

LIVE VIRTUAL COMMITTEE MEETING

*The Committee meeting will be held following the Board of Retirement meeting scheduled prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing PublicComment@lacera.com. If you are requesting to speak, please include your contact information, agenda item, and meeting date in your request.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com no later than 5:00 p.m. the day before the scheduled meeting.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

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

WEDNESDAY, APRIL 7, 2021 - 9:00 A.M.**

This meeting will be conducted by the Operations Oversight Committee by teleconference under the Governor's Executive Order N-29-20.

Any person may view the meeting online at
https://members.lacera.com/lmpublic/live_stream.xhtml

*The Committee may take action on any item on the agenda,
and agenda items may be taken out of order.*

COMMITTEE MEMBERS:

Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of March 3, 2021

II. PUBLIC COMMENT

(You may submit written public comments by email to PublicComment@lacera.com. Please include the agenda number and meeting date in your correspondence. Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.)

You may also request to address the Boards. A request to speak must be submitted via email to PublicComment@lacera.com no later than 5:00 p.m. the day before the scheduled meeting. Please include your contact information, agenda item, and meeting date so that we may contact you with information and instructions as to how to access the Board meeting as a speaker.)

III. REPORTS

- A. LACERA Operations Briefing
JJ Popowich, Assistant Executive Officer
- B. Vacant Positions and Hiring Plan
Carly Ntoya, Ph.D.
Director, Human Resources Division
- C. IT Plan: New Hires, Vacancies, Current Job Searches,
Future/Ongoing Projects
Kathy Delino, Interim Information Systems Manager
- D. Overview of the Quality Assurance and Metrics Division
Quality Auditing Program
Bernie Buenaflor, Chief, Quality Assurance & Metrics Division
- E. Mass Communication to Members
Cynthia Martinez, Chief, Communications
Allan Cochran, Division Manager, Member Services
- F. Semi-Annual Report of Member Services
Allan Cochran, Division Manager, Member Services
- G. Privacy Incident: Personally Identifiable Information
Elsy Gutierrez, Supervising Administrative Assistant
(Memo and Attachments Exempt from Public Disclosure
California Public Records Act, Cal. Gov't Code § 6254(c), (k)
Brown Act, Cal. Gov't Code § 54957.5(a))

IV. ITEMS FOR STAFF REVIEW

V. GOOD OF THE ORDER

(For information purposes only)

VI. EXECUTIVE SESSION

- A. Potential Threats to Public Services or Facilities
(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Systems Division Interim Manager Kathy Delino, Chief Information Security Officer Bob Schlotfeld, and Other LACERA Staff.

VII. 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.

Requests for reasonable modification or accommodation of the telephone public access and Public Comments procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email PublicComment@lacera.com, but no later than 48 hours prior to the time the meeting is to commence.

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

WEDNESDAY, MARCH 3, 2021, 12:00 P.M. – 2:07 P.M.

This meeting was conducted by the Operations Oversight Committee by teleconference under the Governor's Executive Order No. N-29-20.

COMMITTEE MEMBERS

PRESENT: Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins

ABSENT: Vivian H. Gray, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
Elizabeth Ginsberg (*left at 1:10 p.m.*)
JP Harris
Wayne Moore
William Pryor

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Mary Arenas, Quality Auditor
James Beasley, Supervising Administrative Assistant
Richard Bendall, Chief Audit Executive
Bernie Buenaflor, Chief, Quality Assurance & Metrics
Leisha Collins, Principal Internal Auditor
Kathy Delino, Interim Systems Division Manager

STAFF, ADVISORS, PARTICIPANTS (Continued)

Ted Granger, Interim Chief Financial Officer
Christina Logan, Principal Internal Auditor
Bob Schlotfeld, Chief Information Security Officer
Gabriel Tafoya, Senior Internal Auditor
Roberta Van Nortrick, Training Coordinator

The meeting was called to order by Chair Kehoe at 12:00 p.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of February 3, 2021

Mr. Okum made a motion, Mr. Santos seconded, to approve the minutes of the regular meeting of February 3, 2021. The motion passed unanimously.

(Mr. Robbins arrived after the vote had been taken on the minutes.)

II. PUBLIC COMMENT

III. REPORTS

A. LACERA Operations Briefing
JJ Popowich

Mr. Popowich presented the monthly briefing on LACERA's operations, including the status of the Strategic Plan Goals and Operations Improvement Initiatives, progress on the "100-Day Management Report," and an update on other projects.

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

III. REPORTS (Continued)

B. Overview of the Quality Assurance and Metrics Division Internal Operating Principles

Bernie Buenaflor, Chief, Quality Assurance & Metrics Division

Mr. Buenaflor introduced the Quality Assurance and Metrics Division (QA) new Internal Operating Principles, which highlight recent developments in:

- Auditing, including updated methodologies and audit scope
- Training, including initiatives in multimedia training, Advanced CERL Education (ACE), Account Certification Training (ACT), refresher/ad hoc training, and training for QA staff
- Metrics development and utilization

C. Overview of the Technical Training Program of the Quality Assurance and Metrics Division (QA)

Bernie Buenaflor, Chief, Quality Assurance & Metrics Division

Mary Arenas, Quality Auditor

Mr. Buenaflor shared an informational overview of QA's training programs and insights into the Division's training vision and strategic direction. Ms. Arenas gave a presentation highlighting key topics:

- The four technical training programs administered by QA for LACERA staff
- The current structure of the training programs
- QA's strategic goals to promote an eLearning environment

D. Los Angeles County Superior Court Funding of OPEB Trust-Update

Ted Granger, Interim Chief Financial Officer

Mr. Granger presented information regarding the Los Angeles County Superior Court's funding of the Court's OPEB Trust and the Retiree Healthcare Benefits Program.

E. Business Continuity Tabletop Exercise Results

James Beasley, Supervising Administrative Assistant

Roberta Van Nortrick, Training Coordinator-Project Manager

Ms. Van Nortrick and Mr. Beasley presented the results of the Business Continuity Plan (BCP) tabletop exercise. The tabletop exercise is designed to evaluate the effectiveness of the BCP, including implementation of established procedures and policies directing staff how to act and react in a crisis, training staff on roles and responsibilities, identifying deficiencies to be addressed, and creating action items to strengthen areas of weakness in the BCP.

IV. ITEMS FOR STAFF REVIEW

There was nothing to report.

V. GOOD OF THE ORDER

(For information purposes only)

VI. EXECUTIVE SESSION

- A. Potential Threats to Public Services or Facilities
(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Systems Division Interim Manager Kathy Delino, Chief Information Security Officer Bob Schlotfelt, and Other LACERA Staff.

VII. ADJOURNMENT


The meeting adjourned at 2:07 p.m.

***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.**

FOR INFORMATION ONLY

March 29, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

FROM: JJ Popowich, Assistant Executive Officer 

FOR: April 7, 2021 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, including the status of our Strategic Plan Goals and Operations Improvement initiatives. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive Operations Oversight Committee (OOC) presentation. The report is broken down into three main sections: Update on Current Strategic Plan Goals, Update on Other Projects, and updates on our progress meeting the goals and recommendations called for under the CEO's "100-Day Management Report to the Trustees of the Board of Retirement and Board of Investments."

Update on Our Focus on Strategic Plan Goals and Operations Improvement

The Workgroups focusing on the top four Strategic Plan goals continue to meet regularly to move our goals forward. Here is a summary of the status of their efforts:

- **Case Management Capabilities:** The mid-year budget amendment was adopted by the Boards in early December 2020. Our Systems Project Management Office continues to hold a series of product demonstrations from potential vendors, the most recent being held the week of March 22nd. These demonstrations allow staff from multiple divisions with unique needs an opportunity to rate the vendors against product criteria identified during the requirement development stage. The project team has been collecting feedback on what they viewed, which will help the development team determine what package may work best for LACERA's use.

- **LACERA.com Redesign:** There are no new updates for this project, except that we are continuing to work toward our planned July 2021 launch.
- **Retirement Estimate Redesign Project:** The new Retirement Application and Summary is on hold pending the re-opening of the Member Service Center (MSC). Once the MSC has been re-opened, we will review our project timeline and set a date to begin beta testing the new form.

Phase II of this project will be to develop the on-line election process. We will set a deadline for the completion of Phase II as we near the end of Phase I.

- **PEPRA Implementation:** This workgroup continues reviewing all the progress made to date on the implementation of the Public Employees' Pension Reform Act of 2013 and subsequent updates to the act passed since then. The Workgroup's main focus is on efforts by the Auditor-Controller's (AC) office to address the issue with the County payroll codes. As you may recall, for LACERA to readily assess what portion of an employee's total compensation is pensionable or not, the payroll code 099 must be made more transparent so it is easier to identify the pay codes that are embedded in this code. Accordingly, LACERA has requested this information from the AC.

The AC has completed their programming of the County's payroll system. Quality Assurance, the Benefits Process Management Group (PMG), and Systems have completed their testing of the files the AC provided to LACERA. The changes must allow LACERA to identify and systematically remove all non-pensionable payroll items from the reported actual earnings. The team has prepared a report for the Executive Office to review the results of their testing and findings. The memo is currently under review and it is expected the team will meet with the Executive Office sometime in April or May to determine our next steps.

The delay in systematically identifying these embedded payroll codes impacts our ability to efficiently process retirement estimates and elections for this March Madness season. Rather than processing these estimates and elections through our pension system, each of these must be processed manually. Manual processing can take anywhere from four hours to more than a day to complete as each payroll period must be reviewed and adjusted to ensure only pensionable pay items are included in the Final Average Compensation (FAC). This could mean some delays paying members if we see a significant number of PEPRA retirement elections. The Member Operations Group continues to monitor the situation and take whatever proactive steps we can to mitigate any impacts on our members.

There are no new updates on the Workgroup focusing on the redesign of the Annual Benefit Statement (ABS). Our current statement only supports legacy plan members and is not supported for PEPRA members. Considerable progress was already made on the redesign efforts by the Communications team. We are working to get a better timeline when we can bring an RFP to the Operations Oversight Committee.

Update Progress on the “100-Day Management Report to the Trustees of the Board of Retirement and Board of Investments”

This section will discuss some of the efforts in place to move forward on the recommendations in the 100-Day report. It may not address all progress, but will focus on certain goals.

- **Business Metrics:** We continue to make progress on the development of a metrics and data driven management process for the Member Operations Group. Staff members who process member requests follow a process designed to capture the amount of time spent on each work object. This data, along with the number of work objects received and processed, will provide valuable insight into our operations and help us make informed business decisions, forecast resource requirements more accurately, and target efforts to improve our operations.

In an effort to move this project along more quickly, the team set up a daily meeting schedule as they work to address some of the roadblocks that delayed implementation of the program. The daily focus has allowed them to make significant progress. At the same time, the team is identifying additional requirements for phase II of the metric program that are designed to increase adherence to procedures that need to be followed to collect accurate data.

In the meantime, management continues to work with staff to improve adherence to the procedures.

Update on Other Projects

My goal is to continue to keep the Committee updated on other cross-functional teams that are working hard to provide improvements to LACERA’s operations and the services we provide to our members.

- **Business Continuity:** The Business Continuity Team is working on addressing the recommendations from our consultant and the observations made by Mr. Kreimann during our test. The team has scheduled a management meeting to

discuss the results and observations of the tests and the next steps for April. The team chose April to allow staff to focus on the “March Madness” season and the rush of retirement requests.

- **Certificate Project:** Certain processes and benefits require validation of a member, beneficiary, or survivor’s eligibility for benefits by presenting an original government-issued certificate (birth, marriage, domestic partnership, or death certificates). LACERA has required members to either present the certificate to staff in our Member Service Center where a copy would be made, marked original viewed, and returned to the member. Alternatively, members could mail in their certificate, which would be copied, marked original received, and imaged to the member’s file for review. The original would then be returned to the submitting party.

Original certificates almost always have a priceless sentimental value to our membership and the loss or damage to these certificates is a huge concern. Additionally, requiring members to come into the office is inconvenient. Receiving and then returning the original actually doubles the work in processing the certificates that are mailed in. The COVID-19 pandemic really highlighted the challenges to this policy. Recognizing an area of improvement, the Process Management Group worked with the Legal Office to develop a revised policy that would allow LACERA to accept copies of most certificates as long as the submitting party includes an attestation that the copy is of an unaltered original document. LACERA will rely on that to confirm eligibility. PMG has been working with Communications and Systems to implement the new policy and will be training staff in April. This will result in efficiencies, greater peace of mind for members, survivors, and beneficiaries as well as a faster processing time.

