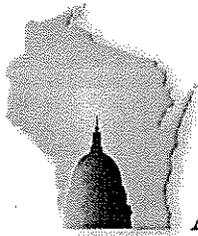


- XI. Employee Trust Funds – Dave Hinrichs, Executive Assistant and Administrator of the Division of Information Technology and Dave Stella, Administrator of the Division of Retirement Services

The department requests a supplement of \$1,121,100 SEG in fiscal year 2000-01 from the Committee's appropriation under s. 20.865(4)(u) to the department's provision of benefits appropriation under s. 20.515(1)(v) to address fiscal year 2000-01 expenses associated with implementation of 1999 Wisconsin Act 11 through June 30, 2001.

Governor's Recommendation

Provide a one-time supplement of \$1,073,000 SEG in fiscal year 2000-01. Of this amount, place \$212,100 SEG in unallotted reserve with release contingent upon the Supreme Court issuing its final decision on Act 11 and the department demonstrating need for these funds to the Department of Administration.



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: April 20, 2001

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration *George Lightbourn*

Subject: Section 13.10 Request from the Department of Employee Trust Funds to implement 1999 Wisconsin Act 11

Request

The department requests \$1,121,100 SEG in fiscal year 2000-01 from the Committee's appropriation under s. 20.865(4)(u) to the department's provision of benefits appropriation under s. 20.515(1)(v) to address fiscal year 2000-01 expenses associated with implementation of 1999 Wisconsin Act 11 through June 30, 2001.

Background

1999 Wisconsin Act 11 was effective December 30, 1999. The provisions of the law affect benefits, interest crediting, variable annuity options, contribution credits for employers, death benefits, credit for legislative service, recognition of income and capital gains and losses in the fixed retirement investment trust, and certain actuarial assumptions and liabilities under the Wisconsin Retirement System (WRS). 1999 Wisconsin Act 9, the biennial budget bill, created a biennial appropriation funded at \$1,575,700 SEG in fiscal year 1999-2000 and \$584,100 SEG in 2000-01 and authorized 19.0 SEG FTE project positions for implementing the WRS benefit improvements. The funding was provided at 75.0 percent of the department's original estimated cost of implementation.

On December 29, 1999, the Wisconsin Supreme Court granted an injunction barring implementation of the provisions of Act 11. The injunction remains in force and the Court has issued no decision on the merits. The department began planning for the implementation of Act 11 in January 2000, anticipating a decision was likely within one year. Computer programs, forms, brochures and operational procedures must be changed in order to implement Act 11. For purposes of planning for these changes, the department assumed that every provision of Act 11 would be found constitutional. By designing and testing the many changes to computer programs in separate modules, ETF has been able to prepare to accommodate the Court's decision.

Act 11 will impact all 483,000 WRS member accounts at least once. Retroactive adjustments back to January 1, 1999 will occur for approximately 332,000 members who receive effective rate interest. Over 100,000 retired member accounts will require multiple adjustments to the retirement dividends paid in 2000 and 2001. In addition, at least 16,800 accounts will require multiple adjustments due to benefit underpayments. Continued funding will enable ETF to implement the Court's decision as quickly as possible.

Analysis

The cost estimates contained in this request are based upon having a court decision by April 15, 2001. Without an April 15th decision, the department notes that backlogs will increase and additional remedial work will be required.

The department's implementation of Act 11 has two phases. Phase 1 of the project, scheduled for completion on June 30, 2001, includes implementation of all Act 11 provisions except the reopening of participation in the Variable Fund. Phase 2 of the project, scheduled to commence on July 1, 2001 and end on June 30, 2002, includes the implementation of changes to the Variable Fund and the final calculation of estimated benefits. Phase 1 activities are 87.0 percent complete. The department's request for one-time supplement of \$1,121,100 SEG is needed to fund the unbudgeted costs of completing Phase 1 by June 30, 2001. The department's fiscal year 2000-01 request is detailed below:

Itemization of Act 11-related Costs, Fiscal Year 2000-01

Expenditure	Requested	Recommended
Personal Services		
Salary for project positions and overtime and extra hours	\$111,400	\$82,900
Subtotal Personal Services	111,400	82,900
Supplies and Services		
DOA Infotech charges	400,200	400,200
Contract services	350,500	350,500
Printing	95,000	95,000
Postage	89,300	89,300
Telephone	39,700	39,700
Actuarial services	30,000	30,000
Office supplies	5,000	5,000
Subtotal Supplies and Services	1,009,700	1,009,700
Minus surplus from LTE and fringe lines		-19,600
Total Need	\$1,121,100	\$1,073,000

Most of the department's costs will be incurred on its supplies and services line for contract services and DOA infotech charges. The provisions of Act 11 result in the most comprehensive changes to the Wisconsin Employee Benefit Systems (WEBS) since it was first implemented in 1992. Nearly all of the department's information technology functions are affected, requiring a major system conversion. The department has assigned its own IT staff to this project. In addition, it has hired five full-time contract programmers and will be hiring two additional contract staff to work on modifications and enhancements to WEBS to meet the Phase 1 timeline. The department's request for funding for contract services totals \$350,500 SEG and represent costs over base for programmers' salaries (\$325,000 SEG) and programmers' travel (\$25,000). The total amount was calculated based upon expenditures to date and remaining programmers' hours identified in the department's comprehensive project plan.

The department's request for funding of DOA infotech charges totals \$400,200 over its budget base. The Wisconsin Employee Benefit System (WEBS) is housed on the state's mainframe computer system. Time spent on the state's mainframe system has increased significantly with programmers working on the development, testing and implementation of the changes that must be made to WEBS to comply with the provisions of Act 11. As of March, ETF expended \$182,000 SEG for DOA infotech charges resulting from Act 11. It anticipates additional charges totaling \$321,000 SEG by fiscal year end. Of this amount, \$96,000 SEG is for development and \$150,000 for final testing and implementation of the programming changes made to WEBS. The department also requests \$75,000 SEG for backlog. Backlogs increase with every retirement benefit and dividend the department issues based upon current law. The department will have to modify benefits and dividends once a decision on Act 11 is rendered and it will incur additional mainframe computer processing costs as a result.

The other supplies and services expenditures detailed above will cover the department's costs of printing updated forms, brochures and a special issue of the Trust Fund News highlighting Act 11, sending out retirement estimates, Act 11 related correspondence and employer bulletins, obtaining actuarial services and purchasing miscellaneous office and computer supplies for staff. All of the supplies and services costs outlined above appear to be reasonable and are based upon expenditures to date as well as the specific functions needed to be completed before the end of the fiscal year.

Regarding expenses for personal services, the department requests additional funding over its salary base totaling \$111,400 SEG. This amount includes the estimated cost of overtime and extra hours costs totaling \$101,400 SEG. The department has been paying overtime and extra hours to staff working on the implementation of Act 11 since the beginning of the calendar year and expects to continue this practice throughout the remainder of the current fiscal year. The use of overtime and extra hours is most concentrated in the Division of Retirement Services where staff process

retirement estimates, service purchase requests and other benefit information requests. The total request includes costs incurred for the months of January and February (\$15,600 SEG) as well as the estimated cost of overtime and extra hours for the remainder of the current fiscal year (\$85,800 SEG). From July 2000 through March 2001, approximately 50 percent of the Division of Retirement Services' total overtime and extra hours expenditures have been for Act 11 related activities. The department expects this trend to rise to 90 percent once the Court renders a decision on Act 11. This assumption appears reasonable given the significant increases in workload ETF anticipates with a court decision.

Also included in the department's request for personal services is funding for salaries for current project staff for the remainder of the current fiscal year and for the additional 2.5 SEG FTE project staff the department intends to hire to aid in implementation of Act 11. Total estimated project salaries for the remainder of the fiscal year total \$165,800 SEG. Project positions currently staff the department's call center, Division of Retirement Services, Division of Employer Services, and Division of Administrative Services performing various duties related to Act 11. These activities include answering all incoming calls generated by Act 11, resolving benefit inquiries, determining and updating benefit eligibility, and preparing retirement and other benefit information estimates. Estimated salaries for current project staff for the remainder of the fiscal year totals \$141,300 SEG. The department anticipates a significant increase in demand for services once a decision on Act 11 is rendered, particularly in its call center and Division of Employer Services. It intends to hire 2.5 project positions to meet increased service demands in these areas. Salary for the new project hires is projected at \$24,500 SEG in fiscal year 2000-01.

It does not appear ETF will require an increase in authority of \$111,400 SEG in fiscal year 2000-01 for personal services. First, when calculating estimated salary costs for the 2.5 SEG FTE project positions, the department incorrectly calculated salary for 3.5 SEG FTE project positions. Salary totaling \$6,200, the cost of the additional Trust Fund Specialist 2 project position, should be removed from the request. Second, the department did not factor in the amount it is eligible to receive as supplement under s. 20.865 (1)(c) of the statutes, *Compensation and related adjustments*, in the current fiscal year. The department's request can be further reduced by \$22,300 SEG, the maximum amount of pay plan supplement for which it is eligible. With these two reductions, the departments need for additional personal services expenditure authority in 2000-01 totals \$82,900 SEG.

In addition, it appears the department will have a surplus on its limited term employee (LTE) and fringe budget lines in 2000-01 that can be used to reduce its overall request for supplement. The department estimates that it will have a surplus on its LTE line of \$5,400 SEG. This amount appears reasonable given expenditures to date and estimated expenditures for the remainder of the fiscal year. Regarding fringe, the department estimates it will have a surplus on its fringe line of \$10,400 SEG. Further analysis suggests a total surplus of \$14,200 SEG. First, anticipated fringe

expenditures of \$2,300 SEG incorrectly included for the additional 1.0 SEG FTE project position can be removed. And second, the department used a fringe benefit rate higher than the rate currently used for LTE staff. Using the generally accepted fringe rate for LTE staff of 7.65 percent generates additional surplus of \$1,500. The department should use its total LTE and fringe surplus, estimated at \$19,600 SEG, to reduce its overall need for supplement.

Based upon this analysis, a one-time increase in expenditure authority of \$1,073,000 SEG appears adequate to address the department's costs of implementing Act 11 in fiscal year 2000-01.

Lastly, the Committee may choose to place a portion of the \$1,073,000 SEG recommended for one-time supplement to the department in unallotted reserve. ETF assumed the Supreme Court would render its final decision on Act 11 by April 15th, at which time it would proceed with final implementation of the ordered changes. The April 15th deadline has passed and final implementation of Phase 1 must be delayed. Upon request, ETF identified expenditure reductions that could be taken, if the Court delayed its decision until June 1, 2001. Recommended reductions are as follows: personal services (-\$7,600 SEG for overtime and extra hours and -\$18,300 SEG for delaying the hire of 2.5 project positions until fiscal year 2001-2002), DOA infotech charges (-\$117,500 SEG), office supplies (-\$400 SEG), postage (-\$33,300 SEG), printing (-\$15,000 SEG) and actuarial services (-\$20,000 SEG). One can only speculate on what date the Court will render its decision. Rather than remove these amounts totaling \$212,100 SEG from the department's request, these amounts can be placed in unallotted reserve. Release of the funds is contingent upon the Supreme Court issuing its final decision and the department demonstrating need for these funds to the Department of Administration.

Recommendation

Provide a one-time supplement of \$1,073,000 SEG in fiscal year 2000-01. Of this amount, place \$212,100 SEG in unallotted reserve with release contingent upon the Supreme Court issuing its final decision on Act 11 and the department demonstrating need for these funds to the Department of Administration.

Prepared by: Dawn Currier
266-8777



STATE OF WISCONSIN

Department of Employee Trust Funds

XI

Eric O. Stanchfield
Secretary
801 West Badger Road
P.O. Box 7931
Madison, WI 53707-7931

March 16, 2001

The Honorable John Gard
The Honorable Brian Burke
Co-Chairs, Joint Committee on Finance
State Capitol
Madison WI 53702

Subject: Section 13.101 Request for Costs Relating to the Implementation of the 1999
Wisconsin Act 11 (Act 11)

Dear Senator Burke and Representative Gard:

The Department requests a supplement in the amount of \$1,121,100 SEG to the appropriation under s. 20.515(1)(v) to address Fiscal Year 2001 expenses associated with implementation of Act 11 through June 30, 2001.

Background of Request:

Act 11 was effective December 30, 1999. The provisions of the law affect benefits, interest crediting, variable annuity options, contribution credits for employers, death benefits, credit for legislative service, recognition of income and capital gains and losses in the fixed retirement investment trust, and certain actuarial assumptions and liabilities under the Wisconsin Retirement System (WRS). Funding for Department activities associated with preparing to implement Act 11 were initially provided at 75% of the Department's original estimated cost.

On December 29, 1999 the Wisconsin Supreme Court (Court) granted an injunction barring implementation of the provisions of Act 11. The injunction remains in force and the Court has issued no decision on the merits. The Department began planning for the implementation of Act 11 in January of 2000, anticipating a decision was likely within one year. Computer programs, forms, brochures, and operational procedures must be extensively changed in order to implement Act 11. For purposes of planning for these changes, the Department assumed that every provision in Act 11 would be found constitutional. By designing and testing the many changes to computer programs in separate modules, the Department has been able to prepare to accommodate the Court's decision.

Approximately 350 annuitants in the WRS die every month, meaning that these members will never personally have the use of the improved benefits during their lifetime. Even if the Court were to find the entire bill unconstitutional, thousands of members have remained on estimated payroll for over a year, often receiving an annuity smaller than that to which their finalized amount would entitle them.

Act 11 will impact all 483,000 WRS member accounts at least once. Retroactive adjustments back to January 1, 1999 will occur for about 332,000 members who receive effective rate interest. Over 100,000 retired member accounts will require multiple adjustments to their retirement dividends paid in 2000 and 2001. In addition, at least 16,800 accounts will require multiple adjustments due to benefit underpayments. Continued funding will enable the Department to implement the Court's decision as quickly as possible.

Brief Summary of Request:

The backlogs and cost estimates contained in this request are based upon having a Court decision by April 15, 2001. The positions hired and filled will continue through June 30, 2000. If a decision is not issued by this date, backlogs will increase and additional remedial work will be required.

