

IN PERSON & VIRTUAL BOARD 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 would like to remain anonymous at the meeting without stating your name, please let us know.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com.

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, DECEMBER 7, 2022 – 9:00 A.M.**

This meeting will be conducted by the Operations Oversight Committee both in person and by teleconference under California Government Code Section 54953(e).

Any person may view the meeting in person at LACERA's offices or online at <http://lacera.com/leadership/board-meetings>

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

COMMITTEE MEMBERS:

Alan Bernstein, Chair
Herman B. Santos, Vice Chair
Keith Knox
Antonio Sanchez
JP Harris, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of November 2, 2022

II. PUBLIC COMMENT

(Written Public Comment – You may submit written public comments by email to PublicComment@lacera.com. 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.)

Verbal Public Comment – You may also request to address the Committee at PublicComment@lacera.com before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)

III. NON-CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Operations Oversight Committee (OOC) discuss and provide input on the implementation process for the AB 2449 teleconference meeting procedures that may be used in preparing a policy for consideration by the Board of Retirement at a future meeting. (Memorandum dated November 28, 2022)

IV. REPORTS

- A. LACERA Operations Briefing
Luis A. Lugo, Deputy Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Laura Guglielmo, Assistant Executive Officer
(For Information Only)
- B. FY 2022-23 Hiring Plan
Laura Guglielmo, Assistant Executive Officer
(Presentation)
- C. Fiscal Year 2021-2022 Financial Review
Ted Granger, Interim Chief Financial Officer
Michael Huang, Accounting Officer II
Ervin Wu, Interim Accounting Officer II
(Presentation)
- D. Annual Quality Assurance Audit Report
Bernie Buenaflor, Chief, Quality Assurance & Metrics Division
(Presentation)

V. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting.)

VI. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

VII. GOOD OF THE ORDER

(For information purposes only)

VIII. 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, Deputy Chief Executive Officer Luis Lugo, Systems Division Interim Manager Kathy Delino, Chief Information Security Officer Bob Schlotfeld, and Other LACERA Staff.

IX. 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, NOVEMBER 2, 2022, 10:17 A.M. – 10:40 A.M.

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

COMMITTEE MEMBERS

PRESENT: Alan Bernstein, Chair
Herman B. Santos, Vice Chair
Antonio Sanchez
JP Harris, Alternate

ABSENT: Keith Knox

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
Elizabeth B. Ginsberg, Alternate Ex-Officio
Vivian H. Gray
Wayne Moore
William Pryor

STAFF, ADVISORS, PARTICIPANTS

Luis Lugo, Deputy Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Laura Guglielmo, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Bonnie Nolley, Executive Board Assistant
Linda El-Farra, Executive Board Assistant

STAFF, ADVISORS, PARTICIPANTS (continued)

Padraig Supple
RockSolid

The meeting was called to order by Chair Bernstein at 10:17 a.m. Due to the absence of Mr. Knox, the Chair announced that Mr. Harris, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of October 6, 2022

Mr. Harris made a motion, Mr. Bernstein seconded, to approve the minutes of the special meeting of October 6, 2022. The motion passed unanimously.

II. PUBLIC COMMENT

III. REPORTS

A. LACERA Operations Briefing

Luis Lugo, Deputy Chief Executive Officer
JJ Popowich, Assistant Executive Officers
Laura Guglielmo, Assistant Executive Officer

The Executive team presented the monthly briefing on projects and initiatives within LACERA's Operations and Administration, including Strategic Plan, CEO's 100 Day Report, Member Operations Group (MOG), and Business Services Group (BSG).

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

B. Project Update: Board & Committee Agenda and Meeting Management Solution

Luis A. Lugo, Deputy Chief Executive Officer
Bonnie L. Nolley, Executive Board Assistant
Linda El-Farra, Executive Board Assistant
(Presentation)

Mr. Lugo, Ms. Nolley, and Ms. El-Farra provided a brief presentation and answered questions from the Committee.

IV. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting.)

There was nothing to report.

V. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

There was nothing to report

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

The meeting adjourned at 10:40 a.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.**

November 28, 2022

TO: Operations Oversight Committee,
Alan Bernstein, Chair
Herman B. Santos, Vice Chair
Antonio Sanchez
Keith Knox
JP Harris, Alternate

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: December 7, 2022 Operations Oversight Committee Meeting

SUBJECT: AB 2449 Teleconference Meeting Procedures

Recommendation

That the Operations Oversight Committee (OOC) discuss and provide input on the implementation process for the AB 2449 teleconference meeting procedures that may be used in preparing a policy for consideration by the Board of Retirement at a future meeting.

Legal Authority

Under the Board of Retirement Standing Committee Charters, the OOC Charter provides that it advises the Board of Retirement on matters of "Enterprise Governance," including review of LACERA's governance documents. Under Section I.1.6 of the OOC Charter, the OOC will "Review any proposed changes to the governance of LACERA and make recommendations to the BOR." Considerations of options for Board of Retirement and Committee meeting processes are within the scope of these provisions.

The Board of Retirement in turn has the authority to act upon the OOC's recommendation based on its plenary authority and fiduciary responsibility over matters of fund administration and management under Article XVI, Section 17 of the California Constitution and Government Code Sections 31520 and 31520.1 of the County Employees Retirement Act of 1937.

Background on AB 2449

This memo discusses implementation options for the new teleconference meeting procedures under AB 2449, which was signed into the law by the Governor on September 13, 2022, effective January 1, 2023. A copy is attached.

///

The AB 2449 procedures are separate from the COVID emergency rules under AB 361 and Section 54953(e) that the Boards have utilized since September 2021, and which will remain in effect until January 1, 2024 and at that time are repealed. While AB 2449 is effective on January 1, 2023, the AB 2449 rules will not be relevant or operative for LACERA's Boards and Committees until the March 2023 meetings and thereafter. This is because the Board of Retirement and Board of Investments approved at their September 23, 2022 joint meeting that the Boards and Committees will continue to use the COVID emergency rules until the State of Emergency ends, which is expected to occur on February 28, 2023.

The traditional teleconference rules requiring that each teleconference location be identified and open to the public will continue to be available under AB 2449.

AB 2449 creates three sets of new rules for teleconferencing under Section 54953, each of which applies for a different period of time.

- **Effective from January 1, 2023 through January 1, 2024.** Under this version of Section 54953(f)-(l), the following rules will apply:
 - A quorum of the legislative body must participate from the same physical location in the County of Los Angeles, for which the meeting is agendized. A quorum must be physically present for the entire meeting. This location must be open to the public. The meeting must be livestreamed, and there must be a two-way telephonic or audio-visual method of viewing and providing public comment.

Applying this part of the statute for the Board of Retirement, its Committees, and joint Committees, AB 2449 imposes the following limits for quorum and teleconference attendance, subject to the individual attendance limits discussed below:

<u>Body</u>	<u>Quorum in Person</u>	<u>Maximum by Teleconference</u>
BOR	Five	Four (plus alternates if not needed for a quorum)
IBLC	Three	One (plus alternate if not needed for a quorum)
OOC	Three	One (plus alternate if not needed for a quorum)
JOGC	Five	Three
Audit	Four	Three

- The remaining members of the body may participate remotely, without the need to agendize their location or open it to the public, if either:
 - First, the member notifies the body at the earliest opportunity, including at the start of a regular meeting, of their need to appear remotely for just cause, including a general description of the circumstances supporting the just cause. “Just cause” is defined as (1) childcare or caregiving needs of certain family members or a domestic partner, (2) contagious illness that prevents attendance, (3) a need related to a physical or mental disability as defined in Government Code Sections 12926 and 12926.1 which is not accommodated, or (4) travel while on official public business of the body or another state or local agency. As stated above, a quorum must be physically present in person for the entire meeting; if an in-person quorum is lost, the body will not be able to take action. Even though notice of “just cause” can be made as late as the start of the meeting, the meeting cannot proceed if there is not an in-person quorum.

The “just cause” excuse from in-person attendance cannot be invoked more than two meetings per calendar year; or

- Second, the member requests the legislative body to allow them to participate remotely due to emergency circumstances and the body takes action to approve the request. “Emergency circumstances” are defined as a physical or family medical emergency that prevents the member from attending in person. The body must request a general description of the circumstances of not more than twenty words and without disclosing personal medical information. The member making the request must make it as soon as possible. The body may act on the request as an urgency item by majority vote under Section 54952.2(b)(4), only if there is not sufficient time to place the request on the posted agenda. Separate requests must be made by a member each time they seek to request to participate remotely. An in-person quorum must be present for the entire meeting. A request cannot be acted upon in the absence of an in-person quorum,
- These provisions in total may not be used as a means for any members to participate in teleconference meetings for a period of more than three consecutive months or 20% of the regular meetings of the body within a

calendar year or more than two meetings if the body regularly meets fewer than ten times per calendar year.

Therefore, for the Board of Retirement, its Committees, and joint Committees, AB 2449 imposes the following limits on each Trustee's teleconference attendance at regular meetings per calendar year:

BOR	Maximum of two teleconference meetings/Trustee/year
IBLC	Maximum of two teleconference meetings/Trustee/year
OOC	Maximum of two teleconference meetings/Trustee/year
JOGC	Maximum of two teleconference meetings/Trustee/year
Audit	Maximum of two teleconference meetings/Trustee/year

- The member participating remotely must state whether any other individuals 18 years or older are present in the room at the remote location with the member and the general nature of the member's relationship with any such individuals.
- The body must develop and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation from individuals with disabilities under the ADA. The body shall conduct meetings under this section consistent with applicable civil rights and nondiscrimination laws.
- The body may offer additional teleconference or physical locations from which the public may observe and address the body.
- The COVID emergency teleconference rules under Section 54953(e) will still be in effect concurrently with the above rules through January 1, 2024.
- **Effective from January 1, 2024 to January 1, 2026.** Under this version of Section 54953(f)-(i), the same rules as described above apply, except this version will go into effect after the current COVID emergency provisions will no longer be in effect, having been repealed on January 1, 2024.
- **Effective from and after January 1, 2026.** Under this version of Section 54953, the above rules are repealed, and the Brown Act will return exclusively to the historical teleconference rules where teleconference locations must be agendized and open to the public.

Options for AB 2449 Implementation Procedures

The Board's AB 2449 policy must include provisions consistent with the requirements set forth above, which are not discretionary insofar as they relate to the in-person quorum requirement and teleconferencing limits for each Trustee. The Executive Board Assistants will maintain records to ensure that Trustees do not exceed the maximum permitted number of teleconference meeting attendance each calendar year. Forms will be created for trustees to use in making their request and presenting their general description of "just cause" or "emergency circumstances." A designated email address will be provided for submission of requests.

Since it may develop that there is a greater demand for teleconferencing positions at any given meeting than permitted by AB 2449 (i.e., requests by more than a quorum), it may be helpful to have a system of established priorities. Any system will need to be capable of implementation by staff or by the Board or Committee Chair because it is not possible under AB 2449 for the Board, or a Committee, to act in the absence of a quorum in person. Any system will also need to be separately implemented for each Board and Committee since each body has different quorum requirements and teleconference limits based on size and meeting frequency. Any system must be built to ensure ADA compliance, which is required by AB 2449, so as not to allow cause based on attendance at a conference or other business event to take priority over a health or disability necessity.

The options listed below are possible solutions for resolving priorities if there is a greater demand for teleconferencing than allowed for any given Board or Committee meeting:

1. *Evaluate All Requests.* The Board may determine that each teleconference request will be considered and evaluated by staff. Under this option, action would be taken based on evaluation of the "general description" as required by AB 2449 that must be provided by each requesting Trustee. Decisions would be based on staff's evaluation of the merit of each request. This option has the disadvantage of placing staff in the difficult position of deciding the relative merit of individual requests.
2. *First Come, First Served.* Under this system, priority will be determined by the order in which Trustees advise staff in writing of their need for teleconference based on either just cause or emergency and provide the required "general description." This option has the advantage of being objective, without any need for staff discretion, but it suffers from the disadvantage of not considering the relative merit of requests.
3. *Chair Discretion.* This system assigns responsibility for weighing requests to the

Chair of the Board and each Committee. This option reserves authority for each Board or Committee meeting to the Chair of the body, which is an existing Chair authority. The Board of Retirement Charter provides in Section 4.1 that the Chair shall “facilitate and preside over BOR meetings.” The Board of Retirement Standing Committee Charters provide in Section E that, “Each Committee Chair will be responsible for setting meeting dates and agendas.” This option also removes the responsibility from staff for administering the allocation of teleconference attendance.

4. *Prioritization Based on Trustee Seniority.* The Board may adopt a system of seniority lists like those maintained and used for Board officer selection. Such lists would be constructed identically to the officer selection lists, but they would be created and maintained separately for the Board and each Committee. Like the “first come, first served” option, a list system is objective, but it does not consider the relative merits of requests. This system has the advantage of having already been debated by the Board and accepted in its implementation to date.

The OOC may consider variations of these options or propose others.

Conclusion

Based on the above discussion, staff recommends that the OOC discuss and provide input on the implementation process for the AB 2449 teleconference meeting procedures that may be used in preparing a policy for consideration by the Board of Retirement at a future meeting.

Attachment

c: Santos H. Kreimann
Jonathan Grabel
Luis A. Lugo
JJ Popowich
Laura Guglielmo
Barry Lew



AB-2449 Open meetings: local agencies: teleconferences. (2021-2022)

SHARE THIS:  

Date Published: 09/14/2022 09:00 PM

Assembly Bill No. 2449

CHAPTER 285

An act to amend, repeal, and add Sections 54953 and 54954.2 of the Government Code, relating to local government.

[Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2449, Blanca Rubio. Open meetings: local agencies: teleconferences.

Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. The act authorizes a legislative body to take action on items of business not appearing on the posted agenda under specified conditions. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined.

Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health.

This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the legislative body, as prescribed. The bill, until January 1, 2026, would authorize a legislative body to consider and

take action on a request from a member to participate in a meeting remotely due to emergency circumstances if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The bill would define terms for purposes of these teleconferencing provisions.

This bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 54953 of the Government Code, as amended by Section 3 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option.

(B) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(C) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(D) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(E) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) This subdivision shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(f) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(g) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(h) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(i) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(j) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (g).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (f), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "State of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(6) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(7) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(8) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(9) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(k) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 2. Section 54953 of the Government Code, as added by Section 4 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by

which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(f) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(g) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(h) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(i) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (f).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (e), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(6) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(7) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(8) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(j) This section shall become operative January 1, 2024, shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 3. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, "teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2026.

SEC. 4. Section 54954.2 of the Government Code is amended to read:

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item

generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or

political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(4) To consider action on a request from a member to participate in a meeting remotely due to emergency circumstances, pursuant to Section 54953, if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The legislative body may approve such a request by a majority vote of the legislative body.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 5. Section 54954.2 is added to the Government Code, to read:

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body

at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall become operative January 1, 2026.

SEC. 6. The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hospital room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

SEC. 7. The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings.

FOR INFORMATION ONLY



Operations Briefing Report

December 7, 2022





The Operations Briefing Report is divided into four distinct sections, beginning with a general highlight section where we share narratives of projects or operational issues that we feel need highlighted attention. For example, over the last few months we have provided updates on our annual “March Madness” season.