Member Demographic Information: In 2020, Trustee Moore requested LACERA work to develop demographic information to improve our understanding of the makeup of LACERA’s membership. An evaluation of the data we already acquire indicates that we collect most of the common demographic information that most organizations accumulate, with the exception of ethnicity. The Auditor-Controller has provided us our first quarterly report on the ethnicity makeup of LACERA active members. Earlier in March our Systems Division reported they have completed development of the programming which will allow us to run demographic reports on our membership as needed. The ethnicity data will only be available on a prospective basis beginning with March of 2021. I would like to thank our Systems Division and the Auditor-Controller’s Office for successfully completing this project.

- **Retroactive Salary Projects:** Our Benefits team is processing the last of the adjustments for Commissioners impacted by the Mallano v. Chang case. Last month we reported that all but 28 cases had been completed. This month the team had to re-focus their attention on processing retirements as a result of a very busy “March Madness” season. However, the team was able to complete four cases for deceased members. This leaves 24 cases still in process: Five dissolution cases expected to be processed by May, seven cases with no special circumstances that should be completed by April, and finally 12 deceased member cases. It is difficult to estimate how long the deceased cases may take to complete due to varying response times by beneficiaries.
- **Membership Category Reporting Project:** We report the total number of members and break down that number into specific categories across several platforms such as the CEO Dashboard Report, the Comprehensive Annual Financial Report (CAFR), among others. Recently, a Trustee pointed out that the categorization of members varied across platforms and recommended we standardize the categories we use so they are consistent. These various categorizations evolved over time due to the different reasons the reports were generated and depended on the point of view of those developing the reports. Standardizing the categories is a positive step to eliminate any confusion and, as a result, we have initiated a project to define a single schema for categorizing members and reporting those numbers across all platforms. We expect to debut the new categorizations by May 2021.
- **Telecommuting Policy:** A Workgroup consisting of the Executive Office, Human Resources, and Systems is in the final stages of completing a draft policy for the CEO to review. The County is also updating their Telecommuting Policy and LACERA will evaluate and compare our draft to the County’s once it has been released.

Attachments:

Public Records Request Update

Report of Felony Forfeiture Cases Processed


DATE RECEIVED	REQUESTER	DOCS REQUESTED
12-21-20	D. Wells, Law offices of Gregory W. Smith	<p>Requested 14 categories of records, including operations of LACERA and hiring of employees and vendors.</p> <p>Request 11 - All video recordings and audio recordings of the April 9th, 2020 Board of Retirement meeting; the June 3rd, 2020 Board of Retirement meeting; and the June 25th, 2020 Audit Committee meeting.</p> <p><i>On December 21st, 2020, sent the <u>links to video and audio</u> of the June 3rd, 2020 Board of Retirement meeting, and the June 25th, 2020 Audit Committee meeting.</i></p> <p><i>On December 28th, 31st, 2020, and on January 11th, 2021, sent a <u>DVD of the April 9, 2020 Board of Retirement meeting</u> via FedEx Standard Overnight Delivery.</i></p> <hr/> <p>Request 10 - Requested information regarding Udemy contract.</p> <p><i>On January 15th, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 9 - Requested information regarding Eagle Leadership contract.</p> <p><i>On January 22nd, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 8 - Requested information regarding KH Consulting contract.</p> <p><i>On February 1st, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 7 - Requested information regarding TransQuest contract.</p> <p><i>On February 2nd, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 1 - Requested Systems related communications by CEO Santos R. Kreimann.</p> <p><i>On February 8th, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 3 - Requested documents regarding hiring of Celso Templo.</p> <p><i>On February 8th, 2021, sent 11 sets of responsive documents.</i></p> <hr/> <p>Time extension to the production of documents.</p> <p>Requests 2, 4-6, and 12-14 remain outstanding.</p> <p><i>On February 16th, 2021, sent one (1) responsive letter regarding extension of time and summary of production status via email.</i></p> <hr/> <p>Request 2 - Requested documents and communications between CEO Santos R. Kreimann and Celso Templo.</p> <p><i>On February 26th, 2021, sent six (6) sets of responsive documents.</i></p> <hr/>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p>Request 14 - Requested documents and communications sent or received by Carly Ntoya regarding James Brekk.</p> <p><i>On March 1st, 2021, sent one (1) set of responsive documents.</i></p> <hr/> <p>Request 3 - Requested documents regarding hiring of Celso Templo.</p> <p><i>On March 1st, 2021, sent one (1) additional set of responsive documents.</i></p> <hr/> <p>Request 13 - Requested documents and communications sent or received by Celso Templo regarding James Brekk.</p> <p><i>On March 2nd, 2021, sent two (2) additional sets of responsive documents.</i></p> <hr/> <p>Time extension to the production of documents.</p> <p>Requests 4-6, and 12 remain outstanding.</p> <p><i>On March 2nd, 2021, sent one (1) responsive letter regarding extension of time and summary of production status via email.</i></p> <hr/>
02-16-21	J. Gray, Pitchbook	<p>Requested 17 categories of documents, including of performance reports for various asset classes.</p> <p><i>On February 23rd, 2021, sent one (1) set of responsive documents, and the link to the archive board memos.</i></p>
02-19-21	R. Stolberg, Altman	<p>Requested quarterly cash-flow reports and private capital investments reports.</p> <p><i>On February 26th, 2021, sent email re extension of time.</i></p>
03-04-21	D. Harris	<p>Requested a copy of Hedge Fund Manager Stable Management's RFP Submission.</p> <p><i>On March 12th, 2021, sent two (2) sets of responsive documents.</i></p>
03-12-21	D. Gregory, eVestment	<p>Requested DVD recordings for the open sessions of the Board of Investments and Committee Meetings held in January-March 2021.</p> <p><i>On March 12th, 2021, sent one (1) set of instructions for accessing the meeting recordings, and the link to the recordings.</i></p>

**INFORMATION ONLY**

March 31, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

FROM: Carly Ntoya, Ph.D. 
Director, Human Resources Division

FOR: April 7, 2021 Operations Oversight Committee Meeting

SUBJECT: VACANT POSITIONS AND HIRING PLAN

Human Resources (HR) is excited to share the recruitment efforts that are decreasing the number of vacant positions at LACERA. HR recognizes that LACERA's greatest strength is the talent and commitment of our staff members. Hiring long-term staff members increases the stability of the organization; and fully staffed divisions decrease individual staff burnout. The current recruitment plan balances strategic priorities, HR staff capacity, the number of vacancies in a single classification, and the number of vacancies in a single division.

COVID-19 Impacts on Recruiting Efforts

The COVID-19 Pandemic had a significant impact across LACERA, including on HR Staff's ability to focus on filling vacancies. While the team never stopped working on filling vacancies priorities and the reality of the pandemic certainly slowed efforts down. The impacts were felt immediately. In March of 2020 COVID-19 related public health orders caused a cascade of closures forcing LACERA to adapt to limited staff in the offices and the beginning of developing remote working capabilities. At the same time HR staff turned to the necessity of working with the Executive Office, the Legal Office, and the Business Continuity Team to develop COVID-19 safety protocols while at the same time dealing with an outbreak of COVID-19 cases.

Concurrently, the HR staff pivoted to address critical staffing gaps in Systems and other divisions like Financial and Accounting Services Division (FASD). As LACERA evaluated its information technology it quickly became apparent that we needed to bring on board individuals with necessary skill sets to help us make the transition to a more secure IT infrastructure that would support a safe remote work environment. In addition, the interim management and the Executive

Office determined we needed to innovate and adapt to create an IT infrastructure that would support LACERA's need for a robust disaster recovery process that would keep LACERA functional regardless of the disaster challenges we may face, as well as the need to begin innovating improvements throughout LACERA designed to increase efficiency and service to our members. Kathy Delino will be discussing the IT Plan and their recruitment plans in more detail in a separate memo and discussion at the April 2021 Operations Oversight Committee.

In addition to the Systems Division needs temporary assistance was brought in for FASD, Administrative Services, and Human Resources to respond to temporary gaps in these areas.

COVID-19 also had significant impacts on the normal recruiting process. Specifically, those positions that require skill testing (usually done in person) and background checks. Vacancies like those in Benefits and Member Services that normally require a civil service compliant testing and extensive training became difficult to implement.

LACERA adapts, changes, and continues to focus on finding solutions to the challenges we are presented. Over the last few months the HR staff have been able to re-focus their efforts on recruiting and filling these vacancies.

Vacant Positions

At the start of Fiscal Year 2020-2021 there were 481 budgeted positions and 67 vacancies. The vacancy rate was 16%. This vacancy rate is consistent with the vacancy rate of the past three years: 15% in July 2019, 16% in July 2018, and 16% in July 2017. As of March 31, 2021 due to attrition there are 81 vacant positions at LACERA for a vacancy rate of 17%.

There are twenty-three (23) vacancies in the Systems Division, the highest in the organization. Eleven (11) of those vacancies are in the Information Technology Manager I and Information Technology Manager II classifications. These are new, highly specialized positions that will be used throughout Systems. The HR staff will be working with Systems to help them address these needs as outlined by Ms. Delino's memo presented separately.

Administrative Services Division has ten (10) vacancies. The Administrative Services Officer recruitments are underway and will continue until suitable candidates are hired. Once hired, the Administrative Services Officers (ASO) will participate in the recruitment of their staff members, which will decrease the number of vacancies in the division. The two ASO vacancies have proven challenging to generate a sufficiently qualifying applicant list.

The Financial and Accounting Services Division has ten (10) vacancies. Classification studies have prevented or significantly delayed the recruitment and examination process for Accountant, Senior Accountant and Accounting Officer.

There are seven (7) Retirement Benefits Specialist III, six (6) Senior Retirement Benefits Specialists, five (5) Retirement Benefits Specialist II vacancies. The positions in the Retirement Benefits Specialist (RBS) series are located in Member Services, Benefits, and Retiree Healthcare. The Sr. RBS and RBS III vacancies are comprised of both long-term (12+ months) and short-term vacancies created primarily due to attrition.

Recruitment Plan

The recruitment plan combines the priorities identified in the 100 Day Plan, the number of vacancies in a single classification, the number of vacancies in a division, and HR staff capacity. There are four ongoing recruitments and six upcoming recruitments. These recruitment efforts will decrease the current number of vacancies from 81 to 54 and decrease the vacancy rate from 17 % to 11 %. By the end of the fiscal year, HR will have started recruitments to decrease the number of vacancies to 41 or vacancy rate of 8%.

The RBS classifications are critical to LACERA's success and service to our members. As such, there is concern whenever there are a significant number of vacancies in this classification series. The Senior RBS examination opened in February 2021 and the RBS III examination will open in April 2021. The RBS II positions begin with a recruitment of RBS I trainees who go through a one-year CORE Benefit training program, after which the successful individuals will be able to apply for an internal promotion to RBS II. During the training program, the RBS I underfill the RBS II vacancies.

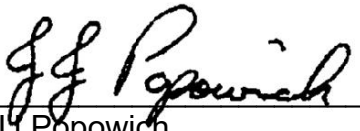
The gathering restrictions imposed by COVID prevented the examination for RBS II in the traditional manner; as a result HR focused on converting the physical exam process, which required in-person proctored examinations, to an online-only recruitment and examination process that will start in April 2021.

This year we expect we will have a larger than normal CORE Benefits training class due to the number of vacancies as well as expected additional staff added should the Trustees approve the 2021-2022 FY budget. Traditionally, we have been limited to a class of about 14 staff. However, we expect we will have a larger class this year due to the number of vacancies and our ability to offer remote learning. In anticipation of this need for a larger class we have decided to make a change to how we train RBS I staff hired to fill RBS II positions in RHC. The skill sets used by these trainees are not consistent with the training provided as part of the CORE Benefits training program. While there is a benefit to creating well rounded staff these staff will not use these skills once they graduate. Effective this year, they will not go through the CORE Benefits training program, but instead go through a tailored training program for RHC. This corresponds with an expected classification study planned to look at creating a separate Retiree Healthcare series to replace the RBS series.

Once the planned recruitments are executed, the classifications with a high number of - vacancies will be filled. Moving forward, each recruitment will target one or two vacancies, causing the number of vacancies and the vacancy rate to decrease much more slowly.

For the past three fiscal years, the number of new staff exceeds the number of separations. This year LACERA has hired nine (9) new staff and eighteen (18) have separated from the organization. The recruitment plan will be updated and executed until the vacancies the Divisions want filled are filled by competitive candidates.

