

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: John Borden, Legislative Fiscal Office

Agency: Public Employees Retirement System

Biennium: 2015-17

Budget Summary*

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 86,851,130	\$ 88,364,442	\$ 94,164,006	\$ 7,312,876	8.4%
Other Funds Debt Service	\$ 1,302,850	\$ 1,290,750	\$ 1,290,750	\$ (12,100)	-0.9%
Other Funds Nonlimited	\$ 9,277,875,000	\$ 8,476,114,000	\$ 9,723,458,062	\$ 445,583,062	4.8%
Total	\$ 9,366,028,980	\$ 8,565,769,192	\$ 9,818,912,818	\$ 452,883,838	4.8%

Position Summary

Authorized Positions	369	364	380	11
Full-time Equivalent (FTE) positions	367.23	364.00	380.00	12.77

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Public Employees Retirement System (PERS) provides administrative support to a number of programs and related retirement activities. Every program account and activity has dedicated revenue sources authorized by statute. PERS is funded solely through Other Funds, including investment earnings, which is \$14,298,953,101 (representing approximately 78.0 percent of the agency's revenue); contributions, which is \$3,532,290,963 (representing approximately 19.0 percent of the agency's revenue); fees from employers and public employees (members), which is \$491,974,674 (representing approximately 3.0 percent of the agency's revenues); and miscellaneous revenues, which is \$608,060. Primary revenue for the Standard Retiree Health Insurance Account (SHIRA) are investment earnings and insurance premiums from retirees or a spouse or dependent of a deceased retired member. PERS derives revenues to fund administrative activities for the Deferred Compensation program primarily through a participant fee.

Summary of General Government Subcommittee Action

PERS is responsible for administering retirement programs for public employees, including state, school, and local government workers. The agency manages a number of programs, including the Tier One-Tier Two Retirement programs, the Oregon Public Service Retirement Program (OPSRP) and the Individual Account Program (IAP), three health insurance programs, Social Security Administration activities, and a deferred compensation program.

The Subcommittee approved a budget of \$95,454,756 Other Funds, \$9,723,458,062 Other Funds Nonlimited and 380 positions (380.00 FTE) total budget for the agency. The total funds budget of \$9,818,912,818 is a 4.8 percent increase from the 2013-15 Legislatively Approved Budget.

Budget Note:

The Public Employees Retirement System (PERS) is directed to report to the Joint Committee on Ways and Means during the legislative session in 2016, or the next Emergency Board, if the PERS Board adopts any change to the assumed earnings rate. The report is to include an actuarial analysis specially focused on the change in the assumed earnings rate.

Tier One and Tier Two – 010-01

The Tier One-Tier Two Plan program unit accounts for employee and employer contributions and interest earnings related to the plans and reflects the retirement payments made to Tier One-Tier Two retirees. This program unit is made up entirely of Nonlimited Other Funds expenditure.

The Subcommittee approved a budget of \$8,262,947,862 Other Funds Nonlimited. This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 801, LFO Adjustments. This package adds \$167,387,000 Other Funds Nonlimited for Tier One and Tier Two benefit payments related to implementing the Moro Supreme Court decision.
- Package 802, Nonlimited Expenditure Increase. This package adds \$756,475,354 Other Funds Nonlimited based on an updated forecast from the agency regarding revenues and expenditures. This updated forecast occurred prior to the Moro Supreme Court decision.

Retirement Health Insurance Program – 010-02

PERS serves as a group sponsor providing health insurance services to more than 58,000 retired members and dependents. PERS works with insurance carriers to design benefit packages, determine specifications, solicit proposals, analyze carrier responses, and award contracts. PERS uses a third-party administrator to provide insurance services directly to members. The PERS Health Insurance Program is comprised of three statutorily mandated programs: Retirement Health Insurance Account (RHIA); Retiree Health Insurance Premium Account (RHIPA); and the Standard Retiree Health insurance Account (SRHIA).