The remaining sections are designed to provide an “at-a-glance” update on projects and initiatives the organization is working on. Each section is divided into the categories listed below to make it easier for you to quickly see what has changed, what has not, and what is completed. We have assigned a color scheme to each section so that as you scroll through the report you will be able to easily identify which of the sections listed below you are in. We have alphabetized each section by project title to make it easier for Trustees to home in on a specific project of interest:

- **New and Updated Information**
- **Existing Projects/Initiatives: No New Updates**
- **Completed Projects/Initiatives**

Each “at-a-glance” section provides a summary of information so Trustees can quickly understand the project and its status. This includes the following fields:

Project/Issue Title – Brief Description:

- **Type:** Each project has been assigned a type (Strategic Plan, CEO (for CEO’s 100 Day Report), MOG (Member Operations Group projects), and BSG (for Business Services Group projects).
- **Start and Target Date:** When the project started and its expected target date for completion.
- **Project Lead(s):** We have added a new information point to describe the project lead for that specific project.
- **Color coded status section** to indicate quickly where we are on the project.
- **A brief annotated notes section** to provide more detail on the status of the project.



Status Indicator Note

Color coded statuses for a quick at-a-glance indicator to tell you how the project is proceeding.

On Schedule	Delayed	Pushed Back
(The project is on schedule and the team intends to meet the stated target date)	(The project is slightly delayed. The team does expect a one to two month slip in meeting the target date. Management is more actively watching the progress of these projects)	(The project has been impacted by a significant obstacle or has been suspended due to emergent priorities. Management is actively discussing remedial steps or has a plan waiting to be implemented)

• New and Updated Information

This portion of the Operations Briefing details projects and initiatives that are new or have updated statuses.

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial & Accounting Services Division	January 2021	December 2022
Actuarial Valuation Reports – Retirement Fund: 2022 Retirement Benefits – Investigation of Experience (Experience Study) The Government Code requires that valuations of the Retirement Fund (Pension Plan) be performed at least once every three years. The Board of Investments’ 2013 Retirement Benefit Funding Policy requires valuations be completed annually. These reports are prepared to determine	Project Lead(s): Ted Granger			
	On Schedule			
	2022 Pension – Triennial Investigation of Experience Study Retirement benefits (Pension) actuarial projects for the 2022 reporting cycle are in progress. For June 30, 2022, Milliman will complete an investigation of experience, which is required by CERL to be conducted every three years to review the retirement benefit economic and demographic assumptions and recommend changes. Changes in the assumptions will impact the actuarial valuation results and employer and employee contribution rates.			



employer and employee contribution rates and to measure the funded status of the Pension Plan. In addition, the valuation report provides information used to prepare the Governmental Accounting Standards Board (GASB) Statement Number 68, financial statement reports. Plan Sponsors use the GASB reports to obtain information required for their financial statement disclosures.

Milliman began a series of presentations to the Board of Investments (BOI) when they completed an “educational session” for the Trustees. The information included a high-level discussion of actuarial concepts, methods, and assumptions so Trustees are better informed for the upcoming investigation of experience process requiring Trustee input and decisions. Milliman presented the educational session at the August BOI meeting.

Milliman will make three (3) presentations to the BOI this fall to review and determine the June 30, 2022, actuarial assumptions and methods. In addition, fiduciary counsel will make a presentation at the BOI meeting in October to underscore the importance of this process. This session was completed at the October BOI meeting.

The series of meetings are meant to provide the information necessary which will facilitate discussions as Trustees provide input. Milliman’s October 2022 presentation focused on economic assumptions and related actuarial methods. Milliman is moving forward with the economic assumptions and method recommended without objections from the BOI. In November 2022, Milliman discussed the demographic assumptions and related actuarial methods. The BOI had no objections to the proposed changes so Milliman will use their recommendations to complete the experience study process and prepare a draft report.

In addition, Cavanaugh Macdonald Consulting (CAVMAC), LACERA’s reviewing (audit) actuary, will conduct an actuarial review of the experience study process conducted by Milliman and the BOI, per the Board’s Policy. CAVMAC will determine if actuarial standards were followed.

For the presentation in December 2022, Milliman will present a draft experience study report for the Board to adopt all of the actuarial assumptions presented therein, and CAVMAC will present their draft report with any comments, suggestions or findings.



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
Actuarial Valuation Reports: OPEB: The retiree healthcare (RHC) program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Number 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually for Los Angeles County and LACERA’s Board of Retirement to make funding decisions and to provide the information for the GASB 75 report which is used for employer financial statement reporting.	BSG	Financial & Accounting Services Division	July 2022	August 2023
	Project Lead(s): Ted Granger			
	On Schedule			
	<u>2022 OPEB – Annual Valuation</u> The July 1, 2022, OPEB Valuation Report is in progress. Milliman sent over, and LACERA staff completed, the annual information request. Systems prepared and transmitted the year-end member census data to Milliman. LACERA is monitoring the project timeline while Milliman is completing the valuation process. Milliman requested and staff provided some additional information regarding employer OPEB funding policies, financial data, and investment return information. Milliman will present the final OPEB Valuation Report to the Board of Retirement in August 2023.			



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Call Center Improvements: Phase VII – Voice Authentication – AI Assisted Validation</p> <p>Using AWS voice chat and voice authentication services to validate a member/survivor prior to speaking to a Specialist.</p>	MOG	Executive (MOG)	06/01/2022	12/31/2022
	Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)			
	On Schedule			
	<p>Our contact center service provider, AWS, offers two services which we have identified as possible member experience enhancements that will help further reduce call center wait times by reducing call duration. Members calling LACERA must pass a Basic Validation to allow us to access a member’s account, and then a Secure Validation before we can discuss their account in detail or make changes.</p> <p>AWS has an AI voice chat function which we believe can be used to interact with the member before talking to a Specialist and complete both validation steps. If successful we can reduce call duration by 1-2 minutes per call. Additionally, if fully integrated we would be able to personalize the call.</p> <p>Additionally, AWS offers a voice authentication service which can be used to validate callers by voice. Members who have opted into this service would be recognized and validated by AWS and able to bypass the validation process. This would be offered to members as an option upon completing a Secure Validation process.</p> <p>The Statement of Work (SOW) with AWS has been signed and an initial kickoff meeting was held on Monday, November 29, 2022. The team is now discussing resource allocation and timing of the work plan. The team is balancing current work assignments, planned leaves, and potential impacts on March Madness.</p>			



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Case Management Project (SOL): Phase I: Implement a case management system that will improve efficiency in processing member requests, provide accurate status and data collection for metrics, and improve the member experience. Processes included in Phase I are: Disability Retirement Services Disability Litigation Office Benefits – First Payment</p>	Strategic	Executive (MOG/BSG)	08/24/2022	05/24/2023
	Project Lead(s): JJ Popowich, Luis A. Lugo, & Iveta Brecko (PM)			
	On Schedule			
	<p>In May, the BOR approved LACERA’s recommended vendor, Eccentex, to partner with LACERA to develop our Case Management System. Eccentex was selected after an extensive review of thirteen vendor proposals received from our RFP.</p> <p>Phase I of the project is proceeding as expected.</p> <p>We are pleased to announce the project team has assigned a name to our specific Case Management system. The Case Management system has been branded as SOL. The team working on this project determined that we needed to provide the system a name. After a polling of the team the final choice was determined to be SOL (short for Solution, and a reference to the sun which everything revolves around). Henceforth, going forward we’ll be referring to the case management system as SOL.</p> <p>Phase I is progressing as planned. Since Phase I consists of multiple steps and stages we have broken down the stages:</p> <ul style="list-style-type: none"> • Disability Retirement Services: <ul style="list-style-type: none"> ○ Requirements Documented: 100% completed. ○ DRS Implementation: 35% Completed. <ul style="list-style-type: none"> ▪ Four out of six scheduled sprints have been completed. ▪ Integration tasks between Workspace and SOL are 50% complete. Member and case data exchange between Workspace and SOL is complete. We are working on integration tasks for document commitment to LACERA FileNet system and case milestone events posting to Workspace. 			



	<ul style="list-style-type: none"> ▪ In addition, the LACERA technology team is working on changing the format of documents saved in FileNet from tif to pdf to accommodate vendor's preference. Separate servers have been established for data exchange between LACERA and Sol. • Disability Litigation: <ul style="list-style-type: none"> ○ Requirement Documentation: The team began the formal documentation requirement stage during the week of November 28th. • First Payment Process: Not started yet.
--	--

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
Communications Plan: The development of a strategic Communications Plan providing an overview of the guiding principles used to communicate with LACERA's various stakeholder groups. The plan will also provide an overview of the channels, resources, methods, planned campaigns, and current commitments of the Communication team. The plan will outline how our Communications Division has been designed to be flexible and responsive to our needs as we fulfill our communication goals.	Strategic	Executive (MOG)	02/28/2022	12/31/2022
	Project Lead: JJ Popowich and Cynthia Martinez			
	On Schedule			
	The LACERA executive team met on August 30, 2022, to review and discuss the Communication Plan(s) drafted by both EKA (the Board of Retirement's public relations consultant) and the LACERA Communications division. Both plans outlined a more tactical approach to engaging our members and various stakeholders, as opposed to a strategic roadmap. The team discussed opportunities and ideas for improving the Communication plan document. We are going to coordinate these efforts with our Strategic Planning process, since the work overlaps with our current Strategic Planning efforts.			
The Communications team has completed the updates requested by the Executive Office and the plan is currently under review by the Executive Team. The team				



	expects to meet in January to discuss the plans and our next steps to move this project forward.
--	--

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	10/06/22	6/30/23
Enterprise Budget Application: LACERA is implementing its first automated enterprise budget application which will be used for budget development and budget control and will integrate with LACERA's financial system, Great Plains. This system replaces a manual budget development process that relies on Microsoft Excel and Word. It will also ensure that managers have real-time budget to actual reporting capabilities for data informed decision making.	Project Lead: Laura Guglielmo, Budget Team, and Cookie Jaranilla (PM)			
	On Schedule			
	After an extensive RFP and selection process, the Board of Retirement approved the selection of Questica on October 6, 2022. Staff worked with Questica and has finalized the contract and statement of work. Staff met with the vendor representative on November 17, 2022 for the project kick-off meeting and began the discovery sessions to implement the software solution.			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Administrative Services	03/01/2022	3/01/2023
Enterprise Contract Lifecycle Management (ECLM) Solution: Pursuant to a recommendation by Administrative Services staff, the Operations Oversight Committee (OOC)	Project Lead(s): Celso Templo & Michael Dozier (PM)			
	On Schedule			
	On April 4, 2022, LACERA received proposals from nine vendors. LACERA's evaluation team reviewed all RFPs and selected five vendors as finalists. These finalists demonstrated their solutions to the team. A final vendor has been identified			



<p>on March 2, 2022, authorized a Request for Proposal (RFP) for software and consulting services to procure, configure, customize, and implement an ECLM system, which was published on LACERA.com on March 4, 2022.</p>	<p>and a recommendation to the Board of Retirement was scheduled for consideration at the September 2022 Board Meeting. The Board of Retirement approved the recommended vendor, Cobblestone, at the September 2022 Board meeting for the Enterprise Contract Lifecycle Management system.</p> <p>The ECLM Project Team finalized the review and provided the necessary changes. Hence, Cobblestone’s Senior Account Manager submitted the License Agreement and finalized SOW to Cobblestone’s Legal for review and approval. Cobblestone has emailed LACERA the latest SOW containing accepted items requested by LACERA and revised Contract Insight Software License Agreement from Cobblestone’s Legal Team, LACERA will be reviewing the latest documents and providing the necessary revisions based on the Subject Matter Experts recommendations and buy-ins.</p>
---	--

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	EXEC	Executive (MOG)	10/01/2022	12/31/2022
<p>Member Experience: Celebrating a Lifetime of Public Service</p> <p>The working title for a new effort to increase the LACERA communities' awareness of the lifetime of service that some of our members contribute to the public through a variety of communication channels with our members.</p>	Project Lead(s): Cynthia Martinez			
	On Schedule			
	<p>Many of our members devote most of their working lives to serving the community through their employment as County employees. This new project will set in place a selection process to highlight the service of a retiring member with a significant number of years of service. The goal is to share a bit about their journey and recognize their accomplishments and contributions. These highlights will be shared on a scheduled basis (currently envisioned to be quarterly) across multiple channels (newsletters, and at a Board of Retirement meetings [with the consent of the trustees]).</p> <p>The team is currently discussing the structure of the project and drafting a project charter. We expect a kickoff meeting in early January to finalize the project plan.</p>			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	01/01/2013	12/31/2022
PEPRA Implementation: FAC Issue: The Final Average Compensation for PEPRA members is exclusive of most pay items except base pay. The County uses pay code 099 as their base pay code. This pay code has embedded pay items within the code that are not pensionable compensation under PEPRA. In order to accurately calculate a member's benefit, these non-pensionable compensation items need to be filtered out.	Project Lead(s): JJ Popowich & Lynn Francisco			
	Pushed Back			
	The team focusing on this project have been working with the County Auditor-Controller to find a way to automatically filter out the non-pensionable compensation items. The team believes it has made progress on filtering out most of the non-pensionable compensation items. The Auditor-Controller (AC) provided a file format for testing purposes in October of 2022. Subsequently, after verifying the file format and structure, we requested the AC to provide a data file with actual data for further User Acceptance Testing (UC). The AC has advised LACERA that they will not be able to provide any further files for testing until after the first of year due to their year-end commitments. We will continue to work with the AC, and stressing the importance of getting these files tested and verified, so we can provide our PEPRA members with basic retirement benefit information that they should be receiving such as Annual Benefit Statements and on-demand retirement benefit estimates.			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	03/03/2022	12/31/2022
OneMeeting (PrimeGov) Implementation: The Board of Retirement approved a more effective meeting management tool to help streamline the planning and conducting of Board/Committee	Project Lead(s): Bonnie Nolley & Linda El-Farra			
	On Schedule			
	Trustee testing and training has begun and will continue through mid-December. Staff will be presenting following completion of this project at the Operations Oversight Committee (OOC) February 2023 following implementation.			



meetings while improving transparency and public access.	
--	--

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date								
Brief Description	Strategic	Disability Retirement Services (MOG)	May 4, 2021	February 23, 2023								
On-Line Disability Retirement Application: To facilitate member self-service, improve the member experience, and streamline the intake of disability retirement applications, the Systems Division has been working jointly with the Disability Retirement Division to develop an on-line disability retirement application on My LACERA.	Project Lead(s): Tamara Caldwell & Kathy Delino											
	On Schedule											
	The online application was deployed to LACERA membership on September 8, 2022. After submitting their application, members are provided with a link to a member experience survey. Staff will monitor survey responses and application activity to collect data concerning functionality and member experience to improve and enhance the tool prior to the official launch, scheduled for later this year.											
Application Activity – As of 11/22/22 <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Applications In Process*</td> <td style="text-align: center;">54</td> </tr> <tr> <td>Applications complete and submitted</td> <td style="text-align: center;">8</td> </tr> <tr> <td>Total since deployment</td> <td style="text-align: center;">62</td> </tr> <tr> <td>Total surveys completed**</td> <td style="text-align: center;">8</td> </tr> </table>					Applications In Process*	54	Applications complete and submitted	8	Total since deployment	62	Total surveys completed**	8
Applications In Process*	54											
Applications complete and submitted	8											
Total since deployment	62											
Total surveys completed**	8											
<small>*Application was started but required elements still pending. **Survey results will be shared as more data becomes available</small>												

