

# Department of Retirement Systems **Year in Review**

*Marcie Frost, Director, and Jacob White,  
Legal and Legislative Services Manager*

LEOFF 2 Board  
July 27, 2016



# DRS Stats as of June 2016

- ☐ **Dollars Collected**
  - ☐ Members – \$1.3B last FY
  - ☐ Employers – \$2.1B last FY
- ☐ **Dollars Paid**
  - ☐ \$357M in June 2015
  - ☐ \$4.4B last FY
- ☐ **Team Members - 247**
- ☐ **Employers - 1326**
- ☐ **Plan Members**
  - ☐ Active – 311,137
  - ☐ Annuitants – 170,395
  - ☐ Inactive – 246,572
  - ☐ Total – 728,104
- ☐ **Work Load**
  - ☐ Phone Calls – 189,302
  - ☐ Walk-Ins – 5,883
  - ☐ Emails – 17,316
  - ☐ Estimates – 18,628
  - ☐ Calculations – 11,059
  - ☐ Recalculations – 6,748

# Strategies/Breakthrough Map

- ☐ New initiatives or operational capability improvements
- ☐ Clarity to the organization about the resource allocation/priorities
- ☐ Provides direction to the Project Management Division

# 2015-17 Strategic Initiatives

KEY GOAL	July 2015-June 2016	July 2016-June 2017	July 2017-June 2018
Elated Customers	Recalc Black Belt Project (Seth)	Autocalc Pilot (Seth)	
	Online Service Enhancements (Rose)	EFT Withdrawals (Mike)	
		Online Withdrawal (Shawn)	
	Recordkeeper Enhancements (Shawn)		
	DCP Auto-Enroll for New Hires (Shawn)		
		Final Month Payments (Jacob)	
Engaged Team Members	Facility Planning (Mike)		
	"DRS U" (Chris)		
		Enterprise Change Mgmt (Shawn)	
Vigilant Resource Steward or Best Practice Leader			
	System Modernization Planning – Phase 2 (Rose)		
Reliable Partner	Employer Reporting Application (Shawn)		
	Hosting Environment (Rose)		
		Implement 2016 Legislative Projects (mix)	

# DRS Perspective on Culture

- ☐ Customer satisfaction with high levels of team engagement
- ☐ Emphasis on connective every team member into the management system
- ☐ High levels of self and team accountability
- ☐ Problem solving by everyone – common language
- ☐ Leadership that is supportive and engaged – facilitating style
- ☐ Start with yes
- ☐ One team approach to serving the customer

# Customer Satisfaction

O1-Customer Satisfaction (Seth)