The Department's implementation plan (Attachment 1) has two phases:

- ◆ Phase One: January 2000 through June 30, 2001, addressing the implementation of all Act 11 provisions except the reopening of participation in the Variable Fund.
- ◆ Phase Two: July 1, 2001 through June 30, 2002, addressing the Variable Fund implementation and final calculation of estimated benefits.

Overview - Phase One Activities

Phase One activities are 87% complete.

Division of Information Technology (IT)

The provisions of Act 11 result in the most comprehensive changes to the Wisconsin Employee Benefits System (WEBS) since it was first implemented in 1992. Nearly all information technology (IT) functions are affected, requiring a major system conversion. In addition to assigning existing staff to this project, the Department has hired five full-time contract programmers and will be hiring two additional staff to work on modifications and enhancements to WEBS to meet the Phase One timeline.

Customer Service Call Center

The Call Center has hired and trained six project employees to answer incoming calls generated from Act 11. The majority of our members telephone the Department to request retirement estimates and applications. Interested members call seeking information on Act 11 and how the various provisions affect them. The Call Center proposes to hire two additional full-time project positions in April to address the expected influx of calls.

Division of Retirement Services

The Member Services Bureau processes retirement estimates, service purchase requests, and other benefit information requests. The Bureau has hired and trained four project employees. The Department and its actuaries estimate a 50% increase in retirements for several months after the Court decision. In addition, it is estimated that 40% of all work completed in the past 12 months will need to be redone due to revised calculations. Approximately 2000 of the 16,800 estimates awaiting finalization are over 12 months old.

The Benefits Services Bureau has hired and trained three project employees to complete final retirement calculations, manual dividends, and supplemental annuities and supplemental lump sum processing.

In addition, the Division has used and will continue to use overtime, extra hours and contract resources.

Division of Employer Services

The Division has hired one project employee and proposes to hire one half-time employee in April. The Division will experience Act 11 workload increases in the following areas: variable election/cancellation processing; prior-year corrections; beneficiary designations; military service inquiries; benefit inquiries; employer and employee service and earning inquiries; termination reports; insurance applications for new employees replacing those who retire; and participants purchasing qualified service, forfeited service or other governmental service.

Division of Administrative Services

The Division has hired one project employee and several contractual service workers to process increased in inquiries on benefit estimates, retirements, and employer bulletins. These employees will also prepare and mail retirement packets; prepare, scan, and index documents to the imaging system; and revise and print forms and brochures.

Office of the Controller

The Office proposes to hire a contract accountant to process refunds, Qualified Domestic Relations Orders, and employer prior service credit inquiries.

Attachment 2 is a summary of costs for the above-referenced activities.

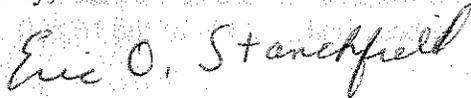
The Honorable Brian Burke
The Honorable John Gard
March 16, 2001
Page 4

How Request Meets Statutory Criteria

I believe the statutory standards under s 13.101(3) of the statutes for granting supplementation have been met. The funding granted in Act 11 is insufficient to accomplish the purpose for which it was made. The Department will be seeking an amendment to the 2001-03 Biennial Budget for the resources required to complete the implementation of Phase 2 and finalize estimated benefits.

Thank you for the consideration of this request. I have asked Dave Hinrichs, Executive Assistant and Administrator of the Division of Information Technology, and Dave Stella, Administrator of the Division of Retirement Services, to be available at your meeting to answer any questions you may have.

Sincerely,



Eric O. Stanchfield
Secretary
(608) 266-0301
TTY (608) 267-0676
FAX (608) 267-0633

Enclosures

ATTACHMENT 1

ACT 11 - Phase I

Mon 03/12/01

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
1	ACT 11	432 days	Wed 10/27/99	Tue 06/26/01	87%	
2	Project Resource Identification	43 days	Wed 10/27/99	Fri 12/24/99	100%	
3	Business User Resources	14 days	Tue 12/07/99	Fri 12/24/99	100%	Division Administrators
4	IT Resources	30 days	Wed 10/27/99	Tue 12/07/99	100%	Jon Forde, John Benson
5	Project Scope	80 days	Tue 12/07/99	Mon 02/28/00	100%	ACT 11 Implementation Team
6	Phase I	403 days	Tue 12/07/99	Tue 06/26/01	87%	
7	Estimate Effort to Complete - CPM's	10 days	Tue 03/29/00	Mon 04/10/00	100%	ACT 11 Technical Team
8	External Design	363 days	Tue 12/07/99	Tue 05/01/01	98%	
9	Define Basic Business Rules	61 days	Tue 12/07/99	Tue 02/29/00	100%	ACT 11 Implementation Team
10	Define Data Needs	36 days	Tue 01/18/00	Tue 03/07/00	100%	ACT 11 Implementation Team
11	A - System Reconciliation	45 days	Mon 04/10/00	Sat 06/10/00	100%	Liz Derleth, Corey Alman
12	Addendum1	2 days	Wed 12/13/00	Thu 12/14/00	100%	Liz Derleth, Corey Alman
13	Addendum2 (TBL_EE_ACT11INTADJ & other TBL changes)	2 days	Fri 03/02/01	Mon 03/05/01	100%	Liz Derleth, Corey Alman
14	B - Update LRC on the Actual PH1231 Table	19 days	Mon 04/10/00	Thu 05/04/00	100%	Betsy Woodward, Dale Ferron, Vern Jacobsen, Cindy Reed
15	Addendum1	2 days	Mon 08/21/00	Tue 08/22/00	100%	Betsy Woodward, Dale Ferron, Vern Jacobsen, Cindy Reed
16	Addendum2 (Remove ref to TBL_CD_PROC_YR)	2 days	Mon 02/28/01	Tue 02/27/01	100%	Betsy Woodward, Dale Ferron, Vern Jacobsen, Cindy Reed
17	C1 - Break Services into Buckets	27 days	Fri 05/05/00	Mon 06/12/00	100%	Betsy Woodward, Dale Ferron, Liz Derleth, Cindy Reed
18	Addendum1	2 days	Wed 08/16/00	Thu 08/17/00	100%	Betsy Woodward, Cindy Reed
19	Addendum2	2 days	Fri 10/13/00	Mon 10/16/00	100%	Betsy Woodward, Cindy Reed
20	C2 - Update Ret Plan Table for ERC & LRC	27 days	Fri 05/05/00	Mon 06/12/00	100%	Betsy Woodward, Cindy Reed
21	Addendum1	2 days	Wed 08/16/00	Thu 08/17/00	100%	Betsy Woodward, Cindy Reed
22	Addendum2	2 days	Fri 10/13/00	Mon 10/16/00	100%	Betsy Woodward, Cindy Reed
23	C3 - Update Benefit Rights Codes for Closed Accounts	6 days	Tue 02/28/01	Tue 02/27/01	100%	Betsy Woodward, Cindy Reed
24	D0 - Special Program to Populate New Int Crediting Table TBL_EE_ACT11	4 days	Fri 08/18/00	Wed 08/23/00	20%	Dave Short, Betty Schlachter
25	D1 - Program to Adjust Sep Value from 3% to 5%	26 days	Wed 05/10/00	Wed 06/14/00	100%	Vern Jacobsen, Cindy Reed
26	Addendum1	2 days	Fri 08/25/00	Mon 08/28/00	100%	Vern Jacobsen, Ken Peterson
27	D2 - Program to Adjust Int from 5% to Eff Rate	26 days	Wed 05/10/00	Wed 06/14/00	100%	Vern Jacobsen, Ken Peterson
28	Addendum1	2 days	Fri 08/25/00	Mon 08/28/00	100%	Vern Jacobsen, Ken Peterson
29	E - Program to add Interest based on TAA Transfer	3.4 days	Fri 05/12/00	Wed 05/17/00	100%	Vern Jacobsen, Ken Peterson
30	Addendum1	2 days	Fri 08/25/00	Mon 08/28/00	100%	Vern Jacobsen, Ken Peterson
31	Addendum2	2 days	Fri 10/13/00	Mon 10/16/00	100%	Vern Jacobsen, Ken Peterson
32	F - New Inquiry Screen to View Addl Interest Credited Amts	24 days	Tue 05/16/00	Fri 06/16/00	100%	Vern Jacobsen, Ken Peterson
33	Addendum1	3 days	Fri 09/08/00	Tue 09/12/00	100%	Mark Bengry, Corey Alman
34	Addendum2	3 days	Wed 01/31/01	Fri 02/02/01	100%	Mark Bengry, Corey Alman

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
35	G1 - Program to Locate Acct with Benefit Taken	27 days	Tue 06/20/00	Wed 07/26/00	100%	Dave Short, Ken Peterson
36	Addendum1	2 days	Mon 01/08/01	Tue 01/09/01	100%	Dave Short, Susan Douglas
37	Addendum2 (Accts that began in 1999 & Took Ben in 2001)	2 days	Mon 03/12/01	Tue 03/13/01	0%	Dave Short, Betty Schlachter
38	G2 - Special Program to Add Interest for 2000 Accts Closed in 2001	5 days	Mon 02/19/01	Fri 02/23/01	0%	Catherine Lorence, Liz Derfeth, Betty Schlachter
39	H - Enrollments	22 days	Mon 04/10/00	Tue 05/09/00	100%	Betsy Woodward, Dale Ferron, Ken Peterson
40	Addendum1	2 days	Tue 10/24/00	Wed 10/25/00	100%	Betsy Woodward, Liz Derfeth, Ken Peterson
41	Addendum2 (TC Code Processing)	2 days	Wed 01/24/01	Thu 01/25/01	100%	Betsy Woodward, Dale Ferron, Liz Derfeth, Susan Douglas
42	I - Terminations	22 days	Mon 04/10/00	Tue 05/09/00	100%	Betsy Woodward, Ken Peterson
43	Addendum1	2 days	Mon 10/16/00	Tue 10/17/00	100%	Betsy Woodward, Liz Derfeth, Susan Douglas
44	Addendum2 (TC Code Processing)	3 days	Thu 02/15/01	Mon 02/19/01	100%	Betsy Woodward, Liz Derfeth, Susan Douglas
45	J - Corrections to Current Year	22 days	Mon 04/10/00	Tue 05/09/00	100%	Betsy Woodward, Ken Peterson
46	Addendum1	2 days	Mon 10/16/00	Tue 10/17/00	100%	Betsy Woodward, Liz Derfeth, Susan Douglas
47	Addendum2 (TC Code Processing)	2 days	Thu 02/22/01	Fri 02/23/01	100%	Betsy Woodward, Liz Derfeth, Susan Douglas
48	K - Annual Transactions	22 days	Mon 04/10/00	Tue 05/09/00	100%	Betsy Woodward, Ken Peterson
49	L - Military Service	136 days	Mon 04/10/00	Tue 10/17/00	100%	Betsy Woodward, Betty Schlachter
50	M - Service and Earnings Adjustment Processor	4 days	Wed 05/17/00	Mon 05/22/00	100%	Betsy Woodward, Dale Ferron, Cindy Reed
51	Addendum1	2 days	Fri 12/01/00	Mon 12/04/00	100%	Betsy Woodward, Dale Ferron, Cindy Reed
52	Addendum2	2 days	Tue 12/26/00	Wed 12/27/00	100%	Betsy Woodward, Dale Ferron, Cindy Reed
53	N - Late Reported Earnings	6 days	Wed 06/07/00	Wed 06/14/00	100%	Betsy Woodward, Dale Ferron, Cindy Reed
54	Addendum1	2 days	Fri 02/16/01	Mon 02/19/01	98%	Betsy Woodward, Dale Ferron, Liz Derfeth, Debra Hazeltine
55	O - QDRO Enrollments	70 days	Tue 04/11/00	Mon 07/17/00	100%	Dale Ferron, Keith Green
56	Addendum1 (Rights Code processing)	2 days	Tue 01/23/01	Wed 01/24/01	100%	Dale Ferron, Liz Derfeth, Susan Douglas
57	P - Qualifying/Forfeited Service	137 days	Wed 04/12/00	Fri 10/20/00	100%	Dale Ferron, Keith Green
58	Addendum1 (PRE2K POT FORF SVC & QDRO processing)	2 days	Mon 02/19/01	Tue 02/20/01	99%	Dale Ferron, Liz Derfeth, Keith Green
59	Q - Indicative Data Changes	94 days	Thu 04/06/00	Tue 08/15/00	100%	Betsy Woodward, Corey Alman
60	Addendum1 (Q1 & Q2 New TBLs)	1 day	Mon 02/05/01	Mon 02/05/01	99%	Betsy Woodward, Liz Derfeth, Corey Alman
61	R - Creditable Service by Employer	71 days	Mon 04/17/00	Mon 07/24/00	100%	Dale Ferron, Keith Green
62	S - Extranet Previous Service Display	37 days	Tue 05/16/00	Wed 07/05/00	100%	Betsy Woodward, Corey Alman
63	T - Inquiry Screens	65 days	Tue 05/16/00	Mon 08/14/00	100%	Betsy Woodward, Mark Bengry, Corey Alman
64	Addendum1 (I03 & A23 Changes)	2 days	Tue 02/27/01	Wed 02/28/01	100%	Betsy Woodward, Mark Bengry, Corey Alman, Liz Derfeth
65	U - Qualifying/Forfeited Service Refunds	37 days	Mon 05/01/00	Tue 06/20/00	100%	Dale Ferron, Jerry Dietzel, Nancy Kittleson, Keith Green
66	V - QDRO Splits	43 days	Wed 06/21/00	Sat 08/19/00	100%	Jerry Dietzel, Keith Green
67	Addendum1 (QDRO processing for buybacks)	2 days	Thu 03/01/01	Fri 03/02/01	97%	Catherine Lorence, Liz Derfeth, Keith Green
68	W - QDRO SOA's	1.9 days	Fri 07/21/00	Mon 07/24/00	100%	Jerry Dietzel, Keith Green

