

AGENDA

MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE and BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

**300 NORTH LAKE AVENUE, SUITE 810
PASADENA, CA 91101**

THURSDAY, SEPTEMBER 10, 2015 - 9:00 A.M.**

COMMITTEE MEMBERS:

Joseph Kelly, Chair
Yves Chery, Vice Chair
Anthony Bravo
Ronald Okum
David Muir, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of August 13, 2015

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Carlos Barrios, Outreach Section Head, Member Services Department: That the Committee recommend the Board of Retirement instruct the Division Manager of Member Services to do the following:

1. Maintain the current number of appointment allocations until enough staff can be hired and trained so as not to increase wait times further, and increase appointment allocation to 23 per day once the division has filled at least 4 of the vacant staff positions – assuming no further attrition of staff.
2. Continue efforts to work with Systems staff to identify appropriate queue management and forecasting software for use in the MSC and report back to the Board on the progress of this effort as part of the Operations Oversight Committee briefing.

III. ACTION ITEMS (Continued)

3. Increase the expected Service Level goal for wait time in the Member Service Center from 100% in 8 minutes to 80% of all members within 15 minutes of arrival. Service Levels should be measured monthly and reported to the Board as part of the monthly CEO's report. In addition, the Division will closely monitor the service levels in the MSC and continue to identify adjustments to reduce the length of time members must wait for an appointment.

IV. FOR INFORMATION

- A. LACERA Operations Briefing
Robert Hill/JJ Popowich
- B. LACERA's Process Management Group
Louis Gittens
- C. 2015 HR Resources Conference: Retirement Empowerment
Jeannine Smart

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

****Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Board of Retirement meeting preceding it. Please be on call.**

Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626)-564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.

MINUTES OF THE MEETING OF THE
OPERATIONS OVERSIGHT COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

THURSDAY, AUGUST 13, 2015, 1:10 P.M. – 2:35 P.M.

COMMITTEE MEMBERS

PRESENT: Joseph Kelly, Chair
Yves Chery, Vice Chair
Anthony Bravo

ABSENT: Ronald Okum
David Muir, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
Vivian H. Gray
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

JJ Popowich	Theodore King
Gregg Rademacher	John Nogales
Carlos Barrios	James Pu
James Beasley	Kelly Puga
Derwin Brown	Mary Phillips
Cynthia Guider	Steven Rice

The meeting was called to order by Chair Kelly at 1:10 p.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of July 9, 2015

Mr. Chery made a motion, Mr. Bravo seconded, to approve the minutes of the regular meeting of July 9, 2015. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by James Beasley, Administrative Services Division: That the Committee recommend the Board of Retirement approve the purchase of Fiduciary Liability Insurance for the October 6, 2015 renewal. (Memorandum dated August 3, 2015)

Mr. Chery made a motion, Mr. Bravo seconded, to approve the recommendation. The motion passed unanimously.

IV. FOR INFORMATION

A. Board Offsite Agenda Planning – Day 1
Gregg Rademacher

For discussion purposes, Mr. Rademacher presented suggested topics for Day 1 of the Board Offsite, to be held January 19-21, 2016. As this is the beginning planning phase, we have the opportunity to add, change, and modify the suggested sessions to best meet the organization's needs.

- Board training – electronic notation for disability cases and Board agenda materials
- Ballot proposal – Voter Empowerment Act of 2016
- Disability panel addressing fibromyalgia
- State of LACERA
- Quality at LACERA
- Operational metrics – reviewing service response benchmarks
- Strategic Plan – Retirement Benefits
- Legislative landscape with Joe Ackler

IV. FOR INFORMATION (Continued)

B. LACERA Operations Briefing
Robert Hill/JJ Popowich

Mr. Popowich presented the monthly briefing on LACERA's operations. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- Felony Convictions Report
- Performance Evaluation Policy
- Leadership Development Program Participation

C. Protecting Our Membership Data
James Pu

Mr. Pu introduced a presentation on protecting our membership data. Protecting our members' private information is one of the most important jobs that we do. LACERA is engaging in a persistent effort to improve the way we use and manage sensitive information, making great strides in reducing the revelation and use of social security numbers, both in-house and with business partners.

Staff from Benefits, Quality Assurance, Member Services, and Systems discussed their divisions' endeavors in safekeeping our membership data. We continue to strive as an organization to protect our members' future.

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

The meeting adjourned at 2:35 p.m.

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September 2, 2015

TO: Operations Oversight Committee
Joseph Kelly, Chair
Yves Chery, Vice Chair
Anthony Bravo
Ronald Okum
David Muir, Alternate

FROM: Carlos Barrios, Outreach Section Head, Member Services

FOR: September 10, 2015 Operations Oversight Committee

SUBJECT: **Increasing the number of allotted appointment schedules in the Member Service Center**

RECOMMENDATION

We recommend the Operations Oversight Committee recommend to the Board of Retirement that they instruct the Division Manager of Member Services to do the following

1. Maintain the current number of appointment allocations until enough staff can be hired and trained so as not to increase wait times further, and increase appointment allocation to 23 per day once the division has filled at least 4 of the vacant staff positions – assuming no further attrition of staff.
2. Continue efforts to work with Systems staff to identify appropriate queue management and forecasting software for use in the MSC and report back to the Board on the progress of this effort as part of the Operations Oversight Committee briefing.
3. Increase the expected Service Level goal for wait time in the Member Service Center from 100% in 8 minutes to 80% of all members within 15 minutes of arrival. Service Levels should be measured monthly and reported to the Board as part of the monthly CEO's report. In addition, the Division will closely monitor the service levels in the MSC and continue to identify adjustments to reduce the length of time members must wait for an appointment.

INTRODUCTION

Board of Retirement Chair Kehoe requested Member Services review the current allocation of scheduled appointments in the Member Service Center and determine whether it is feasible to increase the number of pre-scheduled appointments allocations available and thereby reduce the number of walk-in members serviced.

Staff completed an analysis of the Appointment Plus data (the current appointment scheduling software) from fiscal year 2014-2015 in order to make a determination on whether we can add additional appointment slots without having an undue impact on the wait times for members who choose to visit (called walk-ins) the Member Service Center (MSC) without an appointment. Staff also analyzed our current staffing levels, expected future staffing levels, as well as staff schedules, and maximum staffing capacity given the current MSC configuration, in order to determine what service levels we can accommodate.

The analysis determined that increasing the number of allocated appointment schedules will not cause a one for one decrease in the number of walk-in visits to the MSC. While there will be a reduction, it will not eliminate the need for walk-in service. Walk-in visits are a service choice that many members choose to take advantage of, even in the face of available appointment schedules.

The analysis also clearly indicates that there is sufficient demand for scheduled appointments that we should move towards increasing the number of allotted appointment schedules. The analysis clearly shows there is a higher cancellation rate for those members that choose an appointment date over two months into the future. These cancellations are more often than not the result of choosing a more available service channel such as the Call Center, email, or walking in and waiting for an available staff member to meet with them.

However, after looking at the current staffing levels and the current commitments of the Outreach section, we have determined that it is not feasible to increase the number of allotted appointment schedules at this time. Rather it is prudent to wait until we are able to fill current vacant positions so that we have enough staff on hand to ensure that increasing the number of allotted appointment schedules does not cause an unacceptable increase in the wait time for walk-in members or impose further difficulty in our ability to provide the various workshops we provides throughout the County. It is our estimation that we can realistically look at increasing the available appointment schedules in the next fiscal year – given we do not see any significant staff attrition.

As a by-product of this review we also feel it is prudent to revisit the way we measure success in serving our members. Currently we have an expectation that we will serve 100% of members within 8 minutes of arriving at the MSC. We feel this is an unrealistic goal and believe a more realistic and acceptable goal would be 80% of all members within 15 minute of arrival. Finally, we feel this metric should be a published metric that is included in the monthly CEO's report.

BACKGROUND

The MSC is staffed with retirement benefits specialists who provide face-to-face counseling to members and beneficiaries. Members are able to walk-in anytime

between 7AM and 5 PM, Monday through Friday, except holidays to sit with a retirement specialist and receive one-on-one counseling.

The Appointment Plus system was added in February of 2013 to allow members to make appointments for one-on-one counseling in the MSC, in-house Pre-Retirement workshops and Saturday Pre-Retirement workshops in the field. Our analysis only focused on the one-on-one counseling in the MSC.

Members access the Appointment Plus system through the main page of LACERA's website. Once accessed, a member can select an appointment from a calendar that shows the available dates and times for appointments. To set up an appointment, the member enters:

1. First and last name
2. E-mail address
3. Employee number or last 4 digits of their Social Security number

Other fields such as their address and comments are optional.

Once a member finalizes an appointment, a confirmation notice appears allowing the member to print and bring to the appointment. A confirmation notice is also sent to the e-mail address the member provided. If the member needs assistance setting an appointment, they can contact the Call Center to make the appointment.

One week before the appointment date, the system automatically sends a reminder notice of the appointment. The reminder notice requests the member contact us if they are unable to keep the appointment so it can be canceled. The Appointment Plus system does not currently support the ability for members to cancel appointments on their own. In order to cancel the appointment, the member must contact the Call Center.

When the member arrives for their appointment, staff asks the member if they have an appointment and highlights their name on the check-in sheet so that the specialists can give them priority over the walk-ins. Staff keeps a list of the appointments at the receptionist desk to verify the member's appointment. Throughout the day the receptionist will note whether the appointment arrived or did not show up to the appointment.

