

AGENDA

Joint Administrative Services Board

April 22, 2013 1:00 p.m.

Joint Government Center

1. **Call to Order.**
2. **Approval of Minutes. (April 22 Minutes Attached pg. 2).**
3. **ERP Related Actions.** The Board should review the actions that will be necessary to clarify business processes and gather expertise before ERP implementation. A partial list:
 - a. Adoption of unified government personnel policy.
 - b. Completion of School Classification Study.
 - c. Assignment of a unique identifier for land parcels (GPIN) suggested by Gordon.
 - d. Determination on status of Social Services purchasing and accounts payable.
 - e. Determine unit of measure for leave and time tracking.
 - f. Clarify records retention and privacy policies.
 - g. Identify citizen expertise in ERP systems.
4. **ERP Teams.** The attached list of teams has been reviewed by Dave Ash, Mike Murphy and Tony Roper. With the Board's concurrence, the development of requirements will begin by sharing relevant documents with the teams to provide background for discussion, and following that with requirements discussions over the next month. Alexandria and Prince George requirements will serve as a basis, but the teams will be asked to think creatively about what additional capabilities they wish to have.
5. **Other Technology Governance Issues: Training and Fiber Backbone Engineering.** The FY 14 budget also included funding for shared training and an engineering study of the Fiber Backbone that connects government and school buildings. It is expected that Gordon Russell and David Baggett will commence work on the study, but some direction should be given regarding the type of training that is needed.
6. **Virginia Retirement System Update (FYI).** Attached is a comparison of the three VRS retirement plans the county offers for each of its three retirement groups. The hybrid system that will begin for employees hired after January 1, 2014 contains short-term disability insurance coverage. A decision must be made by 9/1 as to whether the groups wish to opt out of the state program and provide a substitute program (see attached memo). JAS staff will attend a training session on June 6 to learn more about how the hybrid plan will work.

April 22, 2013 Joint Administrative Services Board
 Regular Meeting 1:00 pm

At a regular meeting of the Joint Administrative Services Board held on Monday, April 22, 2013 at 1:00 pm in County Administration Meeting Room, Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor; Berryville, Virginia.

Members Present

David Ash; Chip Schutte; Sharon Keeler; Michael Murphy; J. Michael Hobert

Members Absent

None

Staff Present

Tom Judge, Lora Walburn

Others Present

None

1. Call to Order - Determination of Quorum

At 1:00 pm, Chairman Schutte called the meeting to order.

2. Approval of Minutes

Michael Hobert, seconded by David Ash, moved to approve the February 25, 2013 meeting minutes as presented. The motion carried as follows:

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Absent
Michael Murphy	- Aye
Charles "Chip" Schutte	- Aye

Sharon Keeler joined the meeting at 1:02 pm.

3. Update from Director

Tom Judge provided updates on the following:

- Four credit cards have been cancelled and reissued due to fraudulent activity from culprits outside Clarke County.
- Travel Policy issues:
 - o Looking at optimum travel reimbursement policies: per diem payments for meals with no receipts vs. daily limits with receipts; restrictions on mileage reimbursements; valet parking; missing detailed receipts; variable reporting of mileage.
 - o Need to make policies clear to department heads and employees.
 - o Mike Murphy suggested establishing a matrix for mileage reimbursement.
 - o David Ash contributed that mileage to Richmond for each jurisdiction is designated by State Code.
- Architecture, Engineering Contracts:
 - o Mike Legge is looking for an architect to provide consulting services for small design projects.
 - o Chester Engineering, the County's engineer, has at times consulted an architect on some projects; however, an architect separate from the engineer is preferred.
 - o Networking with Loudoun or Fairfax Counties is a possibility.
 - o David Ash will follow up with Brandon Stidham regarding the Regional Commission's recent procurement of several engineers that could be a potential service source.

4. ERP Implementation Guideline

Tom Judge advised that \$600,000 was appropriated in the FY2014 Budget for the purpose of implementing an ERP system. He stated that GFOA had made a proposal to provide services at an approximate cost of \$50,000.

