OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Employer Advisory Group

July 17, 2026

Agenda

- Director's Office update
- Modernization update
- Actuarial update
- Employer Service Center update
- Communications update
- Open discussion

Director’s Office update

Kevin Olineck, Director

Director's Office update

May PERS Board meeting recap

- Board Education Policy (board packet pages 20 – 31)
- PERS Health Insurance Plan update and 2027 rate setting (pages 141 – 163)
- Agency budget development (pages 164 – 167)
- School district rate collar (pages 168 – 183)

The full board meeting packet is available on the PERS website:

oregon.gov/pers/Documents/Board-Meetings/2026/05-29-2026-PERS-Board-Meeting-Packet.pdf

Director’s Office update
Board meetings

July board meeting preview

- CEM Benchmarking results
- Agency budget approval
- System-wide valuation results

Modernization update

Kristi Ivers, Modernization Program Director

Modernization update
Telephony Modernization Project

Project summary: Implement a modern telephony system that can be integrated with future capabilities.

Overall Health	Scope	Schedule	Resources	Budget	Quality
GREEN					

Current stage: execution

Highlights:

- Phase 2b started on April 6, 2026.
  - Functionality planned:
    - Scheduled call-backs.
    - SMS confirmations.
  - Testing completed on June 12, 2026.
  - Implemented on June 29, 2026.
- Phase 3 contract is in process.

Upcoming activities:

- Analysis and design for Phase 3.
- The focus for Phase 3 is to enhance the interactive voice response (IVR) system. A few examples are:
  - 24/7 IVR self-service.
  - Streamlined call flows.
  - Improved queue management.

Modernization update

Pension Administration System (PAS) Modernization

Project summary: Document current state requirements, architecture and business processes to support the development of a request for proposal (RFP) for a new pension administration solution.

Overall Health	Scope	Schedule	Resources	Budget	Quality
GREY					

Current stage: initiation

Highlights:

- RFP for a specialized consultant status:
  - Evaluations concluded on May 6, 2026.
  - Issuance of Notice to Award was posted on May 11, 2026.
  - Protest period ended on May 18, 2026.
  - Contract negotiations are in progress. Working with Department of Administrative Services (DAS) Procurement and Department of Justice (DOJ).

- Pension Administration System – Requirements gathering:
  - Requirements (current state and pain points) were completed on April 1, 2026.
  - Survey for employer reporters will be sent out in July.

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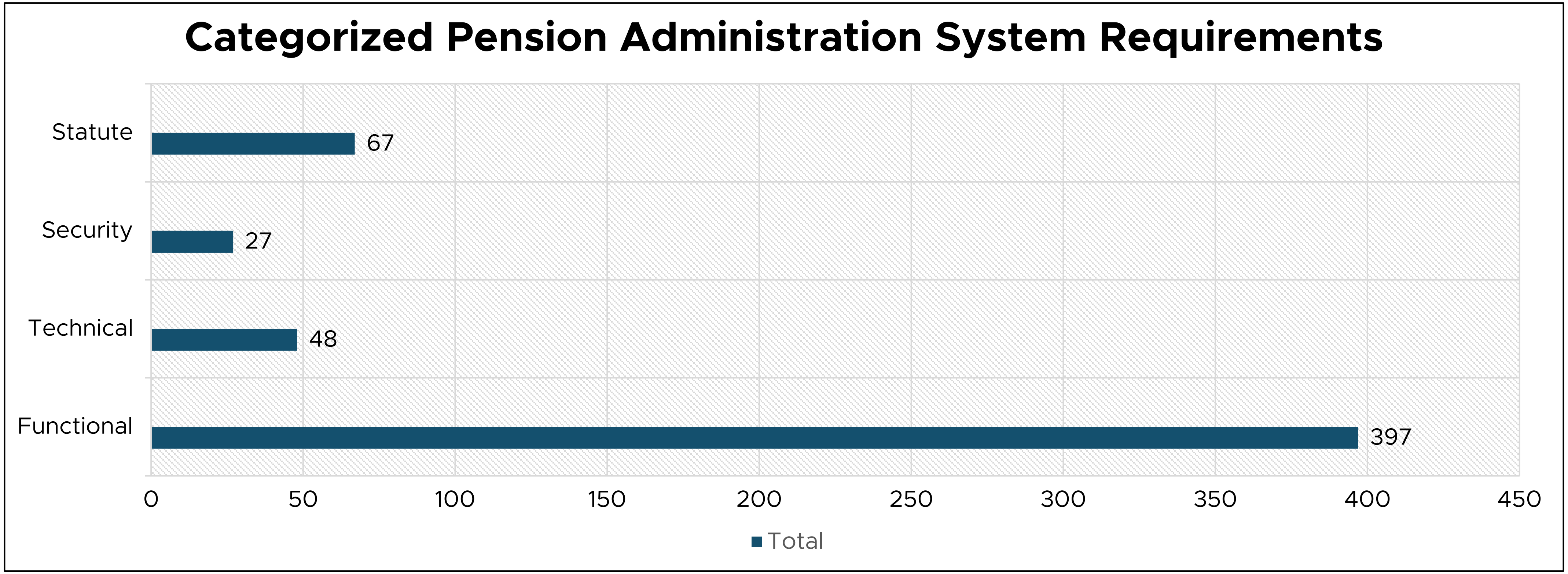
Modernization update
Pension Administration System (PAS) Modernization