The Appointment Plus system is designed to set the frequency of appointments based on divisions within the hour. In other words, Appointment Plus system will allow various appointment increments in factors of 60 minutes. Appointments can be set for each hour, half-hour, 15 minutes, 10 minutes, 6 minutes, etc. Respectively, it would produce appointments each hour, 2 per hour, 4 per hour, 6 per hour, 10 per hour, etc.

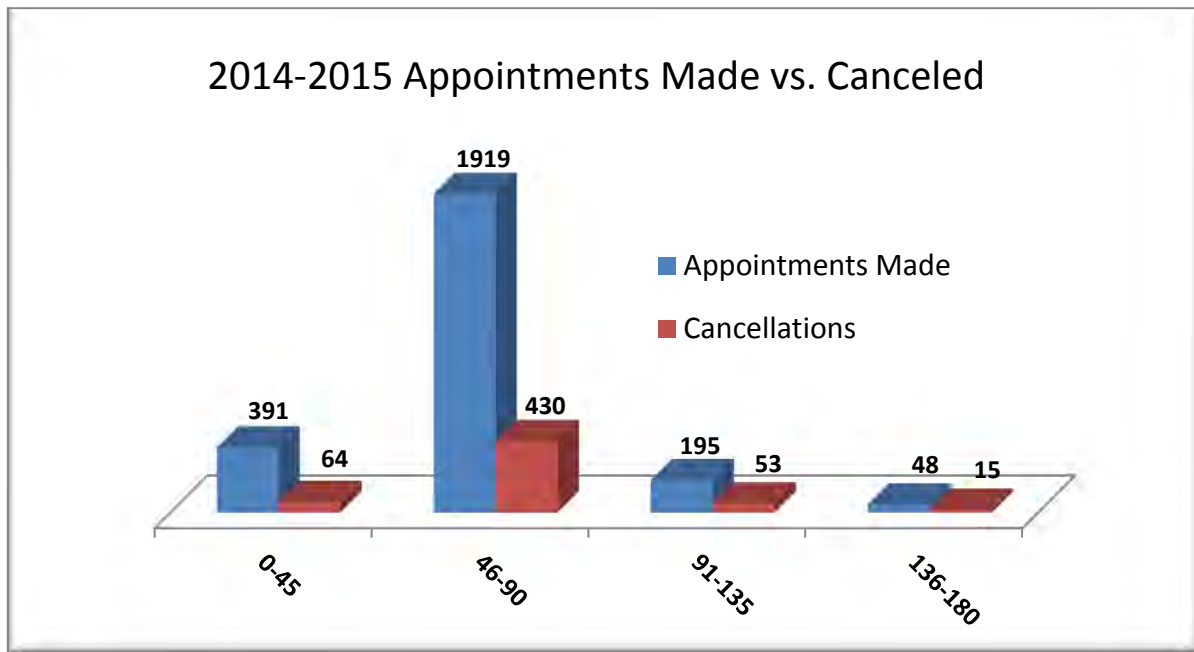
Initially the system was set up to allow an appointment each hour of the day except the last hour. This provided members with 9 appointments per day. Shortly after we

launched the system, we found that the lunch hour was much too busy to support appointments. Due to scheduling constraints, which we will address late in this memo, our available staff at peak times is reduced due to our own break and lunch requirements. Rather than reduce the number of appointments we continued to allow 9 appointments per day, except that the lunch hour was blocked out and the appointments could be made every half-hour.

Cancellations

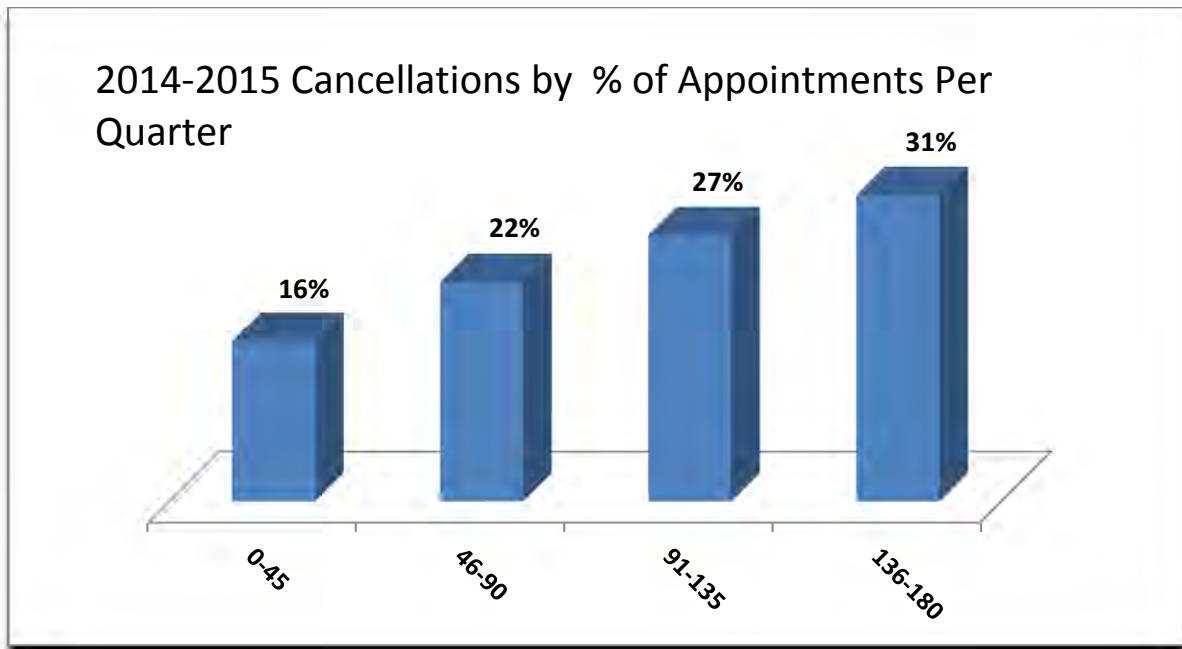
Members make appointments and cancel appointments for various reasons. For example, members may cancel because it no longer fits within their schedule, or they may cancel and reschedule for another date, or it is too far into the future and they need more immediate service, or they just chose a different service channel out of convenience.

The chart below shows the number of appointments made versus cancellations based on how far into the future the member was able to make an appointment. The system is set up to allow appointments up to 180 days in the future. The chart below breaks-up those 180 days into 4 quarters: 0 to 45 days, 46 to 90 days, 91 to 235 days, and 136 to 180 days.

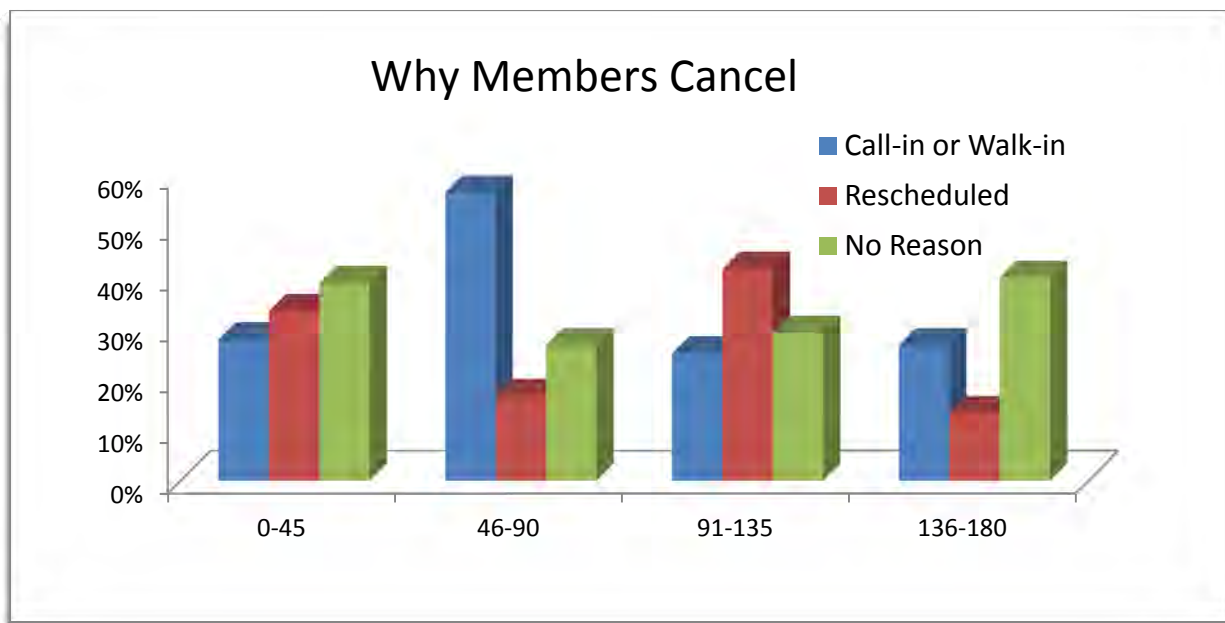


The chart shows that the most cancellations occurred between 46 and 90 days, with 430 members canceling overall.

By reviewing the data further, the chart on the next page shows that the percentage of cancellations per quarter increases the further the appointment is made into the future.



A review of the available comments left by staff when a member called in to cancel, confirms appointments were canceled because they either receive the information they need by calling the Call Center, visiting the MSC on a first-come first-served basis, or rescheduling an appointment. The chart below represents why members cancel.



