be updated to reflect current technology systems and business expectations.

Alternatives considered include maintaining the existing tape backup system that would protect the agency in the event of a catastrophe, but this system provides no assurance as to when service could be restored. A disaster recovery "warm site," and revision and validation of the agency BCP will allow PERS to provide continuous support to members and employers in event of an emergency that impacts data systems.

Staffing Impact:

- None

2017-19 Fiscal Impact:

The anticipated impact to 2017-19 is estimated to be approximately \$220,000 in on-going Software and Hardware maintenance related to data processing needs.

Quantifying Results:

- Ensure compliance with DAS Statewide Policy #107-001-010 on Business Continuity Planning.
- Reduce the impact of a catastrophic event that may impact the agency ability to restore service to members and employers.
- Increase the ability for PERS data systems to recover in a timely manner.
- Reduce the number of incidents when ORION is not available due to batch failures and the jClarety database backup and refresh process.
- KPM #1 Timely Retirement Payments

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- 80% of retirement benefits paid within 45 days
- KPM #2 Total Benefit Administration Costs per Member
- KPM #6 Customer Service
 - Maintain or exceed 80% of customers rating their satisfaction with the agency's customer service as good or excellent

Virtual Desktop Environment

Purpose and How Achieved: PERS requests \$529,700 Other Funds limitation, for infrastructure changes to a Virtual Desktop Environment that will facilitate more robust and efficient recovery and resumption of activities. The Virtual Desktop replaces the approximately 400 desktop and laptop systems currently distributed throughout the agency with a virtual desktop hosted in a data center that can be accessed remotely. This new environment will also improve data security, reduce life-cycle replacement and other maintenance costs, and provide more efficient and flexible deployments of software upgrades agency-wide. This includes the following expenditures:

- \$ 295,000 for hardware
- \$ 78,500 for software
- \$ 48,000 in IT professional services for implementation and deployment
- \$ 93,200 in data processing for storage
- \$ 15,000 In IT training

Currently, each PERS staff member has a desktop personal computer through which they connect to the network and that hosts their work before they save or transfer it. Remote access to these desktops is not possible, so staff who attempt to work remotely do not have access to the same level of resources as if they were in the office. If a localized disaster event made their desk workstation unavailable, staff could not function until a new workstation was provided with direct access to the network.

By migrating to a Virtual Desktop Infrastructure, PERS would host each staff's virtual desktop on the network, instead of on a physical box on each desk. This infrastructure would be able to support a remote workforce in the event of catastrophe, so staff could "telecommute" using their own devices with the same desktop functionality regardless of where they were located. This proposal will also achieve long-term savings as life-cycle replacement costs for hardware will decrease, and technical staff will be able to deploy software patches and upgrades more rapidly. No alternatives were considered for the Virtual Desktop proposal except for continuing current practice and accept the associated risks, increased costs, and inefficiencies.

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Staffing Impact:

- None

2017-19 Fiscal Impact:

The anticipated impact to 2017-19 is estimated to be approximately \$93,200 in on-going Software and Hardware maintenance related to data processing needs.

Quantifying Results:

- Improve performance and availability of desktop computing resources.
- Reduce the risk of security breaches due to malware and virus attacks.
- Support policy initiatives that encourage BYOD or telecommuting.
- KPM #1 Timely Retirement Payments
 - 80% of retirement benefits paid within 45 days
- KPM #2 Total Benefit Administration Costs per Member
- KPM #6 Customer Service
 - Maintain or exceed 80% of customers rating their satisfaction with the agency's customer service as good or excellent

Single Sign On

Purpose and How Achieved: PERS requests \$170,500 Other Funds limitation to implement a Single Sign-On infrastructure providing enhanced end-user and application access security, which will be more important in a DR or BC scenario. PERS uses a variety of business applications which require their own user account administration. From a user's perspective, this requires repetitive logins and maintenance of multiple usernames and passwords. In a disaster scenario, staff could connect more efficiently if they need only one username and password to access all their systems. Also, during normal operations, the various applications are not synchronized so user passwords are not aged in accordance with the PERS security policy and expose the agency to Malware and spearfishing attacks. This includes the following expenditures:

- \$ 100,500 for hardware
- \$ 50,000 in IT professional services for implementation and deployment

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- \$ 20,000 in data processing for support and maintenance costs

PERS would design and implement a single sign-on infrastructure to enable the secure access to our core business applications without the need to maintain multiple accounts and passwords. By doing so, we will be better able to secure our members personally identifiable information (PII) from potential loss due to improperly monitored and aged passwords. A single sign-on infrastructure will:

- Reduce the number of locally administered user accounts needed to access our business applications, thereby reducing the risk of improperly terminated accounts.
- Enforce a consistent password aging methodology for all business applications.
- Provide a platform for ensuring user accounts are manageable and secure as the agency implements more cloud-based applications.

Similarly, no alternative for the single sign-on functionality were considered except for continuing current practice and accept the associated risks. Continuing to use decentralized username and password aging schemes exposes the agency to potential security vulnerabilities which, unchecked, may lead to a major outage or loss of member data.

Staffing Impact:

- None

2017-19 Fiscal Impact:

The anticipated impact to 2017-19 is estimated to be approximately \$20,000 in on-going Software and Hardware maintenance related to data processing needs.

Quantifying Results:

- Reduce the necessity of Agency personnel to maintain multiple usernames and passwords;
- Reduce the number so disparate systems users need to login too.
- Improve security and reduce the risk of incurring security violations.
- KPM #1 Timely Retirement Payments
 - a. 80% of retirement benefits paid within 45 days
- KPM #2 Total Benefit Administration Costs per Member
- KPM #6 Customer Service

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- a. Maintain or exceed 80% of customers rating their satisfaction with the agency's customer service as good or excellent

Revenue Source: Revenues to fund administrative expenditures are obtained from the various PERS' programs and activities in accordance with Oregon Revised Statute and applicable administrative rules.

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Public Employees Retirement System, Oregon
 Pkg: 105 - Disaster Recovery Infrastructure Upgrade

Cross Reference Name: Limited - Operations
 Cross Reference Number: 45900-500-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,581,200	-	-	-	1,581,200
Total Revenues	-	-	\$1,581,200	-	-	-	\$1,581,200
Services & Supplies							
Employee Training	-	-	24,000	-	-	-	24,000
Data Processing	-	-	333,200	-	-	-	333,200
IT Professional Services	-	-	198,000	-	-	-	198,000
Total Services & Supplies	-	-	\$555,200	-	-	-	\$555,200
Capital Outlay							
Data Processing Software	-	-	78,500	-	-	-	78,500
Data Processing Hardware	-	-	947,500	-	-	-	947,500
Total Capital Outlay	-	-	\$1,026,000	-	-	-	\$1,026,000
Total Expenditures							
Total Expenditures	-	-	1,581,200	-	-	-	1,581,200
Total Expenditures	-	-	\$1,581,200	-	-	-	\$1,581,200
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

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Public Employees Retirement System, Oregon
 Pkg: 105 - Disaster Recovery Infrastructure Upgrade

Cross Reference Name: Information Services Division
 Cross Reference Number: 45900-500-04-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,581,200	-	-	-	1,581,200
Total Revenues	-	-	\$1,581,200	-	-	-	\$1,581,200
Services & Supplies							
Employee Training	-	-	24,000	-	-	-	24,000
Data Processing	-	-	333,200	-	-	-	333,200
IT Professional Services	-	-	198,000	-	-	-	198,000
Total Services & Supplies	-	-	\$555,200	-	-	-	\$555,200
Capital Outlay							
Data Processing Software	-	-	78,500	-	-	-	78,500
Data Processing Hardware	-	-	947,500	-	-	-	947,500
Total Capital Outlay	-	-	\$1,026,000	-	-	-	\$1,026,000
Total Expenditures							
Total Expenditures	-	-	1,581,200	-	-	-	1,581,200
Total Expenditures	-	-	\$1,581,200	-	-	-	\$1,581,200
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Essential and Policy Package Fiscal Impact Summary - BPR013

___ Agency Request

X Governor's

___ Legislatively Adopted

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BUDGET NARRATIVE

Debt Service

Budget Overview

This program accounts for debt service payments on Certificates of Participation (COP) issued to finance the PERS headquarters building construction.

On April 4, 2012 the Department of Administrative Services (DAS) partially refunded Oregon Public Retirement System Certificate of Participation Series 2002, Series B to achieve debt savings, and 2012 Series K Article XI-Q Bonds was issued in order to refund the old debt. Under the new debt schedule, PERS is to make the principal payment of \$1,200,000 Other Funds and interest payments of \$90,750. The debt will be fully paid by May 2017.

Base Budget Adjustments

This is a decrease of \$12,100 in Other Funds Limitation debt service. The debt service adjustment is made in accordance with budget instructions and based on established repayment schedules provided by DAS.

BUDGET NARRATIVE

Detail of Lottery Funds, Other Funds, and Federal Funds Revenue

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2015-17 Estimated	2015-17		
						Agency Request	Governor's Budget	Legislatively Adopted
Debt Service								
Other	Limited Other	Other Revenues	24	1,000	25	0		
Transfer In - Intrafund	Limited Other	Transfer In - Intrafund	1,358,227	1,301,850	1,301,850	1,290,750	1,290,750	
Transfer Out- Intrafund	Limited Other	Transfer Out - Intrafund	(71,678)					
Non-limited Other Funds:								
Transfer In- Intrafund	Non-limited Other	Transfer In- Intrafund	3,140,326					

2015-17

107BF07

___ Agency Request

X Governor's

___ Legislatively Adopted

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2015-17

107BF02

BUDGET NARRATIVE

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Public Employees Retirement System, Oregon
2015-17 Biennium

Agency Number: 45900
Cross Reference Number: 45900-400-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Other Revenues	24	1,000	1,000	-	-	-
Transfer In - Intrafund	1,358,227	1,301,850	1,301,850	1,290,750	1,290,750	-
Transfer Out - Intrafund	(71,678)	-	-	-	-	-
Total Other Funds	\$1,286,573	\$1,302,850	\$1,302,850	\$1,290,750	\$1,290,750	-
Nonlimited Other Funds						
Transfer In - Intrafund	3,140,326	-	-	-	-	-
Total Nonlimited Other Funds	\$3,140,326	-	-	-	-	-

Detail of LF, OF, and FF Revenues - BPR012

___ Agency Request

X Governor's

___ Legislatively Adopted

Budget Page 289

BUDGET NARRATIVE

Facilities Maintenance and Management

Facilities Maintenance Discussion

PERS Headquarters building was built in 1996 and Department of Administration Services Facilities Services has provided annual maintenance to building systems. There is no deferred maintenance due to the age of the building. There are sufficient dollars in the facilities maintenance account in PERS Essential Budget to cover the routine annual maintenance and occasional repairs to the building systems.

BUDGET NARRATIVE

Facilities Maintenance Summary Report

AGENCY: Public Employees Retirement System

Agency #: 45900

Value of Buildings and Building Improvements			Facilities Operations and Maintenance (O&M) Budget			
<u>Cost of Buildings</u> (as reported to Risk Management)		<u>6/30/14 Replacement Value</u> (Risk Management)	<u>Personal Services</u>	<u>Services & Supplies</u>	<u>Total</u>	
\$ 8,320,324		\$ 12,523,189	\$ 25,401	\$ 1,054,052	\$ 1,079,453	
Total sq. ft. of Bldgs: 60,220 sq. ft.		2015-17 Maintenance Budget (no janitorial or utility) ÷ square feet of building: \$ 17.93 sq. ft.		Utilities Budget: \$ 629,498		
Total Outstanding Deferred Maintenance			Deferred Maintenance Budget 2015-17			
As of 6/30/14	Categories 1-2	Categories 3-5	Total	Personal Services	Services & Supplies	Capital Outlay
Projected 6/30/15	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Briefly describe the software (or manual process) used to identify routine (including preventative) facility maintenance needs.

We do not use tracking software to identify maintenance. DAS Facilities performs and schedules annual maintenance and preventative tasks.

What data elements do you track with software (or manual process) described above?

Most of the maintenance tasks are annual requirements, and the facility manager monitors and coordinates the scheduling. So the requirements and scheduling are manually tracked.

Briefly describe how the facilities maintenance budget is developed (note whether software (or manual process) described above is used in budget development).

There is no software used to develop the facilities maintenance budget. Most of it (over 80%) is set by DAS through estimates for the interagency facilities maintenance agreement that is listed with the biennial budget instructions. The remaining budget portion is used for unplanned DAS special project (non-IA) maintenance costs, and for non-DAS maintenance work. This portion is carried forward with inflation added.

Briefly describe the system or process used to identify Deferred Maintenance (e.g.; staff makes an annual estimate based on periodic assessments; evaluation of facilities using contract structural engineering firm, etc.)

PERS has not had to defer any maintenance for the HQ building. All unplanned maintenance needs have been covered through existing budgets.

Briefly describe the process to provide funding for facilities maintenance. (e.g.; biennial appropriation; assessment to applicable programs to sustain a Capital Maintenance/Improvement Fund authorized under ORS 276.285(2); etc.)

Other Funds biennial appropriation.

Statutory references: ORS 276.229(2), ORS 276.227(5)

2015-17

107BF16a

____ Agency Request

X Governor's

____ Legislatively Adopted

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BUDGET NARRATIVE

Facilities Operations and Maintenance Report

AGENCY Name: Public Employees Retirement System
 Agency #: 45900

	2011-13 Actuals	FTE	Leg Approved 2013-15	FTE	2013-15 Estimates	FTE	2015-17 Budget	FTE
General Fund								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$		\$		\$		\$	
S&S - Utilities & Janitorial	\$		\$		\$		\$	
S&S - Maintenance	\$		\$		\$		\$	
GF Subtotal	\$		\$		\$		\$	
Lottery Funds								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$		\$		\$		\$	
S&S - Utilities & Janitorial	\$		\$		\$		\$	
S&S - Maintenance	\$		\$		\$		\$	
LF Subtotal	\$		\$		\$		\$	
Other Funds								
Personal Serv - Utilities & Janitorial	\$ 26,886	.14	\$ 28,464	.14	\$ 28,533	.14	\$ 29,634	.14
Personal Services - Maintenance	\$ 23,045	.12	\$ 24,398	.12	\$ 24,457	.12	\$ 25,401	.12
S&S - Utilities & Janitorial	\$ 615,716		\$ 394,977		\$ 341,178		\$ 599,864	
S&S - Maintenance	\$ 550,052		\$ 1,002,288		\$ 788,185		\$ 1,054,052	
OF Subtotal	\$ 1,215,699		\$ 1,450,127		\$ 1,182,353		\$ 1,708,951	
Federal Funds								
Personal Serv - Utilities & Janitorial	\$		\$		\$		\$	
Personal Services - Maintenance	\$		\$		\$		\$	
S&S - Utilities & Janitorial	\$		\$		\$		\$	
S&S - Maintenance	\$		\$		\$		\$	
FF Subtotal	\$		\$		\$		\$	
Total All Funds	\$ 1,215,699		\$ 1,450,127		\$ 1,182,353		\$ 1,708,951	

The Facilities Operations and Maintenance budget includes costs to operate and maintain facilities and keep them in repair including utilities, janitorial and maintenance costs. Maintenance costs are categorized as external building (roof, siding, windows, etc.); interior systems (electrical, mechanical, interior walls, doors, etc.); roads and ground (groundskeeper, parking lots, sidewalks, etc.) and centrally operated systems (electrical, mechanical, etc.). Agencies with significant facilities may include support staff if directly associated with facilities maintenance activities. Do not include other overhead costs such as accounting, central government charges, etc.

____ Agency Request

 X Governor's

____ Legislatively Adopted

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BUDGET NARRATIVE

Facilities Deferred Maintenance Detail Report

AGENCY: Public Employees Retirement System
 Agency #: 45900

Building Name or Identifier	Replacement Value (as of 6/30/14)	2015-17 Deferred Maintenance Budget for this Facility	Total O/S Deferred Maint. (projected) (as of 6/30/15)	Outstanding Deferred Maintenance (projected) by Category			
				1	- 2	3	- 5
Facilities > \$1 million (attach additional sheets if necessary)							
PERS HQ Building	\$ 12,523,189	\$ 0	\$ 0	\$ 0			\$ 0
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
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	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
	\$	\$	\$	\$			\$
From attached Sheets							
From page _____	\$	\$	\$	\$			\$
From page _____	\$	\$	\$	\$			\$
Total Facilities > \$1 million (total from detail above)							
	\$ 12,523,189	\$ 0	\$ 0	\$ 0			\$ 0
Facilities < \$1 million (total for all facilities < \$1 million)							
	\$ 0	\$ 0	\$ 0	\$ 0			\$ 0
Total all Facilities							
	\$ 12,523,189	\$ 0	\$ 0	\$ 0			\$ 0

____ Agency Request

Governor's

____ Legislatively Adopted

BUDGET NARRATIVE

Special Reports

Information Technology-Related Projects

Agency: Fill in Agency Name		PERS										
Project Name	Project Description	Estimated Start Date	Estimated End Date	Project cost to date	Estimated 15-17 Costs	All biennia total project cost	Base or POP	Project Phase: I=Initiation, P=Planning, E=Execution, C=Close-out	If continuing project - Has it been rebaselined for either cost, scope or schedule? Y/N - If Y, how many times?	Purpose: L=Lifecycle Replacement; U=Upgrade existing system; N= New system	What Program or line of business does the project support?	
Technology Maintenance & Enhancements	Technical debt is poor or inefficient software architecture or development within a codebase. Industry best practice recommends budgeting up to 20% of development resources to address technical debt issues. Left unmanaged, technical debt can evolve into significant system issues that may be difficult to resolve. This is an effort to resolve some flawed batch and functionality processes to make better utilization of resource time and quicker fix turnaround for business stakeholders.	7/1/2015	6/1/2017	0	\$ 3,281,250	\$ 3,281,250	POP	I	N/A	L	Support/Maintenance of an agency critical application (jClarety)	
Disaster Recovery Infrastructure Upgrades	This proposal is to further develop the agency's Disaster Recovery (DR) and Business Continuity (BC) technology infrastructure in support of the Oregon Retirement Information Online Network (ORION).	7/1/2015	6/1/2017	0	\$ 1,581,200	\$ 1,581,200	POP	I	N/A	U	Support/Maintenance of an agency critical application (jClarety), Business Continuity and Disaster Recovery preparation	
Fully Integrating IAP Administration into the PERS ORION System Phase III	This proposal completes the transfer to PERS of all aspects of the Individual Account Program (IAP) administration by January 1, 2017, and eliminates over \$2.2 million in annual costs for an outside third-party administrator (TPA). Phase III is construction and transition phases of the project.	7/1/2015	6/1/2017	\$256,850 (as of 7/1/2014)	\$ 1,914,399.00	\$ 2,933,149	POP	E (as of 7/1/15)	N	N	Bringing IAP in-house means PERS provides administration over all retirement plans	

BUDGET NARRATIVE

Technology Maintenance & Enhancements

- **REQUEST**

PERS requests the following:

Technology Maintenance and Enhancements

Permanent Positions – 0; 0.0 FTE

Limited Duration Positions – 0; 0.0 FTE

Personal Services Other Fund Limitation \$ 0

Services & Supplies Other Fund Limitation \$ 3,281,250

Capital Outlay Other Fund Limitation \$ 0

Total Other Fund Limitation \$ 3,281,250

- **EXECUTIVE SUMMARY**

Technical Debt

PERS has been administering its benefit programs on the jClarety platform; a system architecture that was designed and developed over two decades ago. Over time, technologies have changed, requirements for data volume and transactions have increased, and the jClarety limitations, flaws, and inefficiencies have emerged in its operation. These limitations are a direct result of numerous architectural issues and design flaws inherited from the RIMS Conversion Project. The jClarety system application code and integrated components are outdated or poorly designed and in need of updates to keep the system scalable, maintainable, and supportable, in order to meet current industry standards. This proposal is to create a team of existing staff and contractors to analyze and implement architectural updates to the jClarety system.

System Enhancements

This proposal covers the inception, elaboration, construction, testing, and deployment of changes to enhance system functionality for the Oregon Public Service Retirement Plan (OPSRP). In meeting the tight deadline to deploy OPSRP, some functionality was left out or limited. Several years have passed and the benefits for the functionality left out are now beginning to require they be processed manually outside of the system. The number of accounts in this functional area is increasing and becoming difficult for staff to manage.

- **PURPOSE and BACKGROUND**

Technical Debt

____ Agency Request

X Governor's

____ Legislatively Adopted

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BUDGET NARRATIVE

All applications have “technical debt” and the jClarety system is no exception. Technical debt is poor or inefficient software architecture or development within a codebase. Industry best practice recommends budgeting up to 20% of development resources to address technical debt issues. Left unmanaged, technical debt can evolve into significant system issues that may be difficult to resolve.

The ORION Steering Committee, PERS Enterprise Architecture Team and Technical Leads Team have identified several areas of jClarety that need maintenance, enhancements, or revisions:

- **Batch Job Failures, Error Reporting, and Optimization.** Batch jobs in jClarety are difficult to trouble shoot when they fail or run for unexpectedly long periods. The technical debt project will analyze these jobs to optimize, improve error handling and reporting.
- **Processing Member Accounts Resulting in Timeouts.** Transactions on certain member accounts cannot be processed due to complex data conditions. Software design flaws create conditions where the transaction “times out” when executed against these members’ accounts.
- **Manual Overrides.** The jClarety system design has a strict protocol in place to process data. However, complex accounts can require solutions that jClarety was not programmed to process, given their “one-off” nature. The solution is to create a more flexible business override module that adequately processes and records the transaction.
- **Removing Outdated Reporting Tool.** The jClarety reporting module uses SQR technology to create reports. This technology is licensed, expensive, and requires installation of a tool for users to view the reports. It is outdated and can be updated with a more cost effective modern solution.
- **Letter Templates.** The letter templates in jClarety are difficult to maintain or update, and require a developer and analyst to implement changes. In addition, jClarety does not support current industry standard PDF documents, or other modern file format types.
- **Database Design.** Database tables are growing rapidly, and duplicate data stored in the system is causing problems with queries and performance. Analysis and redesign for more efficient data handling is necessary.
- **Code Maintenance.** The original error log tool in jClarety was not implemented properly and the current implementation creates log files that are difficult to read and contain limited useful information. In addition, jClarety code was built upon another state’s implementation and contains code and database tables that are not relevant to PERS.

System Enhancements

OPSRP was created by the 2003 Legislature with HB 2020. That bill also included direction to develop a program administration system. Because of the narrow window (less than six months) between the passage of legislation and program administration, some key components of that administration system were not included. The subsequent project to convert our legacy retirement administration system (RIMS Conversion Project) did not include, within its scope, further changes to the OPSRP functionality.