High-level PAS requirements

Total number of elaborations: 39

Total number of requirements: 477



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Modernization update
Pension Administration System (PAS) Modernization

High-level PAS requirements

- Allow employers access to the portal, even during PERS maintenance windows.
  - *Reduce restrictions around employer portal availability.*
- Allow employers and PERS staff a secure method to communicate about issues that contain personally identifiable information.
  - *Adding a feature to the employer portal to allow two-way communication in one place, rather than email.*
- Provide a secure chat feature to allow employers to ask questions and receive real-time assistance from their account representative.
  - *Easy way to contact your account representative without having to pick up the phone for quick questions.*
- Allow for a virtual assistant (chatbot).
  - *Connected to our guides, training and website, the virtual assistant can help find answers for you.*
- Provide a secure method for employers and PERS to share documents and interactive forms.
  - *Improve automation and communication.*
- Provide information to employers when an employee has applied for a PERS benefit.
  - *Source of information for the employer to know that final reporting to PERS will be needed soon.*
- Allow for suspended records to be corrected by member rather than individual report.
  - *Ability to fix larger issues across an account rather than one at a time.*

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Modernization update

Pension Administration System (PAS) Modernization

High-level PAS requirements

- Allow employers more access to their data in the portal.
  - *For example, the ability to easily make big adjustments, run large reports, and more.*
- Highlight required fields within the portal for any data that the employer needs to submit.
  - *Make it easier to know what must be filled out versus what can be skipped.*
- Perform real-time validations on data submitted via the portal.
  - *Though we have a few real-time validations currently, we want to see this highly improved, especially if a batch process is still part of the solution.*
- Allow update of submitted data in real time.
  - *Provide more flexibility with correcting data that has been submitted to PERS if a batch process is still part of the solution.*
  - *This works together with the real-time validations.*

Actuarial update

Troy Phillips, Actuarial Business Specialist

Actuarial update
School Districts Unfunded Liability Fund (SDULF)

- $149 million in additional SDULF funding is projected to be available to offset unfunded actuarial liability (UAL) rates for the 2027-29 biennium.
- Rate offset will be estimated with 2027-29 rates proposed for adoption in September.
- The offset may be updated in early 2027 if additional funds above $149 million are received.
- Milliman will assume SDULF offset of 1.25% of payroll for the 2027-29 biennium.
- No further SDULF offsets are currently expected after the 2027-29 biennium.