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
69	Addendum1	2 days	Mon 10/02/00	Wed 10/04/00	100%	Jerry Dietzel, Keith Green
70	X - Benefits Bridge	24 days	Mon 07/03/00	Thu 08/03/00	100%	Vern Jacobsen, Keith Green
71	Addendum1 (EST, CRT, PRE2K POT SVC)	2 days	Thu 03/01/01	Fri 03/02/01	100%	Keith Green, Catherine Lorence
72	Y - Annual PAL Fiche (Ongoing)	15 days	Fri 05/19/00	Thu 06/08/00	100%	Vern Jacobsen, Keith Green
73	Z - Accounting Service Adjustment Processors	30 days	Tue 05/23/00	Mon 07/03/00	100%	Vern Jacobsen, Cindy Reed
74	Addendum1	2 days	Wed 08/16/00	Thu 08/17/00	100%	Vern Jacobsen, Cindy Reed
75	Addendum2	2 days	Mon 08/21/00	Tue 08/22/00	100%	Vern Jacobsen, Cindy Reed
76	Addendum3	2 days	Tue 09/26/00	Wed 09/27/00	100%	Vern Jacobsen, Cindy Reed
77	AA - PALS	15 days	Thu 05/18/00	Wed 06/07/00	100%	Dave Short, Keith Green
78	BB - Benefit Estimate Programs	101 days	Mon 04/10/00	Mon 08/28/00	100%	Mark Bengry, Betty Schlaechter
79	Addendum1	2 days	Wed 02/21/01	Thu 02/22/01	100%	Mark Bengry, Betty Schlaechter
80	CC - Benefit Estimate Print Programs	29 days	Mon 07/10/00	Thu 08/17/00	100%	Mark Bengry, Corey Alman
81	Addendum1 ("Rusty" Benefit Estimate Prints & Requestable)	2 days	Mon 02/19/01	Tue 02/20/01	100%	Mark Bengry, Corey Alman
82	DD - Retcalc Programs	9 days	Wed 05/03/00	Mon 05/15/00	100%	Dave Short, Corey Alman, Betty Schlaechter
83	Addendum1	2 days	Tue 08/15/00	Wed 08/16/00	100%	Dave Short, Corey Alman, Betty Schlaechter
84	Addendum2	2 days	Mon 09/11/00	Tue 09/12/00	100%	Dave Short, Corey Alman, Betty Schlaechter
85	Addendum3	2 days	Tue 12/26/00	Wed 12/27/00	100%	Dave Short, Corey Alman, Betty Schlaechter
86	Addendum4 (New Verbiage for Notices)	3 days	Thu 02/09/01	Mon 02/12/01	85%	Dave Short, Corey Alman, Betty Schlaechter
87	EE - Extranet Non-Annuitant Inquiry Screen	39 days	Tue 05/16/00	Fri 07/07/00	100%	Linda Owen, Corey Alman
88	FF - Retrospective Dividend based on TAA Transfer	10 days	Tue 06/13/00	Mon 06/26/00	100%	Dave Short, Cindy Reed
89	Addendum1	2 days	Wed 09/20/00	Thu 09/21/00	100%	Dave Short, Cindy Reed
90	Addendum2	2 days	Tue 09/26/00	Wed 09/27/00	100%	Dave Short, Cindy Reed
91	Addendum3	2 days	Tue 10/31/00	Wed 11/01/00	100%	Dave Short, Cindy Reed
92	GG - Inquiry Screen to View Special Dividend Based on TAA Transfer	65 days	Tue 05/16/00	Mon 08/14/00	100%	Dave Short, Mark Bengry, Corey Alman
93	Addendum1	3 days	Wed 08/30/00	Fri 09/01/00	100%	Dave Short, Mark Bengry, Corey Alman
94	Addendum2	3 days	Mon 01/29/01	Wed 01/31/01	100%	Dave Short, Mark Bengry, Corey Alman
95	Addendum3 (Interest on Retro Pymt)	2 days	Wed 03/07/01	Thu 03/08/01	85%	Dave Short, Mark Bengry, Corey Alman
96	HH - 415 Contribution Testing	13.35 days	Thu 08/03/00	Tue 08/22/00	100%	Dale Ferron, Corey Alman
97	II - Employer Credit Program	26 days	Wed 11/01/00	Thu 12/07/00	100%	Dale Ferron, Nancy Klittleson, Cindy Reed, Bob Willert
98	JJ - Retirement Contributions	28 days	Tue 10/31/00	Sat 12/09/00	100%	Dale Ferron, Nancy Klittleson, Liz Derfeth, Susan Douglas
99	QQ - Annual Roll-Up	13 days	Tue 07/11/00	Thu 07/27/00	100%	Dale Ferron, Jerry Dietzel, Liz Derfeth, Corey Alman, Kurt Ludeking, Russ St. Clair
100	YY - SOB Supplement	141.94 days	Tue 08/01/00	Mon 02/19/01	85%	Dale Ferron, Mark Bengry, Liz Derfeth, Susan Douglas
101	VV - Mass Enrollments	134.55 days	Thu 04/06/00	Thu 10/12/00	100%	Dale Ferron, Betty Woodward, Corey Alman, Kurt Ludeking[50%]
102	Addendum1 (TC code P173 processing)	2 days	Thu 02/22/01	Fri 02/23/01	100%	Dale Ferron, Kurt Ludeking

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
103	W W - Delete SSN	0.5 days	Tue 04/18/00	Tue 04/18/00	100%	Betsy Woodward, Corey Alman
104	XX - Prior Service Updates	83.15 days	Fri 07/28/00	Fri 11/24/00	100%	Dale Ferron, Corey Alman, Kurt Ludeking[50%]
105	ZZ - MIPS Tape	7.35 days	Mon 06/07/00	Wed 08/16/00	100%	Dale Ferron, Corey Alman
106	Addendum1	2 days	Wed 02/28/01	Thu 03/01/01	100%	Dale Ferron, Kurt Ludeking[50%]
107	AAA - SOB Program	3 days	Thu 07/27/00	Mon 07/31/00	85%	Dale Ferron, Mark Bengry, Liz Derleth, Susan Douglas
108	BBB1 - Special Roll-up Pgm for FUND_1999 & SERVICE_1999 This	5 days	Thu 09/21/00	Wed 09/27/00	100%	Vern Jacobsen, Liz Derleth, Cindy Reed
109	BBB2 - Special Roll-up Pgm to Replace 1/1/2000 Bal on WEBS Database	11 days	Mon 07/17/00	Mon 07/31/00	100%	Vern Jacobsen, Cindy Reed
110	Addendum1	2 days	Fri 12/15/00	Mon 12/18/00	100%	Vern Jacobsen, Cindy Reed
111	CCC - Annual Interest Crediting	6.45 days	Fri 07/21/00	Mon 07/31/00	100%	Vern Jacobsen[92%], Corey Alman
112	DOD - Actuarial Extracts (non-annuitant)	30 days	Mon 07/03/00	Fri 08/11/00	100%	Jerry Dietzel, Ken Peterson
113	EEE - Year-End Statistics Download	13.05 days	Fri 07/28/00	Wed 08/16/00	100%	Jerry Dietzel, Corey Alman
114	LLL1 - Interim Variable Election Processing	16 days	Wed 09/23/00	Thu 09/14/00	100%	Betsy Woodward, Russ St. Clair, Liz Derleth
115	LLL2 - Special Notice re Variable Void	72 days	Mon 11/20/00	Thu 03/01/01	100%	Russ St. Clair, Liz Derleth, Betsy Woodward
116	LLL3 - Variable Void Processing	27 days	Tue 01/02/01	Wed 02/07/01	100%	Betsy Woodward, Russ St. Clair, Liz Derleth
117	LLL4 - Updating Variable Addresses	14 days	Fri 01/19/01	Wed 02/07/01	100%	Betsy Woodward, Russ St. Clair, Liz Derleth
118	Addendum1 (Address Changes)	2 days	Tue 03/06/01	Wed 03/07/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair
119	MMM - Annual PAL Fiche (Special 1/1/2000 Run)	26 days	Fri 10/20/00	Mon 11/27/00	100%	Vern Jacobsen, Keith Green
120	OOO - Employer Invoices	49 days	Tue 10/31/00	Tue 01/09/01	100%	Nancy Killison, Dale Ferron, Liz Derleth, Susan Douglas
121	PPP - Employer Inquiry	49 days	Tue 10/31/00	Tue 01/09/01	100%	Nancy Killison, Dale Ferron, Liz Derleth, Susan Douglas
122	QQQ - Employer Maintenance	49 days	Tue 10/31/00	Tue 01/09/01	100%	Nancy Killison, Dale Ferron, Liz Derleth, Susan Douglas
123	RRR - Employer Month-End Processing	49 days	Tue 10/31/00	Tue 01/09/01	100%	Nancy Killison, Dale Ferron, Liz Derleth, Susan Douglas
124	TTT - Update Screen for CFM Manual ACT 11 Annuitant Dividends	6 days	Wed 02/28/01	Wed 03/07/01	25%	Nancy Killison, Dale Ferron, Liz Derleth, Susan Douglas
125	V V V - Online Annuity Rate Display	10 days	Wed 04/18/01	Tue 05/01/01	0%	Dave Short, Cindy Reed
126	External Design End	0 days	Fri 08/18/00	Fri 08/18/00	0%	Dave Short, Susan Douglas
127	Construction	272.25 days	Mon 04/17/00	Mon 05/07/01	84%	
128	F - New Inquiry Screen to View Addl Interest Credited Amts	136 days	Mon 05/19/00	Thu 12/28/00	100%	Corey Alman
129	GG - Inquiry Screen to View Special Dividend Based on TAA Transfer	7.73 days	Mon 08/14/00	Thu 12/28/00	100%	Corey Alman
130	BB - Benefit Estimate Programs	139 days	Thu 07/27/00	Fri 02/09/01	100%	
131	Retirement Estimates	66 days	Thu 07/27/00	Fri 10/27/00	100%	
132	Code & Unit Test	56 days	Thu 07/27/00	Fri 10/13/00	100%	Betsy Schlachter[50%]
133	User Test	10 days	Mon 10/16/00	Fri 10/27/00	100%	Mark Bengry, Betty Schlachter
134	Disability Estimates	130 days	Thu 08/03/00	Mon 02/05/01	100%	
135	Code & Unit Test	51 days	Thu 08/03/00	Fri 10/13/00	100%	Betsy Schlachter
136	User Test	5 days	Tue 01/30/01	Mon 02/05/01	100%	Mark Bengry, Betty Schlachter

ACT 11 - Phase I

Mon 03/12/01

Mon 03/12/01

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
137	Death Estimates	134 days	Thu 08/03/00	Fri 02/09/01	100%	
138	Code & Unit Test	51 days	Thu 08/03/00	Fri 10/13/00	100%	Betty Schlachter
139	User Test	5 days	Mon 02/05/01	Fri 02/09/01	100%	Mark Bengry, Betty Schlachter
140	CC - Benefit Estimate Print Programs	33 days	Tue 01/16/01	Wed 02/28/01	98%	
141	New Program - Estimate Print	27 days	Tue 01/16/01	Wed 02/21/01	100%	Betty Schlachter
142	AFP Print Process	12 days	Tue 01/23/01	Wed 02/07/01	100%	Howard Wienholtz
143	Print on Demand	5 days	Wed 01/31/01	Tue 02/06/01	100%	Betty Schlachter
144	Print on Demand (\$05 Screen Changes)	10 days	Thu 02/15/01	Wed 02/28/01	90%	
145	Code & Unit Test	5 days	Thu 02/15/01	Wed 02/21/01	100%	BJ Schwartz
146	User Test	5 days	Thu 02/22/01	Wed 02/28/01	80%	Mark Bengry, Betty Schlachter, BJ Schwartz
147	DD1 - Retcalc Programs (Application Entry)	103 days	Fri 08/22/00	Thu 02/15/01	100%	
148	Retirement Application Entry/Update - TR670P72	1 day	Fri 09/22/00	Fri 09/22/00	100%	Corey Alman
149	Extract/Print Retalcs Reports & Notices - TR673P68	16 days	Fri 01/19/01	Fri 02/09/01	100%	Corey Alman
150	AFP Print Process Changes	5 days	Fri 02/09/01	Thu 02/15/01	100%	
151	Code & Unit Test	3 days	Fri 02/09/01	Tue 02/13/01	100%	Howard Wienholtz
152	User Test	2 days	Wed 02/14/01	Thu 02/15/01	100%	Dave Short, Corey Alman, Howard Wienholtz
153	DD2 - Retcalc Programs (Final Calcs)	156 days	Wed 08/09/00	Mon 03/19/01	57%	
154	Final Calc Processor - TR671P12	13 days	Wed 02/14/01	Fri 03/02/01	100%	
155	Code & Unit Test	7 days	Wed 02/14/01	Thu 02/22/01	100%	Betty Schlachter
156	User Test	6 days	Fri 02/23/01	Fri 03/02/01	100%	Dave Short, Betty Schlachter
157	Bridge Edit & Load - TR673P13	1 day	Fri 12/08/00	Fri 12/08/00	100%	Betty Schlachter
158	Manual Acct Closure Entry/Audit - TR670P75	5 days	Wed 08/09/00	Tue 08/15/00	100%	Corey Alman
159	Extract/Print Retalcs Reports & Notices - TR673P68	9 days	Wed 08/16/00	Mon 08/28/00	10%	Corey Alman
160	AFP Print Process Changes	17 days	Fri 02/23/01	Mon 03/19/01	33%	
161	Code & Unit Test	14 days	Fri 02/23/01	Wed 03/14/01	40%	Howard Wienholtz
162	User Test	3 days	Thu 03/15/01	Mon 03/19/01	0%	Dave Short, Betty Schlachter, Corey Alman, Howard Wienholtz
163	T1 - Inquiry Screens	6.4 days	Fri 08/11/00	Wed 08/05/00	100%	Corey Alman
164	T2 - Inquiry Screens (f03 & A23 Changes)	5 days	Tue 01/30/01	Wed 02/07/01	100%	
165	Code & Unit Test	1 day	Tue 01/30/01	Wed 01/31/01	100%	Corey Alman
166	User Test	5 days	Thu 02/01/01	Wed 02/07/01	100%	Betsy Woodward, Mark Bengry, Liz Darleth, Corey Alman
167	CCC1 - Annual Interest Crediting (Benefit Estimate component)	10 days	Tue 08/01/00	Mon 08/14/00	100%	Corey Alman
168	CCC2 - Annual Interest Crediting (Benefit Bridge component)	10 days	Tue 09/22/00	Tue 09/05/00	100%	Corey Alman
169	CCC3 - Annual Interest Crediting	83 days	Thu 11/09/00	Wed 03/07/01	98%	
170	Code & Unit Test	23 days	Thu 11/09/00	Tue 12/12/00	100%	Corey Alman