Reviewed and Approved



JJ Popowich
Assistant Executive Officer, LACERA

- C: Santos H. Kreimann, Chief Executive Officer
Jon Grabel, Chief Investments Officer
Steven P. Rice, Chief Counsel
Kimberly D. Hines, Division Manager Administrative Services
Cassandra Smith, Director, Retiree Healthcare
Allan Cochran, Division Manager, Member Services
Carlos Barrios, Interim Division Manager, Benefits
Bernie Buenaflor, Chief, Quality Assurance



Vacant Positions and Recruitment Plan

Human Resources

Carly Ntoya and Annette Cleary



Vacant Positions

as of March 31, 2021

LACERA: By the Numbers

July 2020

- 481 budgeted positions
- 414 filled positions
- 67 vacant position

16% Vacant
(vacancy rate)

March 2021

- 485 budgeted positions
- 404 filled positions
- 81 vacant position

17% Vacant
(vacancy rate)

LACERA: By the Numbers

Division	Vacancies
Systems	23
Administrative Services	10
Financial and Accounting Services	10
Member Services	8
Retiree Healthcare	7
Benefits	5
Communication	4

Division	Vacancies
Quality Assurance	4
Disability Retirement	2
Executive Office	2
Investments	3
Legal Services	2
Internal Audit	1
Disability Litigation	0

LACERA: By the Numbers

Classification	Vacancies
Retirement Benefits Specialist III	7
Senior Retirement Benefits Specialist	6
Information Technology Specialist I	6
Retirement Benefits Specialist II	5
Information Technology Specialist II	5
Accountant	4
Senior Quality Auditor I	4



Recruitment Plan

Priorities and Capacity

Exam Request

Current or eminent vacancy

Exam Request Packet

- Organizational Chart
- Justification memo
- Exam Request Form

Approval

- Division Manager
- Assistant Executive Officer
- Chief Executive Officer

Request

- Review and approval (2 weeks)

Recruitment
and Selection

- Assessment development (4 – 6 weeks)
- Recruitment (2 weeks)
- Assessment and Scoring (3 – 8 weeks)

Hiring

- Offer
- Background (4 weeks)
- Start Date (2 – 4 weeks)



Current Recruitment

- Deputy Chief Executive Officer – 1
- Sr. Retirement Benefits Specialist – 6
- Sr. Quality Auditor – 4
- Administrative Services Officer - 2



Upcoming Recruitment – April 2021

- Assistant Executive Officer – 1
- Financial Analyst III – 1
- Retirement Benefits Specialist III – 7
- Media Artist – 2
- Procurement and Supply Clerk – 2
- Senior Disability Retirement Specialist – 1
- Intern

Pending Recruitment

- IT Specialist I – 6
- Sr. Accountant – 2
- Data Systems Analyst I – 0
- Data Systems Analyst II – 0
- Data Systems Coordinator – 1
- Document Processing Assistant – 2
- Senior Internal Auditor – 1
- Quality Auditor II – 1


Next Steps

- Remaining Vacancies
 - Based on the current number of vacancies, by the end of June 2021 an estimated 41 vacancies will remain.
 - “Dependent” vacancies that remain until a higher level position is filled
- New Vacancies
 - Every year for the past three years, the total number of new hires narrowly exceeded the number of separations.

FOR INFORMATION ONLY

March 30, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

FROM: Kathy Delino 
Interim Information Systems Manager

FOR: April 7, 2021 Operations Oversight Committee Meeting

SUBJECT: IT Plan: New Hires, Vacancies, Current Job Searches, Future/Ongoing projects

Executive Summary

At the end of June 2020, Summy Voong and I were asked to serve as the interim management team for LACERA's Systems Division. Summy Voong was previously a member of the Internal Audit Division with extensive IT compliance auditing experience. I was previously the leader of the Application Development team with 30 years of software architecture and development experience.

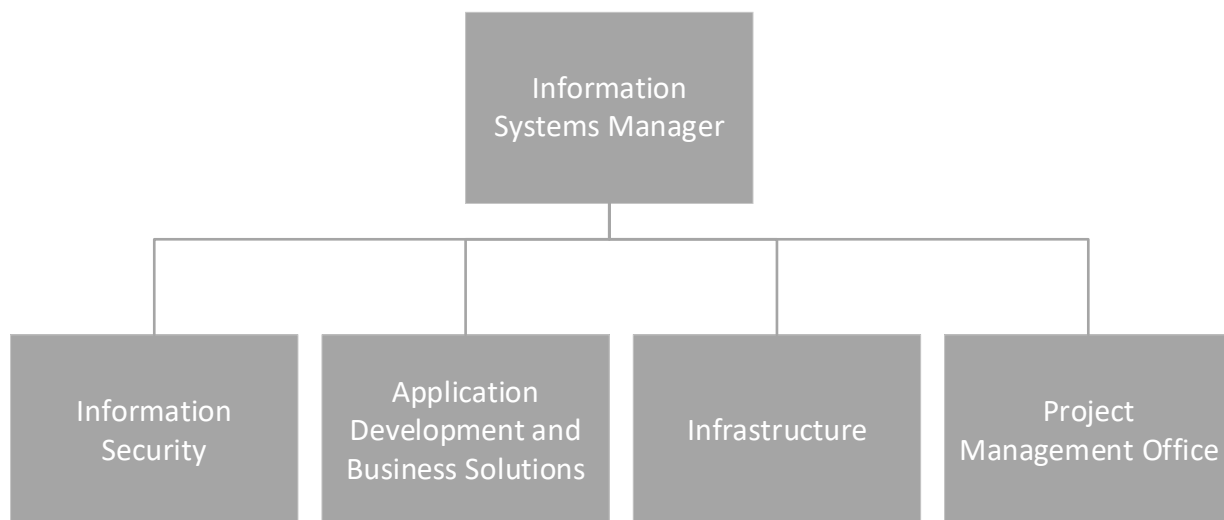
When we were asked to serve in these roles, LACERA was fully engaged with dealing with the COVID-19 pandemic. LACERA was in the midst of a massive effort to move staff to a safe, remote working environment. Initially, our primary goal was to maintain the current service level of the IT operation while securely deploying remote access and equipment to all LACERA staff members. Our mantra during the first month of our term was "first, do no harm".

After the first 30 days in which we took action to stabilize our remote working environment, we changed our strategy and started to look at the IT operations as a whole and LACERA's needs. The team, including the Executive Office and many divisions throughout LACERA, evaluated the current status of our IT operations. This review included our disaster recovery, business continuity, and functional statuses against operational driven needs. Based on this review, the opportunities we identified, including

the input and direction from the Executive Office, formed a new vision for Information Systems at LACERA.

IT Staffing

The first opportunity we identified was staffing: the division had 23 vacant positions, all IT teams were under resourced, and the division did not have a leadership pipeline. We drafted a new organizational chart for our division and identified the critical staffing needs. The proposed organizational chart contains 4 functional areas: Information Security, Application Development and Business Solutions, Infrastructure, and Project Management Office:



Note: The Information Security team is included in the Systems Division Organizational Chart because they currently use positions from the Systems Divisions organizational chart and funds from the Systems Division budget; however, the InfoSec team will eventually be a separate division with its own budget.

Based on our assessment of the critical IT needs of the organization, we determined the roles, required skill sets, and expertise we would need to begin making long lasting, positive impacts on LACERA's operations. The following critical staffing needs were identified:

Chief Information Security Officer
Governance, Risk, and Compliance Analyst
Information Security Architect
Information Security Analyst(s)
Java Engineer
Java Developer
JBoss System Administrator
Network Architect

Re: LACERA's Disaster Recovery Plan

March 30, 2021

Page 3

P8 Administrator
Pension Administration Analyst(s)
Project Manager(s)
Service Desk Personnel
SharePoint Engineer
SQL Server DBA
Windows Engineer(s)

Armed with a solid understanding of the resources we would need we set out to begin recruiting and hiring staff.

Working with our business partners in Human Resources (HR) we began to formulate a plan for hiring staff. However, as outlined by the "Vacant Positions and Hiring Plan" memo presented by Carly Ntoya, Ph.D., LACERA's Division Manager of HR, the COVID-19 Pandemic has also wreaked havoc with HR's ability to swiftly move to recruit new staff members.

Working together we decided to focus on critical needs first and agreed that we would fill the gaps by identifying qualified contractors with the skills we needed. This would allow us to address the need to continue fortifying the security of our remote working operations as well as begin focusing on creating a robust disaster recovery and continuity plan. Therefore, we hired the following contractors:

Chief Information Security Officer (1)
Governance, Risk, and Compliance Analyst (1)
Java Developer (1)
JBoss System Administrator (1)
Information Security Architect (1)
Information Security Analyst (2)
Network Architect (1)
Project Manager (2)
SharePoint Engineer (1)
Windows Engineer (1)

One of our first hires was our new Chief Information Security Officer. This was a critical first hire because we needed this expertise to build out our new Information Security section. Mr. Schlotfeld was instrumental in helping refine the skillset needs and hiring the best contractors for this important function. As we will see over the next few months his team has already created a higher-level infrastructure of security and best practices to maintain that security.

Even with the impacts of COVID-19 on our recruiting process, we still looked for opportunities to fill vacant positions with permanent staff members. During the past year, we filled the following permanent positions:

Re: LACERA's Disaster Recovery Plan

March 30, 2021

Page 4

IT Manager I (1)

Data Systems Coordinator

Our goal and focus remain to fill all of our vacant positions with qualified permanent employees. We expect to run Open Exams for a majority of these over the next six months. It is expected most of our contractors who are gaining familiarity with LACERA and are building our next iteration of IT infrastructure will transition to permanent employment. We also expect that as we increase our recruiting activities, we will build a database of qualified individuals who can compete for future positions. These exams will focus on these positions:

Data Systems Analyst I (3)

Data Systems Analyst II (3)

Data Systems Coordinator (1)

IT Specialist I (6)

A third round of recruitments will be conducted in the next twelve months to fill the positions listed below. Again, we expect to fill the following permanent positions through Open Exams. We will fill these positions with contractors transitioning to permanent employment and new resources:

Chief Information Security Officer (1)

Data Systems Coordinator (1)

EDP Principal Programmer Analyst (1)

IT Manager I (1)

IT Specialist II (5)

Senior Secretary (1)

This phased approach takes into account priorities, resources within both Systems and HR and is balanced against other recruitment efforts throughout LACERA.

IT Projects

We thought we would take this opportunity to share some of the opportunities that were identified based on the IT operations review to secure and modernize IT operations that we discussed earlier in this memo.

We plan to do so by securing and modernizing the solutions already in place and providing secure, modern solutions for Divisions that rely on manual processing. We identified 4 strategic objectives: Secure Workplace, IT Modernization, Member Self Service, and Disaster Recovery. Within each of these goals, specific projects have been identified:

Secure Workplace

- Identity Management
- End Point Management
- Cloud Optimization
- Data Management
- Application Security

IT Modernization

- Administrative Approvals Solution
- Accounts Payable Automation
- Asset Management Solution
- Budget Processing Solution
- Business Intelligence Solution
- Contract Management Solution
- Case Management Solution for Operational Divisions
- Case Management Solution for Administrative Divisions
- Enterprise Cloud Strategy
- Enterprise Intranet
- Enterprise Wi-Fi
- Human Resources Management Solution
- Infrastructure Modernization
- Knowledge Management Solution
- LACERA.com redesign
- Legal Case Management Solution
- Remote Access Optimization
- Travel Management Solution

Member Self Service

- Disability Application On-Line
- Previous Service Purchases On-Line Election
- Retiree Healthcare Enrollment On-Line
- Retirement Election On-Line
- Member Identity Management Enhancements

Disaster Recovery

- Disaster Recovery Phase I: Member Facing Application Recovery Exercise

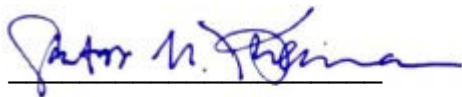
Disaster Recovery Phase II: Enterprise Recovery Drill

Conclusion

The interim management team for the Systems Divisions has developed a strategy to secure and modernize LACERA's enterprise systems as well as a hiring plan to support the strategy. Today's presentation provides some insight into the staffing needs of the Systems Division. The plan we have presented above takes into account the challenges of the impacts of COVID-19 as well as the availability of resources of our business partners in Human Resources. We are confident that managing to this plan will allow us to close the vacancy gaps and move the critical projects forward.

In May and June, we will return to the Operations Oversight Committee to take a deeper dive into our plans to address the strategic IT objectives in the four key areas: Secure Workplace, IT Modernization, Member Self Service, and Disaster Recovery.