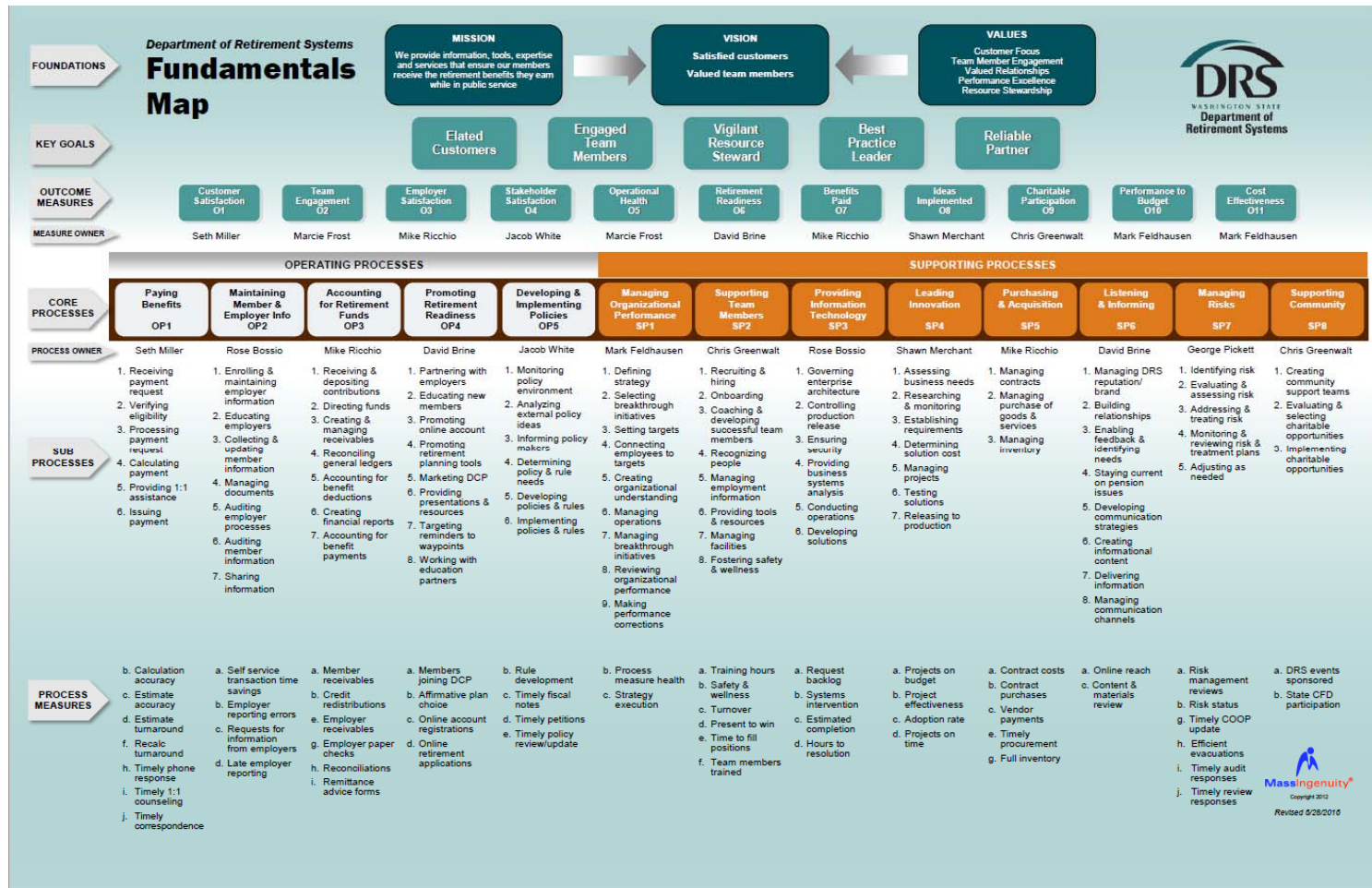
	Category	QTR1	QTR2	QTR3	QTR4	QTR5	QTR6	QTR7	QTR8	QTR9	QTR10	QTR11	QTR12	QTR13	QTR14	QTR15	QTR16
Respectful	Valued Customer			87%	96%	94%	98%	95%	95%	94%	96%	97%	98%	96%	100%	97%	99%
	Carefully Guided			79%	87%	86%	93%	85%	90%	89%	90%	90%	91%	94%	97%	96%	93%
	Informed of Issues			77%	88%	83%	84%	83%	86%	85%	89%	90%	88%	93%	89%	92%	94%
Responsive	Quick Access			91%	96%	94%	97%	92%	95%	93%	95%	92%	96%	96%	96%	94%	94%
	Timely Response			82%	91%	92%	92%	91%	90%	89%	91%	89%	93%	93%	93%	97%	94%
	Informed Status			74%	81%	79%	80%	80%	84%	83%	80%	77%	73%	87%	85%	91%	88%
	Anticipate Needs			80%	87%	89%	93%	92%	91%	89%	93%	91%	93%	95%	93%	97%	99%
	Online Tools			81%	86%	85%	86%	90%	91%	90%	88%	90%	90%	91%	90%	92%	88%
Right	Accurate Info			89%	93%	92%	94%	94%	93%	90%	94%	94%	96%	97%	98%	97%	95%
	Correct/Timely \$			90%	95%	97%	94%	95%	93%	96%	95%	94%	97%	97%	95%	95%	97%

