We reviewed the document we submitted in June of 2013 and the only change is the addition of an item about our ability to pay certain recordkeeping fees out of the non-appropriated side of fund 600. (See the highlighted item below.)

Following is information from the Department of Retirement Systems (DRS) for use in contingency planning, in the event the legislature fails to make appropriations by July 1, 2015.

1. Services funded by appropriations in the enacted transportation budget.

   N/A – DRS does not receive an appropriation from the transportation budget.

2. Services that do not require an appropriation.

   There are three relatively small areas of DRS (with FTEs) that operate out of non-appropriated or non-budgeted funds:

   a. Administration of the state’s Deferred Compensation Program operates out of account 888-6. Even though the agency has approximately 19 FTEs allotted to this fund source, many of those FTEs are split between other functions that are appropriated (e.g., support services and marketing). As a result, we only intend to keep nine FTEs in the office to properly account for daily financial activity, including assets which exceed $3.6 billion, and handle a reduced volume of customer services.

   b. Administration of the Old Age Survivors Insurance (OASI) Program operates out of account 874-6. Even though we have more than one FTE allotted to this fund source, as the allotments include portions of internal support functions, we only intend to keep one FTE in the office to meet our OASI responsibilities to the Social Security Administration and the Internal Revenue Service.
c. We also have some positions that are funded out of the non-budgeted pension trust funds, as they perform functions “in defense of the trust.” A few positions that are split between the trust funds and our appropriated funds will not be brought into the office but three FTEs and a partial FTE who operate solely out of the non-budgeted funds will continue their functions.

The agency also pays record keeping fees (each quarter) for Plan 3 member accounts out of the non-appropriated side of fund 600. That is the only area of DRS, however, that is covered by the non-appropriated side of the DRS Expense Account (600-6).

3. Services to continue based on certain constitutional mandates and federal law.

The only appropriated activity that would continue would be a minimal level of FTEs to collect pension contributions, properly transfer/deposit the funds and continue existing pension payments. It is important to note that the latter activity does not include processing new retirements or withdrawals after June, only continuing existing pension distributions and changes processed in June. This minimal level of effort will require portions of seven FTEs, primarily from our Fiscal Unit.

4. Services that are necessary for the immediate response to issues of public safety, or to avoid catastrophic loss of state property.

N/A – We do not believe we have any services that fall into this category in the short term.

Let me know if you have any questions about this information. Thanks.

Mark

Mark Feldhausen
Budget and Performance Management Director
Department of Retirement Systems
360-664-7194
From: Guerin, Tracy (OFM)  
Sent: Wednesday, March 04, 2015 2:47 PM  
To: Bennett, Don (WSAC); Berntsen, Teresa (DOL); Condra, Gary (DVA); Dawson, Peter M. (DOC); DeAngelo, Michael (OCIO); Feldhausen, Mark (DRS); Gilmour, Cam (WSDOT); Glasper, Marcus (DOR); Guerin, Tracy (OFM); Hattel, Curt; King, Steve (UTC); Lashway, Patricia (DSHS/PER); Lucas, Susan L. (HCA); Marsh, Lisa (ESD); McConnon, Dan (COM); McGuire, Lynne (DES); Moss, Heather (DEL); Ridout, Christy (CTS); Streuli, Mark (AGR); Swisher, Dan H (MIL); Todorovich, Jessica L (DOH); Turner, Wallace N. (MIL); Warick, Randi L (LNI); Wicker, Kelly (GOV); Zehm, Polly (ECY); Hagen, Shelly (PARKS); Stohr, Joseph S (DFW)  
Subject: Contingency Planning for State Agency Operations  

FYI. Documents were sent to your agency head this afternoon.

Tracy

From: Mattos, Liz (OFM) On Behalf Of Schumacher, David (OFM)  
Sent: Wednesday, March 04, 2015 2:40 PM  
To: Bonlender, Brian (COM); Warner, Bernie E. (DOC); Wiesman, John (DOH); Frost, Marcie (DRS); Bellon, Maia (ECY); Hyde, Dr. Bette (DEL); Smith, Vikki (DOR); Alvarado-Ramos, Alfie (DVA); Cockrill, Michael (OCIO); Sharratt, Gene (WSAC); Hattel, Curt; Hover, Don R. "Bud" (AGR); Kohler, Pat (DOL); Liu, Chris (DES); Peinecke, Dale (ESD); Peterson, Lynn; Quigley, Kevin (DSHS); Sacks, Joel (LNI); Schumacher, David (OFM); St. John, Rob (CTS); Teeter, Dorothy F. (HCA); Daugherty, Bret D. (MIL); Batiste, John; Danner, Dave (UTC); Unsworth, James W (DFW); Hoch, Don (PARKS)  
Cc: Guerin, Tracy (OFM); Marcus, Roselyn (OFM); Crawford, Jim (OFM); Thomas, Ralph (OFM); Lane, John (OFM); Shimomura, Joby (GOV); Wicker, Kelly (GOV); Perez-Gibson, Miguel (GOV); Ryan, Kym (GOV)  
Subject: Contingency Planning for State Agency Operations  

Please see attached. These documents were shared with your deputies this morning.

(Electronic transmittal only.)
Liz Mattos for
David Schumacher, Director
Office of Financial Management
(360) 902-0526
liz.mattos@ofm.wa.gov