Reviewed and approved:



Santos H. Kreimann
Chief Executive Officer

c: JJ Popowich
Bob Schlotfelt
Summy Voong
Celso Templo



IT Plan:

New Hires, Vacancies, Current Job
Searches, Future/Ongoing Projects

Information Systems

Kathy Delino

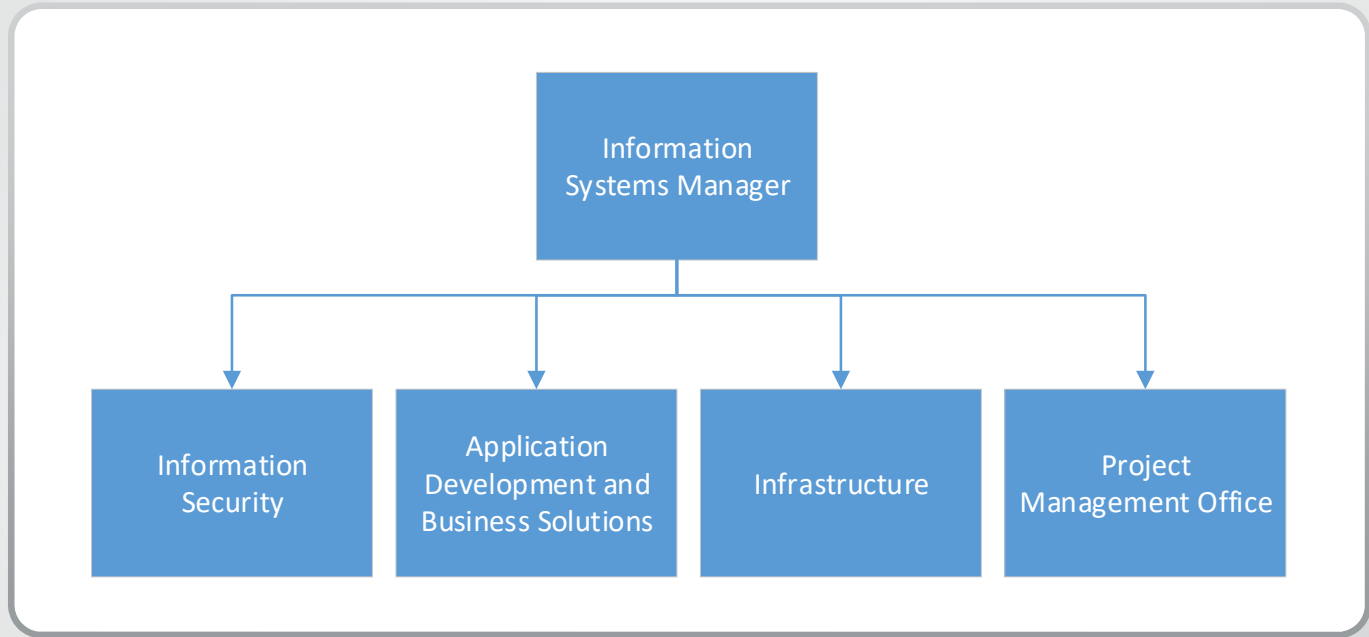


IT Staffing



IT Staffing: Status in June 2020

- 23 vacant positions
- All IT teams under resourced
- No leadership pipeline
- Gap in skillsets needed to ensure a secure IT infrastructure and transition to MS Office 365
- Immediate need for an effective Disaster Recovery and Business Continuity Plan



IT Staffing: Division Reorganization

IT Staffing: Critical Staffing Needs

- Chief Information Security Officer
- Governance, Risk, and Compliance Analyst
- Information Security Architect
- Information Security Analyst(s)
- Java Engineer
- Java Developer
- JBoss System Administrator
- Network Architect
- P8 Administrator
- Pension Administration Analyst(s)
- Project Manager(s)
- Service Desk Personnel
- SharePoint Engineer
- SQL Server DBA
- Windows Engineer(s)


IT Staffing: Contractors Hired Since June 2020

- Chief Information Security Officer
- Governance, Risk, and Compliance Analyst
- Java Developer
- JBoss System Administrator
- Information Security Architect
- Information Security Analyst (2)
- Network Architect
- Project Manager (2)
- SharePoint Engineer
- Windows Engineer(s)




IT Staffing: Permanent Positions Filled Since June 2020

- IT Manager I
- Data Systems Coordinator



IT Staffing: Permanent Positions to fill in next 6 months

- Data Systems Analyst I (3)
- Data Systems Analyst II (3)
- Data Systems Coordinator (1)
- IT Specialist I (6)



IT Staffing: Permanent Positions to fill in next 12 months

- Chief Information Security Officer (1)
- Data Systems Coordinator (1)
- EDP Principal Programmer Analyst (1)
- IT Manager I (1)
- IT Specialist II (5)
- Senior Secretary



IT Projects



IT Projects: Strategic Objectives

- Secure Workplace
- IT Modernization
- Member Self Service
- Disaster Recovery




IT Projects: Secure Workplace

- Identity Management
- End Point Management
- Cloud Optimization
- Data Management
- Application Security

IT Projects: IT Modernization

- Accounts Payable Automation
- Asset Management Solution
- Budget Processing Solution
- Business Intelligence Solution
- Case Management for Operational Divisions
- Case Management for Admin Divisions
- Enterprise Cloud Strategy
- Enterprise Intranet
- Enterprise Wi-Fi
- Human Resources Management Solution
- Infrastructure Modernization
- Knowledge Management Solution
- LACERA.com redesign
- Legal Case Management Solution
- Remote Access Optimization
- Travel Management Solution




IT Projects: Member Self Service

- Disability Application On-Line
- Previous Service Purchases Election On-Line
- Retiree Healthcare Election On-Line
- Retirement Election On-Line
- Member Identity Management Enhancements



IT Projects: Disaster Recovery

- Phase I: Member Facing Application Recovery Exercise
- Phase II: Enterprise Recovery Drill



Next Steps: May and June OOC Meetings

- Secure Workspace
- IT Modernization
- Member Self Service
- Disaster Recovery



INFORMATION ONLY

March 23, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

FROM: Bernie Buenaflor 
Chief, Quality Assurance and Metrics Division

FOR: April 7, 2021, Operations Oversight Committee Meeting

**SUBJECT: OVERVIEW OF THE QUALITY ASSURANCE AND METRICS DIVISION
QUALITY AUDITING PROGRAM**

At the Operations Oversight Committee's March 3, 2021 meeting, the Quality Assurance and Metrics Division (QA) introduced QA's new Internal Operating Principles document and provided an overview of the technical training program administered by QA for the benefit of staff in LACERA's Member Operations Group (MOG), which are those Divisions that provide retirement benefit services to LACERA's members.

At the Operations Oversight Committee's April 7, 2021 meeting, QA will present an overview of its Quality Auditing Program. The presentation focuses on two aspects of the program:

- The Auditing Process, including updated methodologies and audit scope, such as the implementation of an Account Certification process, and
- The Audit Platform, which speaks to the technology used over the years and planned for the future.

The information shared during this discussion provides some historical background and insights into the operations of QA that staff hope will prove useful to the committee as it oversees the continuously evolving Member Operations Group. For example, we believe this presentation supports the following organization-wide initiatives:

- An Account Certification program: the strategy for managing member account exceptions that underpins LACERA's goals of accurate and efficient staff services, innovative automation and enhanced self-service options for our members,

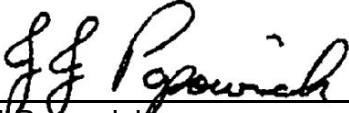
Memo to Operations Oversight Committee
Re: Overview of Quality Auditing Program
March 23, 2021

Page 2

- A Case Management System integrated into Workspace, LACERA's central retirement benefits management system, which will include integrated auditing capabilities, and
- A centrally managed and coordinated Knowledge Management System, which will promote greater synergy between all Divisions in the Member Operations Group as they find themselves increasingly immersed in a technologically progressive and interconnected work and social culture.

Once again, we look forward to the opportunity to engage the Trustees of the Operations Oversight Committee as we chart QA's path forward.

Reviewed and Approved



JJ Popowich
Assistant Executive Officer, LACERA

Quality Auditing

Quality Assurance and Metrics Division

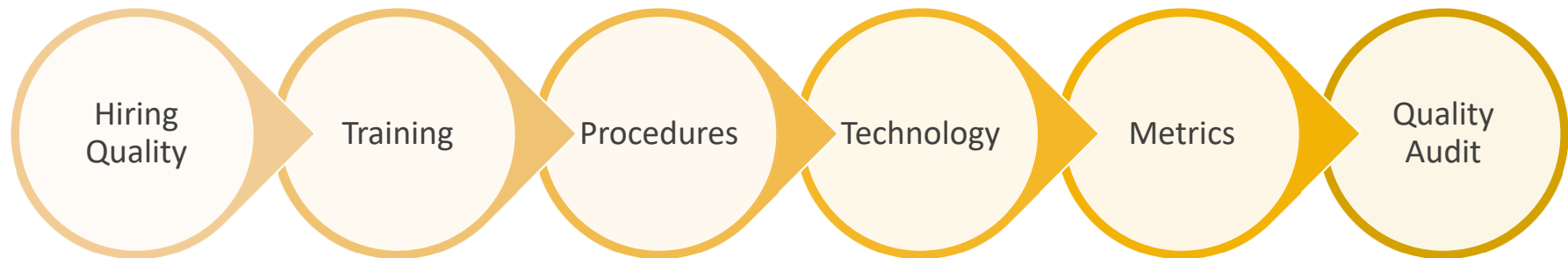
Presenters:

Bernie Buenaflor

Maggie Luong

Quality Assurance & Metrics

Links of our Ecosystem



Quality Auditing

What we do

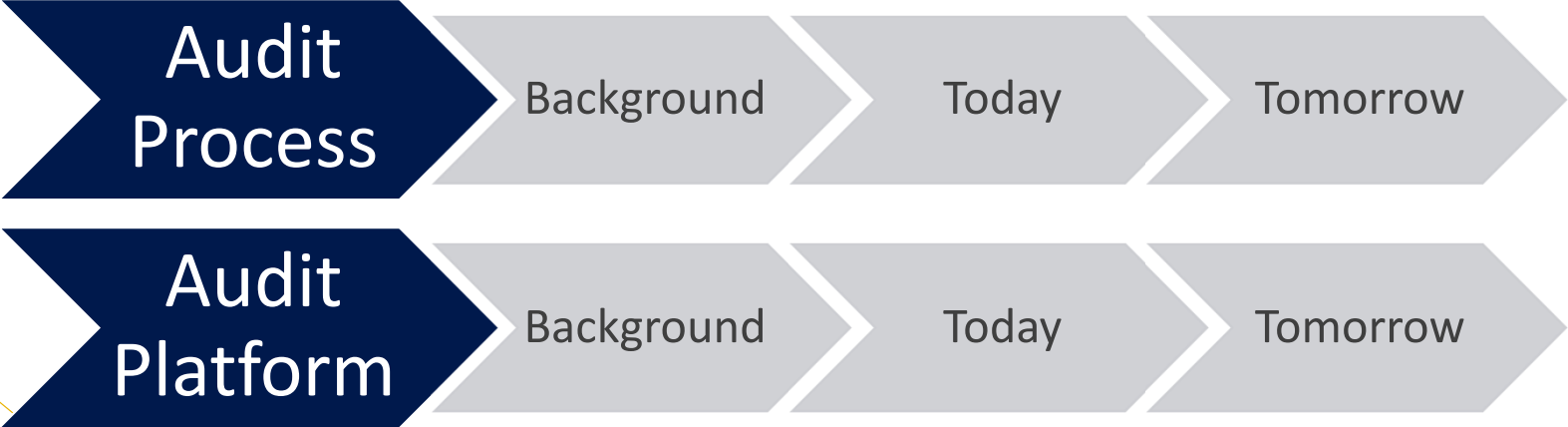
What it is

- **Independent**, objective, transactional test of the quality of the Benefits-related work of the Member Operations Group (MOG)
- Performed by Quality Assurance and Metrics Division (QA)

What it isn't

- Does not include other audits conducted by Internal Audit, our External Financial Auditor, or Outside Auditors
- Does not include Supervisor review work performed within MOG

Areas of Discussion

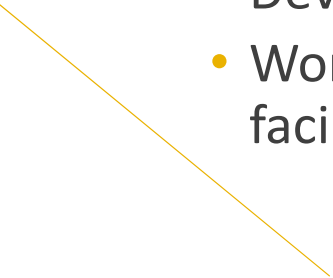


Audit Process: Background

- Initial Quality Audit Program (2002 to 2012)
 - Transactional test of completed, benefits-related transactions by MOG
 - 20 Processes audited
 - Test based on pre-defined and mutually agreed upon set of parameters for each process
 - Statistical random sampling (5% - 10%), representative of all completed work objects from prior month
 - Report performance based on the standards
 - Targeted accuracy rate of 95% and above



Audit Process: Background, continued

- QA developed written business procedures for MOG
 - QA delivered a structured training program
 - Determined staff training needs
 - Developed and provided training
 - Worked with Consultant (Stacey Johnson) to implement training and facilitate process improvement
- 

Audit Process: Background, continued

Expanded QA functions without proportionate increase in Staff, resulted in narrowed audit scope

What expanded?