# Team Engagement

O2-Team Engagement (Marcie)

Category	QTR1	QTR2	QTR3	QTR4	QTR5	QTR6	QTR7	QTR8	QTR9	QTR10	QTR11	QTR12	QTR13	QTR14	QTR15	QTR16
Customer Focused	84%	88%	90%	79%	76%	74%	67%	76%	80%	78%	85%	84%		86%	86%	86%
People & Team Focused	79%	79%	72%	70%	70%	72%	74%	78%	78%	76%	77%	76%		79%	82%	84%
Support & Engaged Leadership	79%	84%	74%	72%	66%	66%	70%	76%	81%	75%	80%	83%		84%	88%	88%
Open & Transparent Comm	71%	78%	76%	75%	76%	71%	61%	68%	64%	63%	70%	67%		75%	77%	81%
Learning & Growth	71%	76%	76%	75%	74%	76%	72%	76%	76%	75%	83%	83%		82%	81%	77%
Accountability	74%	79%	79%	73%	70%	68%	70%	76%	80%	76%	77%	71%		67%	72%	70%
Pursuit of Excellence	86%	91%	91%	86%	81%	79%	75%	83%	88%	83%	85%	83%		84%	89%	93%

# Fundamentals Map



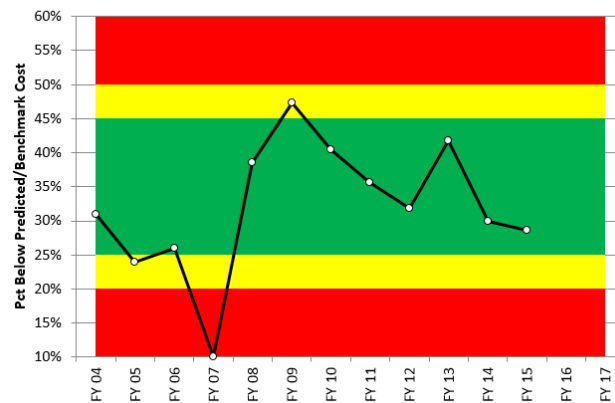


# Quarterly Target Review Success Factors

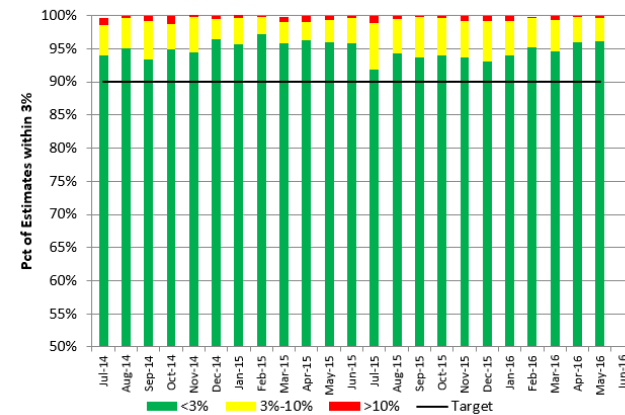
- ☐ Transparency is key to engagement
- ☐ What gets measured gets managed
- ☐ Creating an environment where everyone is responsible for performance
- ☐ High levels of accountability by agency leadership
- ☐ Table top exercises
  - ☐ D&D Benefits
  - ☐ Flipping the pyramid

