

124 - Department of Retirement Systems

A001 Administration

Agency management activities include executive leadership, budget, fiscal and legal services, and policy and planning support to the Governor on pension issues, personnel, and other administrative support services. The authority for the Department of Retirement Systems (DRS) is established by RCW 41.50.

Account	FY 2016	FY 2017	Biennial Total
FTE	22.4	22.2	22.3
600 Department of Retirement Systems Expense Account			
600-1 State	\$2,630,000	\$2,617,000	\$5,247,000

Statewide Result Area: Efficient, Effective and Accountable Government

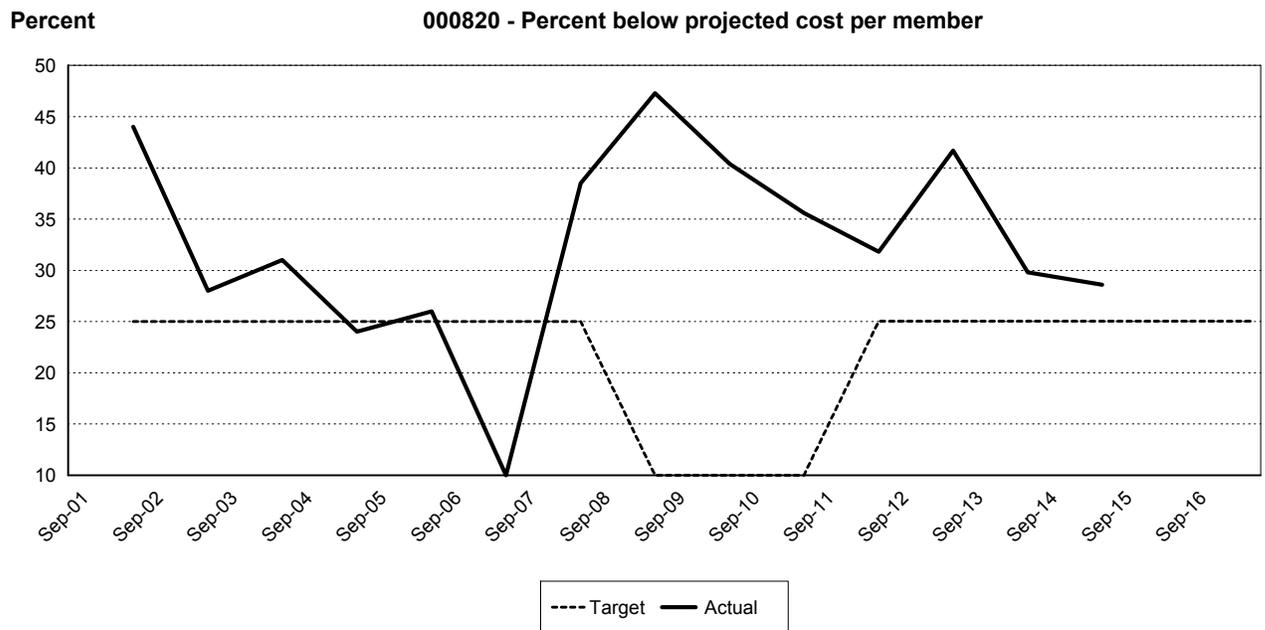
Statewide Strategy: Safeguard and manage public funds

Expected Results

Comply with federal and state statutes, as well as fiduciary responsibilities. Maintain administrative costs at an amount that is lower than those for other public pension systems in the United States; given complexity and service levels.

Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

000820 Percent that DRS' per-member cost is below public sector peer group.			
Biennium	Period	Actual	Target
2015-17	Q8		25%
	Q7		
	Q6		
	Q5		
	Q4		25%
	Q3		
	Q2		
	Q1		
2013-15	Q8	28.6%	25%
	Q7		
	Q6		
	Q5		
	Q4	29.8%	25%
	Q3		
	Q2		
	Q1		
2011-13	Q8	41.7%	25%
	Q7		
	Q6		
	Q5		
	Q4	31.8%	25%
	Q3		
	Q2		
	Q1		



A002 Deferred Compensation Management for Public Employees

This program enables eligible public employees to defer a portion of their earnings under a series of before tax investment plans until retirement or termination of public employment. At the end of Fiscal Year 2012, the program had \$2.9 billion in assets, serving approximately 53,000 employees of state government, higher education, and political subdivisions. This activity also includes a supplemental retirement program serving more than 180 judges. Authority for the Deferred Compensation Plan is contained in RCW 41.50 and Section 457 of the Internal Revenue Code, while authority for the Judges program is contained in RCW 2.12.