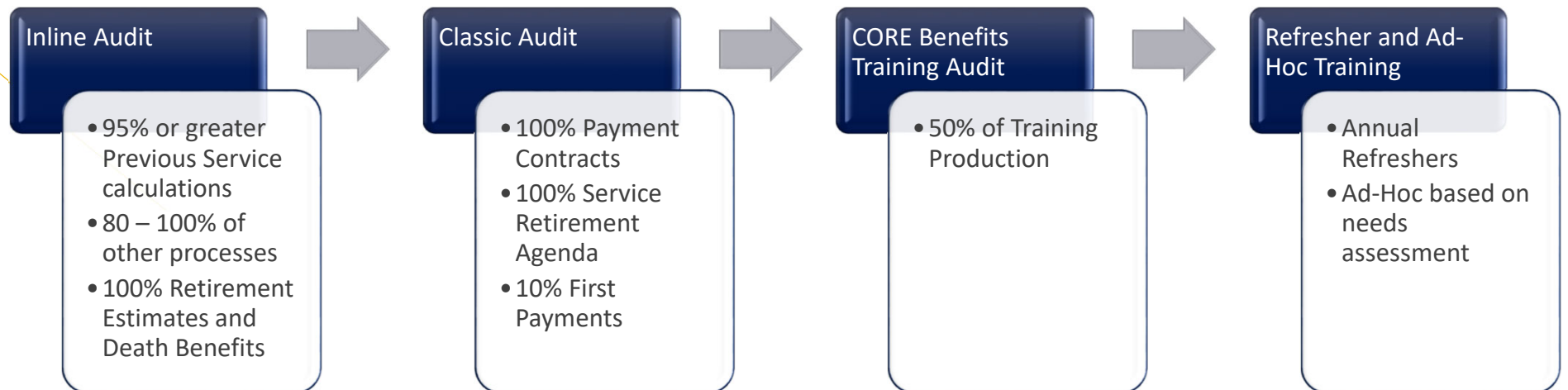
- Increased from 2 to 4 types of audits:
 - Inline Audit (pre-completion)
 - Classic Audit (post-completion)
 - CORE Benefit Training Audit
 - Refresher and Ad-Hoc Training
- Separate audit platforms for each type of audit
- Special clean-up projects
- Training programs increased from 6 months to 1 year
- Complexity of audited processes and audit parameters

What narrowed?

- Fewer processes audited post-completion
 - Reduced from 20 to 14 processes
 - Focused on processes with financial risks (retirements and purchases)

Audit Process: Today

- 14 processes audited
 - Purchases and retirement
 - Death benefit payments
 - Data entry
- Special Audit Projects
- Audit Sampling Plan



Audit Process: Today, continued

- In-depth Account Analysis included in CORE Benefits processes
- Procedures and Business Rule Updates developed by Process Management Group
- Inline (Pre-Completion)
 - Performed by QA (independent) and Supervisors (not independent)
- Classic (Post-Completion)
 - Performed by QA and reported to Management (independent)
- Targeted accuracy of 95% in training, with expectation that it will increase to 98% in production
 - We strive for delivered accuracy of 100%

Audit Process: Tomorrow

- Expand scope to cover more processes, but with smaller sample sizes
 - Statistically valid sampling methods to detect errors and trend
- Consistent methodology and parameters for each process
 - Audit criteria
 - Process risk levels
 - Risk-based sampling plan
 - Audit workflow/process



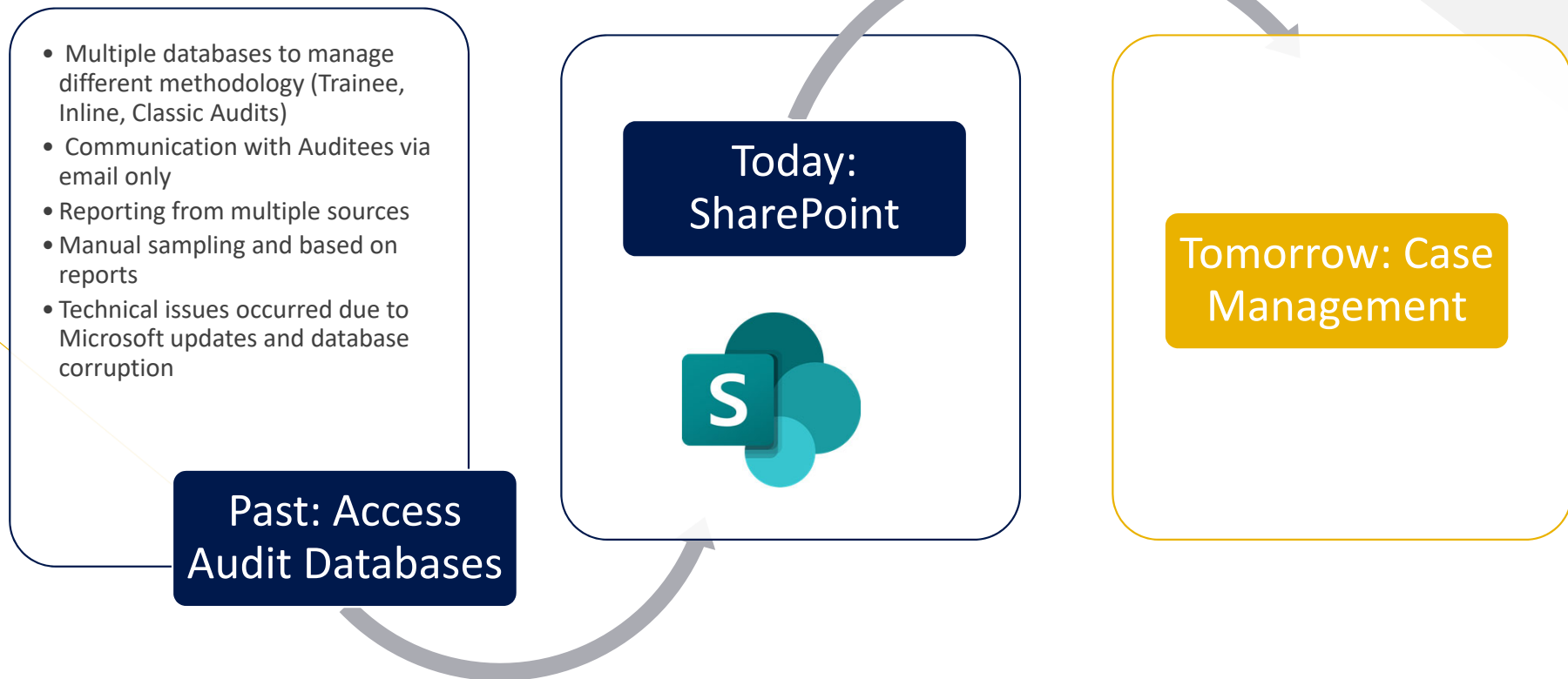
Audit Process: Tomorrow, continued

- Account certifications are performed by MOG to resolve exceptions
 - Systematic Exceptions review and resolution
 - Database to track exceptions (instead of reports)
 - Displayed and cleared in Workspace
 - Greater use of Workspace work objects
 - Cleans accounts for efficient Staff processing
 - Preps accounts for automation and member self-service
- QA trains the MOG Staff in the account certification methodology
- QA will be auditing account certification work performed by MOG

Audit Platform: Background

- A tool to implement audit procedures, and ultimately, to report results
- Essential features:
 - Streamlines and simplifies the audit process for Auditees and Auditors
 - Defines, implements, and monitors the auditing for multiple processes
 - Automates workflow and standardizes procedures and templates for all types of audits
 - Captures complete information, including
 - quantity of audits,
 - who audits what, and
 - when
 - Tracks audits to ensure resolution
 - Reports results and analyzes data to recommend corrective actions