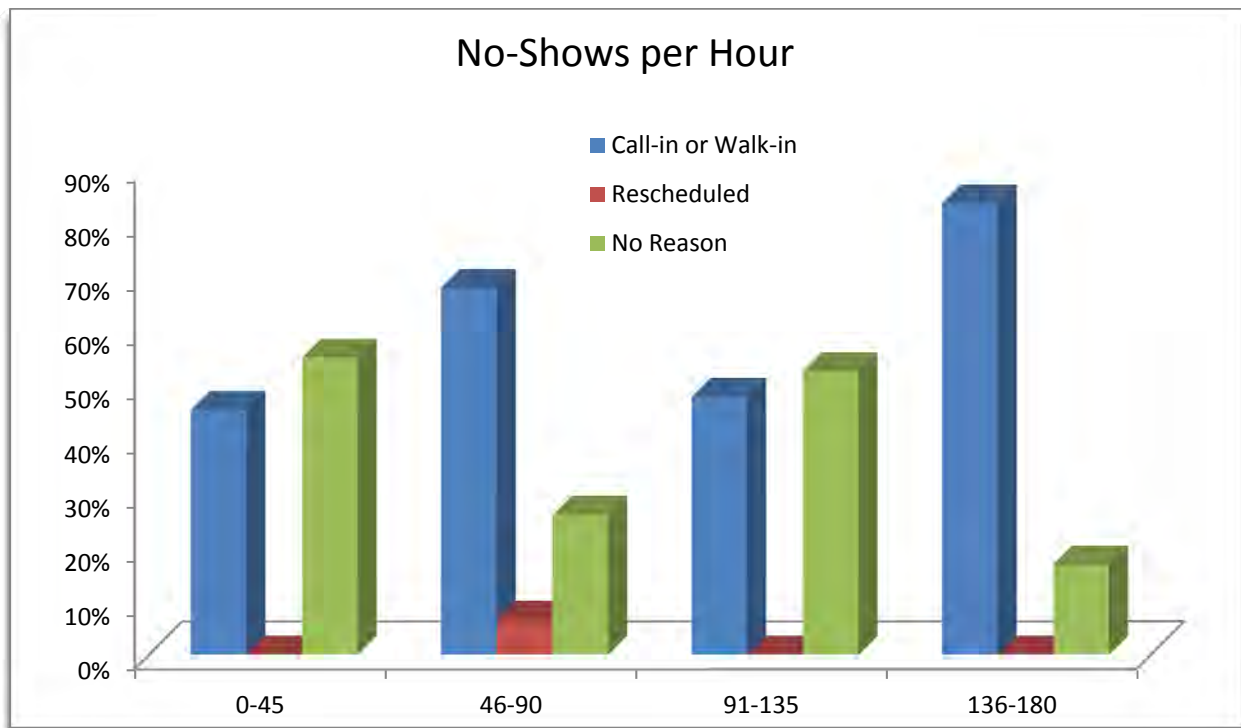
As mentioned earlier, the Appointment Plus system sends an e-mail reminder to the member one week before their appointment. Members under the category "No Reason" neither called nor visited the MSC despite receiving a reminder.

The greatest frequency of cancellations occurs in the 2nd quarter due to members selecting another service channel rather than wait for their appointment. It is important to note that appointments are currently booked 2 to 3 months into the future, which means that most members will make appointments during this quarter only because it is the earliest possible date available. This reveals that members who are making appointments at the earliest date possible prefer not to wait 2 to 3 months for that appointment and end up selecting a different service choice.

A member who makes an appointment that is further into the future (3rd quarter and 4th quarter) appears to be consciously choosing a future date. It would appear that many members making appointments in the 2nd quarter may have wanted service earlier than what was available despite making the appointment. This could explain why there were fewer cancellations due to a different service choice in the 3rd and 4th quarters than in the 2nd quarter.

No Shows

The chart below shows the number of members who make an appointment, but do not show up – called "no-shows". Based on the available data, it appears members who are no-shows are those that selected an appointment further into the future and who ultimately selected another service option.



Administration of Appointments Plus System

Appointments are currently set during the MSC's non-peak periods of operation to allow members with appointments to be served in a timely manner. Based on the chart below, the peak periods occur from 9:00 AM to 1:00 PM each day and with the most members concentrated between 10:00 AM to 12:00 PM



Staff's schedule plays an important part in determining the allotted appointment schedules. The appointments are available each half-hour. The appointments start at 7:00 AM and continue through 10:00 AM, then are offered again from 2:00 PM through 3:00 PM. Due to the need to provide breaks roughly in the middle of the first half of a staff member's shift, and the second half of their shift, and a lunch somewhere near the middle of their shift, there is a drop off in available staff during the peak visiting hours. We make an effort to spread out the break and lunch periods as much as possible by staggering start times to ensure we have as many staff available during our peak hours as possible.

In addition, we must account for other factors that affect the staffing levels to meet the needs of MSC appointments and walk-ins. It is important to take into account that staff is not always available to serve members throughout the day due to other business requirements and expectations. Staff must also have time to attend meetings and training sessions and perform other tasks. In addition, on any given day we will also have staff that are on scheduled vacation or who may call-out sick.

Outreach Staff Duties

The Outreach Section is currently budgeted for 17 positions: 12 Retirement Benefit Specialist III (RBS III) and 5 Retirement Benefit Specialist II (RBS II), each with specific functions. The RBS III staff's primary function is to perform workshops and benefit events in the field. This staff also performs case management of active death cases and ad hoc problem cases, services members in the MSC, and is back-up to the Call Center during excessively busy periods (when staffing levels permit). The RBS II staff's primary function is to serve members in the MSC and rotate through the receptionist desk duties throughout the day.

Due to staff retirements and internal promotions we currently have ten (10) Outreach staff positions filled, two MSC staff position filled, and a temporary receptionist. Our goal is to fill all the vacant positions with specialists so that the MSC can offer more appointments.

Primary and Secondary Tasks

Generally an employee who works an 8 hour day performs a number of duties throughout the day and is not available to meet with members the full 8 hour period. Staff must make sure their working area is neat, orderly and resupplied with the appropriate documents and applications, they have two 15 minute breaks, they are required to attend meetings, attend training, and perform many other secondary tasks that are equally important, but take away from their ability to perform the primary task 100% of the day.

Both the Member Service Center and the Call Center are post positions where work is "queued" before being "delivered to staff for processing". Using the Call Center workforce management system as an example, an employee will commonly perform their primary task about 70% to 80% of the day. That means that an 8 hour employee who performs their primary task 70% to 80% of the day, performs the intended primary task (talking to members) 5.6 to 6.4 hours of the day.

Outreach Field Events

As mentioned earlier, the primary function of the Retirement Benefit Specialists III in Outreach is to educate members on their retirement benefits through offsite events throughout the County. This staff is also responsible for serving members in the MSC and to perform case management.

To identify the amount of time available to Outreach staff while in the office to serve in the MSC, we identify how much fieldwork is performed, and then determine the amount of additional time spent on case management, and finally how much time remains for them serve members in the MSC.

The chart on the next page shows Outreach events throughout fiscal year 2014-2015. It shows the number of events staff performed and the time away from the office needed

to perform those events. When combined, the Outreach staff is away from the office a total of 374 days.

Days Spent Performing Outreach Events			
Event	# of Events	Time to Perform (Days)	Total
Benefit Event	147	1	147
Personal Counseling	4	½	2
New Member Presentation	203	½	101.5
Pre-retirement Workshop Field	49	½	24.5
Pre-retirement Workshop In-house	52	1	52
Midcareer presentations	14	½	7
General Information Session	16	½	8
Retiree Event	13	1	13
Home visit	19	1	19
Total Days			374

There were 250 working days in fiscal year 2014-2015 and currently ten (10) outreach staff. The 374 days amounts to 15% of the RBS III staff's day. The RBS III schedules must also be adjusted for case management and for the amount of time spent preparing for field events. We adjusted 10% for these additional duties for a total of 25%. If the RBS II staff can perform their primary duties 70% to 80% of the day, the RBS III staff is available to serve members in the MSC 55% to 65% of their work day.

This percentage is based on the current level of Outreach field events. The percentage of the day the RBS IIIs will be available depends on how many field events should be performed each year. Due to the unfilled positions, field events have been reduced to their current levels in effort to meet the increasing needs of the MSC.

Counseling Duration

The amount of time spent counseling members in the MSC is called the Counseling Duration. The Counseling Duration was 52.5 minutes per member on average for fiscal year 2014-2015, not including drop-offs.

Drop-Offs

The MSC actually has two "queues" to service members; one queue to service those members visiting for a one-on-one counseling session and one for Drop-offs.

Drop-offs at the receptionist desk have become a vital method for reducing the wait times. Members are served right away without the need for a counseling session. The reason for drop-offs is due to the member bringing in additional documents they were unable to provide during a prior counseling session. They return to the MSC simply to submit forms such as direct deposit, marriage or birth certificates, etc. These Drop-Offs

are not included in the calculation of the overall Counseling Duration as we treat them as a separate interaction. The result of the Drop-Off system is more members are served with little to no counseling duration added due to the short interaction with the receptionist.

The receptionist desk has become very popular and has become very busy at times. Bottlenecks began to occur when many members were dropping off documents while other members were trying to sign in. When this occurred, a specialist would assist the receptionist to help eliminate bottlenecks at the receptionist desk.

