

A close-up photograph of a horse's eye, showing the iris, pupil, and surrounding eyelids and fur. The eye is dark and appears to be looking directly at the camera. The fur around the eye is a mix of light and dark brown tones.

**2011-13 Start-Up and
ARB Position
Information Control
System (PICS)
Presentation and
Audit Points**

**Courtesy of
Jim Harris –
Department of
Environmental
Quality**

**April 6,
2010**

Purpose of Presentation:

- Review the “PICS Freeze” process
- Discuss allowable revisions during Start- Up
- Talk about the PICS Agency Request process
- Examine the OPE rate comparison chart
- Go over the Calculation of the second merit

PICS File Creation Overview

- PICS contains two database files:
 - One contains data pertaining to the current biennium-
“Current LA file”
 - One contains data pertaining to budget the preparation –
“Budget Prep file”

- After the legislative process has come to completion:
 - the Budget Prep file will roll to the current LA file
 - the execution of the new biennium will begin

- In April of every even numbered year, the LA file is copied to the new Budget Prep file:
 - the budget process begins all over again
 - the PICS Freeze process occurs

The “PICS Freeze”

2011-13 PICS Budget File Creation

One of the first steps in preparing the new biennium’s Budget Prep file begins with a new Budget Compensation Plan.

- Each biennium, the DAS Human Resource Services Division (HRSD) creates a new Budget Comp Plan and updates the table that resides in the PICS (PPDB) system to reflect all new bargaining unit compensation plan changes.
- Before these changes can be made to the Budget Comp Plan, they must have legislative approval. For 2011-13, any changes were legislatively approved during the February 2010 Special Session.

The “PICS Freeze”

2011-13 PICS Budget File Creation

What new bargaining unit compensation plan changes modified the budget rates in the new Budget Comp Plan?

How will the changes affect our paychecks?



YES!



Bargaining Unit Compensation Plan Changes 2009-11

General compensation package (for all state employees, including managers):

- 3% COLA effective July 1, 2007 (\$80 minimum)
- 3.2% COLA effective November 1, 2008 (\$85 minimum)
- Fully paid health care premium for 2008
- Up to 12% increase in health care premium for 2009
- Removal of the bottom step of the salary range and add a new top step to the top of the range effective June 30, 2009 (represented only; does not include mgt)

Bargaining Unit Compensation Plan Changes 2009-11

*Management/Executive service compensation package
(will also be receiving):*

- 3% Market Adjustment effective July 1, 2007 (SR 24+)
- Removal of the bottom step of the salary range and add a new top step to the top of the range effective July 1, 2007
- Removal of the bottom step of the salary range and add a new top step to the top of the range effective July 1, 2008
- Agency Heads received an additional 10% increase

New Bargaining Unit Compensation Plan Changes 2011-13

New Bargaining Unit Compensation Plan Changes

Compensation Changes for 2011-13 Biennium

- Budget Comp Plan has been updated with the top step added back for represented employees & mgmt. staff
- PICS freeze assumes full restoration of comp plan by the end of the current biennium
- Additionally assumes SED dates remain intact with current employees

The “PICS Freeze”

2011-13 PICS Budget File Creation

The PICS Freeze process continues...

- On Friday, April 9th, 2010, Denver will run the PICS Freeze process
- The process takes the PICS position records in the current (2009-11) PICS Budget Execution file and copies them into the 2011-13 PICS Budget Preparation file
- The copy of the current biennium file is used to begin the process of establishing the PICS Budget Preparation file for the 2011-13 biennium

The “PICS Freeze”

2011-13 PICS Budget File Creation

At this point, the PICS Freeze process will begin modifying positions in the following ways:

- For a filled position, the process will begin by accessing the PBED file to determine each incumbent’s salary eligibility date (SED)
- For each salary eligible date forthcoming from April 1 through June 30, 2012, one step increase will be projected

The “PICS Freeze”

2011-13 PICS Budget File Creation

- After determining the projected step of the incumbent, the PICS Freeze process will convert the step and rate, as determined from the SED projection, to a comparable rate from the Budget Compensation Plan
- These rates will not change during the budget preparation process and will not be updated to reflect employee activity after the initial creation process, unless directed by the Governor or the Legislature

The “PICS Freeze”

2011-13 PICS Budget File Creation

- Permanent, full-time, phased-in positions are increased to 24 months. (PPDPRPT3- Positions Extended in Freeze Report)
- Vacant positions are assigned a rate equal to the second step, or the only rate of the classification. This is referred to as the "vacant" rate.
- All limited duration positions and permanent positions (full and part-time) that are phased-out in the current biennium are dropped. They are not carried forward to the PICS Budget Preparation file. (PPDPRPT2- Positions Dropped in Freeze Report)

The “PICS Freeze”

2011-13 PICS Budget File Creation

- All part-time and seasonal positions retain the current biennium number of months. Seasonal positions must have valid season-month indicators
- In double-fill situations, the highest paid employee rate is used
- Unfunded positions remain unfunded, i.e., the budgeted rate is zero

The “PICS Freeze”

2011-13 PICS Budget File Creation

If the incumbent’s rate is not within the position's budget classification, the following occurs:

- if the incumbent’s rate is lower (underfill) the lowest rate of the classification is used;
- if the incumbent’s rate is higher (overfill/red-circled) the maximum rate of the classification is used;
- if the incumbent’s rate is between two rates (off-step) the lower rate of the classification is used.