The majority of the revenue for the SRHIA program comes from member-paid insurance premiums with additional revenues provided from federal sources like the Centers for Medicare and Medicaid Services (CMS) and resulting investment returns. The RHIA and RHIPA programs are funded from employer contributions and the return on investment of those contributions, which are held in the Public Employee Retirement Fund.

The Subcommittee approved a budget of \$558,094,445 Other Funds Nonlimited. This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 802, Nonlimited Expenditure Increase. This package adds \$86,925,014 Other Funds Nonlimited based on an updated forecast from the agency regarding revenues and expenditures.

Oregon Public Service Retirement Pension Program – 010-03

The 2003 Legislature created the Oregon Public Service Retirement Pension (OPSRP) program. The OPSRP pension program is funded solely by employer contributions and investment earnings. The OPSRP program unit is made up entirely of Other Funds Nonlimited expenditures.

The Subcommittee approved a budget of \$28,926,864 Other Funds Nonlimited. This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 801, LFO Adjustments. This package adds \$2,148,000 Other Funds Nonlimited for the OPSRP benefit payments related to implementing the Moro Supreme Court decision.
- Package 802, Nonlimited Expenditure Increase. This package adds \$9,934,263 Other Funds Nonlimited based on an updated forecast from the agency regarding revenues and expenditures. This updated forecast occurred prior to the Moro Supreme Court decision.

Individual Account Program – 010-04

The Individual Account Program (IAP) is the defined contribution component of the PERS retirement plan.

This program accounts for employee contributions into the IAP, including contributions made by employers on behalf of employees. The IAP program unit is made up entirely of Other Funds Nonlimited expenditures for benefit payments.

The Subcommittee approved a budget of \$873,488,891 Other Funds Nonlimited. This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 802, Nonlimited Expenditure Increase. This package adds \$224,474,251 Other Funds Nonlimited based on an updated forecast from the agency regarding revenues and expenditures.

Debt Service – 400

This program accounts for debt service payments on Certificates of Participation issued to finance the PERS headquarters building construction. The debt will be fully repaid by May 2017.

The Subcommittee approved a budget of \$1,290,750 Other Funds. This is a 0.9 percent decrease from the 2013-15 Legislatively Approved Budget.

Central Administration – 500-01

Central Administration, in conjunction with the PERS Board, provides the central direction, planning, and leadership for PERS. The division consists of the executive director, deputy director, Internal Audits and Social Security Program.

The Subcommittee approved a budget of \$3,589,892 Other Funds and 10 positions (10.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$44,386. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.

Benefit Payments Division – 500-02

The Benefit Payments Division (BPD) houses the Benefit Application and Intake and Processing section, as well as the Retirement Services and Specialty Services sections. BPD is responsible for processing all incoming benefit applications and related documents, as well as calculating and establishing service retirement, disability, and death benefits. Responsibilities also include determining eligibility for disability retirements, administering divorce decrees, and validating beneficiaries.

The Subcommittee approved a budget of \$14,181,869 Other Funds and 80 positions (80.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 101, Current Service Metrics Staffing Request. This package provides \$139,706 Other Funds expenditure limitation for one permanent position (1.00 FTE) to handle increasing numbers of retirements related to the OPSRP. The revenue to fund this package is from an administrative expense charged against retirement trust funds.
- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$139,373. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.
- Package 803, Supreme Court Decision. This package adds \$696,820 Other Funds expenditure limitation to provide the department with the resources to implement the Oregon Supreme Court ruling on Senate Bill 822 (2013) and Senate Bill 861 (2013 Special Session). This is a

one-time increase in limitation and is expected to be phased-out of the agency's 2017-19 budget. The revenue to fund this package is from an administrative expense charged against retirement trust funds.

Financial and Admin Services Division – 500-03

The Financial and Administrative Services Division (FASD) provides comprehensive financial and administrative services to the agency. This includes financial accounting, reporting, and tax services for all PERS' Trust and agency fund activities, including the Retirement Fund, Deferred Compensation funds, Benefit Equalization Fund, health insurance programs, and Social Security program. Other fiscal activities include preparation, maintenance, and reporting of the agency's biennial budget, coordination of actuarial services, fiscal analysis, accounts receivable, accounts payable, contracts, and procurement. FASD also contains the Facilities Services Section that manages office supplies, general building maintenance, shipping and receiving, and other various ancillary tasks. Human Resources, Retiree Health Insurance and Deferred Compensation programs and are also located within FASD.

