



California Public Employees' Retirement System
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Telecommunication Device for the Deaf
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TO: BOARD MEMBERS, STATE AGENCIES, AGRICULTURAL DISTRICTS, PUBLIC AGENCIES, STATE COLLEGES & UNIVERSITIES, COUNTY SUPERINTENDENT OF SCHOOLS

SUBJECT: UPDATE ON CalPERS REENGINEERED BUSINESS PROCESSES

The California Public Employees' Retirement System (CalPERS) has completed the development stage for the business reengineering of three process areas:

- Retirement Estimates
- Retirement Applications (service, disability, industrial disability)
- Service Credit Purchase

Once implemented these reengineered processes will result in service level improvements, simplified procedures, and enhancements to business processes for CalPERS members and employers. Before CalPERS implements these improved processes, employers will be provided with new process procedures. Education sessions will be provided throughout California for all interested employers. **It will be very critical to the success of these new processes for the employers to become familiar with the new procedures.**

Refer to the schedule of Employer Education Sessions that CalPERS will be conducting in May and June 2000. A detailed information package, containing process and procedural information, regarding the new processes will be provided to you by the end of April 2000.

Our intent was to design significant process changes, which will positively impact your operations and benefit the members. Some of the benefits that will occur because of these changes are:

- Retirement Estimates:
 - Reduce average turn around time from 45 days to 5 days
 - Provide estimates for all retirement options and show calculation data on estimate letter
- Retirement Applications:
 - Reduce average turn around time on service retirement applications from 91 days to 30 days
 - Receipt of full benefit entitlement on first warrant
 - Allow the employer to pre-certify a member's sick leave balance and last date on payroll
- Service Credit Purchase:

- Reduce the average turn around time from 60 days to 15 days
- Internet self-service featuring the "Service Credit BuyBack Calculator"
- Allow the employer to pre-certify a member's prior years of service

The following will outline some of the major differences between the current and new processes:

- One of the major components to CalPERS achieving improved service levels is to move some employer procedural functions to the "front" of the process and remove CalPERS as the "middle-man" between employers and CalPERS members.
- Today, CalPERS' retirement application and service credit processes require an employer to provide information concerning a member **after** that member applies for either of these benefit services. This type of post retirement activity creates delays in processing and requires employers to deal with multiple validation requests from CalPERS.
- Today, the retirement application process requires employers to provide sick leave balances and separation date data **after** the member is retired. This prevents the member from receiving their full benefit entitlement on their initial retirement check and requires an adjustment to their benefit months after their first check is issued. It also requires the public agency and school employers to complete a Report of Separation Letter (BSD 200).
- The new retirement application process will require the employer to certify unused sick leave (if sick leave is contacted for by the CalPERS public agency) and separation date information **before** the member applies to CalPERS for retirement. The member will forward the new retirement application to the employer for completion of the employer certification section before submitting it to CalPERS. This will allow sick leave credits to be calculated into the member's first retirement check rather than having them wait for an adjustment. Certifying sick leave days and separation date will limit the number of post retirement adjustments, eliminate additional telephone calls, and the need for CalPERS to ask for additional documentation.
- Today the service credit purchase process requires the member to submit a request to CalPERS and for CalPERS to submit a request to the employer for validation of service credit records. This often results in employers receiving numerous inquiries from CalPERS staff and requires the employer to perform time consuming and often unnecessary payroll records research. This process causes delays in the member receiving eligibility and costing election information.
- With the new service credit purchase process, the employer certification of service prior to membership (SPM) will be made a part of the member's request to CalPERS. The member will have their employer fill employer certification section of the new service credit application form before submitting it to CalPERS. Rather than the employer having to perform time consuming research, the employer will have the ability to verify the information the member provides. The new enhanced package will reduce the need for clarification of information provided by the employer. These items should reduce the time employers spend performing service credit tasks and having to contact CalPERS. The new process will also improve service level turn around time for the member.

Please note the new service credit process does not apply to State Agencies.

Our objective in these process-reengineering efforts is to improve service levels for your employees, develop procedures that reduce the strain on your business operations, and help to improve the CalPERS and employer business relationship.

You will be receiving further information concerning these process changes in the near future. If you have any questions please contact us at the above listed number or contact your Actuarial and Employer Services Division (AESD) Employer Representative. Please see the *Employer Education Sessions* schedule for the names and telephone numbers of your employer representative.