Account	FY 2016	FY 2017	Biennial Total
FTE	19.0	19.0	19.0
888 Deferred Compensation Administrative Account			
888-6 Non-Appropriated	\$1,879,000	\$1,914,000	\$3,793,000

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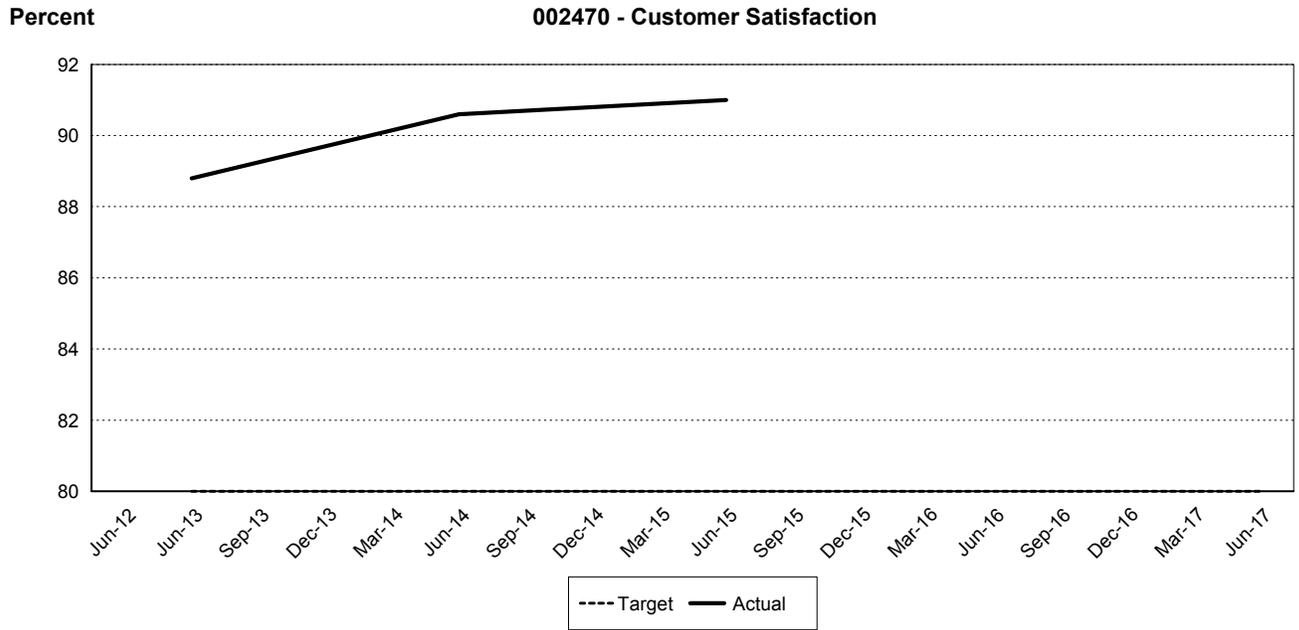
Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Safeguard and manage public funds

Expected Results

Increase participation in the program. Implement program changes necessitated by changes in federal law. Maintain low administrative fees. Maintain high participant satisfaction, as measured by an annual survey. Maintain industry standard record keeping for DCP participants. Maintain program compliance with federal law.