The “PICS Freeze”

2011-13 PICS Budget File Creation

Useful Reports:

P1 – PICS Budget Preparation Worksheet Set

O2- PICS Detail Position Report Sorted by
Detail Cross Reference

PPDPRPT2- Positions Dropped in Freeze

PPDPRPT3- Positions Extended in Freeze

Estimated Costs of Second Merit Given During
the Freeze Process

2011-13 PICS Start-Up

Allowable Changes During Start-Up

- Changes to DCRs that do not cross SCRs
(unless prior written approval from BAM Analyst)
- Adjustments to seasonal position budget rates
- Changes to permanent part-time phased-in positions

2011-13 PICS Start-Up

Full Funding of Merit Increases for small agencies

- The policy allowing full funding of merit increases for small agencies continues for the 2011-13 biennium
- The SABR Section staff will adjust the monthly budget rates on all positions for agencies with 10.00 or fewer FTE during PICS Start-Up
- These agencies will receive a revised number for the cost of the second merit.

2011-13 PICS Start-Up

Locking down Start-Up on Friday, April 30, 5:00 PM

- At the end of the Start-Up period, the SABR Section staff will lock the PICS Budget Preparation file (whether a PICS Audit Request Transmittal form has been received or not), audit all changes and obtain BAM analyst approval
- PICS changes made during this time update the PICS Freeze values in the Agency Request Base Budget column in ORBITS at the DCR level by fund type (A01 Version)
- Loaded data includes salaries and wages, PICS generated OPE, and position and full-time equivalent (FTE) counts

2011-13 PICS Agency Request Process

- The PICS 2011-13 Agency Request Budget consists of the PICS Base Budget, Essential Packages and Policy Packages
- Packages are used to request new positions or make changes to existing positions
- As position data is revised in PICS, the system recalculates PICS position values and immediately updates Personal Services accounts in ORBITS

2011-13 PICS Agency Request Process

- The position values are loaded as designated on each position
- This data includes salaries and wages, certain OPE, and position and FTE counts
- All new positions must be added to PICS at the second step of the classification's salary rate; this is also the default rate PICS assigns

2011-13 PICS Agency Request Process



- Useful reports for the ARB phase of budget preparation
- P1 – PICS Budget Preparation Worksheet Set
- O2 – PICS Detail Position Report Sorted by DCR number

OPE Rate Comparison

ORBITS ACCOUNT NUMBER	OPE Factors	2009-2011 (GRB and LAB)	2011-13 @ Start UP/ ARB
3210	ERB	\$1.75/ per month	\$1.70/ per month
3220	PERS	SEE BELOW*	SEE BELOW*
3230	SOCIAL SECURITY	7.65%	7.65%
3250	WORKERS' COMP ASSESSMENTS	\$2.60/ per month	\$2.44/ per month
3270	Flex Benefits (Default)	\$1,070/ per month	\$1,254/ per month

*PERS RATES

Rate for Agencies w/o Significant Police & Fire (Default Rate)	8.22%	14.41%
Rates for Agencies w/ Significant Police & Fire (blended for budget purposes only**):		
OLCC	10.14%	16.25%
FORESTRY	9.36%	16.18%
DPSST	12.88%	19.06%
OSP	12.94%	18.74%
OYA	13.67%	19.00%
CORRECTIONS	14.15%	19.49%
Judges	21.95%	25.32%
**Agencies will pay actual PERS rates during 2011-13 execution based on status		
Mass Transit .006 = .6%		
Pension Obligation Bond (POB) Call Linda Ames @ 503-378-4366		

2011-13 Calculation of the Second Merit

- The second merit is the cost of the one merit given for first fiscal year of the 2011-13 biennium
- Report No.: PPDPLWSDDET included in packet
- This report calculates how much of your Personal Services is related to that second merit increase
- It's an item necessary for the Current Service Level (CSL) form

2011-13 Calculation of the Second Merit

2011-13 Budget Preparation

Calculation of the Second Merit* for Personal Services

Example: OA C0108 Admin Specialist 2

Budget Rate = \$2,695 @ step 2 (1.00 FTE)

Cost of Step Increase: $\$2,695 \times .0475^* = \128.01 (one month cost)

Total Biennium Cost of Second Merit: $\$128.01 \times 24 = \$3,072.24$

Determine PERS Rate + SS Rate:

PERS 14.41%

SS 7.65%

OPE 22.06%

Multiply cost of second merit by OPE rate: $\$3,072.24 \times .2206 = \677.74

Total Biennium Cost of Second Merit plus OPE: $\$3,072.24 + \$677.74 = \$3,749.98$

Round to nearest \$: \$3,750

*Average step increase consistently used each biennium for second merit calculation

- ❑ PICS will be unlocked this afternoon
- ❑ For system-related problems, call Denver Peterson at 503-378-2227
- ❑ For PICS related questions, e-mail Bonnie Lanning at Bonnie.L.Lanning@state.or.us
- ❑ Bonnie Lanning at 503-378-8203
- ❑ Brian DeForest at 503-378-5442

**I will be
watching you**

