Linea Solutions

Assessment –

Transition OSERS to NPERS

Contents

ASSESSMENT – OSERS INTEGRATION

1 Executive Summary

1.1 Overview

The Nebraska Public Employees Retirement Systems (NPERS) has engaged Linea Solutions, Inc. (Linea) to complete a formal assessment of the impact of adding Omaha School Employees' Retirement System (OSERS) members to the Nebraska Public Retirement Information System (NPRIS).

Linea has evaluated the information provided to complete its assessment. This included on-site information gathering at both the NPERS site in Lincoln and the OSERS site in Omaha. During these visits, all staff was open and helpful to us in providing the requested materials.

The NPRIS system is a Clarety-based system that was implemented approximately 20 years ago at NPERS. The Clarety product has undergone several ownership changes. Licensing is currently owned and supported by Perspecta, which is headquartered in Chantilly, VA. Prior to Perspecta, Clarety was owned by DXC Technology, which was spun off from HPe (formerly Hewlett-Packard). HPe acquired Clarety through EDS (Electronic Data Systems), who had acquired it through Saber Corporation, who had purchased Covansys. Although Perspecta still supports the Clarety system, NPERS currently supports the application independently. For this assessment, Linea utilized a former employee of the Covansys organization, who helped to implement and support the product.

Linea's role is to evaluate plan and data similarities and differences in order to provide an estimate of the impact of updating NPRIS with the configuration and coding changes needed to process the OSERS membership. The estimation will include all project related work, including NPRIS customization, data conversion, and backfile (paper and microfiche) conversion.

The analysis includes functional areas, incoming data, batch programs, configuration / plan setup, interfaces, forms, letters, reports, member self-service portal, workflow, and document management. As described in the scope section of this document, each NPERS functional area will be analyzed for impact, including:

- Employer Related Functionality:
    - o Employer Maintenance
    - o Employer Invoicing
    - o Wage & Contribution Processing
    - o Cash Receipts

- Member Related Functionality
    - Enrollment & Demographics
    - Member Account Maintenance
    - Optional Service Credit
    - Benefit Calculation (Benefit Estimates)
    - Refunds
- Retirement Processes
    - Retirement Application Processing
    - Benefit Amount Adjustments
    - Annuity Payroll

There were 86 NPRIS batch jobs reviewed for impact, including the incoming data and processing for the OSERS plan.

- 7 batch jobs will be directly impacted.
- The remaining batch jobs, while not expected to change, will require additional testing to confirm that the information for OSERS is being processed correctly.

A review of the supporting functions and processes includes interfaces, forms, letters, reports, self-service, and document management. These impacts are included with the functional areas.

The implementation project to integrate OSERS in NPRIS is estimated to take 11 months to complete. This time period would be preceded by a detailed requirements and procurement phase, estimated at 12 months. Following implementation, post-implementation support will be necessary for 12 months in order to fully stabilize the system and normal operations through a full business cycle.

The overall project includes ramp-up time, procurement, development, implementation, and post implementation support. The schedule is realistic based on the assumptions made, but there are significant risks that additional changes would be needed. One key assumption is that the current Clarety system will support the addition of the OSERS plan. Given the concerns with the dated infrastructure, a recommendation could be made to include updates to the existing environment as part of the project. This work is not included in the current estimate.

Overall, the expected budget for NPERS is in the range of $3.5M - $4.2M given the alternatives, assumptions, and risks envisioned in the assessment. The expected changes needed to NPRIS and the need to fully test most of the application will be a significant effort. The core development team will include project management, business analysts, development and conversion IT staff, and support of the business and IT subject matter experts throughout the project. Additional support will be needed from a number of outside stakeholders, which will further the complexity and risk of delivery. Outside stakeholders include OPS IT, Nebraska State IT, OSERS and OPS staff.

It has been a pleasure to work with the NPERS and OSERS staff in gathering the information necessary to provide this assessment. Both entities have been extremely helpful and responsive in providing the necessary information about the organizations, the retirement plans, similarities and differences between them, and all requested information throughout the process.

1.2 Summary of Findings and Assumptions

1.2.1 High-Level Summarization:

1. The OSERS plan is similar to systems already supported by NPERS. A new plan will be added to the NPRIS system, just as the existing retirement systems are managed as separate plans in NPRIS. Many of the required changes identified so far will be to configure the system through the additions of entries to several data tables throughout NPRIS. Custom code changes are anticipated as well.

2. OSERS' plan processing on NPRIS will cover nearly all the same processes, functions, and calculations currently used by NPERS. The project scope impacts all core functionality rather than being one new function or peripheral application change. Coding changes are expected to be manageable but are needed across the entire system. In addition, it will be necessary to thoroughly test all business functions. This work will include testing of all coding, configuration, and database changes and a full regression test of the system to ensure all existing functionality works across the updated system.

3. Adding a new plan for OSERS is a major update that has not been completed by NPERS staff previously. Given the overall impact across all major processes and the risk of significant code review for plan-specific logic, there will be additional changes beyond what has been identified within the confines of this assessment.

4. Because full evaluation of all code was not possible, in particular the potential for unexpected coding changes specific to the plan, there will be additional coding changes identified during the execution of the project.

1.2.2 Project Planning Assumptions:

1. With minimal availability of NPERS staff to complete the project, it will be ideal to procure a Clarety-knowledgeable system integration firm to be responsible for the completion of the project. All cost and time assumptions are based on the work being done by staff with extensive knowledge and experience with Clarety system implementations and data conversions.

2. A project management oversight firm should be engaged to independently assess and assist with project execution. The estimated number of external staff is two full-time-

equivalent (FTE) resources through the core of the project. This includes an oversight project manager and a business analyst who is focused on the NPERS business impact and testing activities.

3. Converted data from the existing OPS PeopleSoft system will be required. OPS IT staff will be required to extract all data relating to the demographics, employment, wage, contribution, service credit purchase agreements, and benefit payroll information. Project staff will be responsible for data transformation and loading into NPRIS. Availability of OPS IT staff, as well as other external stakeholders, will be a key factor in determining whether the project will be completed on schedule.

4. NPERS may wish to consider separating out the specialized data conversion activities from the work of the software vendor, in particular because there are firms specializing in this type of data conversion within the pension industry, and software integration firms, while capable of performing these services, tend to prefer not doing these activities. This change is not anticipated to have a significant impact on overall cost but could potentially reduce the overall risk of delivery.

5. Staff training and documentation changes will be needed for NPERS staff to support the OSERS system. This will primarily be in understanding differences in plans from other systems and plans currently supported. The project team will work closely with business subject matter experts to identify and document these impacts.

6. Projecting changes to ongoing staffing is outside the scope of this assessment. The assessment focused primarily on the work to complete the project. It should be expected the IT and business staffing levels at NPERS will need to be evaluated for needed growth once the project is implemented.

1.2.3 Project Risks

No.	Risk Description	Probability	Impact	Mitigation
1.	Estimates are based on Clarety skilled analysts and developers. Failure to secure this expertise would impact the expected delivery time.	Medium	High	Skill levels will be a requirement in securing resources.
2.	Because of the nature and the structure of the project, there is a risk that additional changes will be necessary.	Medium	Medium	The project timeline includes the assumption that requirements and system impacts will be re-evaluated as part of the delivery project execution.
3.	The project execution will be done in parallel with existing enhancement, maintenance, and support activities by NPERS IT staff in order to support other NPERS initiatives.	Medium	Medium	Existing work should be evaluated, with a focus on minimizing other system changes, if possible, during the OSERS integration project.
4.	NPERS IT expressed concerns with outdated technologies that are due for upgrades.	High	Medium	Further assessment is needed on the technical solutions upgrades.