Audit Platform: Background, continued

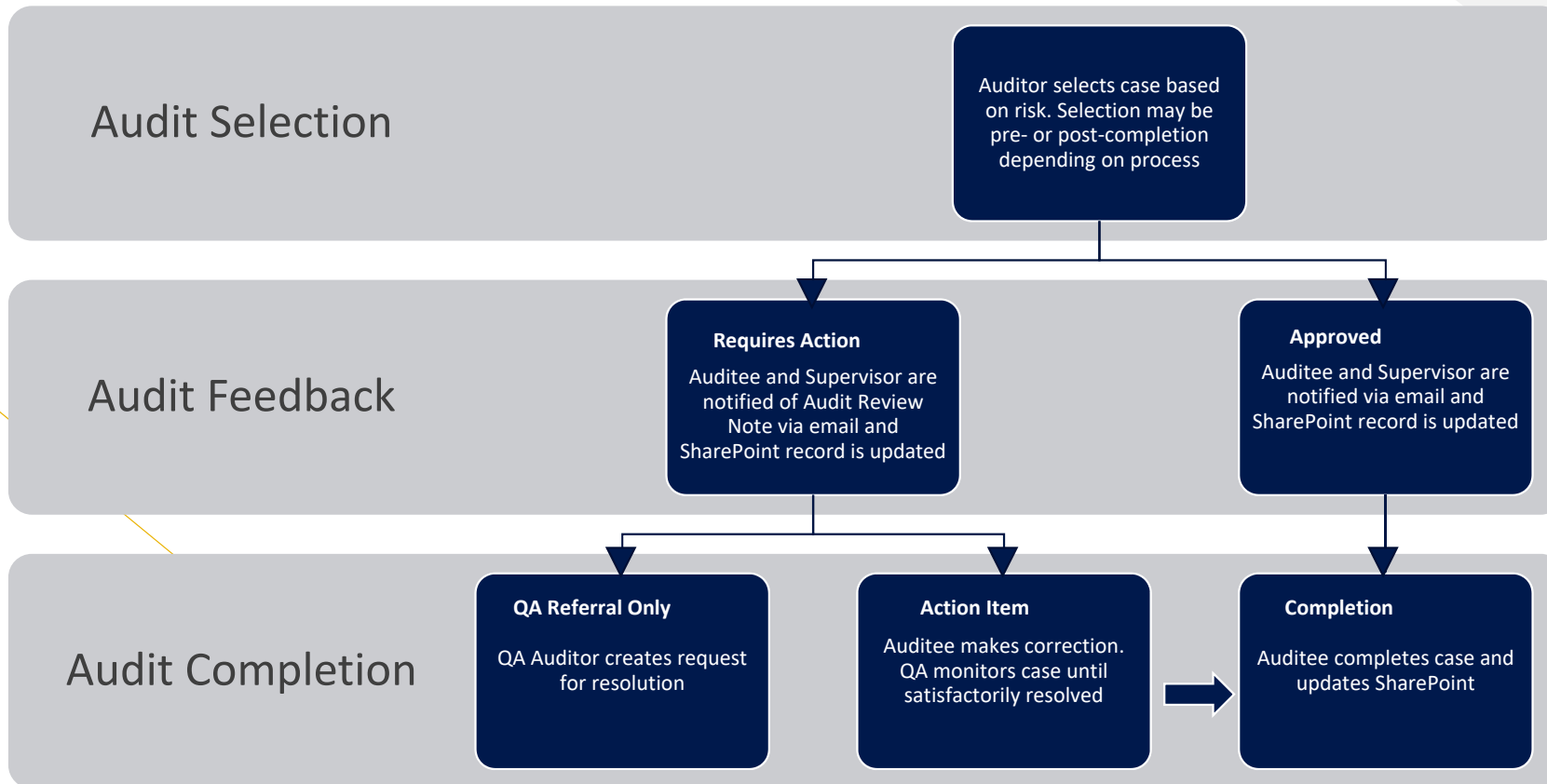


Audit Platform: Today

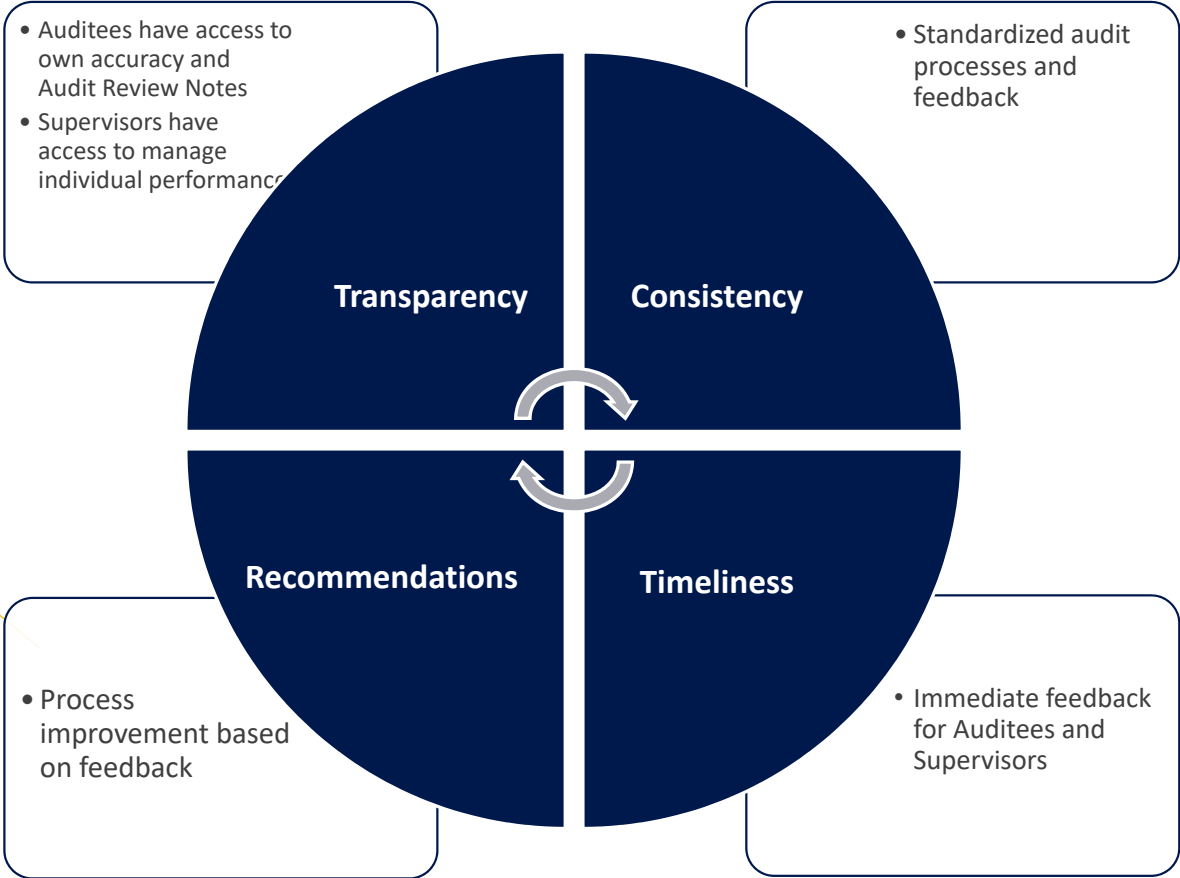
- SharePoint audit platform is under development as interim solution
- Features include:
 - Seamless collaboration with a user-friendly interface
 - Automated system created based on workflow needs
 - Templates to standardize audit results
 - Centralized location to store all audit work by QA and Supervisors
 - Timely reporting



SharePoint: Audit Process

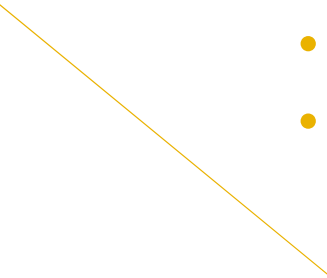


SharePoint: Metrics and Reporting





Audit Platform: Tomorrow

- Case Management System
 - Integrated into Workspace and metrics system
 - Scalable
 - Advanced segregation of duties
 - Multi-user capabilities
 - Reporting tools
- 




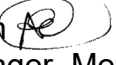
**Thank
You**

Questions?



March 26, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

FROM: Cynthia Martinez 
Chief, Communications
Allan Cochran 
Division Manager, Member Services

FOR: April 7, 2021 Operations Oversight Committee Meeting

SUBJECT: **Mass Communication to Members**

Background

One of LACERA's core functions is to provide timely information and education to members and survivors. On February 22, 2021, Communications distributed an email on behalf of the Investment Office to all members with a confirmed email address. During the March 20, 2021 Board of Investments meeting, some concern was raised regarding email distribution of the recent Investment Office letter and other messages, and how it may exclude some members from getting important updates. We want to assure the Board that members and survivors continue to receive important information by traditional printed and mailed media supplemented by digital communications, depending on their preferences.

Communications Division employs the following types of media to distribute information to members:

Mailed Communications

- Letters
- Newsletters: *Spotlight* (retired members and survivors) and *PostScript* (active members)
- Automatic deposit receipt (ADR) inserts
- Warrant messages
- Mass mailings

Digital Communications

- Lacera.com
- Mass email distribution

When choosing which of these vehicles to use, we work with the Executive Office and the management team to determine the urgency of the message. In the case of the Investment Office letter, the team designated the message as informative and not time-sensitive. Communications sent an email to members and posted it online to [LACERA News](#) for the month of February. We have also scheduled the message to appear in our June newsletters. (Our March newsletters were completed in mid-February and had already gone to print prior to the Investment Office email.)

When messages are time-sensitive and of heightened interest, we use a multimedia approach to ensure as many members receive the message as quickly as possible. An example is the annual withholding notice sent in January. To ensure we communicated to members prior to the 2021 tax filing season, Communications used the following distribution methods:

Mailed Communications:

- Created an insert and placed it in the ADR mailer
- Included it as a January warrant message
- Placed a message in the March *Spotlight*

Digital Communications:

- Posted a message on the homepage of [lacera.com](#)
- Sent an email to retired members

Increasing Our Digital Footprint

Across all our distribution channels, we have consistently encouraged members to sign up for My LACERA and provide their email addresses and cellphone numbers to receive important updates, notices, and alerts.

One of our key initiatives is to continue expanding our digital footprint and build a comprehensive multimedia platform that allows LACERA to get information quickly and effectively to members. As part of this initiative, we are currently prioritizing the lacera.com redesign and My LACERA campaign.

LACERA.com Redesign

The launch of the redesigned lacera.com provides us a unique promotional opportunity to attract members and increase digital engagement.

We will be reaching out to all our members, via our electronic and printed communications, to highlight our feature-rich, responsive new website. While we are confident the new design alone will attract members, we intend to retain their engagement

through frequently updated, relevant, easy-to-find content. Having the advantage of analytics going forward will also help us to better target content toward the intended audiences.

The new lacera.com has been redesigned with members in mind. It features:

- A member-centric interface
- Ease of navigation
- Simplified content, grouped by audience
- Engaging multimedia features
 - Tiles
 - Shortcuts
 - Banners
 - Videos

The development of guided, interactive features to help members understand their benefits and conduct self-service transactions will be a priority in later rollouts and should further drive engagement.

The My LACERA Campaign

Increasing the number of My LACERA registrations is the key to increasing the percentage of member contact emails. Communications is currently developing a campaign to highlight the features and capabilities of My LACERA for both active and retired members.

The My LACERA campaign will consist of a multimedia strategy speaking to members in each stage of their member cycle—new, mid-career, and retired. This campaign will highlight the specific My LACERA features and self-service options relevant to these groups. We will also continue to stress to members the importance of keeping their contact information current and urge them to provide us their email address and cellphone number to receive timely communications and alerts via emails and SMS text messages.

Our planned multimedia approach includes digital and printed outreach methods:

- My LACERA promotional video on lacera.com
- New-hire letter
- Newsletter articles encouraging registration
- Postcard mailings
- Regular ADR inserts basis (targeting those who are not yet registered)
- Workspace-generated letters (“J” letters) to members, with graphic on bottom

Outreach by Benefits and Member Services

In addition to a focused campaign to promote My LACERA, our Benefits and Member Services divisions have been consistently encouraging members to register for and utilize the site in several ways:

- Many of our response letters encourage members to log in and upload their documents through the My LACERA portal.
- Member Services promotes My LACERA as the easiest and fastest way to submit documents and also urges members to communicate through the Secure Message Center.
- Our outreach webinars and seminars include a section promoting the benefits of registering for My LACERA.
- Our Retirement Benefits Specialists include a discussion about registering for My LACERA in their one-on-one retirement counseling sessions.

We will continue to promote registration and regular use of My LACERA, particularly as we add new features and self-service capabilities.

Tracking and Reporting

We compile data to assess the effectiveness of our campaigns and promotions and to inform future efforts.

As we take steps to expand our digital footprint through both print and digital outreach, we will be carefully tracking and analyzing email, lacera.com, and My LACERA data to determine email open rates, click-throughs, My LACERA sign-ups, paperless opt-in rates, etc.

Once the new lacera.com launches with its analytical tools, studying website traffic will also provide us a helpful window to each group's engagement and patterns, so that we can develop customized features, content, services, and campaigns to help members understand and access their benefits.

We are excited about leveraging our increased technological capabilities to strategically reach our audiences using this multimedia approach and look forward to updating you on our efforts and progress. Thank you for your continued support.


REVIEWED AND APPROVED

A handwritten signature in black ink, appearing to read "JJ Popowich", is written over a horizontal line.

JJ Popowich
Assistant Executive Officer

March 31, 2021

TO: Operations Oversight Committee
Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
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FROM: Allan Cochran 
Division Manager, Member Services

FOR: April 7, 2021 Operations Oversight Committee Meeting

SUBJECT: **Semi-Annual Report of Member Services**

Background

The Semi-Annual Report of Member Services is meant to highlight achievements and challenges and will be provided to the Operations Oversight Committee in April and October each year. In April, our annual March Madness period begins to fade in our rearview mirror and is a time when we can review our performance and challenges during the prior six months and in October, we begin looking through the windshield at our journey ahead into the next retirement season playfully called, March Madness. Reporting in April and October are logical points where Member Services can provide this committee updates of our operations.

As we look at our accomplishments and challenges over the last six months, it is critical to emphasize that the service and support Member Services provides to our members is only achieved through the collaboration and teamwork of the entire organization. All LACERA divisions are service providers to our members. At times, it is direct service from a Division, and often, it is in a supporting role to Member Services who delivers the direct service. We, at LACERA, are all in the profession of providing service to our members and their beneficiaries.

ACHIEVEMENTS

New Staff Development

Successful remote training of nine Core Benefits Training graduates that were released to Member Services on October 1. Our Supervisors devised a Virtual Interactive Training method using our new technology tools; Amazon Connect Remote Call Center application together with Microsoft's Teams application. This has never been done at LACERA and illustrates the ingenuity of our Member Services Supervisors and our partnership with Systems. We have included an outline of the Call Center Operations training the new Specialists receive:

- October 2020
 - o Virtual Introduction to the MS Management team with an overview of MS Sections and their responsibilities
 - o Virtual Customer Service Training with our Human Resource Division business partner
 - o Virtual Classroom Discussions
 - House Rules in the Call Center (attendance policy, escalations, etc.)
 - MS Operating Instructions (MSOI) and common scenarios encountered in the Call Center
 - Service Requests and Checklists in Workspace
 - Amazon Connect Remote Call Center training
 - Role Playing and Practice
 - o Tandem Sessions – new Specialists listening in to live Calls taken by Veteran Specialists

- November 2020
 - o Virtual Classroom Discussions – uncommon scenarios encountered in calls and a deep review of the MSOI
 - o Tandem Sessions – new Specialists *taking* calls while Veteran staff are guiding them
 - o Debrief of scenarios encountered in daily calls in a virtual classroom setting

- December 2020
 - o Tandem Sessions – new Specialists taking calls with Veteran staff guiding them
 - o “Power Hour” calls – new hires taking calls solo or with their Supervisors guiding them

- Individual Coaching Sessions with Supervisors. Feedback given by Supervisors on calls
- Debrief of scenarios encountered in daily calls in a virtual classroom

Beginning in the New Year, our newest Call Center Retirement Benefits Specialists began working without a tandem partner and would turn to their Supervisor for assistance and support while working with members. Practicing the art of retirement counseling in the months ahead will allow our Specialists to learn how to become more and more effective.