Actuarial update
UAL funding and rate collar policy decision

- Milliman proposed two policy options to the PERS Board:
    - **Policy approach A** - Set initial 2027-29 UAL funding at 13.95% of pay.
    - **Policy approach B** - Set initial 2027-29 UAL funding at 12.27% of pay.
- Initial UAL funding will determine the rate collar for 2027-29 biennium.
- Board decided on **policy approach A** after feedback from Coalition of Oregon School Administrators.

Actuarial update
Side Account Expiration Project

- PERS Actuarial Services is working with employers to help them through this process.
- As part of the 2026–2028 side account expiration process (illustrated in the roadmap at the end of this presentation), PERS Actuarial Services will:
  - **Track** side account balances every month.
  - **Inform** employers if their accounts will run out of funds before the end date.
  - **Stop** side account rate offset on the first day of the month after it reaches a negative balance.

IDENTIFICATION

OUTREACH

MAINTENANCE

Actuarial update
Side Account Expiration Project

IDENTIFICATION

Watchlist identification:

- Use estimated 2025 year-end balance before current year earnings.
- Subtract 2025 average monthly amortization plus 20%.
- Identify those with projected negative balance within six months.

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Actuarial update

Side Account Expiration Project

OUTREACH

Inform employers:

- Email or call employers with side accounts on watchlist.
- Arrange meeting to discuss affected side account and course of action. (Offset rate stops first of month following negative accrual.)
- Notify employer again once account goes negative.

Actuarial update
Side Account Expiration Project

MAINTENANCE

Stop offsets as soon as account goes negative.

- PERS staff turn off side account rate in Employer Data Exchange (EDX) first day of month; contribution rates increase accordingly.
- Explanation note entered in system for employer and PERS staff.
- Employer account trued-up at year end.

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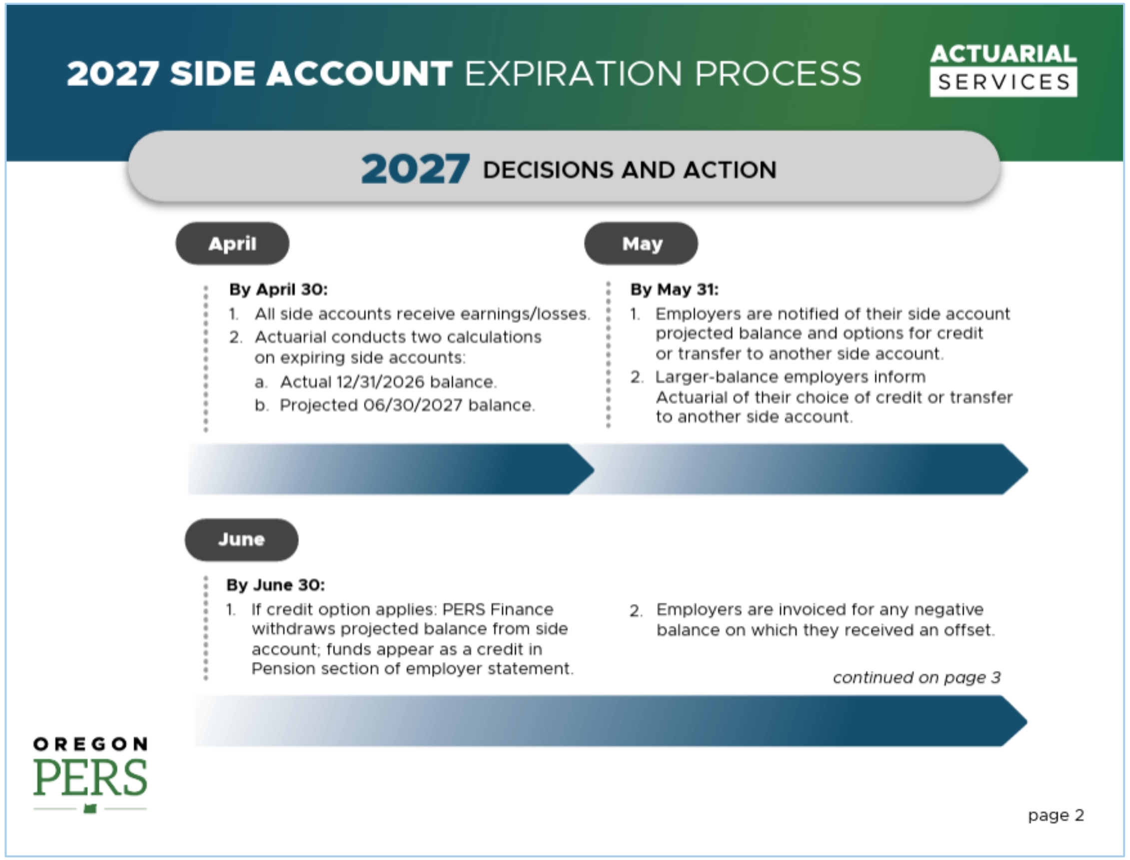
Actuarial update
Side Account Expiration Project roadmap