1.3 Estimated Project Timeline
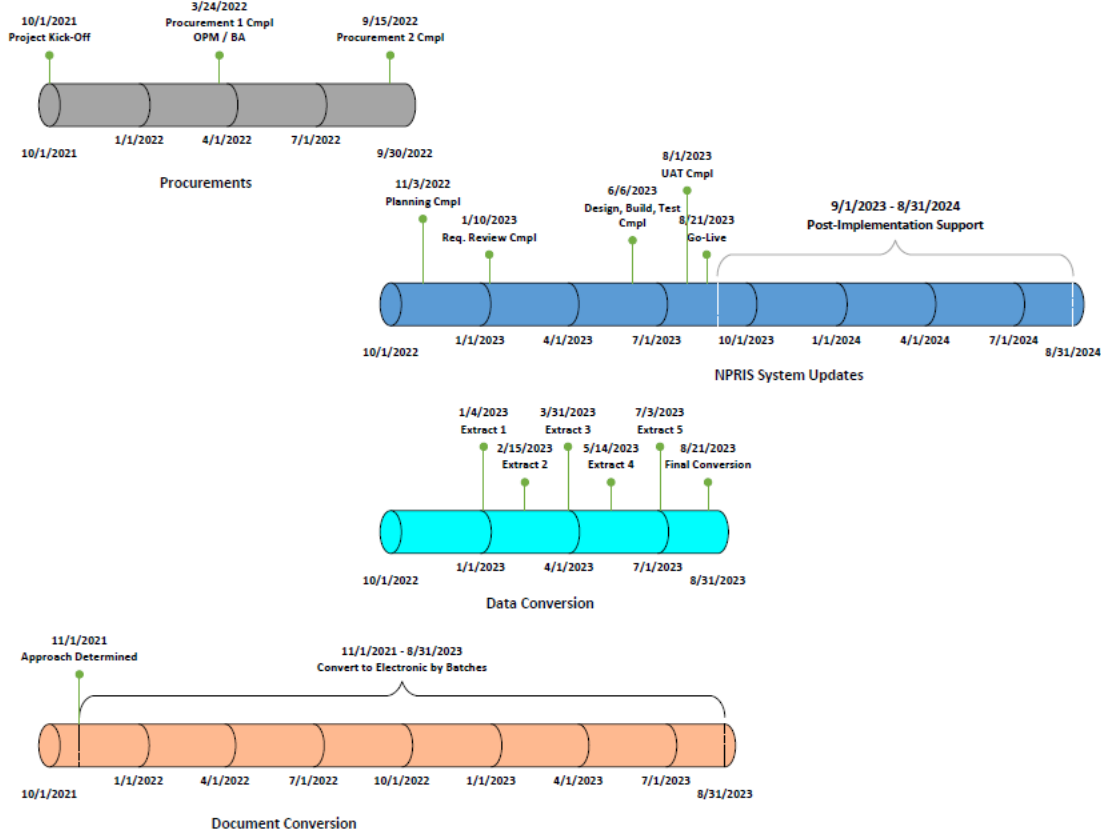
The project is broken into four separate workstreams. The first workstream is for procurement. There are two separate procurements included in this assessment. The first procurement is for oversight project management and business analysis. The second procurement is for the software integration vendor and data conversion. Procurement activities include:

- Detailed requirements gathering,

- RFP development, review, and approval,

- RFP execution

  - Quiet period / waiting period (for responses)

  - Evaluation

  - Selection

  - Contract negotiation and closure

The second workstream is the primary work to add the OSERS plan at NPERS. It includes the work to configure, code, test, and implement the necessary changes to the NPRIS system.

Overall, effort will focus on making the configuration and coding changes needed to add the OSERS plan to NPRIS. Coding changes, configuration updates, and database table and procedure changes will be required for the OSERS plan. In addition to OSERS specific modifications, the entire system will require testing to ensure that all functionality processes correctly and to uncover all plan-specific modifications. Existing NPERS systems will need to be regression tested as well to ensure that there are no unexpected changes.

The third workstream is for the conversion of data from the existing Omaha Public Schools Information Technology (OPS IT) supported PeopleSoft system. OPS IT staff will be tasked with targeted data extractions that will subsequently be loaded into NPRIS. It is critical that PeopleSoft knowledgeable OPS IT staff do the data extracts while vendor staff with experience loading into a Clarety system translate and load the data into NPRIS. Work for data extract and conversion will begin as soon as the procurement work is complete, and the requirements review is underway.

The fourth workstream is for a backfile conversion of all non-electronic documents (paper and microfiche[1]) into the State's OnBase document management system. This work can be done in parallel with the remainder of the project effort. Although careful planning will be needed to support OSERS during the transitional period.

1.4 Project Structure and Roles
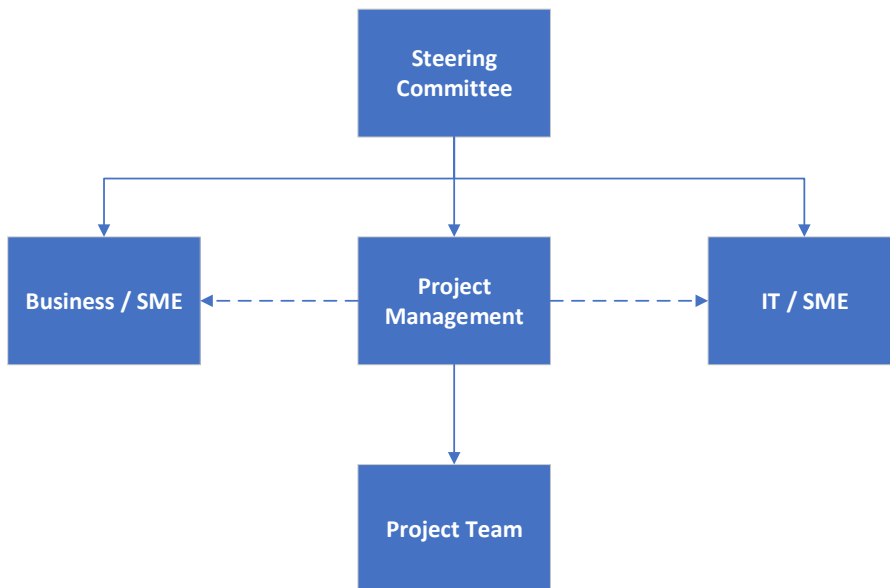
The project structure should include the establishment of a Steering Committee to provide the high-level oversight of the project and communication to the Board. The Oversight PM will guide each of the teams working on the effort. The vendor team would provide leadership of

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[1] If needed. Microfiche records will need to be further evaluated before making a recommendation to include.

technical staff making modifications to NPRIS and the conversion of data. Project roles are further described in the table below:

Project Team	Proposed Members:	FTE	Project Role
Steering Committee	• Executive Director / Project Sponsor • Retirement Plan Manager • Data Services Manager • IT Manager • TBD	< 10%	• Project oversight & overall project approvals/ sign-off • Report status to board • Conduct meetings monthly and as needed
Oversight Project Manger	• TBD	70%	• Project oversight (monitor scope of work, issues and vendor negotiation) • Management of day to day project tasks • Review project deliverables • Status reporting to Project Steering Committee • Ensure timely review and sign-off
Vendor PM	• TBD	70%	• Manage day-to-day project development changes to NPRIS • Ensure quality and accuracy of developed changes
Business Analyst	• TBD	100%	• Conduct requirements sessions • Coordinate testing, including User Acceptance Testing (UAT) • Participate in training session development • Participate in data cleansing, as required
Functional Analyst	• TBD	100%	• Complete configuration changes • Coordinate code changes with developer • Participate in data cleansing, as required
Developer	• TBD	100%	• Complete configuration changes • Complete coding changes • Support testing
Data Conversion	• TBD	100%	• Conduct data transformation • Complete data load to NPRIS • Support testing
Business Subject Matter Experts	• TBD (effort spread among multiple staff)	50%	• Coordinate change impact • Provide business knowledge and expertise • Participate in design sessions • Participate in testing

Project Team	Proposed Members:	FTE	Project Role
IT Subject Matter Experts	• TBD (effort spread among multiple staff)	25%	• Provide infrastructure support • Coordinate change impact • Provide IT knowledge and expertise • Support design sessions • Support testing

1.5 Summary of Expected Costs / Project Budget

Project costs have been divided into two separate components: the cost of executing the project including all NPRIS modifications, testing, and implementation, and the cost of the backfile conversion. Project costs include an increase in infrastructure hosting to support additional processing and storage required to execute the project.