The Subcommittee approved a budget of \$22,362,231 Other Funds and 62 positions (62.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 101, Current Service Metrics Staffing Request. This package transfers a daytime custodial permanent position (1.00 FTE) to PERS from the Department of Administrative Services (DAS). One position is added to the PERS budget and one position is abolished in the DAS budget (DAS Package 123). There is not a net expenditure change associated with this package. The revenue to fund this package is from an administrative expense charged against retirement and health insurance trust funds.
- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$308,398. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.

Information Services Division – 500-04

The Information Services Division (ISD) provides technical support to all divisions of the agency. ISD ensure agency staff have the appropriate tools and automation necessary to perform their duties and provide customer service to members, employers, and other stakeholders. The division supervises the development and operation of PERS' complex IT systems and supports the many desktop computers used by staff. Help Desk support, installation and training, software development, application support, database management, network support, and quality assurance all fall under ISD's responsibilities. In addition, the Imaging and Information Management unit within the Business Information and Technology section maintains records from numerous sources.

The Subcommittee approved a budget of \$26,372,236 Other Funds and 75 positions (75.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

Budget Note:

The Public Employees Retirement System, in consideration of a future information technology upgrade of its retirement applications, is directed to undertake a statutory review to identify recommendations for simplifying and reducing the costs of the statutory benefits structure and its administration. The report is to be submitted to the appropriate legislative committee(s) by September 2016.

The Subcommittee approved the following:

- Package 102, Fully Integrating IAP into ORION-Ph III. This package provides \$1,914,399 Other Funds expenditure limitation for three limited duration positions (3.00 FTE), Services and Supplies and the Capital Outlay to move the administration of the IAP from a third-party administrator to the agency. This will bring the IAP fully in-house. The agency's Oregon Retirement Information On-line Network (ORION) application requires the following three-phase process: Phase I Inception (\$300,000 Other Funds, expended in 2013-15); Phase II Elaboration or Development (\$718,750 Other Funds, expended in 2013-15); and Phase III Construction or Implementation (\$1,914,250 Other Funds to be expended in 2015-17). There is an estimated cost of \$33,000 in the 2017-19 biennium. The revenue for this package is derived from the retirement trust funds the agency administers.

DAS is requested to unschedule \$1,914,399 Other Funds, which may only be scheduled based upon the joint approval of the Office of the State Chief Information Officer, Chief Financial Office, and the Legislative Fiscal Office.

- Package 104, Technology Maintenance and Enhancements. This package adds \$250,000 Other Funds expenditure limitation to provide the agency with resources necessary for planning work that needs to be completed, including a detailed assessment of the current jClarety environment. This assessment is to include the current state of the system and a plan on how to best proceed in dealing with problems associated with the system.
- Package 105, Disaster Recovery Infrastructure Upgrade. This package adds \$1,581,200 Other Funds expenditure limitation to provide the agency with the resources to develop a Disaster Recovery (DR) and Business Continuity (BC) information technology infrastructure for the ORION with the objective of the providing system having the ability to be restored within 48 hours of a "localized" catastrophic event. This package contains three components: (1) development of an off-site "warm" network and data storage site (\$881,000); (2) implementation of a virtual desktop environment (\$529,700); and (3) implementation of a single sign-on infrastructure (\$170,500). There is an estimated 2017-19 cost of \$333,200 Other Funds. The revenue to fund this package is from an administrative expense charged against retirement and health insurance trust funds.

The Department of Administrative Services is requested to unschedule \$1,581,200 Other Funds, which may only be scheduled based upon the joint approval of the Office of the State Chief Information Officer, Chief Financial Office and the Legislative Fiscal Office.