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	RHC	Executive Office	March 2021	TBD
Retiree Healthcare Administration: Lifetime Maximum Benefit Project	Project Lead(s): Santos H. Kreimann & Luis A. Lugo			
	Delayed			
	The Executive Office and County CEO's office continue to have positive discussions towards a solution to the \$1 million Lifetime Maximum Benefit (LMB) for Anthem Non-Medicare plans. We are scheduled to meet again with the County			



	CEO's office on December 2, 2022. We will keep the BOR updated on progress as we work towards a resolution.
--	---

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Tax Table Changes for 2022: New Tax Withholding Form</p> <p>The IRS published updated tax tables for 2022 which became effective January 1, 2022. The IRS finalized a revised Federal Withholding Certificate for Pension & Annuity Recipients (commonly referred to as a W-4P tax withholding form), in early 2022. The IRS is not requiring the new form be used until the 2023 tax year.</p>	Strategic	Executive (MOG)	07/01/2022	12/31/2022
	Project Lead(s): Kevin Hawkins			
	On Schedule			
	<p>Earlier this year, the Project Management Group worked with tax counsel to understand the intricacies of the changes to the W-4P tax withholding form for 2022.</p> <p>LACERA.com was updated with an announcement that the new tables may cause a slight change to some members' net benefit amount. We are also advising members that we will continue to use and support the current version of the W-4P form and will not accept any 2022 forms submitted before we transition to using the 2022 form exclusively. We posted a Q & A section on LACERA.com (also accessible through My LACERA) to explain how LACERA is adjusting the new withholding guidance. One important and reassuring note: Members who have already started receiving their benefit payments from LACERA through 2023, will not be required to file a new form if they wish to keep their current preferences.</p> <p>On August 4, 2022, we held a project kickoff meeting to review the project charter, formalize our project plan and responsibilities, and assign work. Beginning in November 2022, we started providing the 2022 form along with the 2021 form to accommodate January 2023 retirement elections. We are notifying members that they must submit the 2021 form to LACERA by the end of 2022 in order for us to accept it, and if they cannot meet the deadline, they must submit the 2022 form in 2023. We are notifying members via a cover letter that accompanies the tax forms; the same notification language is on lacera.com. Systems is working on programming required to support the new tax withholding election rules (beginning with</p>			



	January 2023 payments) to allow staff to update elections in Workspace and members to make changes through My LACERA. Additionally, the team is working on supplemental tax withholding calculation tools for member self-service use and for Member Services staff to use when counseling members. We will continue to keep the Trustees updated on our progress.
--	--

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	October 2021	June 2023
Travel/Expense/P2P Software: LACERA has procured “Certify” software created by Emburse, an accounts payable automation and expense management provider.	Project Lead(s): Laura Guglielmo, Ted Granger, & Cookie Jaranilla			
	Pushed Back			
	<u>Accounts Payable Module</u> Staff resumed implementation of Certify’s accounts payable “core” tool. Staff held discussions with the vendor to determine electronic payment methods and review associated legal agreements. Staff is working with Certify to establish and optimize LACERA’s processes within the software workflow. In addition, staff is helping Certify initiate the software by establishing users, vendors, electronic payment methods, and developing approval processes. Throughout this process, staff will continue to evaluate the software product to ensure it meets LACERA’s needs and requirements. The accounts payable module includes a streamlined procurement and payables process that leverages optimized character recognition to reduce manual data entry. With Certify, LACERA may also make payments via ACH or virtual credit cards to vendors. This project strategically aligns with Systems’ goal of upgrading the technology of the organization and will replace the manual process with the latest technology.			



Travel and Expense Module

Staff has implemented a soft pause for the Certify travel and expense report management software. There are some internal processes that require additional review and consideration. Staff is using Microsoft SmartSheets to implement the travel and training approval processes. Systems is developing Smartsheet solutions for Human Resources' Training and Employee Development unit that will be synchronized with the travel software implementation. In addition, staff needs to devote additional time to reviewing the travel booking software provided through Certify which includes understanding hidden fees and how to apply the tool for group events.



• Existing Projects/Initiatives: No New Updates

This portion of the Operations Briefing will detail on-going projects that have no current changes in status.

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Alameda Decision Implementation: In 2020, the California Supreme Court issued its decision in the Alameda County Deputy Sheriff’s Association v. Alameda County Employees Retirement Association (“Alameda”), challenging the constitutionality of changes passed in 2013 Assembly Bill 197, which amended the definition of compensation earnable, specifically, excluding pay items previously included such as unused vacation, termination pay, in-kind payments, and payments for services rendered outside of normal working hours. The Court upheld the constitutionality of the Legislature’s actions. In 2021, the Legal Office notified the Board of Retirement that it had completed an initial review of LACERA legacy pay codes and determined that Standby Pay did not meet the expanded understanding of compensation earnable because of the Alameda Case.</p>	MOG	Benefits	08/01/2020	TBD
	Project Lead(s): Shonita Peterson			
	On Schedule			
	<p>Since the project start, staff have updated the salaries for 4,176 members to exclude Standby Pay and computed the contributions on earnings that occurred on or after January 1, 2013. Of those, 3,013 were actively employed, but only 2,284 had overpaid contributions. Since Active members cannot receive a refund while in service, LACERA suspended future contributions beginning with the March 30, 2022, salary (paid on April 15, 2022) through the point each member’s balance had been depleted. Staff mailed 1,000 letters to the active members on February 11, 2022, and the remaining 1,084 letters on February 25, 2022. A split mailing was used to prevent overwhelming the Member Services Call Center.</p> <p>Subsequently, staff identified 149 deferred and inactive members, most of whom were entitled to a refund. Staff issued 132 checks to those members entitled to a refund. The balance of seventeen were not owed a refund.</p> <p>The Systems Division developed programming to remove the Standby pay code earnings for all retirees who retired on or after January 1, 2013 and recalculated their FAC earnings once the pay codes were removed. Per the BOR approval, these members were subject to having their benefits adjusted prospectively from August 30, 2020, following the court’s decision.</p> <p>Beginning May 24, 2022, LACERA notified 710 members via email that their monthly benefit allowance will be reduced effective July 31, 2022. Of these, 405 members were notified that due to the retroactive deduction of benefits to the August 2020 monthly allowance, they have been overpaid and will be required to</p>			



repay the overpaid benefits. Members will be given the option to repay by lump sum, or via deductions from their benefits over a period of time (including financing interest). The remaining 305 retirees were mailed a refund check for the overpaid retirement contributions that exceeded the overpaid retirement benefit. An additional fifty-six members with Standby Pay neither have a refund nor a benefit change due to the timing of their standby pay, while a Plan E member, or having a 30-year cancellation.

The team working on this project have identified five groups of members who will be impacted by this project. The number of cases reported last month did not include members with contracts that will also need to be adjusted, and the number of retired and deceased cases were corrected, which changes the overall number of cases from 4,176 to 4,220. We have created the chart below to keep you up to date on the progress of the project.

Alameda Project Status	Current Report	
	10/31/2022	
Row Labels (Type, Status, Detail, Outstanding)	Count	%
Pending Notification (Staff Reviewing and Processing)	884	5.9%
Active	055	01.1%
Retired	136	3.6%
Deferred/Inactive	0	0.0%
Deceased	43	1.2%
Other – *Active/Ex-ceptions	625	0.0%
Withdrawn	0	0.0%



	Completed	3,969	94.1%
	Active	2965	70.3%
	Retired	743	17.6%
	Deferred/Inactive	149	3.5%
	Deceased	0	0.0%
	Withdrawn	56	1.3%
	Not affected	56	1.3%
Grand Total	4,220	100%	

***Alameda Project – Active Members:** In addition to the 286 Retired / Deceased / Survivor / Legal Split Payee cases, there are a total of 625 Active Exception cases that require manual review and processing by the specialist. The Workspace Support Team had informed the Benefits Team of this population. However, because we were concentrating on the retired population, we overlooked and did not report the **Active Exception** population. Our priority is still focused on the Retired / Deceased / Survivor / Legal Split Payee cases first.

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial & Accounting Services Division	May 2022	December 2022
Annual Financial Statement Preparation and Audit: Government code sections require that LACERA prepare annual financial statements including footnotes and disclosures, obtain an external audit opinion of those statements, and transmit these reports to the Los Angeles County Board of	Project Lead(s): Ted Granger			
	On Schedule			
	2022 – Annual Financial Statements/Audit Staff kicked off the June 30, 2022, financial statement reporting season. Plante Moran, LACERA’s external financial statement auditor, completed their interim fieldwork in May with audit testing focused on member data and benefit calculations. In October, Plante Moran completed their testing, audit inquiries, and issued their audit opinion.			



<p>Supervisors within six-months following the fiscal year end.</p>	<p>LACERA received an unmodified or “clean” audit opinion as of October 14, 2022. Plante Moran presented the financial statement audit results to the Audit Committee at their meeting on November 17, 2022. LACERA is on track to submit the Audited Financial Statements (AFS) to Los Angeles County after the Audit Committee meeting. LACERA staff will present the annual financial review which includes LACERA’s financial results for the fiscal year ended June 30, 2022, to the Operations Oversight Committee at their December meeting.</p> <p>FASD is currently working with Communications to prepare the next version of this report, which is the Annual Comprehensive Financial Report (ACFR). This ACFR is essentially an enhanced version the AFS but includes some additional information such as the transmittal letter from the CEO, organizational chart, and Trustee names and photos. LACERA expects to complete and distribute the ACFR in mid-December.</p>
---	--

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	MOG	Benefits	04/01/2021	12/31/2022
Project Lead(s): Louis Gittens				
COLA Bank Retroactive Changes:	Delayed			
<p>In April of 2021, the Board of Retirement approved corrections to the COLA Accumulation Bank, which involved making retroactive corrections, recalculating benefit allowance amounts, and paying members retroactive benefits due to a discrepancy discovered in the COLA Accumulation.</p>	<p>The project was broken down into five phases based on the complexity of the calculations needed to pay retroactive benefits to members.</p> <p>Phase I-IV: As of the date of this report, LACERA has paid out just over \$3.8 million in retroactive COLA earnings. Of the 9,672 members and survivors impacted, 8,178 accounts have been systematically resolved, which represents all members and survivors currently in a payment status.</p> <p>The fourth phase of the project, which requires manually calculating the retroactive benefits, includes 1,494 cases in a payment status. The manual phase of the</p>			



project began in December 2021. Staff have manually calculated COLAs for 455 members and payments were issued earlier this year.

Phase V: The final phase involves deceased members with no survivors currently receiving benefits. This phase requires research to identify the appropriate beneficiary(ies) or estates to pay the retroactive benefits that were due to the deceased member. This phase is currently delayed due to staffing limitations and the focus on the Alameda Decision Implementation.

Systems and Benefits have been reviewing the root cause for the manual processing and developing plans for redesigning some portions of our pension administration system to help alleviate the need for processing for future projects.

COLA Bank: Retroactive Payment Project		
Status (As of 10/31/22)	Number	Percentage
Completed	8,511	88%
In-Process	1,161	12%
Grand Total	9,672	100%

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	01/01/2013	TBD
Project Lead(s): Cynthia Martinez				
PEPRA Implementation: Annual Benefit Statement	Pushed Back			
LACERA does not currently offer an Annual Benefit Statement (ABS) for PEPRA members.	LACERA is unable to generate a PEPRA member ABS until we can accurately, automatically, calculate a member's FAC. This project is on hold until the FAC issue is resolved.			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)		TBD
Retirement Estimate Redesign: A legacy strategic plan goal to redesign the retirement estimate and election form as a retirement prospectus to provide members with all the information they need to make an informed decision about their retirement.	Project Lead(s): Allan Cochran & Vanessa Gonzalez			
	Pushed Back			
	<p>The initial redesign work was completed in 2019 and a beta test with members at the Member Service Center (MSC) was scheduled for after the 2019 March Madness. However, the COVID-19 Pandemic placed this project on hold.</p> <p>The team will be re-evaluating the project and assessing where we are and what the next steps are. However, due to limited staffing and the need to focus on reducing member wait time in our call centers, this project continues to remain on hold.</p>			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Operations	Executive (MOG)	June 2021	TBD
Retroactive Payroll Adjustments: Prospective Correction The Auditor-Controller is responsible for collecting contributions on all compensation earnable and pensionable earnings compensation at the time of payment. For many years the AC has not been collecting contributions on retroactive payroll adjustments. In 2021, the AC made changes to their	Project Lead(s): JJ Popowich			
	Delayed			
	<p>Following the AC's programming change, LACERA implemented a testing regimen to ensure that the contributions were being deducted as expected.</p> <p>In August, the AC notified LACERA that they were adjusting the time frame that they would be withholding contributions for retroactive adjustments to 60 months (from the current 99 months). All retroactive earnings paid for pay periods more than 60 months in arrears would no longer have contributions deducted from them. This change was made by the County due to excessive degradation in their payroll system's performance.</p>			



<p>programming to take deductions at the time of payment. However, there are still some situations where these contributions are not being collected.</p>	<p>We met with the AC’s team to discuss collection of contributions for adjustments more than 60-months old. A few ideas were generated from the meeting, and we will continue to work with them to develop a procedure that both the County and LACERA can support.</p>
---	--

• Completed Projects/Initiatives

This portion of the Operations Briefing will detail projects and initiatives that have been completed during the Fiscal Year (beginning on or after May 2022).