The cost of the backfile conversion is treated separately and could be executed on alternative timelines depending on several decisions that will be needed from NPERS. For example, would NPERS decide to convert all documents regardless of age and the status of the member account? Would NPERS choose to prioritize the conversion of the documents that would most likely be needed online?

It is Linea's understanding that the electronic document management costs are significant and will require a careful examination. Note that the costs of agencies outside of NPERS (i.e. OSERS and OPS IT) have not been estimated as part of this assessment. Where possible, the underlying work needed has been described.

Cost Component	Estimated Cost (Optimistic)	Estimated Cost (Most Likely)	Estimated Cost (Pessimistic)	Peak FTE	Ave Rate /Hour
External Staffing	$ 2,500,000	$2,700,000	$3,950,000	6.0	$221
Internal Staffing	$ 500,000	$ 500,000	$ 750,000	2.0	$100
Staffing Total	$ 3,000,000	$3,200,000	$4,700,000	8.0	$188
IT/Infrastructure	50,000	$ 100,000	$ 150,000		
Document Conversion to ECM	$ 150,000	$ 200,000	$ 250,000		
Total Estimate	$3,200,000	$3,500,000	$5,100,000		
Contingency (20%)	$ 650,000	$ 700,000	$ 1,000,000		
Total with Contingency	$3,850,000	$4,200,000	$6,100,000		

Cost Notes:

1) Three different estimates of the staffing cost estimate have been provided showing optimistic, most likely, and pessimistic estimates. In the optimistic estimate, procurement and planning phases are combined and post implementation is shortened to one month. In the pessimistic estimate, the requirements and build phases have both increased by 1 month.

2) IT Infrastructure costs are estimated to increase an average of $8,000 per month of the project to support additional virtual server instances and storage space increases. This will cover the cost of a virtual SQL environment in support of data conversion and a separate instance of the Clarety system (if needed) for the development team.

3) Document conversion and load to OnBase was estimated based on the overall storage at the OSERS office.

Type	OSERS Count	Document Type	Estimated Sheets Per Box	Average Cost to Scan/Index	Estimated Cost
Bankers Boxes	55-60 Boxes	Dual Sided Mixed Size	2,000-2,500	$0.08-$0.15	$15,000
Beneficiary Card Files	7 Boxes	Single Sided	1,000-1,500	$0.08-$0.15	$ 1,000
File Cabinets (4 Drawer)	32 Drawers	Dual Sided Mixed Size	4,500-5,000	$0.08-$0.15	$17,500
Other / Contingency					$ 3,500
Total (Paper)	Scanning / Indexing Costs				$37,000
Electronic	4.5 – 5 GB	PDF & Excel	25 – 30K		
Load to OnBase				$0.25-$0.50	$131,000
Additional Staff	Document Specialist				$ 32,000
Total					$200,000

2 Background

[This section is from the RFP.]

NPERS, under the direction of the PERB, administers five (5) statewide retirement systems and one (1) deferred compensation plan for the State of Nebraska. NPERS uses a proprietary Clarety-based information technology and computer infrastructure system to administer the retirement plans.

OSERS, under the direction of the Board of Trustees, administers one (1) defined benefit retirement system. OSERS uses a different information technology and computer infrastructure system to administer its retirement plan.

The Legislature tasked the PERB and NPERS with conducting a study and preparing a work plan, including any recommendations, cost estimates, and cost comparisons to the Clerk of the Legislature no later than June 30, 2020. Therefore, the successful bidder must complete the tasks outlined in this Project Description and Scope of Work in time to allow the PERB and NPERS to incorporate the deliverables required by this Project Description and Scope of Work into the PERB's and NPERS' work plan.

3 Scope of Work

[This section is from the RFP.]

Under the direction of the PERS and the Director of NPERS, the firm will provide the services and deliverables listed below. Labor estimates should include the job title of the resource required, the hours of labor, and the estimated hourly rate for each resource. Three (3) estimates should be provided for each service or deliverable, as applicable: an optimistic or best-case estimate; a pessimistic or worst-case estimate; and the most likely estimate.

1. Identification of impacted functional areas that will require system changes and produce a list of impacted functional areas impacted by the changes.

2. An analysis of incoming data, including wages and contribution files, incoming cash receipts, and any other inbound interfaces, and produce a list of data inputs and sources that will be required to support OSERS with expected hours to develop and test.

3. An analysis of account maintenance functions including member account maintenance, service credit purchase, benefit estimates, and refunds, and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

4. An analysis of retirement functions including retirement application processing, benefit adjustments, annuity payroll, and tax related functions, and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

5. An analysis of general ledger accounting and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes

represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

6. Analysis of all inbound and outbound interface files and produce a complete listing of all expected inbound/outbound interfaces (not covered in any specific functional area) required to support OSERS with expected hours to develop and test.

7. Identification and analysis of letters, forms, and reports, and produce a complete listing of all expected letters, forms, and reports required to support OSERS with expected hours to develop and test.

8. Analysis of the member self-service portal functions and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

9. Analysis of workflows, document management systems impact including the migration of images, and the conversion of documents on other forms of media, such as paper, microfilm and microfiche to digital images, and produce:

    (a) Estimates of the document management migration and implementation costs;

    (b) Estimates of the number and types of documents to be migrated from each form of media; and

    (c) Estimates of the workflow modifications and implementation costs to meet the requirements of the OSERS plan.

10. Analysis of infrastructure and architecture impact and produce written recommendations for any infrastructure changes required to support the additional volumes of data and processing to meet the requirements of the OSERS plan with expected hours to implement and test any infrastructure changes.

11. Analysis of data migration impact including volume of data and migration strategy and produce a written description of data conversation, cleansing, and migration of OSERS data with expected hours to develop and test.

12. Develop written overall project timelines and produce a written estimated overall project timeline including sequence of tasks and critical milestones.

13. The services and deliverables must consider, and take into account, the following assumptions:

    (a) The Clarety-based PAS system utilized by NPERS is the Nebraska Public Employees Retirement Information System (NPRIS). The intent of this project is to analyze the tasks required to add the OSERS plan to NPRIS.

    (b) NPRIS is maintained and updated as necessary by the NPERS Information Technology Team. If new technology libraries, tools, or subsystems are implemented to add the OSERS plan to NPRIS, the cost of training the NPERS IT team should be included in the analysis.

(c) The Nebraska Office of the Chief Information Officer (OCIO) provides IT infrastructure and other services for NPERS. The infrastructure and related services include the NPERS network, virtual servers, storage, backup services, directory services, and enterprise email. The OCIO provided infrastructure and services will be utilized to implement any solutions required for the OSERS plan.