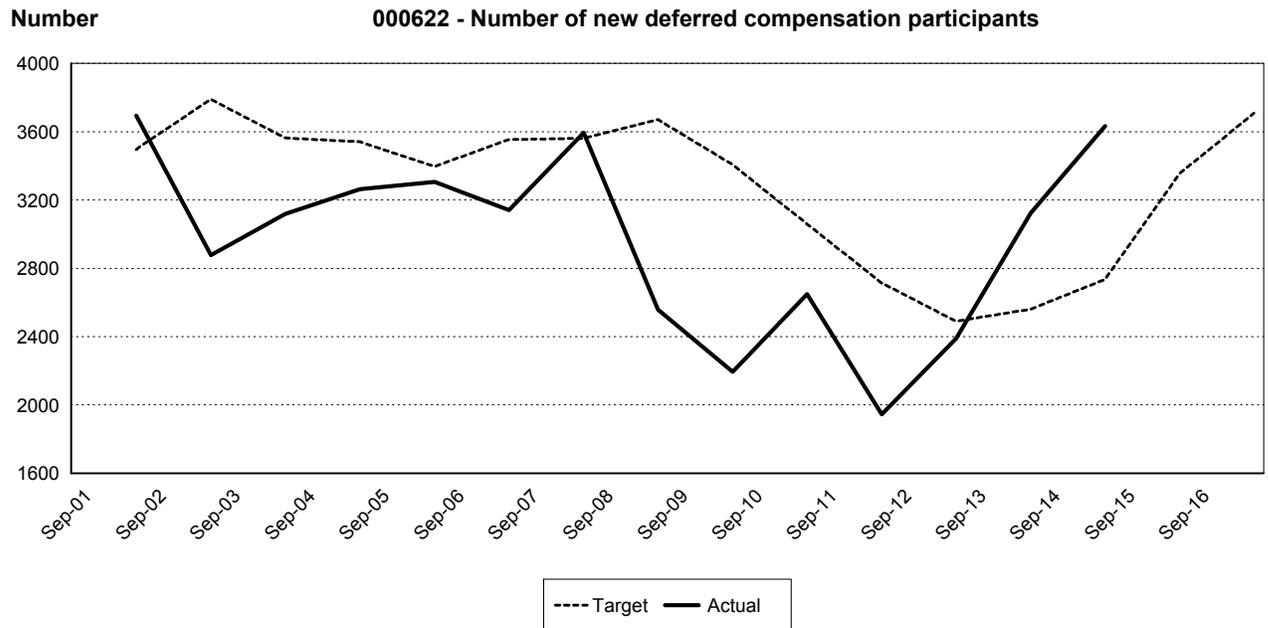
002470 Percent of members interviewed, identifying that DRS met or exceeded their expectations across 10 aspects of customer service.			
Biennium	Period	Actual	Target
2015-17	Q8		80%
	Q7		
	Q6		
	Q5		
	Q4		80%
	Q3		
	Q2		
	Q1		
2013-15	Q8	91%	80%
	Q7		
	Q6		
	Q5		
	Q4	90.6%	80%
	Q3		
	Q2		
	Q1		
2011-13	Q8	88.8%	80%
	Q4		

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000622 Number of new deferred compensation participants.			
Biennium	Period	Actual	Target
2015-17	Q8		3,708
	Q7		
	Q6		
	Q5		
	Q4		3,354
	Q3		
	Q2		
	Q1		
2013-15	Q8	3,634	2,735
	Q7		
	Q6		
	Q5		
	Q4	3,125	2,560
	Q3		
	Q2		
	Q1		
2011-13	Q8	2,388	2,489
	Q7		
	Q6		
	Q5		
	Q4	1,945	2,713
	Q3		
	Q2		
	Q1		



A004 Member Data Services

This activity receives and processes essential member information submitted by more than 1,300 public employers. It also contains the unit responsible for conducting field audits of and providing training to those public employers, to ensure their compliance with state laws and regulations. Authority for DRS is established in RCW 41.50.

Account	FY 2016	FY 2017	Biennial Total
FTE	17.1	16.6	16.9
600 Department of Retirement Systems Expense Account			
600-1 State	\$1,641,000	\$1,647,000	\$3,288,000

Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Safeguard and manage public funds

Expected Results

Obtain timely and accurate member contribution and service credit information from employers.
 Maintain high satisfaction ratings from employers, as measured by an annual survey.

A006 One-Time Projects

This activity contains the one-time costs associated with legislative projects approved and funded each session, which are then removed in the carry-forward level calculation process each biennium.

Account	FY 2016	FY 2017	Biennial Total
FTE	4.1	3.7	3.9
888 Deferred Compensation Administrative Account			
888-6 Non-Appropriated	\$218,000	\$474,000	\$692,000
600 Department of Retirement Systems Expense Account			
600-1 State	\$2,647,000	\$5,264,000	\$7,911,000

Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Safeguard and manage public funds

Expected Results

Implement projects on time and within budget.

A007 Retirement Customer Services

The Department of Retirement Systems (DRS) serves over half a million active, retired, and inactive members of the Public Employees, School Employees, Teachers, Law Enforcement and Firefighters, Washington State Patrol, Public Safety Employees, and Judicial retirement systems. Services include determining eligibility for retirement, educating and counseling prospective retirees, processing disability and death adjustments, and computing retirement benefits, deductions, and benefit adjustments. Authority for administering the retirement systems is established in RCW 2.10, 2.12, 41.26, 41.32, 41.34, 41.35, 41.37, 41.40, and 43.43. DRS also must conform to legislative mandates established in RCW 28.B10, 41.44, 41.45, 41.54, and 44.44.

