

# PEOPLESOFT ENTERPRISE PENSION ADMINISTRATION



## PENSION ADMINISTRATION

- Support an unlimited number of pension plans
- Adapt to changing regulatory requirements
- Reduce administrative burden
- Empower participants to plan for their retirement security through self-service benefit calculations

*Retirement plans are becoming as diverse as our workforce. Organizations are reconfiguring their pension plan offerings to attract and retain workforce talent that is being competitively sought to replace the growing number of retiring baby-boomers. At the same time, pension systems, often built on older, sometimes obsolete technology, cannot adapt to increasing demands from tech-savvy subscribers who expect real-time information on their benefit estimates, counseling sessions, service credit applications and retirement option reviews. To resolve these issues and keep pace with changing statutory requirements, evolving benefit structures and ever-shifting demographics, organizations see modernizing their pension administration systems as the single most effective way to prepare for the future.*

*PeopleSoft Enterprise Pension Administration provides a flexible, extensible architecture and tools designed to accommodate the one-size-does-not-fit-all landscape of retirement programs. Supporting organizations for over ten years, Pension Administration is a proven solution that has gone through a process of continual improvement based on customer feedback to keep current with pension administration needs.*

### **Internet Architecture**

The root cause of system obsolescence is that older systems are built using propriety software with hard coded integration points or batch processes. Users are prevented from managing their own data, and business process modifications or system enhancements require time consuming and costly IT staff involvement.

PeopleSoft Pension Administration is based on open industry standards. Users can securely access their data with a standard web browser from anywhere in the world. Navigation is easy and intuitive—enhancing productivity across your organization.

Open industry standards also facilitate interoperability with other standards-based systems and enable configuration options that are user-driven and fully upgradeable. This greatly extends the system's lifecycle potential and enables you to incorporate new capabilities and technologies as they come to market.

### **Core Pension Administration**

Pension Administration streamlines pension functions including data storage, individual and group benefit calculations, service purchases, buy-backs and preparation of pension benefit statements. Its robust functionality manages a diverse range of plans and options with configurable, plan-specific effective-dated business rules to expedite everything from eligibility to calculation of retiree and alternate payee forms of payment.

Pension Administration tracks earnings, contributions, service, and payments for

- Plan participants—employees, retirees, and their beneficiaries
- Non-participants—qualified domestic relations order (QDRO), and alternate payees

### **A Single Source of Truth**

A key challenge to administering today's retirement plans is the ability to capture and manage participant data across multiple locations and multiple years. Collecting data from disparate systems and paper-based files is a sizable administrative burden that can result in processing delays and data entry/consolidation errors. Pension Administration maintains all pension data in a single integrated database with built-in error checking and validity rules to ensure data consistency. With this consolidated data, you can easily:

- Manage an unlimited number of pension plans
- Store effective-dated employment histories to track jobs, employment status, salaried or hourly status, union affiliations, and all other data crucial to accurate calculations
- Track all your payees—retirees, beneficiaries, and qualified domestic relations order (QDRO) alternate payees—in the same database you use for your employees
- Access beneficiary information and automatically calculate beneficiary payments
- Automatically collect data for plan actuarial valuations with our built in extraction engine
- Store earnings, hours, and pension contribution data from external payroll systems and consolidate into monthly or yearly periods for efficient processing

### **Field Services (Enrollment and Beneficiary)**

Pension Administration empowers employers, members and retirees to add, update and maintain member, beneficiary, and pensioner information online using Oracle's PeopleSoft eBenefits product. New and changed data can be applied automatically or queued through your defined approval processes using built-in, configurable workflow. Validation rules enforce data accuracy to prevent duplicates and ensure data quality. All member, plan and beneficiary information is effective-dated to enable audits and historical reporting.