Michael Hobert put forth that the proposal made it clear that if GFOA is not involved in the early phases it would not be held responsible in the latter phases.

Tom Judge advised that at some point the Joint Administrative Services Board needed to identify implementation resources such as employees and citizens.

Following preliminary discussion on use of the "Cloud", the Board agreed to ask vendors to present it as an option.

I. Communicate decision to affected employees. Clarification of business practices.

- Employees involved in the focus groups were part of developing the business case for ERP implementation. These same employees will be part of implementation.
- Need to consider operations and review current practices to identify key elements, how data is organized, and how to simplify processes.
- Michael Hobert opined that the Joint Administrative Services Board needed to stay on top of the ERP implementation process for it would be the most important thing the County would be doing for a long.

II. Establish Team.

a. Determine local Project Manager.

- Joint Administrative Services will action at the oversight body ERP development.
- Team work is critical to project success.
- ERP implementation could take two to three years.
- Initial phase will focus on finance, procurement and human resources modules.
- Tom Judge is the most qualified to act as project manager. However, Tom Judge, as well as David Baggett and Gordon Russell, lacks sufficient time to act as project manager. Suggestions:
 - o Backfill the current position with temporary help.
 - o Grant broader authorization to Joint Administrative Services staff.

b. Identify knowledgeable citizens for guidance.

- Review RFP.
- Provide proposals.

c. Build on previous focus groups to develop specialized expertise by function.

- These groups would provide input on technical requirements.

d. Clarify roles of Boards, IT directors, Department heads, focus groups. Verify cooperation of semi-independent agencies.

- The Joint Administrative Services Board must take its decisions to the respective bodies; however, this could hinder the decision-making process during ERP implementation.
- Constitutional officers must be consulted to ensure buy off / participation.
- ERP implementation will be a change of business practice and business culture.

- e. Seek sources of assistance from: VITA, Shenandoah University Institutional Computing, similarly situated communities [Portsmouth, Prince George, Staunton, and Alexandria], Center for Innovative Technology, etc.
- f. Evaluate whether we have identified the expertise to carry out the project, or whether a consultant should be hired to guide it.

III. Establish Requirements.

- a. Detail specifications for each module. [Received specifications from Staunton and Alexandria – very detailed.]
- b. Cloud versus Server.
 - Discussion highlights:
 - o Believe use of the Cloud will continue to grow.
 - o Connectivity is the issue however the Cloud is becoming more reliable.
 - o Cloud data security is an ongoing issue.
 - o The Cloud is being “sold” by those that want to profit from this new technology; and at this time, use does not result in cost savings.
 - o County servers are sufficient.
 - o Determine if data can be split between the server and the Cloud.
 - o Some members of the Board expressed reservations about use of the Cloud for security reasons and loss of control.
- c. Data Standards and Data Independence (lock-in avoidance).
- d. Best Practices.
- e. Phase-in versus Big Bang.
- f. Timing vis-a-vis tax year and fiscal year.
- g. Historical data vs. point forward.
- h. Web based.
- i. Disaster Recovery and Security.
- j. Web Training vs. Travel Training.
- k. Ability to interface with Rec-Trac, Cafe Enterprise, ESRI, Southern Software, etc.

IV. Issue a Request for Proposals.

- a. List of Potential Vendors (Tyler, Sungard, New World, Microsoft Dynamics, OpenRDA, Edmunds, etc.)
- b. Demonstrations and site visits.
- c. Evaluation Criteria.

- d. JAS Board to evaluate.
- e. Financial Data and long range corporate commitment.
- f. Proceed to contract:
- V. Develop Implementation Plan.

ERP Research Documents

- a. GFOA/Microsoft Study on ERP in the Public Sector.
- b. GFOA Consulting Proposal.
- c. Economics of the Cloud for the Public Sector.
- d. Gartner on Cloud Security.

Next Meeting

The next regularly scheduled meeting of the Joint Administrative Services Board is Monday, May 20, 2013 at 1:00 pm in Meeting Room AB at the Berryville Clarke County Government Center.

Adjournment

At 2:40 pm, Chairman Schutte adjourned the meeting.