(d) NPERS stores documents in digital form in the OnBase Enterprise Content Management (ECM) system. The conversion of OSERS documents on non-digital media, such as paper, microfilm, or microfiche is included in the scope of the analysis. The importing of the digital documents into the ECM system is also included in the scope of the analysis.

3.1 Impacted Functional Areas

Identification of impacted functional areas that will require system changes and produce a list of impacted functional areas impacted by the changes.

The following functional area are impacted by the addition of OSERS to NPRIS. This section includes the highlighted changes to each area. Additional details are in subsequent sections.

Configuration / Plan Setup

o Set up OSERS plan and tiers and the reference tables that depend on them.

o In this document, where a reference table is specific to a functional area it is discussed within the context of that functional area. Where it is shared or impacts multiple it is listed under plan setup.

General Ledger – Highlighted Changes

o Recognize different fiscal year for general ledger purposes than for service credit calculation, if the OSERS plan will be moved to the NPERS fiscal year.

o Use the retirement type and recipient relationship to differentiate between different general ledger accounts when posting general ledger transactions for benefits activities.

Employer Maintenance

o Set up OPS as an employer through NPRIS.

Employer Invoicing

o Recommend handling additional contributions to maintain solvency outside of NPRIS because it is one case per year at most.

Wage and Contribution Files

o Degree of change depends on whether PeopleSoft can support the reporting format used within NPRIS. Some small changes are assumed in basic edits and validations, but otherwise at this time we are assuming that PeopleSoft can do what other employers' systems can do.

Cash Receipts Processing

o It is expected that this will be an area of static data configuration for the new plan and its bank accounts only.

Enrollment & Demographics

o The focus for demographic information will be in merging the multiple records used for a single person in OSERS today because of re-retirement, beneficiary benefits, and alternate payee benefits. The NPRIS system handles each of these through multiple accounts for a single person, and therefore demographic information need only be maintained once. Any discrepancies in the source demographic data between the separate records will need to be sorted out.

o It is not expected that the enrollment area will need to change, besides configuration of the jobs available for the OSERS plan.

Member Account Maintenance (Service Credit Calculation, Interest Posting) – Highlighted Changes

o Calculate service credit differently, in tenths rather than thousandths of a year. Perform two separate calculations based on OSERS fiscal year and NPERS fiscal year as the input for benefit calculations of the regular benefit versus the state service annuity.

o While both systems process monthly interest posting, it is assumed that there will be some minor calculation differences in how it is done.

o Support closure and cancellation transactions with date ranges to allow retirement closeouts to be selective about which employment periods are considered when a member has multiple retirement and re-employment events.

Optional Service Credit

- o Configure and validate each type of service credit members can apply for. At a high level everything OSERS does for cost calculations is already supported within NPRIS, so this may not require many coding changes as opposed to configuration, depending on how much the system is using data tables for the rules.

- o OSERS' installment payment plans can continue post-retirement rather than being required to be complete before retirement. An alternative to automating this with installment purchase deductions on the benefit payroll and allocation to the agreements during the monthly benefit payroll cycle is recommended because of the expected low volumes. Set up a benefit A/R as the source of funds to pay off the agreement in full, including amortization interest through the life of the original agreement.

Benefit Calculation (Generate Benefit Estimate)

- o Implement different average compensation calculation rules. The configuration tables appear to have appropriate indicators already, but since NPERS does not use the same rules as OSERS it is likely that coding changes will be needed.

- o Configure and validate each retirement option. At a high level everything OSERS does for benefit calculations and retirement options is already supported within NPRIS, so this may not require many coding changes as opposed to configuration, depending on how much the system is using data tables for the rules.

- o Provide benefit calculation options of using the entire account history versus segments of account history corresponding to a retirement instance (benefit account) to be calculated.

Refunds

- o Configure and validate refunds and death refunds. At a high level it is not expected to be an area of significant change.

Retirement Application Processing (Preliminary Retirement, Option Change)

- o OSERS does not currently need the concept of Preliminary Retirement. With a separate system and the possibility of delays in posting information, the business processes followed by the plan may need to adapt to NPERS.

- o Providing for the state service annuity benefit will need to be automated within NPRIS where it is handled manually via correspondence between the systems today.

- o OSERS allows the retiree to pop-up to a maximum option on the death of the beneficiary/survivor. This capability is currently either missing or disabled within

NPRIS and will need to be added. This will involve coding changes. It has been done on a separate screen in other Clarety implementations.

- o OSERS allows reemployment after retirement and the earning of a new independent benefit stream if an additional five years of service credit is earned. This capability will need to be supported in NPRIS.

Benefit Amount Adjustments (Death, QDRO, Medical COLA)

- o Configure and validate each death benefit scenario. At a high level everything OSERS does for benefit calculations and retirement options and therefore death processing is already supported within NPRIS, so this may not require many coding changes as opposed to configuration, depending on how much the system is using data tables for the rules.

- o Because OSERS and NPERS are subject to the same law regarding pension rights and divorce, it is expected the existing functionality will provide all needed support for QDRO, but this needs to be verified through testing.

- o Medical COLA is a new concept and will require the creation of new components within NPRIS to support it, ranging from configuring new line items on the benefit check to a new batch process to calculate it and set it up for retirees. The death process may need to be modified to explicitly not redistribute medical COLA.

Annuity Payroll (Additional Line Items, Tax Levy)

- o In addition to the new medical COLA line item, the prior 1951 benefit will need to be configured to be part of the benefit roll and downstream processing.

- o Tax levy garnishments have not been needed up to now within NPERS, so the 3rd party payee set up is not currently used in NPRIS. Since these are still uncommon within OSERS, it is recommended to not handle them through NPRIS as a separate line item on the benefit check. Instead create a benefits A/R in the amount of the total due on the tax levy, set up a recovery deduction schedule to withhold the money over time, and issue the payments to the third-party payee outside of the system.

- o OSERS is currently allowing benefit recipients to split their benefit payment into multiple accounts. Unless this is to be taken away from them, this feature will need to be added to NPRIS.

3.2 Incoming Data Analysis

An analysis of incoming data, including wages and contribution files, incoming cash receipts, and any other inbound interfaces, and produce a list of data inputs and sources that will be required to support OSERS with expected hours to develop and test.

3.2.1 Batch Programs Analysis

- An analysis for all batch programs with NPRIS, including the supporting incoming data and which are expected to need modifications, testing, or further analysis has been completed. In Summary:
  - o Impacts were categorized as small, medium, or large:
    - § Small – Minor coding modification,
    - § Medium – When plan-specific variations are more risky or complex,
    - § Large – New functionality or bigger change in calculations.
  - o 86 Batch Jobs were reviewed.
    - § 7 jobs were identified as needing changes (Impact: 1 Large, 4 Medium, 2 Small).
    - § 1 new job was identified. It will be included as large impact.
    - § 76 jobs were identified as not expected to change but may require additional testing to confirm correct results. These jobs should be reassessed during the project to minimize risk.