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Actuarial Valuation Reports: OPEB: The retiree healthcare (RHC) program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Number 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually for Los Angeles County and LACERA’s Board of Retirement to make funding decisions</p>	BSG	Financial & Accounting Services Division	July 2021	August 2022
	Project Lead(s): Ted Granger			
	Completed			
<p><u>2021 OPEB – Annual Valuation</u> The July 1, 2021, OPEB Valuation Report is complete. Milliman presented the final Valuation Report to the Board of Retirement in August 2022. Milliman will address the LACERA OPEB liability and discuss LACERA’s funding progress and any potential funding strategies should the Board want to consider.</p>				



and to provide the information for the GASB 75 report which is used for employer financial statement reporting.	
---	--

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Financial & Accounting Services Division	January 2021	June 2022
Actuarial Valuation Reports – Retirement Fund: 2022 Retirement Benefits - Risk Assessment	Project Lead(s): Ted Granger			
	Completed			
	2022 Pension – Annual Risk Assessment Milliman prepared the 2022 Annual Risk Assessment report based upon the most recently completed valuation report and presented a final report to the Board of Investments (BOI) at their June 2022 meeting.			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Administrative Services	April 2022	June 2022
Annual Insurance Renewal – Phase I: After the Insurance Team’s completion of a successful solicitation, the BOR approved the replacement of LACERA’s current insurance brokerage firm. Alliant Insurance Services, Inc. (Alliant) was selected as the new Broker of Record for LACERA effective April 29, 2022.	Project Lead(s): James Beasley			
	Completed			
	LACERA’s new Broker of Record, Alliant Services, Inc., has obtained quotes and is binding policies with carriers for the June 30 th insurance renewal period. The Insurance Renewal Team and brokers provided an update on the insurance policy selection at the August Operations Oversight Committee meeting.			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date	
Brief Description	BSG	Administrative Services	July 2022	October 2022	
Annual Insurance Renewal – Phase II: After the Insurance Team’s completion of a successful solicitation, the BOR approved the replacement of LACERA’s current insurance brokerage firm. Alliant Insurance Services, Inc. (Alliant) was selected as the Broker of Record for LACERA effective April 29, 2022.	Project Lead(s): James Beasley				
	Completed				
	The Risk Management Unit has completed the 2022-2023 Fiduciary, Cyber, and Crime Insurance renewals. At the September 7, 2022 Board of Retirement (BOR) meeting, staff provided the Trustees with an overview of the current insurance marketplace and discussed the challenges with purchasing Fiduciary Liability, Cyber Liability, and Crime Protection Insurance for LACERA. The Risk Management Unit provided the BOR with preliminary premium indications for each line of coverage, which was approved by the BOR, with a caveat that the final annual premiums would not exceed the estimated premium.				
	Alliant presented the final insurance premium quotes for each line of coverage to LACERA, which was \$251,144 less than what was presented to the BOR. The overall cost for Fiduciary Liability, Cyber Liability, and Crime Protection insurance premiums or FY 2022-2023 is \$870,162. This is a 1% decrease from FY 2021-2022 and is \$126,580 less than what was approved for FY 2022-2023. This information will be provided to the BOR at the November 2, 2022 meeting.				
2022-23 Fiduciary/Cyber/Crime Renewal Final Cost Breakdown					
	Coverage	Carrier	Actual Premium	Quoted to BOR	Difference of actual vs BOR approved



	Fiduciary Liability	Hudson Insurance Company/ RLI Insurance Company/ Westchester Fire Insurance Company	\$396,723	\$408,890	(\$12,167)
	Cyber Liability	Tokio Marine/ Homeland Insurance Company/ Ambridge/ Corvus Insurance	\$399,464	\$622,774	(\$223,310)
	Fiduciary Liability OPEB	Hudson Insurance Company	\$52,189	\$64,012	(\$11,823)
	Crime Protection	Great American Insurance	\$21,786	\$25,630	(\$3,844)

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	09/16/2022
Call Center Improvements: Phase I – Call Wait Time – Call Back:	Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)			
Phase I focuses on implementing a call back request feature to allow members on hold to request a call back between the hours of 10-3. Additionally, this phase will include the ability to announce call wait times.	Completed			
	The Call Back feature was introduced into production effective September 30, 2022. Since then, we have been evaluating the impacts of the Call Back feature and adjusting how the feature works to try to maximize the member experience. We are not ready to make a final assessment but based on early data, the Call Back feature, as designed, may not be having the beneficial impact hoped for. As explained before deploying this project, the AWS Call Back feature is not a “hold your place” feature. Thus, we had to assign specific agents to work a new Call Back queue on a priority basis or as a full-time assignment. This has reduced the number of Specialists available to answer the main Member Services			



	<p>queue. This has led to increases in the wait time in the main queue. Additionally, because the feature is popular, we have experienced an extremely long “return call” wait time and complaints from members appear to be increasing. We have tweaked the messaging to prepare members for the long response time, but we are also seeing many members calling back before we are able to return their call. Essentially, this increases call volumes, and exasperates the increased wait times. We will continue to evaluate the features. We anticipate better results once trainees can take calls on their own. We anticipated these customer service level results based on current staffing levels but will look to reassess when we on-board the new trainees.</p>
--	--

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	10/20/2022
Call Center Improvements: Phase III – Holiday Scheduling Automation	Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)			
	Completed			
Automates the scheduling of holidays for the call centers, eliminating the risk of human error and accidentally opening the call center on a holiday with no staff.	Currently the Systems team manually turns on the holiday messaging and voicemail boxes. This phase will allow them to pre-set holidays eliminating confusion as to the availability of the call center staff during holidays. This phase of the project is completed and will be in production by October 20, 2022.			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	10/20/2022
Call Center Improvements: Phase IV – Emergency Access Console	Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)			
	Completed			
Provide ability to enable/disable an emergency announcement for each respective queue MS or RHC when all agents are logged out as well as during specified date/time range as may be set.	This phase of the project is completed and will be in production by October 20, 2022.			



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
		MOG	Executive (MOG)	06/01/2022
Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)				
Completed				
Call Center Improvements: Phase V – After Call Service Survey Members will be provided with the chance to complete an “after-call” survey for Call Center interactions.	Call Center surveys are a key component of the Call Center KPI. This allows us to gain insight into the member experience. This feature was added to the current enhancement projects because we felt it was critical to gain member feedback on the changes, we are making to the Call Center, which include the call back feature as well as introduction of the My LACERA Support queue. UAT was completed on October 18, 2022, and this feature went into production on October 20, 2022.			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
		BSG	Executive (BSG)	January 2022
Project Lead(s): Jude Perez & Esmeralda Del Bosque				
Completed				
Custodian Bank Search: In accordance with LACERA’s Procurement Policy, vendor contracts for investment and custodian banking services must be re-bid every ten years. LACERA’s current custodian bank, State Street Bank, was hired in July 2013.	The Board of Investments approved the minimum qualifications at their December meeting. The Investment Office finalized and released the Request for Proposal (RFP) in January with proposals due at the end of March. Financial Accounting Services Division and other LACERA staff are evaluating the information received and conducting due diligence. In June, LACERA staff conducted an on-site visit at State Street’s Sacramento offices and expects to provide a recommendation to the Board of Investments in August. The Board of Investments approved the staff recommendation to retain State Street Bank. Staff is working with the Legal Office to negotiate and finalize the contract.			



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	03/01/2022	08/01/22
Enterprise Budget Application: Per a recommendation by Budget staff, the Operations Oversight Committee (OOC) on March 2, 2022, authorized a RFP for software and professional services to procure, configure, and implement an enterprise budget application for the Budget Unit in the Administrative Services Division. The RFP was published on LACERA.com on March 7, 2022.	Project Lead: Laura Guglielmo, Budget Team, and Cookie Jaranilla (PM)			
	Completed			
	On April 14, 2022, LACERA received proposals from nine vendors. LACERA's evaluation team, with guidance from the consultant, reviewed all the proposals and based on the ratings, narrowed down the list to the top two vendors. The finalists have been invited to demonstrate their solutions following a detailed proof of capabilities script. These demonstrations were completed in July. The final vendor has been identified by the selection team, and a recommendation will be made to the Board of Retirement for its consideration in October 2022. If approved, the team will negotiate an agreement with the selected vendor. The project implementation timeline is 26 weeks, depending on staff subject matter expert availability. The Board of Retirement approved the selected vendor, Questica, and staff are currently finalizing the contract and statement of work with the vendor. Once the contract is fully executed, staff will engage with the vendor and begin the kick-off and discovery meetings in preparation for implementation of the software.			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	01/2021	06/2022
Enterprise Wi-Fi Project: Approved in the Fiscal Year 2020-21 budget adjustments by the BOR, the	Project Lead(s): Summy Voong			
	Completed			
	All fiber, cables, access points, and switches have been installed on all LACERA floors and five segmented networks have been configured and tested. The			



Systems Division is currently installing an enterprise Wi-Fi network.	Systems Division will deploy the final segmented network to on-site staff on August 1, 2022.
---	--

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	MOG	Executive Office	08/01/2022	08/10/2022
Project Lead(s): Allan Cochran				
Completed				
<p>My LACERA Support Queue: As part of our effort to address Call Wait times a new queue was created to provide specific My LACERA support.</p>	<p>The My LACERA member portal is designed to provide members with secure access to information about their retirement benefits and is a key part of our efforts to provide members with self-service capability. As an online portal there is an expectation that it is securely and easily accessible 24/7.</p> <p>Occasionally, members forget their passwords or their challenge questions, or need assistance using functionality within the portal, including viewing documents and uploading documents so LACERA can process their requests. When members need assistance for an online capability, there is an increased expectation that the assistance will be available on demand during normal business hours.</p> <p>As part of our efforts to improve the member experience, reduce wait time and frustration, we created a new priority call center queue specifically to assist members with My LACERA. Members now have four options when they call the LACERA 800 number: My LACERA Support Queue, Retiree Healthcare, Check Mailing Date Announcement, and Member Services.</p> <p>The new queue went live on August 10, 2022.</p>			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Executive Office	01/04/2022	May 2022
Project Lead(s): Luis A. Lugo & Carly Ntoya				
Return to the Office: LACERA's Administrative Services Division's Health and Safety Unit have been working hard to ensure a smooth return to the office for LACERA's staff.	Completed			
	In preparation for staff returning to the office, the Health and Safety Unit posted updated information posters, restocked all personal protective equipment items, and provided staff with COVID-19 safety instructions. They have also worked with several staff to adjust the ergonomic configurations on their workstations as needed.			
	The team also worked side by side with the PEP Team and the Executive Team to provide a warm welcome to returning staff. Working together with the PEP Team they decorated the Workshop room, where staff were encouraged to stop by and receive a small welcome back token and a welcome by the Executive Team, managers, and staff from Administrative Services.			

DATE RECEIVED	REQUESTER	DOCS REQUESTED
07-01-22	D. Wells, Law Offices of Gregory Smith	<p>Request: All communications and documents sent or received by any LACERA employee, Board Member relating to Microsoft migration, hiring of vendors, technology-related audit and/or security assessment, from July 1, 2022, to present and the hiring of Jim Lyle.</p> <p><i>On July 5, 2022, S. Rice responded to letter & J. Harrington to assist gathering response records.</i></p> <p><i>On July 11, 2022, Counsel emailed LACERA's response letter to Mr. Smith's July 1, 2022, PRA request.</i></p> <p><i>On July 26, 2022, Counsel Sent LACERA's determination letter along with the anticipated production schedule.</i></p> <p><i>On July 27, 2022, Ms. Wells notified counsel that she will be out of the country and will not be able to attend a meeting.</i></p> <p><i>Transmitted 26 documents.</i></p> <p><i>On September 2, 2022, Counsel emailed 26 responsive documents to Ms. Wells</i></p> <p><i>Transmitted 35 documents.</i></p> <p><i>On September 9, 2022, Legal transmitted 35 responsive documents to Requestor. Computer Systems submitted authority to SharePoint site link for responsive video files.</i></p> <p><i>Transmitted 54 documents.</i></p> <p><i>On September 23, 2022, Legal transmitted, via email, 54 responsive documents.</i></p> <p><i>Transmitted 138 documents.</i></p> <p><i>Sent on September 30, 2022, via email, 138 responsive documents re PRA Request No. 15.</i></p> <p><i>Transmitted 107 documents</i></p> <p><i>Sent on October 6, 2022, via email, 107 responsive documents re PRA Request No. 15.</i></p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p><i>On October 18, 2022, Requestor was sent an email that LACERA expects to produce responsive documents, if any, by October 28, 2022.</i></p> <p><i>Transmitted 3 documents.</i></p> <p><i>On October 28, 2022, via email, 3 responsive documents were sent to Requestor.</i></p>
10-13-22	A. Wood, FOIA Professional Services	<p>Request: Final contract for the LACERA's solicitation for Case Management System submitted in 2021.</p> <p><i>Responsive information has been requested and will forward to Requestor upon receipt</i></p> <p><i>On October 17, 2022, Legal requested Systems to provide access to Case Management SharePoint site to Ms. Wood.</i></p> <p><i>On October 18, 2022, Systems sent invite email to Requestor stating access has been granted to LACERA Case Management RFP PRA response site.</i></p>
10-17-22	H. Parker, Preqin	<p>Request: Recent records of Commitment, Contribution, Distribution, Value and IRR as of March 31, 2022, which should include all such partnerships.</p> <p><i>Transmitted 1 document.</i></p> <p><i>On October 18, 2022, via email, the document shown below was sent.</i></p> <p><i>PE RE RA Q1 & Q2 2022.xlsx</i></p>
10-17-22	K. Reinhart, PEI Media	<p>Request: Quarterly cash-flow reports from Q3 2021 to Q1 2022 on an individual quarterly of all private investments.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>On October 18, 2022, via email, the 2 documents below were sent.</i></p> <p><i>FOIA Request – Private Funds Data Q3 & Q4 2021.xlsx and FOIA Request – Q1 2022 Data.xlsx.</i></p>
10-27-22	F. Ferguson, Jr., Attorney	<p>Request: Last salary information for LACERA's former employee Ms. Billie Frierson.</p> <p><i>On October 28, 2022, via email, responsive information regarding September 2001 salary for former employee was provided.</i></p>
11-04-22	FOIA Collection Team	<p>Request: Information for all investment made in private funds (private equity, infrastructure, real estate, private credit)</p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p><i>Transmitted 1 document. On November 4, 2022, via email, responsive document shown below.</i></p> <p><i>Q2 2022 FOIA Request.xlsx</i></p>
11-04-22	C. Siverson, Fire, LA County and 5 others Fire, LA County Recipients	<p>Per monthly request:</p> <p><i>Sent on November 4, 2022, via email the link for: Board of Retirement Meeting of November 2, 2022, Benefit Approval List.pdf.</i></p>
11-04-22	H. Ahaiwe, HR, LA County	<p>Per monthly request:</p> <p><i>Transmitted 1 document.</i></p> <p><i>Sent on November 4, 2022, via email: MonthlyAgenda.csv for November 2022.</i></p>
11-04-22	LA County Sheriffs Department and 3 others LA County Sheriffs Department Recipients	<p>Per monthly request:</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Sent, on November 4, 2022, via email: Monthly Agenda Reports for Sheriff Department Listing and Fire Department listing each dated November 2, 2022.</i></p>

REPORT OF FELONY FORFEITURE CASES PROCESSED

November 30, 2022

#	MEMBER'S LAST NAME	MEMBER'S FIRST NAME	DEPT.	CONVICTION DATE	LACERA NOTIFIED	INITIAL IMPACT NOTICE SENT	FINAL IMPACT NOTICE SENT	STATUS*	DISABILITY STATUS	SERV. LEVEL
62	FLORES	JOSE	SHERIFF	8/26/2022	9/22/2022			PEND		
61	SHEPOS	THOMAS	CEO					DELAY: CD		
60	CABRERA	MIGUEL	LASD	3/4/2022	3/22/2022			DELAY: CD		
57	ANTRIM	MARC	LASD	4/1/2021	5/12/2021			DELAY: MI		

STATUS LEGEND:

- APPEAL: Pending an appeal filed with LACERA
- CLOSED: RET: Retired member, case is complete
- CLOSED: DEF: Deferred member, case complete.
- CLOSED: INA: Inactive member – not eligible until age 70, case closed
- DELAY-MI: Member input needed (i.e. pending a legal split decision)
- DELAY-CD: Pending a court decision (reduction in charges pending conditions being met)
- PEND: Case is currently in evaluation and notification stages
- WITHDRAN: Member withdrew prior to conviction – no impact.