Minutes Recorded and Transcribed by Lora B. Walburn *[left the meeting at 2:29 pm]*

Teams with Leader Bolded	TOPICS	PARTICIPANTS	ROLE
Executive Team	Training, Project Timeline, Implementation Sequence	Michael Murphy David Ash Tony Roper	School Government Law Enforcement
Team 1 (Information Technology)	Interfaces, Security & Disaster Recovery, Cloud, Data Standards, Back-end Software Specifications, Hardware, Training	Tom Judge David Baggett Gordon Russell Rick Catlett	Finance/Procurement School Tech Government Tech School Admin
Team 2 (Finance)	Finance and Administration G/L, Financial Reporting Capital planning Grants Management Budget Development	Evan Robb Ruby Miller Annette Gilley Brenda Bennett Sharon Keeler Pat Wiley Lisa Floyd Travis Sumption Renee Weir Dr. Murphy	School Maintenance Accounting Accounting Treasury Purchasing School Grants Law Enforcement School School
Team 3 (Procurement, Payment, and Inventory)	Purchasing & Inventory PO processing Vendor file maintenance Accounts Payable & School Activity Funds Fixed Assets	Mike Legge Emily Johnson Renee Weir Bobby Levi Pat Wiley Brenda Bennett Barbara Armstrong Janine Rose	Purchasing Accounts Payable School administration Maintenance Procurement Accounts School Administration Law Enforcement Admin
Team 4 (Revenue and Cash Management)	Accounts Receivable Property Assessment Cash Receipts On-Line Payments Banking Utility Billing	Donna Peake April Wilkerson Tianna Jenkins Sharon Keeler Renee Weir Mike Legge Marian King Annette Gilley	Property Assessment Court Receipts Treasury Treasury School Administration Utility Administration School Technology Accounting
Team 5 (HR, Payroll and Benefits)	Payroll Time & Attendance Human Resources Position Control Applicant Tracking & Online applications Employee Records Retirement and Termination Benefits Administration Substitute Management Leave Management	Sally Sheckels David Ash A. McLaughlin Janine Rose Lora Walburn Rick Catlett Annette Gilley Madeliene Paige Griff Carmichael Bonnie Peery Tanya Meyers	Payroll processing Government Personnel Legal Sheriff Personnel Government Personnel School Personnel Accounting School Personnel School Leave Accounting Social Services Personnel Parks Personnel
Team 6 (Property)	Land Use and GIS Software Layers, maps and geospatial data Land use planning Deed Records Real Property Appraisal Inspections and Permitting Permit application and approval processes Development Rights and Conservation Easements	Alison Teetor Gary Pope Brandon Stidham Robert Fuller April Wilkerson Gordon Russell Debbie Bean Pam Hess Jesse Russell Randy Trenary Donna Peake	Planning Building Inspections Planning GIS Deeds Gov Tech Planning Sheriff Dispatch Zoning School Transportation Property Appraisal
Team 7 (Document Management)	Special Ed Case Management Law Enforcement Records Student Record Storage Document Management Social Services Case Management Board Agendas & Minutes Legal Records	Diane Lasky Janine Rose Lora Walburn Renee Weir Angie Jones April Wilkerson Clesta Rhodes Emily Johnson Steve Wolford Marian King Tammy Smith	Special Ed Law Enforcement Documents and Minutes Documents and Minutes Social Services Records Court Records Court Records AP Documents Special Ed School Technology Social Services Records