3.2.2 Configuration / Plan Setup

- Configuration / Plan Setup is included in this section because it impacts several of the requested analysis areas.
  - o Add OSERS plan and tiers. Impacted tables (be_pln, be_tier_ref).
  - o Set up fiscal year table for OSERS plan. Impacted table (be_fsc_yr).
    - § OSERS has a different fiscal year than NPERS, which will need to be addressed. If as part of this change the OSERS plan were required to move for financial purposes to the same fiscal year as the rest of NPERS, then it is likely the service credit year would not be able to be moved because of the impact on service credit calculations and the plan law. Therefore, the year for fiscal purposes and the year for service credit purposes would need to be different for OSERS. The table for G/L Fiscal Year is currently unused in NPRIS, but this is the situation for which it was created. In states where it is used, the Member Account Maintenance area continues to look at the Fiscal Year Table but places like the population of the Financial Doc get changed to get the year from the G/L Fiscal Year Table. For all existing NPERS plans, both tables would have identical data. Only for the new OSERS plan would they be different, such that validation of the switch would be tested through the general

testing of the new plan. Impacted tables (be_fsc_yr, be_gl_fsc_yr, be_fnc_doc).

- o Set up NPRIS plan and plan reference tables with parameters appropriate for OSERS. The NPRIS version of Plan Ref has parameters related to wage and contribution and is used for business rules across several other areas. Impacted tables (be_pln_ref, be_empr_varnc, be_cntrb_rates).

3.2.3 Employer Maintenance

Set up OPS as a new employer. The existing new employer process could be used for this. Impacted tables (be_org, be_org_stat, be_empr, be_empr_acct, be_busn_acct).

3.2.4 Employer Invoicing

- Within OSERS it has happened that the employer was required to pay additional contributions to maintain solvency separate from the contribution rate on wages. From an NPRIS employer balance / billing perspective, the existing Account Receivable concept can be used for this within the data model.

- However, doing this billing via NPRIS when it only happens occasionally (e.g. once a year for one employer and not every year) may not be cost effective. Currently, this change is not included in the recommendation based on how it was done elsewhere, when it involved more employers.

3.2.5 Wage and Contribution Files

- For wage and contribution reporting, the degree of change will depend on whether the OSERS PeopleSoft system can produce a W&C reporting file in the format currently used by NPERS. For planning purposes, it is assumed that it can, though some changes might be needed within Basic Edits and Validations.

- The wage and contribution file includes a field for purchase of service installment agreement. Both systems do this pre-tax, so this should only need to be tested.

- Set up entries for the interest rates related to employer penalties and interest. Impacted table (be_int_rate_ref).

- Based on the columns of the IRC Max Amount table, it looks like it is probably used for the IRC 415(b) limits. Set up the values for OSERS plan. Note that NE statute says benefit would be adjusted if it hit the IRC 415(m) limit. Impacted table (be_irc_max_amt_ref).

3.2.6 Cash Receipts Processing

- Since NPERS already has ACH Debit and ACH Credit for employers, it is presumed that the OSERS employer payment can be processed through the existing mechanism. Likewise, lump sum payments and rollover payments from members for service credit purchase are presumed to be supported through the existing mechanism.

- Configure the fiduciary accounts to represent inbound cash receipts for OSERS. The Incoming/Outgoing Bank Account table associates the business purpose and plan to the fiduciary account. If an existing bank account is to be used for incoming cash receipts, link the new entries to it for OSERS and each cash receipt type. If a new bank account is needed, add it to the Fiduciary Account table first. A new Bank should not be needed in the Bank and Org tables and OSERS' cash receipts will come through the same bank used by NPERS for other plans. Impacted tables (be_cond, be_fiduc_acct, be_bank, be_org).

- The transition period between systems will require care about the timing of deposits and reconciliation and conversion thereof.

3.3 Account Maintenance Analysis

An analysis of account maintenance functions including member account maintenance, service credit purchase, benefit estimates, and refunds, and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

3.3.1 Demographics

Demographics information is generally straightforward with the capture of common person information including name, address, phone, email, and social security number. During conversion, OSERS person records will be converted to NPRIS. Challenges to this process are noted here:

- Multiple person records exist in OSERS for a single person, appended with a record type and increment number. Example reasons for having record types are re-retirement (R records) and alternate payee accounts (A records). As part of the transformation in the conversion process, these multiple persons will need to be combined. This will add some complexity to the conversion reconciliation process.

- The separate person records in OSERS may have different addresses, email addresses, and phone numbers. Clarety expects there to only be one permanent address at a time. The multiple person record demographic information will have to be compared and the valid one selected. This may need to be a manual inspection process based on paper/imaging records.

- The person may already exist in NPRIS based on social security number without the record type. If the person already exists in NPRIS, the demographic information coming in through conversion would need to be reconciled with what is already there. It is recommended to reconcile differences between the OSERS records and any existing NPRIS information for the same SSN as part of the conversion rather than bringing over fake SSNs and using the Merge Member Account process, since these will include benefit recipient accounts that have already received benefits.

3.3.2 Enrollment / Employment

Enrollment information is minimally impacted by the addition of OSERS members. Entries will need to be added to the available job class table to support the new OSERS plan for OSERS jobs. Impacted tables (be_avbl_job_cls).

3.3.3 Member Account Maintenance

Transaction Names for Converted Data

Several changes will be necessary to support Member Account Maintenance. Most of these changes will be configurations and not custom coding. The identified changes include:

- For long term support of account maintenance and account audits, it is useful to have a separate set of transaction and service types to represent converted data. In other words, the ones for historical OSERS transactions coming over from PeopleSoft should be different than the ones in NPRIS or representing the initial conversion into NPRIS. If any transactions are to come over from the historical data files of refunded members pre-dating PeopleSoft, using distinct transaction types for them would be good as well. Create enough transaction types for the converted data to represent any nuances available in transaction encodings in the source data so nothing is lost.

- Add entries corresponding to each existing transaction type available in OSERS, to represent converted service credit distinct from that posted through NPRIS. Impacted tables (be_srv_typ_ref, be_srv_crdt_ref, be_acct_trans_ref).

- Add entries for refund and retirement transaction events with distinct names to represent converted OSERS types. It is probable that refund and retirement transactions will need to be converted as summary information rather than linked to existing service periods the way an NPRIS refund or retirement closeout would be done, so they will also need to go in the service type reference table. Impacted tables (be_acct_trans_ref, be_srv_typ_ref).

- Set up the group codes and indicators so the Service Credit Calculator and Maintain tab will interpret them correctly.

- Create a variation on the retirement closeout methods to take a date range of start and end dates so that retirement closeouts can be selective for the period worked corresponding to a retirement event.

Service Credit Calculation

If the current OSERS rules are to be continued in NPRIS going forward, the following changes will be necessary:

- Modify the service credit calculator methods used for the member account summary tab and details tab to have a variation for OSERS based on increments of 1/10 of a year instead of 1/1000 of a year.

- The "Year" is based on the OSERS fiscal year, but there also should be a variation done based on the NPERS fiscal year for the determination of eligibility under the state service annuity. This determination of eligibility is done manually today based on a request from OSERS to NPERS, but it could be added to the automated calculation while it is being changed anyway. A field could be added to the Summary tab to show the service credit balance under the NPERS fiscal year for testing and informational purposes.

Member Interest Posting

Member Interest Posting is commonly executed differently from plan to plan based on the interpretation of laws and common practices. Additional time should be allotted in the schedule for a thorough review of the existing calculations in each system, time to evaluate the preferred method going forward, and substantial time for testing due to expected differences in approach. The following changes will be needed to NPRIS to support OSERS:

- Add OSERS interest rates to the interest rate reference table. Impacted table (be_int_rate_ref).

- It is likely the OSERS plan calculation differs to some extent from NPERS and would need special coding added. It is posted monthly based on the balance at one point in time during the year.

Optional Service Credit Purchase

The types of service credit available for purchase and the cost calculation methods are comparable between the two school plans and can be set up via configuration of static data. The identified changes include:

- Add entries for the interest rates related to service credit purchase, both current and historical. Impacted table (be_int_rate_ref).