Account	FY 2016	FY 2017	Biennial Total
FTE	115.0	115.7	115.4
600 Department of Retirement Systems Expense Account			
600-1 State	\$10,236,000	\$10,471,000	\$20,707,000

Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Provide a capable workforce to execute government functions

Expected Results

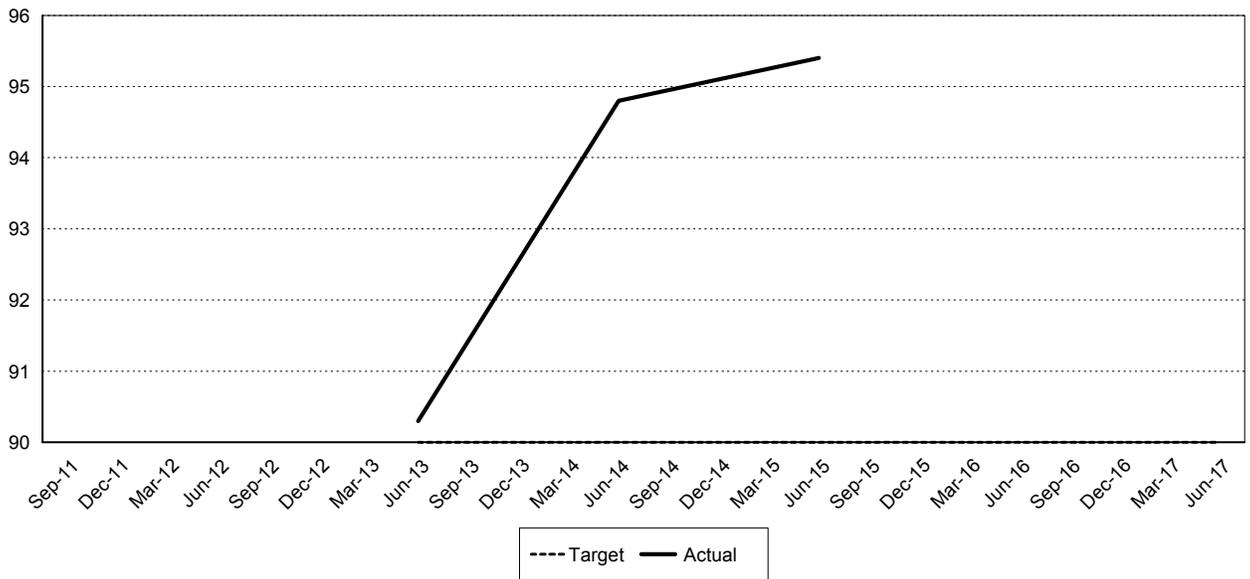
Provide benefit services that are a constitutionally-guaranteed contract between members and the state. Provide prompt service to members, as measured by responsiveness to: walk-in customers, phone calls, and correspondence. Maintain high member satisfaction, as measured by an annual survey.

002471 Percent of benefit estimates that are within +/- 3% of the final benefit.			
Biennium	Period	Actual	Target
2015-17	Q8		90%
	Q7		
	Q6		
	Q5		
	Q4		90%
	Q3		
	Q2		
	Q1		
2013-15	Q8	95.4%	90%
	Q7		
	Q6		
	Q5		
	Q4	94.8%	90%
	Q3		
	Q2		
	Q1		
2011-13	Q8	90.3%	90%
	Q7		
	Q6		
	Q5		
	Q4		
	Q3		
	Q2		
	Q1		

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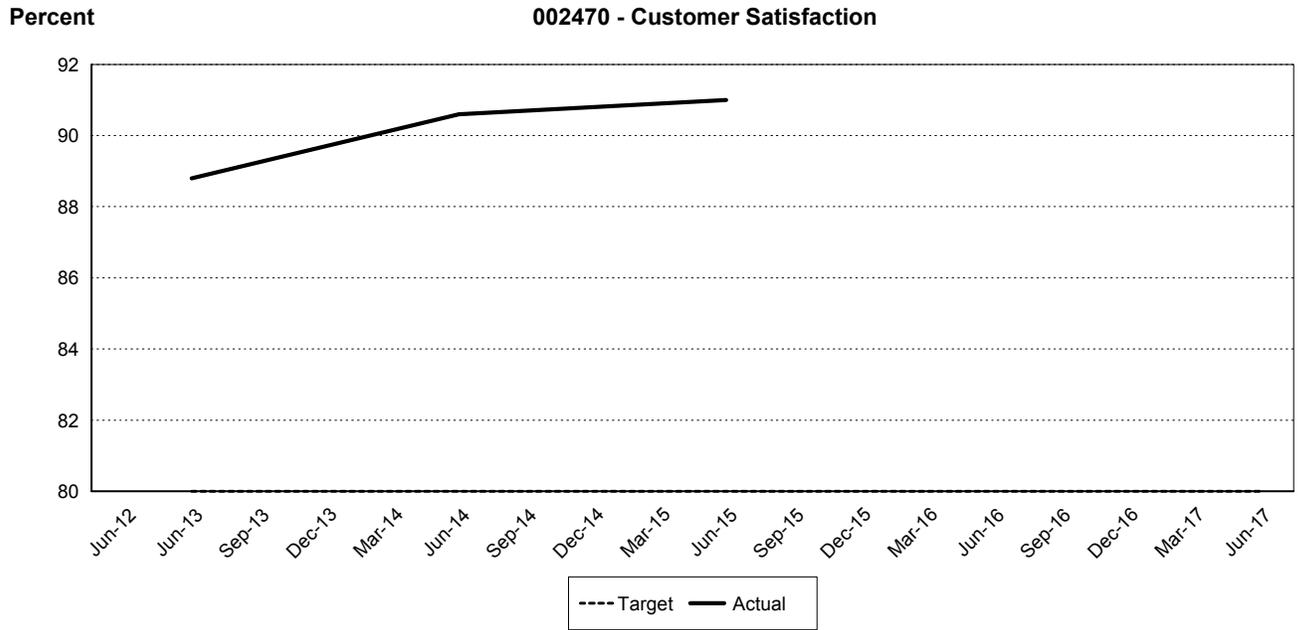
Percent