# Quarterly Target Review

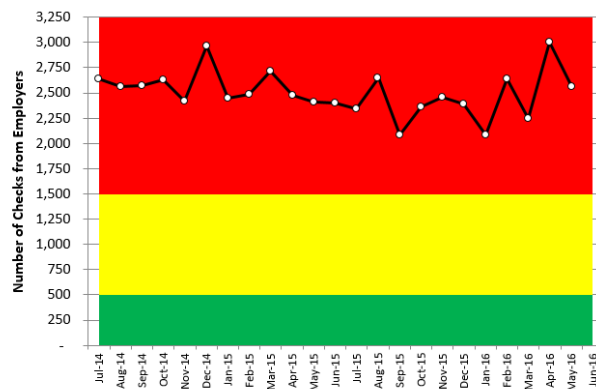
O11-Cost Effectiveness (Mark)



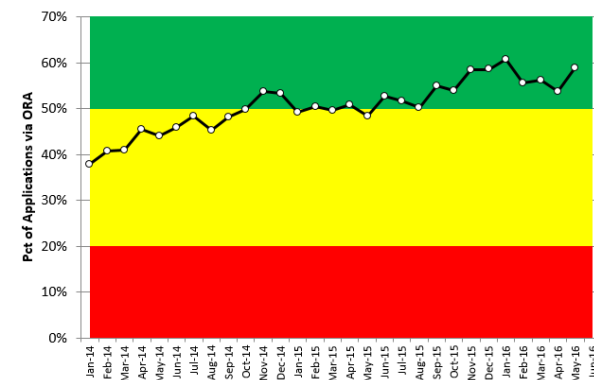
OP1c-Estimate Accuracy (Seth)



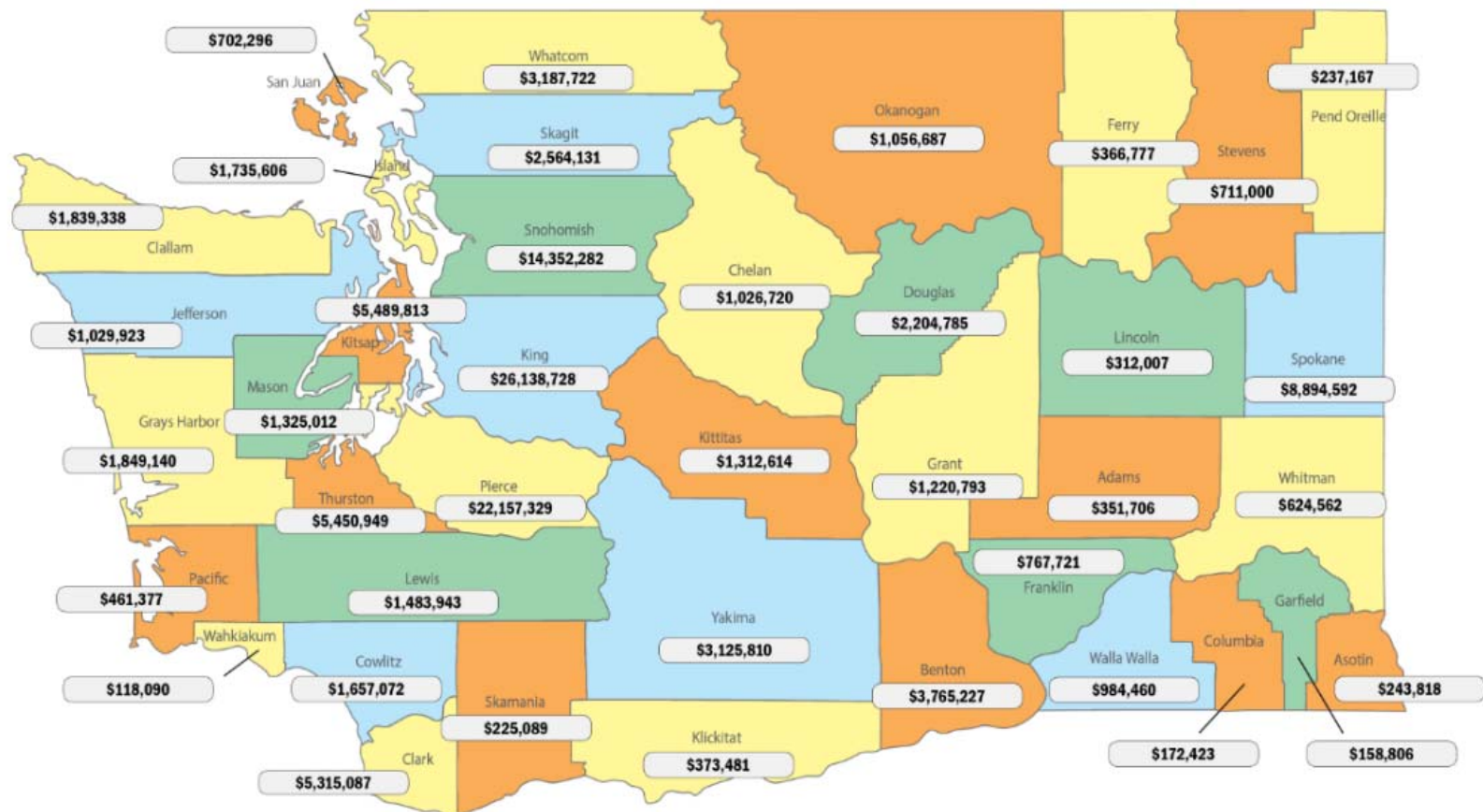
OP3g-# of Employer Paper Checks (Mike)