During the reconstruction of the MSC, we recognized that we could serve members at a faster rate by encouraging drop-offs. With that in mind, the MSC was built with two receptionists desks as a way to increase the number of drop-offs that can be received. During the closing of ARC at the end of 2012, as many as 8 staff from various divisions simultaneously worked in the receptionist area help expedite the large number of members dropping off their ARC requests just before the deadline.

Of the members served in the MSC, a very significant 26% of members drop off documents.

The Rate at Which Staff Can Serve Members in the MSC

The service level goal in the MSC is to serve 100% of the members in 8 minutes. The chart below shows the number of specialist needed to meet the goal versus the number of staff available (adjusted for the amount of time staff is available to perform their primary duty).

In order to determine the number of staff available, staff leveraged an ErlangC Excel spreadsheet calculator. It can be a powerful tool for estimating the number of staff needed to meet an intended service level, but it has its limitations.

The ErlangC calculation is a formula used as the root calculation methodology to determine staffing requirements based on duration and service levels in a Call Center (which is a queue based system). This formula, among others are used in computer software, such as the workforce management software used in LACERA's Call Center, that uses the most current data to project a more accurately tailored number of staff needed at any given part of the day to meet a set service level. The Call Center workforce management is able to use very specific experience data, and data based on staff schedules, actual days out of the office, out of the work area, and other valuable data that allows it to tailor the needs of the Call Center. In the 2014-2015 FY, Member Services began discussions with Systems to determine a method to leverage our current Avaya Call Center system for use at the MSC or to identify an appropriate queue management system that would allow us to forecast staffing needs and generate schedules more efficiently and accurately.

For this analysis, the 2014-2015 average annual data was used and manually entered into the ErlangC calculator. Using these adjustments to the ErlangC calculator, we were able to come up with a close match to our day-to-day experience in the MSC.

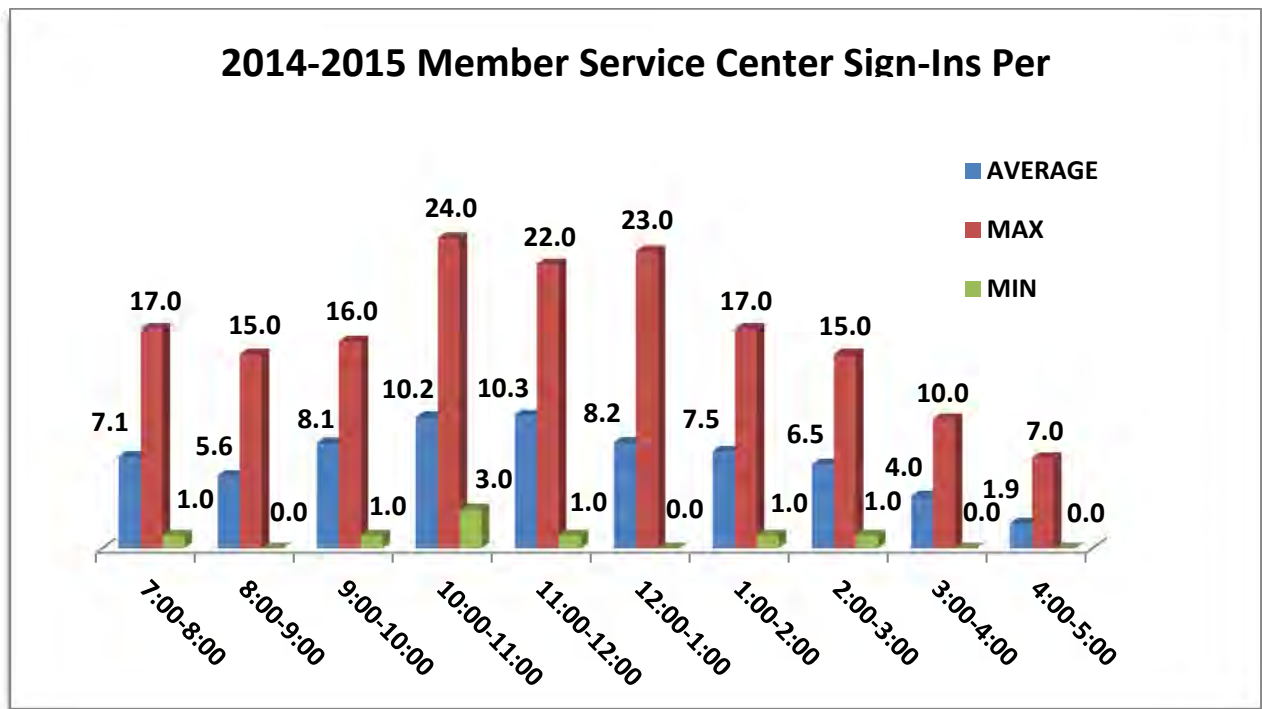
Variations in Member Visits per Hour

One of the challenges of serving members in a reasonable amount of time comes from the large variations in the number of members who visit the MSC on a given day at a given hour.

The annual hourly average for member sign-ins is 7 members per hour and the MSC is open 10 hours per day, from 7:00 AM to 5:00 PM. Our annual average is 69 members visit the MSC each day. The chart on the next page shows the average, minimum, and maximum number of members who visit the MSC per hour can vary greatly.

The highest number of members visiting during the fiscal year 2014-2015 occurred on April 27, 2015. Twenty-four members entered the MSC between 10:00 AM and 11:00 AM, far exceeding the number of members staff could serve in that hour. Incidentally, 17 additional members entered the next hour creating substantial wait times.

It is also important to point out that throughout the entire fiscal year, no less than 3 members visited between the hours of 10:00 AM and 11:00 AM.



Member Habits

LACERA has had a first-come, first-serve policy in the MSC (previously called the Public Counter) since inception. Members are accustomed to visiting the MSC at any

time during business hours. The Appointment Plus system has been available since February of 2013, and may be slowly changing member habits.

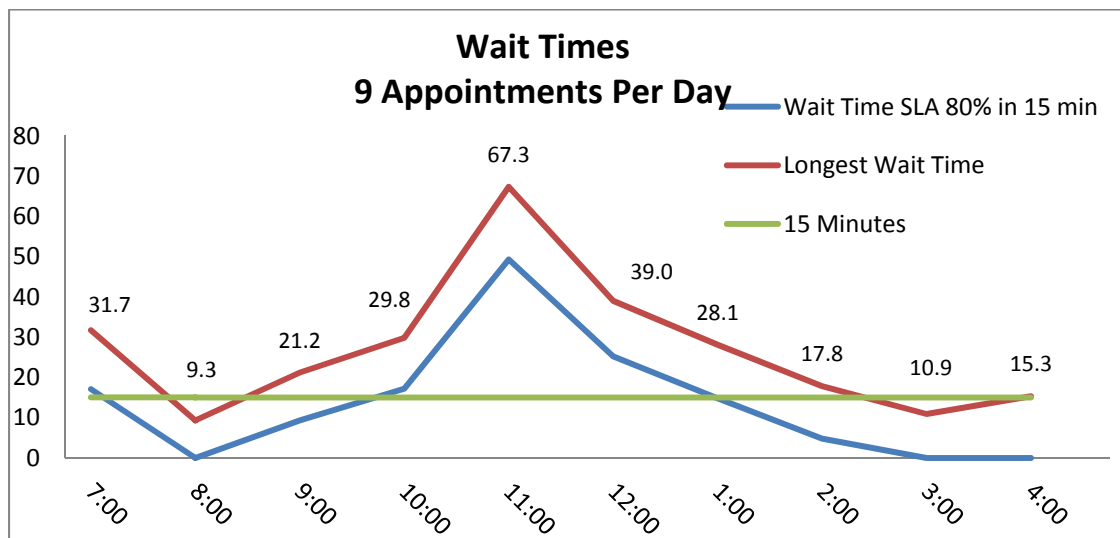
While it is changing, making significant changes to member habits to use the Appointment Plus system instead of choosing to visit on a walk-in basis will take time, possibly even years. We must consider that we still have a large population of retirees and survivors who do not use computers or are not adept to using new technology.

LACERA has always been an organization dedicated to providing our members with service channel choices on how they like to interact with us. There will always be a portion of our membership that will prefer the freedom to walk in at any given time. As time passes, and more members become accustomed to making an appointment, we may see a reduction in walk-ins and a steadier, more predictable flow of members visiting the MSC. If we increase the number of appointments we may see members being encouraged to make an appointment as the wait time increases.

Service Level

The service-level in the MSC has been 100% members served within eight (8) minutes for some time. As previously noted, there are large variations in the number of members who visit the MSC at any given time. As a result we don't expect to meet the service level every hour, or even every day. Consistent with other service level goals throughout LACERA we measure how well we do on a monthly basis.

The chart on the below shows the wait times throughout the day, based on current available staffing and the nine (9) appointments currently allotted. In the middle of the day the wait times far exceed the service level. The longest wait time is over one hour and occurs during the middle of the day when there are no appointments.