FY 2022-23 Hiring Plan

**Operations Oversight Committee
Laura Guglielmo, Assistant Executive Officer
December 7, 2022**



Considerations

1

Capacity for exam development and administration is limited based on current staffing

2

Complexity Factors - Some exams are relatively easy to administer while others are more complex

3

External Resources to be fully leveraged to maximize capacity

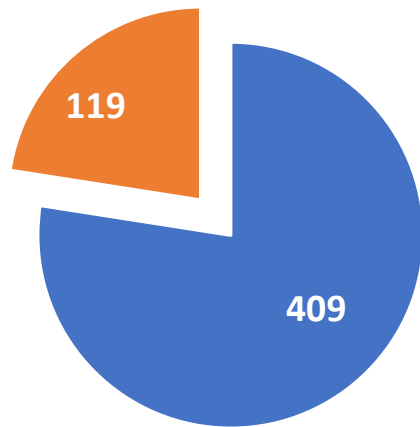


FY 2022-23 New Hires

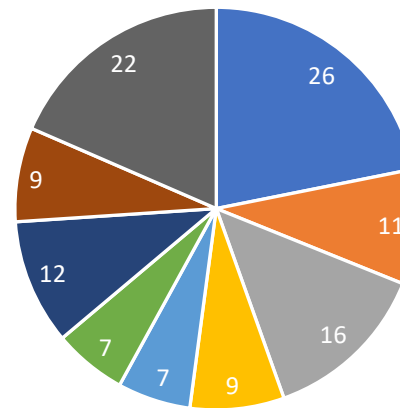
Classification	Division(s)	Positions	
Retirement Benefits Specialist I	Retiree Healthcare	3	External
Data Systems Analyst I	Systems	4	External
Sr. Disability Retirement Specialist		1	Internal Promotion
Finance Analyst III – Portfolio Analytics	Investments	1	Internal Promotion
Finance Analyst II – Portfolio Analytics	Investments	1	Internal Promotion
Accountant	FASD	5*	External (*3 on 12/1/22)
Sr. Accountant	FASD	1	Internal Promotion
Sr. Human Resources Analyst	Human Resources	1	External Transfer
Procurement Supply Clerk	Admin. Services	2	External
Media Artist	Communications	1	External
TOTAL New Hires		20	



Vacant Positions/Divisions with Highest Vacancies



■ filled ■ vacant



■ Systems
■ Administrative Services
■ Retiree Healthcare
■ Member Services
■ All Others
■ Investments
■ Finance & Accounting
■ Legal
■ Human Resources



Priority Tiers - Timeline

Tier 0:
Exams in
process now

Tier 1:
1 to 6 months

Tier 2:
7 to 12 months

Tier 3:
> 12 months

0

Tier 0 Exams In Process Now





Tier 0 - Exams In Process

Classification	Division	No. Vacancies	Status
FA III – Corp. Gov.	Investments	1	List promulgated; Recruitment ongoing.
RBS I	MOG/RHC	11	List promulgated. Division selection December. On track for 2023 training class.
Sr. HR Analyst	HR	2	Recruitment closed. Assessment in progress.
HR Analyst	HR	6	Recruitment closed. Assessment in progress.
Sr. HR Assistant	HR	1	Recruitment closed. Assessment in progress.



Tier 0 Specialized Recruitments

Classification	Division	No. Vacancies	Status
Sr. Staff Counsel - Investments	Legal	1	Initial recruitment unsuccessful. Seeking specialized legal recruiter.
Staff Counsel - Investments	Legal	3	Initial recruitment unsuccessful. Seeking specialized legal recruiter.
Staff Counsel –Benefits	Legal	1	Initial recruitment unsuccessful. Seeking specialized recruiter.
DCIO	Investments	1	Master Services Agreement executed w/EFL - Info gathering underway.

1

Tier 1 Exams 1-6 Months





Tier 1 Specialized Recruitments

Classification	Division	No. Vacancies	Status
Info Security Officer	Info. Sec.	1	Master Services Agreement established w/ Alliance
Chief Information Technology Officer	Systems	1	Master Services Agreement established w/ Alliance
Chief Financial Officer	FASD	1	Master Services Agreement w/EFL; Publish after DCIO

Tier 1 Vacancies & Special Considerations



Classification	Division	No. Vacancies	Considerations
Division Manager	Benefits, Admin Services	2	Job analysis underway.
Compliance Officer	Legal	1	Pending salary setting.
Sr. Internal Auditor	Internal Audit	1	IA needs technical expertise. Consider using professional services help until exam promulgated.
Finance Analyst II – Credit & Risk	Investments	2	Assessment rubric to be developed.

Tier 1 Vacancies & Special Considerations



Classification	Division	No. Vacancies	Considerations
IT Manager II	Systems	4	Section Head level. Highly technical SMEs needed. More complex to promulgate. Leverage use of specialized resources to assist with exam development and rating.
Retirement Systems Specialist	Systems	2	Directly support business solutions. More complex to promulgate. Leverage use of specialized resources to assist with exam development and rating.

Tier 1 Vacancies & Special Considerations



Classification	Division	No. Vacancies	Considerations
Supervising Admin Assistant II	Admin Services	1	Budget Unit Supervisor. New system implementation.
Admin Services Analyst III	Admin Services	2	Budget unit; DPC New Budget System implementation.
Legal Analyst	Legal	1	Support Attorneys. Demonstrated workload increases.
Sr. Writer	Communication	1	Redundancy needed & subject matter expertise.

2

Tier 2 Exams
7-12 months





Tier 2 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
Special Assistant	Executive	1	Essential for strategic plan implementation.
Pr. Investment Officer -	Investments	1	Possible specialized/outside recruitment. Coordinate w/CIO.
Sr. Investment Officer – Global Equities	Investments	1	Possible specialized/outside recruitment.
Admin Analyst II	Admin Services	4	Budget unit; Facilities; Records Management; Business Continuity. Temps utilized in interim.
Accounting Officer II	FASD	1	Supervisor; Key for succession planning/ staff development.



Tier 2 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
IT Specialist I	Systems/Exec	8	Leverage specialty recruiter for technical SME. Temps available in interim.
IT Specialist II	Systems/Exec	6	Leverage specialty recruiter for technical SME. Temps available in interim.
RBS I	MOG/RHC	TBD	Plan for FY 24 Class. Annual process.
Sr. Retirement Benefits Specialist	Benefits/Member Services	4	Unit Supervisors. Critical for succession planning/staff development.
Section Head	MOG	2	Critical for succession planning/staff development.

3

Tier 3 Exams
>12 months





Tier 3 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
Sr. Management Secretary	Legal	2	Support Attorneys; Increase in workload tied to increase in member retirements.
Intermediate Typist Clerk	Admin Services	2	DPC Mailroom. Positions added in FY 23 to address workload.
Secretary	FASD/MS	2	Provide administrative support to Divisions to allow for more efficient use of staff time.
Sr. Disability Retirement Specialist	DRS	1	Essential for supervision.
Data Systems Analyst II	Systems	3	Potentially leverage outside resources for technical SME. Temps available in interim.



Tier 3 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
Document Processing Coordinator	Admin Services/DPC	1	Pending conclusion of classification study.
Document Processing Assistant	Admin Services	2	Pending conclusion of classification study.
RBS III	Member Services/ RHC	4	Promotional exam. Staff development time needed.
Administrative Services Officer	Admin Services	1	Oversees DPC and Records Management. Needed for supervision and succession planning.
IT Manager I	Systems	1	Leverage outside resources for technical SME.



Tier 3 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
Data Systems Supervisor	Systems	2	Technical SMEs needed. Temps available in interim.
Data Systems Coordinator	Systems/Exec	2	Technical SMEs needed. Temps available in interim.
Sr. Secretary	Systems/FASD	2	Provides support to the Divisions; Ensures efficient use of staff time.
Staff Assistant II	DRS	2	Pending classification study.
Public Info Officer	Communications	1	Review role and responsibilities.



Tier 3 Vacancies & Special Considerations

Classification	Division	No. Vacancies	Considerations
Quality Auditor I	RHC	1	May tie to Q/A organizational review.
Quality Auditor II	Q/A	2	Organizational structure and responsibilities subject to modification.
Sr. Quality Auditor	Q/A	3	Organizational structure and responsibilities subject to modification.



Future Considerations

1

Expanded capacity anticipated as HR staff grows

2

Adjustments likely as needs evolve and future attrition occurs

3

Commitment to continued communication and transparency



**Exam Status
Published & Updated Monthly
on LACERA Connect (staff intranet)**



STATUS OF EXAMS				Priority 0	In process now
As of 10/19/22				Priority 1	1-6 months
				Priority 2	7-12 months
				Priority 3	> 12 months

Classification Title	Division	Budgeted Positions	Vacant Positions	Current List/ Expiration	Priority Tier	HR Exam Analyst	Status
Accountant, LACERA	FASD, RHC	18	7	Y	0	CC	Selection Interviews underway
Accounting Officer I, LACERA	FASD	1	0				
Accounting Officer II, LACERA	FASD	2	1		2		
Administrative Services Analyst I	Admin Services	1	1		3		
Administrative Services Analyst II	Admin Services, DRS	7	4		2		
Administrative Services Analyst III	Admin Services	3	1		1		
Administrative Services Officer, LACERA	Admin Services	2	1		3		
Assistant Chief Financial Officer, LACERA	FASD	1	0				
Assistant Director, Human Resources, LACERA	Human Resources	1	0				
Assistant Division Manager, LACERA	Retiree Healthcare	1	0				
Assistant Executive Officer, LACERA	Executive	2	0				
Assistant Information Systems Manager	Systems	1	0				
Chief, Communications, LACERA	Communications	1	0				
Chief Counsel, Disability Litigation, LACERA	Disability Litigation	1	0				
Chief Counsel, LACERA	Legal	1	0				
Chief Executive Officer, LACERA	Executive	1	0				
Chief Financial Officer, LACERA	FASD	1	1	N	1	AC	Specialized recruitment; EFL
Chief Information Technology, LACERA	Systems	1	1	N	1	AC	Specialized recruitment; Alliance
Chief Internal Audit, LACERA	Internal Audit	1	0				
Chief Investment Officer, LACERA	Investments	1	0				
Chief Quality Assurance	Quality Assurance	1	0				
Compliance Officer, LACERA	Legal	0	0	N	1	CC	pending salary setting
Creative Coordinator, LACERA	Communications	2	0				
Data Systems Analyst I, LACERA	Systems	6	0				
Data Systems Analyst II, LACERA	Systems	11	3		3		
Data Systems Coordinator, LACERA	Systems, Exec	16	2		3		
Data Systems Supervisor II, LACERA	Systems	4	2		3		
Deputy Chief Executive Officer, LACERA	Executive	1	0				
Deputy Chief Investment Officer, LAERA	Investments	1	1	N	1	CN/MC	External recruitment; EFL

THANK YOU!



QUESTIONS



November 28, 2022

TO: Each Trustee
Operations Oversight Committee

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: December 7, 2022 Operations Oversight Committee Meeting

SUBJECT: FISCAL YEAR 2021-2022 FINANCIAL REVIEW

Attached for your information are LACERA's annual financial statement highlights for the fiscal year ended June 30, 2022. Some of the key financial results include the following:

- Pension plan Fiduciary Net Position Restricted for Benefits (Net Position or fund balance) ended below the prior fiscal year, decreased from \$73.0 billion to \$70.3 billion.
- Decrease in Net Position of \$2.7 billion (net loss), was primarily due to benefit payments exceeding contributions and investment income.
- Total Pension plan investment return was 0.1% net of fees, compared to the actuarial expected return assumption of 7.0%.
- Pension plan actuarial funded ratio, as of June 30, 2021, increase from 76.3% to 79.3%. The timing of the actuarial reports requires that prior year actuarial data, fiscal year ended (FYE) 2021, is used for current year financial statements, FYE 2022. The investment return, for FYE 2021 was 25.2%, which was higher than the 7.0% expected investment return assumption and contributed to the increase in the FYE 2021 actuarial funded ratio.
- OPEB trust Fiduciary Net Position Restricted for Benefits (Net Position or fund balance) slightly increased, totaling \$2.4 billion compared to \$2.3 billion for the prior fiscal year.
- Total OPEB trust investment return was (11.2%) net of fees, compared to the actuarial expected return assumption of 6.0%.

Should you have any questions regarding this update, please contact me via email at: tgranger@lacera.com.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer



ANNUAL FINANCIAL REVIEW FISCAL YEAR ENDED 2021-2022

Financial and Accounting Services Division (FASD):

Ted Granger, Interim Chief Financial Officer

Michael Huang, Accounting Officer II

Ervin Wu, Interim Accounting Officer II

Operations Oversight Committee
December 7, 2022



AGENDA

- ACFR – Annual Comprehensive Financial Report
- PAFR – Popular Annual Financial Report
- Awards
- Financial Statement Process
- Financial Highlights and Reporting
- Follow up and New Information:
 - *GASB 87, Leases*
 - *GASB 96, Subscription Based Information Technology Arrangements*
- Looking Ahead
- Q&A



ACFR and PAFR Preparation Teamwork

T – Transactions are recorded during the year

E – Each team member contributes to the preparation

A – Auditors review the financial statements and disclosures

M – Management prepares a discussion and analysis

W – Work with Communications to publish reports

O – Oversight provided by Executive and BOR/BOI

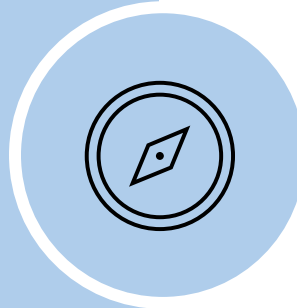
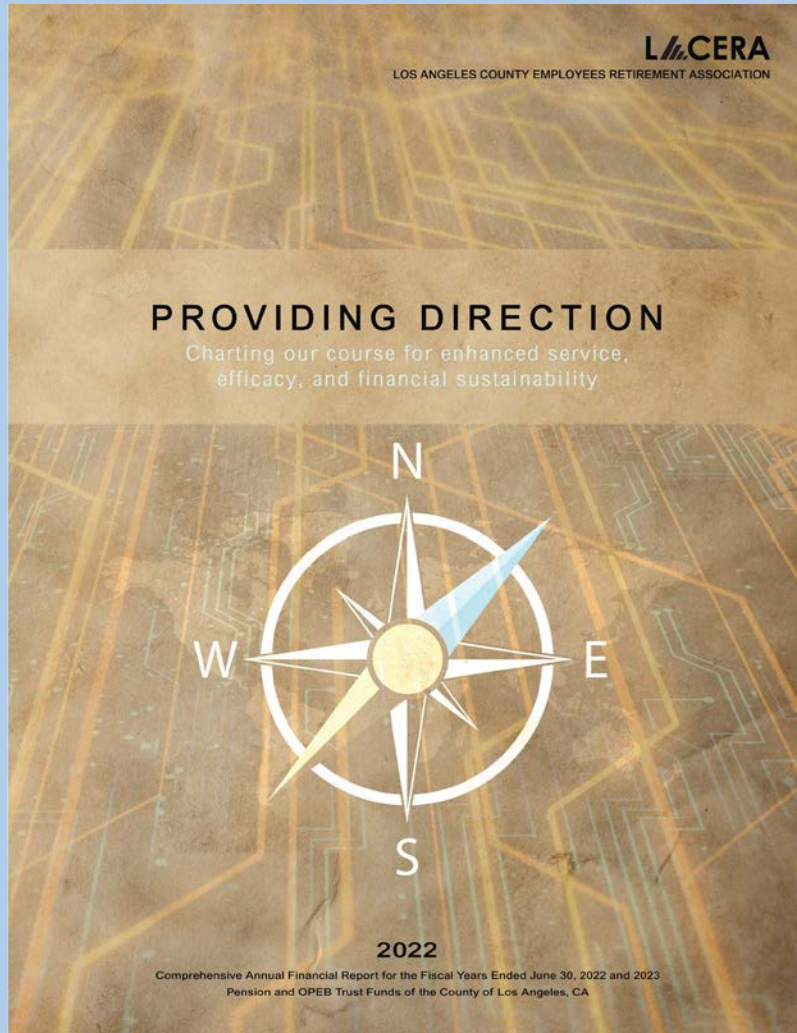
R – Recording transactions for the new fiscal year