OP4d-Online Retirement Applications (David)



# Benefits Paid to LEOFF 2 Annuitants FY 2015-2016



# Disability Determinations

- ☐ Increasing Complexity and Volume
  - ☐ PTSD claims becoming more frequent
  - ☐ Multi causal claims increasing as population ages
- ☐ Evaluating Ways to Make Determinations
  - ☐ Increased Use of Independent Medical Evaluations
  - ☐ Other Sources of Medical Review
- ☐ Inter-agency agreement with OAH

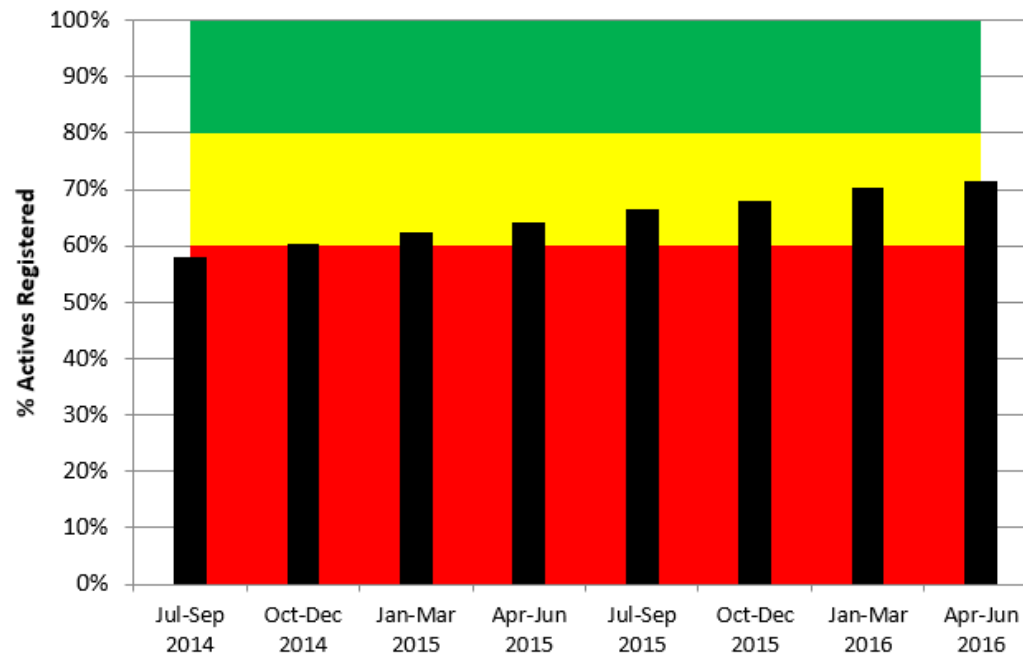
# Purchase of Additional Annuity

Retirement Year	Paid PAA Optional Bills	Sum of Purchase Amount
2014	11	\$2,387,485
2015	67	\$14,851,512
2016	17	\$3,467,626
<b>Grand Total</b>	<b>95</b>	<b>\$20,706,623</b>

- ❑ SB 6264 allows LEOFF Plan 2 retirees whose retirement was effective prior to June 1, 2014, to purchase an annuity between January 1, 2017 and June 1, 2017
- ❑ About 7,000 retirees are eligible
- ❑ A minimum payment of \$25,000 is required

# Online Account Access

OP4c-% Mbrs Registered for Online Acct Access (David)



# Online Account Access Enhancements

## Change Direct Deposit

### Current Direct Deposit for PERS 1

[Return to Direct Deposit List](#)

Status: Ready for Direct Deposit		
Next Payment Date: <b>04/29/2016</b>	Financial Institution:	U.S. Bank NA
	Transit Routing Number:	125000105
	Account Type:	Checking