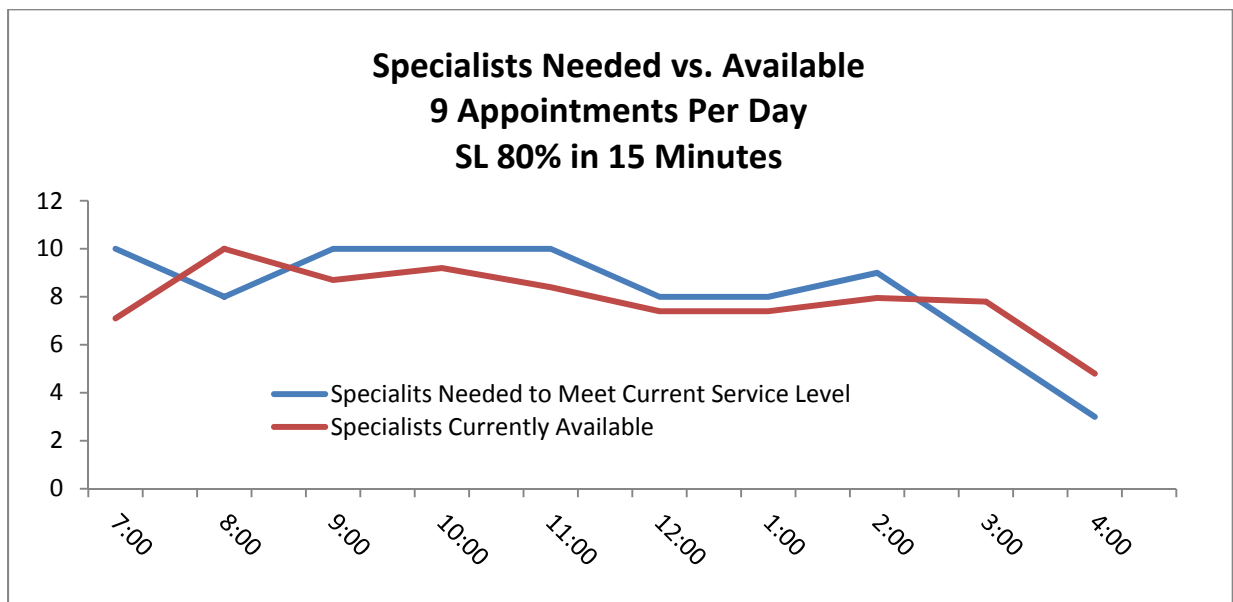
Currently the MSC Supervisors mitigate long wait times by also providing one-on-one counseling or assisting the receptionist. Although it helps to reduce long wait times it

limits staff's access to a supervisor and prevents the supervisor from performing their regular work duties of training staff, dealing with escalated member issues, monitoring performance, attending meetings, and many other vital tasks a supervisor must perform.

Based on our current wait time experience, it does not appear feasible to increase the number of appointments without also increasing the wait time.

However, the good news is that despite periods of the day where we have a long wait time, on average our wait time is close to 17 minutes. The 2014-2015 average annual wait time was 17.2 minutes.

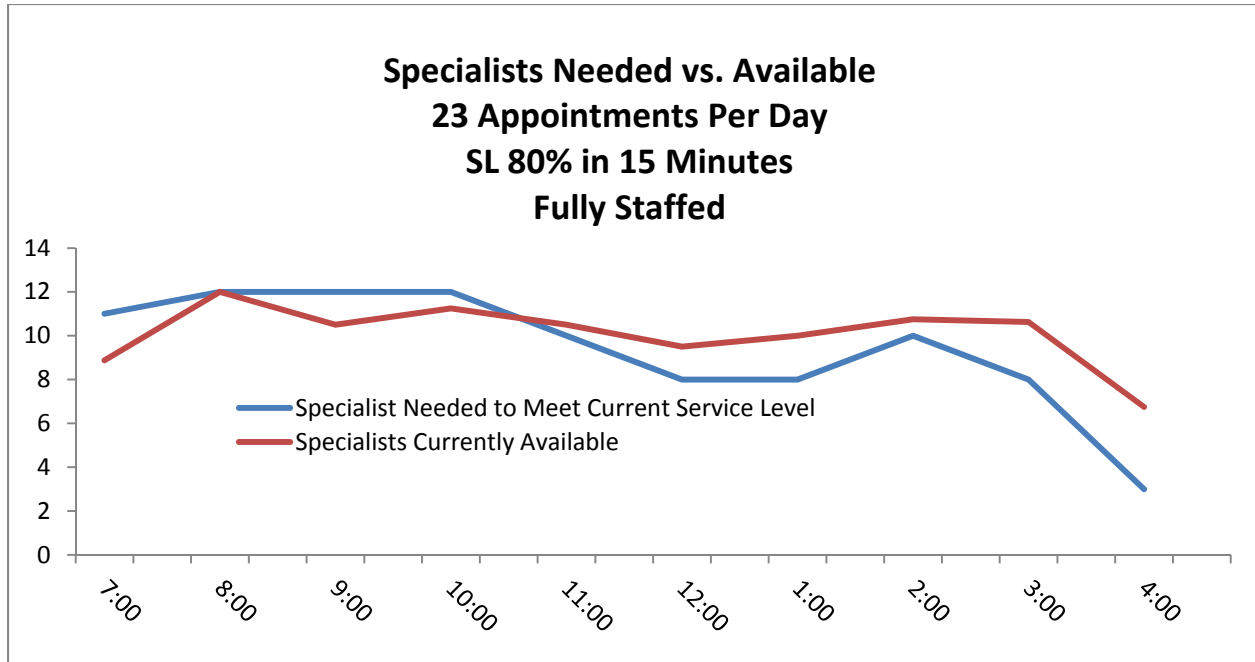
As part of our analysis of what we can support, we determined that a service level of 100% of all members within 8 minutes is unrealistic. After careful consideration of our expected capabilities and what is reasonable from a member perspective we believe it is reasonable to expect a service level of 80% in 15 minutes, meaning that 80% of members could expect to be served within 15 minutes of arrival. The chart below shows that the staff needed vs. the staff available to meet the MSC service level of 80% of members being served within 15 minutes.



We feel that going forward we can meet this goal based on current expectations and a fully staffed MSC.

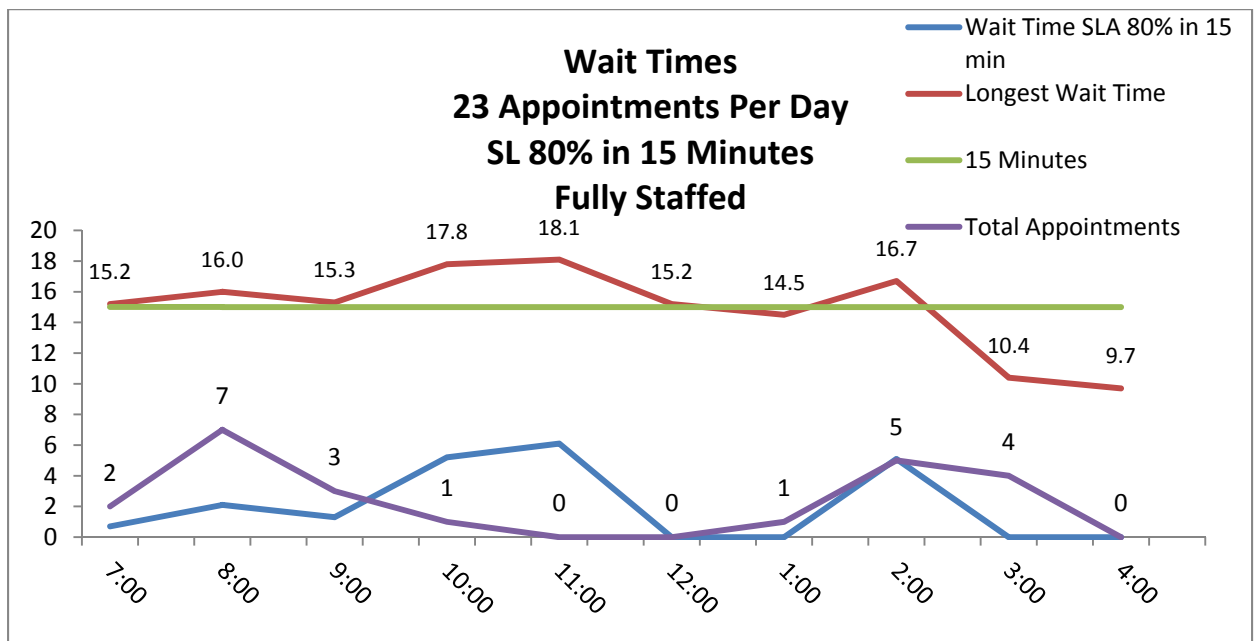
The Plan to Increase the Number of Appointments in the MSC

The Outreach Section is currently budgeted for 17 positions: 12 Retirement Benefit Specialist III (RBS III) and 5 Retirement Benefit Specialist II (RBS II). Once the Outreach Section is fully staffed, based on our analysis we believe the number of appointments could be increased by 14 appointments, from nine (9) to 23 per day without exceeding a service level of 80% of all members within 15 minutes.



As demonstrated by the chart above, by 8:00 AM all staff has arrived and are available to assist members. This is when we have the most staff available to serve members. Using this information, we can increase the number of appointments at 8:00 AM when the most staff is available.

The chart below indicates that once the Outreach Section is fully staffed, the appointments can be increased while serving members within the service level.



There are 400 appointments currently booked in the Appointment Plus system. By increasing the number of appointments to 23 per day, 82 members will be served per day on average instead of 69 members, an increase of 14 members per day.

Filling Open Positions

Throughout this analysis we have discussed being short staffed in the Outreach Section. Maintaining a fully staffed operation is a challenging undertaking due to retirements, internal promotions and a long, but very necessary, training period. LACERA has taken a holistic and coordinated approach across multiple divisions to try to estimate the number of new staff that needs to be hired in order to meet expected demands. However, this is an imperfect science as the estimates are based on trying to determine what staff is likely to retire or the number of staff who may move internally from one division to another in the next year to two years.