ACT 11 - Phase I

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
171	User Test	5 days	Thu 03/01/01	Wed 03/07/01	80%	Catherine Lorence, Liz Derleth, Corey Alman
172	S - Extranet Previous Service Display	34 days	Tue 09/05/00	Fri 10/20/00	100%	Dave Cherry[50%]
173	EE - Extranet Non-Amiant Inquiry Screen	19.38 days	Tue 08/01/00	Fri 08/25/00	100%	Jon Ferde, Corey Alman
174	XX - Prior Service Updates	31 days	Fri 08/25/00	Mon 10/09/00	100%	Kurt Ludeking[50%]
175	V V - Mass Enrollments	90 days	Sat 09/23/00	Tue 01/30/01	100%	Kurt Ludeking[50%]
176	Code & Unit Test	88 days	Sat 09/23/00	Fri 01/26/01	100%	Kurt Ludeking[50%]
177	User Test	2 days	Mon 01/29/01	Tue 01/30/01	100%	Dale Ferron, Liz Derleth, Kurt Ludeking[50%]
178	Q2 - Indicative Data Changes (Short Term, includes PAL Tbls)	46 days	Wed 10/25/00	Fri 12/29/00	100%	Corey Alman
179	Q2 - Indicative Data Changes (Short Term, includes PAL Tbls)	12 days	Thu 02/15/01	Fri 03/02/01	86%	
180	Code & Unit Test (TBL_EE_ACT11INTADJ changes)	12 days	Thu 02/15/01	Fri 03/02/01	100%	Corey Alman
181	User Test (TBL_EE_ACT11INTADJ changes)	2 days	Thu 02/15/01	Fri 02/16/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
182	Q1 - Indicative Data Changes (Long Term, excludes PAL Tbls)	18 days	Wed 02/07/01	Fri 03/02/01	90%	
183	Code & Unit Test	18 days	Wed 02/07/01	Fri 03/02/01	100%	Corey Alman
184	User Test	2 days	Thu 02/08/01	Fri 02/09/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
185	HH - 415 Contribution Testing	8 days	Mon 02/05/01	Wed 02/14/01	95%	Kurt Ludeking[50%], Dale Ferron
186	ZZ - MPS Tape	5 days	Thu 02/15/01	Wed 02/21/01	95%	Kurt Ludeking[50%], Dale Ferron
187	B - Update LRC on the Actual PH1231 Table	13.3 days	Mon 04/17/00	Thu 05/04/00	100%	Cindy Reed
188	C1 - Break Service into Buckets	6.7 days	Thu 05/08/00	Fri 05/16/00	100%	Cindy Reed
189	C2 - Update Ret Plan Table for ERC & LRC	3.35 days	Tue 05/13/00	Fri 05/16/00	100%	Cindy Reed
190	M - Service and Earnings Adjustment Processor	15 days	Thu 05/01/00	Wed 05/21/00	100%	Cindy Reed
191	Z - Accounting Service Adjustment Processors	12 days	Tue 07/04/00	Wed 07/19/00	100%	Cindy Reed
192	BBB2 - Special Roll-up Pgm to Replace 1/1/2000 Bal on WEBS Database	7 days	Wed 07/19/00	Thu 07/27/00	100%	Cindy Reed
193	A - System Reconciliation	4 days	Mon 06/12/00	Fri 07/28/00	100%	Cindy Reed, John Benson
194	A - System Reconciliation (TBL_EE_ACT11INTADJ & other TBL change)	12 days	Thu 02/15/01	Fri 03/02/01	99%	
195	Code & Unit Test	10 days	Thu 02/15/01	Wed 02/28/01	100%	Corey Alman
196	User Test	2 days	Thu 03/01/01	Fri 03/02/01	95%	Liz Derleth, Corey Alman
197	FF - Retroactive Dividend based on TAA Transfer	11.5 days	Tue 07/25/00	Wed 08/09/00	100%	Cindy Reed
198	D0 - Special Program to Populate New Int Crediting Table TBL_EE_ACT11	2 days	Mon 08/21/00	Tue 08/22/00	100%	Cindy Reed
199	BBB1 - Special Roll-up Pgm for FUND_1999 & SERVICE_1999 Tbls	10 days	Thu 09/21/00	Wed 10/04/00	100%	Cindy Reed
200	N - Late Reported Earnings	97.65 days	Mon 10/23/00	Fri 03/09/01	82%	
201	Adjustment Processor	92 days	Mon 10/23/00	Thu 03/01/01	91%	
202	Code & Unit Test	84 days	Mon 10/23/00	Mon 02/19/01	100%	Cindy Reed, Debra Hazelitne
203	User Test	8 days	Tue 02/20/01	Thu 03/01/01	0%	Dale Ferron, Liz Derleth, Debra Hazelitne, Betsy Woodward
204	Batch Processor	91 days	Tue 10/31/00	Fri 03/09/01	73%	

ID	Task Name	Code & Unit Test	Duration	Start	Finish	% Complete	Resource Names
205	Code & Unit Test		81 days	Tue 10/31/00	Fri 02/23/01	80%	Cindy Reed, Debra Hazeltine
206	User Test		8 days	Tue 02/27/01	Fri 03/09/01	0%	Dale Ferron, Liz Derleth, Debra Hazeltine, Betsy Woodward
207	II - Employer Credit Program		19 days	Thu 11/09/00	Wed 12/06/00	100%	
208	Code & Unit Test		17 days	Thu 11/09/00	Mon 12/04/00	100%	Cindy Reed
209	User Test		2 days	Tue 12/05/00	Wed 12/06/00	100%	Nancy Kittleson, Bob Willett, Cindy Reed
210	JJ - Retirement Contributions		33 days	Thu 03/08/01	Mon 04/23/01	0%	
211	Code & Unit Test		10 days	Thu 03/08/01	Wed 03/21/01	0%	Susan Douglas
212	User Test		23 days	Thu 03/22/01	Mon 04/23/01	0%	Dale Ferron, Nancy Kittleson, Liz Derleth, Susan Douglas
213	OOO - Employer Invoices		27 days	Thu 03/22/01	Fri 04/27/01	0%	
214	Code & Unit Test		7 days	Thu 03/22/01	Fri 03/30/01	0%	Susan Douglas
215	User Test		20 days	Mon 04/02/01	Fri 04/27/01	0%	Dale Ferron, Nancy Kittleson, Liz Derleth, Susan Douglas
216	RRR - Employer Month-End Processing		29 days	Fri 03/09/01	Wed 04/18/01	2%	
217	Code & Unit Test		2 days	Fri 03/09/01	Mon 03/12/01	25%	Susan Douglas
218	User Test		20 days	Thu 03/22/01	Wed 04/18/01	0%	Dale Ferron, Nancy Kittleson, Liz Derleth, Susan Douglas
219	PPP - Employer Inquiry		22 days	Mon 03/12/01	Tue 04/10/01	1%	
220	Code & Unit Test		2 days	Mon 03/12/01	Tue 03/13/01	15%	Susan Douglas
221	User Test		20 days	Wed 03/14/01	Tue 04/10/01	0%	Dale Ferron, Nancy Kittleson, Liz Derleth, Susan Douglas
222	H - Enrollments		17.2 days	Fri 05/05/00	Tue 05/30/00	100%	Ken Peterson
223	I - Terminations		8.5 days	Thu 05/18/00	Tue 05/30/00	100%	Ken Peterson
224	J - Corrections to Current Year		8.5 days	Thu 05/18/00	Tue 05/30/00	100%	Ken Peterson
225	K - Annual Transactions		0.86 days	Tue 05/30/00	Tue 05/30/00	100%	Ken Peterson
226	D1 - Program to Adjust Sep Value from 3% to 5%		8 days	Thu 06/15/00	Mon 06/26/00	100%	Ken Peterson
227	D2 - Program to Adjust Int from 5% to Eff Rate		14.5 days	Tue 06/06/00	Mon 06/26/00	100%	Ken Peterson
228	E - Program to add Interest based on TAA Transfer		13.78 days	Wed 06/07/00	Mon 06/26/00	100%	Ken Peterson
229	O - QDRO Enrollments		166 days	Tue 07/18/00	Fri 03/09/01	100%	
230	Code & Unit Test		14 days	Tue 07/18/00	Fri 08/04/00	100%	Ken Peterson
231	Code & Unit Test (Rights Code processing)		12 days	Wed 02/21/01	Thu 03/08/01	100%	Susan Douglas
232	User Test		2 days	Thu 03/08/01	Fri 03/09/01	100%	Dale Ferron, Liz Derleth, Susan Douglas
233	G1 - Program to Locate Acct with Benefit Taken		167 days	Thu 07/27/00	Wed 03/21/01	81%	
234	Code & Unit Test		18 days	Thu 07/27/00	Mon 08/21/00	100%	Ken Peterson
235	User Test		3 days	Tue 08/22/00	Thu 08/24/00	100%	Dave Short, Ken Peterson
236	Code & Unit Test (Accts that began in 1999 & Took Ben in 2001)		5 days	Thu 03/15/01	Wed 03/21/01	0%	Susan Douglas
237	AAA - SOB Program		170 days	Tue 08/01/00	Thu 03/29/01	50%	Ken Peterson, Susan Douglas
238	YY - SOB Supplement		75.8 days	Wed 12/13/00	Thu 03/29/01	50%	Ken Peterson, Susan Douglas

ID	Task Name	Duration	Start	Finish	% Complete	Resources	Names
239	DDD - Actuarial Extracts (non-annuitant)	5 days	Thu 08/31/00	Fri 09/08/00	100%	Ken Peterson	
240	L - Military Service	14 days	Mon 10/16/00	Fri 11/03/00	100%	Betsy Schlichter	
241	P - Qualifying/Forfeited Service	107.7 days	Tue 10/03/00	Mon 03/05/01	99%		
242	Code & Unit Test (PRE2K POT FORF SVC & QDRO processing)	106.7 days	Tue 10/03/00	Fri 03/02/01	100%	Keith Green	
243	User Test	8 days	Thu 02/22/01	Mon 03/05/01	95%	Dale Ferron, Liz Derleth, Keith Green	
244	V - QDRO Splits	54 days	Fri 07/21/00	Thu 10/05/00	100%		
245	Code & Unit Test	52 days	Fri 07/21/00	Tue 10/03/00	100%	Keith Green	
246	User Test	2 days	Wed 10/04/00	Thu 10/05/00	100%	Keith Green, Jerry Dietzel	
247	Code & Unit Test (QDRO processing for buybacks)	2 days	Thu 03/08/01	Mon 03/12/01	95%	Keith Green	
248	User Test (QDRO processing for buybacks)	10 days	Mon 03/12/01	Mon 03/26/01	0%	Catherine Lorence, Liz Derleth, Keith Green, Judy Heiser	
249	W - QDRO SOA's	167.1 days	Mon 07/31/00	Mon 03/26/01	69%	Keith Green	
250	Code & Unit Test	20 days	Mon 07/31/00	Fri 08/25/00	100%	Keith Green	
251	User Test	2 days	Wed 10/04/00	Thu 10/05/00	100%	Keith Green, Howard Wienholtz, Jerry Dietzel	
252	User Test (QDRO processing for buybacks)	10 days	Mon 03/26/01	Mon 03/26/01	0%	Catherine Lorence, Liz Derleth, Keith Green, Howard Wienholtz, Judy Heiser, Mark Bengy	
253	X - Benefits Bridge	39.34 days	Fri 08/04/00	Fri 08/29/00	100%	Keith Green	
254	AA - PALS	38 days	Mon 08/28/00	Thu 10/19/00	100%	Keith Green	
255	Y - Annual PAL Fiche (Ongoing)	38 days	Mon 08/28/00	Thu 10/19/00	100%	Keith Green	
256	R - Creditable Service by Employer	19.4 days	Wed 09/13/00	Tue 10/10/00	100%	Keith Green	
257	MMM - Annual PAL Fiche (Special 11/2000 Run)	26 days	Wed 11/01/00	Thu 12/07/00	92%		
258	Code & Unit Test	24 days	Wed 11/01/00	Tue 12/05/00	100%	Keith Green	
259	User Test	2 days	Wed 12/06/00	Thu 12/07/00	0%	Catherine Lorence, Liz Derleth, Keith Green	
260	QQ - Annual Roll-Up	6 days	Thu 07/06/00	Thu 07/13/00	100%	Russ St. Clair	
261	LLL1 - Interim Variable Election Processing	12.8 days	Mon 08/28/00	Thu 09/14/00	100%	Russ St. Clair	
262	LLL2 - Special Notice re Variable Void	69.7 days	Mon 11/27/00	Mon 03/05/01	100%		
263	Code & Unit Test	69.7 days	Mon 11/27/00	Mon 03/05/01	100%	Russ St. Clair	
264	User Test	60.55 days	Thu 12/07/00	Fri 03/02/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair	
265	LLL3 - Variable Void Processing	18 days	Mon 02/05/01	Wed 02/28/01	100%	Russ St. Clair	
266	Code & Unit Test	7 days	Mon 02/05/01	Tue 02/13/01	100%	Russ St. Clair	
267	User Test	11 days	Wed 02/14/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair	
268	LLL4 - Updating Variable Addresses	14 days	Fri 02/09/01	Wed 02/28/01	100%	Russ St. Clair	
269	Code & Unit Test	4 days	Fri 02/09/01	Wed 02/14/01	100%	Russ St. Clair	
270	User Test	10 days	Thu 02/15/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair	
271	W W1 - Delete SSN (Daily)	11.6 days	Thu 03/01/01	Fri 03/16/01	14%		
272	Code & Unit Test	9.4 days	Thu 03/01/01	Wed 03/14/01	17%	Corey Alman	

