

**Chapter 415-117 WAC**  
**COOPERATION OF EMPLOYERS IN ADMINISTRATION OF THE RETIREMENT SYSTEMS**

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**WAC**

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**WAC 415-117-010 Purpose.** These rules relate to the implementation of RCW 41.50.140(1) which requires every employer participating in one or more of the retirement systems administered by the department of retirement systems to fully cooperate in the administration of those systems. These rules are intended to assist employers in communicating timely with the department and providing accurate member information.

[Statutory Authority: RCW 41.50.050 and 41.50.140. WSR 19-21-068, § 415-117-010, filed 10/11/19, effective 11/11/19.]

**WAC 415-117-020 Definitions.** As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Census data testing" refers to testing of an employer's records for the purpose of validating information used by the state actuary to determine the net pension liability of the retirement systems. Census data refers to retirement system members' information, including birth date, gender, date of hire, years of service, compensation, and date of termination.

(2) "Compliance reviews" refers to examinations of employers' records related to information reported to the department of retirement systems, normally performed to ensure employees are receiving proper service credit and the benefits to which they are entitled.

(3) "Cooperate" or "cooperation" refers to the duty of every employer participating in one or more of the retirement systems to fully cooperate in the administration of the systems in which its employees participate by: (a) Distributing information to employees; (b) complying with the department's administrative instructions, requirements, requests, or deadlines; and (c) accepting and carrying out all other duties as required by law or regulation.

(4) "Department" or "DRS" refers to the department of retirement systems established pursuant to chapter 41.50 RCW as now existing or hereafter amended.

(5) "DRS' external auditors" refers to auditors contracted by DRS to perform census data testing.

(6) "Employers" refers to all employers participating in the retirement systems administered by the department, as defined in RCW 41.50.030.

[Statutory Authority: RCW 41.50.050 and 41.50.140. WSR 19-21-068, § 415-117-020, filed 10/11/19, effective 11/11/19.]

**WAC 415-117-030 Audits and compliance reviews.** (1) The records of an employer concerning the employment and payment of its employees and contractors are subject to examination by representatives of the

department designated to conduct the audits, compliance reviews, census data testing or other similar examinations. The purpose of reviewing the records is to verify compliance with retirement rules and regulations including, but not limited to:

(a) Determining the correctness of reporting of hours and compensation;

(b) Ensuring that individuals required to be enrolled and reported as members of the retirement systems were reported;

(c) Ensuring that current members are eligible to be members of the retirement system; and

(d) Verifying that retirees who have returned to work have been correctly reported.

(2) An employer must allow the department to examine all records that relate to the administration of the retirement systems. These records include, but are not limited to, ledgers, journals, registers, vouchers, contracts, position descriptions, tax reports, time sheets, time cards, payroll and disbursement records, policies, minutes, correspondence and personnel records.

(3) Selected employers must cooperate in census data testing, audits of the retirement systems, and compliance reviews. Cooperation includes, but is not limited to, confirmation of employer data and records requested by the department within deadlines established by the department. Records provided other than electronically will need approval from the department.

[Statutory Authority: RCW 41.50.050 and 41.50.140. WSR 19-21-068, § 415-117-030, filed 10/11/19, effective 11/11/19.]

**WAC 415-117-040 Timely and accurate reporting and payment. (1)**

Employers are required to report compensation and hours as earned by calendar month, rather than when payment is made to employees.

(2) Employers must make corrections to reporting as soon as errors are identified.

(3) If an employer is required to make corrections identified as a result of a review initiated by the department, the employer must make the corrections, and certify to the department that the corrections were completed, within deadlines set by the department.

(4) Reporting must align with directions provided in state laws and rules, employer notices, and the DRS employer handbook and is not overwritten or modified by contract negotiations or settlement agreements.

(5) Employers must attend required training when notified by the department in order to remain current on reporting requirements. The department will make every effort to provide an option to attend training by electronic means whenever feasible.

(6) Payments are due to the department no later than the 15th of the month following the month of payroll. More frequent payments are permitted and allow for quicker investment in employee accounts. Electronic payments are encouraged.

(7) Employers should reconcile their account balances each month. Past due amounts are subject to twelve percent annual interest.

(8) Employers' credit balances should be reconciled timely as they may:

(a) Indicate an employer reporting error;

(b) Impact timely investing of Plan 3 employee funds; or

(c) Impact employees' service credit.

(9) Credit balances are not refundable, but may be applied to another balance upon request.

[Statutory Authority: RCW 41.50.050 and 41.50.140. WSR 19-21-068, § 415-117-040, filed 10/11/19, effective 11/11/19.]

**WAC 415-117-050 Responding to the department.** (1) Responses to department instructions, requirements, requests, and deadlines must be completed timely to assist the department in ensuring that customers receive the correct amount of retirement benefits they earn while in public service.

(2) Hours worked by retired members must be reported timely to allow for department monitoring and limit employer liability.

(3) Employers should maintain records in alignment with the secretary of state guidelines, which can be up to sixty years.

[Statutory Authority: RCW 41.50.050 and 41.50.140. WSR 19-21-068, § 415-117-050, filed 10/11/19, effective 11/11/19.]