002471 - Accuracy of Benefit Estimates



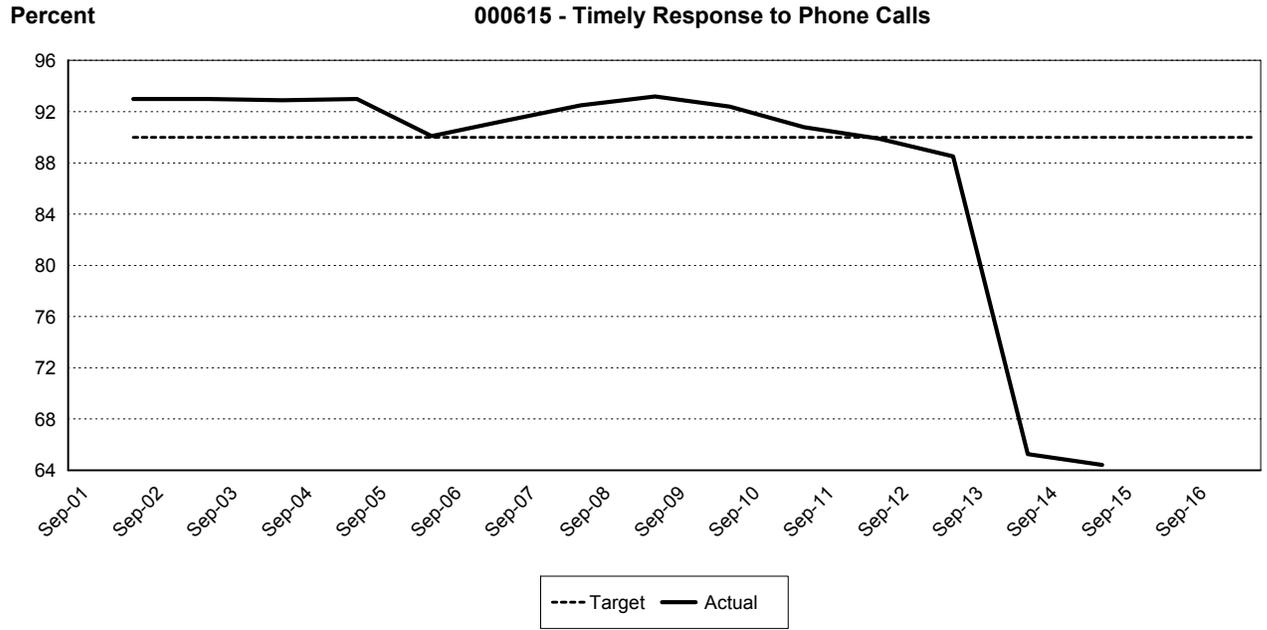
002470 Percent of members interviewed, identifying that DRS met or exceeded their expectations across 10 aspects of customer service.			
Biennium	Period	Actual	Target
2015-17	Q8		80%
	Q7		
	Q6		
	Q5		
	Q4		80%
	Q3		
	Q2		
	Q1		
2013-15	Q8	91%	80%
	Q7		
	Q6		
	Q5		
	Q4	90.6%	80%
	Q3		
	Q2		
	Q1		
2011-13	Q8	88.8%	80%
	Q4		

Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity



Appropriation Period: 2015-17 Activity Version: 2D - 2016 Supplemental 1 Recast Sort By: Activity