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ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
273	User Test	2 days	Wed 03/14/01	Fri 03/16/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
274	W W2 - Delete SSN (Annual)	9.5 days	Mon 03/05/01	Fri 03/16/01	19%	
275	Code & Unit Test	7.5 days	Mon 03/05/01	Wed 03/14/01	24%	Corey Alman
276	User Test	2 days	Wed 03/14/01	Fri 03/16/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
277	H - Enrollments (TC Code Processing)	50 days	Thu 11/16/00	Fri 01/26/01	100%	
278	Code & Unit Test	47 days	Thu 11/16/00	Tue 01/23/01	100%	Susan Douglas
279	User Test	3 days	Wed 01/24/01	Fri 01/26/01	100%	Betsy Woodward, Liz Derleth, Susan Douglas
280	X - Benefits Bridge (Retest)	17 days	Thu 02/08/01	Fri 03/02/01	100%	
281	Code & Unit Test	16 days	Thu 02/08/01	Thu 03/01/01	100%	Keith Green
282	User Test	12.5 days	Wed 02/14/01	Fri 03/02/01	100%	Catherine Lorence, Pat Fahy, Liz Derleth, Keith Green
283	CCC2 - Annual Int Crediting (Benefit Bridge component) Retest	2 days	Wed 02/14/01	Fri 02/16/01	100%	Catherine Lorence, Pat Fahy, Liz Derleth, Keith Green
284	I - Terminations (TC Code Processing)	5.5 days	Thu 02/08/01	Thu 02/15/01	100%	
285	Code & Unit Test	4.5 days	Thu 02/08/01	Wed 02/14/01	100%	Susan Douglas
286	User Test	3 days	Tue 02/13/01	Thu 02/15/01	100%	Betsy Woodward, Liz Derleth, Susan Douglas
287	J - Corrections to Current Year (TC Code Processing)	9 days	Fri 02/16/01	Wed 02/28/01	100%	
288	Code & Unit Test	8 days	Fri 02/16/01	Tue 02/27/01	100%	Susan Douglas
289	User Test	2 days	Tue 02/27/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth, Susan Douglas
290	G2 - Special Program to Add Interest for 2008 to Accts Closed in 2001	15 days	Thu 02/22/01	Wed 03/14/01	0%	
291	Code & Unit Test	8 days	Thu 02/22/01	Mon 03/05/01	0%	Betsy Schlachter
292	User Test	7 days	Tue 03/06/01	Wed 03/14/01	0%	Dave Short, Betty Schlachter, Catherine Lorence, Liz Derleth
293	TTT - Update Screen for CFM Manual ACT 11 Annuitant Dividends	15 days	Mon 03/05/01	Fri 03/23/01	0%	
294	Code & Unit Test	12 days	Mon 03/05/01	Tue 03/20/01	0%	Resource Y
295	User Test	3 days	Wed 03/21/01	Fri 03/23/01	0%	Dave Short, Liz Derleth, Resource Y
296	C3 - Update Benefit Rights Codes for Closed Accounts	13 days	Mon 02/26/01	Thu 03/15/01	0%	
297	Code & Unit Test	9 days	Mon 02/26/01	Fri 03/09/01	0%	Betsy Schlachter
298	User Test	4 days	Fri 03/09/01	Thu 03/15/01	0%	Dave Short, Betty Schlachter
299	V V V - Online Annuity Rate Display	7.3 days	Thu 04/26/01	Mon 05/07/01	86%	
300	Code & Unit Test	7.1 days	Thu 04/26/01	Mon 05/07/01	85%	Susan Douglas
301	User Test	2.3 days	Thu 05/03/01	Mon 05/07/01	90%	Dave Short, Susan Douglas
302	Construction End	0 days	Mon 10/30/00	Mon 10/30/00	0%	
303	Develop Test Plans	230 days	Mon 04/10/00	Wed 02/28/01	75%	
304	A - System Reconciliation	5 days	Fri 07/14/00	Thu 07/20/00	0%	Liz Derleth
305	B - Update LRC on the Actual PH1231 Table	5 days	Tue 04/18/00	Mon 04/24/00	100%	Betsy Woodward, Dale Ferron, Vern Jacobsen, Liz Derleth
306	C1 - Break Services into Buckets	5 days	Fri 06/02/00	Thu 06/08/00	100%	Betsy Woodward, Liz Derleth

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
307	C2 - Update Ret Plan Table for ERC & LRC	5 days	Fri 06/02/00	Thu 06/08/00	100%	Betsy Woodward, Liz Derleth
308	C3 - Update Benefit Rights Codes for Closed Accounts	5 days	Fri 01/26/01	Thu 02/01/01	0%	Dave Short
309	D0 - Special Program to Populate New Int Crediting Table TBL_EE_ACT11	5 days	Tue 08/08/00	Mon 09/14/00	100%	Vern Jacobsen, Liz Derleth
310	D1 - Program to Adjust Sep Value from 3% to 5%	5 days	Mon 06/12/00	Fri 06/16/00	100%	Vern Jacobsen, Liz Derleth
311	D2 - Program to Adjust Int from 5% to Eff Rate	5 days	Mon 06/12/00	Fri 06/16/00	100%	Vern Jacobsen, Liz Derleth
312	E - Program to Add Interest based on TAA Transfer	5 days	Mon 09/12/00	Fri 09/16/00	100%	Vern Jacobsen, Liz Derleth
313	F - New Inquiry Screen to View Addl Interest Credited Amts	0.1 days	Wed 09/06/00	Wed 09/06/00	100%	Mark Bengry
314	G1 - Program to Locate Acct with Benefit Taken	5 days	Thu 08/03/00	Wed 08/09/00	100%	Dave Short
315	G2 - Special Program to Add Interest for 2000 to Accis Closed in 2001	5 days	Mon 04/10/00	Fri 04/14/00	0%	Dave Short, Catherine Lorence, Liz Derleth
316	H - Enrollments	5 days	Thu 05/11/00	Wed 05/17/00	100%	Betsy Woodward, Dale Ferron
317	I - Terminations	5 days	Mon 05/15/00	Fri 05/19/00	100%	Betsy Woodward
318	J - Corrections to Current Year	5 days	Mon 05/15/00	Fri 05/19/00	100%	Betsy Woodward
319	K - Annual Transactions	5 days	Mon 05/15/00	Fri 05/19/00	100%	Betsy Woodward
320	L - Military Service	5 days	Mon 05/15/00	Fri 05/19/00	100%	Betsy Woodward
321	M - Service and Earnings Adjustment Processor	5 days	Mon 09/19/00	Fri 09/22/00	100%	Betsy Woodward
322	N - Late Reported Earnings	5 days	Mon 05/05/00	Fri 05/09/00	100%	Betsy Woodward, Dale Ferron
323	Batch Processor	5 days	Wed 02/07/01	Tue 02/13/01	100%	Betsy Woodward, Dale Ferron, Liz Derleth
324	Adjustment Processor	5 days	Wed 02/07/01	Tue 02/13/01	100%	Betsy Woodward, Dale Ferron, Liz Derleth
325	O - QDRO Enrollments	5 days	Wed 02/07/01	Tue 02/13/01	100%	Betsy Woodward, Dale Ferron, Liz Derleth
326	P - Qualifying/Forfeited Service	5 days	Fri 07/12/00	Thu 07/27/00	100%	Dale Ferron
327	Q2 - Indicative Data Changes (Short Term, includes PAL ToIs)	5 days	Mon 09/25/00	Fri 09/29/00	100%	Dale Ferron
328	Q1 - Indicative Data Changes (Long Term, excludes PAL ToIs)	7 days	Thu 11/02/00	Fri 11/10/00	100%	Betsy Woodward
329	R - Creditable Service by Employer	3 days	Thu 02/09/01	Mon 02/12/01	100%	Betsy Woodward, Liz Derleth
330	S - Extranet Previous Service Display	5 days	Fri 09/08/00	Thu 09/14/00	100%	Dale Ferron
331	T - Inquiry Screens	41 days	Fri 09/15/00	Fri 11/10/00	100%	Betsy Woodward
332	V - QDRO Spills	0.1 days	Mon 09/11/00	Mon 09/11/00	100%	Betsy Woodward, Mark Bengry
333	W - QDRO SOA's	5 days	Wed 09/27/00	Tue 10/03/00	100%	Jerry Dietzel
334	X - Benefits Bridge	5 days	Wed 09/27/00	Tue 10/03/00	100%	Jerry Dietzel
335	Y - Annual PAL Fiche (Ongoing)	5 days	Wed 09/27/00	Tue 10/03/00	0%	Vern Jacobsen, Pat Fahy, Rick Higgins
336	Z - Accounting Service Adjustment Processors	5 days	Wed 08/30/00	Wed 09/05/00	0%	Vern Jacobsen
337	AA - PALS	1 day	Wed 12/20/00	Wed 12/20/00	100%	Vern Jacobsen
338	BB - Benefit Estimate Programs	34 days	Wed 08/30/00	Tue 10/17/00	100%	Dave Short
339	Retirement Estimates	5 days	Thu 10/05/00	Wed 10/11/00	100%	Mark Bengry
340	Disability Estimates	5 days	Thu 10/05/00	Wed 10/11/00	100%	Mark Bengry

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
341	Death Estimates	5 days	Thu 10/05/00	Wed 10/11/00	100%	Mark Bengry
342	CC - Benefit Estimate Print Programs	5 days	Wed 10/04/00	Tue 10/10/00	100%	Mark Bengry
343	Retirement Estimates	5 days	Wed 10/04/00	Tue 10/10/00	100%	Mark Bengry
344	Disability Estimates	5 days	Wed 10/04/00	Tue 10/10/00	100%	Mark Bengry
345	Death Estimates	5 days	Wed 10/04/00	Tue 10/10/00	100%	Mark Bengry
346	DD1 - Retcalc Programs (Application Entry)	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
347	Retirement Application Entry/Update	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
348	Extract/Print Retcalcs Reports & Notices	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
349	DD2 - Retcalc Programs (Final Calcs)	73 days	Thu 10/19/00	Wed 01/31/01	100%	Dave Short
350	Final Calc Processor	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
351	Bridge Edit & Load	1 day	Wed 01/13/01	Wed 01/13/01	100%	Dave Short
352	Manual Acc Closure Entry/Audit	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
353	Extract/Print Retcalcs Reports & Notices	5 days	Thu 10/19/00	Wed 10/25/00	100%	Dave Short
354	EE - Extranel: Non-Annuitant Inquiry Screen	0.1 days	Fri 09/09/00	Fri 09/09/00	100%	Linda Owen
355	FF - Retroactive Dividend based on TAA Transfer	5 days	Mon 08/21/00	Fri 08/25/00	100%	Dave Short
356	GG - Inquiry Screen to View Special Dividend Based on TAA Transfer	5 days	Mon 08/28/00	Fri 09/01/00	100%	Dave Short, Mark Bengry
357	HH - 415 Contribution Testing	5 days	Fri 11/03/00	Thu 11/09/00	100%	Dale Ferron
358	II - Employer Credit Program	5 days	Tue 10/03/00	Mon 10/09/00	100%	Dale Ferron, Nancy Kittleson, Liz Derleth
359	JJ - Retirement Contributors	5 days	Fri 10/06/00	Thu 10/12/00	0%	Dale Ferron, Nancy Kittleson, Liz Derleth
360	QQ - Annual Roll-Up	5 days	Thu 06/29/00	Wed 07/05/00	0%	Dale Ferron, Nancy Kittleson, Liz Derleth
361	VV - Mass Enrollments	5 days	Fri 09/22/00	Thu 09/28/00	100%	Dale Ferron, Betsy Woodward
362	WW1 - Delete SSN	5 days	Mon 10/02/00	Fri 10/06/00	0%	Betsy Woodward, Liz Derleth
363	WW2 - Delete SSN	5 days	Mon 10/02/00	Fri 10/06/00	0%	Betsy Woodward, Liz Derleth
364	XX - Prior Service Updates	5 days	Thu 08/17/00	Wed 08/23/00	100%	Dale Ferron
365	YY - SOB Supplement	5 days	Fri 10/20/00	Thu 10/26/00	0%	Dale Ferron, Mark Bengry, Liz Derleth
366	ZZ - MPS Taps	11 days	Mon 11/06/00	Mon 11/20/00	100%	Dale Ferron
367	AAA - SOB Program	5 days	Fri 10/20/00	Thu 10/26/00	0%	Dale Ferron, Mark Bengry, Liz Derleth
368	BBB1 - Special Roll-up Pgm for Fund_1999 & Service_1999 Tbis	5 days	Mon 09/18/00	Fri 09/22/00	0%	Vern Jacobsen, Liz Derleth
369	BBB2 - Special Roll-up Pgm to Replace 1/1/2000 Bal on WEBS Database	5 days	Thu 07/13/00	Wed 07/19/00	0%	Vern Jacobsen, Liz Derleth
370	CCC3 - Annual Interest Crediting	5 days	Fri 10/13/00	Thu 10/19/00	0%	Vern Jacobsen
371	DDD - Actuarial Extracts (non-annuitant)	5 days	Thu 08/24/00	Wed 08/30/00	0%	Bob Willett
372	LLL1 - Interim Variable Election Processing	5 days	Wed 09/13/00	Tue 09/19/00	100%	Betsy Woodward
373	LLL2 - Special Notice re Variable Void	5 days	Thu 02/22/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth
374	LLL3 - Variable Void Processing	5 days	Mon 02/12/01	Sat 02/17/01	100%	Betsy Woodward, Liz Derleth