BUDGET NARRATIVE

Consequently, the jClarety system does not have functionality with regard to some of the more mature administrative functions that are occurring now that OPSRP has been running for more than a decade. Principally, those include processes related to Alternate Payees (AP) and divorce, membership and benefit structure, some retirement calculation and benefit maintenance, and Loss of Membership (LOM). For example, the LOM function was not a high priority at the time the program was created, since several years would pass before OPSRP members could have reached LOM status. Now that these types of transactions are occurring in OPSRP, these accounts must be handled manually. Manual work leads to higher errors and use of additional staff time. The table below shows the manual workload each year:

Year	2009	2010	2011	2012	2013
OPSRP LOM Accounts	1,865	4,418	6,336	6,144	6,539

- **PROPOSAL**

- **Technical Debt**

PERS proposes to create a team of existing staff and contractors to address the technical debt priorities of jClarety. The team objectives over the 2015-17 biennium will be to:

- Resolve processing errors and potential data corruption of poorly programmed batch jobs. Improve batch error handling and reporting.
- Resolve timeout errors and redesign steps for handling complex member data benefit processing.
- Redesign software architecture flaws.
- Create an override module in jClarety.
- Update jClarety reporting to use standard, cost-effective technologies.
- Provide a modern tool to allow more flexibility in preparing template letters generated by jClarety.
- Refine the jClarety database design; remove obsolete tables, and the storage of duplicate data.
- Remove jClarety obsolete code and add proper error handling and reporting to improve the ability to diagnosis and maintain the application.

- **System Enhancements**

PERS proposes to establish a team of existing staff and contractors to build additional OPSRP functionality into the system in the areas described above. In many cases, this functionality is needed to administer benefit payment types that will become prevalent as OPSRP continues to mature and a wider variety of benefit scenarios become prevalent. Automating these OPSRP processes will allow staff to stop manual reviews, overrides, and ad-hoc calculations to administer benefit transactions that are not currently programmed.

BUDGET NARRATIVE

- **ALTERNATIVES CONSIDERED**

Technical Debt

Without investment in correcting technical debt issues, many development resources will be spent on reactive system fixes only. It will be difficult for system functionality to keep up with business demands and legislative changes to the plans.

An alternative to addressing technical debt would be to invest in newer software architecture. However, the time and resources spent on designing a replacement system would be in excess of resolving current system issues.

System Enhancements

The alternative to this proposal is to continue the current practice of processing specific OPSRP accounts outside of the system when jClarety functionality is missing. Agency goals to process benefits more efficiently will not be met, and member service will not improve without system enhancements.

- **BENEFITS and OUTCOMES**

Proposed maintenance and enhancements to jClarety will result in broad improvements in agency operating and supporting processes:

- Increased accuracy and timeliness of benefit processing, calculations, and payments, particularly for OPSRP.
- Overall increased satisfaction, accuracy, and timeliness of member services.
- Improved overall satisfaction of PERS staff due to increased ability to perform work correctly and efficiently.
- Decreased number of manual checks due to enhanced system automation.
- Reduced legal risk due to improved audit capability, accuracy, and timeliness, and increased ability to respond to changes in legal requirements.
- Improved letter templates, leading to better quality communications.
- Improved ability to resolve exceptions and omissions.
- Resolved batch job failures which will minimize the backlog or disruption of employer contributions.
- Reduced incidences of ORION being unavailable due to long batch jobs, database backup and refresh to the reporting database, and system disruptions during the business day.
- Reduced incidents of batch job errors and failures.
- Increased development resource availability and responsiveness to business needs due to reduction in resources required to address technical debt, and elimination of outdated or poorly designed system components.

BUDGET NARRATIVE

- **RISK**

Technical Debt

Batch processing is essential to the operation of the jClarety application. Failure to address the critical issues could result in costly and lengthy system down-times if the problems are not properly diagnosed and rectified.

System Enhancements

Without the system enhancements associated with this proposal, staff will continue to do perform calculations outside of jClarety for OPSRP accounts which causes the risk of inaccurate data entry or benefit calculations. Manual processing takes additional time and increases incidences of inaccuracy and/or service delays.

- **AGENCY MISSION, VALUES, and PRINCIPLES**

OPERS Mission Statement

We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

OPERS Core Values

Integrity – Inspiring trust through transparency and accountability

Innovation – Empowering change through collaborative teamwork

Simplicity – Reducing barriers through clear communication and streamlined processes

OPERS Core Operating Principles

Member Service – Enabling our diverse membership to make informed decisions

Data Integrity – Partnering with employers and members to ensure timely and reliable information

Information Security – Constantly vigilant to safeguard confidential information

BUDGET NARRATIVE

Disaster Recovery Infrastructure Upgrades

- **REQUEST**

PERS requests the following:

Disaster Recovery

Permanent Positions: 0; 0 FTE

Limited Duration Positions: 0; 0FTE

Personal Services Other Fund Limitation	\$ 0
Services & Supplies Other Fund Limitation	\$ 329,000
Capital Outlay Other Fund Limitation	\$ <u>552,000</u>
Total Other Fund Limitation	\$ 881,000

Single Sign-On

Permanent Positions: 0; 0 FTE

Limited Duration Positions: 0; 0FTE

Personal Services Other Fund Limitation	\$ 0
Services & Supplies Other Fund Limitation	\$ 70,000
Capital Outlay Other Fund Limitation	\$ <u>100,500</u>
Total Other Fund Limitation	\$ 170,500

Virtual Desktop Environment

Permanent Positions: 0; 0 FTE

Limited Duration Positions: 0; 0FTE

Personal Services Other Fund Limitation	\$ 0
Services & Supplies Other Fund Limitation	\$ 156,200
Capital Outlay Other Fund Limitation	\$ <u>373,500</u>
Total Other Fund Limitation	\$ 529,700

- **EXECUTIVE SUMMARY**

Disaster Recovery

Business and Infrastructure services are defined as the components of the Oregon Retirement Information Online Network (ORION) including, but not limited to, jClarety, internet, voice services, and email services. A Disaster Recovery (DR) and Business Continuity (BC) solution, with accompanying technical documentation, will allow the resumption of critical business and infrastructure services

____ Agency Request

X Governor's

____ Legislatively Adopted

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BUDGET NARRATIVE

within 48 hours of a catastrophic event. An existing, yet outdated, Business Continuity Plan (BCP,) will be updated to reflect current technology systems and business expectations.

Single Sign-On

PERS is requesting the acquisition and implementation of a Single Sign-On infrastructure, which will provide enhanced end-user and application access security.

Virtual Desktop Environment

Approximately 400 desktop and laptop systems are distributed throughout the agency. This proposal replaces this hardware with a virtual desktop hosted in the data center, improving data security, reducing life-cycle replacement and other maintenance costs, and providing more efficient and flexible deployments of software upgrades agency-wide.

- **PURPOSE and BACKGROUND**

Disaster Recovery

Currently, PERS backs up technology applications, databases, and file systems to storage tape on a daily basis. However, the backups are sent to an offsite storage facility only two times per week. If PERS experiences a catastrophic event that requires recovery of a server, file, or entire system, the agency could experience a loss of up to four days of data by relying only on tape backups.

Also, PERS does not have a secure offsite location for recovery of data, and equipment is not available to rebuild systems, if necessary. In the event of a catastrophe that disables a facility, system, or both, it would take more than 30 days to acquire the equipment and network infrastructure to recover system applications necessary to meet business expectations.

An agency Business Continuity Plan was prepared and published in 2009. While the plan is extensive, it must be updated to cover current technology systems and business operations. The Disaster Recovery elements in the 2009 BCP must also be updated to acknowledge current service level agreements for production systems.

Single Sign-On

PERS utilizes a variety of business applications many of which require their own user account administration. From a user's perspective, this requires repetitive logins and maintenance of multiple user id's and passwords.

From the business perspective, the various applications are not synchronized, therefore users passwords are not aged in accordance with the PERS security policy and expose the Agency to Malware and spearfishing attacks..

Virtual Desktop Environment

Currently, each PERS staff member has a desktop personal computer through which they connect to the network and that hosts their work before they save or transfer it. Remote access to these desktops is not possible, so staff who attempt to work remotely do not have access to the same level of resources as if they were in the office. Lastly, maintaining these individual desktops is labor intensive,

____ Agency Request

 X Governor's

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Budget Page 301

BUDGET NARRATIVE

as each unit needs to be physically replaced during life-cycle rotations and software patches or upgrades need to be installed on each machine.

By migrating to a Virtual Desktop Infrastructure (VDI), PERS would host each staff's virtual desktop on the network, instead of on a physical box on each desk. This infrastructure would be able to support a remote workforce in the event of catastrophe, enable telecommuting as remote staff would have the same desktop functionality regardless of where they were located, and enable use of a "bring your own device" (BYOD) policy for PERS employees. This proposal will also achieve long-term savings as life-cycle replacement costs for hardware will decrease, and technical staff will be able to deploy software patches and upgrades more rapidly.

- **PROPOSAL**

- **Disaster Recovery**

PERS proposes to establish a "warm site" that will include necessary network, service, and data storage infrastructure to support agency operations in the event of a data or facility catastrophe. An existing, yet outdated, Business Continuity Plan (BCP) will also be updated to reflect current technology systems and business expectations.

- **Single Sign-On**

PERS needs to design and implement a single sign-on infrastructure to enable the secure access to our core business applications without the need to maintain multiple accounts and passwords. By doing so, we will be better able to secure our members PII from the potential loss due to improperly monitored and aged passwords.

:

- Reduce the number of locally administered user accounts, needed to access our business applications, thereby reducing the risk of improperly terminated accounts
- Enforce a consistent password aging methodology for all business applications Provide a platform for ensuring user accounts are manageable and secure as we implement more cloud-based applications.

- **Virtual Desktop Environment**

PERS will design and deploy a cost-effective and highly secure VDI environment to support staff's needs and provide a foundation for rapid deployment of new solutions and innovative ways to serve members. The proposed VDI environment will:

- Ensure that technology infrastructure will support evolving system requirements;
- Ensure security and integrity of member data by moving desktop computing into a more secure environment;
- Reduce the cost of desktop and laptop life-cycle replacement; and
- Reduce the cost and labor resources used to support desktops and laptops distributed throughout the agency.

BUDGET NARRATIVE

- **ALTERNATIVES CONSIDERED**

Disaster Recovery

Alternatives considered include maintaining the existing tape backup solution that would protect the agency in the event of a catastrophe, but this solution provides no assurances as to when services could be restored. A disaster recovery “warm site” and revision and validation of the agency BCP will allow PERS to provide continuous support to members and employers in event of an emergency that impacts data systems.

Single Sign-On

No alternative will allow PERS to keep pace with the changing demands of the ORION System and reduce the risk of username and password vulnerabilities. However, the following alternatives may be considered:

- 1) Continue to use decentralized username and password aging schemes which leave the agency exposed to potential security vulnerabilities which, unchecked, may lead to a major outage or loss of member data.

Virtual Desktop Environment

No alternatives were considered for this proposal except for continuing agency business as usual and accept the associated risks and increased costs and inefficiencies.

- **BENEFITS and OUTCOMES**

Benefits and outcomes for initiatives associated with this proposal will result in broad improvements in operating and supporting processes for the agency. Examples of benefits and outcomes for each initiative follow:

Disaster Recovery

- Ensure compliance with DAS Statewide Policy #107-001-010 on Business Continuity Planning.
- Reduce the impact of a catastrophic event that may impact the agency ability to restore service to members and employers.
- Increase the ability for PERS data systems to recover in a timely manner.
- Reduce the number of incidents when ORION is not available due to batch failures and the jClarety database backup and refresh process.

Single Sign-On

- Reduce the necessity of Agency personnel to maintain multiple usernames and passwords;
- Reduce the number so disparate systems users need to login too.
- Improve security and reduce the risk of incurring security violations.

BUDGET NARRATIVE

Virtual Desktop Environment

- Improve performance and availability of desktop computing resources.
- Reduce the risk of security breaches due to malware and virus attacks.
- Support policy initiatives that encourage BYOD or telecommuting.

- **RISKS**

Disaster Recovery

PERS is not in compliance with the requirements of the DAS Statewide Policy #107-001-010, which establishes that each executive branch agency develop and implement a Business Continuity Plan to “ensure that critical state services will continue despite their interruption by an emergency, disaster, or other unplanned event, whether natural or manmade.” If a disaster occurs, existing retired members would continue to receive their retirement benefits, based upon a previous month payment file. However, until the system is restored, no additions, changes or removal of member benefits could be made, and employer transactions would not be processed.

Single Sign-On

The number of core business applications used by PERS continues to grow, many of which may become cloud based or hosted. As these applications grow, agency personal will be required to maintain an increasing number of disparate login names and passwords. If these username and passwords are not aged appropriately, we expose the agency to security violations and the possible loss of PII information.

Without implementing a Single Sign-On infrastructure, PERS risks the ability to ensure its infrastructure and systems are able to deliver on the core value of paying the right person the right benefit at the right time.

Virtual Desktop Environment

By not transferring to a virtual desktop infrastructure, PERS may experience the following risks:

1. Member data and personally identifiable information may potentially reside outside the data center and on laptops, which creates a security risk for the agency;
2. In the event a disaster, agency staff will not have remote access to systems, and therefore reduce the ability to serve members and employers;
3. The agency will spend funds to mitigate security risks to implement a secure telecommute/telework or BYOD policy; and
4. PERS will continue to purchase and replace physical desktop and laptop computers as needed or on a defined replacement cycle.

BUDGET NARRATIVE

- **AGENCY MISSION, VALUES, and PRINCIPLES**

OPERS Mission Statement

We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

OPERS Core Values

Integrity – Inspiring trust through transparency and accountability

Innovation – Empowering change through collaborative teamwork

Simplicity – Reducing barriers through clear communication and streamlined processes

OPERS Core Operating Principles

Member Service – Enabling our diverse membership to make informed decisions

Data Integrity – Partnering with employers and members to ensure timely and reliable information

Information Security – Constantly vigilant to safeguard confidential information

BUDGET NARRATIVE

Fully Integrating IAP Administration into the PERS ORION System Phase III

- **REQUEST**

PERS requests the following:

Permanent Positions: 0; 0 FTE

Limited Duration Positions: 3; 3.0 FTE

0; 0.0 FTE are continuing LD positions from the 2013-15 biennium.

Personal Services Other Fund Limitation	\$ 513,076
Services & Supplies Other Fund Limitation	\$ 901,323
Capital Outlay Other Fund Limitation	\$ <u>500,000</u>
Total Other Fund Limitation	\$1,914,399

- **EXECUTIVE SUMMARY**

This proposal is to complete the work necessary to enable all aspects of the Individual Account Program (IAP) to be administered by PERS, and thereby provide a business opportunity to eliminate the use and annual cost of an outside vendor as a third-party administrator (TPA) for various IAP administrative tasks which will be a cost saving to the agency and PERS members.

This request is for the remaining project elements in Phase III (refining stakeholder needs and documenting those processes that have to be integrated, construct the IAP functionality within ORION, developing a project staging plan, and migrating to the new administrative platform).

- **PURPOSE and BACKGROUND/ PROBLEM STATEMENT**

The problems with utilizing a TPA include handoffs, redundant work, and constant reconciliation between the two systems records which leads to lengthy processing time and occasional errors. For example continuing to use a TPA to administer the IAP is a challenge since the TPA has to rely on custom systems and manual processes to implement the program. In addition, the TPA is unable to process direct rollovers to a retired member's financial institution. PERS already offers members the ability to direct rollover their pension payments. PERS also currently administers major components of the IAP (e.g., collecting contributions, performing earnings crediting) and as stated above differences between PERS and TPA records must be constantly reconciled.

Using a TPA hinders PERS' ability to continue to improve the execution of its mission to "pay the right person the right benefit at the right time." Under this proposal, PERS staff that support IAP handoffs and processes for the TPA will instead shift their focus to directly administering recordkeeping and payment processing, gaining efficiencies and reducing the need for duplicate processing of the same member account. This move will require PERS to provide technical support, maintenance, development, and enhancement activities.

____ Agency Request

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BUDGET NARRATIVE

From inception the unique characteristics of the IAP proved a challenge for the TPA as the program does not follow a traditional defined contribution plan model. For example, PERS had always credited member accounts with earnings or losses on an annual basis. The complex nature of the PERS Fund investments makes daily or monthly valuation impractical and imprecise. Also, the irregular timing of contributions (e.g., some PERS employers pay employees weekly; others monthly) resulted in uneven results for individual members that were difficult to reconcile and confusing to explain. The TPA made customized changes to their system to accommodate the unique nature of the IAP, and the program administration was revamped to simplify operations (e.g., moving from daily to annual earnings crediting). However, several other system changes are needed and the TPA is reluctant to do so without charging additional fees. To recap the history of the IAP, it was created in August 2003 by the Oregon Legislature (House Bill 2020). Members contribute 6% of their salary to the IAP and are allocated market earnings or losses without any guaranteed minimum return. Although the IAP was added during the 2003 PERS Reforms, the program includes both Oregon Public Service Retirement Plan (OPSRP) Pension members (the new pension program that was created simultaneously) and Tier One and Tier Two members, whose member contribution was diverted from their accounts into the IAP.

The 2003 Legislature also mandated that PERS establish the IAP in time to receive contributions on salary paid on or after January 1, 2004. The agency could not develop a recordkeeping and payment system to accommodate the new plan within this four-month timeframe. Also, the redirection of Tier One and Tier Two member contributions to the IAP was challenged in court, so investing in an agency IAP infrastructure was not practical or prudent at that time. Given these conditions, PERS contracted with a TPA to provide recordkeeping and participant services for the IAP.

Phases I and II, which were the inception and elaboration phases to fully transition IAP administration to the agency, were approved during previous legislative sessions. This proposal for phase III outlines final elements of the transition to be completed during the 2015-17 biennium, and builds on phase I and phase II deliverables. The major accomplishments for phase II included elaboration of required functionality and some system development. This new software and requirements give a good foundation for phase III to build on and will solve the problems described above.

- **PROPOSAL**

By the end of Phase III PERS will have implemented, deployed and transitioned all functionality and administration activities from a TPA to the agency. The functionality will be developed as an in-house application using a SOA (Service-Oriented Architecture) solution that will be built within the ORION network in order to support IAP recordkeeping and payment processing services within PERS.

When constructed, current processes such as installment payment calculations, earnings calculations, account balance reconciliation, and disbursement calculations will be automated. The associated applications and functionality inside ORION, such as OMS, off-line tools outside of ORION, such as the IAP Validator tool, and manual process, such as military contribution earnings and optional employer contributions, that are needed to support the TPA's administration of the IAP will be eliminated.

BUDGET NARRATIVE

The targeted deployment for the new in-house functionality and transitioning of records from the TPA is January 1, 2017, due to PERS annual earnings crediting process. Other related project items to be completed by June 30th, 2017.

Budget is being requested to augment the current technical staff with three full-time, Limited Duration positions at the ISS 6 classification level in order to be able to support the current ORION maintenance and enhancement activities in addition to supporting IAP. 1.5 FTE is being requested to install, configure and deploy new environments. An additional 1.5 FTE is being requested to develop the SOA model, develop a database for IAP, develop integrated business rules, analyze requirements, and perform system testing.

The full transfer of IAP administration will be accomplished in a multi-phased approach:

Phase I - \$300,000 (Completed 6/30/14) – **Inception**

- Proof of Concept (POC) for Enterprise Service Bus and SOA.
- Approved in Package 103 in the 2013-15 Legislatively Adopted Budget

Phase II - \$718,750¹ (Completed 6/30/15) – **Elaboration/Development**

- The planning phase with a small amount of development. Deliverables will be new software set up, requirements, and sandbox set up.
- Approved as increased limitation as a result of HB 5201 (2014):
 - \$493,750 – IT Professional Services (Elaboration/Development)
 - \$162,500 – Capital Outlay for software
 - \$ 62,500 – Capital Outlay for hardware

Phase III - \$1,914,399 (7/1/15-6/30/17) – **Construction**

- Remaining environments will be set up (Dev, BFT, UAT and Prod.), a fully functioning application including the following types of functionality: installment payment calculations, earnings calculations, account balance reconciliation, and disbursement calculations will be deployed to production. The associated 3 FTE requested for Information Services Division will allow PERS to transition to the new system and provide on-going support for the new IAP functionality developed.
- Requested increase in Other Funds limitation in 2015-17 biennium:
 - \$513,076 – Personal Services Other Fund Limitation (3 ISS 6 positions, 3.00 FTE)
 - \$661,250 – IT Professional Services (Implementation / Deployment)
 - \$173,998 – IT Professional Services (Quality Assurance Oversight)
 - \$ 66,075 – Training & Office Expenses
 - \$500,000 – Capital Outlay for software and hardware

\$33,000 in estimated on-going costs (e.g., anticipated software & hardware maintenance costs) may be incorporated as part of the 2017-19 biennium base budget allocation.

¹ Note that the amounts appropriated for Phase II are unscheduled until their release is approved by DAS and LFO.

BUDGET NARRATIVE

This project has been identified as an IT Project and is in compliance with DAS/CIO requirements including quality gates and acquisition of an independent outside contractor to provide QA Oversight. PERS is aware of all the related executive branch procedures and will ensure they are complied with.

- **ALTERNATIVES CONSIDERED**

PERS considered several alternative solutions other than the recommended solution. One alternative was to do nothing. With this alternative there was a possibility of renegotiating the contract to have the TPA implement missing system functionality in order for PERS to fully hand off all IAP processing. However, if the TPA implemented the missing functionality changes to their system it would be a cost increase to PERS and ultimately to our customers. Another alternative was to evaluate and select another TPA to administer IAP. There was some analysis time spent on this alternative and it is possible there are other vendors that could offer the increased functionality PERS needs however this solution did not eliminate TPA costs. The final proposed solution was to development and implement IAP administration within ORION. The main reason that the solution of bringing IAP in ORION was chosen was because it was the only option that would eliminate the need for an external TPA. Even though this appeared to be the best solution PERS still completed their full due diligence and this was done though the March 2010 RFI (#PERS-1032-10). The purpose of the RFI was to acquire information on alternative solutions to bring the IAP Third Party Administration processes into ORION. The concern was the possibility of the added functionality disrupting the current enterprise architecture or the possibility of requiring a major redesign of the Online Pension System and other system components if the new application was implemented.

Based on the analysis of the seven RFI responses; which included consideration of COTS and customized solutions on various platforms, and PERS vision of a SOA solution which was initiated and successfully demonstrated as a Proof of Concept (Phase I). Out of all of the feedback received, the PERS Proof of Concept provided validation of the feasibility of bringing IAP administrative services in-house, as well as minimizing the impact on current environment plus the added cost-benefit for the Agency and its members and retaining better security over member data since all data will be retained in-house versus daily transfers between the PERS and the

- **BENEFITS and OUTCOMES**

More Efficient Use of Staff. PERS staff that support IAP handoffs and processes for the TPA will instead shift their focus to directly administering recordkeeping and payment processing, gaining efficiencies and reducing the need for duplicate processing of the same member account. This move will allow PERS operational divisions to remain FTE neutral.

Elimination of Ongoing and Increasing TPA Charges. Transitioning fully to in-house administration of the IAP as of January 1, 2017 will provide a net savings by eliminate TPA charges for record keeping and payment distribution. TPA fees are estimated to increase from \$2.2 million in 2013 to \$2.4 million in 2014 as membership in the IAP continues to grow (the TPA's fee is \$9.36 for each individual account with a balance above \$30; there were 234,047 qualifying accounts reported in 2013, and IAP membership continues to grow with new public employee hires).

BUDGET NARRATIVE

Increased Rate of Return on Member Accounts. IAP administrative expenses reduce the investment earnings or losses credited to member accounts. Reducing those expenses by transitioning administration to PERS will increase members' earnings on their IAP accounts.

Increased Integrity and Security of Member Data. Once PERS administers all aspects of the IAP, there will be greater control over the integrity and security of member data. Daily transfers between the agency and TPA are secure, but retaining data within the agency is more secure.

