



OFFICE OF THE SENIOR VICE PRESIDENT —  
BUSINESS AND FINANCE

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Re:	Release:	1653
	Service Request:	16945
	Error Reports:	None
	Programs:	PPP520, PPP530
	Copymembers:	CPFDXEDF, CPWSXEDR, CPWSXEXP, CPWSXIC5
	Include Members:	None
	DDL Members:	None
	Bind Members:	None
	CICS Maps:	None
	Forms:	UPAY646
	Table Updates:	System Parameter Table
	Urgency:	Date-Mandated (see Timing of Installation)

This release addresses the following service request:

**Service Request 16945**

The Governmental Accounting Standards Board (GASB) requires the effect of Other Postemployment Benefits (OPEB) to be reported for any reporting segment or entity that has audited financial statements. Thus, the University must identify the annual OPEB costs and the outstanding obligations for the University as a whole and has developed a financial reporting approach for each campus, each medical center, the UC Press, the Continuing Education of the Bar (CEB), the Associated Students of UCLA (ASUCLA), the National Laboratories, and the Hastings College of the Law. OPEB includes postemployment healthcare as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. The University currently provides medical and dental benefits to its retirees.

These requirements detail the proposed modifications to the Payroll/Personnel System (PPS) that are required to support the University's approach to implementing the GASB financial reporting requirements in the University's consolidated financial statements.

The changes needed to report the OPEB Assessment are:

- Uncouple the Annuitant Health/Dental Assessment from the Benefits Administration Assessment
- Replace the Annuitant Health/Dental Assessment with OPEB Assessment, Liability Account 115586 and Object Code 8231
- Establish the Benefits Administration Assessment with Liability Account 115591 and Object Code 8995
- Change the label on the Payroll Expenditure Transfer, UPAY 646
- Change the Type 2 Record heading on the Payroll Processing, Input/Output Reconciliation Report, PPP5202
- Change the label on the Distribution of Payroll Expense Report, PPP5302.

**Programs**

PPP520

Annuitant Health benefit is changed to OPEB and a new benefit Benefits Administration is added into PPS. Program PPP520 is modified to assess and create departmental charges for the OPEB and Benefits Administration benefits and to place these benefits amounts on the EDW File.

On the Payroll Processing, Input/Output Reconciliation Report, PPP5202, the Type 2 Record heading is changed from Ann Health to OPEB. Additionally, a new Type 2 Record is established for Benefits Administration Assessment.

PPP530

Program PPP530 has been modified to appropriately process the OPEB and Benefits Admin benefits both in terms of reporting and GL entry issuance. For the OPEB and Benefits Admin benefits, the Object Code for the departmental GL entry, as well as the balance sheet FAU for the Location total benefit credit, will be taken from those values contained in CPWSXIC5.

The label on the Distribution of Payroll Expense Report, PPP5302, is changed

from:	to:
DENT/HLTH	DENT/HLTH
VIS/ANNU	VIS/OPEB

**Copymembers**

CPFDXEDF

This copymember provides the File Definition of the Expense Distribution Work (EDW) File. The length is expanded to accommodate the addition of the new Benefits Administration benefit amount.

CPWSXEDR, CPWSXEXP

These copymembers provide record layouts of the Expense Distribution Work (EDW) record. New Benefits Administration benefit amount will be added to these members.

CPWSXIC5

This copymember provides Installation Constants for the Expense Distribution process. Object Codes and Balance Sheet accounts (FAU) have been added for the OPEB and Benefits Admin benefits.

**JCL Changes**

PPP520

JCL has been modified to change LRECL of DD name EXPDIST from 8518 to 8718. This change is to take care of the addition of the new Benefits Admin benefit amount to the Expense Distribution Work record.

### **Table Updates**

#### **System Parameter Table**

The following System Parameters will be utilized during the release modified expense process:

- Description of parameter 126 is changed from 'Annuitant Rate' to 'OPEB Rate'. Also the value of OPEB rate is now 2.25.
- Parameter 128 (new) defines the Benefits Admin Rate. The value of Benefits Admin rate is 0.10.

### **Forms**

The label in columns 41-46 on the Payroll Expenditure Transfer form UPAY 646 is changed  
from: DNTL/MED/OPT  
ANNUITANT  
to: DNTL/MED/OPT  
OPEB/BEN ADM

A sample version of this form has been sent with the release.

### **Test Plan**

A separate Test Plan document is provided with this release.

### **Installation Instructions**

A separate Installation Instructions document is provided with this release.

### **Timing of Installation**

The installation of this release is Date-Mandated. Locations should install these changes in time to begin the reporting of July 2005 payroll expense (run in early August).

As usual, campuses are encouraged to install this release in as timely a fashion as possible, and in the normal numeric sequence of releases.

If there are any questions, please send electronic mail to [Baskar.Chitravel@ucop.edu](mailto:Baskar.Chitravel@ucop.edu), or call (510) 987-0692.

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