

Status Report of Auditor-Controller Transmittal and Other Corrections

July 2021

Status Update

The backlog of data issues pre-dating the V3 implementation in 2016, is still outstanding but not growing at the rate it once was. The bleed has stopped on most issues; clean up is underway and expected to be completed by the end of this fiscal year.

Transmittal issues that were presented during the VCHRP upgrade in 2018/2019 are nearing completion. The check reversals programming fix is underway however, until this fix is implemented VCERA staff continue to create correction files. The Nurse Retention Premium, that affects 260 employees is the last one to be addressed.

During our reporting we discovered that there were issues with missing plan change records. The fix is in progress, the A-C is also addressing leave accrual hours that were reported for new hires at the same time.

Background

There are two main types of requests that VCERA sends to the Auditor-Controller (A-C) as a regular course of business:

- Systems – errors relating to the interface transmittal files sent from VCHRP (County's payroll system) to V3 (VCERA's retirement system)
- Operations – changes to member tiers/plans as a result of incorrect placement, reciprocity, and other activities

Resources

VCERA Operations and IT staff continue to participate in regular meetings with the A-C staff regarding the outstanding Operations and Systems requests.

The A-C has two full-time staff members that work on retirement calculations and the V3 interface (as well as other duties). In addition, they have a part-time consultant who has been helping with the backlog and programming changes as required.

VCERA has two full-time Systems Administrators that support V3, process current payroll data from the A-C and track retroactive issues. Prior to June 30, 2021, VCERA employed a part-time consultant, Louise Webster, to assist with tracking and working directly with the A-C on current and retroactive payroll and transmittal data issues.

The contract for VCERA's part-time consultant, Louise Webster, ended on June 30, 2021 and all tasks handled by her were transitioned to the two VCERA's full-time Systems Administrators. However, with competing priorities (related to the Alameda implementation, daily V3 support issues, bi-weekly

transmittal review, and regular support), prioritization of both the current and retroactive transmittal and data issues was evaluated and only the current issues and outstanding correction files are being addressed.

Systems

Systems Accomplishment Highlights

Several correction files were created to fix many issues, including:

- Check reversals affecting about 225 employees
- Service hours for line assigned and line battalion chiefs, about 350 employees
- Service hours for employees on leaves of absence, about 230 employees
- Prior period adjustment calculations, about 360 employees
- Plan assignment changes, about 45 employees

VCHRP programming fixes were developed and are currently under review/testing for several key issues:

- Missing plan change records when a plan change affects multiple pay periods
- Incorrect leave accrual calculations for reversals

Systems Summary

As of July 2020, there were 54 open issues/requests impacting over 1,784 members. As of July 2021, there were 46 open issues that affected 480 members.

Systems	Issues	Employees	Pay Periods
FY 2020-21:			
Open Issues Beg Bal (7/1/2020)	54	1,784	893
Closed Issues	-40	-1,342	-695
New Issues	32	38	78
Open Issues End Bal (6/30/2021)	46	480	276
Coming Soon:			
In Progress/Review	10	33	37

Of the *New Issues*, only 9 are brand new issues. The rest are sub issues, which typically involve additional employees or pay periods, on existing open issues.

There are 8 issues in the *Open Issues End Bal* that are related to Pension Caps and 7 of them are related to Plan Changes for which a VCHRP programming fix is in testing.

The next issues to be reviewed by the A-C are the **Check Reversals** that affect 32 employees/120 pay periods, the issue with the **Jail Cook Premium** that affects 12 employees, 42 pay periods and the issues with the **Nurse Retention Premium** that affects 260 employees for 1 pay period.

Operations

Operations Accomplishment Highlights

This past fiscal year, much work was done to build correction files to provide plan changes records that were missed due to a programming bug (mentioned above under Systems). This was the last step to close out many of the partially completed issues on the log.

Operations Summary

As of July 2020, there were 10,029 pay periods that required corrections. As of July 2021, there were 5,663 pay periods requiring corrections. These corrections are due to a variety of reasons such as members initiating reciprocity and incorrect placement of tier/plan.

Operations	Employees	Pay Periods
FY 2020-21:		
Open Issues Beg Bal (7/1/2020)	305	10,029
Closed Issues	-68	-4,938
New Issues	30	572
Open Issues End Bal (6/30/2021)	267	5,663
In Progress:		
Plan Changes	31	1,070
Payroll Adjustments	29	1,760
In Review by VCERA	60	924

There were 39 Closed issues that were for reciprocity requests and 23 of the issues were for employees placed in the wrong tier.

Above indicates that there were 60 items in review by VCERA Staff, but 16 have been closed since the date of this report. Of the remaining 44 issues that are in review by VCERA the details are as follows:

- Correction Files (15 members): VCERA Systems Administrators must review the correction files in V3 PreProd to confirm they are accurate and then process in V3 Production, the goal is to have these processed by the end of the calendar year.
- Military Restorations (20 members): The goal is for VCERA Staff to review and close before the end of this quarter.
- Pending Operations (5 members): VCERA Staff are in progress of reviewing these items, the goal is to review and close before the end of the quarter.
- Pending Auditor-Controller (4 members): VCERA Staff has requested additional information from A-C Staff on these items.

Systems and Operations

Combined Statistics

The following table shows a side-by-side comparison of outstanding issues (both Systems & Operations) from July 2018 to July 2021:

	July 2018	July 2019	July 2020	July 2021	Change
Open Systems Issues	37	59	54	46	-15%
Impacted Members	1,800	2,800	1,784	480	-73%
Impacted Pay Periods	430	675	893	276	-69%
Open Operations Issues	<i>see next line below</i>				
Impacted Members	133	228	305	267	-12%
Impacted Pay Periods	4,580	6,240	10,029	5,663	-44%
Total Impacted Members	1,933	3,028	2,089	747	-64%
Estimated Percentage of Impacted Active	21%	32%	20%	8%	-12%

Note: Some members may appear in more than one issue and/or list, which may inflate the estimate of total impacted members.

Est. Active Employees in VCERA as of 8/2/2021: 9,065

Conclusion & Future

VCERA and the Auditor-Controller's office are mutually dedicated to finish the backlog cleanup in both the Systems and Operations areas.

Over the past year, we have significantly reduced the VCERA membership that is impacted, from 25% down to 8%. The A-C staffing has stabilized, and additional consultant support was approved. This resulted in consistent support on the open issues, as well as dedicated support to develop programming fixes required in VCHRP. The Auditor-Controller has committed to continuing to fund the additional consultant until the Systems backlog and programming issues are resolved.

VCERA Operations and IT Staff continue to track and work directly with the A-C on current and retroactive payroll and transmittal data issues. However, with the Alameda Decision currently underway, there are often competing priorities. Additionally, with the loss of VCERA's part-time contractor and the Systems Administrators absorbing her workload into their daily duties, there are constraints that are currently only allowing them to work on the correction files and bi-weekly transmittal processing.

Both teams will continue to work together to define priorities, discuss solutions, and test/review corrections/adjustments. As outlined, much progress was made this year to reduce the backlog, and we hope to continue this in the new fiscal year.