



Oregon

Kate Brown, Governor

Public Employees Retirement System

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The Honorable Senator Richard Devlin, Co-Chair
The Honorable Representative Peter Buckley, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Public Employees Retirement System (PERS) is requesting an increase in the agency's Other Funds limitation by \$1,659,976 for the 2015-17 biennium to address the following areas of the agency's benefit administration system (jClarety):

\$ 203,229 – Batch Job Failures
\$ 227,595 – Database Design
\$ 728,185 – UI Redesign for Browser Compatibility
\$ 274,738 – Replace Outdated Reporting Engine
\$ 226,299 – Error Handling
\$1,659,976 Total

Agency Action

The jClarety system architecture was designed over a decade ago. Limitations and inefficiencies can be remediated as technology capabilities have evolved. Code and integration components need to be updated to keep the system scalable, maintainable, and meet prudent industry standards.

For the 2015-2017 budget, PERS requested \$3,281,250 Other Funds limitation in the Information Services Division to address necessary system enhancements to existing jClarety architecture. This included creating a team of existing staff and contractors to analyze and implement architectural updates to the jClarety system. Technical debt and system enhancements were the two areas addressed in this package (Policy Package 104).

Hwelett Packard Enterprise, the original vendor for jClarety, has provided a proposal to address some of these deficiencies based on its further development and enhancement of the product for other retirement systems. This biennium's additional limitation would bolster jClarety in these areas, preparing the system to better support the agency's IT modernization plan using a Service Oriented Architecture approach.

Action Requested

PERS requests that the Joint Committee on Ways and Means increase the agency's approved Other Funds operations limitation from \$93,871,154 to \$95,931,130 for the 2015-17 biennium. This increase would be allocated as IT Professional Services in Services and Supplies.

Legislation Affected

If approved, the additional Other Funds budget limitation would increase the amount of expenses allocated to this agency by Section 1(1) of Chapter 595 (2015 laws).