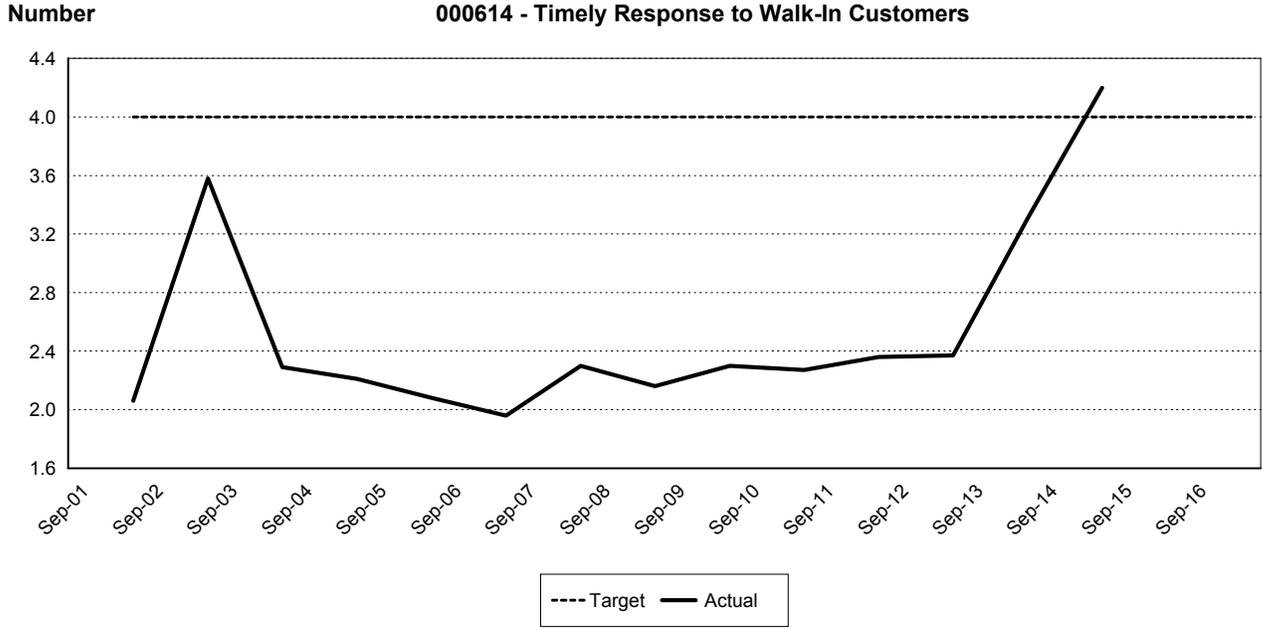
000615 Percent of incoming phone calls to DRS answered within 30 seconds.			
Biennium	Period	Actual	Target
2015-17	Q8		90%
	Q7		
	Q6		
	Q5		
	Q4		90%
	Q3		
	Q2		
	Q1		
2013-15	Q8	64.4%	90%
	Q7		
	Q6		
	Q5		
	Q4	65.26%	90%
	Q3		
	Q2		
	Q1		
2011-13	Q8	88.5%	90%
	Q7		
	Q6		
	Q5		
	Q4	89.9%	90%
	Q3		
	Q2		
	Q1		



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000614 Average number of minutes after arrival that members visiting the Department of Retirement Systems will receive knowledgeable staff service.			
Biennium	Period	Actual	Target
2015-17	Q8		4
	Q7		
	Q6		
	Q5		
	Q4		4
	Q3		
	Q2		
	Q1		
2013-15	Q8	4.2	4
	Q7		
	Q6		
	Q5		
	Q4	3.31	4
	Q3		
	Q2		
	Q1		
2011-13	Q8	2.37	4
	Q7		
	Q6		
	Q5		
	Q4	2.36	4
	Q3		
	Q2		
	Q1		

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A008 Retirement Information Systems

DRS receives and manages essential information and records for members and retirees. Information services support includes database management, systems development, electronic communications support, system maintenance and troubleshooting, data collection and processing, and disbursement processing. Authority for DRS is established in RCW 41.50.