- Add entries corresponding to each service credit purchase type offered by OSERS. Where the same type of service credit is supported already within NPERS, it can be added just to the service credit reference table. Impacted tables (be_srv_typ_ref, be_srv_crdt_ref).

- Where there is not an apparent configuration variable corresponding to a rule, code changes may be needed.

From a payment perspective, while both systems have pre-tax payroll deduction offered to members, the OSERS plan also allows post-retirement benefit payroll deductions for purchase of service credit.

- Because the anticipated volumes of this are expected to be low, it is recommended to switch the members from service credit purchase agreements to benefit account receivables at retirement.

- Modify the OSC Payment screen to allow the establishment of a benefit receivable associated with the retiree recipient account as the source of funds. Set up general ledger item types for this line item on the benefit receivable, and allocation types and templates to allocate the receivable to the agreement, such that the agreement is paid in full. Include the anticipated amortization through the remaining term of the original agreement in the line items paid off with the receivable, since the retiree would still be expected to pay the loan cost.

- With the agreement paid off in full, the service credit and payment information will be available in the member account for the calculation of the benefit including the service credit.

- Add the OSC Payment and Recovery screens to the retirement application process so that the setup of the benefit A/R and the setup of the recovery deduction on the benefit check can be done as part of this process.

- As part of the conversion of the data, existing post-retirement OSC agreements at OSERS will need to be converted into benefit A/Rs.

Refunds

Changes needed to process the OSERS refunds include the following:

- A decision will be needed to determine whether an existing fiduciary account will be used for output payments for OSERS or whether a new bank account needs to be set up. Populate the outbound payment direction for OSERS plan accordingly for each cash disbursements type. Impacted tables (be_fiduc_acct, be_cond).

- New entries will be needed to the refund plane node type table for OSERS. Impacted table (be_rfnd_pln_node_typ_ref).

- Based on the initial assessment, the available refund types for members and death situations appear to be comparable. Additional analysis and testing during the project will be needed to determine how any variations would be handled through static data configuration or code changes. For example, under term certain options at OSERS the beneficiary can take an actuarially equivalent lump sum distribution instead of an ongoing benefit stream. This should be tested to make sure it works within NPRIS. As a second example, the NPERS lump sum refund includes the 101% employer contributions and the OSERS lump sum refund does not.

- As part of the cutover planning, in-flight refund requests will need to be carefully addressed. It may be easiest to re-enter the refund applications by hand into NPRIS versus converting into the associated tables. However, there is also a process within NPRIS for reversing refunds after issuance and recently issued refunds may need to be converted into the refund tables to support this. Impacted table (be_rfnd_req).

- If the member dies in retirement with an outstanding A/R set up to cover the remaining balance because of an OSC agreement, the business rules related to the impact on the beneficiary in the death process will need to be captured and implemented.

Benefit Estimates / Benefit Calculator

The available benefit types and retirement options appear to be comparable between the school plans. Changes needed to process the OSERS benefit estimates include the following:

- Most the change will be in configuring the static data tables to support the OSERS plan and each of its four tiers. Impacted tables (be_rtrmt_typ_ref, be_rtrmt_elig_ref, be_rtrmt_optn_ref, and be_sal_cap_rate_ref).

- The calculation for the state service annuity needs to use the service credit balance under NPERS fiscal year instead of the calculation of service credit under the OSERS fiscal year. As it works today, OSERS sends the details to NPERS to ask them to do the calculation. In the combined system, this manual task can be automated, but it means calculating service credit a second time during the benefit calculation process and using the results in the calculation of this portion of the benefit. OSERS says that sometimes the service credit balance is different based on when in the year the member worked versus the fiscal year dates under the two plans. This will be a change to how service credit is fetched within the GBE calculator. It is recommended to add the service credit balance for state service annuity to the be_bene_estmt_parm table where other service credit values are stored.

- The average compensation calculation rule for OSERS is different and will need to be added as a plan-specific variation. It is based on highest ever fiscal years in career and do not have to be consecutive years. In contrast, NPERS is based on high consecutive months.

- Confirm that the NPERS formula multiplier factor option of Savings & Service is not available for the OSERS' plan, whether via static data configuration or in the benefit calculator code.

- Enable date ranges to be considered when retrieving member account information so that the existing benefit of a re-employed retiree can be recalculated without using the wages and service of the post-retirement period.

3.4 Retirement Functions Analysis

An analysis of retirement functions including retirement application processing, benefit adjustments, annuity payroll, and tax related functions, and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

3.4.1 Retirement Application Processing

Changes needed to process the OSERS retirement application processing include the following:

- OSERS needs to support multiple benefit accounts. This is a contributing reason to why they have R numbers on separate person records today. Since NPRIS already supports multiple benefit accounts, these may be able to come straight across as multiple entries with different retirement dates, after the separate persons are combined. Impacted table (be_bene_acct).

- OSERS does not currently have a concept of Preliminary retirement, because with an integrated system there is not an issue with time delays in receiving and posting W&C data, and they pay benefits in arrears. Switching to the 95% percent model and finalization after five months used by NPERS would potentially require a policy change, if not a law change, to be used for the OSERS plan.

- Add OSERS for the desired parameters to be used for automatic finalization (both NPERS and OSERS pay in arrears, so that isn't going to require a change). Impacted table (be_mrgn_anlys).

- The transfer of the actuarial full cost to pay the anticipated state service annuity benefit would need to be added to the retirement closeout business event. This will require an additional item type added for the financial document type for retirement closeout (this document sometimes has a document type code of ACFB). New code needs to be added to calculate the actuarial full cost based on the monthly benefit and age of the retiree and to save this as the item amount of the new item type. Impacted tables (be_item_typ_ref, be_item_tmpl_ref).

- At OSERS a retiree can return to work and accrue additional service. Eligibility is based

on the position being hard to fill. After five years, the member can qualify for a new retirement benefit on just the additional service. Each such benefit is calculated independently. The retirement process needs to be modified to support this and send in dates to the benefit calculation to calculate independent benefits without considering the entire member account history.

- The benefit recalculation process needs to be modified to be able to send in dates and get a benefit calculation on the range of time applicable to each retirement event.

3.4.2 Annuity Payroll

Changes needed to process the OSERS annuity payroll include the following:

- A new set of line items will be needed for OSERS for their 1951 prior line items. These will be separate from and in addition to the RB line items for regular benefit and state service annuity payments. Their Medical COLA will also be a new line item.
  - Need to set up new entries for the 1951 prior line items and for Medical COLA for each of the document types used in benefit processing (RB checks, RTRO checks, retro adjustments on RB checks, benefit account receivables, batch payroll). Note the cross-reference columns that show the corollary used for each of these document types. Impacted table (be_item_typ_ref).

- OSERS supports splitting a single benefit check to multiple direct deposit accounts today. If this feature is not to be taken away from the benefit recipients that use it, here is the list of likely changes:
  - Add columns for how the benefit is split. Impacted table (be_fiduc_acct).
  - Modify the process retirees job to create multiple outgoing payments instead of just one per recipient account. Apply the desired split information to the line items when creating the corresponding item to each payroll adjustment history item. Impacted tables (be_fnc_item, be_outgng_pymt).
  - The calculations for 1099R and assorted life-to-date and year-to-date and the inclusion on various screens and reports should not be impacted by having more than one check in a month, but this will require verification via testing for persons converted with these split payments. Impacted table (be_irs_1099r).

- Banks Updates
  - Before the fiduciary accounts can be converted for the direct deposit instructions set up at OSERS, the banks used for direct deposit at OSERS will need to be compared with the banks already set up for direct deposit in NPRIS to only set up any additional needed. This would be based on comparison of the routing number and bank name. Routing numbers should be unique. Impacted tables (be_bank, be_org).

