



Nereida "Nellie" Rivera-O'Reilly
Senator

LEGISLATURE OF THE VIRGIN ISLANDS

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COMMITTEES:
Culture, Historic Preservation, Youth
& Recreation
Economic Development, Agriculture
& Planning
Health, Hospitals & Human Services
Homeland Security, Public Safety
& Justice
Rules & Judiciary

January 13, 2015

Via Facsimile and Hand Delivery

Honorable Justin Harrigan, Sr.
Chairman
Committee on Government Services, Consumer & Veterans' Affairs
31st Legislature of the Virgin Islands
Charlotte Amalie
PO Box 1690
St. Thomas, VI 00804

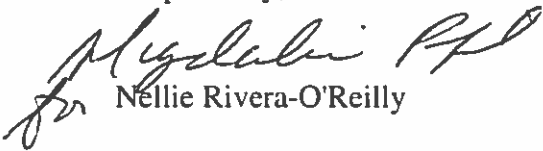
Re: Request for committee hearing

Dear Senator Harrigan:

Enclosed is a letter sent to Director Austin L. Nibbs on October 23, 2014. To date, our office has not received a response.

The issues of concern are explained in the letter. I am hereby requesting that you call a committee hearing to receive testimony on the above referenced matter. Thank you.

Respectfully,


Nellie Rivera-O'Reilly



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Finance
Education & Workforce
Development
Culture, Historic Preservation, Youth
& Recreation
Economic Development, Agriculture
& Planning

October 23, 2014

Via Email

Austin L. Nibbs, CPA, CGMA
Administrator/CEO
Employees' Retirement System of the Virgin Islands
3438 Kronprindsens Gade
GERS Complex - Ste 1
St. Thomas, VI 00802-5750
Email: anibbscpa@usvigiers.com

Re: VITECH/Outstanding Payments to Members

Dear Mr. Nibbs:

It has come to my attention that the system owes loan refunds to over 50 members. Death benefits are also owed to survivors for a number of years and a significant number of first time retirees are still waiting to receive their first payment. While retirees wait, they fall behind on their financial obligations and many experience health issues and even foreclosure. In the interim, every inquiry made of you during senate hearings is met with the same nonchalant response. You have persistently blamed the problems on software complications. During the last hearing you once again promised to resolve the issues with VITECH, the software provider, in order to process the outstanding payments.

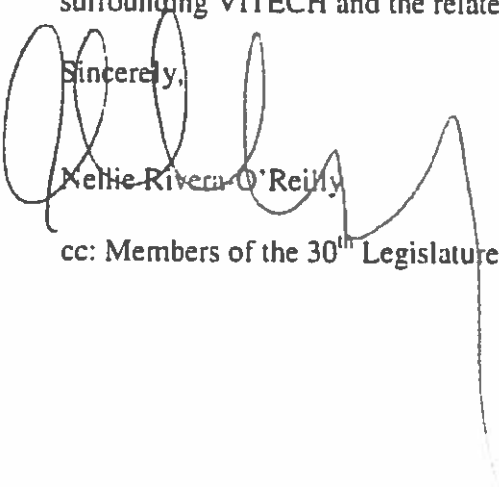
Several weeks later our office continues to receive calls from members who are still waiting for payment. My most recent inquiry with the GERS produced the same excuse. The problem with the V3 software persists. No progress has been made. In the interim, the GERS has paid over \$11M to VITECH for a program that clearly does not work. Despite the astronomical investment, your office continues to rely on the old system. It is clear that VITECH has not performed. The change controls and change orders since initial implementation have only resulted in additional expense.

I am disappointed by the lack of responsiveness from your office with regards to the above issues. The members affected deserve at the very least an explanation that is conveyed with compassion. It is wrong to ignore the needs of members who have given years of service to this government. I ask you to consider the impact that the current situation has on the staff of the GERS. A lot is expected of your frontline employees as they field inquiries and deal with the frustration of members who are owed money. Their inability to respond and to assist creates a poor work environment and further erodes employee morale. The recent walk out by the St. Croix office employees is indicative of the already poor morale and working conditions. Evidently, the problems at the GERS are growing. There is a lack of urgency within the GERS' leadership to address the problems swiftly and to improve the quality of services it provides

members. The GERS has had ample time to resolve the software issues. The company must be held accountable and it must deliver a plan of action and timeline for implementation. We need credible evidence that due diligence was conducted in the selection of VITECH and that the existing agreement contains provisions to protect the GERS from non performance by the contractor.

This has led me to request that the Legislature call a committee meeting to investigate the issues surrounding VITECH and the related software problems.

Sincerely,



Kellie Rivera O'Reilly

cc: Members of the 30th Legislature