Account	FY 2016	FY 2017	Biennial Total
FTE	53.2	53.6	53.4
600 Department of Retirement Systems Expense Account			
600-1 State	\$8,389,000	\$8,664,000	\$17,053,000

Statewide Result Area: **Efficient, Effective and Accountable Government**

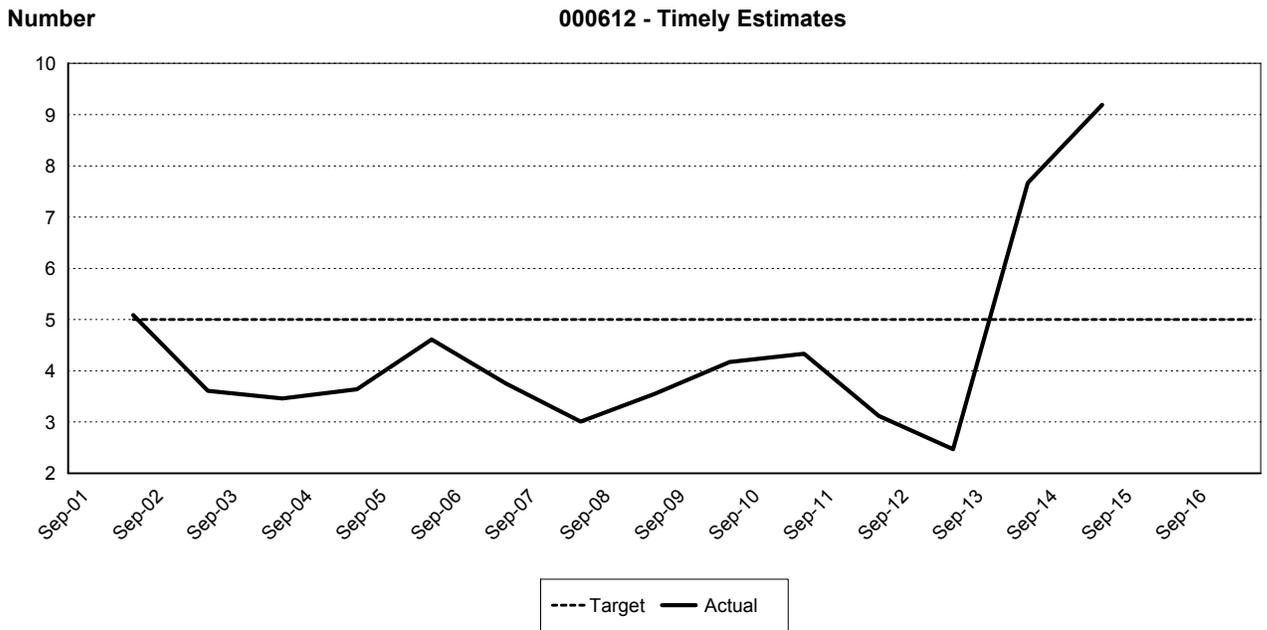
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Statewide Strategy: Provide data, information, and analysis to support decision-making

Expected Results

Maintain accurate and efficient pension systems. Secure member information and data. Complete timely and accurate programming associated with legislatively mandated benefit changes, and implementation of new plans.

000612 Average number of days to complete requests for retirement estimates.			
Biennium	Period	Actual	Target
2015-17	Q8		5
	Q7		
	Q6		
	Q5		
	Q4		5
	Q3		
	Q2		
	Q1		
2013-15	Q8	9.19	5
	Q7		
	Q6		
	Q5		
	Q4	7.67	5
	Q3		
	Q2		
	Q1		
2011-13	Q8	2.47	5
	Q7		
	Q6		
	Q5		
	Q4	3.12	5
	Q3		
	Q2		
	Q1		



A009 Trust Fund Accounting

DRS administers retirement benefits for state and local government employees. At the end of Fiscal Year 2012, the pension trust funds contained \$63 billion in assets, contributions last fiscal year totaled \$2.1 billion, and disbursements exceeded \$3.4 billion to an average of over 144,000 retirees each month. This activity contains the costs associated with all phases of accounting for the pension/trust funds, including collection of contributions, withdrawals and monthly pension disbursements, and IRS reporting. Authority for DRS is established in RCW 41.50.

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Account	FY 2016	FY 2017	Biennial Total
FTE	20.3	20.3	20.3
600 Department of Retirement Systems Expense Account			
600-1 State	\$2,250,000	\$2,334,000	\$4,584,000
600-6 Non-Appropriated	\$2,563,000	\$3,000,000	\$5,563,000
600 Account Total	\$4,813,000	\$5,334,000	\$10,147,000