Will deposit to: <b>U.S. Bank NA</b>	Account Number:	XXXXXXXXXXXX6789
	Benefit Paper Statement Option:	When a change is made to my account and at the end of the year.
	Established:	12/02/2015
	Status:	Ready for Direct Deposit

## Change Direct Deposit

Bank Account Number on File:

Please enter the bank account number DRS has on file for your direct deposit. [Explain this?](#)

New Transit Routing Number:

[Explain this?](#)

Confirm New Transit Routing Number:

Validate Number

For security purposes, customers with an existing direct deposit are required to validate their current bank account information before updating their direct deposit.

## Change Beneficiary Designation - All Beneficiaries

### Current Beneficiary Designations

[What You Need Before You Start](#)

[Additional Information](#)

### Retirement System or Program

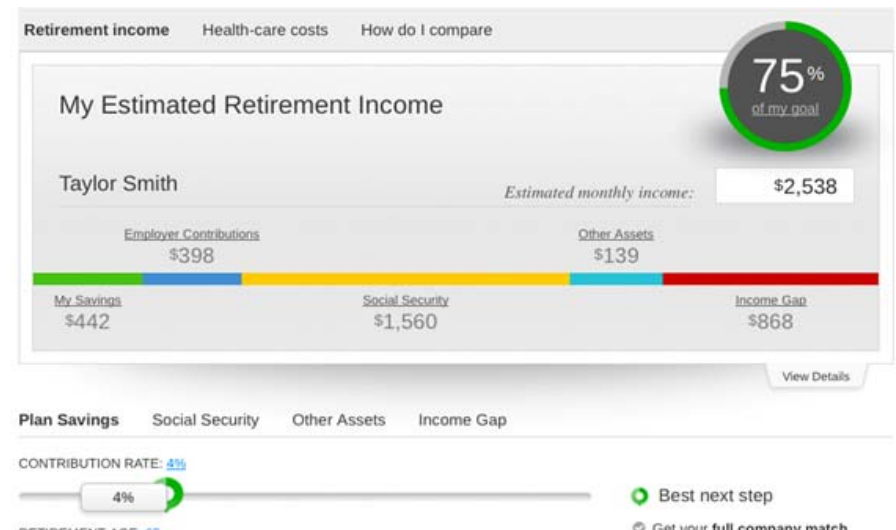
	Beneficiary	Designation	Percentage
PERS 2	<a href="#">View/Edit</a> <a href="#">Download/Print</a>		
	Jane Smith	Primary	50
	Tammy Smith	Primary	25
	John Smith	Primary	25
	Make A Wish	Contingent	50
	Smith, Joan (Estate Of)	Contingent	50
SERS 3	<a href="#">View/Edit</a> <a href="#">Download/Print</a>		
	Tammy Smith	Primary	100
DCP	<a href="#">View/Edit</a> <a href="#">Download/Print</a>		
	Tammy Smith	Primary	100