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
375	LLL4 - Updating Variable Addresses	5 days	Mon 02/12/01	Sat 02/17/01	100%	Betsy Woodward, Liz Darleth
376	MMM - Annual PAL Fiche (Special 1/1/2000 Run)	5 days	Mon 04/10/00	Fri 04/14/00	0%	Vern Jacobsen
377	OOO - Employer Invoices	5 days	Mon 04/10/00	Fri 04/14/00	0%	Dale Ferron, Nancy Kittleson, Liz Darleth
378	PPP - Employer Inquiry	5 days	Mon 04/10/00	Fri 04/14/00	0%	Dale Ferron, Nancy Kittleson, Liz Darleth
379	QQQ - Employer Maintenance	5 days	Mon 04/10/00	Fri 04/14/00	0%	Dale Ferron, Nancy Kittleson, Liz Darleth
380	RRR - Employer Month-End Processing	5 days	Mon 04/10/00	Fri 04/14/00	0%	Dale Ferron, Nancy Kittleson, Liz Darleth
381	TTT - Update Screen for CFM Manual ACT 11 Annuitant Dividends	5 days	Fri 01/26/01	Thu 02/01/01	0%	Dave Short, Liz Darleth
382	VVV - Online Annuity Rate Display	4 days	Fri 11/24/00	Wed 11/29/00	100%	Dave Short
383	Test Plan Development End	0 days	Fri 11/10/00	Fri 11/10/00	0%	
384	Acceptance Testing	278 days	Wed 05/10/00	Wed 06/06/01	73%	
385	Prepare Test Environment	58 days	Wed 05/10/00	Fri 07/28/00	97%	
386	Define Test Region Requirements	2 days	Wed 05/10/00	Thu 05/11/00	100%	John Benson, Corey Alman, Betty Schlachter, Sher Olson, Linda McDowell
387	Update Proctib	2 days	Fri 05/12/00	Mon 05/15/00	100%	Corey Alman, Sher Olson
388	Update Control-M JCL Lib	2 days	Fri 05/12/00	Mon 05/15/00	100%	Corey Alman, Cindy Reed, Keith Green, Ken Peterson
389	Update Tablespace DDL Lib	3 days	Tue 05/16/00	Thu 05/18/00	100%	Sher Olson
390	Update Table DDL Lib	3 days	Fri 05/19/00	Tue 05/23/00	100%	Sher Olson
391	Update Index DDL Lib	3 days	Wed 05/24/00	Fri 05/26/00	100%	Sher Olson
392	Clean-up Copylib	3 days	Mon 05/29/00	Wed 06/01/00	100%	Corey Alman, Sher Olson
393	Update DCLGEN Lib	3 days	Thu 06/01/00	Mon 06/05/00	100%	Sher Olson
394	Update Decode Tables	3 days	Fri 05/19/00	Tue 05/23/00	100%	Kurt Ludking
395	Create Special ACT 11 Int Cr Tbls (Ret Fund & Addl Fund)	1 day	Mon 07/24/00	Mon 07/24/00	100%	Sher Olson
396	Import Prod Data	2 days	Tue 07/25/00	Wed 07/26/00	100%	Cindy Reed, John Benson, Betty Schlachter
397	Reconcile Database	0.5 days	Thu 07/27/00	Thu 07/27/00	100%	John Benson
398	Backup Database	0.5 days	Thu 07/27/00	Thu 07/27/00	100%	John Benson, Cindy Reed, Betty Schlachter
399	Dry Run Functions A, B, D1, D2, E, BBB, C1, C2	1 day	Fri 07/28/00	Fri 07/28/00	0%	John Benson, Cindy Reed, Ken Peterson
400	Perform Acceptance Testing	200 days	Wed 08/02/00	Fri 05/11/01	75%	
401	A - System Reconciliation	55 days	Wed 08/02/00	Wed 10/18/00	95%	Liz Darleth, Corey Alman
402	B - Update LRC on the Actual PH1231 Table	8.35 days	Thu 08/03/00	Tue 08/15/00	100%	Betsy Woodward, Dale Ferron, Vern Jacobsen, Liz Darleth, Cindy Reed
403	D0 - Special Program to Populate New Int Crediting Table TBL_EE_AC	5 days	Fri 08/18/00	Thu 08/24/00	100%	Vern Jacobsen, Liz Darleth, Cindy Reed
404	D1 - Program to Adjust Sep Value from 3% to 5%	3.2 days	Wed 08/16/00	Mon 08/21/00	100%	Vern Jacobsen, Liz Darleth, Ken Peterson
405	D2 - Program to Adjust Int from 5% to Eff Rate	2.4 days	Mon 08/28/00	Wed 09/06/00	100%	Vern Jacobsen, Liz Darleth, Ken Peterson
406	LLL1 - Intern Variable Election Processing	5 days	Thu 09/14/00	Wed 09/20/00	100%	Betsy Woodward, Russ St. Clair, Kurt Ludking(50%)
407	E - Program to Add Interest based on TAA Transfer	18 days	Tue 09/12/00	Thu 10/05/00	100%	Vern Jacobsen, Liz Darleth, Ken Peterson
408	C1 - Break Service into Buckets	3 days	Mon 10/09/00	Wed 10/11/00	100%	Betsy Woodward, Liz Darleth, Cindy Reed

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
409	C2 - Update Ret Plan Table for ERC & LRC	2 days	Wed 10/11/00	Thu 10/12/00	100%	Betsy Woodward, Liz Derleth, Cindy Reed
410	QQ - Annual Roll-Up	3 days	Fri 10/13/00	Tue 10/17/00	100%	Dale Ferron, Jerry Dietzel, Liz Derleth, Russ St. Clair
411	BBB1 - Special Roll-up Pgm for FUND_1999 & SERVICE_1999 Tbls	2 days	Tue 10/17/00	Wed 10/18/00	100%	Vern Jacobsen, Liz Derleth, Cindy Reed
412	BBB2 - Special Roll-up Pgm to Replace 1/1/2000 Bal on WEBS Dalab	1 day	Tue 10/17/00	Tue 10/17/00	100%	Vern Jacobsen, Liz Derleth, Cindy Reed
413	FF - Retroactive Dividend based on TAA Transfer	5 days	Thu 09/28/00	Wed 10/04/00	100%	Dave Short, Cindy Reed
414	GG - Inquiry Screen to View Special Dividend Based on TAA Transfer	78.5 days	Thu 09/28/00	Tue 01/23/01	100%	Dave Short, Mark Bengry, Corey Alman
415	T - Inquiry Screens	26 days	Tue 11/21/00	Thu 12/28/00	100%	Betsy Woodward, Mark Bengry, Liz Derleth, Corey Alman
416	F - New Inquiry Screen to View Addl Interest Credited Amts	56 days	Tue 11/21/00	Thu 02/08/01	100%	Mark Bengry, Corey Alman
417	H - Enrollments	9 days	Tue 11/21/00	Mon 12/04/00	100%	Betsy Woodward, Dale Ferron, Liz Derleth, Ken Peterson
418	I - Terminations	3 days	Tue 12/05/00	Thu 12/07/00	100%	Betsy Woodward, Liz Derleth, Ken Peterson
419	J - Corrections to Current Year	3 days	Tue 12/05/00	Thu 12/07/00	100%	Betsy Woodward, Liz Derleth, Ken Peterson
420	K - Annual Transactions	3 days	Tue 12/05/00	Thu 12/07/00	100%	Betsy Woodward, Liz Derleth, Ken Peterson
421	M - Service and Earnings Adjustment Processor	6 days	Mon 12/11/00	Mon 12/18/00	100%	Betsy Woodward, Dale Ferron, Liz Derleth, Cindy Reed
422	L - Military Service	4 days	Tue 12/19/00	Fri 12/22/00	100%	Betsy Woodward, Liz Derleth, Betty Schlachter
423	X - Benefits Bridge (2000)	7 days	Fri 12/08/00	Mon 12/18/00	100%	Vern Jacobsen, Pat Fahy, Rick Higgins, Keith Green
424	CCC2 - Annual Interest Crediting (Benefit Bridge component)	7 days	Fri 12/08/00	Mon 12/18/00	100%	Vern Jacobsen, Corey Alman
425	XX - Prior Service Updates	3 days	Thu 12/21/00	Tue 12/26/00	100%	Dale Ferron, Liz Derleth, Kurt Ludeking
426	Z - Accounting Service Adjustment Processors	2 days	Tue 12/26/00	Wed 12/27/00	100%	Vern Jacobsen, Cindy Reed
427	Q2 - Indicative Data Changes (Short Term, includes PAL Tbls)	2 days	Thu 12/28/00	Fri 12/29/00	100%	Betsy Woodward, Liz Derleth, Corey Alman
428	AA - PALS	3 days	Fri 12/22/00	Wed 12/27/00	100%	Dave Short, Keith Green
429	EE - Extranet, Non-Annuitant Inquiry Screen	27 days	Tue 11/21/00	Fri 12/29/00	100%	Linda Owen, Corey Alman, Jon Forde
430	S - Extranet Previous Service Display	27 days	Tue 11/21/00	Fri 12/29/00	100%	Betsy Woodward, Liz Derleth, Dave Cherry
431	BB - Benefit Estimate Programs (2000)	52 days	Tue 12/19/00	Thu 03/01/01	93%	
432	Retirement Estimates	30 days	Tue 12/19/00	Tue 01/30/01	100%	Mark Bengry, Betty Schlachter
433	Disability Estimates	8 days	Wed 01/31/01	Fri 02/09/01	100%	Mark Bengry, Betty Schlachter
434	Death Estimates	14 days	Mon 02/12/01	Thu 03/01/01	75%	Mark Bengry, Betty Schlachter
435	CCC1 - Annual Interest Crediting (Benefit Estimate component)	30 days	Tue 12/19/00	Tue 01/30/01	100%	Mark Bengry, Corey Alman
436	CC - Benefit Estimate Print Programs	15 days	Tue 02/13/01	Mon 03/05/01	40%	
437	Retirement Estimates	4 days	Tue 02/13/01	Fri 02/16/01	100%	Mark Bengry, Betty Schlachter
438	Disability Estimates	3 days	Thu 03/01/01	Mon 03/05/01	0%	Mark Bengry, Betty Schlachter
439	Death Estimates	3 days	Thu 03/01/01	Mon 03/05/01	0%	Mark Bengry, Betty Schlachter
440	LLL2 - Special Notice re Variable Void	61 days	Thu 12/07/00	Fri 03/02/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair
441	LLL3 - Variable Void Processing	11 days	Wed 02/14/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair
442	LLL4 - Updating Variable Addresses	10 days	Thu 02/15/01	Wed 02/28/01	100%	Betsy Woodward, Liz Derleth, Russ St. Clair

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
443	X - Benefis Bridge (Releas)	3 days	Tue 03/06/01	Thu 03/08/01	100%	Catherine Lorence, Pat Fahey, Liz Derleth, Keith Green
444	CCC2 - Annual Int Credling (Benefit Bridge component) Releas	3 days	Tue 03/06/01	Thu 03/08/01	100%	Catherine Lorence, Pat Fahey, Liz Derleth, Keith Green
445	H - Enrollments (TC Code Processing)	3 days	Thu 03/01/01	Mon 03/05/01	100%	Betsy Woodward, Dale Ferron, Liz Derleth, Susan Douglas
446	I - Terminations (TC Code Processing)	3 days	Thu 03/01/01	Mon 03/05/01	100%	Betsy Woodward, Liz Derleth, Susan Douglas
447	J - Corrections to Current Year (TC Code Processing)	3 days	Thu 03/01/01	Mon 03/05/01	100%	Betsy Woodward, Liz Derleth, Susan Douglas
448	P - Qualifying/Forfeited Service	3 days	Wed 03/07/01	Fri 03/09/01	0%	Dale Ferron, Liz Derleth, Keith Green
449	O - QDRO Enrollments	3 days	Mon 03/12/01	Wed 03/14/01	0%	Dale Ferron, Liz Derleth, Susan Douglas
450	V - QDRO Splits	3 days	Mon 03/26/01	Thu 03/29/01	0%	Keith Green, Judy Heiser, Liz Derleth
451	W - QDRO SOA's	3 days	Mon 03/26/01	Thu 03/29/01	0%	Mark Bengry, Keith Green, Judy Heiser, Liz Derleth
452	N - Late Reported Earnings	7 days	Thu 03/15/01	Fri 03/23/01	0%	Mark Bengry, Keith Green, Judy Heiser, Liz Derleth
453	Batch Processor	7 days	Thu 03/15/01	Fri 03/23/01	0%	Betsy Woodward, Dale Ferron, Debra Hazeltine, Liz Derleth
454	Adjustment Processor	7 days	Thu 03/15/01	Fri 03/23/01	0%	Betsy Woodward, Dale Ferron, Debra Hazeltine, Liz Derleth
455	DD1 - Retraite Programs (Application Entry)	10 days	Tue 03/20/01	Mon 04/02/01	0%	Betsy Woodward, Dale Ferron, Debra Hazeltine, Liz Derleth
456	Retirement Application Entry/Update	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
457	Extract/Print Releas Reports & Notices	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
458	DD2 - Retraite Programs (Final Cales)	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
459	Final Calc Processor	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
460	Bridge Edit & Load - TR673P13	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
461	Manual Acct Closure Entry/Audit	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
462	Extract/Print Releas Reports & Notices	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
463	VV - Mass Enrollments	10 days	Tue 03/20/01	Mon 04/02/01	0%	Dave Short, Corey Alman, Betty Schlachter
464	G2 - Program to Locate & Update Accts with Benefit Taken	2 days	Fri 02/02/01	Mon 02/05/01	100%	Dale Ferron, Betsy Woodward, Kurt Ludeking, Liz Derleth
465	C3 - Update Benefit Rights Codes for Closed Accounts	3 days	Thu 03/15/01	Mon 03/19/01	0%	Dave Short, Catherine Lorence, Liz Derleth, Betty Schlachter
466	G1 - Program to Locate Acct with Benefit Taken	2 days	Mon 04/09/01	Tue 04/10/01	0%	Dave Short, Catherine Lorence, Liz Derleth, Betty Schlachter
467	CCC3 - Annual Interest Credling	3 days	Thu 03/22/01	Mon 03/26/01	0%	Dave Short, Susan Douglas
468	DDD - Actuarial Extracts (non-annuitant)	10 days	Mon 03/26/01	Fri 04/06/01	0%	Liz Derleth, Corey Alman, Catherine Lorence, Pat Fahey
469	AAA - SOB Program	3 days	Thu 04/12/01	Tue 04/17/01	0%	Bob Willett, Cindy Reed
470	YY - SOB Supplement	7 days	Tue 04/10/01	Wed 04/18/01	0%	Dale Ferron, Mark Bengry, Liz Derleth, Resource X
471	HH - 415 Contribution Testing	7 days	Tue 04/10/01	Wed 04/18/01	0%	Dale Ferron, Mark Bengry, Liz Derleth, Resource X
472	MMM - Annual PAL Fiche (Special 1/1/2000 Run)	1 day	Thu 02/15/01	Thu 02/15/01	0%	Dale Ferron, Corey Alman, Kurt Ludeking, Liz Derleth
473	II - Employer Credit Program	2 days	Fri 12/08/00	Mon 12/11/00	0%	Keith Green, Catherine Lorence
474	JJ - Retirement Contributions	2 days	Tue 02/27/01	Wed 02/28/01	100%	Nancy Kittleson, Liz Derleth, Cindy Reed
475	RRR - Employer Month-End Processing	10 days	Mon 04/30/01	Fri 05/11/01	0%	Dale Ferron, Nancy Kittleson, Liz Derleth, Susan Douglas
476	OOO - Employer Invoices	10 days	Mon 04/30/01	Fri 05/11/01	0%	Susan Douglas, Nancy Kittleson, Dale Ferron, Liz Derleth

