



Oregon

Kate Brown, Governor

Public Employees Retirement System

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July 29, 2016

TO: Members of the PERS Board

FROM: Stephanie Vaughn, Manager, Policy Analysis & Compliance Section
Jason Stanley, Chief Compliance, Audit, and Risk Officer

SUBJECT: Adoption of Receipt Date Rule:
OAR 459-005-0220, *Receipt Date for Reports, Documents, Remittances, and Payments*

OVERVIEW

- Action: Adopt modifications to the Receipt Date rule.
- Reason: (1) Modify the date that imaged items are deemed filed and received from three business days to one business day before the imaged date; and (2) Change the date that items recorded on PERS' daily cash receipts log and/or check log are considered received to one business day before the recorded date on the cash receipts log and/or check log.
- Policy Issue: No policy issues were identified.

BACKGROUND

OAR 459-005-0220 provides guidelines for when an item is considered received by PERS. Since the rule's implementation, our document processing practices have been streamlined to achieve timely and accurate imaging. Today, all items received by the agency are imaged on that business day. After they are imaged, they are then loaded into system workflows that notify the relevant sections that the item has been received. As such, the "imaged date" and the "receipt date" are usually one and the same. An exception to this general rule is items that are sent to PERS' post office (PO) box. Mail delivered to the PO box late in the day is not picked up until the next business day.

If a member mails a purchase to PERS' PO box, the purchase may arrive by the due date at the PO box, but take until the next business day to arrive at PERS. Therefore, it won't be entered into the check log until a day after arriving at the PO box and, unfortunately, this may cause the purchase to be considered late under the current rule. In some cases, a member will submit a service retirement application and purchase together in the same mailing, but under the current rule, the application would be accepted as timely but the purchase would not, even though they arrived together. Therefore, the rule modifications specify that if the cash receipts log date or check log date is later than the due date, the payment will be deemed filed and received one business day before the cash receipts log date or check log date, consistent with the receipt rule for documents.

PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing was held June 28, 2016, at 2:00 p.m. at PERS headquarters in Tigard. No members of the public attended. The public comment period ended July 6, 2016, at 5:00 p.m. No public comment was received.

LEGAL REVIEW

The attached draft rule was submitted to the Department of Justice for legal review and any comments or changes are incorporated in the rule as presented for adoption.

IMPACT

Mandatory: No.

Impact: Members and staff will benefit from the updated receipt date requirements.

Cost: There are no discrete costs attributable to the rule.

RULEMAKING TIMELINE

May 13, 2016	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
May 27, 2016	PERS Board notified that staff began the rulemaking process.
June 1, 2016	<i>Oregon Bulletin</i> published the Notice. Notice was sent to employers, legislators, and interested parties. Public comment period began.
June 28, 2016	Rulemaking hearing held at 2:00 p.m. at PERS in Tigard.
July 6, 2016	Public comment period ended at 5:00 p.m.
July 29, 2016	Board may adopt the permanent rule modifications.

BOARD OPTIONS

The Board may:

1. Pass a motion to “adopt modifications to the Receipt Date rule, as presented.”
2. Direct staff to make other changes to the rule or explore other options.

STAFF RECOMMENDATION

Staff recommends the Board choose Option #1.

- Reason: (1) Modify the date that imaged items are deemed filed and received from three business days to one business day before the imaged date; and (2) Change the date that items recorded on PERS’ daily cash receipts log and/or check log are considered received to one business day before the recorded date on the cash receipts log and/or check log.

If the Board does not adopt: Staff would return with rule modifications that more closely fit the Board’s policy direction if the Board determines that a change is warranted.

B.2. Attachment 1 – OAR 459-005-0220, *Receipt Date for Reports, Documents, Remittances, and Payments*