Error Report 1786

During the ORCA process for recording Overpayments (OVPY function), the Retirement Gross on the output Abeyance transaction is incorrectly derived as zero whenever the employee’s Retirement Plan is Safe Harbor and the overpayment DOS is BYA (by-agreement amount). The cause of this improper derivation is that the OVPY screen process does not recognize the special FICA earnings eligibility relationship associated with Safe Harbor and thus, determines that BYA earnings are not subject to retirement (i.e., the UCRS DOS Subject Gross Indicator is “N” and the DOS NSETC Code is “N”).

Note that in some cases, the Retirement Gross appearing on the OVPY issued “Cancellation/Overpayment/Reversal” report may be correct for an overpayment of BYA earnings for Safe Harbor. However, the Retirement Gross on the actual Abeyance transaction improperly excludes the BYA amount. This conflict is because the report “overpaid” payment is derived to equal the “original” payment minus the calculated “Corrected” Payment. The Abeyance transaction, on the other hand, uses the calculated overpayment amounts rather than the implied “original minus corrected” construct. Thus, if the “Corrected” earnings are all REG (regular), the overpaid BYA earnings and associated Retirement Gross will appear correctly on the report but the Retirement Gross on the actual Abeyance detail transaction will be incorrect.

The OVPY function has been modified to calculate Retirement Gross based on the FICA DOS Subject Gross Indicator when the Retirement Plan is Safe Harbor.

Programs

PPOROVPY

Program logic will be changed so that during the earnings derivation of Retirement Gross, the FICA DOS Subject Gross Indicator (rather than the UCRS/PERS Subject Gross Indicators) will be used for calculation when the Retirement Plan is ‘H’
(Safe Harbor) and the FICA Eligibility Code is ‘M’ (Medicare) as long as the original Retirement Gross is non-zero. When the original Retirement Gross is zero, no Safe Harbor Retirement Gross will be developed.

Test Plan

Although test files are not supplied with this release, a test plan is provided which will identify conditions for testing and release installation verification. Campuses are encouraged to use the test plan as well as performing any other desired local tests.

Installation Instructions

1. Install the modified CICS program PPOROVPY.
2. DB2 pre-compile, CICS pre-compile, compile and link the modified CICS program PPOROVPY into the On-line LOADLIB. Program PPOROVPY requires a package bind.
3. Perform the installation testing described above to ensure proper installation.
4. Perform any desired additional campus testing.
5. Install program PPOROVPY in production. Install new copy of program PPOROVPY in the CICS region if installation occurs while the region is running.

Timing of Installation

The installation of this release is not urgent. However, it should be installed as quickly as possible to avoid the error condition described above. As usual, campuses are encouraged to install this release in as timely a fashion as possible and in the normal numeric sequence.

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