Achieving Improved Data Quality and Integrity. Differences between PERS and TPA records in processing contributions, adjustments, payments, and earnings require constant reconciliation. This project would result in a single definitive, reliable, and auditable IAP data source.

Streamlining Use of Technology and Processes. Due to system constraints with the TPA, PERS cannot fully leverage existing technology to improve administrative efficiency and member services. The current structure requires PERS to access three independent systems when answering member questions concerning their IAP accounts. The process is complex with multiple handoffs between PERS and the TPA.

More Timely Member Payments. Finally, when PERS fully administers the IAP within ORION, there will be more control over processes and the timeliness of member payments. This transition will enhance PERS' ability to improve on our performance measure to initiate at least 80% of benefit payments within 45 days of the member's effective date.

Completing Phase III of this project will yield the following targeted improvements:

- Save approximately \$2.2M per year in TPA costs based on current charges.
- Streamline the IAP account earnings crediting process. PERS' annual crediting model is outside of normal methodologies so custom reports and manual processes are required, leading to errors and delays in crediting earnings.
- Coordinate benefit payment determinations and processing. Eligibility determinations and benefit calculations have to be reconciled between PERS and the TPA, necessitating hand-offs and delays in processing applications that are removed when the TPA is eliminated.
- Provide PERS members a "one stop shop" so only one source of information will have to be accessed to address member inquiries, requests, and benefit applications.
- Establish and distribute IAP benefits in an efficient manner. This would be consistent with the timely and accurate administration of member pension benefits. Currently, only 20% of retirees are paid within 45 days due to the processing time required by the TPA. Eliminating the administration by the TPA will allow PERS to improve customer service by paying 55% of retirees within 45 days.

- **RISKS**

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BUDGET NARRATIVE

TPA Continuity. The current TPA could opt not to renew their contract, which would leave the agency at risk for service interruption. Due to the unique nature of the IAP, a replacement TPA vendor would have to develop a customized solution. This would cause the agency to incur additional administrative expense, and members to incur payment and other service delays.

Learning Curve. SOA and the chosen open source software are relatively new tools and concepts to PERS so the additional time spent by the additional 3 ISS6 FTE on learning how to implement new tools could cause an impact to the project timelines.

- **AGENCY MISSION, VALUES, and PRINCIPLES**

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BUDGET NARRATIVE

Annual Performance Progress Report (APPR)

Budget Form #107BF04c

Public Employees Retirement System Annual Performance Progress Report (APPR) for Fiscal Year 2014

Final Submission Date: 2014

2011-13 KPM#	2013-15 Key Performance Measures (KPMs)	Page #
1	TIMELY RETIREMENT PAYMENTS: Percentage of initial service retirements paid within 45 days from retirement date	4
2	TOTAL BENEFIT ADMINISTRATION COSTS: Total benefit administration costs per member	6
3	MEMBER TO STAFF RATIO: Ratio of members to FTE staff	8
4	ACCURATE BENEFIT CALCULATIONS: Percent of service retirement monthly benefits accurately calculated to within \$5 per month	10
5	LEVEL OF PARTICIPATION: Percent of state employees participating in the deferred compensation program	12
6	CUSTOMER SERVICE- Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	14
7	TIMELY BENEFIT ESTIMATES: Percent of benefit estimates processed within 30 days	17
8	BOARD OF DIRECTORS BEST PRACTICES: Percent of total best practices criteria met by the PERS board	19

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____ Agency Request

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BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

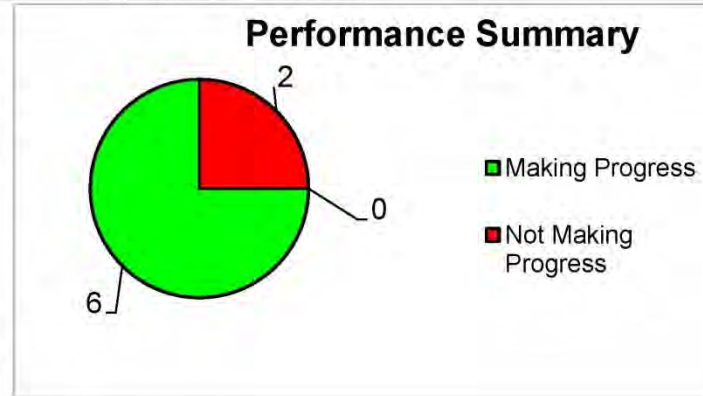
II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

Contact: Matthew Rickard, Budget Analyst	Phone: (503) 603-7576
Alternate: Kyle Knoll, Financial and Administrative Services Administrator	Phone: (503) 603-7568

1. SCOPE OF REPORT

The Public Employees Retirement System (PERS) provides a full range of retirement services to public employers and public employees throughout the state of Oregon. These services are provided to over 900 state and local government entities across the state, and to some 357,000 active, inactive, and retired members. The agency administers the Tier One and Tier Two Retirement programs, the Judge’s retirement program, the Oregon Public Service Retirement Plan (or OPSRP) Pension Program, the Individual Account Program (IAP), the Oregon Savings Growth Plan (a deferred compensation program), the Public Employee Benefit Equalization Fund (BEF), the Social Security Administration program, and the Retiree Health Insurance program. With the Debt Service program, PERS also administers the financing of projects that were funded by Certificates of Participation.



2. THE OREGON CONTEXT

The program operations of PERS have a significant impact on Oregon’s economy. PERS administers a retirement plan that covers roughly 10 percent of Oregon’s population, and the agency distributes approximately \$4 billion in benefits annually to Oregonians that served in the public sector. This substantial and widespread distribution of benefit payments (some \$365 million each month) is a direct infusion into the Oregon economy.

The Tier One-Tier Two, Judge’s, OPSRP, and IAP programs provide retirement services to approximately 226,000 non-retired members and 131,000 retired members and beneficiaries (including CY13 lump sum retirees and withdrawal recipients). The Retiree Health Insurance program serves as a group sponsor, providing health insurance services to more than 50,000 retirees and dependents. With approximately 10 percent of Oregonians directly participating in PERS programs (and many more who are family members and/or beneficiaries of those participants), the importance of delivering high-quality, cost-efficient services is evident.

BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

3. PERFORMANCE SUMMARY

Five KPMs, Total Benefit Administration Costs (page 6), Accurate Benefit Calculations (page 10), Level of Participation (page 12), Customer Service (page 14), and Board of Directors Best Practices (page 19) are making continued progress toward the targets (either at target or showing improvements towards the target over the previous year's performance). Three KPMs, Timely Retirement Payments (page 4), Member to Staff Ratio (page 8), and Timely Benefit Estimates (page 17) slipped backwards for this period.

4. CHALLENGES

There are several key challenges facing the PERS retirement programs. An aging membership, including some 30% of PERS non-retired members who are eligible to retire, increases demands for near-retirement services including the call center, benefit estimates, group presentations, individual sessions, and online member services. Moreover, the number of retired members and beneficiaries who receive regular, recurring contacts and benefit payments continues to grow. There is increased workload resulting from two additional retirement programs added with PERS reform. PERS now administers four major retirement programs, maintains at least two accounts for each member with a combined annual statement, calculates and pays at least two retirement benefits or two withdrawal benefits, and issues at least two 1099-R statements for each benefit recipient.

One challenge impacting the OSGP deferred compensation program is the large number of soon-to-retire and actively retiring baby boomers. The large number of retirements impacts the participation level as those people withdraw or roll their accounts to other institutions. Also, the financial impact of the recent economic downturn is being reflected in the participation rate. Despite these challenges, OSGP is taking steps to keep eligible employees and participants educated about the importance and advantages of participating in this supplemental retirement savings program.

5. RESOURCES USED AND EFFICIENCY

For FY2014, PERS expended \$43.1 million in administrative and special project expenditures, and \$4.4 billion in total expenditures (this includes benefit payments). Efficiency measures include KPM #2 - Total Benefit Administration Costs per Member, and KPM #3 - Member to Staff Ratio. The performance in these measures reflects that PERS has achieved cost and staff efficiencies during this period.

BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #1	TIMELY RETIREMENT PAYMENTS Percent of initial service retirements paid within 45 days from retirement date	Measure since: 1995
Goal	To deliver retirement benefits effectively and efficiently.	
Oregon Context	Oregon Benchmark #59: Independent Seniors. Encourage member independence and financial well-being into retirement.	
Data source	Benefit Payments Division (BPD) statistics.	
Owner	BPD Administrator Brian Harrington, 503-431-8259	

1. OUR STRATEGY

PERS' basic mission is to deliver timely and accurate benefits to members. All areas of the agency play a role in this effort, but the Customer Service Division and Benefit Payments Division in particular have been partnering to improve processes and communication to continue our progress towards reaching this performance goal.

2. ABOUT THE TARGETS

While statute requires PERS to issue the first benefit payment within 92 days from the member's effective retirement date, PERS' goal has always been to provide the first payment accurately and as quickly as possible. The target of 80% of member pensions being first paid within 45 days represents this goal.

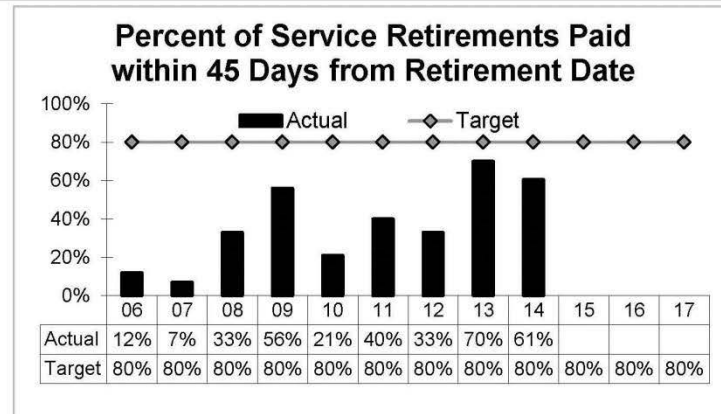
3. HOW WE ARE DOING

During FY2014, PERS issued 61% of its pension benefit inceptions within 45 days of the member's effective retirement date, a decrease from the 70% performance rate in FY2013. There have been significant process and system improvements over the last few years in calculating and issuing pension inceptions. But mid-FY volume reached all-time highs in December 2013 and affected our ability to respond as quickly.

4. HOW WE COMPARE

PERS uses the services of a third-party benchmarking firm (CEM Benchmarking, Inc.) to compare its costs, services, and performance to other public retirement systems. According to CEM Benchmarking, Inc., other systems in PERS' peer group were able to pay 89% of benefit inceptions within one month of the final pay check date in FY2013 versus 7% for PERS. This discrepancy results from the other systems having less complicated statutory requirements and many have fewer program options than PERS. Moreover, public retirement systems in PERS' peer group issue 87% of their initial benefit payments based on estimates (making corrections and finalizing the benefit later on), rather than issuing finalized benefit payments; instead PERS does not issue payments until they can be final, unless to do so would delay beyond the 92 day statutory deadline. Thus PERS issued only 3% of initial payments based on estimates in FY2013.

5. FACTORS AFFECTING RESULTS



BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

This year's performance decrease was impacted by higher than expected volumes in the middle of the fiscal year. In fact, volumes for December 2013 represented our largest December volume in history. We did not expect this retirement surge and hadn't front-loaded resources as with our normal spike in July. This slowed the response rate and performance dipped in that quarter. In spite of this, PERS made positive improvement towards its 80% goal during the second half of FY2013. In fact, performance was at the highest point in years in the final quarter of the fiscal year, when we processed 83% of service retirements in 45 days.

Staff continue to build on system functionality as well as improving and limiting workarounds. In addition to system process improvements, we have streamlined and made process improvements to the retirement application itself and relating application processing. This includes full utilization of electronic workflow. Making ongoing improvements to electronic workflow have also increased timeliness by decreasing the need for manual tracking.

6. WHAT NEEDS TO BE DONE

Correcting the technical issues and better using the capabilities of the new IT system is helping to improve performance towards the target of 80%. Subsequent system enhancements have corrected some of the technical problems relating to the benefit calculation process. Workarounds are being used in the benefit calculation and payment process to ensure timely and accurate benefit payments. Although this can cause the process to be less efficient, BPD staff have a good understanding of the functional elements of the new IT system. In addition, staff also better understand the workarounds. This has led to increased confidence and improved results towards processing 80% of new retirements within 45 days.

PERS continues to cleanse and update data earlier in the member's employment, in partnership with employers and via internal process improvements to facilitate more timely and accurate payments after retirement. The Online Member Services functionality that was a part of the final system deployment also allows members to view their account information and has provided increased transparency so members can raise any questions or concerns they have prior to applying for retirement. Positions were requested and approved in the 2013-15 Agency Budget to further improve the member data and benefit eligibility determination process, which will allow the benefit inception process to run more efficiently and quickly.

7. ABOUT THE DATA

This measure is based on data for the Oregon Fiscal Year period.

BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #2	TOTAL BENEFIT ADMIN COSTS Total benefit administration costs per member	Measure since: 2006
Goal	Reduce administrative costs while maintaining high levels of service to members and employers.	
Oregon Context	Oregon Benchmark #35: Public Management Quality and Benchmark #9c: Cost of Doing Business/ Taxes & Charges. Increase service cost-effectiveness to stakeholders.	
Data source	Budget/personnel statistics, PERS CAFR, PERS membership statistics from actuarial valuation, report from CEM Benchmarking, Inc. comparing PERS to its peers.	
Owner	Financial and Administrative Services Administrator Kyle Knoll, 503-603-7568	

1. OUR STRATEGY

PERS strives to deliver high-quality, cost-effective service to members and employers. PERS administrative costs are funded through investment earnings, which PERS works hard to ensure are expended prudently. The challenge is to keep costs per member from growing while in an environment of increasing workload and cost inflation.

2. ABOUT THE TARGETS

The targets for this measure represent the maximum desired cost per member. The goal is to keep the costs at or below the targeted level. The targets from FY2008 and forward represent a new data structure (CAFR reported admin expenses per total membership), and all actual data have been updated to the new data structure. The targets for 2009-11 through 2015-17 include minor inflationary increases.

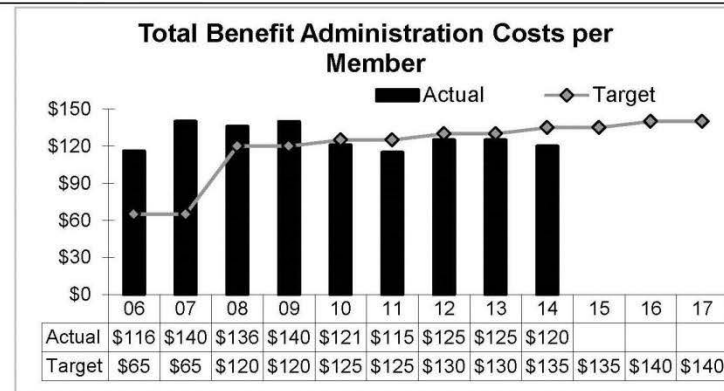
3. HOW WE ARE DOING

For FY2014, PERS' cost per member is \$120, down from \$125 in FY2013. In FY2014, PERS administrative costs decreased by 4.9% to \$43.1 million, from the \$45.3 million in FY2013. Coupled with a slight decrease in membership (1.2%), this caused the cost per member to drop by \$5.

4. HOW WE COMPARE

PERS uses the services of a third-party benchmarking firm (CEM Benchmarking, Inc.) to compare its costs, services, and performance to other public retirement systems. CEM Benchmarking makes various adjustments in calculating total cost figures to make comparisons among differing systems more realistic. For this reason, PERS focuses on how it compares to its peers on an individual pension administration activity level rather than the adjusted overall cost figure presented by CEM. Since the 2014 CEM Benchmarking Analysis has not yet been published, these comparisons are based on the 2013 analysis report.

For 2013, CEM Benchmarking, Inc. reported that while PERS' costs were higher than its peers for some activities, there were also a number of activities where PERS' costs were lower. PERS spent more for activities such as Withdrawals/Transfers-out (\$221 vs. \$186), Call Center (\$9 vs. \$7), Member 1-on-1 Counseling/Application Assistance (\$108 vs. \$88), Employer/Member Data and Billing (\$21 vs. \$7), and Services to Employers (\$6 vs. \$3). On the other



BUDGET NARRATIVE

PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

hand, PERS spent less for activities like Paying Pensions (\$8 vs. \$9), Pension Inceptions (\$134 vs. \$139), Purchases (\$61 vs. \$170), Mail room/imaging (\$6 vs. \$7), Disability (\$2,256 vs. \$2,346), Member Presentations (\$382 vs. \$1,483), Pension Estimates (\$51 vs. \$93), Mass communication (\$2 vs. \$4) and Governance/financial control (\$7 vs. \$8).

5. FACTORS AFFECTING RESULTS

FY2014 total administrative costs (non-inflation adjusted) are down by over \$2 million from FY2013. A large retroactive transaction makes up a portion of this decrease, but other costs remained flat in many areas.

6. WHAT NEEDS TO BE DONE

PERS' benefit processing workload will increase over the next five to ten years with the inevitable retirement of nearly 70,000 members who are already (or soon will be) eligible to retire. But PERS is committed to limit cost increases in proportion to the workload increase through process and organization efficiencies and improved IT system capabilities. With the policy option packages approved in the 2013-15 Legislatively Approved Budget, PERS has positioned itself to be staffed, organized, and technologically supported to handle the projected increasing workload with a stable workforce and improved efficiency. The goal is to mitigate potential significant cost increases with continued enhancements to the new ORION IT system, continuous process improvements, and staffing productivity gains and efficiencies.

7. ABOUT THE DATA

This measure is based on data for the Oregon fiscal year period and the calendar year. The cost per member is calculated by dividing the total fiscal year administrative expenses as reported in the PERS Comprehensive Annual Financial Report (CAFR) (not including retiree health insurance premium payments) by the total membership including all active, inactive, and retired members as reported in the calendar year actuarial valuation (plus qualified non-vested inactive OPSRP members and calendar year lump sum and withdrawal recipients that are not included in the actuarial count).

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

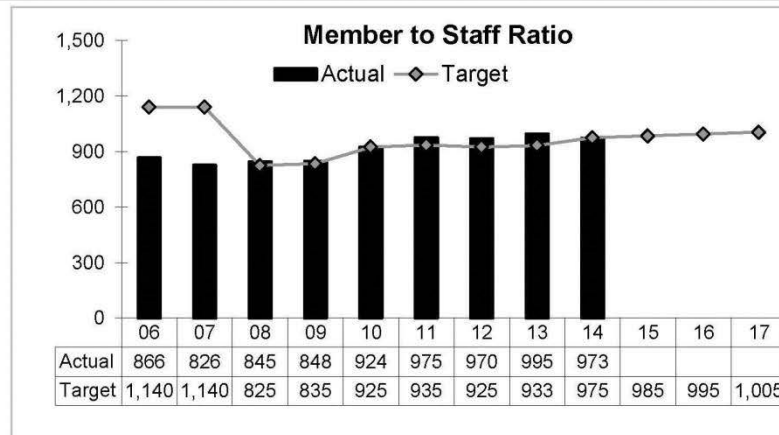
KPM #3	MEMBER TO STAFF RATIO Ratio of members to FTE staff	Measure since: 2006
Goal	Increase productivity of staff to improve service to members and retirees.	
Oregon Context	Oregon Benchmark #35: Public Management Quality. Increase efficiency of service to members.	
Data source	Budget/personnel statistics, PERS membership statistics from actuarial valuation, report from CEM Benchmarking, Inc. comparing PERS to its peers.	
Owner	Financial and Administrative Services Administrator Kyle Knoll, 503-603-7568	

1. **OUR STRATEGY**

PERS aims to deliver high-quality service in a cost-efficient manner. To accomplish this, PERS needs to keep staffing numbers reasonable while continuing to meet statutory obligations and without sacrificing service.

2. **ABOUT THE TARGETS**

The long-range goal is to gradually increase the number of members served per employee through technology enhancements and process improvements to be implemented over the next two biennia. As with the 2011-13 targets, the targets for 2013-15 are based on projected membership levels for that biennium, and the staffing requested with the approved budget. The staffing included in 2013-15 has increased slightly from the previous 2011-13 projected levels due to the Strunk/Eugene overpayment recovery project. The goal with this KPM is to be at or above the targeted ratio.



3. **HOW WE ARE DOING**

PERS' member to staff ratio decreased to 973:1 in FY2014, down from 995:1 in FY2013. The staffing is slightly up this year (up by 1%) due to staff added for the Strunk/Eugene overpayment recovery project. And the membership levels are down by 1.2% this year. This slight membership decrease, coupled with the smaller staffing increase, is the cause for the decrease in the member to staff ratio this year.

4. **HOW WE COMPARE**

When comparing retirement system peers, PERS' benchmarking consultant, CEM Benchmarking, Inc. uses adjusted staffing and membership criteria that differs from the standard system of measurement presented with this KPM. But comparisons to peers can still be drawn on an individual benefit administration activity level. The 2013 CEM Benchmarking Analysis has not yet been published, so these comparisons are based on the 2012 analysis report. These figures factor in the number of FTE directly involved in each activity (no support or indirect FTE included), and the listed figures represent direct FTE per 10,000 active members and retirees.

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Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

For Fiscal Year 2012, CEM Benchmarking, Inc. reported that, because of greater system complexity and a greater number of programs administered, PERS is higher staffed (thus serving fewer members per FTE staff) than many of its peers. However, while PERS is higher staffed for some benefit administration activities, there are also activities that PERS is lower staffed. When compared to its peer average, PERS was heavier staffed per 10,000 members versus its peer average for activities like Paying Pensions (.29 vs .24), Pension Inceptions (1.15 vs .56), Refunds (.6 vs .26), Written Pension Estimates (.24 vs .17), Call Center (.93 vs .76), Employer Data, Money and Services (2.3 vs .76), Governance and Financial Control (.72 vs .6), Information Technology (2.41 vs 1.33), Support Services (1.23 vs .96) and Mail Room/Imaging (.7 vs .39). But PERS was lower staffed per 10,000 members versus its peer average for activities like Purchases (.09 vs .21), Disability (.26 vs .32), Member 1-on-1 counseling/application assistance (.17 vs .31), Member Presentations (.07 vs .15) and Mass Communication (.22 vs .23).

5. FACTORS AFFECTING RESULTS

In considering the peer comparison results listed above, note that PERS was observed to be the second most complex system among 15 other similar sized public retirement systems identified in the CEM Benchmarking, Inc. Benchmarking Analysis for 2013. This complexity is driven by PERS' service to multiple classes of public employees, including part-time employees, the large number of retirement options, multiple retirement benefit calculations, and a number of other benefit add-ons. The complexity has made it difficult to provide enterprise-level, IT-based applications and solutions.

The 2003 PERS Reform legislation contributed to system complexity and increased staffing by adding two new retirement programs (OPSRP and IAP). PERS grew to an agency of 420 positions in FY 03-05 when the reform legislation implementation began and many permanent and limited duration staff were added. PERS' Legislatively Approved Budget for 2013-15 includes staffing of 370 positions (including staffing for the Strunk/Eugene payment recovery project), a decrease of 50 positions (12 percent) from the FY 03-05 peak staffing.

6. WHAT NEEDS TO BE DONE

Demographic research shows that the next five to ten years will see a dramatically increasing number of members who qualify for retirement benefits. While the rising volume of retirements is an issue facing most public pension systems, PERS has also been challenged by transitioning to a newly developed and implemented IT system. This situation is expected to improve as staff adapts to the functionality provided by that system and the operational demands of statutory changes and program expansions (OPSRP and IAP) are normalized.