2027 SIDE ACCOUNT EXPIRATION PROCESS

ACTUARIAL SERVICES

2027 DECISIONS AND ACTION

April

By April 30:
1. All side accounts receive earnings/losses.
2. Actuarial conducts two calculations on expiring side accounts:
   a. Actual 12/31/2026 balance.
   b. Projected 06/30/2027 balance.

May

By May 31:
1. Employers are notified of their side account projected balance and options for credit or transfer to another side account.
2. Larger-balance employers inform Actuarial of their choice of credit or transfer to another side account.

June

By June 30:
1. If credit option applies: PERS Finance withdraws projected balance from side account; funds appear as a credit in Pension section of employer statement.
2. Employers are invoiced for any negative balance on which they received an offset.

continued on page 3

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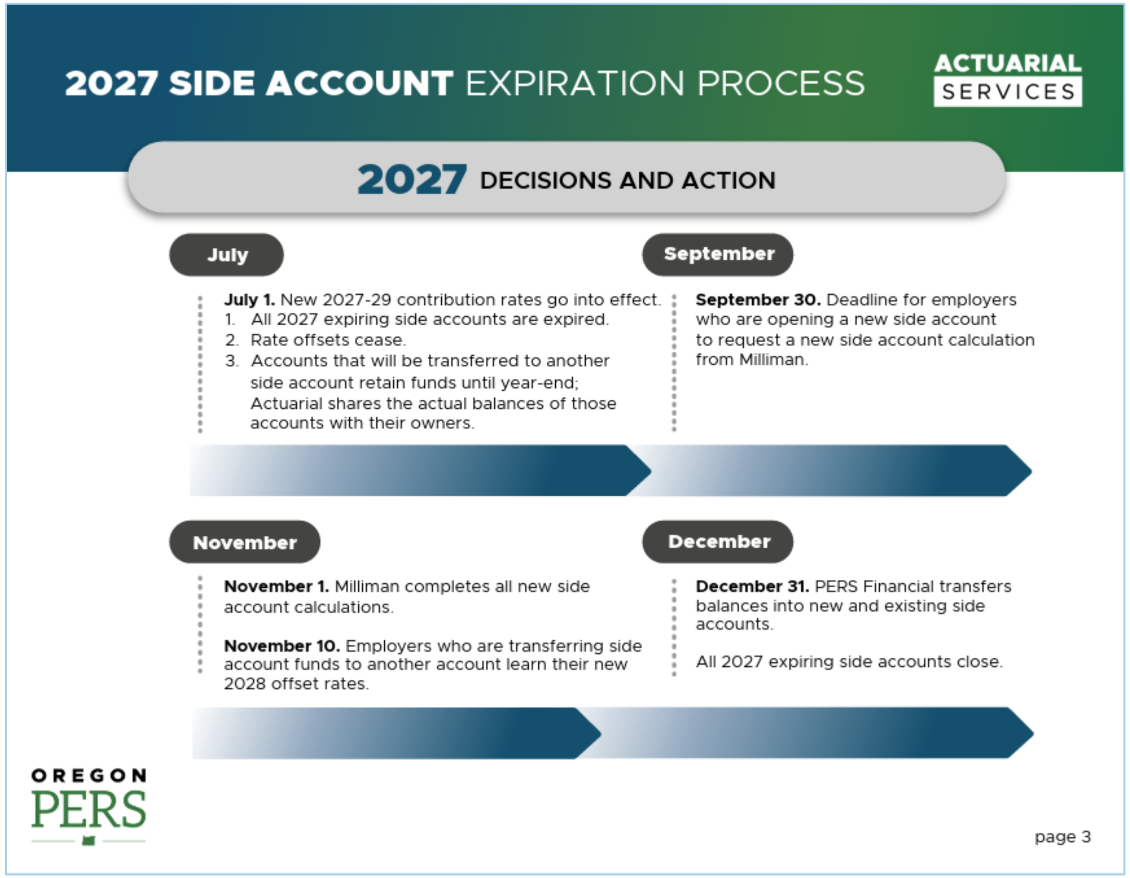
page 2