Comparison of VRS benefits

	Plan 1		Plan 2		Hybrid <i>Employees Hired 1/1/14</i>
	<i>Vested before 7/1/12</i>		<i>Hired on or after 7/1/10 or not vested in Plan 1 prior to 1/1/13</i>		
	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	
Vesting Defined Benefit	60 months (5 years) of service credit	60 months (5 years) of service credit	60 months (5 years) of service credit	60 months (5 years) of service credit	60 months (5 years) of service credit
Vesting Defined Contribution	N/A	N/A	N/A	N/A	After 2 years, member is 50% vested and may withdraw 50% of employer DC contributions, after 3 years member is 75% vested and may withdraw 75% of employer DC contributions, after 4 or more years, members are 100% vested.
First COLA delayed until normal retirement date for early retirees with 20 or fewer years of service	Yes	Yes	Yes	Yes	Yes
Average final compensation	Highest 36 consecutive months	Highest 36 consecutive months		Highest 60 consecutive months	Highest 60 consecutive months
Multiplier	1.70%	1.85%	1.65% on service credits earned, purchased or granted after 1/1/13 and 1.70% on service credit earned, purchased or granted before 1/1/13	1.85%	1%
COLA	First 3% of CPI-U Index and half of any additional increase - Capped at 5%	First 3% of CPI-U Index and half of any additional increase - Capped at 5%	First 2% of CPI-U and half of any additional increase - Capped at 3%	First 2% of CPI-U and half of any additional increase - Capped at 3%	First 2% of CPI-U and half of any additional increase - Capped at 3%
Employee Defined Benefit contribution	5%	5%	5%	5%	4%
Employer Defined Benefit contribution	Actuarial rate	Actuarial rate	Actuarial rate	Actuarial rate	Actuarial rate less DC Contribution Match
Mandatory Defined Contribution	N/A	N/A	N/A	N/A	1%
Optional Defined Contribution Match	N/A	N/A	N/A	N/A	Employer must match 100% of up to 2% and 50% of the next 3% up to a total of 3.5% employer match
Disability Retirement	Yes	Yes	Yes	Yes	No
Short term disability	No	No	No	No	Yes, from first day of employment for work-related disabilities and 1 year of continuous employment for non-work related disabilities - Income replacement ranges from 100% to 60% depending on both months of continuous employment and number of days out on disability - Includes 6 weeks of post-partum benefits for normal, uncomplicated or C-section deliveries.

Comparison of VRS benefits

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	<i>Vested before 7/1/12</i>		<i>Hired on or after 7/1/10 or not vested in Plan 1 prior to 1/1/13</i>		
	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	
Long Term disability - begins after 125 work days of short term disability	No	No	No	No	Yes, from first day of employment for work-related disabilities and 1 year of continuous employment for non-work related disabilities - Income replacement is 60% or 80% if a condition become catastrophic.
Hazardous Duty Supplement	N/A	A supplement will be added to the retirement benefit for employees who retire with at least 20 years of eligible hazardous duty service credit. This begins at retirement and ends at normal retirement age under social security. Employee does not have to retire from hazardous duty position if 20 years of service under a hazardous duty position is recorded.	N/A	A supplement will be added to the retirement benefit for employees who retire with at least 20 years of eligible hazardous duty service credit. This begins at retirement and ends at normal retirement age under social security. Employee does not have to retire from hazardous duty position if 20 years of service under a hazardous duty position is recorded.	N/A
Long Term Care	No	No	No	No	Yes, from first day of employment - \$96 /day with lifetime maximum of \$70,080.
Exempted from plan	N/A	N/A	N/A	N/A	SPORS, VALORS, LEOS, or faculty ORP
Purchase of Prior Service	Three-year eligibility period to purchase prior service at 5%; actuarial equivalent rate after three years.	Three-year eligibility period to purchase prior service at 5%; actuarial equivalent rate after three years. Any purchase of prior year service other than from a hazardous duty position does not count toward the 20 years of service required for the hazardous duty supplement.	One year eligibility period to purchase prior service at approximate normal cost; actuarial equivalent rate after one year. -- Exception: Provisions for VRS refunded service, no-cost military leave and sick leave conversion are the same as Plan 1.	One year eligibility period to purchase prior service at approximate normal cost; actuarial equivalent rate after one year. -- Exception: Provisions for VRS refunded service, no-cost military leave and sick leave conversion are the same as Plan 1. Any purchase of prior year service other than from a hazardous duty position does not count toward the 20 years of service required for the hazardous duty supplement.	One year eligibility period to purchase prior service at approximate normal cost; actuarial equivalent rate after one year. -- Exception: Provisions for VRS refunded service, no-cost military leave and sick leave conversion are the same as Plan 1.