In the long term, the improved IT systems will lead to more streamlined processes, allowing the agency to continue to handle increasing workloads with stabilized staffing.

7. ABOUT THE DATA

This measure is based on data for the Oregon fiscal year period and the calendar year. The member per staff ratio is calculated by dividing the total customer service membership base by the by total FTE staff per June PICS reports. The customer service membership base includes all active, inactive and retired members per the calendar year actuarial valuation, plus qualified non-vested inactive members and calendar year lump sum and withdrawal recipients.

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #4	ACCURATE BENEFIT CALCULATIONS Percent of service retirement monthly benefits accurately calculated to within \$5 per month	Measure since: 2012
Goal	Pay the right person the right benefit at the right time.	
Oregon Context	Oregon Benchmark #59: Independent Seniors. Encourage member independence and financial well-being into retirement.	
Data source	Annual internal audit of sample from Benefit Payments Division service retirement calculations	
Owner	BPD Administrator Brian Harrington, 503-431-8259	

1. OUR STRATEGY

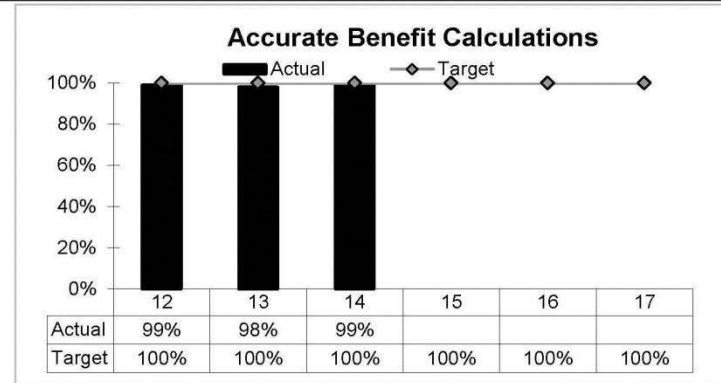
This is a new KPM for the 2011-13 biennium. Our agency's mission is to pay the right person the right benefit at the right time. Calculating benefits accurately the first time is a key element of this mission.

2. ABOUT THE TARGETS

Our goal is to accurately calculate the service retirement benefits to within \$5 per month 100% of the time.

3. HOW WE ARE DOING

In FY2014, initial service retirement benefit calculations were accurate to within \$5 per month 99% of the time. This was within 1% of the 100% targeted performance. The performance improved by 1% in its third KPM year in FY2014. But while this was just the second year for this KPM, the accuracy audit has been performed for the past five years. This year's results show a significant improvement from the 94% accuracy rate in FY2011. In fact, the accuracy rate has climbed steadily from 87% in 2008 (the first year of the accuracy audit).



4. HOW WE COMPARE

While we do use the services of a third-party benchmarking consultant (CEM Benchmarking, Inc.), the accuracy of benefit calculations is not one of the comparators they use.

5. FACTORS AFFECTING RESULTS

Although there was an increase in the volume of retirement transactions in FY2014, the annual audit of calculations identified only one error out of 100 calculations. In addition, BPD continues to perform monthly quality assurance sampling of various calculations and the error rate month to month during FY2014 varied from zero percent some months, to as high as 3 percent.

6. WHAT NEEDS TO BE DONE

The agency has taken considerable efforts to improve the accuracy of benefit calculations. There have been three primary areas of focused improvement in this regard. First is the accuracy audit on which this KPM is based. The annual audit is performed by our internal auditors and began in 2008. Second is

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

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Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

regular internal quality assurance sampling of benefit calculations. Operations staff randomly test the benefit calculations to ensure that errors are being found and corrected before the benefit goes out the door. Third, IT system improvements have improved the accuracy of the calculations.

The operations units have been vigilant and will continue to be vigilant when it comes to benefit calculation accuracy. The Benefit Payments Division and Customer Service Division continue to partner with one another to ensure ORION (the new IT system) is calculating benefits correctly by following the change request, user acceptance testing, and regression testing process. In addition, operations will continue to perform regular quality assurance sampling.

7. ABOUT THE DATA

This measure is based on data for the Oregon fiscal year period. The data is based on a sample audit of the Benefit Payments Division benefit calculations. The audit is conducted by PERS internal audits staff on an annual basis. In this audit, 100 benefit calculations were sampled at random, consisting of Tier 1 calculations, Tier 2 calculations, and OPSRP calculations. The random sample included monthly annuity and lump sum benefits, as well as lump sum plus annuity benefits.

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Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #5	LEVEL OF PARTICIPATION Percent of state employees participating in the deferred compensation program.	Measure since: 2006
Goal	Increase voluntary participation by state employee members in Deferred Compensation Program	
Oregon Context	Encourage member independence and financial well-being into retirement. Has an effect on Oregon Benchmark #59: Independent Seniors.	
Data source	Deferred Compensation records, along with reports from Oregon Savings Growth Plan (OSGP) Third party administrator, ING	
Owner	Deferred Compensation Manager Gay Lynn Bath, 503-378-6425.	

1. **OUR STRATEGY**

PERS' Deferred Compensation program, the Oregon Savings Growth Plan (OSGP), understands that the financial demands on current and future retirees are increasing. So OSGP aims to provide Oregon public employees with another option to help supplement their PERS benefits and help bridge the gap between retirees' financial needs and their PERS benefits. To remain a valued option for PERS members, OSGP's goal is to provide solid investment options and to educate participants about the importance of retirement preparation through participation in this supplemental savings program.

2. **ABOUT THE TARGETS**

The annual target increases in the past have been based on OSGP's goal to gradually increase the participation level by 1% annually. While the participation has been increased by 1% annually over the last few years, achieving participation in the 40% range is highly unlikely and unachievable. With a large number of employees eligible to retire, an ambitious but achievable goal would be to reach and maintain a participation level of 38%. Considering a national average participation rate of 26% among similar deferred compensation plans, the 38% target still puts OSGP well ahead of its peers. Moving forward we have set the targets to 38%.

3. **HOW WE ARE DOING**

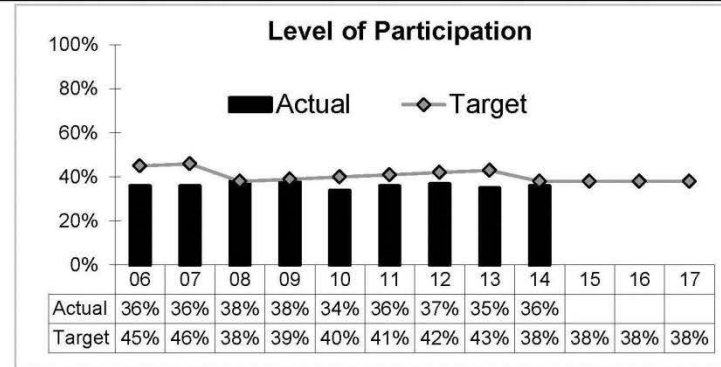
State government employee participation in OSGP increased to 36% in FY2014, up from 35% of active state employees in FY2013.

4. **HOW WE COMPARE**

The National Association of Government Defined Contribution Administrators (NAGDCA) conducts a periodic survey that measures participation in optional state and local government defined contribution plans. In its 2013 survey results, NAGDCA reported that, among the responding state plans, 26% of the eligible employees participated in optional plans like OSGP. So, at 36% participation among state employees, OSGP is performing ahead of the national average participation rate for similar plans.

5. **FACTORS AFFECTING RESULTS**

Because OSGP is voluntary for state employees, to have both a relatively high rate of penetration and average monthly deferrals reflects that the Deferred Compensation program is both well-known and represents an important retirement savings tool for many state employees. Despite this, there are other



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factors that potentially limit the participation rates. There are a large number of employees who are eligible to retire in the near future. Many of these retirees will withdraw their OSGP accounts or roll them into other retirement accounts and the demographics of their replacements (normally younger and lower paid) will create a challenge for increasing participation rates.

There was a significant increase in enrollment for FY2014, with 1,354 new enrollments, compared to 960 in FY2013. This large increase reflects the continued work of the program staff to reach newly hired state employees and encourage enrollment. The 36% participation rate for FY2014 includes active participants eligible to contribute.

6. WHAT NEEDS TO BE DONE

Data shows that participation does not often change drastically from year to year, and the participation rate remains difficult to control or impact. And when factoring in the effect that the many upcoming retirements and the poor economic conditions will have on OSGP participation rates, it will be important for OSGP to educate and remind existing and new employees of the benefits of participating in the program. Statistics show that the number of employees retiring from the program roughly equals the numbers of new hires, so reaching new employees is vital to the participation success.

OSGP staff are doing their best to educate new employees on the values of enrolling in the plan. The OSGP education specialist has increased the number of on-site visits and travels extensively around the state to meet with state employees. Another strategy is for OSGP staff to meet with HR managers to seek their help in communicating to state employees about OSGP. OSGP's third-party consultant, ING, is also helping to get the word out about OSGP. An ING employee works onsite for OSGP and helps with workshops and enrollments, as well as working with OSGP on formulating targeted mailings, videos and webinars to help increase participation. Roth 457 workshops have been added to the workshop schedule as well.

7. ABOUT THE DATA

This measure is based on data for the Oregon fiscal year period. The data is provided by OSGP's third-party administrator, ING. Because the available records of certain participating employee groups (Higher Ed, miscellaneous small agencies and participating local government entities) are more difficult to verify, only Oregon State Payroll System (OSPS) employees are factored in this measure. OSPS records are easily verifiable and make for stable comparisons from year to year.

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

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Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #6	CUSTOMER SERVICE Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information	Measure since: 2006
Goal	To improve customer satisfaction through effective and efficient delivery of retirement benefits.	
Oregon Context	#35: Public Management Quality - Citizen satisfaction with government services.	
Data source	Agency-administered survey (SurveyMonkey.com online tool was used, along with a hard copy provided in the retiree newsletter).	
Owner	Customer Services Division Administrator Yvette Elledge, 503-603-7685	

1. OUR STRATEGY

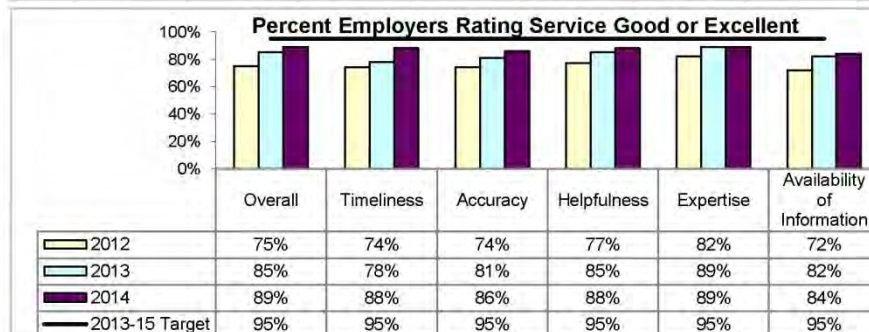
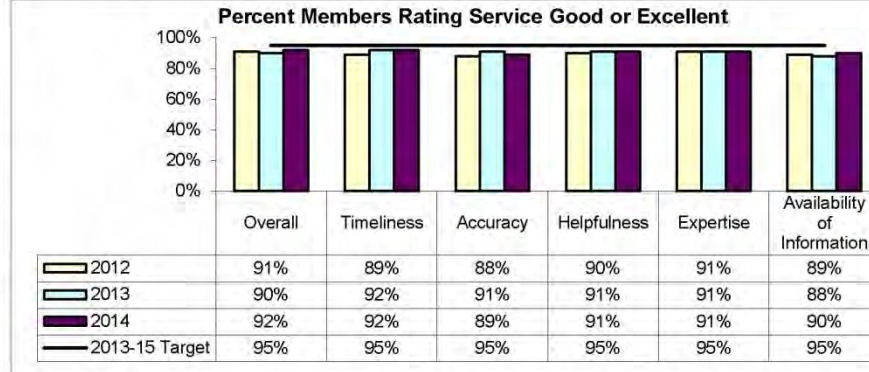
PERS is committed to providing high-quality, cost-effective customer service. The goal is to deliver effective and efficient service to PERS members, employers, and stakeholders. The customer satisfaction surveys help to determine areas of strength and needed improvement. PERS management will make strategic decisions, based on the survey results, to place resources and effort where improvement is needed.

2. ABOUT THE TARGETS

The existing goal had been to maintain 80% of customers rating their PERS service as good or excellent. But during the budget process for the 2011-13 biennium, the Legislative Fiscal Office requested PERS to increase the member satisfaction targets to 95% moving forward.

3. HOW WE ARE DOING

For the FY2014 member survey, PERS received ratings that were consistent with the 2013 levels and slightly improved in a couple categories. PERS rated slightly higher in 2014 vs. the 2013 results in two categories: Overall and Availability of Information. PERS rated the same or slightly lower in 2014 in four categories: Timeliness, Accuracy, Helpfulness and Expertise. PERS scored between 89% and 92% across the categories, with 92% of members rating PERS overall service as "good"



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or “excellent.” Members rated PERS highest in Timeliness (92%), and lowest in Accuracy (89%).

In the FY2014 employer survey, the results reflected significantly increased ratings across all categories except Expertise, which remained at 89%. The ratings for the other categories increased between 2 percentage points and 10 percentage points, with an average increase over FY2013 of 4.8 percentage points per category. For the FY2014 employer survey, the employers rated PERS between 84% and 89% “good” or “excellent,” with 89% of employers rating PERS overall service as excellent or good (an improvement of 4 percentage points over FY2013’s 85% rating). Employers rated PERS highest in Expertise and Overall (89%) and lowest in Availability of Information (84%).

4. HOW WE COMPARE

PERS uses the services of a benchmarking consultant (CEM Benchmarking, Inc.), but customer satisfaction ratings in these categories is not one of the comparators. In accessing a sampling of other state agency customer satisfaction results, the average customer service category satisfaction ratings fell between 51% and 96%, with an average across the sample of about 80%. PERS’ member and employer ratings would fall at the high end of that range, and well ahead of the sample average.

5. FACTORS AFFECTING RESULTS

PERS continues to keep customer service and satisfaction as a major focus in its agency strategies and staff efforts. Member-oriented services such as the one-on-one retirement application assistance program continue to be very successful. PERS has also continued to offer workshops and presentations with individual employers and groups beyond the usual outreach presentations. This effort, along with continued success in its employer advocate program and other training efforts, have helped to bolster customer service to employers.

One factor that can negatively impact the member ratings is the various pieces of PERS-related legislation that get proposed during the legislative sessions. While PERS certainly has no control over proposed legislation, some respondents to the member survey noted their dissatisfaction with enacted and potential legislative changes to PERS benefits, and the lack of individualized information on the impact of those charges.

6. WHAT NEEDS TO BE DONE

PERS solicited comments from the member and employer survey participants and found a few key areas to focus improvement efforts. For the member survey respondents, there were two main areas of desired improvement: Members noted long wait times when phoning PERS Customer Service, and they also noted long wait times to receive a data verification. In February 2014, nine new call center agents joined the PERS phone team. This strategy paid off significantly, as we saw a marked decrease in the call abandonment rate and call wait time. The data verification wait time is also an area of proposed staff augmentation. The 2015-17 budget request includes a proposal for adding seven new staff to the Data Verification Unit to help keep up with current requests and work through the existing backlog.

In the employer survey, PERS found that there were two main areas of improvements desired by employers: Employers want access to their Employer Service Center (ESC) representative after 12 p.m., and employers want improvements in the employer reporting system. Employers may call their individual ESC representative anytime between 8:30 a.m. and 5 p.m., Monday through Friday. To address the employer reporting system, there were enhancements identified to make the system more user friendly.

7. ABOUT OUR CUSTOMER SERVICE SURVEY

The member satisfaction survey was conducted by PERS staff using the online SurveyMonkey.com tool and hard copy surveys included in the agency’s *Perspectives* newsletter mailed to retired members. The survey was open from August 1 through August 31, 2014. The population is consumers, since members are end users of PERS services. For the sampling frame, PERS left the survey open to all members (active, inactive and retired). The survey was

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advertised in the *Perspectives* newsletter (a PERS newsletter sent to all members), which listed the web link to take part in the survey. The survey link was also posted in a prominent location on the PERS website homepage for all members to view. Since PERS left the survey open to the full population of members, the sampling procedure could be considered a passive census. Out of approximately 357,500 members, PERS received approximately 1,450 responses. There was no weighting involved with the tabulation of results.

The employer survey was also conducted by PERS staff using the online SurveyMonkey.com tool. The survey was open from August 1 through August 31, 2014. The employer population could be considered clients, and for the sampling frame, PERS left the survey open to all employers. The survey link was emailed to all employers, and posted on the employer portion of the PERS website. The sampling procedure would be considered a passive census. Out of over 900 employers, PERS received 184 responses.

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PUBLIC EMPLOYEES RETIREMENT SYSTEM

II. KEY MEASURE ANALYSIS

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

KPM #7	TIMELY BENEFIT ESTIMATES Percent of benefit estimates processed within 30 days	Measure since: 2008
Goal	To prepare and deliver benefit estimates effectively and efficiently.	
Oregon Context	Oregon Benchmark #59: Independent Seniors. Encourage member independence and financial well-being into retirement.	
Data source	Customer Service Division (CSD) statistics	
Owner	Customer Services Division Administrator Yvette Elledge, 503-603-7685	

1. OUR STRATEGY

PERS understands that receiving timely and accurate benefit estimates is a crucial component of retirement planning. To make sure members have all available information they need to properly plan for retirement, PERS is focused on providing member benefit estimates within 30 days of a qualified request.

2. ABOUT THE TARGETS

PERS' continued goal is to deliver benefit estimates within 30 days at least 95% of the time, and this targeted level of service has been continued through 2013-15.

3. HOW WE ARE DOING

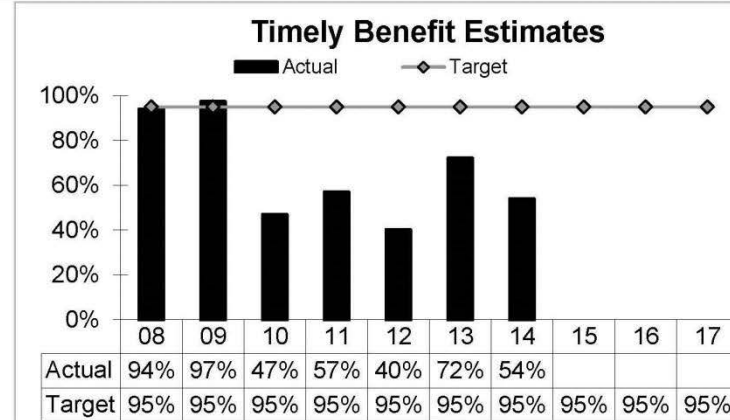
For FY2014, PERS provided member benefit estimates within 30 days 54% of the time. This is a decrease from the FY2013 performance of 72%.

4. HOW WE COMPARE

Using the services of a third-party benchmarking consultant (CEM Benchmarking, Inc.), PERS is able to compare its performance with that of its peers. According to CEM Benchmarking, Inc., the average time for preparing benefit estimates among PERS' peers was 21 days in fiscal year 2013 (CEM's 2014 report is not yet published). By comparison, PERS processed its benefit estimates in an average of 20 days during FY2013 (a significant improvement over FY2012's performance of 53 days). PERS also provides up to 3 different benefit calculations and 15 different benefit option scenarios with each estimate, as compared to an average of only 3 benefit options among its peers.

5. FACTORS AFFECTING RESULTS

During FY2014, the benefit estimate process experienced slower performance due to staffing constraints and increased volume. There was staff turnover covering 28% of the benefit estimate team, which left fewer experienced staff to process the estimate requests. This staffing shortage, coupled with a spike in volume caused slower response times throughout most of the fiscal year. But performance during the final quarter of the FY soared to 80% of estimates processed in 30 days. So performance is rebounding.



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Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

6. **WHAT NEEDS TO BE DONE**

PERS will continue efforts to reduce the backlog by focusing on estimates by received date order and to improve Generate Benefit Estimates in Online Member Service (OMS), which will allow members to produce their own estimate scenarios with more confidence.

7. **ABOUT THE DATA**

This measure is based on data for the Oregon fiscal year period. The data is based on tracked performance statistics provided by the Customer Service Division at PERS.

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KPM #8	BEST PRACTICES: Percent of best practices met by Board/Commission.	Measure since: 2008
Goal	To achieve best practices in governance of PERS	
Oregon Context	#35: Public Management Quality - Citizen satisfaction with government services.	
Data source	Biennial self-administered survey.	
Owner	Executive Director Steve Rodeman, 503-603-7695	

1. OUR STRATEGY

The PERS Board is committed to working with the Executive Director and the Executive Management team to implement best practices in the governance of agency operations. In its initial self-assessment in 2008, the Board considered the 15 DAS-assigned best practices criteria and added 3 additional criteria they felt would also be beneficial to consider. These additional criteria are not scored for purposes of this KPM. This format will continue to be applied each biennium.

2. ABOUT THE TARGETS

The PERS Board's goal is to meet 100% of the best practices criteria for this measure.

3. HOW WE ARE DOING

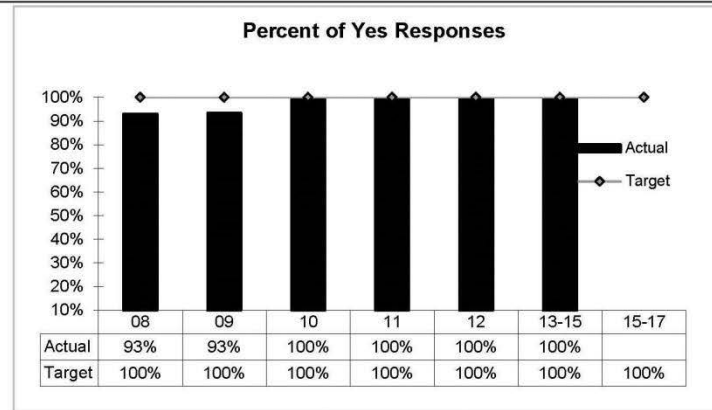
The PERS Board completed the self-assessment survey process for the 2013-15 biennium using the online SurveyMonkey.com tool in October 2014. The results were presented at their November 21, 2014 public board meeting. Continuing the approach used in previous biennia, the Board assessed their 2013-15 performance in three categories: fully meets, meets but needs improvement, or does not meet. For KPM purposes, the Board concluded that the "meets but needs improvement" and the "meets" responses would be rated as a "yes" for this KPM. The results of the survey showed the Board had satisfactorily met all 15 best practices criteria.

4. HOW WE COMPARE

In past samplings of the Annual Performance Progress Reports of other similar state agency boards, the scores generally fell between 87% and 100%, with an average of about 98%. The PERS Board is in line with this scoring with a 100% rating in 2013-15.

5. FACTORS AFFECTING RESULTS

The PERS Board recognizes the importance of providing strategic guidance, budget and financial control, customer service emphasis, regular communications with stakeholders, and maintaining agency focus on cost effective and efficient operations. This emphasis has resulted in increased attention at the staff level on organizational structure and operational best practices, which takes on increasing importance in periods of economic stress. The Board and agency management will continue to support this best practices focus through their activities and discussions at Board and Audit Committee meetings.