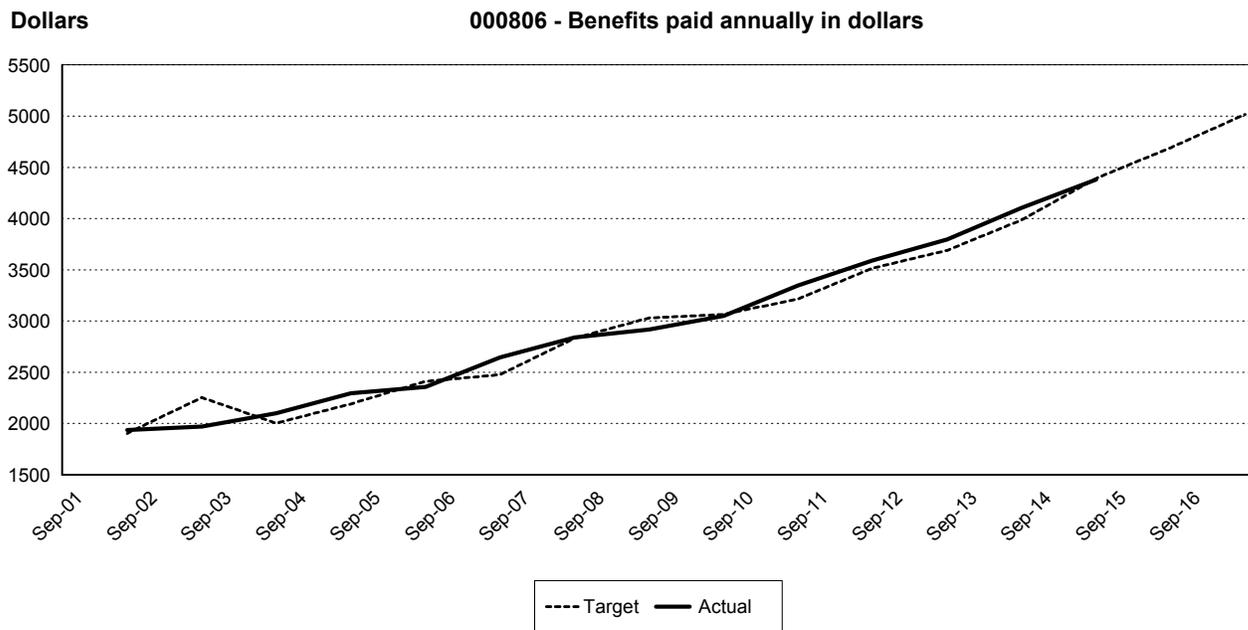
Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Safeguard and manage public funds

Expected Results

Provide timely and accurate pension payments to retirees, and accurate reporting to the Internal Revenue Service. Maintain industry standard record keeping for members participating the Public Employees', School Employees' and Teachers' Retirement Systems Plan 3's.

000806 Benefits paid annually in dollars (annuitants, withdrawals, Deferred Compensation and Dependent Care).			
Biennium	Period	Actual	Target
2015-17	Q8		\$5,017
	Q7		
	Q6		
	Q5		
	Q4		\$4,689
	Q3		
	Q2		
	Q1		
2013-15	Q8	\$4,382	\$4,391
	Q7		
	Q6		
	Q5		
	Q4	\$4,104	\$3,986
	Q3		
	Q2		
	Q1		
2011-13	Q8	\$3,796	\$3,689
	Q7		
	Q6		
	Q5		
	Q4	\$3,593	\$3,513
	Q3		
	Q2		
	Q1		

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A010 Old Age and Survivors Insurance (OASI) Program

This activity administers the Social Security and Medicare coverage program, also known as Old Age Survivor Insurance (OASI), for all state and local (public) government employers throughout the state of Washington, by serving as a facilitator and communication bridge between those employers and the Social Security Administration and Internal Revenue Service.

Account	FY 2016	FY 2017	Biennial Total
FTE	1.3	1.3	1.3
874 OASI Revolving Account			
874-6 Non-Appropriated	\$147,000	\$150,000	\$297,000

Statewide Result Area: Efficient, Effective and Accountable Government
Statewide Strategy: Provide a capable workforce to execute government functions

Expected Results

State and local government employees have retirement benefits. State and local governments meet their obligations under the federal law.

Grand Total

	FY 2016	FY 2017	Biennial Total
FTE's	252.4	252.4	252.4
GFS	\$0	\$0	\$0
Other	\$32,600,000	\$36,535,000	\$69,135,000
Total	\$32,600,000	\$36,535,000	\$69,135,000

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<u>Parameter</u>	<u>Entered As</u>
Budget Period	2015-17
Agency	124
Version	2D - 2016 Supplemental 1 Recast
Result Area	All Result Areas
Activity	All Activities
Program	All Programs
Sub Program	All Sub Programs
Account	All Accounts
Expenditure Authority Type	All Expenditure Authority Types
Theme	All
Sort By	Activity
Display All Account Types	Yes
Include Policy Level	Yes
Include Activity Description	Yes
Include Statewide Result Area	Yes
Include Statewide Strategy	Yes
Include Expected Results Text	Yes
Include Charts	Yes
Chart Type	Line
Include Parameter Selections	Yes
Version Source	OFM