TEAMWORK

Within the Member Services Division

Member Services is organized into three Sections and when in our offices, we occupy space on the ground level in our Member Service Center (MSC) and on the 5th floor where our Call Center, Member Services Quality Control (MSQC) and Correspondence staff members work. Each section plays a part in fulfilling our overall mission to provide superior member service, and specializes in different service channels; on the phone, in writing, Secure Messages, emails, or face to face and presentations. While each Section has their specialty, they have always worked together in service to our members.

With the change to a primarily remote operation, our internal collaboration has increased to a much higher level. We leveraged the extensive skill set of many staff members in new ways. Using Microsoft Teams, Member Services created two internal only chatrooms that increased the ability of staff members and supervisors supporting each other in real-time – thus improving efficiency and service to our members. This new function also allowed Outreach Specialists, who had previously worked from the MSC, an opportunity to directly interact and support our Call Center Specialists.

We have also increased efficiency of our services by having our Outreach staff log on and serve members on the phone when they are not facilitating a webinar or virtually counseling a member. Additionally, we also have five Specialists assigned to the Call Center who have learned to virtually counsel members and we look to expand this capability by training other Specialists in our Call Center. Creating a fully trained and versatile staff is the future of Member Services. The pandemic and our new technology tools have allowed Member Services to come closer and be more supportive of each other in our efforts to better serve our members. We gained efficiency with this new flexibility and the increased communication among staff members of each Section helps everyone.

Between Divisions

Member Services expanded our partnership with RHC to help answer calls regarding the submission of documents to qualify for Medicare Part B reimbursements. The annual Part B verification process is the busiest time of the year where RHC receives a significant increase in calls. In the past many members would not be able to reach RHC due to long wait times. Members would then often try to reach Member Services at a time when Member Services was experiencing its highest call volumes due to the “March Madness” season. Member Services would transfer the member back to RHC or take a message for RHC to call the member back at a later time. Although this is time consuming, and frustrating for our caller, only a RHC Specialist could answer questions about the reimbursement program.

Additionally, once member’s questions are answered they would often visit the MSC to drop off their required documents. With the closure of the MSC due to COVID-19 this option was no longer available. Both RHC and Member Services expected this would add to the mail and fax volumes which, based on past experience, would result in additional calls from members to verify receipt of their document.

The late 2019 rollout of the My LACERA document upload capability helped us recognize an opportunity to improve our services to our members, especially regarding the Part B verification process. Both RHC and Member Services promoted this valuable feature as an alternative to the MSC, which remained closed due to the pandemic.

Through an extensive training program RHC and Member Services collaborated to train Member Services Specialists on what Medicare Part B documentation is needed so that MS could guide callers to upload these documents to My LACERA. RHC facilitated several training sessions through Microsoft Teams which allowed MS Specialists an opportunity to ask many questions. By MS supporting RHC in guiding members how to upload documents for Medicare Part B, RHC Specialists were relieved of some of the responsibility of guiding members on how to do uploads. This gave RHC additional time and resources to help members with RHC questions.

During March Madness, MS has traditionally supported our Benefits Division on various processes to help free up Benefits to focus on processing first retirement payments. With the challenges from the pandemic, this year Member Services worked with our Benefits Division to process Death Benefits claims. Benefits and Member Services worked together to obtain training for a limited number of MS staff members to assist our Benefits partners in seeing our survivors and beneficiaries receive entitled death benefits in a

timely fashion. Our training and collaboration was accomplished by using our new technology tool of Microsoft Teams.

Member Services is currently training a group of Supervisors in RHC on how to virtually meet with a caller. The immediate need for RHC is to virtually validate an Attorney in Fact while interacting with RHC on a member's RHC questions. We are also in the process of training RHC staff on making address changes through Workspace.

Member Services welcomes the opportunity to train other staff members in other divisions on virtual meetings. Benefits and Disability Retirement Services (DRS) are looking to work with us in the future.

INNOVATIVE SOLUTIONS

Virtual Appointments

Using technology tools provided by Systems in the early months of the pandemic, Member Services innovated and adapted an application to provide face to face meetings with our members virtually. The ability to meet with members, beneficiaries, Power of Attorneys who might be anywhere in the world has proven to be a game changer. From October to February, Member Services has conducted more than 1600 virtual meetings. The quantity of virtual meetings is only a portion of our impact with this new technology, for the individuals we touch, our new service means so much.

A quick story about one of our survivors. Our survivor who resides in India had not been paid once COVID hit. With the pandemic her country shut down and would not deliver her monthly payment and returned her mailed check and Automatic Deposit Receipt (ADR). Once severe mail delivery restrictions were loosened by India, we needed a method to validate our survivor to remove a hold due to returned mail from India. With the time zone difference and that she did not speak any English her daughter assisted her by participating in a virtual meeting. We arranged a meeting at 7 am Pacific (India is 12 hours ahead of us) and virtually confirmed our survivor's identity. The virtual meeting was successful, and we were able to establish identity and confirm the following; mailing address, phone number and email address for the future. LACERA was able to expedite sending replacement checks through FedEx and our survivor is now receiving her monthly payment. Our survivor and her daughter were so very thankful.

While we eagerly await the ability to meet with members in our MSC, we plan on continuing to offer this multi-channel face to face meeting approach as an ongoing

service. Providing these additional channels for our Specialists to connect with our membership is the future of Member Services.

Phone Appointments

We learned that all members may not be able to complete a virtual appointment which led to our introduction of pre-scheduled telephone appointments. The convenience of a preschedule opportunity to speak with a Specialist has been popular and from October to February, Member Services completed more than 700 prescheduled counseling telephone appointments.

Member Services eFax

Systems introduced eFax to LACERA to support our remotely working staff members and provide our members with one more easy to use channel to reach LACERA. During the months of March Madness this feature has been a lifeline to some members who needed to interact with Member Services on an expedited basis. Our MSQC staff members in Member Services monitor this dedicated eFax line and uploaded documents to our member's document library as needed. For immediate retirements and rescissions, this tool allowed Member Services a quicker and more efficient service to our members. It also had helped reduce some of the load on our Document Processing Center.

Drop-Box

In March, we opened a new way for members and survivors to drop off documents to LACERA. In partnership with our Administrative Services Division and the Office of the Building we installed a drop-box in the window to the right of the entrance to the building. Members can now drop off documents which are collected twice a day and imaged to the member's account. This is an added convenience to accommodate members who cannot visit the MSC while it is closed due to the pandemic. However, the drop box is here to stay and will help reduce wait times for members who do visit the MSC simply to drop off documents which accounted for a significant amount of our unscheduled visits to the MSC.

Retirement and New Hire Webinars

Member Services Outreach staff have been unable to travel to departments and provide retirement seminars because of the pandemic. Again, Member Services innovated and introduced webinars last summer as way to continue education to our members. Outreach worked closely with Empower to develop joint webinars which mirrored what we provided

pre COVID. These joint retirement seminars allow LACERA and Empower to present their information in a way that allows our members to understand their unique roles and how their pension and voluntary investments work together to provide a dignified retirement. From October to February, Member Services has facilitated 71 webinars (Pre-Retirement, Mid-Career, New Member and Retiree Health Care).

The introduction of these webinars has also been a game changer in terms of how many members we can reach at one time. As mentioned, in the past LACERA would work with individual departments to provide seminars just for those departments. Not all departments were accessible, and some could not provide the minimum number of LACERA members to support having a seminar. With the introduction of webinars, we can provide these workshops to more than one department at a time and support a larger number of members. It also cuts down on extensive travel time opening the ability of staff to provide more workshops than before or schedule more appointments in the virtual or physical MSC. We will continue to offer webinars going forward.

Retirement University Single Topic Webinars

LACERA has long had a strategic goal of developing a Retirement University. The Retirement University is designed to provide focused workshops on various retirement related topics. While the pandemic has created many hardships for LACERA members and staff, and we have had to adjust how we continue to service our members, the introduction of new technology has allowed us to accelerate the development of Retirement University courses and our education to our LACERA members.

The Member Services Outreach Team introduced a new Power of Attorney (POA) Webinar Presentation and made it available to members starting at the end of January 2021. Our team believes there is a strong need to educate members on the importance of having a POA document on file with us in advance of incapacity or illness of our member.

Our goal is to encourage as many members as possible to have a POA document on file with LACERA to enable LACERA to be able to help their loved ones help them when they no longer can help themselves.

During the hour-long presentation, we highlight the reasons why having a POA on file is critical to their LACERA benefits. We discuss the features of the LACERA POA form and review it in detail so that members can complete the LACERA POA form properly.

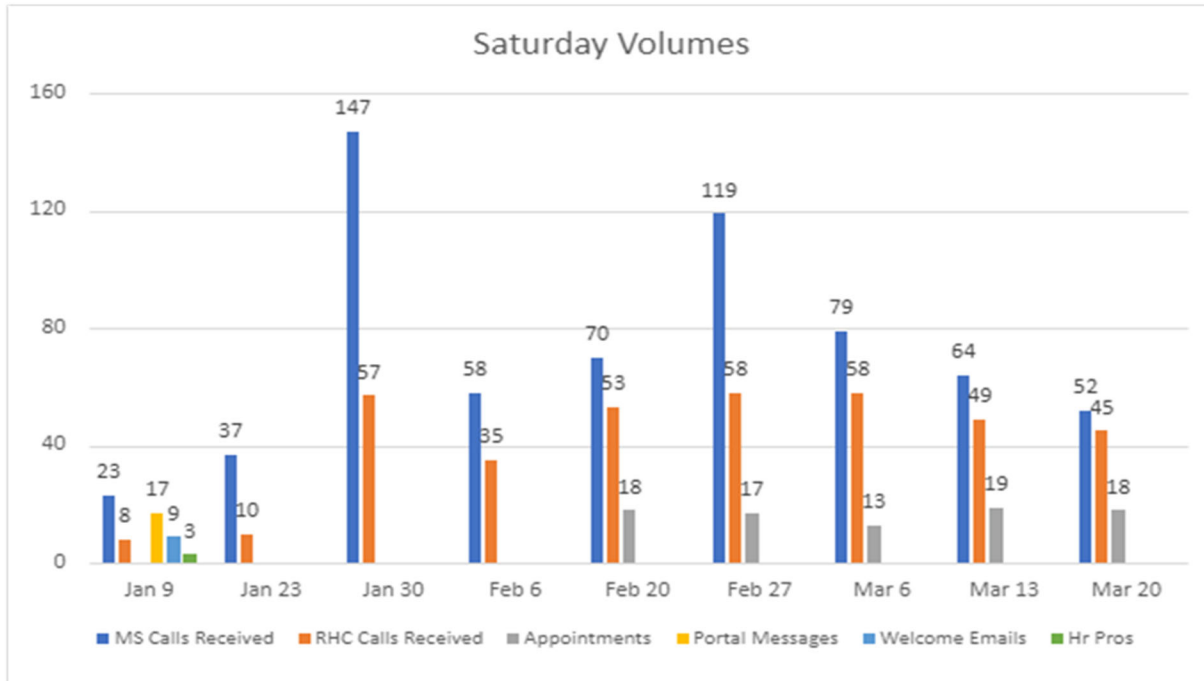
So far Member Services has worked with the District Attorney's Office, County Human Resources, Board of Supervisors, Child Support Services, Public Works and the Auditor Controller's office to arrange presentations. We continue to expand the departments we are speaking with about this presentation and will be working with the Superior Court as well.

We are in the process of developing four more stand-alone presentations; Retirement Options, Navigating the My LACERA portal, Domestic Partnerships, and finally a Post-Retirement Presentation. Future options will include focusing on purchasable time, reciprocity, and the impacts of disability, and more. The expected roll out of these presentations is before the end of this fiscal year. As we move away from March Madness, Member Services will have more availability to deliver more POA presentations and rollout more single subject webinars. Eventually these courses will be available online after we launch our re-designed lacera.com.

From January 26 to the end of March, Member Services Outreach staff has facilitated 33 LACERA Power of Attorney webinars.