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6. WHAT NEEDS TO BE DONE

While the PERS Board did realize a 100% rating for the 2013-15 biennium, there was one area that received a vote of “meets but needs improvement.” Criteria 14, “Board members identify and attend appropriate training sessions,” received a single “meets but needs improvement” vote. The PERS Board will work to maintain and enhance their overall performance on these best practices criteria whenever possible. PERS staff can assist the Board in this endeavor by communicating and sharing training opportunities with the Board on topics such as governance and benefit administration. The Chair of the Board will work with the Executive Director to identify specific areas of improvement and possible courses of action to make those improvements. At the same time, the Board will continue to focus on their full range of governance responsibilities and implementation all the identified Board best practices.

7. ABOUT THE DATA

This measure is based on results for the 2013-15 biennium. The PERS Board completed the self-assessment in October 2014.

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III. USING PERFORMANCE DATA

Agency Mission: We serve the people of Oregon by administering public employee benefit trusts to pay the right person the right benefit at the right time.

Contact: Matthew Rickard, Senior Retirement Data Analyst	Phone: (503) 603-7576
Alternate: Kyle Knoll, Financial and Administrative Services Administrator	Phone: (503) 603-7568

The following questions indicate how performance measures and data are used for management and accountability purposes.	
<p>1 INCLUSIVITY Describe the involvement of the following groups in the development of the agency's performance measures.</p>	<ul style="list-style-type: none"> Staff: The 2011-13 approved KPMs were developed by PERS staff and executive management and reviewed by the PERS Board. Elected Officials: Elected officials have reviewed and approved the 2011-13 KPMs and targets as a part of the Ways and Means process. Stakeholders: Staff met with key management and stakeholders to determine how each measured success. The KPMs were then formed using strict selection criteria to ensure accuracy, longevity, and applicability to each program. Citizens: While citizens are not involved in the KPM formation process, the annual results are posted on the DAS Budget and Management KPM and PERS websites for the general public to view.
<p>2 MANAGING FOR RESULTS How are performance measures used for management of the agency? What changes have been made in the past year?</p>	<p>The results are used to gauge PERS' progress versus previous performance, as well as its peers. PERS has recently implemented a new outcome-based management system approach. This new system uses enterprise level process and outcome measure scorecards that are presented on a quarterly basis. Performance results are also used in the formation of business plans and in development of the agency's biennial budget. The agency's strategic plan and tactical plans are also linked to the performance measures to guide longer-term management of the agency. One positive effect of analyzing the previous results involves the improved focus on customer service, and the resulting higher member and employer ratings each year.</p>
<p>3 STAFF TRAINING What training has staff had in the past year on the practical value and use of performance measures?</p>	<p>In the KPM formulation process, meetings with managers and stakeholders have taken place to educate them on the KPM process and to help them understand how the measures can be useful in program and agency management. Staff working directly with the KPMs also have attended statewide KPM trainings and participated in most of the KPM informational meetings.</p>
<p>4 COMMUNICATING RESULTS How does the agency communicate performance results to each of the following audiences and for what purpose?</p>	<ul style="list-style-type: none"> Staff: Results are posted on PERS' internal network, included along with sectional budget execution reports for managers, posted on the PERS website for general staff, and reviewed by the PERS Board. Elected Officials: Results are communicated through the Annual Performance Progress Report and as part of the agency's biennial budget request. Stakeholders: Results are reported directly to the PERS Board and posted on the PERS website for other stakeholders. Citizens: The results are posted on the DAS website and the PERS website.

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Audit Response Report

The following reports were completed and / or issued by the Secretary of State or the Joint Legislative Audit Committee in the 2011-2013 biennium and thus far in the 2013-2015 biennium:

FY 2011 Financial Audit

Finding #1:

The System has not established internal controls or evaluated the related third-party administrator's internal controls over the processing and recording of SRHIA fund transactions, which is a critical component of plan administration and financial reporting. Without such controls there is a risk that amounts reported in the System's financial statement are not complete or accurate. Furthermore, there is a risk that the SRHIA fund's activities do not comply with plan or legal provisions and financial reporting requirements.

Status: Complete

Accounting for SRHIA has been instituted to reflect the fund as an Enterprise Fund, as recommended by MGO. For ODS transactions, we are tracking the funds on a monthly basis based on the new Minimum Premium Plan Capital Holding fund Model. Each of the funds will have either a monthly or quarterly monitoring and reconciliation process built on projections and actuals. The reporting by BHS will be more robust by demonstrating discrete components of the flow of funds (subsidies, surcharges etc.). This will also aid in the financial accounting for the various required reserves for the Minimum Premium Plan (IBNR, Terminal Liability, Rate Reserves, claims funds etc.) BHS provides a report that incorporates all elements requested by PHIP in order to segregate detail of funds by type, carrier, subsidy/surcharge, carrier total etc. The final component of the report in breaking out the Rx portion of Moda, PacificSource, and Providence has been completed. We are now able to attribute all monies to appropriate carriers in the Rx plans as well.

Finding #2:

We recommend the System establish a process for identifying and properly accounting for new or unique transactions. The process should include formal documentation of the issue, pertinent background information, relevant legal and/or accounting guidance and

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the conclusions reached. The documentation should be prepared by personnel with sufficient experience and reviewed by appropriate management personnel. Formal documentation will reduce staff and audit inefficiencies and ensure that transactions are properly and consistently reported in the financial statements.

Status: Complete

PERS has begun documenting new accounting treatment by developing policy statements. Previous practice has been to include this information in annual work paper directories. Including this information in a policy statement will provide for a centralized location.

Finding #3:

Management should employ the following processes:

- Establish more effective review and reconciliation policies and procedures as a customary part of the accounting process.
- Perform monthly or quarterly reconciliations between OST, the custodian bank, external investment managers and the investment consultant's records. Also establish a formal oversight function for the tasks completed by the investment consultants.
- Verify that appraised values are properly reflected in the partner's financial statements. For real estate partnerships that were not appraised as of fiscal year-end, appropriate personnel should review the partnerships' June 30 financial information to ensure significant changes in fair value are properly reflected in the partnerships' June 30 financial statements.
- Reconcile sub ledgers to the G/L. Establish a policy, whereby all sub ledgers are reconciled to the G/L monthly. In addition, appropriate management-level personnel should review the reconciliations for accuracy and document evidence of their review for audit purposes.
- Investigate and resolve variances timely.

Status: Complete

A. (1&2) Completed. OST modified the review process to ensure that June 30th data is reviewed. This will cause a significant delay in when PERS receives the information needed to complete their financial statement preparation.

B. (3) OST is currently taking a look at improvements that can be made to the reconciliation process. Due to limited OST staffing, many of the reconciliations are performed by 3rd party consultants. OST has completed analysis of middle office functions. Budget was requested in the 2013 legislative session but not approved. OST plans to request additional budget authority from upcoming an E-Board. Due to limited OST staff, this recommendation will not be implemented without additional budget authorization.

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C. (4&5) jClarety was not designed to report account balances except at the individual level. Reconciling jClarety to the G/L will require additional research and may require additional system modifications. We will work with our BPO's and ISD to determine a solution and implementation timeline. Monthly pension roll activity reported by jClarety has been reconciled to the G/L since implementation in June of 2011. Daily activity will be reviewed and a methodology will be developed by 6/30/13. Daily reconciliations of the 45901 payments was developed in April 2012 and reconciliations completed from January 2012 to date. Adjustments have been processed on a monthly basis.

FY 2012 Financial Audit

No significant deficiencies or material weaknesses

FY 2013 Financial Audit

No significant deficiencies or material weaknesses

BUDGET NARRATIVE

Affirmative Action Report

PROGRESS MADE OR LOST SINCE LAST BIENNIUM

During the 2013-2015 biennium, PERS has been involved with activities to attract and retain a diverse workforce and have met or exceeded parity in some EEO categories. For people of color, there were gains in the Officials/Administrators, Administrative Support and the Professional categories. The information in the charts below came from the Workforce Representation Reports, which are included in this Affirmative Action Plan and can be reviewed for more detailed information about the workforce representation at PERS.

There is still work required to reach parity in some EEO categories, and PERS continues to work to meet and exceed parity in all EEO categories. The plan of action for 2015-2017 biennium is discussed later in this narrative.

The charts below show the changes in numbers of employees for Women, People with Disabilities, People of Color, and each subcategory for people of color between July 1, 2013, and June 30, 2014.

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WORKFORCE REPRESENTATION

WOMEN

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER WOMEN 2011-2013	TOTAL EE 2013- 2015	NUMBER WOMEN 2013-2015	% CHANGE IN # WOMEN
A. Officials/Admin	33	13	31	13	0.00%
B. Professionals	245	156	257	162	3.85%
C. Technicians	6	2	6	2	0.00%
F. Admin Support	58	51	58	52	1.96%
AGENCY TOTAL	342	222	352	229	3.15%

Note change in number of
total agency employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

Women

We increased our percentage of women by 3.15 percent in the 2013-2015 biennium compared to the 2011-2013 biennium. The total number of agency employees, both men and women, increased by 2.92 percent. We experienced an increase in our women representation in the Professionals and Administrative Support categories. There were no changes in our women representation in the Official/Administrators and Technicians categories. Even though we increased our representation of women in both the Professionals and the Administrative support categories, women are still underutilized as compared to the DAS statistics. In our current and future recruitments, we will continue to make our managers aware of the underutilization of females in the Professionals and Officials/Administrators categories.

BUDGET NARRATIVE

WORKFORCE REPRESENTATION

PEOPLE WITH DISABILITIES

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER DISABLED 2011-2013	TOTAL EE 2013- 2015	NUMBER DISABLED 2013-2015	% CHANGE IN # DISABLED
A. Officials/Admin	33	1	31	1	0.00%
B. Professionals	245	10	257	10	0.00%
C. Technicians	6	0	6	0	0.00%
F. Admin Support	58	4	58	4	0.00%
AGENCY TOTAL	342	15	352	15	0.00%

Note change in number of total
agency employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

People with Disabilities

Four percent of our total employees have disabilities. We post our job links with various Vocational Rehabilitation Services in the area. We continue to be welcoming to people with disabilities by providing access and reasonable accommodations under the Americans with Disabilities Act. There wasn't a change in our percentage of disabled employees in the 2013-2015 biennium compared to the 2011-2013 biennium. The total number of agency employees, both men and women increased by 2.92 percent. There were no changes in our Professionals, Technicians, Administrative Support or Officials/Administrators categories. Although there were no changes in those categories, we are still underutilized in the Professionals and Officials/Administrators as compared to the DAS statistics. In our current and future recruitments, we will continue to make our managers aware of the underutilization of disabled persons in the Officials/Administrators and Professional categories.

BUDGET NARRATIVE

WORKFORCE REPRESENTATION

PEOPLE OF COLOR

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER POC 2011- 2013	TOTAL EE 2013- 2015	NUMBER POC 2013-2015	% CHANGE IN # POC
A. Officials/Admin	33	3	31	4	33.33%
B. Professionals	245	40	257	45	12.50%
C. Technicians	6	1	6	1	0.00%
F. Admin Support	58	7	58	8	14.29%
AGENCY TOTAL	342	51	352	58	13.73%

Note change in number of
total agency employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

People of Color

There was a significant positive change in our overall percentage of people of color in the 2013-2015 biennium compared to the 2011-2013 biennium. We increased our percentage of Professionals by 12.50 percent, Officials/Administrators by 33.3 percent and Administrative Support by 14.29 percent. Although we gained in the people of color Professionals we are still underutilized. In our current and future recruitments, we will continue to make our managers aware of the underutilization of people of color in the Professionals category.

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Breakdown of People of Color by Category

WORKFORCE REPRESENTATION

AFRICAN AMERICANS

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER AFR AMER 2011-2013	TOTAL EE 2013- 2015	NUMBER AFR AMER 2013-2015	% CHANGE IN # AFRICAN AMERICANS
A. Officials/Admin	33	0	31	0	0.00%
B. Professionals	245	4	257	6	50.00%
C. Technicians	6	0	6	0	0.00%
F. Admin Support	58	0	58	1	0.00%
AGENCY TOTAL	342	4	352	7	75.00%

Note change in number of
total agency employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

For African Americans, we increased our overall agency representation by 75 percent. There was no change reported in the Technicians, Officials/Administrators or Administrative Support categories. We experienced an increase in representation in the Professionals category by 50 percent. We lost ground on hiring African Americans into management and professional positions and are below our goal. We will continue to target this group by developing relationships with the Portland Urban League and by having diverse interview panels. We have been in contact with the Portland Urban League to collaborate on activities that will attract African American candidates to PERS, such as offering informational interviews to diverse individuals. We will encourage African American employees to be part of our presentation team for recruitment at job fairs and interview panels. Increasing our number of African American professionals will give them experience within PERS to encourage future promotions into management, other professional and technical positions.

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WORKFORCE REPRESENTATION

HISPANIC AMERICANS

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER HISP AMER 2011-2013	TOTAL EE 2013- 2015	NUMBER HISP AMER 2013-2015	% CHANGE IN HISPANIC AMERICANS
A. Officials/Admin	33	1	31	2	100.00%
B. Professionals	245	3	257	5	66.67%
C. Technicians	6	0	6	0	0.00%
F. Admin Support	58	2	58	1	-50.00%
AGENCY TOTAL	342	6	352	8	33.33%

Note change in number of
total agency employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

For Hispanic Americans, we increased our overall agency representation by 33.33 percent. There was no change reported in the Technicians category. Our representation in the Administrative Support category decreased by 50 percent, however, it did not cause underutilization. We increased our representation in the Officials/Administrators by 100 percent and increased our representation in the Professional category by 66.67 percent. Although we increased representation in both, we are still underutilized. These will be areas of emphasis for the 2015-2017 biennium. Although we are below the goal for Hispanic Americans, we continue to do outreach through developing relationships with key Hispanic centers. We will continue to target this group with our advertisements, any job fairs specific to the Hispanic Community and have diverse interview panels.

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WORKFORCE REPRESENTATION

ASIA/PACIFIC ISLANDER AMERICAN

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER ASIA/PAC AMER 2011-2013	TOTAL EE 2013- 2015	NUMBER ASIA/PAC AMER 2013- 2015	% CHANGE IN # ASIA/PAC ISLAND AMERICAN
A. Officials/Admin	33	1	31	1	0.00%
B. Professionals	245	30	257	31	3.33%
C. Technicians	6	1	6	1	0.00%
F. Admin Support	58	5	58	5	0.00%
AGENCY TOTAL	342	37	352	38	2.70%

Note change in number
of total agency
employees:

2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

For Asian/Pacific Islanders, we increased our overall representation by 2.70 percent. We experienced an increase in representation in the Administrative Support category by 3.33 percent. We are not underutilized in any of the categories. Even though, we are not underutilized in the categories, we will continue to target this group with our advertisements and have diverse interview panels.

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WORKFORCE REPRESENTATION

NATIVE AMERICAN

EEO-4 CATEGORY	TOTAL EE 2011- 2013	NUMBER NATIVE AMER 2011-2013	TOTAL EE 2013- 2015	NUMBER NATIVE AMER 2013-2015	% CHANGE IN # NATIVE AMERICAN
A. Officials/Admin	33	1	31	1	0.00%
B. Professionals	245	3	257	3	0.00%
C. Technicians	6	0	6	0	0.00%
F. Admin Support	58	0	58	1	0.00%
AGENCY TOTAL	342	4	352	5	25.00%

Note change in number of total agency employees: 2.92%

NOTE: 2011-2013 data is from June 2012 DAS statistics. The 2013-2015 data is from June 2014 DAS statistics.

For Native Americans, we increased our overall agency representation by 25 percent. There were no changes reported in the Officials/Administrators, Professionals, Technicians or Administrative Support categories. We are still underutilized in the Native American representation of professionals. This will be the area of emphasis for the 2015-2017 biennium. We will continue to do outreach activities by contacting the local Confederated Tribes of Grand Ronde to see if we can put ads or articles in their tribal newsletter and contact the Oregon Native American Chamber of Commerce to discuss partnering with them.

Summary

During the 2015-2017 biennium, efforts will be focused on attracting and retaining a diverse workforce, including women, people with disabilities, and people of color. Although disclosing information about ethnicity or disability is purely voluntary in the application process, PERS will attempt to capture more accurate statistics about our workforce representation through voluntary disclosure once the employee is hired.

Although PERS met many of its Affirmative Action goals, PERS continues to work towards meeting the long range goals for the 2015-17 biennium. However, recruiting people of color continues to be a challenge for management positions.

PERS continues to have diverse interview panels and provides training for managers on interviewing and promoting cultural awareness. PERS provides harassment/discrimination training for all managers and staff and will conduct this training again in early 2013. We need to increase the presence of women and people of color in our candidate pools and to find ways of making PERS more welcoming to diverse groups of people. In 2005, PERS hired a consultant to conduct Cultural Competency training for managers and

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executives to educate them on diversity and how to create a welcoming work environment for PERS employees with diverse backgrounds. In 2009 and in 2012, we again provided training to all employees on cultural competency and how to make PERS a welcoming environment and an employer of choice.

Within our agency, Executive Managers have been attending new employee networking sessions to meet new employees and have a friendly face for contact. Additionally, there is a new segment in the orientation to make new employees aware of the Diversity Committee, their purpose, and to create cultural awareness. We will continue to increase our diversity promotions within PERS to make women, people of color, and people with disabilities feel welcome.

PERS does extensive recruitment through colleges, companies facing reductions in workforce, alternative newspapers, Job Corps, the Department of Veterans Affairs, Vocational Rehab and Employment, other Vocational Rehabilitation Services, and the Internet. We use the Career Builder website as well as Monster and Craigslist. We go through organizations related to specific positions such as Human Resources, Information Technology or Accounting.

PERS met some of the long-range goals for the 2013-15 biennium. Due to challenges in the 2013-15 biennium some of our goals were not attained. However we have a renewed interest and commitment in meeting our affirmative action goals in 2015-17. PERS will work on increasing diversity activities to encourage retention of women and people of color. We will continue to write diversity articles for the *Percolator*, our internal newsletter, and support activities through the Diversity Committee.

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STRATEGIES AND TIMELINES FOR IMPLEMENTATION

- PERS action plan for employees is to increase awareness, provide additional opportunities for career advancement, provide qualitative and timely feedback, and to instill a culture supporting success at both the individual and agency level. The includes redesigning our New Employee Orientation to include additional information about the Affirmative Action Plan, delivering mandatory trainings, posting the Affirmation Action Plan for employees t review, ;managing the AAP more actively with our managers and Labor Management Committee, and providing more work out of class and job rotation opportunities
 - June 2013: PERS has a Diversity and Inclusion Statement which will be communicated to all employees. PERS incorporated Affirmative Action goals into management service performance evaluations in 2005. In 2013, Halogen will be implemented and will assist employees and managers with timely completion of performance evaluations. PERS will have 80 percent of management performance evaluations completed in 2013 and 90 percent completed by the end of 2014. Managers will increase completion of timely evaluations for employees by 10 percent each year until the goal of 90 percent completion is reached. All evaluations have a component of rating the employee on diversity and inclusivity.
 - In 2015-2017, PERS will continue to utilize creative means to advertise vacancies to people of color, people with disabilities, and women. We will also continue to maintain a consistent presence and relationship with organizations that target their relationship with people of color through advertising of positions to encourage readers to identify PERS as an employer that values diversity.
4. The Affirmative Action Plan will be reviewed and activities discussed at both the executive staff meetings and manager’s meetings in 2015-2017. Executive staff meetings are held weekly; manager’s meetings are held twice a month on the second and fourth Thursdays. The schedule to review quarterly affirmative action reports for 2015- 2017 will be as follows:

Executive Staff Meetings

February, 2015: (cover report from 4th quarter 2014)

April 2015 (report from 1st quarter 2015)

July 2015 (report from 2nd quarter 2015)

October 2015 (report from 3rd quarter 2015)

January 2016 (report from 4th quarter 2015)

April 2016 (report from 1st quarter 2016)

July 2016 (report from 2nd quarter 2016)

October 2016 (report from 3rd quarter 2016)

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January 2017 (report from 4th quarter 2016)

April 2017 (report from 1st quarter 2017)

Managers's Meetings

February, 2015: (report from 4th quarter 2014)

May, 2015: (report from 1st quarter 2015)

July, 2015: (report from 2nd quarter 2015)

November, 2015: (report from 3rd quarter 2015)

February, 2016 (report from 4th quarter 2015)

April 2016 (report from 1st quarter 2016)

July 2016 (report from 2nd quarter 2016)

October 2016 (report from 3rd quarter 2016)

February 2017 (report from 4th quarter 2016)

April 2017 (report from 1st quarter 2017)

5. The recommendations from the 2005 Cultural Competency Assessment have all been implemented. In the 2009-2011 Affirmative Action plan, two of the goals were to continue to implement the following recommendations in the 2009-2011 biennium:
 - *“Educate employees on diversity and affirmative action and develop a basic understanding of cultural competencies and how each one plays a role in the individual and workplace.”*
 - *“Institute an ongoing assessment of what is working at PERS and what could be improved.”*
6. PERS conducted additional multi-cultural training in 2009 by having an external consultant train all employees on being culturally competent. Feedback from that training indicated a need for employees to develop additional skills in helping them relate productively to others in the workplace. “PERS Professional Competency Series” was developed consisting of a set of four development courses.
7. PERS employees and managers will continue in 2015-2017 to support the Diversity Committee by encouraging employees to participate on the committee when openings are available, volunteering to participate in Diversity activities, and supplying other resources as necessary.
8. PERS will educate and train all employees in prevention of workplace harassment and discrimination. Completion of the course “Promote a Respectful Workplace by Preventing Discrimination and Harassment” and the “Maintaining a Professional Workplace” policy will be required of all employees and will be completed by the end of 2014.

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9. PERS will participate in job fairs as appropriate over the 2015-2017 biennium, including continuing our attendance at the Urban League job fair held in Portland, as well as the Latino Career Fair held in Portland. PERS will also participate in job fairs that are targeted to all job seekers, and do not specify any protected class.
10. Human Resources currently provides one-on-one career counseling to any employee at PERS that wants to take advantage of the service. A “Career Development” website is available to employees and will be updated with the latest materials. Managers will be encouraged to post developmental opportunities such as work-out of class assignments and job rotations so that more employees have an opportunity to participate.
11. PERS will continue community outreach activities that serve diverse populations. Volunteer activities at the Oregon Food Bank are currently scheduled on. Activities for 2013-2015 for both the Oregon Food Bank and the Transitional School will be scheduled in late 2012. PERS will continue support of the Transitional School program by hosting Halloween and Back-to-School activities in the 2015 and 2017 biennium.
12. PERS Affirmative Action representative will consistently attend Affirmative Action workshops. The goal is to increase management personnel attendance at Affirmative Action workshops.
13. PERS will continue to use the Affirmative Action Plan in recruitments. PERS used to put the Affirmative Action parity report in with the manager’s hiring packets; however, since the advent of E-recruit, the system is now electronic. PERS will electronically attach and send parity reports electronically to the hiring manager to ensure Affirmative Action goals are understood and considered during the hiring process.
14. PERS Executive Director will attend the Governor’s DI Kitchen Cabinet meetings as scheduled for 2015-2017.