## Manage Multiple Roles and Jobs

Pension Administration's extensible and flexible person data model allows individuals to be associated with multiple roles and relationships; for example, when a retiree is also a beneficiary. Contact information entered once is reusable within any given context. It also efficiently tracks participants who hold multiple concurrent jobs, change jobs, have breaks in service, and move in and out of different plans. The eligibility process considers all jobs when determining a participant's eligibility and creates a merged timeline of their eligible and ineligible periods.

## Manage Complex Plan Rules

Because every pension plan is unique, Pension Administration is designed with inherent flexibility, enabling you to adapt to changing regulatory requirements and incorporate new plans, plan options and calculation rules. Authorized users establish rules for every aspect of your plans, including eligibility, participation, covered compensation, vesting, employee accounts, cash balance accounts, final average earnings, Social Security, early retirement factors, optional forms of payment, and more.

FAE 1 of 2    FAE 2 of 2

Definition Name: KUF4E415\_D    Description: 415 Highest 3 Year Average

**Find the Highest**

Periods: 3     Consecutive

Take: FAE 1 of 2    FAE 2 of 2

Definition Name: KUF4E415\_D    Description: 415 Highest 3 Year Average

**Options**

Partial Period Options: Keep if Needed

Final Period Options: Keep if Needed

Limit Options: 401(a)17    Name: 401(A)(17)

Zero Options: Ignore

Generated Earnings Options: None

Short Service Options: Use what you have    Definition:

**Method**

Projection Method Name: EARN\_PROJE

**Final Average Earnings is one of several standard plan components that can be added, configured or removed from a plan definition.**

Plans and plan components can be grouped and regrouped according to the needs of your member population. For example, if certain participants or agencies require a special plan option, that component can be added to the group while maintaining the default options for all other plan members. Pension Administration enables you to:

- Use effective-dating to keep a running history of plan provisions through all amendments, plan mergers, and regulatory changes
- Create logic statements through online, user-facing pages to support your benefit formulas and other unique plan rules
- Set up rules for special situations such as grandfathered benefits, early retirement window benefits, minimum benefit formulas and regulatory mandates

- Calculate service using elapsed time, hours counting, or hour equivalency methods
- Define projection methods to support pension estimates based on future retirement dates

**Manage Contributory Plans**

PeopleSoft Pension Administration enables you to track and maintain contributions used for pension benefits and incorporate contributory accounts into benefit formulas. You can also:

- Determine the nontaxable portion of a participant’s benefit for post-tax contributions
- Administer service “buy back” and purchase provisions
- Track pay out contributions and record any corresponding forfeited service, if applicable
- Administer purchases of additional service as allowed under your plan
- Track cumulative nontaxable pension payments against total after-tax contributions
- Compare contribution balances—including interest—to a running total of payments to ensure retirees completely recover their contributions

Employee Account History				
Amanda Reynolds		EMP	ID: PNO27	Empl Rcd #: 0
Employee Account History				
Plan: ERB_EE		Employees Retirement Board		
Employee Accounts		FR Employee Contribution Acct ( RB_EAEC_F )		
Account Details				
Begin/End Date	Pre-tax Credit/ Adjustment/Total	Pre-tax Interest/ Adjustment/Total	Post-tax Credit/ Adjustment/Total	Post-tax Interest/ Adjustment/Total
09/01/2001	\$0.00	\$0.00	\$241.67	\$8.07
09/30/2001	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$19,575.27	\$329.19
	<b>Beginning Balance:</b>	\$19,654.72	<b>Ending Balance:</b>	\$19,904.46
	<b>Purchasable Service</b>	<b>Purchased Service</b>	<b>Purchasable Service Adjustment</b>	
	0.000000	0.000000	0.000000	

**Employee Account History tracks running account balances for pre- and post-tax contributions, interest, and adjustments**

**Streamline Administrative Tasks**

Pension Administration streamlines administrative tasks to improve the efficiency of your pension processing. Pension Administration helps you prepare calculations, monitor paperwork, prepare payroll data, and adjust payments in response to events in retirees’ lives. Pension Administration enables you to:

- Run on-demand calculations for individuals and groups of participants, or schedule large runs for later processing
- View calculation results online and print detailed worksheets to explain pension benefits to your participants
- Store pension information for terminated vested employees
- Track communications, activities, election forms, verifications, explanatory

comments and all other paperwork associated with retirement processing

- Review, confirm and produce a trustee extract online with complete payment and deduction information
- Schedule cost-of-living allowances, one-time benefit or other adjustments at any time; effective-dating ensures the changes take effect at the right time
- Suspend and reinstate pension benefits

### Comprehensive Pension Calculations

Pension Administration calculates benefits for all types of pension plans and plan options, including qualified and non-qualified, contributory and noncontributory, final average pay, career average, and cash balance plans. Calculation results can be viewed online and output to summary or detailed worksheets to help plan administrators and participants better understand their pension benefits. Pension Administration also enables you to:

- Produce on-demand calculations with real-time participant data
- Calculate optional forms of payment with automatic benefits for spouses and contingent benefits for spouse or non-spouse beneficiaries
- Apply Internal Revenue Code section 401(a)(17) limits on pensionable earnings, and section 415 limits on combined benefits
- Use effective-dating to track grandfathered plan rules as well as schedule future plan changes
- Override Social Security earnings without affecting other calculations that also use earnings information
- Adjust and calculate pension benefits for former spouses according to requirements of specific qualified domestic relations orders (QDROs)

ODRO Process

Jan Pattersen Person ID: PN003

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**ODRO Information** Find | View All First 1 of 1 Last

\*ODRO ID: 1  Paul Pattersen Plan: ERB\_EE

\*Court Document ID: 4322-AT  Date Received: 04/15/2003

Court Name: Olivia Superior Court

Date Issued: 04/15/2008  Offset Payout Date: 05/01/2008

Date Joined: 04/15/2008  ODRO Dollar Amount: 215.00

**Comments** Find | View All First 1 of 1 Last

Date: 03/15/2008

4/15/2003 - DRO Received

**Pension Administration tracks DROs that may affect pension benefits and manages benefits to alternate payees as a result of a QDRO.**

### Group Calculations

Group calculations make it easier for plan administrators to generate requisite accrued benefit statements and keep participants informed of their pension account status. Group calculations can be leveraged in numerous ways. Some examples include:

- An event date, such as retirement date, can be applied to calculate benefits for an entire group upon their retirement, even though each individual's retirement date is different
- Establishing the same retirement date for a group of participants to determine the benefit amount for purposes of making estimating early retirement as an option for a group of employees
- A user-defined group of individuals can be created and used to generate things like benefit statements and calculation worksheets that contain estimates and accrued benefits information for all group members

### Empower Participants to Plan for their Future

The best way to ensure a secure retirement is to plan for it far in advance. Pension Administration's estimate benefit function is a powerful calculation engine that enables authorized plan administrators and participants to project benefits over time, factor in different assumptions for future salary and/or contribution increases, and create what-if scenarios by varying their retirement age or retirement date. The system handles members who participate in one or multiple plans, calculating the benefit for each plan as well as a combined benefit amount. It also takes into account grandfathered rules, current rules, and future-dated rules for projections.

#### Pension Estimates

Antonio Santos

Fill in the fields below to enter information for your estimated pension benefit and click the "Estimate Pension" button to see the results. Please note that any information entered on this page is used only for the purposes of creating estimates so that you may see how your pension benefits may be affected by choosing different retirement dates. This information will not be recorded as an official request or statement of intent on your part regarding your retirement plans.