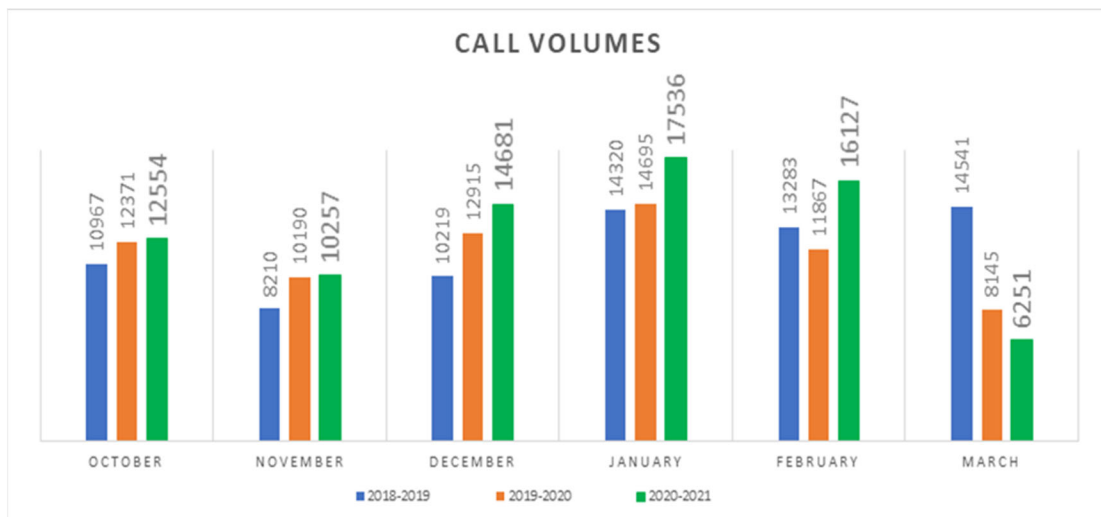
Saturday Call Center Operations

Pre COVID pandemic the MSC would open for some Saturdays during the first three months of each year to offer service to members during March Madness. This year our MSC remained closed, but we remained committed to adding extra service during March Madness. In collaboration with RHC, Member Services offered nine Saturdays with Call Center services from 7:00 a.m. to Noon. Our Specialists stepped up and volunteered to participate in this project and during the last five Saturdays we added pre-scheduled phone appointments as well. For those members we served on a Saturday it was an opportunity for them to have greater access to our knowledgeable Specialists. Member Services served more than 700 members and beneficiaries during these Saturdays.



Call Center Operations

The theme of the last six months for our Member Services Call Center operations is one of challenges that were met. We experienced a historically high number of incoming calls and call length. Since October 2020, our monthly number of incoming calls has never been higher. During this period, incoming call volume increased by more than 21% when compared to the same period in 2019.



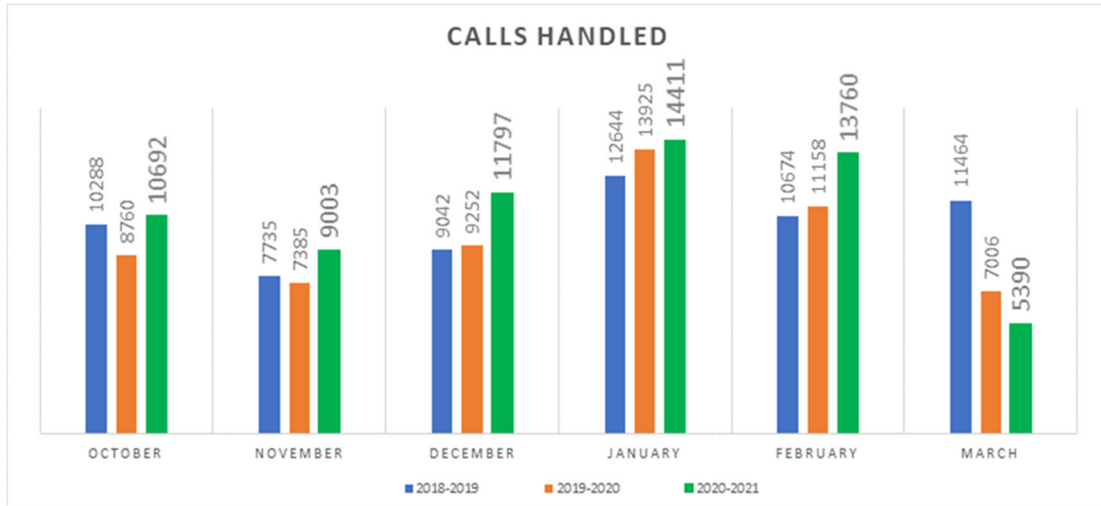
*March 2021 figures are for first eight days of the month.

Semi-Annual Report of Member Services

March 31, 2021

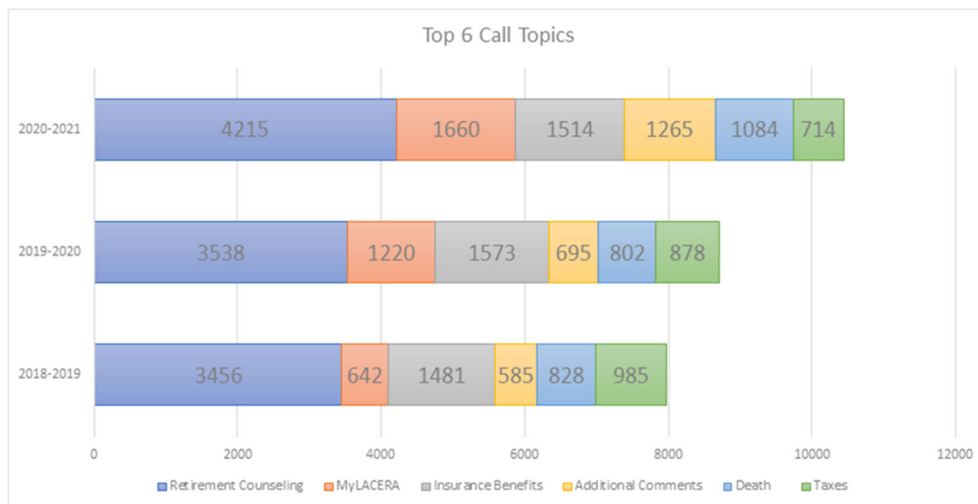
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However, our number of incoming calls handled (not abandoned) increased by more than 24% when compared to 2019.



*March 2021 figures are for first eight days of the month.

The top reasons for calling LACERA were to receive retirement counseling and to gain guidance in using My LACERA. My LACERA calls were often to offer help in how to upload a document to My LACERA. These calls can become lengthy.



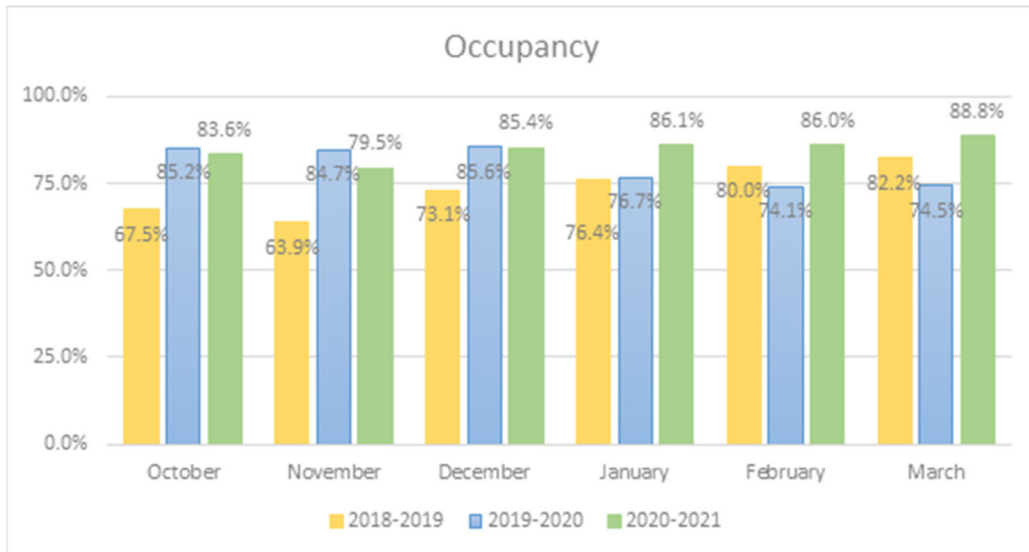
* Period measured is October 2020 to February 2021. Data for 2019-2020 and 2018-2019 is October to March.

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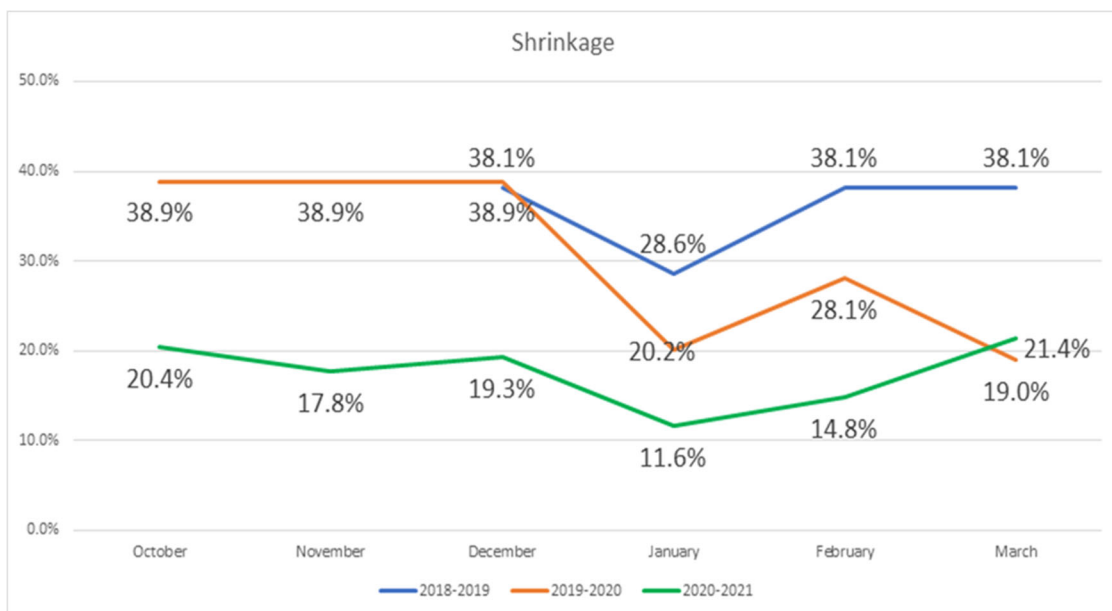
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High call volume, together with the high number of lengthy inquiries of retirement counseling and My LACERA help, meant our Member Services Call Center Specialists worked extremely hard every day as demonstrated by their Occupancy. Occupancy is a measure of being engaged in service to a caller as a percentage of total work time.



*March 2021 figures are for first eight days of the month.

Yet, working remotely with a record workload our Call Center Specialists displayed a significant reduction in shrinkage which is a measure of the percentage staff members are not available to work due to absence.



*March 2021 figures are for first eight days of the month.

CHALLENGES

LACERA Mail

The impact of the pandemic on all LACERA's operations has been substantial. For Member Services providing forms and booklets to our members and receipt of completed documents is critical in serving our membership. As we know, a large volume of mail is processed daily at LACERA through Administrative Services Document Processing Center (DPC). Pre COVID, the operations of DPC is breathtaking in its capability to receive, index and place incoming documents into the correct member or survivor file. One slip, and it would be chaotic. We had become accustomed to the smooth flow of incoming and outgoing mail before the pandemic.

With the impact of COVID, DPC had its operations challenged in many ways. DPC worked with Member Services throughout the past six months to listen to our concerns, and they engineered ways to address areas concerning us before it negatively impacted our members. Regular conversations between DPC and MS helped us to know what the status of document flow is so that we can communicate with our callers. DPC is always willing to take extraordinary steps to serve our member's needs. This has been a challenge for all of us but DPC has adapted and continues to find solutions to the incredible challenges brought on by the COVID-19 pandemic. We have recently assigned a few select staff members to assist DPC on the weekends to help meet our members' service expectations.

MS Staffing

Member Services has been allocated 73 staff positions. We currently have nine vacancies we need to fill. Most of these vacant positions will be filled by promotional recruitments and will result in vacancies in RBS II positions as staff members promote. We have had three MS retirements during the past six months and with staff attrition will have more vacancies. This calls for a new Core Benefits Training class to develop new Retirement Benefits Specialists.

The COVID-19 Pandemic has created some significant recruiting challenges for these positions which are discussed in the Human Resources memo at the April 2021 Operations Oversight Committee meeting. We are pleased to announce that working with Human Resources, Benefits, and Quality Assurance we expect to have a new class beginning in August of 2021.

Conclusion

The past six months has presented a lot of challenges and opportunities as we continue to strive to provide the best service possible to our members. Through collaboration with our business partners, innovation, and a dedication to service we are rising to the challenge. We appreciate the opportunity to share our successes and challenges with the Operations Oversight Committee on an ongoing semi-annual basis.

REVIEWED AND APPROVED

A handwritten signature in blue ink, reading "JJ Popowich", is written over a horizontal line.

JJ Popowich

Assistant Executive Officer



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



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