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ORBITS and PICS Reports

ORBITS Reports

The following reports are contained in this section:

BSU003A	Summary Cross Reference Listing and Packages
BSU004A	Policy Package List by Priority
BDV103A	Budget Support – Detail Revenues and Expenditures (Agency wide & SCR)
ANA100A	Version/Column Comparison – Detail (Base Budget by SCR)
ANA101A	Package Comparison – Detail (Essential and Policy Packages by SCR)

PICS Reports

The following reports are contained in this section:

PPDPLBUDCL	Summary List by Pkg. by Summary XREF
PPDPLAGYCL	Summary List by Pkg. by Agency
PPDPLWSBUD	Detail Listing by Summary XREF Agency

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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

**Agency Number: 45900
BAM Analyst: Carbone, James
Budget Coordinator: Barnett, Linda - (503)603-7570**

<i>Cross Reference Number</i>	<i>Cross Reference Description</i>	<i>Package Number</i>	<i>Priority</i>	<i>Package Description</i>	<i>Package Group</i>
010-01-00-00000	Tier One and Tier Two Pension Programs	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	021	0	Phase-in	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	022	0	Phase-out Pgm & One-time Costs	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	031	0	Standard Inflation	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	032	0	Above Standard Inflation	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	033	0	Exceptional Inflation	Essential Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	081	0	September 2014 E-Board	Policy Packages
010-01-00-00000	Tier One and Tier Two Pension Programs	090	0	Analyst Adjustments	Policy Packages
010-02-00-00000	Retirement Health Insurance Programs	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	021	0	Phase-in	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	022	0	Phase-out Pgm & One-time Costs	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	031	0	Standard Inflation	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	032	0	Above Standard Inflation	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	033	0	Exceptional Inflation	Essential Packages
010-02-00-00000	Retirement Health Insurance Programs	081	0	September 2014 E-Board	Policy Packages
010-02-00-00000	Retirement Health Insurance Programs	090	0	Analyst Adjustments	Policy Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	021	0	Phase-in	Essential Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	022	0	Phase-out Pgm & One-time Costs	Essential Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	031	0	Standard Inflation	Essential Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	032	0	Above Standard Inflation	Essential Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	033	0	Exceptional Inflation	Essential Packages

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Summary Cross Reference Listing and Packages
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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	081	0	September 2014 E-Board	Policy Packages
010-03-00-00000	Oregon Public Service Retirement Pension Pgm	090	0	Analyst Adjustments	Policy Packages
010-04-00-00000	Individual Account Program (IAP)	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	021	0	Phase-in	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	022	0	Phase-out Pgm & One-time Costs	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	031	0	Standard Inflation	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	032	0	Above Standard Inflation	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	033	0	Exceptional Inflation	Essential Packages
010-04-00-00000	Individual Account Program (IAP)	081	0	September 2014 E-Board	Policy Packages
010-04-00-00000	Individual Account Program (IAP)	090	0	Analyst Adjustments	Policy Packages
100-00-00-00000	Tier One and Tier Two Plan	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	021	0	Phase-in	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	022	0	Phase-out Pgm & One-time Costs	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	031	0	Standard Inflation	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	032	0	Above Standard Inflation	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	033	0	Exceptional Inflation	Essential Packages
100-00-00-00000	Tier One and Tier Two Plan	081	0	September 2014 E-Board	Policy Packages
100-00-00-00000	Tier One and Tier Two Plan	090	0	Analyst Adjustments	Policy Packages
200-00-00-00000	Oregon Public Service Retirement Plan	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
200-00-00-00000	Oregon Public Service Retirement Plan	021	0	Phase-in	Essential Packages
200-00-00-00000	Oregon Public Service Retirement Plan	022	0	Phase-out Pgm & One-time Costs	Essential Packages
200-00-00-00000	Oregon Public Service Retirement Plan	031	0	Standard Inflation	Essential Packages

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Summary Cross Reference Listing and Packages
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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
200-00-00-00000	Oregon Public Service Retirement Plan	032	0	Above Standard Inflation	Essential Packages
200-00-00-00000	Oregon Public Service Retirement Plan	033	0	Exceptional Inflation	Essential Packages
200-00-00-00000	Oregon Public Service Retirement Plan	081	0	September 2014 E-Board	Policy Packages
200-00-00-00000	Oregon Public Service Retirement Plan	090	0	Analyst Adjustments	Policy Packages
300-00-00-00000	Operations	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
300-00-00-00000	Operations	021	0	Phase-in	Essential Packages
300-00-00-00000	Operations	022	0	Phase-out Pgm & One-time Costs	Essential Packages
300-00-00-00000	Operations	031	0	Standard Inflation	Essential Packages
300-00-00-00000	Operations	032	0	Above Standard Inflation	Essential Packages
300-00-00-00000	Operations	033	0	Exceptional Inflation	Essential Packages
300-00-00-00000	Operations	081	0	September 2014 E-Board	Policy Packages
300-00-00-00000	Operations	090	0	Analyst Adjustments	Policy Packages
400-00-00-00000	Debt Service	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
400-00-00-00000	Debt Service	021	0	Phase-in	Essential Packages
400-00-00-00000	Debt Service	022	0	Phase-out Pgm & One-time Costs	Essential Packages
400-00-00-00000	Debt Service	031	0	Standard Inflation	Essential Packages
400-00-00-00000	Debt Service	032	0	Above Standard Inflation	Essential Packages
400-00-00-00000	Debt Service	033	0	Exceptional Inflation	Essential Packages
400-00-00-00000	Debt Service	081	0	September 2014 E-Board	Policy Packages
400-00-00-00000	Debt Service	090	0	Analyst Adjustments	Policy Packages
500-01-00-00000	Central Administration	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-01-00-00000	Central Administration	021	0	Phase-in	Essential Packages

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Public Employees Retirement System, Oregon

Summary Cross Reference Listing and Packages
2015-17 Biennium

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
500-01-00-00000	Central Administration	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-01-00-00000	Central Administration	031	0	Standard Inflation	Essential Packages
500-01-00-00000	Central Administration	032	0	Above Standard Inflation	Essential Packages
500-01-00-00000	Central Administration	033	0	Exceptional Inflation	Essential Packages
500-01-00-00000	Central Administration	060	0	Technical Adjustments	Essential Packages
500-01-00-00000	Central Administration	081	0	September 2014 E-Board	Policy Packages
500-01-00-00000	Central Administration	090	0	Analyst Adjustments	Policy Packages
500-01-00-00000	Central Administration	101	1	Current Service Metrics Staffing Request	Policy Packages
500-01-00-00000	Central Administration	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-01-00-00000	Central Administration	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-01-00-00000	Central Administration	104	4	Technology Maintenance & Enhancements	Policy Packages
500-01-00-00000	Central Administration	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-02-00-00000	Benefit Payments Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-02-00-00000	Benefit Payments Division	021	0	Phase-in	Essential Packages
500-02-00-00000	Benefit Payments Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-02-00-00000	Benefit Payments Division	031	0	Standard Inflation	Essential Packages
500-02-00-00000	Benefit Payments Division	032	0	Above Standard Inflation	Essential Packages
500-02-00-00000	Benefit Payments Division	033	0	Exceptional Inflation	Essential Packages
500-02-00-00000	Benefit Payments Division	060	0	Technical Adjustments	Essential Packages
500-02-00-00000	Benefit Payments Division	081	0	September 2014 E-Board	Policy Packages
500-02-00-00000	Benefit Payments Division	090	0	Analyst Adjustments	Policy Packages
500-02-00-00000	Benefit Payments Division	101	1	Current Service Metrics Staffing Request	Policy Packages

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Summary Cross Reference Listing and Packages
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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
500-02-00-00000	Benefit Payments Division	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-02-00-00000	Benefit Payments Division	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-02-00-00000	Benefit Payments Division	104	4	Technology Maintenance & Enhancements	Policy Packages
500-02-00-00000	Benefit Payments Division	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	021	0	Phase-in	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	031	0	Standard Inflation	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	032	0	Above Standard Inflation	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	033	0	Exceptional Inflation	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	060	0	Technical Adjustments	Essential Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	081	0	September 2014 E-Board	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	090	0	Analyst Adjustments	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	101	1	Current Service Metrics Staffing Request	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	104	4	Technology Maintenance & Enhancements	Policy Packages
500-03-00-00000	Financial & Admin Services Division (FASD)	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-04-00-00000	Information Services Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-04-00-00000	Information Services Division	021	0	Phase-in	Essential Packages
500-04-00-00000	Information Services Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-04-00-00000	Information Services Division	031	0	Standard Inflation	Essential Packages

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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
500-04-00-00000	Information Services Division	032	0	Above Standard Inflation	Essential Packages
500-04-00-00000	Information Services Division	033	0	Exceptional Inflation	Essential Packages
500-04-00-00000	Information Services Division	060	0	Technical Adjustments	Essential Packages
500-04-00-00000	Information Services Division	081	0	September 2014 E-Board	Policy Packages
500-04-00-00000	Information Services Division	090	0	Analyst Adjustments	Policy Packages
500-04-00-00000	Information Services Division	101	1	Current Service Metrics Staffing Request	Policy Packages
500-04-00-00000	Information Services Division	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-04-00-00000	Information Services Division	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-04-00-00000	Information Services Division	104	4	Technology Maintenance & Enhancements	Policy Packages
500-04-00-00000	Information Services Division	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-05-00-00000	Customer Services Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-05-00-00000	Customer Services Division	021	0	Phase-in	Essential Packages
500-05-00-00000	Customer Services Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-05-00-00000	Customer Services Division	031	0	Standard Inflation	Essential Packages
500-05-00-00000	Customer Services Division	032	0	Above Standard Inflation	Essential Packages
500-05-00-00000	Customer Services Division	033	0	Exceptional Inflation	Essential Packages
500-05-00-00000	Customer Services Division	060	0	Technical Adjustments	Essential Packages
500-05-00-00000	Customer Services Division	081	0	September 2014 E-Board	Policy Packages
500-05-00-00000	Customer Services Division	090	0	Analyst Adjustments	Policy Packages
500-05-00-00000	Customer Services Division	101	1	Current Service Metrics Staffing Request	Policy Packages
500-05-00-00000	Customer Services Division	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-05-00-00000	Customer Services Division	103	3	Enhanced Staffing for Data Verification	Policy Packages

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Public Employees Retirement System, Oregon

**Summary Cross Reference Listing and Packages
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
500-05-00-00000	Customer Services Division	104	4	Technology Maintenance & Enhancements	Policy Packages
500-05-00-00000	Customer Services Division	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	021	0	Phase-in	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	031	0	Standard Inflation	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	032	0	Above Standard Inflation	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	033	0	Exceptional Inflation	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	060	0	Technical Adjustments	Essential Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	081	0	September 2014 E-Board	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	090	0	Analyst Adjustments	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	101	1	Current Service Metrics Staffing Request	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	104	4	Technology Maintenance & Enhancements	Policy Packages
500-06-00-00000	Policy Planning Legislative Analysis Division	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	021	0	Phase-in	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	031	0	Standard Inflation	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	032	0	Above Standard Inflation	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	033	0	Exceptional Inflation	Essential Packages

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Public Employees Retirement System, Oregon

Summary Cross Reference Listing and Packages
2015-17 Biennium

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
500-07-00-00000	Policy, Planning & Communications Division	060	0	Technical Adjustments	Essential Packages
500-07-00-00000	Policy, Planning & Communications Division	081	0	September 2014 E-Board	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	090	0	Analyst Adjustments	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	101	1	Current Service Metrics Staffing Request	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	102	2	Fully Integrating IAP into ORION-Ph III	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	103	3	Enhanced Staffing for Data Verification	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	104	4	Technology Maintenance & Enhancements	Policy Packages
500-07-00-00000	Policy, Planning & Communications Division	105	5	Disaster Recovery Infrastructure Upgrade	Policy Packages

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Summary Cross Reference Listing and Packages
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Public Employees Retirement System, Oregon

Policy Package List by Priority
2015-17 Biennium

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Priority	Policy Pkg Number	Policy Pkg Description	Summary Cross Reference Number	Cross Reference Description
0	081	September 2014 E-Board	010-01-00-00000	Tier One and Tier Two Pension Programs
			010-02-00-00000	Retirement Health Insurance Programs
			010-03-00-00000	Oregon Public Service Retirement Pension Pgm
			010-04-00-00000	Individual Account Program (IAP)
			100-00-00-00000	Tier One and Tier Two Plan
			200-00-00-00000	Oregon Public Service Retirement Plan
			300-00-00-00000	Operations
			400-00-00-00000	Debt Service
			500-01-00-00000	Central Administration
			500-02-00-00000	Benefit Payments Division
			500-03-00-00000	Financial & Admin Services Division (FASD)
			500-04-00-00000	Information Services Division
			500-05-00-00000	Customer Services Division
			500-06-00-00000	Policy Planning Legislative Analysis Division
			500-07-00-00000	Policy, Planning & Communications Division
	090	Analyst Adjustments	010-01-00-00000	Tier One and Tier Two Pension Programs
			010-02-00-00000	Retirement Health Insurance Programs
			010-03-00-00000	Oregon Public Service Retirement Pension Pgm
			010-04-00-00000	Individual Account Program (IAP)
			100-00-00-00000	Tier One and Tier Two Plan
200-00-00-00000	Oregon Public Service Retirement Plan			
300-00-00-00000	Operations			
400-00-00-00000	Debt Service			

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Policy Package List by Priority
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Public Employees Retirement System, Oregon

**Policy Package List by Priority
2015-17 Biennium**

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

<i>Priority</i>	<i>Policy Pkg Number</i>	<i>Policy Pkg Description</i>	<i>Summary Cross Reference Number</i>	<i>Cross Reference Description</i>
0	090	Analyst Adjustments	500-01-00-00000	Central Administration
			500-02-00-00000	Benefit Payments Division
			500-03-00-00000	Financial & Admin Services Division (FASD)
			500-04-00-00000	Information Services Division
			500-05-00-00000	Customer Services Division
			500-06-00-00000	Policy Planning Legislative Analysis Division
			500-07-00-00000	Policy, Planning & Communications Division
1	101	Current Service Metrics Staffing Request	500-01-00-00000	Central Administration
			500-02-00-00000	Benefit Payments Division
			500-03-00-00000	Financial & Admin Services Division (FASD)
			500-04-00-00000	Information Services Division
			500-05-00-00000	Customer Services Division
			500-06-00-00000	Policy Planning Legislative Analysis Division
			500-07-00-00000	Policy, Planning & Communications Division
2	102	Fully Integrating IAP into ORION-Ph III	500-01-00-00000	Central Administration
			500-02-00-00000	Benefit Payments Division
			500-03-00-00000	Financial & Admin Services Division (FASD)
			500-04-00-00000	Information Services Division
			500-05-00-00000	Customer Services Division
			500-06-00-00000	Policy Planning Legislative Analysis Division
			500-07-00-00000	Policy, Planning & Communications Division
3	103	Enhanced Staffing for Data Verification	500-01-00-00000	Central Administration
			500-02-00-00000	Benefit Payments Division

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Policy Package List by Priority
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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Policy Package List by Priority
2015-17 Biennium

Agency Number: 45900

BAM Analyst: Carbone, James

Budget Coordinator: Barnett, Linda - (503)603-7570

Priority	Policy Pkg Number	Policy Pkg Description	Summary Cross Reference Number	Cross Reference Description			
3	103	Enhanced Staffing for Data Verification	500-03-00-00000	Financial & Admin Services Division (FASD)			
			500-04-00-00000	Information Services Division			
			500-05-00-00000	Customer Services Division			
			500-06-00-00000	Policy Planning Legislative Analysis Division			
			500-07-00-00000	Policy, Planning & Communications Division			
			4	104	Technology Maintenance & Enhancements	500-01-00-00000	Central Administration
						500-02-00-00000	Benefit Payments Division
500-03-00-00000	Financial & Admin Services Division (FASD)						
500-04-00-00000	Information Services Division						
500-05-00-00000	Customer Services Division						
500-06-00-00000	Policy Planning Legislative Analysis Division						
500-07-00-00000	Policy, Planning & Communications Division						
5	105	Disaster Recovery Infrastructure Upgrade	500-01-00-00000	Central Administration			
			500-02-00-00000	Benefit Payments Division			
			500-03-00-00000	Financial & Admin Services Division (FASD)			
			500-04-00-00000	Information Services Division			
			500-05-00-00000	Customer Services Division			
			500-06-00-00000	Policy Planning Legislative Analysis Division			
			500-07-00-00000	Policy, Planning & Communications Division			

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Policy Package List by Priority
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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-000-00-00-00000

2015-17 Biennium

Public Employees Retirement System, Oregon

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	61,921,642,234	51,596,153,430	51,596,153,430	68,648,502,088	68,648,502,088	-
3400 Other Funds Ltd	1,516,091	2,151,589	2,151,589	2,033,811	2,033,811	-
All Funds	61,923,158,325	51,598,305,019	51,598,305,019	68,650,535,899	68,650,535,899	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(495,308,705)	12,587,362,730	12,587,362,730	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	61,426,333,529	64,183,516,160	64,183,516,160	68,648,502,088	68,648,502,088	-
3400 Other Funds Ltd	1,516,091	2,151,589	2,151,589	2,033,811	2,033,811	-
TOTAL BEGINNING BALANCE	\$61,427,849,620	\$64,185,667,749	\$64,185,667,749	\$68,650,535,899	\$68,650,535,899	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3200 Other Funds Non-Ltd	473,038,811	427,135,600	427,135,600	459,914,882	488,193,674	-
3400 Other Funds Ltd	2,720,211	2,533,500	2,533,500	3,794,821	3,794,821	-
All Funds	475,759,022	429,669,100	429,669,100	463,709,703	491,988,495	-
BOND SALES						
0575 Refunding Bonds						
3200 Other Funds Non-Ltd	2,845,000	-	-	-	-	-
INTEREST EARNINGS						
0605 Interest Income						
3200 Other Funds Non-Ltd	7,841,126,288	13,132,922,000	13,132,922,000	11,217,425,174	14,298,922,810	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-000-00-00-00000

2015-17 Biennium

Public Employees Retirement System, Oregon

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	22,296	26,250	26,250	30,291	30,291	-
All Funds	7,841,148,584	13,132,948,250	13,132,948,250	11,217,455,465	14,298,953,101	-
DONATIONS AND CONTRIBUTIONS						
0915 Retirement System Contribution						
3200 Other Funds Non-Ltd	2,885,006,153	2,410,280,000	2,410,280,000	3,100,316,807	3,532,290,963	-
OTHER						
0975 Other Revenues						
3200 Other Funds Non-Ltd	947,090	961,500	961,500	534,060	493,001	-
3400 Other Funds Ltd	194,245	205,000	205,000	74,000	74,000	-
3430 Other Funds Debt Svc Ltd	24	1,000	1,000	-	-	-
All Funds	1,141,359	1,167,500	1,167,500	608,060	567,001	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3200 Other Funds Non-Ltd	71,678	-	-	-	-	-
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3400 Other Funds Ltd	78,399,309	82,646,201	86,797,837	94,798,338	94,798,338	-
3430 Other Funds Debt Svc Ltd	1,358,227	1,301,850	1,301,850	1,290,750	1,290,750	-
All Funds	82,969,540	83,948,051	88,099,687	96,089,088	96,089,088	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	11,203,035,020	15,971,299,100	15,971,299,100	14,778,190,923	18,319,900,448	-
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3400 Other Funds Ltd	81,336,061	85,410,951	89,562,587	98,697,450	98,697,450	-
3430 Other Funds Debt Svc Ltd	1,358,251	1,302,850	1,302,850	1,290,750	1,290,750	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

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Cross Reference Number: 45900-000-00-00-00000

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Public Employees Retirement System, Oregon

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL REVENUE CATEGORIES	\$11,288,869,658	\$16,058,012,901	\$16,062,164,537	\$14,878,179,123	\$18,419,888,648	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3200 Other Funds Non-Ltd	(75,599,637)	(83,183,107)	(87,334,743)	(95,931,893)	(95,931,893)	-
3400 Other Funds Ltd	(7,298,225)	(764,944)	(764,944)	(157,195)	(157,195)	-
3430 Other Funds Debt Svc Ltd	(71,678)	-	-	-	-	-
All Funds	(82,969,540)	(83,948,051)	(88,099,687)	(96,089,088)	(96,089,088)	-
2121 Tsfr To Governor, Office of the						
3400 Other Funds Ltd	(59,628)	(70,000)	(70,000)	-	-	-
TRANSFERS OUT						
3200 Other Funds Non-Ltd	(75,599,637)	(83,183,107)	(87,334,743)	(95,931,893)	(95,931,893)	-
3400 Other Funds Ltd	(7,357,853)	(834,944)	(834,944)	(157,195)	(157,195)	-
3430 Other Funds Debt Svc Ltd	(71,678)	-	-	-	-	-
TOTAL TRANSFERS OUT	(\$83,029,168)	(\$84,018,051)	(\$88,169,687)	(\$96,089,088)	(\$96,089,088)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	72,553,768,912	80,071,632,153	80,067,480,517	83,330,761,118	86,872,470,643	-
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3400 Other Funds Ltd	75,494,299	86,727,596	90,879,232	100,574,066	100,574,066	-
3430 Other Funds Debt Svc Ltd	1,286,573	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL AVAILABLE REVENUES	\$72,633,690,110	\$80,159,662,599	\$80,159,662,599	\$83,432,625,934	\$86,974,335,459	-

EXPENDITURES

PERSONAL SERVICES

SALARIES & WAGES

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Public Employees Retirement System, Oregon

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	33,283,803	37,692,058	39,603,533	42,378,780	41,900,664	-
3160 Temporary Appointments						
3400 Other Funds Ltd	420,807	304,692	299,485	170,055	170,055	-
3170 Overtime Payments						
3400 Other Funds Ltd	559,810	662,643	634,369	582,505	582,505	-
3180 Shift Differential						
3400 Other Funds Ltd	15,143	2,146	2,146	2,210	2,210	-
3190 All Other Differential						
3400 Other Funds Ltd	589,910	227,210	227,210	234,027	234,027	-
SALARIES & WAGES						
3400 Other Funds Ltd	34,869,473	38,888,749	40,766,743	43,367,577	42,889,461	-
TOTAL SALARIES & WAGES	\$34,869,473	\$38,888,749	\$40,766,743	\$43,367,577	\$42,889,461	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	13,728	14,628	14,760	17,072	16,720	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	5,010,456	5,660,272	5,980,924	6,820,887	6,745,395	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	2,125,122	2,197,599	2,339,316	2,553,914	2,553,914	-
3230 Social Security Taxes						
3400 Other Funds Ltd	2,622,937	2,970,095	3,113,762	3,314,593	3,278,020	-
3240 Unemployment Assessments						

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Public Employees Retirement System, Oregon

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3400 Other Funds Ltd	30,836	40,579	40,579	41,796	41,796	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	17,514	21,574	21,770	26,772	26,220	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	209,771	236,735	237,930	313,850	310,390	-
3270 Flexible Benefits						
3400 Other Funds Ltd	9,844,428	11,164,344	11,435,509	11,844,864	11,600,640	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	19,874,792	22,305,826	23,184,550	24,933,748	24,573,095	-
TOTAL OTHER PAYROLL EXPENSES	\$19,874,792	\$22,305,826	\$23,184,550	\$24,933,748	\$24,573,095	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(355,896)	(355,896)	(262,992)	(928,574)	-
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	2,220,809	2,220,809	-	(3)	-
3470 Undistributed (P.S.)						
3400 Other Funds Ltd	-	(1,087,051)	-	-	-	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	(1,453,518)	(1,453,518)	-	-	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(675,656)	411,395	(262,992)	(928,577)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$675,656)	\$411,395	(\$262,992)	(\$928,577)	-
PERSONAL SERVICES						