Personal Information	
Date of Birth:	08/09/1972
Spouse Birthdate:	10/12/1965
Retirement Information	
For this estimate, assume that I plan to retire	
<input type="radio"/>	on <input type="text" value=""/> (example: 12/31/2000)
<input checked="" type="radio"/>	when I am <input type="text" value="65"/> years and <input type="text" value="0"/> months old
Payment Information	
For this estimate, assume that I plan to start receiving payments	
<input type="radio"/>	on <input type="text" value="01/01/2010"/> (example: 12/31/2000)
<input checked="" type="radio"/>	when I am <input type="text" value=""/> years and <input type="text" value="0"/> months old
Assumptions	
My current annual earnings are	\$97,047.86
For this estimate, assume that my annual salary increase will be	<input type="text" value="2"/> %
<input type="button" value="Calculate Pension"/>	

Estimate Pension is a powerful tool that enables participants to plan their retirement sensibly.

### **A Suite of Complementary Functionality**

PeopleSoft Pension Administration works in conjunction with several integrated Oracle products, including PeopleSoft Human Resources (HR), Payroll, Benefits, and more, to enable a truly comprehensive pension, benefits and payroll processing solution. Complementary products, such as those described below, work in unison with these PeopleSoft applications enabling you to streamline operations, increase constituent services, reduce administrative overhead and enhance employee productivity.

### **Oracle Customer Relationship Management (CRM) and Integrated Contact Center**

Provides interactive call center, event management, case management, help desk, and multi-channel self-service to promote effective and efficient customer service and improve member and employer satisfaction.

### **Oracle Business Intelligence (BI) Applications**

Enable better decision making across your entire organization via pre-built reports, end-user reporting tools, ad hoc queries, pre-built dashboards, pre-built performance metrics and analytics, and much more. Oracle BI works with Oracle and non-Oracle applications to deliver a 360° view of your enterprise.

### **Oracle Universal Content Management (UCM)**

A portfolio of content management products, including core document management, document imaging and automation, federated records and retention management, management of structured and unstructured content, and information rights management. Oracle Universal Content Management empowers users to view, collaborate on or retire content, ensuring that all accessible distributed or published information is secure, accurate and up-to-date.

### **Oracle Portal**

Enables you to aggregate and present disparate content from multiple heterogeneous systems through a single Web-based user interface. Additional functional capabilities to help people work together and improve business process execution are provided through unique Web 2.0 features, such as in-context collaborative workspaces. These enable communities to work more efficiently and effectively on their projects and business processes. Portal features are architected to allow decentralized administration to ensure portal content stays current and relevant.

### **Oracle Policy Modeling and Automation**

A complex policy automation solution that empowers business users to translate legislation and policy into automated business rules to enable self-service, automate advice, ensure compliance and mitigate risk for policies across your enterprise.

### **Oracle Governance Risk and Compliance (GRC)**

Provides end-to-end support for all GRC processes, including pre-built best practice templates and compliance frameworks, integrated documentation, process automation, controls monitoring, auditor-ready reports and dashboards, enterprise-wide segregation of duties and more.

### Oracle Identity Management

Provides robust, end-to-end security and user account management for all your Oracle and non-Oracle systems and users.

### Oracle User Productivity Kit

Easily generates customized system / process documentation and user training materials (online and printed) that are specific to your organization, solution components and user-base.

### Why Oracle?

Oracle's PeopleSoft Enterprise core HCM solution is a robust HR, Payroll and Benefits set of applications that can be implemented quickly and cost-effectively, providing a strong foundation for organizational growth, cost reduction/savings, and improved productivity and performance. Oracle's core HCM capabilities combined with country-specific capabilities and international data formats enable regional operations and compliance while using a single system of record for reporting, maintenance and lower TCO. These solutions enable you to:

- Manage business systems globally with a common data model and multi-national data formats
- Drive compliant business processes through integrated processes and rules-based engines
- Deploy country-specific capabilities with delivered local extensions

### Contact Us

For more information about PeopleSoft Enterprise Pension Administration, please visit [oracle.com](http://oracle.com) or call +1.800.ORACLE1 to speak to an Oracle representative.



Oracle is committed to developing practices and products that help protect the environment

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