Budget Note:

The Public Employees Retirement System (PERS) is directed to conduct a detailed health check and risk assessment of the current state of its disaster recovery and business continuity environment, including the state of its current disaster recovery and business continuity plans. PERS is to develop an associated prioritized action plan to correct all identified deficiencies and to ensure that its disaster recovery and

business continuity plans are in alignment with state policies, standards, and guidelines. PERS is directed to report to the Joint Committee on Ways and Means during the Legislative session in 2016 with its findings and prioritized action plan.

- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$355,076. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.
- Package 803, Supreme Court Decision. Adds \$906,708 Other Funds expenditure limitation to provide the department with the resources to implement the Oregon Supreme Court ruling on Senate Bill 822 (2013) and Senate Bill 861 (2013 Special Session). This is a one-time increase in limitation and is expected to be phased-out of the agency's 2017-19 budget. The revenue to fund this package is from an administrative expense charged against retirement trust funds.

Customer Services Division – 500-05

The Customer Services Division (CSD) provides the window for member, employer, and public interaction with PERS. One of the larger PERS divisions, CSD answers member queries from the Online Member Services internet tool, an in-house phone team, and in person where it conducts group and individual counseling through various retirement planning sessions. CSD is also responsible for producing benefit estimates and member account statements. Additionally, CSD houses the Membership and Employer Relations section (MERS). MERS enrolls and manages member data and accounts and also handles employer reporting, training, outreach and communication including the annual reconciliation process.

The Subcommittee approved a budget of \$20,847,092 Other Funds and 127 positions (127.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 101, Current Service Metrics Staffing Request. This package provides \$504,377 Other Funds expenditure limitation to restore four previously limited duration call center staff (4.00 FTE) as permanent positions. These Retirement Counselor positions are expected to maintain favorable service metrics, such as call wait times and abandonment rates. The revenue to fund this package is from an administrative expense charged against retirement trust funds.
- Package 103, Enhance Staffing for Data Verification. This package provides \$956,875 Other Funds expenditure limitation and seven permanent positions (7.00 FTE) to assist the agency in eliminating an increase in the number of backlog of and completing in a reasonable time verification requests received by the agency from potential retirees.
- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$221,848. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.

Policy, Planning & Communications Division – 500-07

The Policy, Planning, and Communications Division provides services related to legislative policy, rulemaking, legal counsel coordination, legal services, agency determination review and contested case activities including compliance with state and federal statutes, rules, and court decisions. This division also includes all strategic operational planning for both short and long range goals, enterprise-wide project management, and process improvement initiatives. Communication of all events and activities are provided to internal staff, PERS members and the local media through a variety of sources.

The Subcommittee approved a budget of \$6,810,686 Other Funds and 26 positions (26.00 FTE). This is a newly created budget structure for the 2015-17 biennium.

The Subcommittee approved the following:

- Package 801, LFO Adjustments. This package reduces Other Funds expenditure limitation by \$81,440. This adjustment accounts for additional vacancy savings anticipated by the agency as well as savings in Services and Supplies, as the agency's actual expenditures are averaging well below budgeted authority.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5034-A