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	54,744,265	60,518,919	64,362,688	68,038,333	66,533,979	-
TOTAL PERSONAL SERVICES	\$54,744,265	\$60,518,919	\$64,362,688	\$68,038,333	\$66,533,979	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	220,346	219,485	219,485	226,069	226,069	-
4125 Out of State Travel						
3400 Other Funds Ltd	21	7,894	7,894	8,131	8,131	-
4150 Employee Training						
3400 Other Funds Ltd	427,640	598,229	571,479	630,723	619,814	-
4175 Office Expenses						
3400 Other Funds Ltd	1,783,302	1,892,289	1,802,301	1,907,499	1,665,849	-
4200 Telecommunications						
3400 Other Funds Ltd	448,521	521,439	521,439	582,318	582,318	-
4225 State Gov. Service Charges						
3400 Other Funds Ltd	2,778,063	1,590,412	1,590,412	4,825,360	4,540,416	-
4250 Data Processing						
3400 Other Funds Ltd	2,043,442	4,592,216	3,773,365	4,126,045	4,016,066	-
4275 Publicity and Publications						
3400 Other Funds Ltd	80,410	242,245	242,245	249,513	234,513	-
4300 Professional Services						
3200 Other Funds Non-Ltd	48,356,896	52,661,000	52,661,000	62,165,726	95,101,418	-
3400 Other Funds Ltd	2,628,280	4,148,684	3,814,513	3,175,332	2,765,290	-
All Funds	50,985,176	56,809,684	56,475,513	65,341,058	97,866,708	-

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Public Employees Retirement System, Oregon

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
4315 IT Professional Services						
3400 Other Funds Ltd	3,388,565	2,753,509	3,633,479	6,261,548	6,261,548	-
4325 Attorney General						
3400 Other Funds Ltd	780,322	1,147,060	1,247,160	1,181,472	1,126,090	-
4350 Dispute Resolution Services						
3400 Other Funds Ltd	115,155	82,263	82,263	180,500	180,500	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	18,990	55,143	55,143	60,698	60,698	-
4400 Dues and Subscriptions						
3400 Other Funds Ltd	14,153	36,213	36,213	37,298	37,298	-
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	1,066,167	1,089,796	1,089,796	907,757	907,757	-
4450 Fuels and Utilities						
3400 Other Funds Ltd	251,661	279,126	279,126	287,500	287,500	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	914,107	1,118,139	1,118,139	1,246,200	1,246,200	-
4575 Agency Program Related S and S						
3200 Other Funds Non-Ltd	5,989,381	-	-	4,580,434	4,631,723	-
4625 Other COP Costs						
3400 Other Funds Ltd	323	2,682	2,682	2,682	2,682	-
4650 Other Services and Supplies						
3200 Other Funds Non-Ltd	23,389	-	-	-	-	-
3400 Other Funds Ltd	116,190	224,930	224,930	809,281	809,281	-

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Public Employees Retirement System, Oregon

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All Funds	139,579	224,930	224,930	809,281	809,281	-
4675 Undistributed (S.S.)						
3400 Other Funds Ltd	-	(352,557)	-	-	-	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	51,892	92,781	96,781	110,415	100,397	-
4715 IT Expendable Property						
3400 Other Funds Ltd	419,431	585,144	601,144	682,699	647,199	-
SERVICES & SUPPLIES						
3200 Other Funds Non-Ltd	54,369,666	52,661,000	52,661,000	66,746,160	99,733,141	-
3400 Other Funds Ltd	17,546,981	20,927,122	21,009,989	27,499,040	26,325,616	-
TOTAL SERVICES & SUPPLIES	\$71,916,647	\$73,588,122	\$73,670,989	\$94,245,200	\$126,058,757	-
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	33,501	33,501	34,506	34,506	-
5150 Telecommunications Equipment						
3400 Other Funds Ltd	212,912	68,102	68,102	70,145	70,145	-
5200 Technical Equipment						
3400 Other Funds Ltd	47,720	-	-	-	-	-
5550 Data Processing Software						
3400 Other Funds Ltd	37,604	427,871	560,991	539,496	539,496	-
5600 Data Processing Hardware						
3400 Other Funds Ltd	454,861	753,359	815,859	1,477,660	1,477,660	-
5700 Building Structures						

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Public Employees Retirement System, Oregon

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	686,702	-	-	-	-	-
5950 Undistributed (C.O.)						
3400 Other Funds Ltd	-	(29,380)	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	1,439,799	1,253,453	1,478,453	2,121,807	2,121,807	-
TOTAL CAPITAL OUTLAY	\$1,439,799	\$1,253,453	\$1,478,453	\$2,121,807	\$2,121,807	-
SPECIAL PAYMENTS						
6030 Dist to Non-Gov Units						
3200 Other Funds Non-Ltd	401,603,922	360,700,000	360,700,000	409,003,705	462,993,027	-
6035 Dist to Individuals						
3200 Other Funds Non-Ltd	7,320,723,193	8,864,514,000	8,864,514,000	8,000,364,135	8,991,196,894	-
SPECIAL PAYMENTS						
3200 Other Funds Non-Ltd	7,722,327,115	9,225,214,000	9,225,214,000	8,409,367,840	9,454,189,921	-
TOTAL SPECIAL PAYMENTS	\$7,722,327,115	\$9,225,214,000	\$9,225,214,000	\$8,409,367,840	\$9,454,189,921	-
DEBT SERVICE						
7050 Pmt To Ret Bond Escrow						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
7100 Principal - Bonds						
3430 Other Funds Debt Svc Ltd	535,000	1,110,000	1,110,000	1,200,000	1,200,000	-
7150 Interest - Bonds						
3430 Other Funds Debt Svc Ltd	123,948	192,850	192,850	90,750	90,750	-
7200 Principal - COP						
3430 Other Funds Debt Svc Ltd	520,000	-	-	-	-	-

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
7250 Interest - COP						
3430 Other Funds Debt Svc Ltd	107,625	-	-	-	-	-
DEBT SERVICE						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3430 Other Funds Debt Svc Ltd	1,286,573	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL DEBT SERVICE	\$4,426,899	\$1,302,850	\$1,302,850	\$1,290,750	\$1,290,750	-
EXPENDITURES						
3200 Other Funds Non-Ltd	7,776,696,781	9,277,875,000	9,277,875,000	8,476,114,000	9,553,923,062	-
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3400 Other Funds Ltd	73,731,045	82,699,494	86,851,130	97,659,180	94,981,402	-
3430 Other Funds Debt Svc Ltd	1,286,573	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL EXPENDITURES	\$7,854,854,725	\$9,361,877,344	\$9,366,028,980	\$8,575,063,930	\$9,650,195,214	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	64,777,072,131	70,793,757,153	70,789,605,517	74,854,647,118	77,318,547,581	-
3400 Other Funds Ltd	1,763,254	4,028,102	4,028,102	2,914,886	5,592,664	-
TOTAL ENDING BALANCE	\$64,778,835,385	\$70,797,785,255	\$70,793,633,619	\$74,857,562,004	\$77,324,140,245	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	369	367	367	388	380	-
8180 Position Reconciliation	-	2	2	-	-	-
TOTAL AUTHORIZED POSITIONS	369	369	369	388	380	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	363.99	365.23	365.23	386.32	380.00	-
8280 FTE Reconciliation	-	2.00	2.00	-	-	-

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Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL AUTHORIZED FTE	363.99	367.23	367.23	386.32	380.00	-

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Non-Limited Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	61,921,642,234	51,596,153,430	51,596,153,430	68,648,502,088	68,648,502,088	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(495,308,705)	12,587,362,730	12,587,362,730	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	61,426,333,529	64,183,516,160	64,183,516,160	68,648,502,088	68,648,502,088	-
TOTAL BEGINNING BALANCE	\$61,426,333,529	\$64,183,516,160	\$64,183,516,160	\$68,648,502,088	\$68,648,502,088	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3200 Other Funds Non-Ltd	473,038,811	427,135,600	427,135,600	459,914,882	488,193,674	-
BOND SALES						
0575 Refunding Bonds						
3200 Other Funds Non-Ltd	2,845,000	-	-	-	-	-
INTEREST EARNINGS						
0605 Interest Income						
3200 Other Funds Non-Ltd	7,841,126,288	13,132,922,000	13,132,922,000	11,217,425,174	14,298,922,810	-
DONATIONS AND CONTRIBUTIONS						
0915 Retirement System Contribution						
3200 Other Funds Non-Ltd	2,885,006,153	2,410,280,000	2,410,280,000	3,100,316,807	3,532,290,963	-
OTHER						
0975 Other Revenues						

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Non-Limited Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3200 Other Funds Non-Ltd	947,090	961,500	961,500	534,060	493,001	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3200 Other Funds Non-Ltd	71,678	-	-	-	-	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	11,203,035,020	15,971,299,100	15,971,299,100	14,778,190,923	18,319,900,448	-
TOTAL REVENUE CATEGORIES	\$11,203,035,020	\$15,971,299,100	\$15,971,299,100	\$14,778,190,923	\$18,319,900,448	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3200 Other Funds Non-Ltd	(75,599,637)	(83,183,107)	(87,334,743)	(95,931,893)	(95,931,893)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	72,553,768,912	80,071,632,153	80,067,480,517	83,330,761,118	86,872,470,643	-
TOTAL AVAILABLE REVENUES	\$72,553,768,912	\$80,071,632,153	\$80,067,480,517	\$83,330,761,118	\$86,872,470,643	-
EXPENDITURES						
SERVICES & SUPPLIES						
4300 Professional Services						
3200 Other Funds Non-Ltd	48,356,896	52,661,000	52,661,000	62,165,726	95,101,418	-
4575 Agency Program Related S and S						
3200 Other Funds Non-Ltd	5,989,381	-	-	4,580,434	4,631,723	-
4650 Other Services and Supplies						
3200 Other Funds Non-Ltd	23,389	-	-	-	-	-
SERVICES & SUPPLIES						
3200 Other Funds Non-Ltd	54,369,666	52,661,000	52,661,000	66,746,160	99,733,141	-

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Cross Reference Number: 45900-010-00-00-00000

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Non-Limited Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL SERVICES & SUPPLIES	\$54,369,666	\$52,661,000	\$52,661,000	\$66,746,160	\$99,733,141	-
SPECIAL PAYMENTS						
6030 Dist to Non-Gov Units						
3200 Other Funds Non-Ltd	401,603,922	360,700,000	360,700,000	409,003,705	462,993,027	-
6035 Dist to Individuals						
3200 Other Funds Non-Ltd	7,320,723,193	8,864,514,000	8,864,514,000	8,000,364,135	8,991,196,894	-
SPECIAL PAYMENTS						
3200 Other Funds Non-Ltd	7,722,327,115	9,225,214,000	9,225,214,000	8,409,367,840	9,454,189,921	-
TOTAL SPECIAL PAYMENTS	\$7,722,327,115	\$9,225,214,000	\$9,225,214,000	\$8,409,367,840	\$9,454,189,921	-
EXPENDITURES						
3200 Other Funds Non-Ltd	7,776,696,781	9,277,875,000	9,277,875,000	8,476,114,000	9,553,923,062	-
TOTAL EXPENDITURES	\$7,776,696,781	\$9,277,875,000	\$9,277,875,000	\$8,476,114,000	\$9,553,923,062	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	64,777,072,131	70,793,757,153	70,789,605,517	74,854,647,118	77,318,547,581	-
TOTAL ENDING BALANCE	\$64,777,072,131	\$70,793,757,153	\$70,789,605,517	\$74,854,647,118	\$77,318,547,581	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-010-01-00-00000

2015-17 Biennium

Tier One and Tier Two Pension Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	56,644,801,751	45,658,231,713	45,658,231,713	59,505,006,564	59,505,006,564	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(420,526,511)	11,594,629,729	11,594,629,729	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	56,224,275,240	57,252,861,442	57,252,861,442	59,505,006,564	59,505,006,564	-
TOTAL BEGINNING BALANCE	\$56,224,275,240	\$57,252,861,442	\$57,252,861,442	\$59,505,006,564	\$59,505,006,564	-

REVENUE CATEGORIES

CHARGES FOR SERVICES

0410 Charges for Services

3200 Other Funds Non-Ltd	18,655	93,000	93,000	28,223	23,485	-
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BOND SALES

0575 Refunding Bonds

3200 Other Funds Non-Ltd	2,845,000	-	-	-	-	-
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INTEREST EARNINGS

0605 Interest Income

3200 Other Funds Non-Ltd	6,941,073,174	10,702,000,000	10,702,000,000	9,766,208,070	11,977,047,107	-
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DONATIONS AND CONTRIBUTIONS

0915 Retirement System Contribution

3200 Other Funds Non-Ltd	1,341,044,773	715,900,000	715,900,000	1,445,101,972	1,723,725,616	-
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OTHER

0975 Other Revenues

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Public Employees Retirement System, Oregon

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Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-010-01-00-00000

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Tier One and Tier Two Pension Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3200 Other Funds Non-Ltd	-	961,500	961,500	-	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3200 Other Funds Non-Ltd	71,678	-	-	-	-	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	8,285,053,280	11,418,954,500	11,418,954,500	11,211,338,265	13,700,796,208	-
TOTAL REVENUE CATEGORIES	\$8,285,053,280	\$11,418,954,500	\$11,418,954,500	\$11,211,338,265	\$13,700,796,208	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3200 Other Funds Non-Ltd	(52,123,106)	(52,796,994)	(55,402,949)	(68,272,516)	(68,272,516)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	64,457,205,414	68,619,018,948	68,616,412,993	70,648,072,313	73,137,530,256	-
TOTAL AVAILABLE REVENUES	\$64,457,205,414	\$68,619,018,948	\$68,616,412,993	\$70,648,072,313	\$73,137,530,256	-
EXPENDITURES						
SERVICES & SUPPLIES						
4300 Professional Services						
3200 Other Funds Non-Ltd	100,000	-	-	-	-	-
4575 Agency Program Related S and S						
3200 Other Funds Non-Ltd	1,563,295	-	-	-	-	-
4650 Other Services and Supplies						
3200 Other Funds Non-Ltd	23,389	-	-	-	-	-
SERVICES & SUPPLIES						
3200 Other Funds Non-Ltd	1,686,684	-	-	-	-	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

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Tier One and Tier Two Pension Programs

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
TOTAL SERVICES & SUPPLIES	\$1,686,684	-	-	-	-	-
SPECIAL PAYMENTS						
6035 Dist to Individuals						
3200 Other Funds Non-Ltd	6,852,914,884	8,132,200,000	8,132,200,000	7,339,085,328	8,095,560,862	-
EXPENDITURES						
3200 Other Funds Non-Ltd	6,854,601,568	8,132,200,000	8,132,200,000	7,339,085,328	8,095,560,862	-
TOTAL EXPENDITURES	\$6,854,601,568	\$8,132,200,000	\$8,132,200,000	\$7,339,085,328	\$8,095,560,862	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	57,602,603,846	60,486,818,948	60,484,212,993	63,308,986,985	65,041,969,394	-
TOTAL ENDING BALANCE	\$57,602,603,846	\$60,486,818,948	\$60,484,212,993	\$63,308,986,985	\$65,041,969,394	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-010-02-00-00000

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Retirement Health Insurance Programs

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	346,389,051	259,729,162	259,729,162	486,783,192	486,783,192	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(87,532,032)	131,773,810	131,773,810	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	258,857,019	391,502,972	391,502,972	486,783,192	486,783,192	-
TOTAL BEGINNING BALANCE	\$258,857,019	\$391,502,972	\$391,502,972	\$486,783,192	\$486,783,192	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3200 Other Funds Non-Ltd	472,970,171	427,000,000	427,000,000	459,818,290	488,083,261	-
INTEREST EARNINGS						
0605 Interest Income						
3200 Other Funds Non-Ltd	37,638,731	43,322,000	43,322,000	65,039,088	66,496,968	-
DONATIONS AND CONTRIBUTIONS						
0915 Retirement System Contribution						
3200 Other Funds Non-Ltd	99,249,060	111,380,000	111,380,000	111,878,340	116,039,616	-
OTHER						
0975 Other Revenues						
3200 Other Funds Non-Ltd	838	-	-	-	-	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	609,858,800	581,702,000	581,702,000	636,735,718	670,619,845	-

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BUDGET NARRATIVE

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Retirement Health Insurance Programs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL REVENUE CATEGORIES	\$609,858,800	\$581,702,000	\$581,702,000	\$636,735,718	\$670,619,845	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3200 Other Funds Non-Ltd	(1,657,074)	(1,882,075)	(1,929,792)	(1,868,203)	(1,868,203)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	867,058,745	971,322,897	971,275,180	1,121,650,707	1,155,534,834	-
TOTAL AVAILABLE REVENUES	\$867,058,745	\$971,322,897	\$971,275,180	\$1,121,650,707	\$1,155,534,834	-
EXPENDITURES						
SERVICES & SUPPLIES						
4300 Professional Services						
3200 Other Funds Non-Ltd	48,256,896	47,961,000	47,961,000	62,165,726	95,101,418	-
SPECIAL PAYMENTS						
6030 Dist to Non-Gov Units						
3200 Other Funds Non-Ltd	401,603,922	360,700,000	360,700,000	409,003,705	462,993,027	-
EXPENDITURES						
3200 Other Funds Non-Ltd	449,860,818	408,661,000	408,661,000	471,169,431	558,094,445	-
TOTAL EXPENDITURES	\$449,860,818	\$408,661,000	\$408,661,000	\$471,169,431	\$558,094,445	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	417,197,927	562,661,897	562,614,180	650,481,276	597,440,389	-
TOTAL ENDING BALANCE	\$417,197,927	\$562,661,897	\$562,614,180	\$650,481,276	\$597,440,389	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-010-03-00-00000

2015-17 Biennium

Oregon Public Service Retirement Pension Pgm

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	806,956,073	999,344,954	999,344,954	1,913,881,683	1,913,881,683	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	10,286,292	132,970,835	132,970,835	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	817,242,365	1,132,315,789	1,132,315,789	1,913,881,683	1,913,881,683	-
TOTAL BEGINNING BALANCE	\$817,242,365	\$1,132,315,789	\$1,132,315,789	\$1,913,881,683	\$1,913,881,683	-
REVENUE CATEGORIES						
INTEREST EARNINGS						
0605 Interest Income						
3200 Other Funds Non-Ltd	174,664,963	485,600,000	485,600,000	287,052,104	479,456,512	-
DONATIONS AND CONTRIBUTIONS						
0915 Retirement System Contribution						
3200 Other Funds Non-Ltd	412,223,343	547,000,000	547,000,000	495,478,554	654,812,135	-
OTHER						
0975 Other Revenues						
3200 Other Funds Non-Ltd	839,643	-	-	534,060	493,001	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	587,727,949	1,032,600,000	1,032,600,000	783,064,718	1,134,761,648	-
TOTAL REVENUE CATEGORIES	\$587,727,949	\$1,032,600,000	\$1,032,600,000	\$783,064,718	\$1,134,761,648	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

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Oregon Public Service Retirement Pension Pgm

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3200 Other Funds Non-Ltd	(10,956,781)	(13,145,632)	(13,559,981)	(11,441,796)	(11,441,796)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	1,394,013,533	2,151,770,157	2,151,355,808	2,685,504,605	3,037,201,535	-
TOTAL AVAILABLE REVENUES	\$1,394,013,533	\$2,151,770,157	\$2,151,355,808	\$2,685,504,605	\$3,037,201,535	-
EXPENDITURES						
SPECIAL PAYMENTS						
6035 Dist to Individuals						
3200 Other Funds Non-Ltd	11,141,211	15,814,000	15,814,000	16,844,601	26,778,864	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	1,382,872,322	2,135,956,157	2,135,541,808	2,668,660,004	3,010,422,671	-
TOTAL ENDING BALANCE	\$1,382,872,322	\$2,135,956,157	\$2,135,541,808	\$2,668,660,004	\$3,010,422,671	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

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2015-17 Biennium

Individual Account Program (IAP)

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	4,123,495,359	4,678,847,601	4,678,847,601	6,742,830,649	6,742,830,649	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	2,463,546	727,988,356	727,988,356	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	4,125,958,905	5,406,835,957	5,406,835,957	6,742,830,649	6,742,830,649	-
TOTAL BEGINNING BALANCE	\$4,125,958,905	\$5,406,835,957	\$5,406,835,957	\$6,742,830,649	\$6,742,830,649	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3200 Other Funds Non-Ltd	49,985	42,600	42,600	68,369	86,928	-
INTEREST EARNINGS						
0605 Interest Income						
3200 Other Funds Non-Ltd	687,749,420	1,902,000,000	1,902,000,000	1,099,125,912	1,775,922,223	-
DONATIONS AND CONTRIBUTIONS						
0915 Retirement System Contribution						
3200 Other Funds Non-Ltd	1,032,488,977	1,036,000,000	1,036,000,000	1,047,857,941	1,037,713,596	-
OTHER						
0975 Other Revenues						
3200 Other Funds Non-Ltd	106,609	-	-	-	-	-
REVENUE CATEGORIES						
3200 Other Funds Non-Ltd	1,720,394,991	2,938,042,600	2,938,042,600	2,147,052,222	2,813,722,747	-

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Public Employees Retirement System, Oregon

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Individual Account Program (IAP)

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL REVENUE CATEGORIES	\$1,720,394,991	\$2,938,042,600	\$2,938,042,600	\$2,147,052,222	\$2,813,722,747	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3200 Other Funds Non-Ltd	(10,862,676)	(15,358,406)	(16,442,021)	(14,349,378)	(14,349,378)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	5,835,491,220	8,329,520,151	8,328,436,536	8,875,533,493	9,542,204,018	-
TOTAL AVAILABLE REVENUES	\$5,835,491,220	\$8,329,520,151	\$8,328,436,536	\$8,875,533,493	\$9,542,204,018	-
EXPENDITURES						
SERVICES & SUPPLIES						
4300 Professional Services						
3200 Other Funds Non-Ltd	-	4,700,000	4,700,000	-	-	-
4575 Agency Program Related S and S						
3200 Other Funds Non-Ltd	4,426,086	-	-	4,580,434	4,631,723	-
SERVICES & SUPPLIES						
3200 Other Funds Non-Ltd	4,426,086	4,700,000	4,700,000	4,580,434	4,631,723	-
TOTAL SERVICES & SUPPLIES	\$4,426,086	\$4,700,000	\$4,700,000	\$4,580,434	\$4,631,723	-
SPECIAL PAYMENTS						
6035 Dist to Individuals						
3200 Other Funds Non-Ltd	456,667,098	716,500,000	716,500,000	644,434,206	868,857,168	-
EXPENDITURES						
3200 Other Funds Non-Ltd	461,093,184	721,200,000	721,200,000	649,014,640	873,488,891	-
TOTAL EXPENDITURES	\$461,093,184	\$721,200,000	\$721,200,000	\$649,014,640	\$873,488,891	-

ENDING BALANCE

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Individual Account Program (IAP)

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3200 Other Funds Non-Ltd	5,374,398,036	7,608,320,151	7,607,236,536	8,226,518,853	8,668,715,127	-
TOTAL ENDING BALANCE	\$5,374,398,036	\$7,608,320,151	\$7,607,236,536	\$8,226,518,853	\$8,668,715,127	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-300-00-00-00000