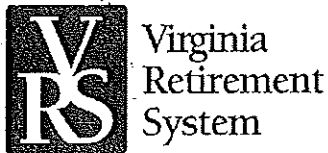
Comparison of VRS benefits

	Plan 1		Plan 2		Hybrid
	<i>Vested before 7/1/12</i>		<i>Hired on or after 7/1/10 or not vested in Plan 1 prior to 1/1/13</i>		<i>Employees Hired 1/1/14</i>
	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	<i>All Employees</i>	<i>LEOS (Enhanced Benefits for Law Enforcement Officers)</i>	
Unreduced Retirement	65 with at least 5 years of service credit or 50 with 30 years service credit.	60 with at least 5 years of service credit or 50 with at least 25 years of service credit. Mandatory retirement age is 70.	Normal Social Security retirement age with 5 years of service credit or when your age plus service credit equal 90.	60 with at least 5 years of service credit or 50 with at least 25 years of service credit. <i>For political subdivisions that have not adopted enhanced benefits for some or all of their hazardous duty employees (law enforcement, emergency medical technicians and firefighters), this bill offers an opportunity for employers to make an irrevocable election to provide Plan 1 age and service provisions for Plan 2 employees. Employers may make this election for any of these hazardous duty groups with an effective date no earlier than January 1, 2014. In addition, once you make this election, your selected hazardous duty employees hired after January 1, 2014 will not be eligible for the Hybrid Retirement Plan and will be covered under Plan 2 with Plan 1 age and service provisions. Under Plan 1 age and service requirements, employees can retire with an unreduced benefit at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. Employees can retire with a reduced benefit at age 55 with at least five years of service credit or age 50 with at least 10 years of service credit. An actuarial study must be completed before electing this benefit.</i>	Social Security retirement age with 5 years of service credit or when your age plus service credit equal 90.
Reduced Retirement	55 with 5 years of service credit or 50 with 10 years of service credit	50 with 5 years of service credit	60 with 5 years of service credit	50 with 5 years of service credit	60 with 5 years of service credit

Hybrid Plan Additional details

Under the Virginia Local Disability Program or a comparable plan, school divisions and political subdivisions that provide health insurance coverage to employees also must provide health insurance to those on short-term disability and offer a group rate, if any, to employees on long-term disability.

VRS Plan 1 and Plan 2 members remain in their respective plans unless they elect to opt out of their plan and into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The hybrid plan's effective date for VRS Plan 1 and Plan 2 members who opt in is July 1, 2014. If *deferred members* return to work during the election window, they may opt into the hybrid plan.



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Toll free: 1-888-VARETIR (827-3847)
Web site: www.varetire.org
E-mail: vrs@varetire.org

February 15, 2013

Dear Employer,

I am pleased to provide this resolution packet to assist you and your local governing body while you consider participation in the Virginia Local Disability Program (VLDP).

The 2012 General Assembly created VLDP for political subdivision and school division employees who will be covered under the VRS Hybrid Retirement Plan effective January 1, 2014. Participation in VLDP by political subdivisions and school divisions is automatic unless your governing body elects to opt out and provide a comparable employer-paid disability program effective January 1, 2014. The comparable coverage must include short-term and long-term disability, but does not have to include the long-term care component provided in VLDP. The decision to participate or opt out is irrevocable. Political subdivisions and schools in the same locality may choose to participate or opt out separately. Schools that decide to opt out will submit one resolution for all employees. Please note that VRS Disability Retirement will not be available to Hybrid Retirement Plan participants.

The deadline to submit an opt-out resolution to VRS is September 1, 2013. Your packet includes:

- An opt-out resolution to return to VRS, if applicable
- Copy of Chapter 11.1 of Title 51.1 of the *Code of Virginia*
- An at-a-glance description of the program and rates

VLDP focuses on assisting employees with their recovery and helping them make a safe return to their full work duties, if possible. Please read the Virginia Local Disability Program Employer Manual at www.varetire.org/manuals for program details. In addition, we encourage you to register for the upcoming February 26 VLDP webinar at 1:30 p.m. To register, visit the VLDP web page on the VRS website at www.varetire.org/vldp. Stay tuned to this page for frequently asked questions, which will be posted soon.