Public Employees Retirement System
Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ -	\$ -	\$ 88,153,980	\$ 9,277,875,000	\$ -	\$ -	\$ 9,366,028,980	369	367.23
2015-17 Current Service Level (CSL)*	\$ -	\$ -	\$ 89,655,192	\$ 8,476,114,000	\$ -	\$ -	\$ 8,565,769,192	364	364.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010-01 - Tier One and TierTwo Pension Programs									
Package 801: LFO Analyst Adjustment									
Special Payments	\$ -	\$ -	\$ -	\$ 167,387,000	\$ -	\$ -	\$ 167,387,000		
Package 802: Nonlimited Expenditure Increase									
Special Payments 6035 Dist to Individuals	\$ -	\$ -	\$ -	\$ 756,475,534	\$ -	\$ -	\$ 756,475,534		
SCR 010-02 - Retirement Health Insurance Programs									
Package 802: Nonlimited Expenditure Increase									
Services and Supplies	\$ -	\$ -	\$ -	\$ 32,935,692	\$ -	\$ -	\$ 32,935,692		
Special Payments 6030 Dist to Non-Gov Units	\$ -	\$ -	\$ -	\$ 53,989,322	\$ -	\$ -	\$ 53,989,322		
SCR 010-03 - Oregon Public Service Retirement Pension Pgm									
Package 801: LFO Analyst Adjustment									
Special Payments	\$ -	\$ -	\$ -	\$ 2,148,000	\$ -	\$ -	\$ 2,148,000		
Package 802: Nonlimited Expenditure Increase									
Special Payments 6035 Dist to Individuals	\$ -	\$ -	\$ -	\$ 9,934,263	\$ -	\$ -	\$ 9,934,263		
SCR 010-04 - Individual Account Program (IAP)									
Package 802: Nonlimited Expenditure Increase									
Special Payments 6035 Dist to Individuals	\$ -	\$ -	\$ -	\$ 224,474,251	\$ -	\$ -	\$ 224,474,251		
SCR 500-01 Central Administration									
Package 801: LFO Analyst Adjustment									
Personal Services (3455 vacancy savings)	\$ -	\$ -	\$ (25,958)	\$ -	\$ -	\$ -	\$ (25,958)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (18,428)	\$ -	\$ -	\$ -	\$ (18,428)		
SCR 500-02 Benefit Payments Division									
Package 101: Current Service Metrics Staffing Request									
Personal Services	\$ -	\$ -	\$ 128,681	\$ -	\$ -	\$ -	\$ 128,681	1	1.00
Services and Supplies	\$ -	\$ -	\$ 11,025	\$ -	\$ -	\$ -	\$ 11,025		
Package 801: LFO Analyst Adjustment									
Personal Services (3455 vacancy savings)	\$ -	\$ -	\$ (125,795)	\$ -	\$ -	\$ -	\$ (125,795)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (13,578)	\$ -	\$ -	\$ -	\$ (13,578)		
Package 803: Supreme Court Decision									
Services and Supplies	\$ -	\$ -	\$ 696,820	\$ -	\$ -	\$ -	\$ 696,820		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 500-03 Financial & Admin Services Division (FASD)									
Package 101: Current Service Metrics Staffing Request									
Personal Services	\$ -	\$ -	\$ 109,191	\$ -	\$ -	\$ -	\$ 109,191	1	1.00
Services and Supplies	\$ -	\$ -	\$ (109,191)	\$ -	\$ -	\$ -	\$ (109,191)		
Package 801: LFO Analyst Adjustment									
Personal Services (vacancy savings)	\$ -	\$ -	\$ (112,483)	\$ -	\$ -	\$ -	\$ (112,483)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (195,915)	\$ -	\$ -	\$ -	\$ (195,915)		
SCR 500-04 Information Services Division									
Package 102: Fully Integrating IAP into ORION-Ph III									
Personal Services	\$ -	\$ -	\$ 513,076	\$ -	\$ -	\$ -	\$ 513,076	3	3.00
Services and Supplies	\$ -	\$ -	\$ 901,323	\$ -	\$ -	\$ -	\$ 901,323		
Capital Outlay	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000		
Package 104: Technology Maintenance & Enhancements									
Services and Supplies	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000		
Package 105: Disaster Recovery Infrastructure Upgrade									
Services and Supplies	\$ -	\$ -	\$ 555,200	\$ -	\$ -	\$ -	\$ 555,200		
Capital Outlay	\$ -	\$ -	\$ 1,026,000	\$ -	\$ -	\$ -	\$ 1,026,000		
Package 801: LFO Analyst Adjustment									
Personal Services (vacancy savings)	\$ -	\$ -	\$ (145,097)	\$ -	\$ -	\$ -	\$ (145,097)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (209,979)	\$ -	\$ -	\$ -	\$ (209,979)		
Package 803: Supreme Court Decision									
Services and Supplies	\$ -	\$ -	\$ 906,708	\$ -	\$ -	\$ -	\$ 906,708		
SCR 500-05 Customer Services Division									
Package 101: Current Service Metrics Staffing Request									
Personal Services	\$ -	\$ -	\$ 480,277	\$ -	\$ -	\$ -	\$ 480,277	4	4.00
Services and Supplies	\$ -	\$ -	\$ 24,100	\$ -	\$ -	\$ -	\$ 24,100		
Package 103: Enhanced Staffing for Data Verification									
Personal Services	\$ -	\$ -	\$ 879,700	\$ -	\$ -	\$ -	\$ 879,700	7	7.00
Services and Supplies	\$ -	\$ -	\$ 77,175	\$ -	\$ -	\$ -	\$ 77,175		
Package 801: LFO Analyst Adjustment									
Personal Services (vacancy savings)	\$ -	\$ -	\$ (206,330)	\$ -	\$ -	\$ -	\$ (206,330)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (15,518)	\$ -	\$ -	\$ -	\$ (15,518)		
SCR 500-07 Policy, Planning & Communications Division									
Package 801: LFO Analyst Adjustment									
Personal Services (vacancy savings)	\$ -	\$ -	\$ (49,919)	\$ -	\$ -	\$ -	\$ (49,919)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (31,521)	\$ -	\$ -	\$ -	\$ (31,521)		
TOTAL ADJUSTMENTS									
	\$ -	\$ -	\$ 5,799,564	\$ 1,247,344,062	\$ -	\$ -	\$ 1,253,143,626	16	16.00
SUBCOMMITTEE RECOMMENDATION *									
	\$ -	\$ -	\$ 95,454,756	\$ 9,723,458,062	\$ -	\$ -	\$ 9,818,912,818	380	380.00
% Change from 2013-15 Leg Approved Budget	0.0%	0.0%	8.3%	4.8%	0.0%	0.0%	4.8%		
% Change from 2015-17 Current Service Level	0.0%	0.0%	6.5%	14.7%	0.0%	0.0%	14.6%		