For example, our latest class is about to graduate and all of these trainees will backfill positions from staff that have left LACERA or have been promoted to other divisions. This is by design, as over a year ago we did our best to over hire and train in order to backfill these positions.

Like most other divisions the Member Services Outreach Division staff specifically trained to assist our members. We typically draw staff from either the Call Center or from other LACERA divisions where staff has completed the Core Benefits Training program (such as Benefits, Disability, Retiree Healthcare, etc.). As a result, we have to balance the staffing needs of all of these partner divisions so that they do not suffer any critical impact to their service levels. The final result is that we may not be able to pull staff to fully staff Outreach for some time.

The Executive Office recognized this bottle neck several years ago and took the necessary steps to increase the flow of newly hired and trained staff. With the support of your Board, LACERA built a new training center that will allow us to handle more than one class a fiscal year. This year we expect to have two classes. However, it will take time before we see the benefits of this expanded training effort.

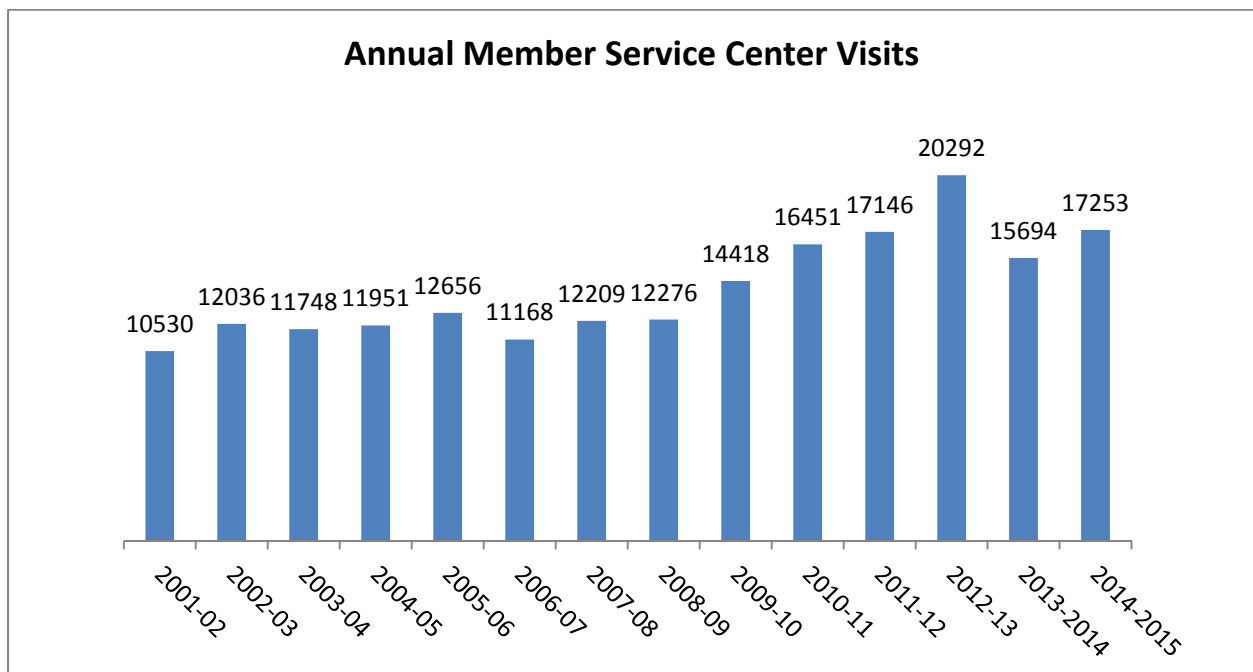
We are currently in the process of opening exams to promote staff to the RBS III position and to hire a new class to train for the RBS II positions. We hope to hire staff before the end of November 2015.

Member Service Center

In addition to staff availability there is a cap on how many staff we can accommodate in the MSC. The MSC was renovated in 2012, increasing the number of offices from 8 to 20. The office allows for 16 staff offices for counseling, two receptionist desks, two supervisors, one secretary, and one section head.

The MSC has 16 offices available for staff to serve members, and when fully staffed 17 staff who meet with members. The 17th position occupies the receptionist's desk. The five (5) RBS II staff is scheduled to rotate the receptionist duties throughout the day in order to ensure that someone staffs the front desk at all hours of the day. This means that the RBS II staff will need to share desks as one moves out of the receptionist desk and into a counseling office.

The following chart shows the number of visits over the last 13 years has increased from 10,530 members in fiscal year 2001-2002 to 17,253 members in 2014-2015. If the number of members visiting the MSC continues to increase, there may be a need to look for alternatives to serve more members without increasing the size of the office.

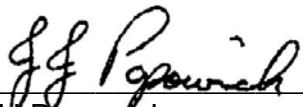


RECOMMENDATION

Therefore, we recommend the Operations Oversight Committee recommend to the Board of Retirement that they instruct the Division Manager of Member Services to do the following

1. Maintain the current number of appointment allocations until enough staff can be hired and trained so as not to increase wait times further, and increase appointment allocation to 23 per day once the division has filled at least 4 of the vacant staff positions – assuming no further attrition of staff.
2. Continue efforts to work with Systems staff to identify appropriate queue management and forecasting software for use in the MSC and report back to the Board on the progress of this effort as part of the Operations Oversight Committee briefing.
3. Increase the expected Service Level goal for wait time in the Member Service Center from 100% in 8 minutes to 80% of all members within 15 minutes of arrival. Service Levels should be measured monthly and reported to the Board as part of the monthly CEO's report. In addition, the Division will closely monitor the service levels in the MSC and continue identify adjustments to reduce the length of time members must wait for an appointment.

REVIEWED AND APPROVED





JJ Popowich
Assistant Executive Officer

FOR INFORMATION ONLY

September 1, 2015

TO: Operations Oversight Committee
Joseph Kelly, Chair
Yves Chery, Vice Chair
Anthony Bravo
Ronald Okum
David Muir, Alternate

FROM: Robert R. Hill, Assistant Executive Officer 
JJ Popowich, Assistant Executive Officer 

FOR: September 10, 2015 Operations Oversight Committee Meeting

SUBJECT: **LACERA OPERATIONS BRIEFING**

The purpose of this briefing is to share insights on staff activities, updates on goals, and discuss opportunities and/or concerns. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed

CA PUBLIC RECORDS REQUEST – 2015 TRACKING LIST

DATE RECEIVED	REQUESTER	DOCS REQUESTED
08-03-15	S. Marks, Individual	Requested audio and video recordings of the below listed Board and Committee meetings: Board of Retirement, July 9, 2015; Insurance and Benefits Legislative Committee, July 9, 2015; Operations Oversight Committee, July 9, 2015; and Audit Committee Meeting, July 15, 2015.
08-05-01	J. Hammond, RELAC	Monthly request of Benefit Approval List. <i>Transmitted via email list for July 2015, prepared for August 5, 2015 Board of Retirement Meeting.</i>
08-05-01	Los Angeles Sheriff's Department	Monthly request for Fire & Sheriff Retirement lists. <i>Transmitted via email monthly agenda reports for August 5, 2015. Date run July 30, 2015.</i>
08-07-15	F. Massey	Monthly request for BOI Packages for the month of August. <i>Information sent via U.S. mail.</i>
08-07-15	R. Spare	Requested BOI Packages for the month August. <i>Information sent via U.S. mail.</i>
08-07-15	J. Peterson, IPE	Requested Board meeting documents that relate to Agenda Items: <u>F.</u> Real Estate Consultant Search Update and <u>G.</u> Personnel Departures at TA Realty. <i>Transmitted via email July 23, 2015 Memo to BOI re Real Estate Consultant Search Update and July 28, 2015 Memo to BOI re TA Realty.</i>
08-07-15	N. Ringgold, Attorney	Requested information on retirement contributions from 1993 to present for former Superior Court Judge T. J. Hatter and former Municipal and Superior Court Judge G. H. Wu. <i>Response via email that after performing a search of member database we were unable to locate any information relating Judges Hatter and Wu.</i>
08-11-15	G. Chung, FIN	Requested BOI Packages for the month of August. <i>Information transmitted via email.</i>
08-11-15	K. Kansal, Individual	Requested quarterly performance reports for Private Equity, Real Estate, Infrastructure and Hedge Funds. <i>Transmitted via email Portfolio Investment Reports dated Dec. 31, 2011; June 30, 2012; Dec. 31, 2012; June 30, 2013; Dec. 31, 2013; June 30, 2014; and Dec. 31, 2014.</i>
08-11-15	D. Kushner, Individual	Monthly request. Requested DVD copy of Board of Investments and all Committee Meetings held on August 12, 2015. Also requested electronic copy of all materials at meetings, including Green Folder items. <i>Executive Office submitted via email BOR and BOI Agenda packages. Legal Office sent via U.S. Mail response letter with DVDS for BOI, Equity Public-Private Committee and Portfolio Risks meeting.</i>