Kenneth W. Marzion, Chief
Actuarial & Employer Services Division

Employer Education Sessions For CalPERS Reengineered Business Processes

For State of California agencies and departments, the training will be conducted at the following location:

Location	Dates	Times	Capacity	AESD Employer Representative	Counties Served
CalPERS Auditorium Lincoln Plaza Building 400 P Street Sacramento, CA 95814	May 8	9 a.m. - 11a.m.	250	Keith Riddle (916) 341-2448	All
	May 10	1 p.m. - 3 p.m.	250		
	May 11	9 a.m. - 11a.m.	250		

For Public Agencies and Schools, the training will be conducted at the following locations:

Location	Dates	Times	Capacity	AESD Employer Representative	Counties Served
CalPERS Auditorium Lincoln Plaza Building 400 P Street Sacramento, CA 95814	May 8	1 p.m. - 3 p.m.	250	Anthony Suine (916) 326-3499	Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Lassen, Modoc, Mono, Nevada, Placer, Plumas, Sutter, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Stanislaus, Tehama, Trinity, Tuolumne, Yolo, Yuba
	May 10	9 a.m. - 11 a.m.	250		
	May 11	1 p.m. - 3 p.m.	250		
Fresno Regional Office 10 River Park Place East Suite 230 Fresno, CA 93720	May 16	9 a.m. - 11 a.m.	64	Anthony Suine (916) 326-3499	Fresno, Kern, Kings, Madera, Mariposa, Merced, Tulare
	May 16		64		

	May 17	1 p.m. - 3 p.m.	64		
	May 17	9 a.m. - 11 a.m.	64		
		1 p.m. - 3 p.m.			
Mountain View Regional Office 650 Castro Street Suite 240 Mountain View, CA 94041	May 23	9 a.m. - 11 a.m.	50	Tammy Sanchez (916) 658-1461	Monterey, San Benito, Santa Clara, Santa Cruz
	May 23	1 p.m. - 3 p.m.	50		
	May 24	9 a.m. - 11 a.m.	50		
	May 24	1 p.m. - 3 p.m.	50		
Glendale Regional Office Glendale Plaza 655 North Central Avenue Suite 1400 Glendale, CA 91203 (Effective May 1, 2000)	May 9	9 a.m. - 11 a.m.	72	Karl Klun (916) 326-3156	Los Angeles, San Luis Obispo, Santa Barbara, Ventura
	May 9	1 p.m. - 3 p.m.	72		
	May 10	9 a.m. - 11 a.m.	72		
	May 10	1 p.m. - 3 p.m.	72		
Orange Regional Office 500 North State College Blvd. Suite 750 Orange, CA 92868	May 23	9 a.m. - 11 a.m.	55	Karl Klun (916) 326-3156	Orange
	May 23	1 p.m. - 3 p.m.	55		
	May 24	9 a.m. - 11 a.m.	55		
	May 24	1 p.m. - 3 p.m.	55		
San Bernardino Regional Office 650 E. Hospitality Lane Suite 330 San Bernardino, CA 92408	May 16	9 a.m. - 11 a.m.	70	Keith Riddle (916) 341-2448	Inyo, Riverside, San Bernardino
	May 16	1 p.m. - 3 p.m.	70		
	May 17	9 a.m. - 11 a.m.	70		
	May 17	1 p.m. - 3 p.m.	70		
San Diego Regional Office 7676 Hazard Center Drive Suite 350 San Diego, CA 92108	June 8	9 a.m. - 11 a.m.	39	Anthony Suine (916) 326-3499	Imperial, San Diego
	June 8	1 p.m. - 3 p.m.	39		
	June 9	9 a.m. - 11 a.m.	39		
	June 9	1 p.m. - 3 p.m.	39		

		1 p.m. - 3 p.m.			
City of Novato Police Department Conference Room 909 Machin Avenue Novato, CA 94945 (415) 897-4361	May 16	9 a.m. - 11 a.m.	50	Tammy Sanchez (916) 658-1461	Alameda, Contra Costa, Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, San Francisco, San Mateo, Solano, Sonoma
	May 16	1 p.m. - 3 p.m.	50		
	May 17	9 a.m. - 11 a.m.	50		
	May 17	1 p.m. - 3 p.m.	50		

Please call your AESD Employer Representative to reserve spaces for personnel and administrative staff who are involved in your employees' retirement and/or service credit purchasing processes.

Please see our Web page for detailed directions to any CalPERS Regional Office.

For directions to the City of Novato Police Department, please ask your AESD Employer Representative.