K – Keep updated with latest GASB/GAAP/AICPA standards



2022 ACFR and PAFR

Theme



Providing Direction

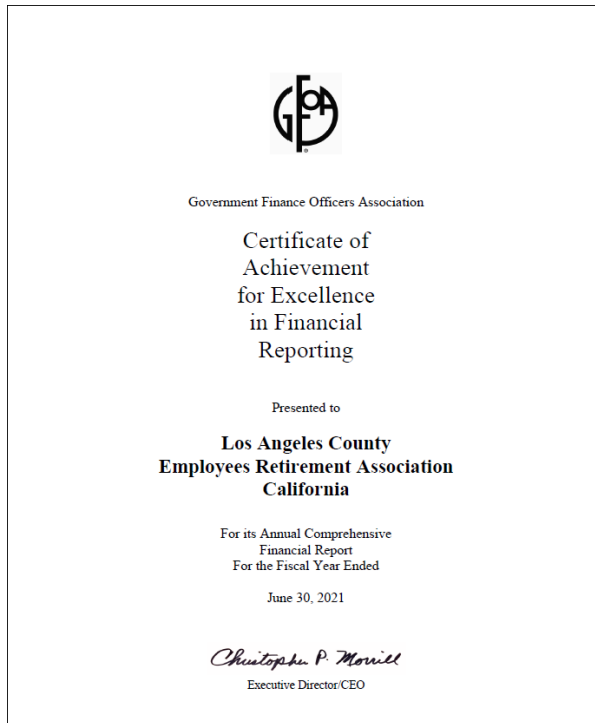
Charting our course for enhanced service, efficacy, and financial sustainability

AWARDS



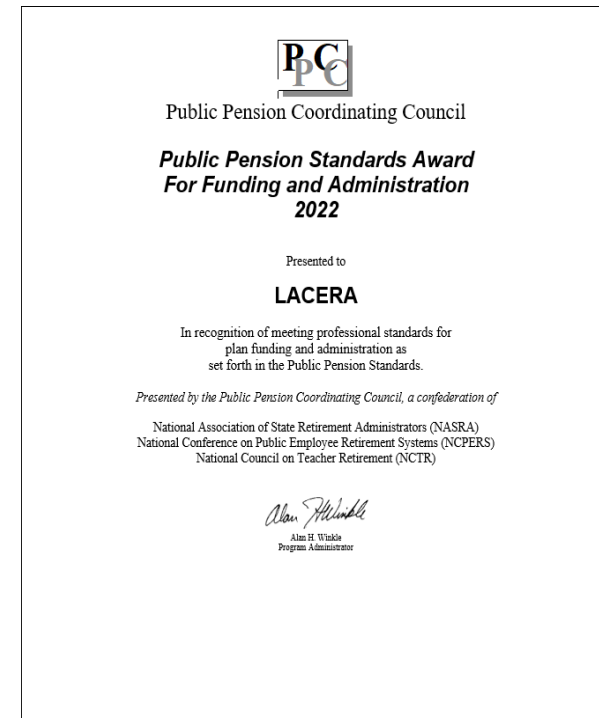
Government Finance Officer Association

- GFOA
 - ACFR = 32 years
 - PAFR = 24 Years



Public Pension Coordinating Council

- PPCC
 - Public Pension Funding and Administration = 20 years



Financial Reporting Process



- ❖ Reevaluate/Reassess Financial Notes
 - GASB 67: Note E and RSI
 - Meketa Investment Consultant Letter
- ❖ Financial Statements
- ❖ Audit Opinion
- ❖ Annual Comprehensive Financial Report (ACFR)
- ❖ Popular Annual Financial Report (PAFR)



FINANCIAL HIGHLIGHTS

**LET'S REVIEW
THE RESULTS**



OVERVIEW

PENSION PLAN

FUND BALANCE

- Net Position Restricted for Benefits = \$70.3 billion

INCOME

- Total Additions = \$1.4 billion

EXPENSES

- Total Deductions = \$4.1 billion

INVESTMENT EARNINGS

- Total Fund Return = 0.1% (net of fees)

RATIO OF ASSETS/LIABILITIES

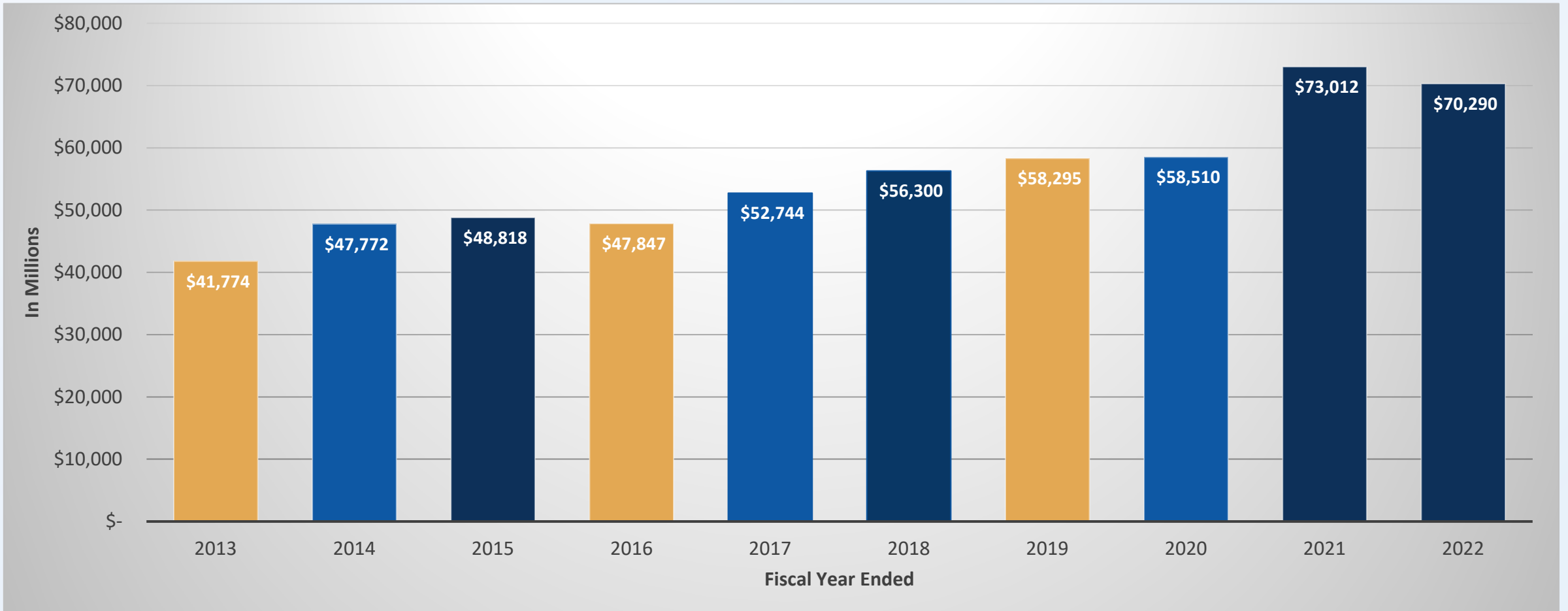
- Funded Ratio = 79.3% (as of the June 30, 2021 Valuation)



FIDUCIARY NET POSITION RESTRICTED FOR BENEFITS PENSION PLAN

FIDUCIARY NET POSITION RESTRICTED FOR BENEFITS

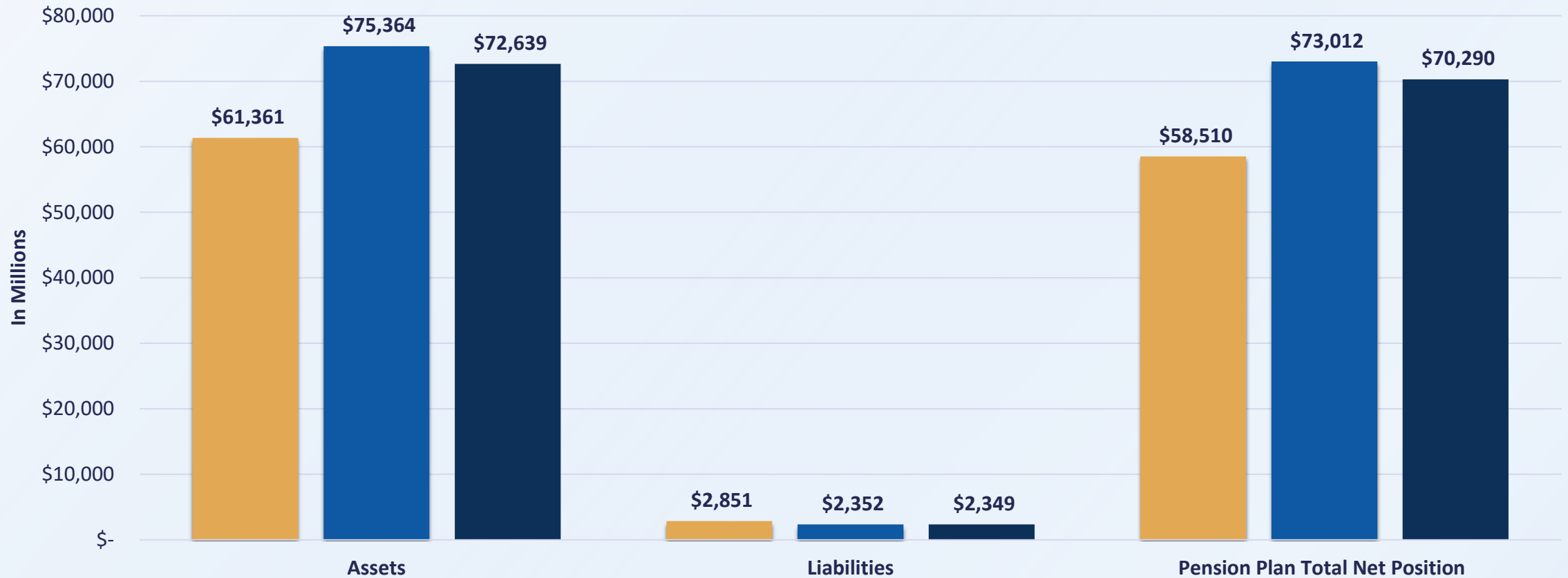
PENSION PLAN



FIDUCIARY NET POSITION RESTRICTED FOR BENEFITS (CONT.)



PENSION PLAN





PENSION PLAN

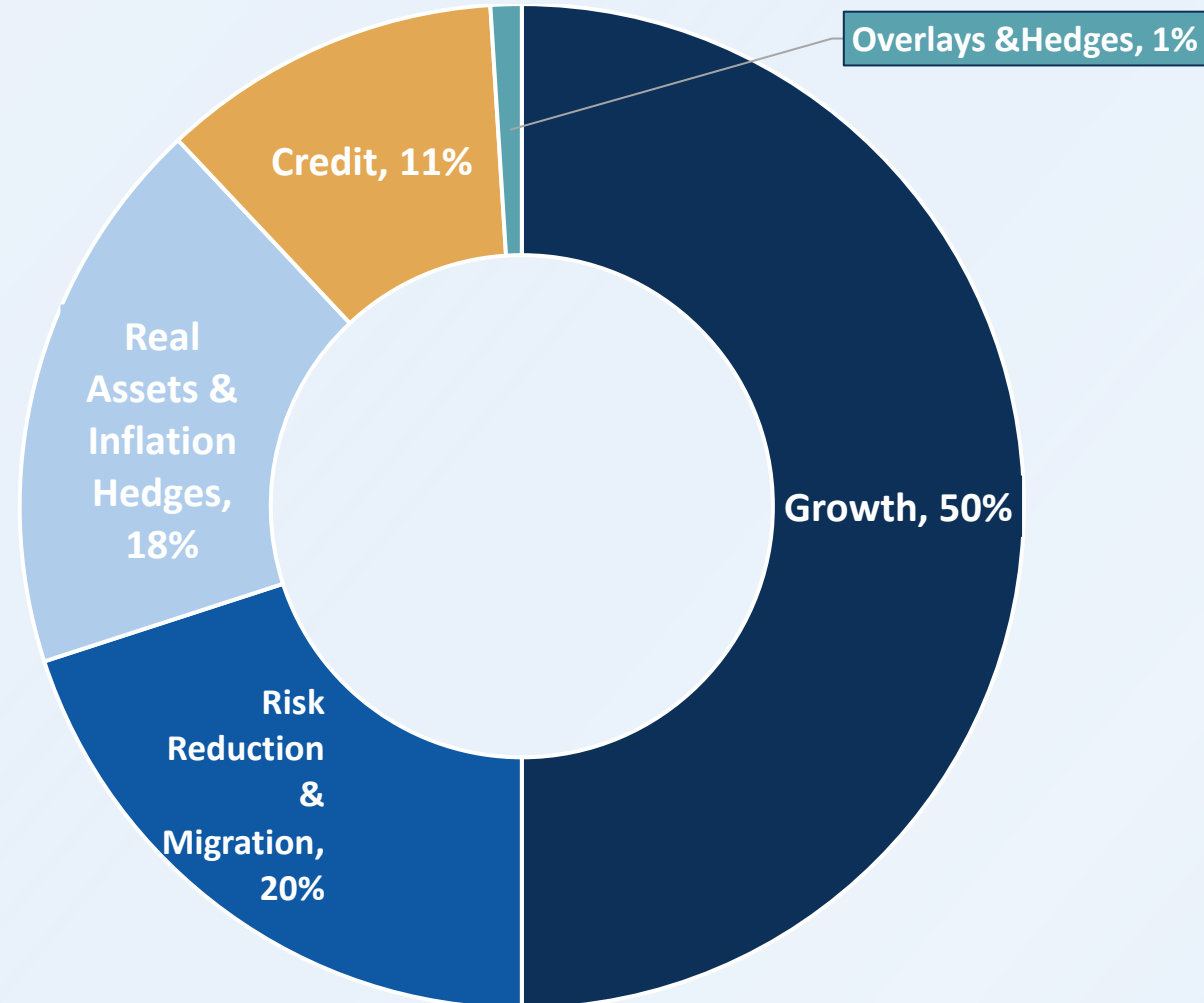
(Dollars in Millions)	2022	2021	2020
Contributions	\$2,959	\$2,774	\$2,459
Net Invest Income	(1,536)	15,633	1,448
Total Additions	\$1,423	\$18,407	\$3,907
Benefits & Refunds	(\$4,045)	(\$3,814)	(\$3,606)
Admin & Misc Expenses	(100)	(91)	(86)
Total Deductions	(\$4,145)	(\$3,905)	(\$3,692)
Net Increase/ (Decrease)	(\$2,722)	\$14,502	\$215
Beginning Net Position	73,012	58,510	58,295
Ending Net Position	\$70,290	\$73,012	\$58,510