### Duty-Related Death Benefit

	Beneficiary	Designation	Percentage
PERS 2	<a href="#">View/Edit</a> <a href="#">Download/Print</a>		
	Jane Smith	Primary	50
	Tammy Smith	Primary	25
	John Smith	Primary	25
	Make A Wish	Contingent	50
	Smith, Joan (Estate Of)	Contingent	50

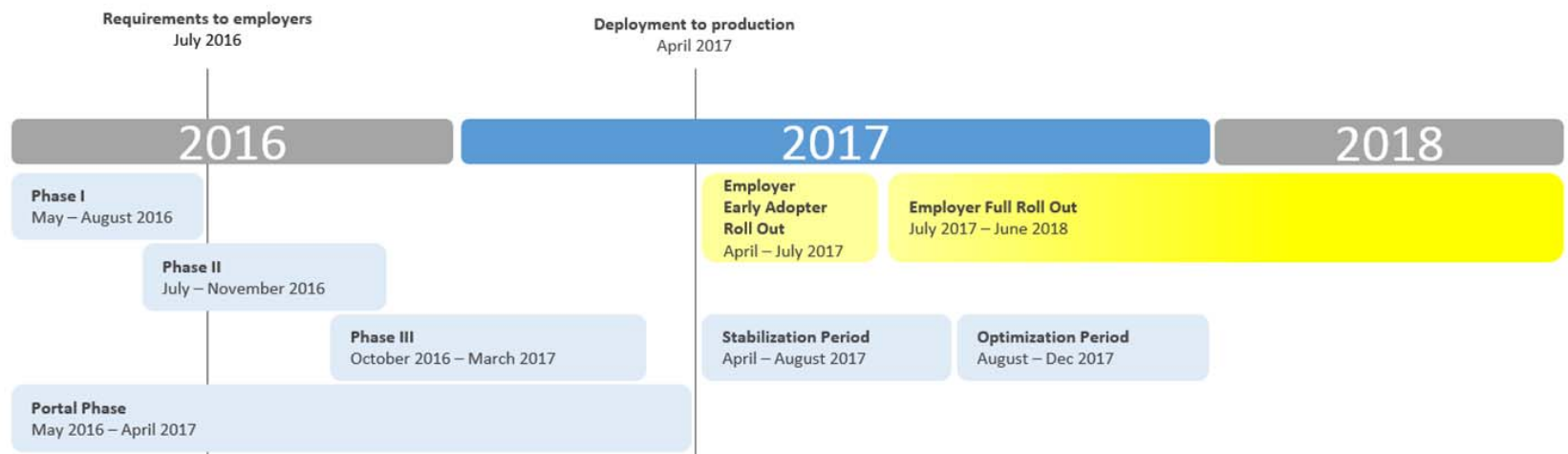
# Record Keeper Transition

- ❑ March 4, 2016 – Data for 200,000 Plan 3 members went live with Empower Retirement
- ❑ Next-Gen tool coming in mid-2017





# Employer Reporting Application (ERA)



DRS signed a contract with Bizagi on April 1. After a month of training, the project was kicked off in May. The project has 4 Phases scheduled for completion between now and the Early Adopter Roll Out.

# DCP Auto Enroll

- ☐ New state employees will automatically be enrolled in the Washington State Deferred Compensation Program (DCP) beginning January 1, 2017
- ☐ The default contribution rate is 3 percent
- ☐ Employees will be able to opt out or set their own contribution rates
- ☐ Allows local government to use auto enroll features

# Questions?