We appreciate your efforts to review this information and the Virginia Local Disability Program Employer Manual. If you have any questions about the information in this packet, please contact Ms. ZaeAnne Sferra, Employer Coverage Coordinator, at zsferra@varetire.org or (804) 775-3514.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert P. Schultze', is written over a light blue horizontal line.

Robert Schultze
VRS Director

Virginia Local Disability Program

For Political Subdivisions and Schools

Effective January 1, 2014

At-a-glance



The 2012 General Assembly created the Virginia Local Disability Program for political subdivision and school division employees who will be covered under the VRS Hybrid Retirement Plan effective January 1, 2014. The Hybrid Retirement Plan will apply to most new employees

hired on or after January 1, 2014 and current employees who opt to switch to the plan.

For detailed program information, view the VLDP Employer Manual at www.varetire.org/ermanuals.

Eligibility	This program applies to political subdivision and school employees covered by the VRS Hybrid Retirement Plan that do not submit an opt-out resolution to VRS. Coverage is automatic. VLDP-covered employees are not eligible for VRS Disability Retirement.
Exemptions	Hazardous duty employees covered under enhanced benefits are exempt from the Hybrid Retirement Plan and will continue to be covered under VRS Disability Retirement.
Rates	Rates beginning January 1, 2014 through June 30, 2014: Teachers: 0.39 percent of Hybrid Retirement Plan covered payroll Political Subdivisions: 0.91 percent of Hybrid Retirement Plan covered payroll Schools will pay the teacher rate for teachers and the political subdivision rate for non-administrative employees. New rates will be set each biennium.
Opting Out	Coverage for your employees is automatic under VLDP unless your governing body elects to opt out and provide a comparable employer-paid program. The comparable program does not require you to provide long-term care coverage even though this coverage is included in VLDP. To opt-out, return the VLDP opt-out resolution to VRS by September 1, 2013 (Attn: Susan Keith, P.O. Box 2500, Richmond, VA 23218-2500). The election to opt out of VLDP is irrevocable. Schools that decide to opt out will submit one resolution for all employees (teachers and non-administrative employees).
Program Features	VLDP provides income protection if an employee can't work because of a non-work related or work-related illness, injury or other condition, such as surgery, pregnancy, complications from pregnancy or a catastrophic or major chronic condition. It includes both short-term and long-term disability coverage. The program focuses on assisting employees with their recovery and helping them make a safe return to their full work duties, if possible. Program details are available in the VLDP Employer Manual at www.varetire.org/ermanuals .

RESOLUTION

Irrevocable Election Not to Participate in Virginia Local Disability Program

WHEREAS, by enacting Chapter 11.1 of Title 51.1 of the *Code of Virginia*, the Virginia General Assembly has established the Virginia Local Disability Program ("VLDP") for the payment of short-term and long-term disability benefits for certain participants in the hybrid retirement program described in Virginia Code § 51.1-169; and

WHEREAS, for purposes of VLDP administration, an employer with VLDP-eligible employees may make an irrevocable election on or before September 1, 2013, requesting that its eligible employees not participate in VLDP as of the VLDP effective date of January 1, 2014, because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees that meets or exceeds the coverage set out in Chapter 11.1 of Title 51.1 of the *Code of Virginia*, with the exception of long term care coverage, by January 1, 2014; and

WHEREAS, it is the intent of (Employer Name)
(Employer Code), to make this irrevocable election to request that its eligible employees not participate in VLDP;

NOW, THEREFORE, IT IS HEREBY RESOLVED that (Employer Name)
(Employer Name) irrevocably elects not to participate in VLDP because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees; and it is further

RESOLVED that, as an integral part of making this irrevocable election, (Employer Name)
(Employer Name) certifies that it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees.

Adopted in _____; Virginia this _____ day of _____, 2013.

Authorized Signature

Title