ASSET ALLOCATION

PENSION PLAN

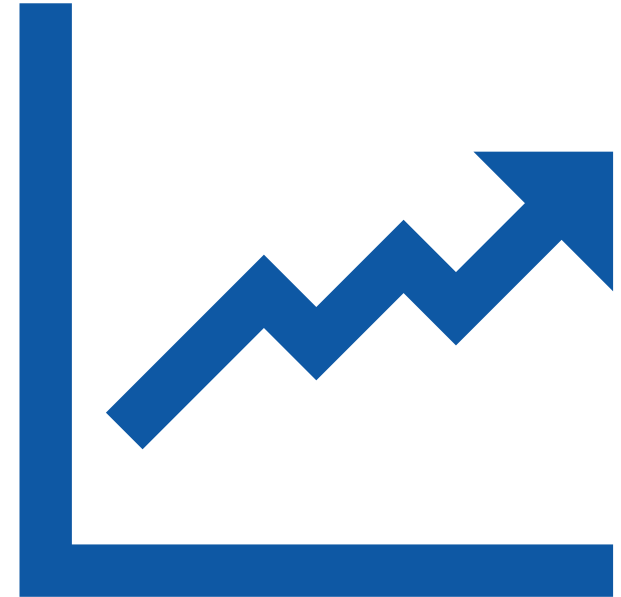
Functional Asset Allocation
As of June 30, 2022





INVESTMENT RETURN

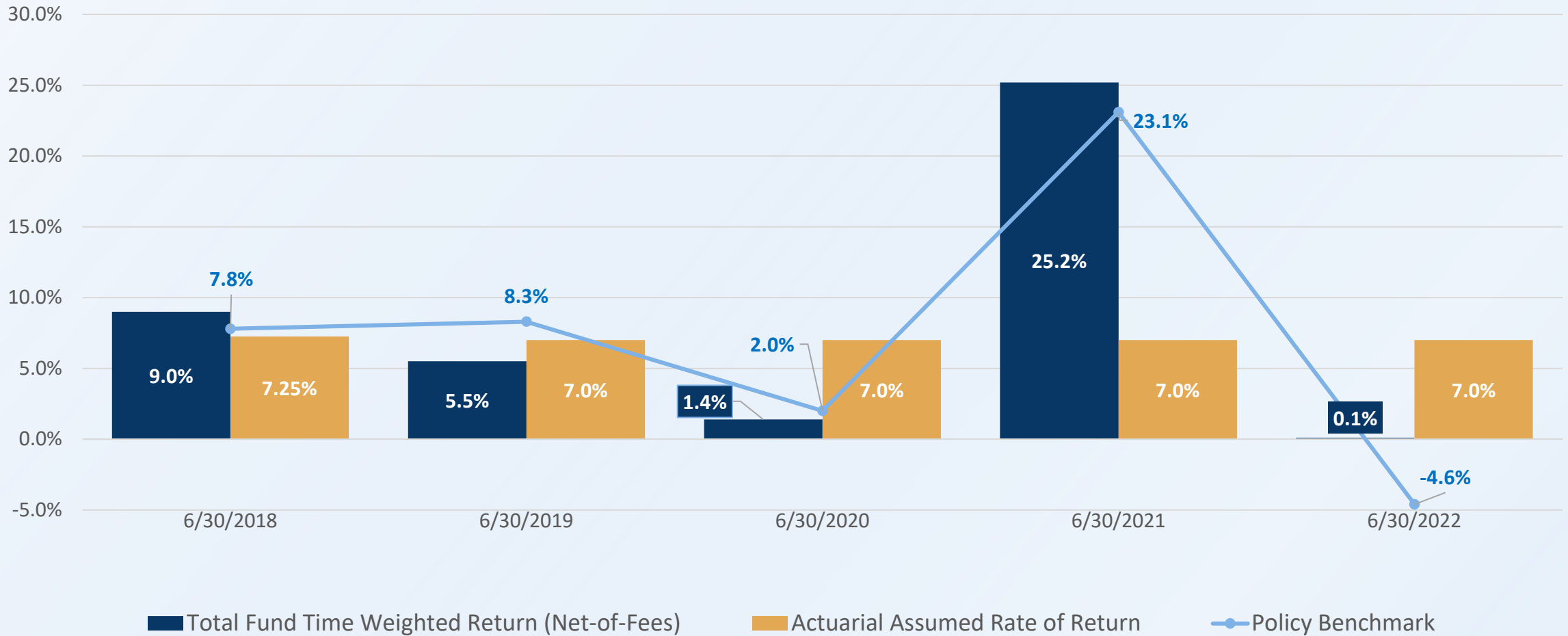
PENSION PLAN





INVESTMENT RETURN

PENSION PLAN



ACTUARIAL VALUATION

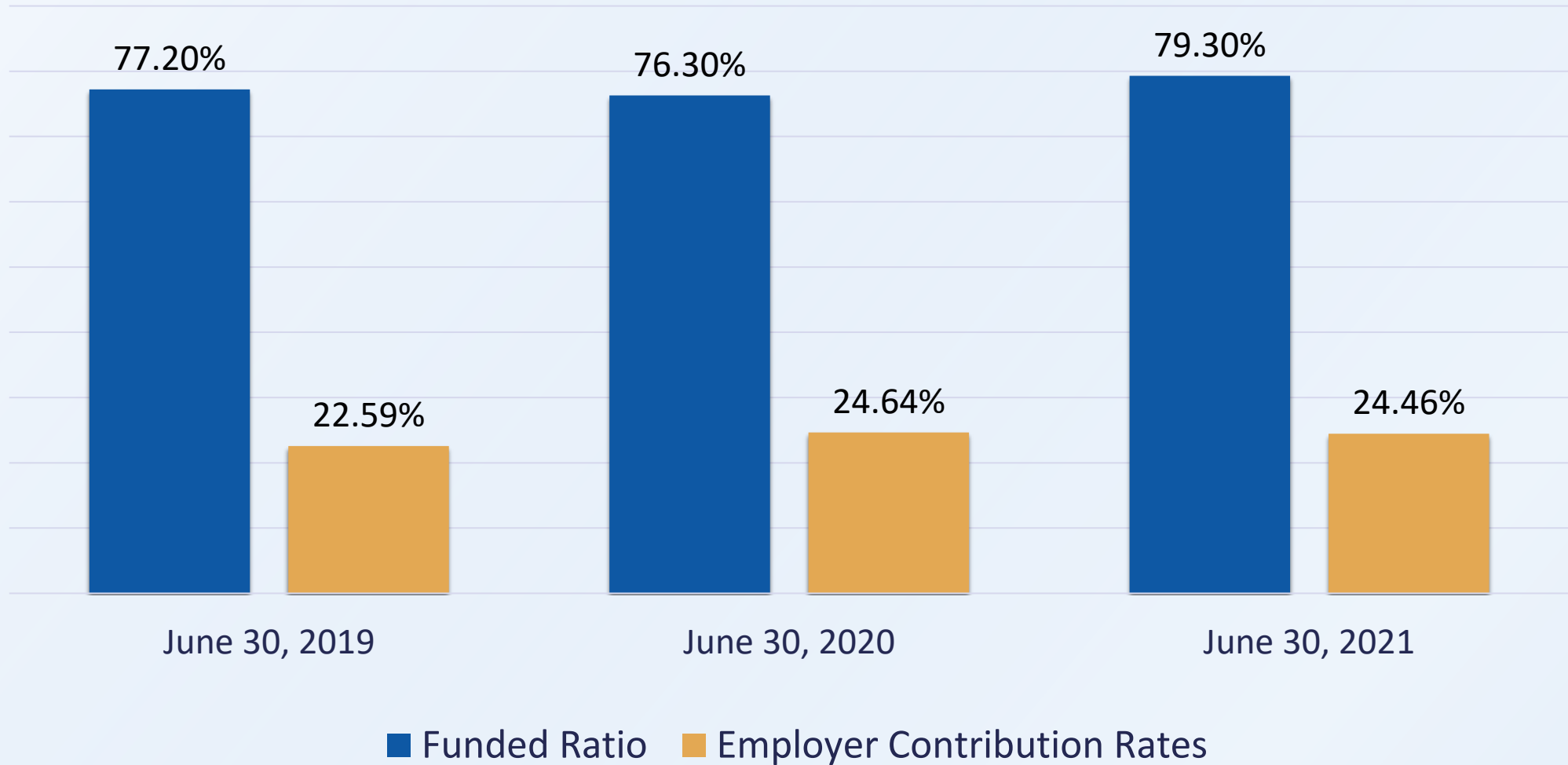
PENSION PLAN



Contribution Rates Employer and Employee

Liabilities and Funded Ratio

ACTUARIAL VALUATION RESULTS

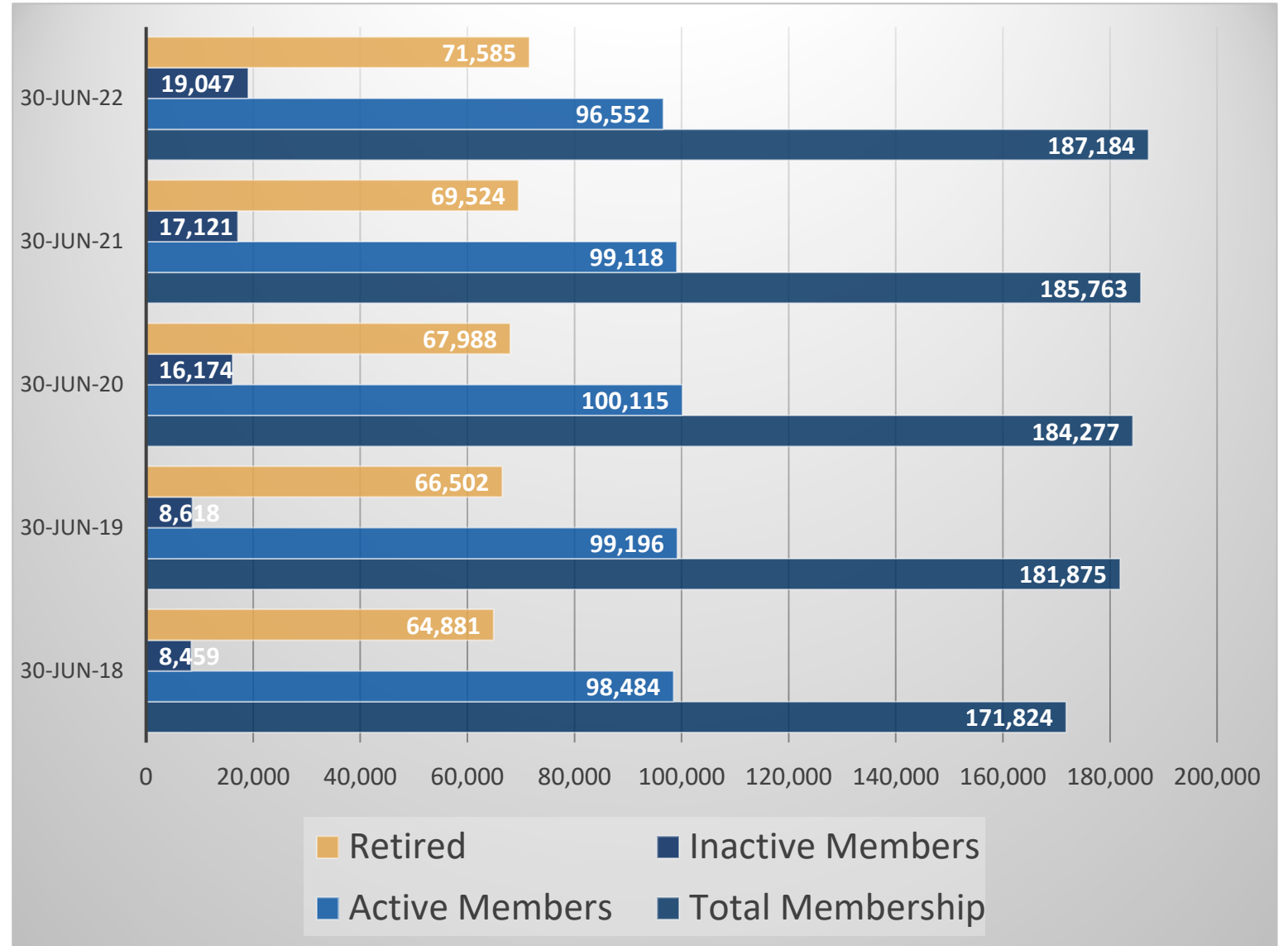




MEMBERSHIP



MEMBERSHIP

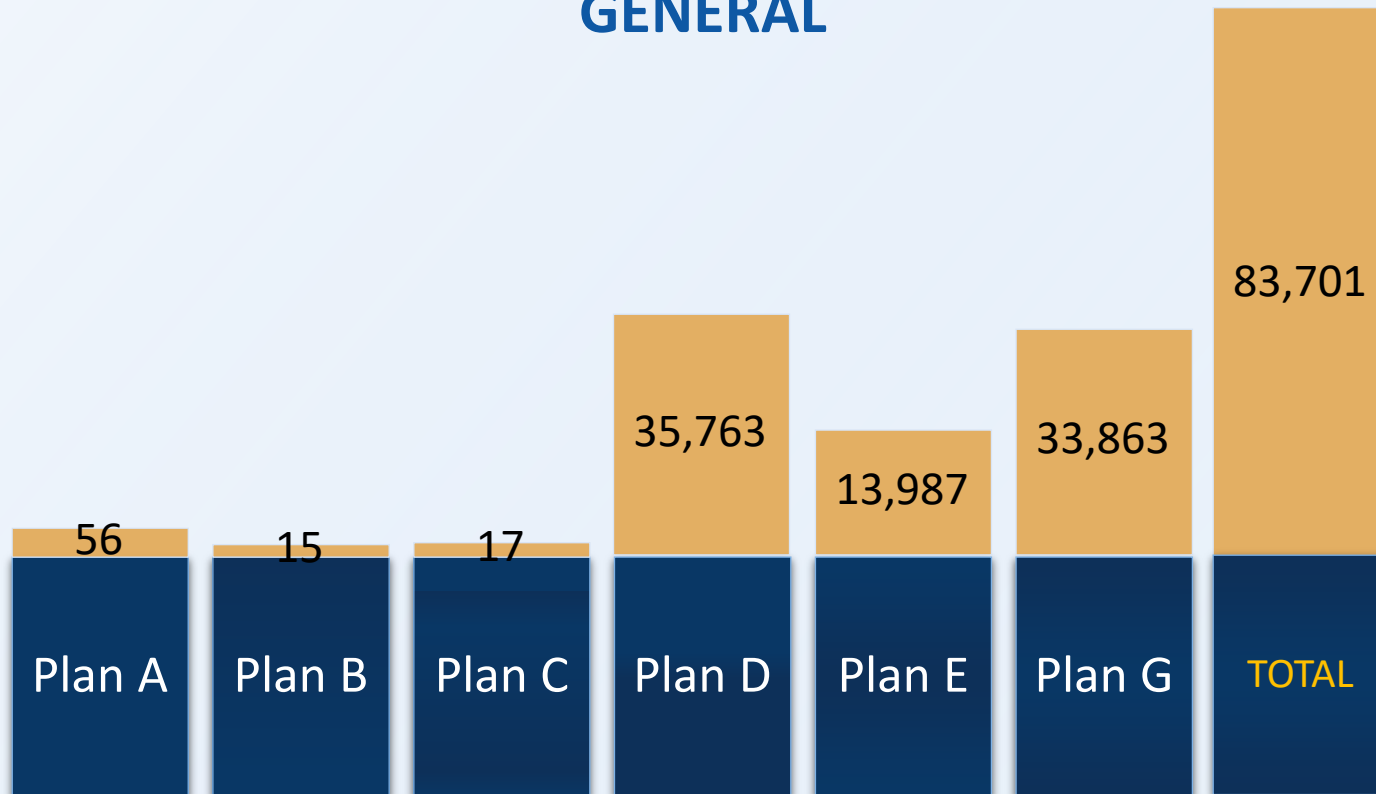


ACTIVE PLAN MEMBERSHIP

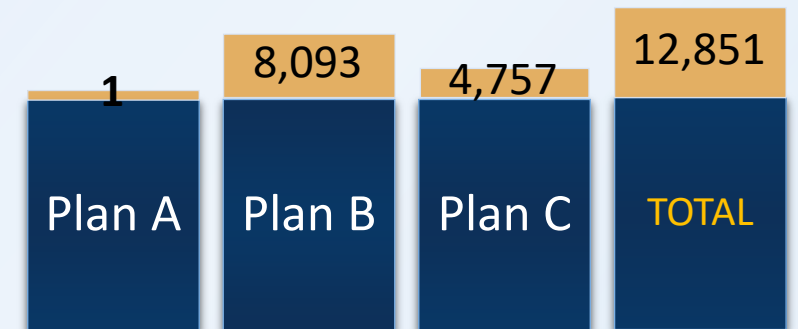
AS OF JUNE 30, 2022



GENERAL



SAFETY





OPEB TRUST



OWNERSHIP BALANCE BY AGENCY

OPEB TRUST

(Dollar in Thousands)	2022	2021
LOS ANGELES COUNTY	\$2,327,435	\$2,235,814
LACERA	10,799	8,810
SUPERIOR COURT	55,868	62,203
TOTAL BALANCE	\$2,394,102	\$2,306,827