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Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	46	46	-	-	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	(46)	-	-	-
BEGINNING BALANCE						
3400 Other Funds Ltd	-	46	-	-	-	-
TOTAL BEGINNING BALANCE	-	\$46	-	-	-	-
REVENUE CATEGORIES						
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	-	1,214,881	-	-	-	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	-	1,214,927	-	-	-	-
TOTAL AVAILABLE REVENUES	-	\$1,214,927	-	-	-	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	-	749,808	-	-	-	-
3160 Temporary Appointments						
3400 Other Funds Ltd	-	1,254	-	-	-	-
3170 Overtime Payments						
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Operations

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3400 Other Funds Ltd	-	2,304	-	-	-	-
3190 All Other Differential						
3400 Other Funds Ltd	-	3,072	-	-	-	-
SALARIES & WAGES						
3400 Other Funds Ltd	-	756,438	-	-	-	-
TOTAL SALARIES & WAGES	-	\$756,438	-	-	-	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	-	240	-	-	-	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	-	110,786	-	-	-	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	-	46,641	-	-	-	-
3230 Social Security Taxes						
3400 Other Funds Ltd	-	57,868	-	-	-	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	-	354	-	-	-	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	-	4,539	-	-	-	-
3270 Flexible Benefits						
3400 Other Funds Ltd	-	183,168	-	-	-	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	-	403,596	-	-	-	-

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Public Employees Retirement System, Oregon

Agency Number: 45900

Budget Support - Detail Revenues and Expenditures

Cross Reference Number: 45900-300-00-00-00000

2015-17 Biennium

Operations

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
TOTAL OTHER PAYROLL EXPENSES	-	\$403,596	-	-	-	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(7,679)	-	-	-	-
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	33,228	-	-	-	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	(28,323)	-	-	-	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(2,774)	-	-	-	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$2,774)	-	-	-	-
PERSONAL SERVICES						
3400 Other Funds Ltd	-	1,157,260	-	-	-	-
TOTAL PERSONAL SERVICES	-	\$1,157,260	-	-	-	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	-	394	-	-	-	-
4150 Employee Training						
3400 Other Funds Ltd	-	10,752	-	-	-	-
4175 Office Expenses						
3400 Other Funds Ltd	-	3,405	-	-	-	-
4300 Professional Services						
3400 Other Funds Ltd	-	4,323	-	-	-	-

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BUDGET NARRATIVE

Public Employees Retirement System, Oregon

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Budget Support - Detail Revenues and Expenditures

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Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4400 Dues and Subscriptions						
3400 Other Funds Ltd	-	819		-	-	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	-	1,864		-	-	-
4715 IT Expendable Property						
3400 Other Funds Ltd	-	2,803		-	-	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	-	24,360		-	-	-
TOTAL SERVICES & SUPPLIES	-	\$24,360		-	-	-
EXPENDITURES						
3400 Other Funds Ltd	-	1,181,620		-	-	-
TOTAL EXPENDITURES	-	\$1,181,620		-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	-	33,307		-	-	-
TOTAL ENDING BALANCE	-	\$33,307		-	-	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	-	6		-	-	-
TOTAL AUTHORIZED POSITIONS	-	6		-	-	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	-	6.00		-	-	-
TOTAL AUTHORIZED FTE	-	6.00		-	-	-

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Public Employees Retirement System, Oregon

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Budget Support - Detail Revenues and Expenditures

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Debt Service

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
REVENUE CATEGORIES						
OTHER						
0975 Other Revenues						
3430 Other Funds Debt Svc Ltd	24	1,000	1,000	-	-	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3430 Other Funds Debt Svc Ltd	1,358,227	1,301,850	1,301,850	1,290,750	1,290,750	-
All Funds	4,498,553	1,301,850	1,301,850	1,290,750	1,290,750	-
REVENUE CATEGORIES						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3430 Other Funds Debt Svc Ltd	1,358,251	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL REVENUE CATEGORIES	\$4,498,577	\$1,302,850	\$1,302,850	\$1,290,750	\$1,290,750	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3430 Other Funds Debt Svc Ltd	(71,678)	-	-	-	-	-
AVAILABLE REVENUES						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3430 Other Funds Debt Svc Ltd	1,286,573	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL AVAILABLE REVENUES	\$4,426,899	\$1,302,850	\$1,302,850	\$1,290,750	\$1,290,750	-

EXPENDITURES

DEBT SERVICE

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Debt Service

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
7100 Principal - Bonds						
3430 Other Funds Debt Svc Ltd	535,000	1,110,000	1,110,000	1,200,000	1,200,000	-
7150 Interest - Bonds						
3430 Other Funds Debt Svc Ltd	123,948	192,850	192,850	90,750	90,750	-
7200 Principal - COP						
3430 Other Funds Debt Svc Ltd	520,000	-	-	-	-	-
7250 Interest - COP						
3430 Other Funds Debt Svc Ltd	107,625	-	-	-	-	-
DEBT SERVICE						
3230 Other Funds Debt Svc Non-Ltd	3,140,326	-	-	-	-	-
3430 Other Funds Debt Svc Ltd	1,286,573	1,302,850	1,302,850	1,290,750	1,290,750	-
TOTAL DEBT SERVICE	\$4,426,899	\$1,302,850	\$1,302,850	\$1,290,750	\$1,290,750	-

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Limited - Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	1,516,091	2,151,543	2,151,543	2,033,811	2,033,811	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	46	-	-	-
BEGINNING BALANCE						
3400 Other Funds Ltd	1,516,091	2,151,543	2,151,589	2,033,811	2,033,811	-
TOTAL BEGINNING BALANCE	\$1,516,091	\$2,151,543	\$2,151,589	\$2,033,811	\$2,033,811	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	2,720,211	2,533,500	2,533,500	3,794,821	3,794,821	-
INTEREST EARNINGS						
0605 Interest Income						
3400 Other Funds Ltd	22,296	26,250	26,250	30,291	30,291	-
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	194,245	205,000	205,000	74,000	74,000	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	78,399,309	81,431,320	86,797,837	94,798,338	94,798,338	-
REVENUE CATEGORIES						
3400 Other Funds Ltd	81,336,061	84,196,070	89,562,587	98,697,450	98,697,450	-

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Budget Support - Detail Revenues and Expenditures

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Limited - Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL REVENUE CATEGORIES	\$81,336,061	\$84,196,070	\$89,562,587	\$98,697,450	\$98,697,450	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	(7,298,225)	(764,944)	(764,944)	(157,195)	(157,195)	-
2121 Tsfr To Governor, Office of the						
3400 Other Funds Ltd	(59,628)	(70,000)	(70,000)	-	-	-
TRANSFERS OUT						
3400 Other Funds Ltd	(7,357,853)	(834,944)	(834,944)	(157,195)	(157,195)	-
TOTAL TRANSFERS OUT	(\$7,357,853)	(\$834,944)	(\$834,944)	(\$157,195)	(\$157,195)	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	75,494,299	85,512,669	90,879,232	100,574,066	100,574,066	-
TOTAL AVAILABLE REVENUES	\$75,494,299	\$85,512,669	\$90,879,232	\$100,574,066	\$100,574,066	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	33,283,803	36,942,250	39,603,533	42,378,780	41,900,664	-
3160 Temporary Appointments						
3400 Other Funds Ltd	420,807	303,438	299,485	170,055	170,055	-
3170 Overtime Payments						
3400 Other Funds Ltd	559,810	660,339	634,369	582,505	582,505	-
3180 Shift Differential						
3400 Other Funds Ltd	15,143	2,146	2,146	2,210	2,210	-
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Limited - Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3190 All Other Differential						
3400 Other Funds Ltd	589,910	224,138	227,210	234,027	234,027	-
SALARIES & WAGES						
3400 Other Funds Ltd	34,869,473	38,132,311	40,766,743	43,367,577	42,889,461	-
TOTAL SALARIES & WAGES	\$34,869,473	\$38,132,311	\$40,766,743	\$43,367,577	\$42,889,461	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	13,728	14,388	14,760	17,072	16,720	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	5,010,456	5,549,486	5,980,924	6,820,887	6,745,395	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	2,125,122	2,150,958	2,339,316	2,553,914	2,553,914	-
3230 Social Security Taxes						
3400 Other Funds Ltd	2,622,937	2,912,227	3,113,762	3,314,593	3,278,020	-
3240 Unemployment Assessments						
3400 Other Funds Ltd	30,836	40,579	40,579	41,796	41,796	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	17,514	21,220	21,770	26,772	26,220	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	209,771	232,196	237,930	313,850	310,390	-
3270 Flexible Benefits						
3400 Other Funds Ltd	9,844,428	10,981,176	11,435,509	11,844,864	11,600,640	-
OTHER PAYROLL EXPENSES						

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Limited - Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	19,874,792	21,902,230	23,184,550	24,933,748	24,573,095	-
TOTAL OTHER PAYROLL EXPENSES	\$19,874,792	\$21,902,230	\$23,184,550	\$24,933,748	\$24,573,095	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(348,217)	(355,896)	(262,992)	(928,574)	-
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	2,187,581	2,220,809	-	(3)	-
3470 Undistributed (P.S.)						
3400 Other Funds Ltd	-	(1,087,051)	-	-	-	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	(1,425,195)	(1,453,518)	-	-	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(672,882)	411,395	(262,992)	(928,577)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$672,882)	\$411,395	(\$262,992)	(\$928,577)	-
PERSONAL SERVICES						
3400 Other Funds Ltd	54,744,265	59,361,659	64,362,688	68,038,333	66,533,979	-
TOTAL PERSONAL SERVICES	\$54,744,265	\$59,361,659	\$64,362,688	\$68,038,333	\$66,533,979	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	220,346	219,091	219,485	226,069	226,069	-
4125 Out of State Travel						
3400 Other Funds Ltd	21	7,894	7,894	8,131	8,131	-
4150 Employee Training						

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Limited - Operations

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3400 Other Funds Ltd	427,640	587,477	571,479	630,723	619,814	-
4175 Office Expenses						
3400 Other Funds Ltd	1,783,302	1,888,884	1,802,301	1,907,499	1,665,849	-
4200 Telecommunications						
3400 Other Funds Ltd	448,521	521,439	521,439	582,318	582,318	-
4225 State Gov. Service Charges						
3400 Other Funds Ltd	2,778,063	1,590,412	1,590,412	4,825,360	4,540,416	-
4250 Data Processing						
3400 Other Funds Ltd	2,043,442	4,592,216	3,773,365	4,126,045	4,016,066	-
4275 Publicity and Publications						
3400 Other Funds Ltd	80,410	242,245	242,245	249,513	234,513	-
4300 Professional Services						
3400 Other Funds Ltd	2,628,280	4,144,361	3,814,513	3,175,332	2,765,290	-
4315 IT Professional Services						
3400 Other Funds Ltd	3,388,565	2,753,509	3,633,479	6,261,548	6,261,548	-
4325 Attorney General						
3400 Other Funds Ltd	780,322	1,147,060	1,247,160	1,181,472	1,126,090	-
4350 Dispute Resolution Services						
3400 Other Funds Ltd	115,155	82,263	82,263	180,500	180,500	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	18,990	55,143	55,143	60,698	60,698	-
4400 Dues and Subscriptions						
3400 Other Funds Ltd	14,153	35,394	36,213	37,298	37,298	-

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Limited - Operations

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	1,066,167	1,089,796	1,089,796	907,757	907,757	-
4450 Fuels and Utilities						
3400 Other Funds Ltd	251,661	279,126	279,126	287,500	287,500	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	914,107	1,118,139	1,118,139	1,246,200	1,246,200	-
4625 Other COP Costs						
3400 Other Funds Ltd	323	2,682	2,682	2,682	2,682	-
4650 Other Services and Supplies						
3400 Other Funds Ltd	116,190	224,930	224,930	809,281	809,281	-
4675 Undistributed (S.S.)						
3400 Other Funds Ltd	-	(352,557)	-	-	-	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	51,892	90,917	96,781	110,415	100,397	-
4715 IT Expendable Property						
3400 Other Funds Ltd	419,431	582,341	601,144	682,699	647,199	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	17,546,981	20,902,762	21,009,989	27,499,040	26,325,616	-
TOTAL SERVICES & SUPPLIES	\$17,546,981	\$20,902,762	\$21,009,989	\$27,499,040	\$26,325,616	-
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	33,501	33,501	34,506	34,506	-
5150 Telecommunications Equipment						

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Limited - Operations

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3400 Other Funds Ltd	212,912	68,102	68,102	70,145	70,145	-
5200 Technical Equipment						
3400 Other Funds Ltd	47,720	-	-	-	-	-
5550 Data Processing Software						
3400 Other Funds Ltd	37,604	427,871	560,991	539,496	539,496	-
5600 Data Processing Hardware						
3400 Other Funds Ltd	454,861	753,359	815,859	1,477,660	1,477,660	-
5700 Building Structures						
3400 Other Funds Ltd	686,702	-	-	-	-	-
5950 Undistributed (C.O.)						
3400 Other Funds Ltd	-	(29,380)	-	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	1,439,799	1,253,453	1,478,453	2,121,807	2,121,807	-
TOTAL CAPITAL OUTLAY	\$1,439,799	\$1,253,453	\$1,478,453	\$2,121,807	\$2,121,807	-
EXPENDITURES						
3400 Other Funds Ltd	73,731,045	81,517,874	86,851,130	97,659,180	94,981,402	-
TOTAL EXPENDITURES	\$73,731,045	\$81,517,874	\$86,851,130	\$97,659,180	\$94,981,402	-
ENDING BALANCE						
3400 Other Funds Ltd	1,763,254	3,994,795	4,028,102	2,914,886	5,592,664	-
TOTAL ENDING BALANCE	\$1,763,254	\$3,994,795	\$4,028,102	\$2,914,886	\$5,592,664	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	369	361	367	388	380	-
8180 Position Reconciliation	-	2	2	-	-	-

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Limited - Operations

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
TOTAL AUTHORIZED POSITIONS	369	363	369	388	380	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	363.99	359.23	365.23	386.32	380.00	-
8280 FTE Reconciliation	-	2.00	2.00	-	-	-
TOTAL AUTHORIZED FTE	363.99	361.23	367.23	386.32	380.00	-

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	117,831	201,438	201,438	276,877	276,877	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	-	-	(19)	-	-	-
BEGINNING BALANCE						
3400 Other Funds Ltd	117,831	201,438	201,419	276,877	276,877	-
TOTAL BEGINNING BALANCE	\$117,831	\$201,438	\$201,419	\$276,877	\$276,877	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	458,179	312,000	312,000	398,000	398,000	-
INTEREST EARNINGS						
0605 Interest Income						
3400 Other Funds Ltd	2,433	2,000	2,000	3,000	3,000	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	2,070,970	4,870,863	3,255,187	3,432,312	3,432,312	-
REVENUE CATEGORIES						
3400 Other Funds Ltd	2,531,582	5,184,863	3,569,187	3,833,312	3,833,312	-
TOTAL REVENUE CATEGORIES	\$2,531,582	\$5,184,863	\$3,569,187	\$3,833,312	\$3,833,312	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						

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Budget Support - Detail Revenues and Expenditures

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	(135,600)	(135,600)	(157,195)	(157,195)	-
2121 Tsfr To Governor, Office of the						
3400 Other Funds Ltd	(59,628)	(70,000)	(70,000)	-	-	-
TRANSFERS OUT						
3400 Other Funds Ltd	(59,628)	(205,600)	(205,600)	(157,195)	(157,195)	-
TOTAL TRANSFERS OUT	(\$59,628)	(\$205,600)	(\$205,600)	(\$157,195)	(\$157,195)	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	2,589,785	5,180,701	3,565,006	3,952,994	3,952,994	-
TOTAL AVAILABLE REVENUES	\$2,589,785	\$5,180,701	\$3,565,006	\$3,952,994	\$3,952,994	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	1,410,194	2,431,734	1,624,598	1,726,392	1,726,392	-
3160 Temporary Appointments						
3400 Other Funds Ltd	-	2,330	851	876	876	-
3170 Overtime Payments						
3400 Other Funds Ltd	242	384	365	376	376	-
3190 All Other Differential						
3400 Other Funds Ltd	58,579	49,239	47,601	49,029	49,029	-
SALARIES & WAGES						
3400 Other Funds Ltd	1,469,015	2,483,687	1,673,415	1,776,673	1,776,673	-
TOTAL SALARIES & WAGES	\$1,469,015	\$2,483,687	\$1,673,415	\$1,776,673	\$1,776,673	-

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	200	685	405	440	440	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	223,802	364,017	245,926	280,400	280,400	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	92,307	153,327	99,391	109,250	109,250	-
3230 Social Security Taxes						
3400 Other Funds Ltd	104,769	185,653	123,667	132,870	132,870	-
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	2,048	316	-	-	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	441	1,010	597	690	690	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	8,838	15,493	10,395	12,781	12,781	-
3270 Flexible Benefits						
3400 Other Funds Ltd	257,271	522,792	313,696	305,280	305,280	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	687,628	1,245,025	794,393	841,711	841,711	-
TOTAL OTHER PAYROLL EXPENSES	\$687,628	\$1,245,025	\$794,393	\$841,711	\$841,711	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
3400 Other Funds Ltd	-	(24,925)	(14,886)	(11,176)	(37,134)	-

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3465 Reconciliation Adjustment						
3400 Other Funds Ltd	-	165,769	122,506	-	-	-
3470 Undistributed (P.S.)						
3400 Other Funds Ltd	-	(65,824)	-	-	-	-
3991 PERS Policy Adjustment						
3400 Other Funds Ltd	-	(96,808)	(59,930)	-	-	-
P.S. BUDGET ADJUSTMENTS						
3400 Other Funds Ltd	-	(21,788)	47,690	(11,176)	(37,134)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	(\$21,788)	\$47,690	(\$11,176)	(\$37,134)	-
PERSONAL SERVICES						
3400 Other Funds Ltd	2,156,643	3,706,924	2,515,498	2,607,208	2,581,250	-
TOTAL PERSONAL SERVICES	\$2,156,643	\$3,706,924	\$2,515,498	\$2,607,208	\$2,581,250	-
SERVICES & SUPPLIES						
4100 Instate Travel						
3400 Other Funds Ltd	12,688	13,343	12,892	13,278	13,278	-
4125 Out of State Travel						
3400 Other Funds Ltd	10	2,497	2,497	2,572	2,572	-
4150 Employee Training						
3400 Other Funds Ltd	64,518	95,336	56,374	56,675	52,275	-
4175 Office Expenses						
3400 Other Funds Ltd	4,780	13,269	10,435	20,000	20,000	-
4200 Telecommunications						
3400 Other Funds Ltd	-	168	168	173	173	-

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4225 State Gov. Service Charges						
3400 Other Funds Ltd	1,148	-	-	600,000	970,000	-
4250 Data Processing						
3400 Other Funds Ltd	9,209	3,072	3,072	3,164	3,164	-
4275 Publicity and Publications						
3400 Other Funds Ltd	-	512	-	-	-	-
4300 Professional Services						
3400 Other Funds Ltd	489	850,393	831,803	311,762	27,734	-
4325 Attorney General						
3400 Other Funds Ltd	-	11,227	6,227	6,414	6,414	-
4375 Employee Recruitment and Develop						
3400 Other Funds Ltd	-	42,818	-	-	-	-
4400 Dues and Subscriptions						
3400 Other Funds Ltd	-	6,659	5,373	5,534	5,534	-
4475 Facilities Maintenance						
3400 Other Funds Ltd	157	-	-	-	-	-
4650 Other Services and Supplies						
3400 Other Funds Ltd	19,876	-	-	-	-	-
4675 Undistributed (S.S.)						
3400 Other Funds Ltd	-	(20,786)	-	-	-	-
4700 Expendable Prop 250 - 5000						
3400 Other Funds Ltd	1,253	5,526	3,396	3,498	3,498	-
4715 IT Expendable Property						

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Central Administration

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	2,773	11,843	8,640	4,000	4,000	-
SERVICES & SUPPLIES						
3400 Other Funds Ltd	116,901	1,035,877	940,877	1,027,070	1,108,642	-
TOTAL SERVICES & SUPPLIES	\$116,901	\$1,035,877	\$940,877	\$1,027,070	\$1,108,642	-
EXPENDITURES						
3400 Other Funds Ltd	2,273,544	4,742,801	3,456,375	3,634,278	3,689,892	-
TOTAL EXPENDITURES	\$2,273,544	\$4,742,801	\$3,456,375	\$3,634,278	\$3,689,892	-
ENDING BALANCE						
3400 Other Funds Ltd	316,241	437,900	108,631	318,716	263,102	-
TOTAL ENDING BALANCE	\$316,241	\$437,900	\$108,631	\$318,716	\$263,102	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	9	18	11	10	10	-
TOTAL AUTHORIZED POSITIONS	9	18	11	10	10	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	9.00	17.13	10.13	10.00	10.00	-
TOTAL AUTHORIZED FTE	9.00	17.13	10.13	10.00	10.00	-

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Public Employees Retirement System, Oregon

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Benefit Payments Division

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	67,508	334,139	334,139	140,010	140,010	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0410 Charges for Services						
3400 Other Funds Ltd	426,234	344,000	344,000	615,609	615,609	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	10,739,602	12,225,811	12,779,798	13,151,829	13,151,829	-
REVENUE CATEGORIES						
3400 Other Funds Ltd	11,165,836	12,569,811	13,123,798	13,767,438	13,767,438	-
TOTAL REVENUE CATEGORIES	\$11,165,836	\$12,569,811	\$13,123,798	\$13,767,438	\$13,767,438	-
AVAILABLE REVENUES						
3400 Other Funds Ltd	11,233,344	12,903,950	13,457,937	13,907,448	13,907,448	-
TOTAL AVAILABLE REVENUES	\$11,233,344	\$12,903,950	\$13,457,937	\$13,907,448	\$13,907,448	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	6,443,835	7,141,824	7,547,871	7,758,240	7,758,240	-
3160 Temporary Appointments						
3400 Other Funds Ltd	112,813	153,779	152,801	60,977	60,977	-

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Benefit Payments Division

<i>Description</i>	<i>2011-13 Actuals</i>	<i>2013-15 Leg Adopted Budget</i>	<i>2013-15 Leg Approved Budget</i>	<i>2015-17 Agency Request Budget</i>	<i>2015-17 Governor's Budget</i>	<i>2015-17 Leg Adopted Budget</i>
3170 Overtime Payments						
3400 Other Funds Ltd	136,740	240,157	232,579	175,047	175,047	-
3180 Shift Differential						
3400 Other Funds Ltd	3,076	-	-	-	-	-
3190 All Other Differential						
3400 Other Funds Ltd	51,163	31,334	31,334	32,274	32,274	-
SALARIES & WAGES						
3400 Other Funds Ltd	6,747,627	7,567,094	7,964,585	8,026,538	8,026,538	-
TOTAL SALARIES & WAGES	\$6,747,627	\$7,567,094	\$7,964,585	\$8,026,538	\$8,026,538	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	3,138	3,200	3,200	3,520	3,520	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	963,448	1,087,528	1,158,259	1,257,759	1,257,758	-
3221 Pension Obligation Bond						
3400 Other Funds Ltd	412,269	440,825	443,136	492,091	492,091	-
3230 Social Security Taxes						
3400 Other Funds Ltd	506,187	578,889	609,295	614,039	614,040	-
3240 Unemployment Assessments						
3400 Other Funds Ltd	-	10,343	10,343	-	-	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	4,008	4,720	4,720	5,520	5,520	-
3260 Mass Transit Tax						

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