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: PUBLIC EMPLOYEES RETIREMENT SYSTEM, OREGON

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.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - TIMELY RETIREMENT PAYMENTS: Percent of initial service retirements paid within 45 days from retirement date.		Approved KPM	70.00	80.00	80.00
2 - TOTAL BENEFIT ADMIN COSTS: Total benefit administration costs per member.		Approved KPM	125.00	135.00	135.00
3 - MEMBER TO STAFF RATIO: Ratio of members to FTE staff.		Approved KPM	995.00	985.00	985.00
4 - ACCURATE BENEFIT CALCULATIONS: Percent of service retirement monthly benefits accurately calculated to within \$5 per month.		Approved KPM	98.00	100.00	100.00
5 - LEVEL OF PARTICIPATION: Percent of state employees participating in the deferred compensation program.		Approved KPM	35.00	38.00	38.00
6 - CUSTOMER SERVICE- Percent of member 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.	Accuracy	Approved KPM	91.00	95.00	95.00
6 - CUSTOMER SERVICE- Percent of member 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.	Availability of Information	Approved KPM	88.00	95.00	95.00
6 - CUSTOMER SERVICE- Percent of member 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.	Expertise	Approved KPM	91.00	95.00	95.00
6 - CUSTOMER SERVICE- Percent of member 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.	Helpfulness	Approved KPM	91.00	95.00	95.00

Agency: PUBLIC EMPLOYEES RETIREMENT SYSTEM, OREGON

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.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
6 - CUSTOMER SERVICE- Percent of member 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.	Overall	Approved KPM	90.00	95.00	95.00
6 - CUSTOMER SERVICE- Percent of member 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.	Timeliness	Approved KPM	92.00	95.00	95.00
7 - TIMELY BENEFIT ESTIMATES: Percent of benefit estimates processed within 30 days.		Approved KPM	72.00	95.00	95.00
8 - BOARD OF DIRECTORS BEST PRACTICES: Percent of total best practices criteria met by the PERS board.		Approved KPM	100.00		

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the agency's key performance measures and targets.

Sub-Committee Action:

The General Government Subcommittee adopted the Legislative Fiscal Office recommendations.