2027 SIDE ACCOUNT EXPIRATION PROCESS

ACTUARIAL SERVICES

2027 DECISIONS AND ACTION

July

July 1. New 2027-29 contribution rates go into effect.
1. All 2027 expiring side accounts are expired.
2. Rate offsets cease.
3. Accounts that will be transferred to another side account retain funds until year-end; Actuarial shares the actual balances of those accounts with their owners.

September

September 30. Deadline for employers who are opening a new side account to request a new side account calculation from Milliman.

November

November 1. Milliman completes all new side account calculations.

November 10. Employers who are transferring side account funds to another account learn their new 2028 offset rates.

December

December 31. PERS Financial transfers balances into new and existing side accounts.

All 2027 expiring side accounts close.

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page 3

Go to the Side Accounts webpage for complete information about the side accounts expiration process.

Go to https://www.oregon.gov/pers/emp/Documents/Misc-Documents/2027_side_account_expiration_process.pdf for the full 2026–2028 diagram.

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Actuarial update

Side Account Expiration Project online information sessions

Session 1

August 25

9 to 10 a.m. Pacific

Teams meeting

Presentation of side account expiration process followed by plenty of time for questions.

Information coming by News Bite.

Session 2

September 29

9 to 10 a.m. Pacific

Teams meeting

Presentation of side account expiration process followed by plenty of time for questions.

Information coming by News Bite.

Go to the Side Accounts webpage for complete information about the side accounts expiration process.

Go to https://www.oregon.gov/pers/emp/Documents/Misc-Documents/2027_side_account_expiration_process.pdf for the 2026–2028 diagram.

Employer Service Center update

Laurel Galego, Employer Service Center Supervisor

Tamie Johnson, Data Services Section Manager

Employer Service Center (ESC) update
Shoutout to all employer reporters!

We are excited to announce:

For the first time in ESC history, all pre-2026 records are posted!

And all reports have been submitted through January 1, 2026.

ESC update
Employer Satisfaction Survey results

357 responses received to this year's survey.

172 comments being reviewed.

Results will be presented at the PERS Board meeting on September 25, 2026.

ESC update

Employer Town Hall

5/26: Met with interested employers.

6/9, 6/11, and 7/14: Met internally for group discussion.

Next step: Revisions are being considered, additional communication to come.

Communications update

Shawn Harper, Employer Communications Specialist

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Communications update
New employer resource

Contribution start date (CSD): Always the first day of the month following successful completion of six-month wait time. But the first day of *which month* depends on hire date.

NEW: a reference list to easily find employee's CSD.

Open the PDF. You can print your preference of two versions.