CA PUBLIC RECORDS REQUEST – 2015 TRACKING LIST

DATE RECEIVED	REQUESTER	DOCS REQUESTED
08-12-15	A. Sareen-Tak, Money Mgmt Intelligence	<p>Requested documents on new asset allocation. Questions:</p> <ol style="list-style-type: none"> 1. Why did plan choose the "current standard deviation – 100 bps plan"? 2. Why create the "other" category now? <ol style="list-style-type: none"> a. Provide clarity on why "other category" would not be called "Real Assets." b. What is timeline to allocate the "other" category? c. Does this category target leverage strategies? <p><i>Response transmitted via email:</i> <i>Answer to 1: Does not have record why BOI made that choice. Observation that it was lowest risk portfolio among choices presented by Wilshire</i> <i>Answer to 2: Category was created to encompass investment strategies that do not fit neatly into LACERA's existing asset classes.</i> <i>Answer to a.: Category is intended to be more broad than Real Assets.</i> <i>Answer to b.: Time-line has not been published; an implementation plan will be presented at Oct. board meeting.</i> <i>Answer to c.: No reference to leverage in the cover memo. Investment parameters for this category will be provided at Oct. meeting.</i> <i>Transmitted via email Aug. 4, 2015 BOI memo re 2015 Asset Liability Valuation: Selection of Optimal Portfolio and Wilshire Asset Liability Valuation dated Aug. 12, 2015.</i></p>
08-12-15	S. Yamazaki, University of Wisconsin-Eau Claire	<p>Inquired: How much of the asset allocations are for alternative equity? How much are policy and how much are actual invested into alternative equity? (In percentage and/or dollar amount). What is difference between policy and realty? (In percentage and/or dollar amount.) What are specific investments of those alternative equity investments?</p> <p><i>Transmitted via email</i> <i>Wilshire Report on LACERA Asset Liability Valuation dated Aug. 12, 2015; LACERA's Q4 2014 Private Equity Holdings, and May 27, 2015 BOI Memo re 2015 1st Q Hedge Fund Performance Report.</i></p>
08-13-15	Lim, D.	<p>Requested memos from BOI meeting of August 12, 2015. <i>Transmitted via email response: Aug. 2, 2015 BOI Memo re Private Equity H2 2015 Strategic Planning; Private Equity Co-Investments, LACERA Board of Investments - Equity Subcommittee dated Aug. 12, 2015; Aug. 5, 2015 BOI memo re Private Equity Partnership Terms and Conditions; July 29, 2015 BOI Memo re Audit of Private Equity; Aug. 3, 2015 BOI Memo re Private Equity Co-Investments; Aug 3, 2015 BOI Memo re Australis Partners Fund, LP; Aug.4, 2015 BOI Memo re 2015 Asset Liability Valuation: Selection of Optimal Portfolio.</i></p>

CA PUBLIC RECORDS REQUEST – 2015 TRACKING LIST

DATE RECEIVED	REQUESTER	DOCS REQUESTED
08-17-15	G. Chung, FIN	Question if all items were approved as presented at the BOI meeting. <i>Response submitted via email: Yes, all items were approved. Re item related to asset allocation: LACERA's BOI selected the portfolio labeled "Current Standard Deviation – 100 bps."</i>
08-17-15	S. Caiazza, VCERA	Requested current Travel Policy and guidelines for reimbursement for Board and Staff. <i>Transmitted via email LACERA Education and Travel Policy.</i>
08-18-15	A. Mills, Pitchbook Data, Inc.	Requested quarterly public records from Q3 2011, Q42014, Q1 2015 and Q2 2015 at the partnership level. <i>Transmitted via email Dec. 31, 2014 LACERA RE holdings; Q2 2014 LACERA PE holdings; Q\$ 2014 LACERA PE holdings, and Hedge fund Performance Report 1st Qtr 2015 LACERA HF holdings.</i>
08-19-15	G. Chung, FIN	Requested LACERA emerging manager reports as of June 30, 2015 for Northern Trust and FIS. <i>Transmitted via email FIS Reports re Total Market Value and Northern Trust Reports re Total Market Value.</i>
08-19-15	G. Chung, FIN	Status information request re General Investment Consultant RFP. <i>Response transmitted via email: Currently in interview phase, final decision expected in fourth quarter.</i>
08-24-15	T. Sturrock, Fund Fire	Requested BOI docs for Aug. 12, 2015 meeting. <i>Transmitted via email Notice of Meeting and Agenda re Special Meeting of the Equity: Public/Private Committee and Board of Investments and Notice of Meeting and Agenda re Special Meeting of the Portfolio Risk Committee and BOI.</i>
08-26-15	E. Lee, PERE	Requested supporting documents for Item F., Real Estate Consultant Search and Item G. Personnel Departures at TA Realty. <i>Transmitted via email July 23, 2015 BOI Memo re Real Estate Consultant Search Update on Board authorizing Staff to issue RFP for Real Estate Consultant and July 28, 2015 BOI Memo re TA Realty on unexpected personnel departures.</i>
08-28-15	M. Zachariason, IPREO	Requesting recent and complete portfolio. Information is being prepared.

LACERA's Process Management Group

The Origin and the Mission

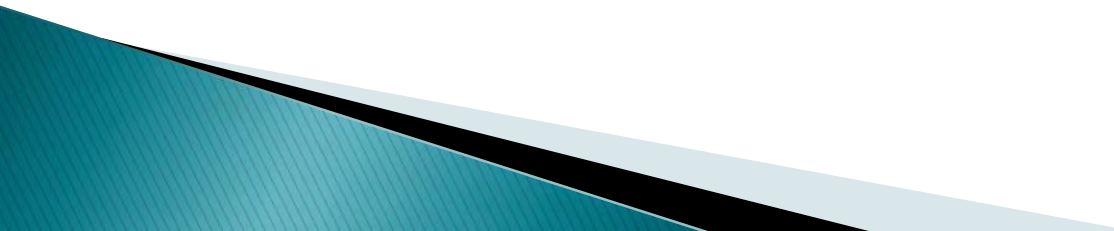


Our Origin

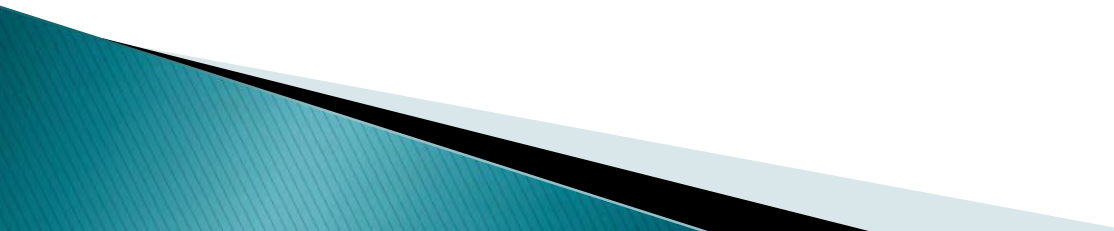
Established within our Benefits Division as a vehicle to centralize and standardize process documentation and oversight functions

Our Mission

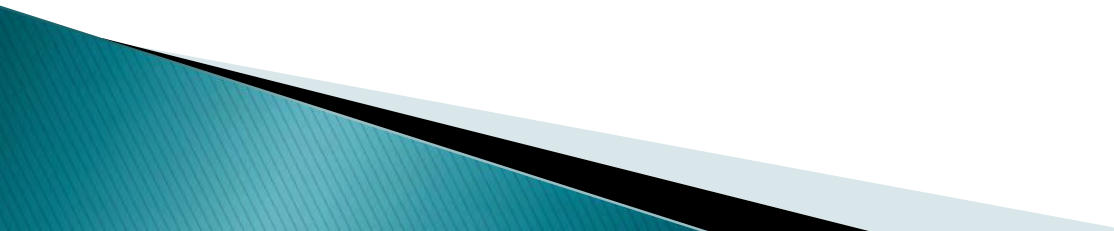
Harmonize process documentation with our strategic partners throughout LACERA:

- ▶ Quality Assurance & Metrics
 - ▶ Member Services
 - ▶ Systems
 - ▶ Internal Audit
 - ▶ Communications
- 

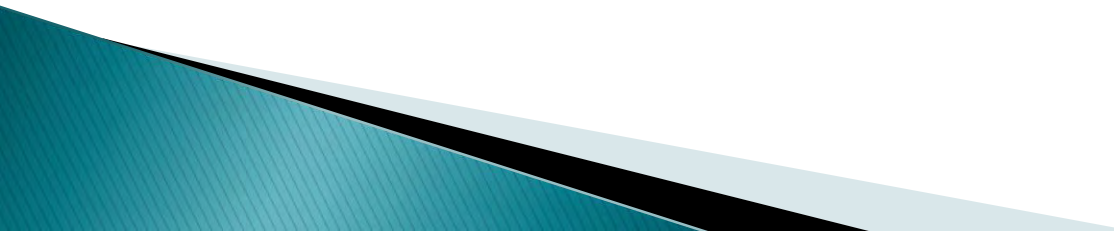
Return to Work Project

- ▶ What is meant by “return to work” as it pertains to this project?
 - ▶ Who is affected?
 - ▶ Why purchase additional service credit?
- 

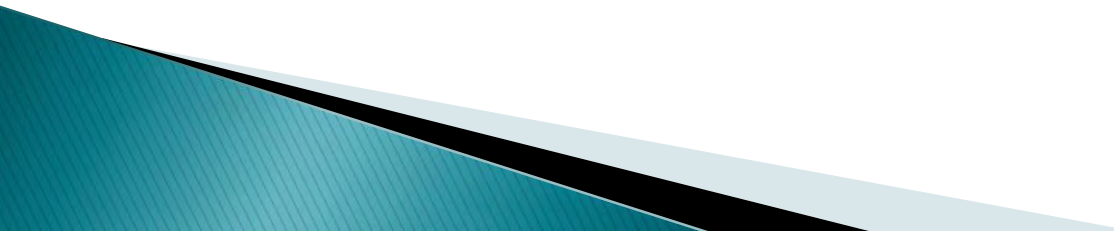
What is SWOP?