3.4.3 Benefit Amount Adjustments

Changes needed to process the OSERS benefit amount adjustments include the following:

- COLA – Set up COLA with parameters for OSERS. There may need to be code changes to support the additional payments that may be authorized when the inflation rate exceeds 1.55. Impacted table (be_cola_ref).

- Medical COLA – Create new batch job to set up the line items for recipients that qualify and increment them each year. Note that Medical COLA eligibility starts 10 years after retirement, so it is unlikely to need modification with a benefit recalculation. Impacted table (be_pyrl_adj_hist).

- Medical COLA Overrides – Assuming the New Benefit Tab within Calculate Post QDRO Benefit allows base COLA overrides for a post-retirement divorce, Medical COLA overrides would go here also.

- The Death Redistribution functionality needs to be set up to not redistribute the medical COLA to the survivors. It stops at the death of the retiree. The death redistribution process should be tested generally to make sure the OSERS rules are configured correctly.

- Implement an Option Change screen to support pop-ups from Joint & Survivor to Option A upon death of the designated beneficiary (since pop-up existed in predecessor Clarety systems the BAA FABM might have the option change method in some form also). The original screen allowed the historical actuarial factors to be entered in manually, which may be useful here as well.

- Note that an unused table was originally created for saving the historical actuarial factors that were typed in on the option change screen, to save them with the new option history. Impacted table (be_mnl_optn_fctr).

3.4.4 Vendor Deductions – Tax Levy

Changes needed to process the OSERS vendor deductions include the following:

- Because of the very small volume it is recommended that tax levies be handled through the existing benefit receivable functionality and tracked outside of NPRIS instead of setting up the full functionality of garnishments within NPRIS.

- The Tab Setup for benefit receivables will need to be modified to allow a new benefit receivable with the tax levy line item type for a user-entered amount to be set up for this purpose without any existing justification known within the system.

- Each month after the benefit run, the amounts recovered against these benefit receivable tax levy line items will need to be issued as a payment to the third-party payee outside of NPRIS.

3.4.5 Tax Reporting

Changes needed to process the OSERS tax reporting include the following:

- It will be necessary to set up the configuration data appropriately for the Year to Date and Life to Date to work properly with the new OSC and Tax Levy line items for online display and tax reporting purposes. There might be code impacts as well depending on how the Year to Date and Life to Date business rules are implemented. Assuming it is a payment on the OSC A/R, it would result in a reduction of the taxable base benefit paid out, but the specifics would need to be analyzed and confirmed with business owners. Impacted table (be_item_typ_ref).

3.5 General Ledger Accounting Analysis

An analysis of general ledger accounting and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

3.5.1 General Ledger Static Data Configuration

Add entries for each of the accounts within the OSERS chart of accounts. Impacted table (be_gl_acct_ref, be_fnc_trxn_typ_ref).

3.5.2 General Ledger Key Differences

The key difference with General Ledger at OSERS is in the translation of business events related to annuity payroll into general ledger account codes. The G/L FABM picks up the GL Acct Ref values to use from the four template tables for G/L based on the business event. In other Clarety implementations where the G/L is different by retirement type, the template tables have an extra lookup key column because of this. NPRIS does not seem to have a corollary to this.

3.5.3 General Ledger Approach Recommendations

Recommended approach based on what has been done in other Clarety implementations:

- Create a reference table for additional G/L functional info code, with recipient relationship type, retirement type, and plan ID mapping to a G/L functional info code (current/prior fiscal year would go on this table also if needed). Impacted table (new table).

- Populate the table for the new OSERS plan ID such that OWNR / SR is code one, OWNR / DR is code two, each non-OWNER code with SR / DR / SB is code three. Populate the new table with all the existing plan ID and retirement type and relationship

type combinations that are possible and all mapping to a default code. Impacted table (new table).

- Add G/L functional info code to each of the four template tables. Populate it for all existing rows with the default code. Impacted tables (be_alloc_tmpl_ref, be_item_tmpl_ref, be_btch_stat_trnsn_tmpl_ref, be_stat_trnsn_tmpl_ref).

- Copy/paste all existing templates associated with NPERS plan ID to exist for the new OSERS plan ID. Impacted tables (be_alloc_tmpl_ref, be_item_tmpl_ref, be_btch_stat_trnsn_tmpl_ref, be_stat_trnsn_tmpl_ref).

- For each OSERS plan ID template, change the G/L acct reference to the NPERS equivalent. Wherever there are multiple options for the OSERS equivalent because of the retirement type / recipient relationship type split, clone the template rows and set them up for each combination using the G/L functional info code and GL Acct Ref ID.

- In the GL FABM where each template is retrieved, if the event is related to a financial item or financial allocation, get the business account of the financial item or the TO side financial item of the allocation. If it is a recipient account, then fetch the recipient relationship type and the retirement type of the benefit account it belongs to and get the G/L functional info code to pass through in the fetch for the template.

3.5.4 General Ledger Added Business Events

With the addition of Medical COLA and 1951 prior on the benefit checks, additional G/L templates will need to be added. The first table supports the status changes of the cash disbursement and benefit account receivable. The second table supports the monthly benefit roll totals posting. It may also be used for establishing benefit receivables. Impacted tables (stat_trnsn_tmpl_ref, be_item_tmpl_ref).

For the new benefit receivable line items of tax levy and OSC, set up the be_item_typ_ref entries and be_alloc_typ_ref entries for payments against them from benefit check recovery line items and cash receipts. Use separate line items for the OSC principal versus OSC amortization interest. Set up the corresponding template entries. There will need to be write-off event entries for reducing the OSC amortization line item for when the benefit recipient pays off the OSC principal early.

3.6 Interface Files Analysis

Analysis of all inbound and outbound interface files and produce a complete listing of all expected inbound/outbound interfaces (not covered in any specific functional area) required to support OSERS with expected hours to develop and test.

Interface file analysis is included in the context of the jobs and reports.

3.7 Letters, Forms, and Reports Analysis

Identification and analysis of letters, forms, and reports, and produce a complete listing of all expected letters, forms, and reports required to support OSERS with expected hours to develop and test.

Documented in the context of the existing jobs and reports.

3.7.1 Letters Analysis

OSERS has 12 letter templates. Set up the 12 documents in the document inventory table. If any should have automatic enclosures, add them to the document enclosures table. Implement the corresponding letter classes for each of the 12 documents. Impacted tables (be_doc_invty, be_doc_encl_ref).

NPERS has 138 existing letters in NPRIS that will need to be reviewed for applicability to OSERS processing. All but 24 are likely to have changes or testing needed. This will require further analysis during the implementation project.

3.7.2 Forms Analysis

Out of 31 existing forms reviewed, 19 have been identified as impacted. Forms will need to be reviewed and modified for OSERS specific differences. It is expected that most updates would be minor, but this will require further analysis during the execution of the project.

3.7.3 Reports Analysis

Out of 128 existing reports reviewed, 60 have been identified as potentially impacted. Of the 60 with potential changes, 59 have been categorized as small changes, the other (Benefit Payroll) is expected to be medium impact.

3.8 Member Self-Service Portal Analysis

Analysis of the member self-service portal functions and produce a detailed description of each of the functional areas impacted by the change and the magnitude of these changes represented in expected labor hours to modify and test to meet the requirements of the OSERS plan.

3.8.1 Reprint 1099R

There are no anticipated system changes to this function.

3.8.2 Change Tax Withholding Preference

There are no anticipated system changes to this function.