ACT 11 - Phase I

ID	Task Name	Duration	Start	Finish	% Complete	Resource Names
477	PPP - Employer Inquiry	10 days	Mon 04/30/01	Fri 05/11/01	0%	Susan Douglas, Nancy Killison, Dale Ferron, Liz Derleth
478	Y - Annual PAL Fiche (Ongoing)	2 days	Mon 03/26/01	Tue 03/27/01	0%	Keith Green, Catherine Lorence
479	Q2 - Indicative Data Changes (Short Term, includes PAL Tbls)	1 day	Mon 02/19/01	Mon 02/19/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
480	Q1 - Indicative Data Changes (Long Term, excludes PAL Tbls)	1 day	Mon 03/05/01	Mon 03/05/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
481	T2 - Inquiry Screen (03 & A23 Changes)	2 days	Tue 02/06/01	Wed 02/07/01	100%	Betsy Woodward, Mark Bengry, Liz Derleth, Corey Alman, Catherine Lorence, Dave Short
482	ZZ - MPS Tape	1 day	Thu 02/22/01	Thu 02/22/01	0%	Dale Ferron, Corey Alman, Kurt Ludeking, Liz Derleth
483	W W1 - Delete SSN (Daily)	1 day	Fri 03/16/01	Mon 03/19/01	0%	Betsy Woodward, Liz Derleth, Corey Alman
484	W W2 - Delete SSN (Annual)	1 day	Fri 03/16/01	Mon 03/19/01	0%	Betsy Woodward, Corey Alman, Kurt Ludeking, Liz Derleth
485	R - Creditable Service by Employer	1 day	Mon 04/30/01	Mon 04/30/01	0%	Dale Ferron, Keith Green, Liz Derleth
486	TTT - Update Screen for CFM Manual ACT 11 Annuallant Dividends	4 days	Mon 03/26/01	Thu 03/29/01	0%	Dave Short, Liz Derleth, Cindy Reed
487	V V V - Online Annuity Rate Display	2 days	Mon 05/07/01	Wed 05/09/01	90%	Susan Douglas, Dave Short
488	System Testing	38 days	Mon 04/16/01	Wed 06/06/01	0%	
489	Develop Test Plan	14 days	Mon 04/16/01	Thu 05/03/01	0%	ACT 11 Implementation Team
490	Refresh Database Data	1.5 days	Mon 05/14/01	Tue 05/15/01	0%	Corey Alman, Kurt Ludeking
491	Reconcile Database	0.5 days	Tue 05/15/01	Tue 05/15/01	0%	John Benson, Liz Derleth
492	Dry Run Control-M Schedule	2 days	Wed 05/16/01	Thu 05/17/01	0%	Howard Wienholtz
493	Perform System Test	14 days	Fri 05/18/01	Wed 06/06/01	0%	ACT 11 Implementation Team, Howard Wienholtz
494	Acceptance Testing End	0 days	Tue 05/01/01	Tue 05/01/01	0%	
495	Implementation	314 days	Mon 04/10/00	Tue 06/26/01	0%	
496	Develop Implementation Plan	10 days	Mon 04/10/00	Fri 04/21/00	0%	John Benson, Corey Alman, Linda McDowell, Liz Derleth
497	Program Integration - ACT 11/Prod Changes	14 days	Fri 06/01/01	Thu 06/21/01	0%	ACT 11 Technical Team, ACT 11 Implementation Team
498	Implement Phase I System Changes	7 days	Mon 06/18/01	Tue 06/26/01	0%	John Benson, Corey Alman, Linda McDowell
499	Phase I End	0 days	Wed 02/28/01	Wed 02/28/01	0%	

Personal Services	Requested Funding
<i>Salary Line</i> Project positions, Extra Hours, Overtime	\$111,400
Total Personal Services	\$111,400
Supplies & Services	Requested Funding
<i>Department of Administration InfoTech Charges</i> Information technology charge for development, testing and implementation of Phase One	\$400,200
<i>Telephone</i> Toll-free, Local, Long Distance and Voice Mail for SIPD Downtown Office	\$39,700
<i>Contract Services</i> Programmers, developers, indexers, mail room, and data entry	\$350,500
<i>Office Supplies</i> Office and Computer Supplies for staff	\$ 5,000
<i>Postage</i> Retirement estimates/packet, correspondence, employer bulletins	\$89,300
<i>Actuarial Services</i> Retired lives and valuations	\$30,000
<i>Printing</i> Printing of forms, brochures, bulletins, correspondence	\$95,000
Total Supplies & Services	\$1,009,700
Grand Total	\$1,121,100

X. Employee Trust Funds – Dave Stella, Administrator of the Division of Retirement Services and Joanne Cullen, Budget Director

The department requests a supplement of \$296,600 SEG in fiscal year 2000-01 from the Committee's appropriation under s. 20.864(4)(u) to the department's administration appropriation under s. 20.515(1)(w) for final expenses associated with the implementation of the remedy ordered by the Wisconsin Supreme Court in the Special Investment Performance Dividend (SIPD) lawsuit.

Governor's Recommendation

Approve a modified request for a one-time supplement of \$301,300 SEG in fiscal year 2000-01.



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: April 20, 2001

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration *George Lightbourn*

Subject: Section 13.10 Request from the Department of Employee Trust Funds to implement the remedy ordered in the Special Investment Performance Dividend (SIPD) Lawsuit.

Request

The department requests \$296,600 SEG in fiscal year 2000-01 from the Committee's appropriation under s. 20.865(4)(u) to the department's administration appropriation under s. 20.515(1)(w) for final expenses associated with the implementation of the remedy ordered by the Wisconsin Supreme Court in the Special Investment Performance Dividend (SIPD) lawsuit.

Background

To date, the Committee has approved three requests from the department totaling \$2,126,900 SEG in one-time expenditure authority to implement the SIPD settlement project. The department began the distribution project in late 1997. In the initial phase of the project, ETF notified all WRS annuitants of the settlement outcome, terminated payment of the previous SIPD distributions, adjusted the annuities of eligible annuitants, made lump sum distributions to approximately 42,200 current and former WRS annuitants and instituted a new GPR-funded annuity supplement authorized by 1999 Wisconsin Act 27.

The department began its second phase of the project in early 1998. This phase involved locating and issuing payments to approximately 30,000 eligible heirs, beneficiaries and estates of deceased WRS annuitants who would have been eligible for the distribution if they were still living. Delays ensued during this phase of the project. It was discovered that more extensive location procedures were needed to locate all potential eligible heirs for each estate for which a claims inquiry had been received. In addition, high turnover among the project's contract staff contributed to delays in the processing of claims payments. Consequently, the ETF Board acted to

extend its original project deadlines for filing a claim and for filing a final claims payment. On June 4, 1998, the Committee provided the department with a one-time supplement of \$359,800 SEG for costs associated with the initial phases of the distribution project.

The department proceeded to expand its location and claims processing efforts for all eligible heirs, estates and beneficiaries of deceased WRS annuitants. On April 21, 1999, the Committee approved a second one-time supplement of \$505,300 SEG for costs associated with the expanded effort. It was at this time that ETF indicated it might have to extend filing deadlines again and seek future supplementation for the project. In response, the Committee directed the department to submit a plan for completing the SIPD settlement distribution, including estimated expenditure levels, by the next scheduled meeting.

On July 15, 1999, the Committee approved the department's plan for the orderly termination of the SIPD settlement distribution project. As required by the Committee, the plan identified additional activities needed to locate eligible estates, beneficiaries and heirs. The department indicated it would contract with a locator service to locate a total of 9,025 claims with values of \$250 or higher. On December 21, 1999, ETF received a third one-time supplement of \$1,261,800 SEG to fund these final location and processing efforts.

At this time the department requests a one-time supplement from the Committee totaling \$296,600 SEG to address final expenses for operation of the SIPD project.

Analysis

The department's request for one-time supplement of \$296,600 SEG is needed to fund the unbudgeted costs of completing the distribution project by June 30, 2001. The department's fiscal year 2000-01 request is detailed below:

Itemization of the SIPD-related Costs, Fiscal Year 2000-01

Expenditure	Requested	Recommended
Personal Services		
LTE Salary	\$13,000	\$13,000
LTE Fringe	2,800	700
Subtotal Personal Services	15,800	13,700
Supplies and Services		
Contract Staff	185,000	206,000
Space Rental	31,900	31,900

Itemization of the SIPD-related Costs, Fiscal Year 2000-01

Expenditure	Requested	Recommended
Actuary	15,000	15,000
Postage	10,600	6,100
Records Center	10,500	5,400
Telephone	10,000	10,000
Office Supplies	8,000	5,900
Copier/Fax Rental	6,800	4,300
Messenger/Fleet Cars	3,000	3,000
Subtotal Supplies and Services	280,800	287,600
Total Need	\$296,600	\$301,300

Most SIPD-related costs in 2000-01 will be incurred on the department's supplies and services budget line for contract staff. The department continues to contract for 4.5 staff, a decrease from the 17.5 staff originally assigned to the project. The department believes that the reduced staffing level is adequate to finish the processing and payment of the remaining claims by the stated deadline. The department indicates that claims requiring attention after the project deadline will be processed and paid using ETF staff and base resources. The other expenditure items detailed above are necessary to carry out the work of the LTE and contract staff.

A review of the overall request indicates that certain expenditure items should be revised. First, it appears the department overstated its fringe benefit costs for its LTE staff by \$2,100 SEG. The department used a fringe benefit rate higher than the rate currently used for limited term employees. The department's supplement request should be adjusted to reflect this revision.

Second, in subsequent discussions of this request ETF discovered that it requires an additional \$21,000 SEG or a total of \$206,000 SEG to fund the costs of its 4.5 contract staff. The department's original request incorrectly budgeted for the costs of only 2.5 contract staff. As previously stated, ETF intends to contract with 4.5 staff until the project deadline. Furthermore, ETF failed to include the cost of the bonus it is obligated by contract to provide to staff remaining with the project from contract start to contract completion. The bonus is in the amount of \$1,000 per staff person. The department's request should be increased to reflect this revision.

Third, based upon additional documentation provided by ETF, it appears certain supplies and services expenditures will not reach the levels originally requested. Adjustments should be made for the costs of postage (-\$4,500 SEG), records center (-\$5,100 SEG), office supplies (-\$2,100 SEG), and copier/fax rental (-\$2,500 SEG). Given actual expenditures to date and estimated expenditures for the remainder of the

Members, Joint Committee on Finance
Page 4
April 20, 2001

fiscal year, adjusting the department's original request for these items appears reasonable.

With the adjustments recommended above, the department's total need for one-time supplement is \$301,300 SEG, an increase of \$4,700 SEG over the original request.

The department's request for supplementation in fiscal year 2000-01 appears to meet statutory requirements under s. 13.10 of the statutes. The department does not have sufficient expenditure authority to fund the additional costs associated with the completion of the distribution project.

Recommendation

Approve a modified request for a one-time supplement of \$301,300 SEG in fiscal year 2000-01.

Prepared by: Dawn Currier
266-8777



STATE OF WISCONSIN

Department of Employee Trust Funds

Eric O. Stanchfield

Secretary

801 West Badger Road

P.O. Box 7931

Madison, WI 53707-7931

March 16, 2001

The Honorable John Gard
The Honorable Brian Burke
Co-Chairs, Joint Committee on Finance
State Capitol
Madison WI 53702

Subject: Section 13.101 Request for Costs of Implementing the Remedy in the Special Investment Performance Dividend (SIPD) Lawsuit

Dear Senator Burke and Representative Gard:

The Department requests a supplement in the amount of \$296,600 SEG in appropriation s. 20.515(1)(w) to address Fiscal Year 2001 final expenses for operation of the Special Investment Performance Dividend (SIPD) distribution project. As has been documented in previous funding requests to the Committee, the project involved the extremely complex and difficult task of locating and paying up to 30,000 estates of deceased WRS annuitants. These payments are being made from the \$206.6 million settlement paid by the State of Wisconsin to the fixed retirement trust fund annuity reserve.

The Department submitted a plan to the Committee on June 8, 1999 that established the timetable and procedures to complete the claims payment process. The plan included the use of a contract or to search for and locate the remaining 9,025 potential claimants with claim amounts in excess of \$250. On July 15, 1999 the Joint Committee on Finance approved the Department's plan for completion of the SIPD distribution project. The project is in its final stages with termination set for June 30, 2001.

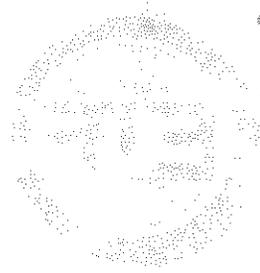
The contractual services are now projected to cost \$185,000 through the end of FY 2001. Of the 17.5 staff originally assigned to the project only 4.5 staff continue to be retained to finish processing and payment of remaining claims. To date over 18,641 claims have been paid with 434 claims in process. New inquiries continue to be received, but in small numbers. To date \$205 million of the \$206.6 million repaid to the trust have been paid out. It is anticipated that the project will terminate on June 30, 2001. However, a few claims received prior to the June 30, 2001 deadline may need to be processed and paid after June 30, 2001. Since the Department will not continue the temporary help services contract or maintain a separate office for this project after June 30, 2001, these final claims will be processed and paid at the Department's Badger Road office.