- ▶ SWOP = Sick without Pay
 - ▶ May purchase up to 12 consecutive months
 - ▶ Must return to work
 - ▶ Cost = Contributions + Interest
- 

Military Service

- ▶ Separate from purchase under BOR Regulations
 - ▶ Active LACERA member
 - ▶ Called into active military service
 - ▶ Must return within 1 year of discharge
 - ▶ Cost = Contributions only
- 

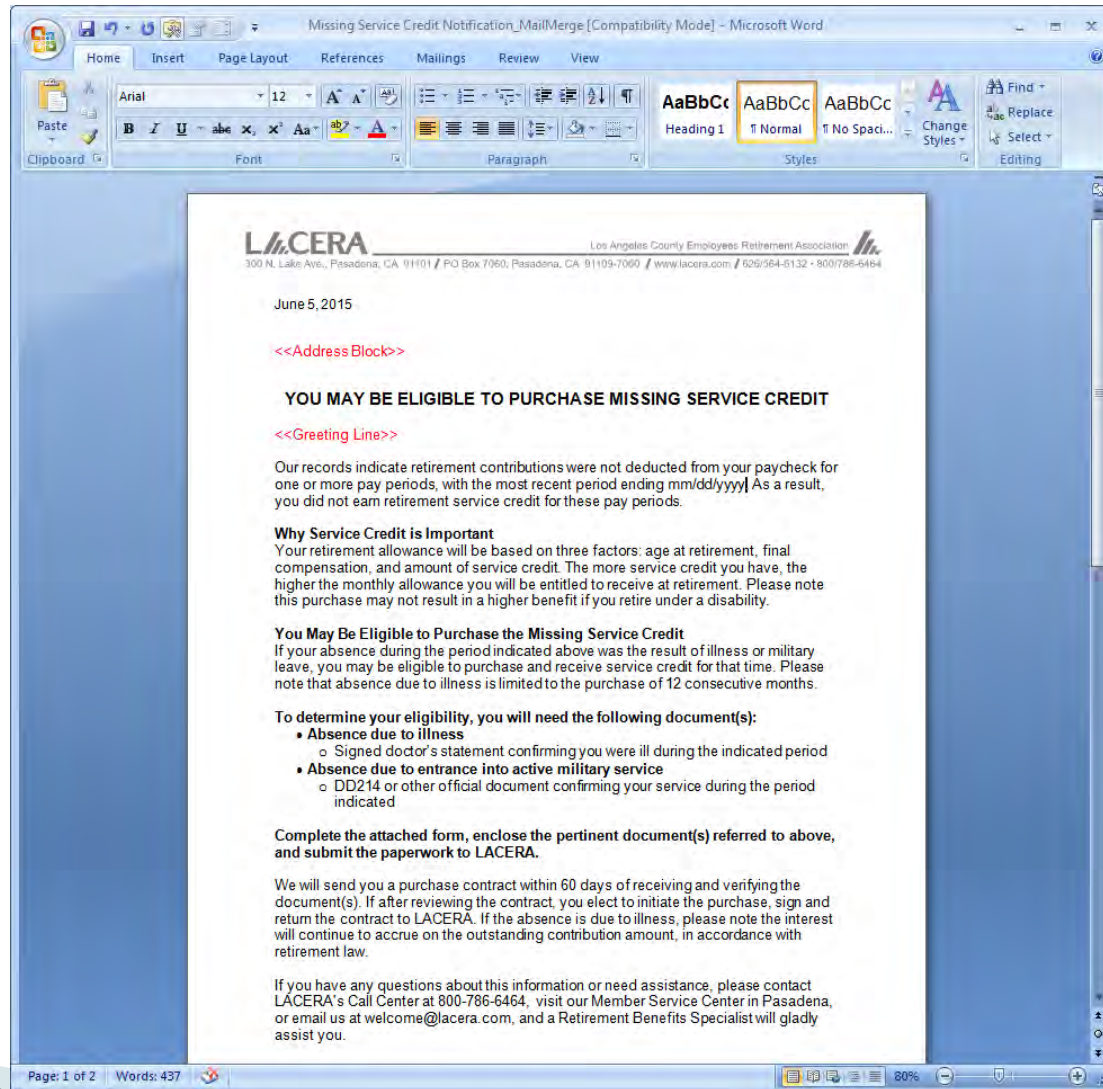
Sample Cost Determination

- ▶ Member was out sick from 7/1/1995 – 12/31/1995 (6 months)
 - ▶ Total cost as of today = \$4,500
 - ▶ Missing contributions = \$1,000
 - ▶ **Interest = \$3,500**
- 

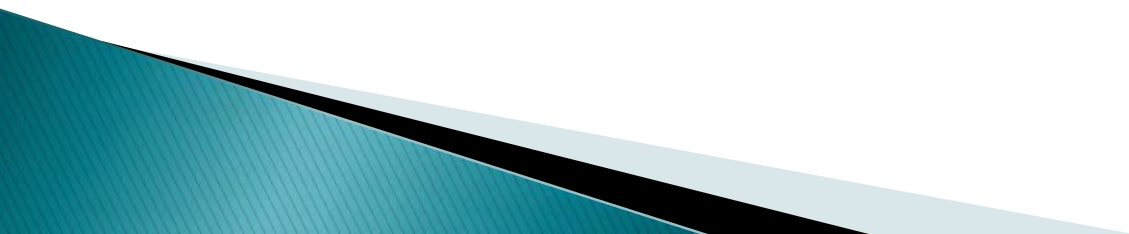
Solution

- ▶ Identify members who return to work following a period of absence
- ▶ Proactive Notification Letter
 - Explains benefits of purchasing service credit
 - Explains LACERA's requirements

Sample Letter



Questions





2015

HR CONFERENCE

RETIREMENT EMPOWERMENT

BY: JEANNINE SMART
CHIEF OF COMMUNICATIONS



**WHAT IS
THE HR CONFERENCE?**

**WHY DO
WE HAVE IT?**

**WHO
ATTENDS?**

**Agricultural
Commissioner/
Weights &
Measures**

**Assessor
Health
Services**

Sheriff

CEO

**County
Counsel**

**Children &
Family Services**

DHR

**Mental Health
Services**

Probation

**Parks &
Recreation**

**Public
Defender**

**Public
Health**

**Public Social
Services**

**Public
Works**

**Regional
Planning**

BOS

**Registrar-
Recorder/Coun-
ty Clerk**

ISD

**Superior
Court**

Agricultural
Commissioner/
Weights &
Measures

Assessor
Health
Services

Sheriff

CEO

County
Counsel

Children &
Family Services

DH
Mental Health
Services

Probation

Parks &
Recreation

Public
Defender

Public
Health

Public Social
Services

Public
Works

Regional
Planning

BOS

Registrar-
Recorder/Coun
ty Clerk

ISD

Superior
Court

19

DEPARTMENTS



LACERA

Sharing our Changing Times

LACERA

World of Resources

LACERA

Reinforcing Our Foundations

LACERA

Introduction

LACERA

RETIREMENT

LACERA

Retirement Empowerment

LACERA

TIMING IS

LACERA

ION,
LLABORATION

ASK LACERA

WE'VE GOT ANSWERS!



Topics include:



Members

Topics include:

- Retiree Reinstatement
- Retiree Healthcare 101
- Retirement and Age 70 ½
- Outreach Home/Hospital Visit
- Protecting Our Members' Data
- Disability Overview: Salary Supplements
- Retirement Misconceptions Interactive Game
- PEPRA Felony
- Retirement University: Options

HR Conference Showtime



Conference Attendee Stats:

- 51 Attendees – August
- 55 Registered – October
 - 22 – Wait List for October
- 3rd event in December?
- **Yes, we are holding a 3rd HR Conference on Wednesday, December 16th.**

Conference Attendee Stats:

- Department of Children and Family Services



Over 200 people signed up!?!?

Conference Attendee Stats:

- 18 First-Time Attendees
 - Our 11th HR Conference
- Attendees' Human Resource Work Specialty:
 - New Hire
 - Retirement Process
 - Return to Work
- 31 Out of the 39 Feedback Forms:
 - Excellent!
 - 8 = Good

Q: What did you learn today that you'll be able to apply to your job?

Felony

**Home
Visits**

**RHC
Benefits**

**Salary
Supplement**

Age 70 ½

Disability

Reinstatement

Quotes:

“All topics were beneficial.”

“I learned new things.”

“The Retirement University was excellent.”

“Retirement situations, options and retiree healthcare were very informative.”

“I learned more about retiree healthcare.”

“Thank you!”

Next year – separate tracks?

- I like it = 23
- Interesting = 18
- Not a good idea = 2

BEST **CONFERENCE EVER**



- Great audience engagement
- Interesting topics
- Lots of great questions
- LACERA staff were polished and professional
- Nice mix of presentation formats

Conference Attendees' Selfies



The Magic of the HR Conference

- Felony presentation
- One of our attendees processes the felonies for the Department of Human Resources (DHR)
- He had no idea what happened once his work arrived at LACERA ... now he knows!



2016

- Separate tracks per HR specialty?
- 3 conference dates?
- Longer day?

We successfully connected with our employer



+



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