Or paste oregon.gov/pers/emp/Documents/Employer-Publications/Manuals-Guides/PERS-ESC_2026-Hire-Date-CSD-List.pdf into your browser

2026 wait time contribution start date (CSD) table — numerical dates

Hire month	If first date of employment is	CSD will be
1 January	1/1–1/2	7/1
	1/3–1/31	8/1
2 February	2/1–2/2	8/1
	2/3–3/28 or 3/29	9/1
3 March	3/1–3/2	9/1
	3/3–3/30	10/1
4 April	4/1	10/1
	4/2–4/30	11/1
5 May	5/1	11/1
	5/2–5/31	12/1
6 June	6/1	12/1
	6/2–6/31	1/1/2027
7 July	7/1	1/1/2027
	7/2–7/31	2/1/2027
8 August	8/1–8/3	2/1/2027
	8/4–8/31	3/1/2027
9 September	9/1	3/1/2027
	9/2–9/30	4/1/2027
10 October	10/1	4/1/2027
	10/2–10/31	5/1/2027
11 November	11/1–11/2	5/1/2027
	11/3–11/30	6/1/2027
12 December	12/1	6/1/2027
	12/2–12/31	7/1/2027

2026 wait time contribution start date (CSD) table — numeration dates

Hire month	If first date of employment is	CSD will be
January	Jan. 1 or Jan. 2	July 1
	Jan. 3 through Jan. 31	Aug. 1
February	Feb. 1 or Feb. 2	Aug. 1
	Feb. 3 through Feb. 28/29	Sept. 1
March	March 1 or March 2	Sept. 1
	March 3 through March 30	Oct. 1
April	April 1	Oct. 1
	April 2 through April 30	Nov. 1
May	May 1	Nov. 1
	May 2 through May 31	Dec. 1
June	June 1	Dec. 1
	June 2 through June 31	Jan. 1, 2027
July	July 1	Jan. 1, 2027
	July 2 through July 31	Feb. 1, 2027
August	Aug. 1 through Aug. 3	Feb. 1, 2027
	Aug. 4 through Aug. 31	March 1, 2027
September	Sept. 1	March 1, 2027
	Sept. 2 through Sept. 30	April 1, 2027
October	Oct. 1	April 1, 2027
	Oct. 2 through Oct. 31	May 1, 2027
November	Nov. 1 or Nov. 2	May 1, 2027
	Nov. 3 through Nov. 30	June 1, 2027
December	Dec. 1	June 1, 2027
	Dec. 2 through Dec. 31	July 1, 2027

Communications update
New employer resource

Find it on the Employer Manuals and Guides webpage along with these other helpful employer resources.

Employer manuals and guides

Employer reporting guides

Instructional guides for PERS employer reporters, HR representatives, payroll, and benefits professionals. Topics cover PERS membership and benefits, reporting employee data in EDX, and paying for PERS.

Quick-reference guides

Frequently needed lists, processes, and definitions, such as EDX codes, best methods, required fields for common Detail 1 and Detail 2 record types, and file uploading.

UALRP guides

Unfunded Actuarial Liability Resolution Program (UALRP) guides for financial professionals. Topics include unfunded actuarial liability (UAL), employer pooling, and pension obligation bonds.

Payment categories chart

Table listing different types of payments and whether they are subject or non-subject salary for Tier One, Tier Two, and OPSRP Pension Program members.

Regular-report dates

Webpage listing the current year's wage-report due dates for monthly, semi-monthly, biweekly, and weekly payrolls cycles.

New employer-reporter toolkit

The first stop for new employer reporters. Links to EDX account signup, training, EDX data upload, reporter checklists, reporter roles, and more.

Employer-resource feedback form

Anonymous online form to provide feedback on an employer guide, webpage, newsletter, presentation, video, or News Bite email.

Contribution start date (CSD) chart

Reference list that enables you to look up an employee's 2026 hire date and find their CSD (after a six-month wait time with no breaks).

Communications update
2026 PERS Expo, October 7, 2026

- Registration for the digital PERS Expo opens in August.
  - Registration link.
- Please encourage employees to attend to:
  - Better understand their retirement benefits.
  - Know when to check in with PERS during their career.
  - Learn how to get an estimate of their future pension.
  - Understand the retirement payout options available (based on PERS program).

Open discussion

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Open discussion

Any questions or comments for PERS?

Questions for each other?

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Thank you!