3.8.3 Calculate Retirement Estimate

Modify the calculate retirement estimate function to allow the OSERS plan to be selected and passed through to the calculator logic. The calculator logic will need to include OSERS plan parameters.

3.8.4 Calculate Service Credit Purchase

Modify the calculate service credit purchase function to allow the OSERS plan to be selected and passed through to the calculator logic. The calculator logic will need to include OSERS plan parameters. The screens may need updates to capture any different fields needed for OSERS service credit types.

3.9 Workflow and Document Management

Analysis of workflows, document management systems impact including the migration of images, and the conversion of documents on other forms of media, such as paper, microfilm and microfiche to digital images, and produce:

    (a)   *Estimates of the document management migration and implementation costs;*

    (b)   *Estimates of the number and types of documents to be migrated from each form of media; and*

    (c)   *Estimates of the workflow modifications and implementation costs to meet the requirements of the OSERS plan.*

3.9.1 Document Management

Please refer to the table in **Section 1.5 Summary of Expected Costs / Project Budget** for an estimate of data migration and implementation costs and the number and types of documents to be migrated from each form of media.

3.9.2 Workflow

The following modifications will be required to support workflow:

- Need to review and add entries for the processes that are applicable to OSERS. Impacted

table (be_prcs_pln_ref).

- Recommend adding a filter for the plan to the work pool for all work so that when the existing workflows are used for OSERS plan documents staff can choose which plan they want to work on.

- Recommend adding a new workflow process for process option change to support the pop-up to option A on the death of the designated beneficiary.

3.10 Infrastructure and Architecture

Analysis of infrastructure and architecture impact and produce written recommendations for any infrastructure changes required to support the additional volumes of data and processing to meet the requirements of the OSERS plan with expected hours to implement and test any infrastructure changes.

For ongoing operational costs after the OSERS integration into NPRIS, the infrastructure and architecture impact are estimated to be minimal and can be accounted for with a small adjustment to the existing budget.

For the project impact, please refer to **Section 1.5 Summary of Expected Costs / Project Budget**.

3.11 Data Migration

Analysis of data migration impact including volume of data and migration strategy and produce a written description of data conversation, cleansing, and migration of OSERS data with expected hours to develop and test.

- Data sources for OSERS include both the PeopleSoft system and some old external tables for refunded members.

3.12 Project Timeline, Tasks, and Milestones

Develop written overall project timelines and produce a written estimated overall project timeline including sequence of tasks and critical milestones.

ID	Ta Task Name	Duration															
					2022				2023				2024			
			Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3
1	Phase 1 - Procurement	250 days													
16	Phase 2 - Pre-Project Planning	20 days													
30	Phase 3 - Requirements Review and Confirmatio	47 days													
77	Phase 4 -Design, Build, and Test	105 days													
84	Phase 5 - User Acceptance	40 days													
89	Phase 6 - Implementation	34 days													
102	Phase 7 - Post-Implementation Support	262 days													
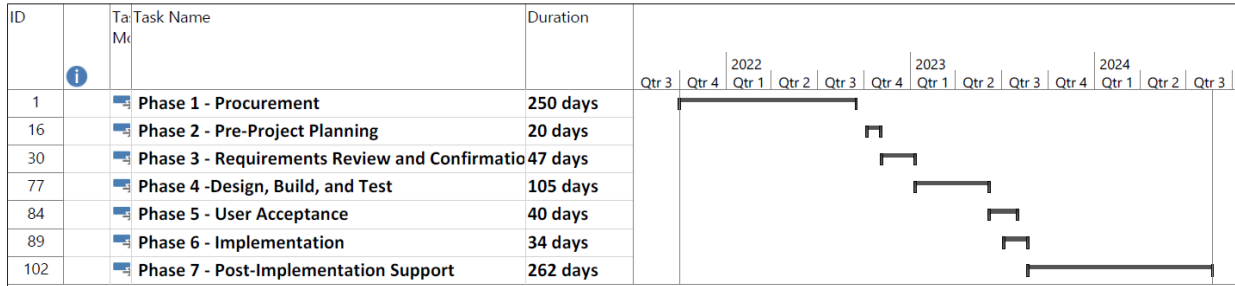
3.12.1 Phase 1 – Procurement

Procure the necessary outside resources needed to complete the project. Because of the preliminary work completed and the scope of the work, this should be an expedited process. Steps include:

- Project Initiation

- Operational Needs Assessment

- Requirements Development

- Develop RFP

- Facilitate Vendor Selection

- Contract Negotiations

Two procurements have been scheduled during Phase 1. The first procurement would be for the Oversight Project Manager and Business Analyst roles. The second procurement would be for the Software Vendor staff and for Data Conversion. NPERS may be interested in separating Data Conversion into a separate procurement to further minimize project risk.

3.12.2 Phase 2 – Pre-Project Planning

Prior to the initial project kick-off, NPERS will prepare for the project startup by completing the following:

- Confirm all project staffing and acquire any staff augmentation as needed.

- Establish project management tools and plans, including:

    o Project Charter

    o Project Schedule

    o Staffing Plans

    o Project Scope

    o Risk Management Plan

- o Quality Management Plan
- o Issues Management Plan
- o Communication Management Plan

- The project management tools and plans should be tailored to the size of the project and will leverage the existing NPERS tools, processes, and procedures for project development and implementation wherever available.

- The development methodology, including development, unit testing, code deployment, configuration management, and release management will need to coordinate with the existing NPERS tools, processes, and procedures.

- Review the impacted functional areas information as part of the scope documentation in the project charter or a separate scope management deliverable.

3.12.3 Phase 3 – Requirements Review and Confirmation

Review and confirm the requirements, impacts, and needed changes for each impact area from the scope of work.

3.12.4 Phase 4 – Design, Build, and Test

This phase includes all work necessary to change NPRIS to process OSERS information. It also includes the necessary unit, functional, and system testing.

3.12.5 Phase 5 – User Acceptance

Final validation that the system is functioning properly and is ready for deployment to production. This phase also includes final business preparations, rollout, outreach, etc.

3.12.6 Phase 6 – Implementation

This phase includes the final conversion of data from the OSERS system to NPIRS and the cut-over to production.

3.12.7 Phase 7 – Post Implementation Support

This phase supports all post-implementation tasks and the ongoing system support.

3.13 Assumptions

[This section is from the RFP.]

The services and deliverables must consider, and take into account, the following assumptions:

(a) *The Clarety-based PAS system utilized by NPERS is the Nebraska Public Employees Retirement Information System (NPRIS). The intent of this project is to analyze the tasks required to add the OSERS plan to NPRIS.*

(b) *NPRIS is maintained and updated as necessary by the NPERS Information Technology Team. If new technology libraries, tools, or subsystems are implemented to add the OSERS plan to NPRIS, the cost of training the NPERS IT team should be included in the analysis.*

(c) *The Nebraska Office of the Chief Information Officer (OCIO) provides IT infrastructure and other services for NPERS. The infrastructure and related services include the NPERS network, virtual servers, storage, backup services, directory services, and enterprise email. The OCIO provided infrastructure and services will be utilized to implement any solutions required for the OSERS plan.*

(d) *NPERS stores documents in digital form in the OnBase Enterprise Content Management (ECM) system. The conversion of OSERS documents on non-digital media, such as paper, microfilm, or microfiche is included in the scope of the analysis. The importing of the digital documents into the ECM system is also included in the scope of the analysis.*

Each of these assumptions has been factored into the assessment.

Document Change Log

Date	Change	Name	Version No.
5/28/2020	Initial Released Document	Ray McIntosh	1.0