The Honorable Brian Burke

The Honorable John Gard

March 16, 2001

Page 2



The Department will not have sufficient expenditure authority to wait until the June 2001 meeting of the Joint Committee on Finance. Therefore, I am making the request for budget supplementation at this time.

Thank you very much for your consideration of this request. Enclosed is a document that itemizes the costs associated with the SIPD project (see Attachment 1). David Stella, Administrator of the Division of Retirement Services, and Joanne Cullen, Budget Director, will be available at your meeting to answer any questions that you may have.

Sincerely,

A handwritten signature in cursive script, reading "Eric O. Stanchfield", is positioned below the word "Sincerely,".

Eric O. Stanchfield

Secretary

(608) 266-0301

FAX # (608) 267-0633

TTY# (608) 267-0676

Attachment

EOS:ko

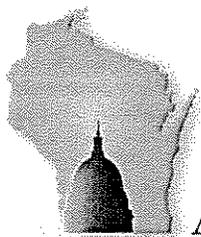
Personal Services	Estimated Budget – FY 01
<p style="text-align: center;"><i>Limited Term Salaries</i></p> <p>Limited Term employees needed to maintain Department participant, employer and correspondence filing systems for the SIPD project.</p>	\$13,000
<p style="text-align: center;"><i>Fringe Benefits</i></p>	\$2,800
<p style="text-align: center;">Total Personal Services</p>	\$15,800
Supplies & Services	Estimated Budget – FY 01
<p style="text-align: center;"><i>Messenger Service/Fleet Cars</i></p> <p>Mileage to transport folders and supplies to SIPD Downtown Office</p>	\$3,000
<p style="text-align: center;"><i>Telephone</i></p> <p>Local, Long Distance and Voice Mail for SIPD Downtown Office</p>	\$10,000
<p style="text-align: center;"><i>Space Rental</i></p> <p>Office space for SIPD contractual staff</p>	\$31,900
<p style="text-align: center;"><i>Office Supplies</i></p> <p>Office and Computer Supplies for SIPD staff</p>	\$ 8,000
<p style="text-align: center;"><i>Temporary Help Services</i></p> <p>Contract with DJ & Associates to provide staffing to implement the SIPD equitable distribution. Duties include answering questions concerning eligibility for SIPD distribution and processing the claim forms to calculate the lump sum payments.</p>	\$185,000
<p style="text-align: center;"><i>Postage</i></p> <p>SIPD letters, claim packets and correspondence.</p>	\$10,600
<p style="text-align: center;"><i>Copier and Fax Rental for SIPD Downtown office</i></p>	\$6,800
<p style="text-align: center;"><i>State of Wisconsin Records Center Charges</i></p> <p>Charges to retrieve participant folders</p>	\$10,500
<p style="text-align: center;"><i>Actuarial Services</i></p>	\$15,000
<p style="text-align: center;">Total Supplies & Services</p>	\$280,800
<p style="text-align: center;">FY 01 Grand Total</p>	\$296,600

IX. Employee Trust Funds – Tom Korpady, Administrator of the Division of Insurance Services and Phillip Borden, Director of the Office of Private Employer Health Care Coverage

The department requests the transfer of \$84,300 GPR in fiscal year 2000-01 from the grants for program administration appropriation under s. 20.515(2)(b) to the private employer health care coverage program; operating costs appropriation under s. 20.515(2)(a) to fund the continued operation of the Private Employer Health Care Coverage Program.

Governor's Recommendation

Approve the request for one-time transfer in fiscal year 2000-01 of \$84,300 GPR from s.20.515 (2)(b) to s. 20.515 (2)(a).



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: April 20, 2001

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration *George Lightbourn*

Subject: Section 13.10 Request from the Department of Employee Trust Funds to implement the Private Employer Health Care Coverage Program

Request

The department requests the transfer of \$84,300 GPR in fiscal year 2000-01 from the grants for program administration appropriation under s. 20.515 (2)(b) to the private employer health care coverage program; operating costs appropriation under s. 20.515 (2)(a) to fund the continued operation of the Private Employer Health Care Coverage Program.

Background

1999 Wisconsin Act 9 created the Private Employer Health Care Coverage Program. Under s. 40.98 of the statutes, the Department of Employee Trust Funds is required to design and oversee a voluntary alliance for businesses interested in purchasing health insurance coverage for their employees. The department also is required to contract with an administrator to market and administer the program by no later than January 1, 2001, or assume responsibility for administering the program itself.

The department solicited proposals for administrative and marketing services from interested vendors on November 13, 2000. On December 5, 2000, no bids were received despite previous strong indications of interest from potential vendors in the program. Program staff solicited feedback from potential administrators to identify barriers to participation. Various reasons for not submitting proposals were cited, with most vendors noting low potential for profitability and program design problems combined with the program's high profile and expectations for success. Other current law requirements such as health plan contracting, rate publication, minimum required hours of employment to participate also were cited as creating additional barriers to participation.

As required by law, on December 28, 2000, the department submitted a report to the Governor and Joint Committee on Finance stating its reasons for not entering into a contract for administration of the program by January 1, 2001. One day later, December 29, ETF notified legislative leadership of the delay in meeting the deadline, current problems with the program and recommendations for change.

At this time the department requests a one-time transfer of \$84,600 GPR from s. 20.515 (2)(b) to s. 20.515 (2)(a) to fund its on-going efforts to implement the Private Employer Health Care Coverage Program.

Analysis

The department's request for the one-time transfer of \$84,600 GPR is needed to fund the costs of implementing the program until an outside administrator can be selected. Of this total amount, \$24,800 GPR is for legal services and \$59,500 GPR for actuarial services.

The department intends to use expert legal counsel to begin the development of contracts and to negotiate with health plans. To initiate these activities, the department estimates it will need a total of 160 hours of legal counsel at a rate of \$155/hour. The hourly estimate is based upon information the department obtained from experts in the field and the specific functions that can be completed before the end of the fiscal year. The hourly rate is an average calculated by the department based upon its research and analysis of attorney rates for this type of work. While the department does have its own in-house legal counsel, counsel does not have expertise in this type of law. Expert outside legal counsel appears necessary to carry out the initial development of contracts and to negotiate with health plans.

In addition, there are various actuarial services that require funding to begin the implementation of this program. Those services identified by the department include: developing underwriting and rating models, criteria and processes; developing application forms; recommending composite or list billings for premiums; and developing risk assessment and adjustment models. The department estimates it will need 177 hours of mid-level actuarial services at an hourly rate of \$125/hour (\$22,100 SEG) and 64 hours of senior-level actuarial services at an hourly rate of \$350/hour (\$22,400 SEG) to obtain the information it will use in contract negotiations with potential health care providers. An additional \$15,000 SEG will fund the development of an underwriting manual to further aid in contract negotiations. The hourly need and rates for actuarial services are based upon information from experts in the field and the specific functions necessary to be completed before the end of the fiscal year. These estimates appear to be reasonable.

The department requests the transfer of \$84,900 from the appropriation under s. 20.515 (2)(b) of the statutes, *Grants for program administration*, to the appropriation under s. 20.515 (2)(a) of the statutes, *Private employer health care coverage program*;

operating costs, to fund the costs of legal and actuarial services. The grant appropriation exists for use by the program's administrator for costs of marketing and administering the program. Total authority in the grant appropriation is \$200,000 GPR biennially. The operating appropriation is used by ETF to fund the costs of salaries and supplies for program staff responsible for providing oversight of the program and the program's administrator. Program staff currently numbers 2.5 GPR FTE positions (1.0 GPR FTE position remains unfilled). Total authority in the operating appropriation is \$200,000 GPR biennially.

Current law requires the department to act as program administrator if there is no other available vendor to administer the program, but ETF lacks the authority to draw upon the grant funds to pay for administrative costs. Moreover, an analysis of the department's appropriation under s. 20.515 (2)(a) indicates there is insufficient authority to fund the additional costs of legal and actuarial services without an increase in expenditure authority. A transfer in expenditure authority from s. 20.515 (2)(b) to s. 20.515 (2)(a) will enable ETF to further implement the duties of the administrator as required under the law.

The department's request to transfer expenditure authority in fiscal year 2000-01 appears to meet statutory requirements under s. 13.10 of the statutes. The department does not have sufficient expenditure authority in its appropriation under s. 20.515 (2)(a) to fund the additional costs associated with administering the Private Employer Health Care Coverage Program. Also, it is within the Committee's authority to transfer between appropriations if legislative intent will be more effectively carried out because of the transfer. Under current law, the department must assume the role of program administrator, but it cannot draw from the appropriation under s. 20.515 (2)(b) of the statutes for pay for administrative expenses. Given ETF is required by law to act as administrator of the program until an outside administrator can be found, it appears reasonable to transfer funds from s. 20.515 (2)(b) to s. 20.515 (2)(a) to fund the added costs of administering the program.

Recommendation

Approve the request for one-time transfer in fiscal year 2000-01 of \$84,300 GPR from s. 20.515 (2)(b) to s. 20.515 (2)(a).

Prepared by: Dawn Currier
266-8777



STATE OF WISCONSIN

Department of Employee Trust Funds

IX

Eric O. Stanchfield
Secretary
801 West Badger Road
P.O. Box 7931
Madison, WI 53707-7931

March 16, 2001

The Honorable Brian Burke
The Honorable John Gard
Co-Chairs, Joint Committee on Finance
State Capitol
Madison, WI 53702

Subject: Section 13.101 Request for Costs relating to the Implementation of the Private Employer Health Care Coverage Program

Dear Senator Burke and Representative Gard:

The Department of Employee Trust Funds (Department) requests a transfer of \$84,300 GPR from the appropriation under s. 20.515 (2)(b) to the Private Employer Health Care Coverage Program operating cost appropriation under s. 20.515 (2)(a) in fiscal year 2001 to continue operations of the Program.

Background of Request

The Department is required under 1999 Wisconsin Act 9 to design and oversee a voluntary alliance for businesses wishing to purchase health care insurance coverage for their employees. Act 9 also required the Department to contract with an administrator to market and administer the program no later than January 1, 2001, or assume responsibility for administering the program itself.

On November 13, the Department solicited proposals for administrative and marketing services from interested vendors. On December 5, 2000, despite previous strong indications of interest from potential vendors in the program, no bids were received. Ultimately, various reasons for not submitting proposals were cited, with most vendors noting low potential for profitability and program design problems (combined with the high profile and expectations for the program) as factors deterring their participation. Vendor feedback also suggested that program requirements in the current law created additional barriers to their participation, including responsibility for health plan contracting, rate publication, minimum required hours of employment to participate, etc.

As required under Act 9, the Department submitted a report on December 28 to the Governor's Office and the Joint Committee on Finance stating the reasons for not entering into a contract for administration of the program by January 1, 2001. On December 29, the Department notified legislative leadership of the delay in meeting the deadline, current problems with the program and recommendations for change (see Attachments 1 and 2).



Summary of Request

There are currently two biennial GPR appropriations (\$200,000 GPR each) to fund operations of the Private Employer Health Care Coverage Program. The operating cost appropriation, s. 20.515 (2)(a), currently funds salaries and supplies and services for 3.5 FTE GPR positions, of which 1.0 FTE position is not filled. The other appropriation, s. 20.515 (2)(b), is for a grant to a contractor for marketing and administration of the Program. Under existing law, the Department lacks the authority to use the \$200,000 GPR grant appropriation, even though the language requires the Department to become the administrator if no one is available to administer the Program.

The Department now requests a transfer of \$84,300 GPR from the grant administrator appropriation to the Program's operating appropriation for actuarial services and legal expertise. This will enable the Department to begin implementation in the interim before another administrator can be selected. It is estimated that from April 1 – June 30, 2001, 160 hours of legal services (@ \$155/hr) or \$24,800 GPR is required to begin development of contracts and negotiate with health plans. An additional \$59,500 GPR is required to fund actuarial services. Required actuarial services include the following: developing underwriting and rating models, criteria and processes; developing application form(s); recommending composite or list billings for premiums; and developing risk assessment and adjustment models.

This request for funding represents a short-term approach to keep the program moving forward toward implementation. We continue to work with interested legislators to identify several program specific changes that must be enacted to increase the possibility that qualified administrators will bid on the program and allow the purchasing pool to begin operation. We are also following and contributing, when appropriate, to the deliberations of the Governor's Task Force on Small Employer Health Insurance as it seeks solutions that would help make this type of program successful. We will soon be asking the Committee to consider an amendment to the 2001 – 2003 Biennial Budget that will address the critical longer term financing and design changes of the program.

How Request Meets Statutory Criteria

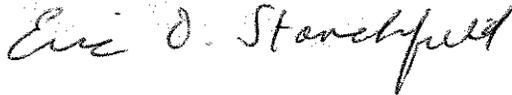
The Department is required under s. 40.98 (2)(a) 2. and 3. to provide administrative services necessary for the program, including entering into contracts with insurers to provide health care coverage if no administrator enters into a contract with the Department. Since there is no vendor to administer the program, in order to comply with the statutory mandate the Department must obtain the necessary legal and actuarial resources to temporarily act as administrator and develop and implement contracts with health plans. Without the transfer of funding between appropriations, insufficient resources are available to further implement the duties of the administrator under the law.

The Honorable Brian Burke
The Honorable John Gard
March 16, 2001
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We understand from interested legislators and representatives of the business community that numerous employers are currently unable to offer health insurance to their employees. This request will reduce the time needed by an administrator to get the purchasing pool operating. Therefore, we believe this request meets the statutory requirements of an emergency under s. 13.101 and ask that the Joint Committee on Finance act favorably on the requested transfer.

Thank you for the consideration of this request. I have asked Tom Korpady, Administrator of the Division of Insurance Services, and Phillip Borden, Director of the Office of Private Employer Health Care Coverage, to be available at your meeting to answer any questions you may have.

Sincerely,



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Attachments

cc: Private Employer Health Care Coverage Board