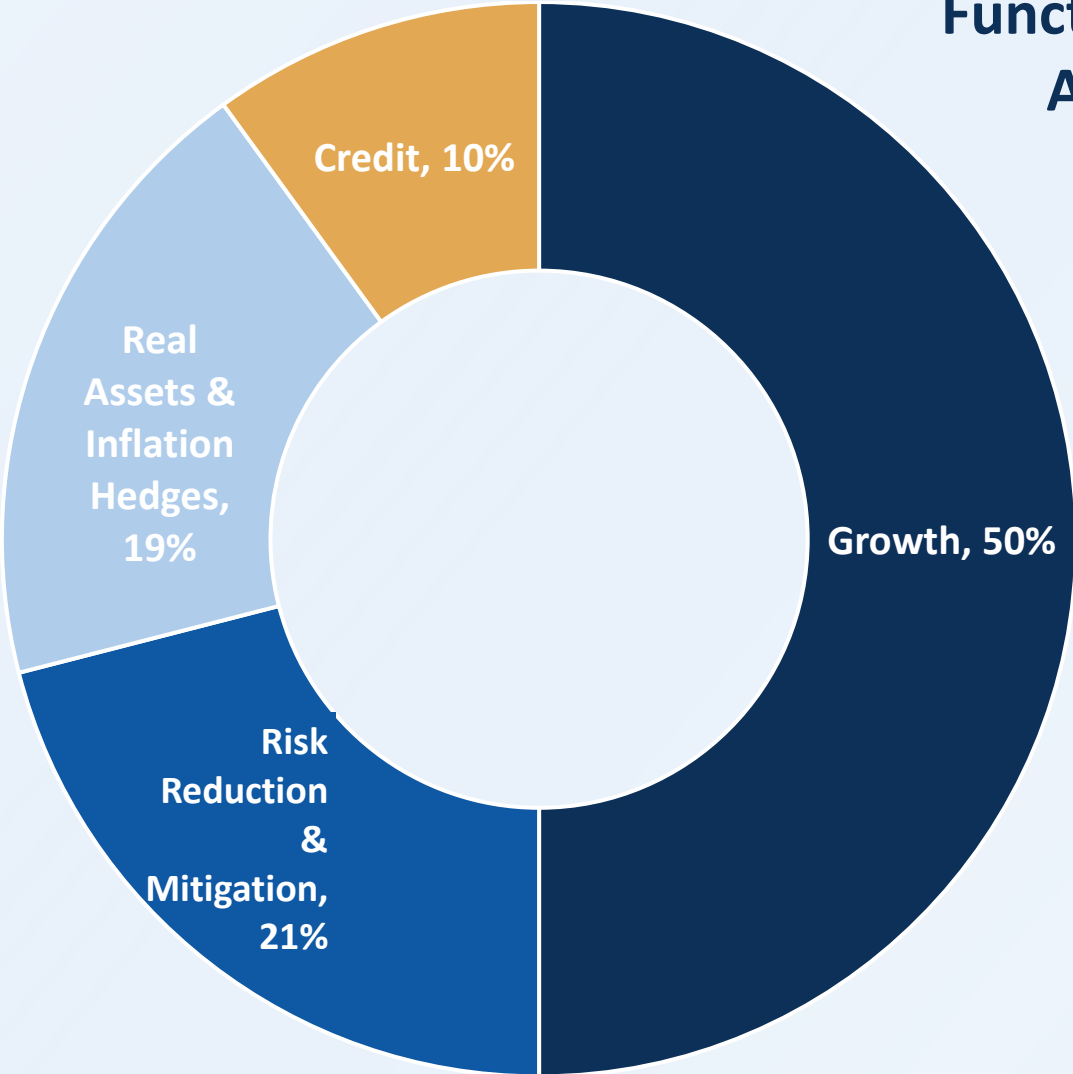
CUMULATIVE CONTRIBUTIONS			
LOS ANGELES COUNTY	LACERA	SUPERIOR COURT	TOTAL
\$2,018,110	\$9,772	\$42,844	\$2,070,726

ASSET ALLOCATION

OPEB TRUST



**Functional Asset Allocation
As of June 30, 2022**





FOLLOW UPS & LOOKING AHEAD

1

GASB Pronouncements **Follow up:**

- **GASB 87 – Leases**
 - Effective for fiscal year ending June 30, 2022
 - Lease agreement/contract inventory
 - LACERA evaluated and determined that recognition and measurement requirements would have an insignificant impact on LACERA's financial statements.

2

Upcoming GASB Pronouncements

- **GASB 96 - Subscription Based Information Technology Arrangements (SBITAs)**
 - Intangible assets with a subscription liability
 - Contracts that convey control of the right to use another party's information technology software
 - Uniform accounting and reporting, and alignment with GASB 87
 - Effective for fiscal year ending June 30, 2023

THANK YOU!



QUESTIONS?



November 23, 2022

TO: Operations Oversight Committee
Alan Bernstein, Chair
Herman B. Santos, Vice Chair
Keith Knox
Antonio Sanchez
JP Harris, Alternate

FROM: Bernie Buenaflores 
Chief, Quality Assurance & Metrics Division

FOR: December 7, 2022, Operations Oversight Committee Meeting

SUBJECT: Annual Quality Assurance Audit Report

LACERA's Quality Assurance and Metrics Division (QA) has prepared the enclosed annual audit report to the Operations Oversight Committee (OOC) to convey the results of QA's audit activities throughout the fiscal year ending June 30, 2022. QA Staff will be available at the December 7, 2022, OOC meeting to provide an overview of the report and address any concerns or questions that you may have.

Within the last two fiscal years, QA experienced turnover in 9 out of its 19 budgeted positions, and currently has 5 vacant positions. The current vacancies consist of 3 Senior QA Auditor positions and 2 QA Auditor II positions. Despite these vacancies, QA helped overcome staff shortages in the Member Operations Group (MOG) by conducting two concurrent Core Benefits Training classes and providing audit support that kept up with a surge in member transactions throughout 2021 and 2022.

The last fiscal year had other achievements as well. The following positive developments in QA's audit work also occurred within the last fiscal year:

- 1) QA fully implemented the Member Operations Group Audit Platform (MOGAP), which is a new audit management application developed with the help of Systems and the Process Management Group (PMG)
- 2) QA began developing metrics and production reports in conjunction with PMG and Systems.
- 3) QA continued to expand the new audit areas which includes Account Settlement Transactions (primarily collection activities), PEPRA Retirements, and resumed and expanded audits for Active Member Deaths.
- 4) The proportion of audits conducted prior to completion increased to over 80% of all cases audited, allowing LACERA to intervene in more cases before problems could impact members.

Looking forward, QA is hoping to pursue the following initiatives in its audit work:

- 1) Develop a formalized QA Annual Audit Plan
- 2) Develop Key Performance Indicators
- 3) Reorganize for greater independence and objectivity
- 4) Achieve full staffing for QA Division
- 5) Expand scope of audits based on risk levels
 - a) More processes
 - b) Call monitoring
 - c) Member Surveys
- 6) Implement Agreed Upon Procedure (AUP) audits as a tool for auditing transactions not yet officially defined with audit criteria and other audit parameters
- 7) Implement a Discovery Sampling and Control Self-Assessment Process to help maximize the benefits from QA's audit observations
- 8) Increase the proportion of audits performed on a pre-completion basis
- 9) Work with our partners to explore new tools and techniques for clearing member account exceptions
- 10) Instill the "auditor mindset" into all MOG staff through Advanced CERL Education (ACE) training.

In the balance, QA has continued to diligently pursue its mission of providing a critical quality control function for the Member Operations Group (MOG). By independently and objectively measuring the accuracy of the work performed by the MOG teams, using a systematic and risk-based approach, QA is able to report that the MOG teams performed their work during the fiscal year ending June 30, 2022, at the standard of quality set by LACERA, achieving an overall accuracy rating of approximately 97.59%, just under our target accuracy of 98%. The slight drop in accuracy can be attributed to several new audit areas, like PEPRAs retirements and Account Settlements, which were just introduced in the audit process within the last fiscal year, as well as the ramp up of recent graduates from CORE Benefits Training who have been acclimating to the full production environment. The most recent graduates of the Core Benefits Training Program were able to achieve a 96.68% accuracy level at the close of training which, historically, has boded well for their future success in the MOG.

Reviewed and Approved



JJ Popowich
Assistant Executive Officer, LACERA

Attachments

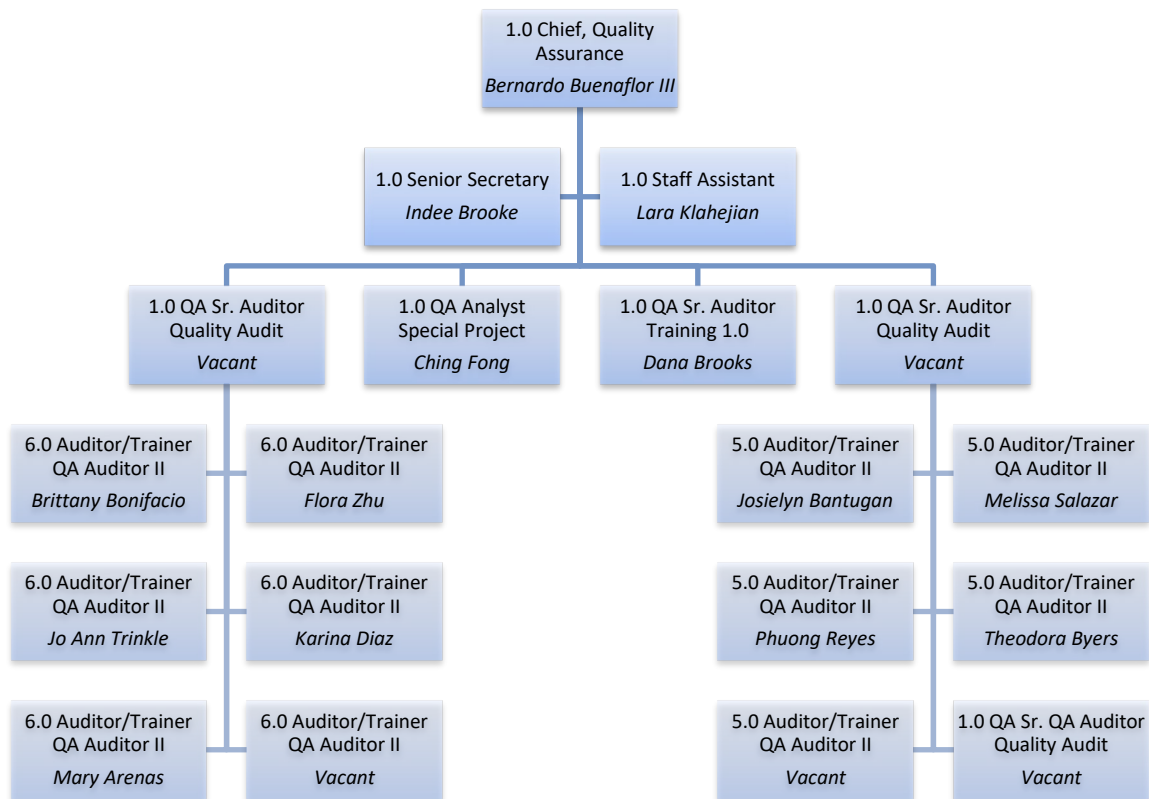
EXECUTIVE SUMMARY

INTRODUCTION TO QUALITY ASSURANCE AND METRICS

The Executive Office has defined QA’s responsibilities and aligned them with LACERA’s strategic plans. LACERA’s Quality Assurance and Metrics Division (QA) provides independent and objective quality monitoring to support the accurate, efficient, and timely delivery of benefits provided by LACERA’s Member Operations Group (MOG). To do this QA has designed an audit plan that categorizes transactions according to the level of risk and applies a sampling plan that is appropriate to their risk level.

The Quality Auditors and Administrative staff are:

Bernardo Buenaflor III, Brittany Bonifacio, Ching Fong, Dana Brooks, Flora Zhu, Indee Brooke, Jo Ann Trinkle, Josielyn Bantugan, Karina Diaz, Lara Klahejian, Mary Arenas, Melissa Salazar, Phuong Reyes, and Theodora Byers.



BACKGROUND

During Fiscal Year 2021-2022 Quality Assurance's scope of auditing contracted due to the following factors:

STAFF SHORTAGES

Starting November 2020, QA lost to attrition almost all its division leadership, including the Division Manager and 4 out of 5 Senior Auditors. At the peak of this staffing shortage, 9 out of 19 budgeted positions experienced turnover. As of this reporting, there are still 5 vacancies (3 Senior Auditors and 2 Auditor II's). Despite our efforts to fill the vacancies, QA was only able to fill one Senior position. Of the 11 Auditor II positions, one staff member is away on extended leave. QA's staff shortages hindered its capacity and potential opportunities to expand its audit scope or implement significant process improvements. In the coming fiscal year, QA will work with HR to address this issue.

Despite the setbacks, Quality Assurance did have noteworthy achievements.

NEW AUDIT AREAS

- Account Settlement Transactions (primarily collection activities)
- PEPRA Retirements
- Resumed and Expanded Active Death Audits

INCREASE PRE-COMPLETION AUDITS

QA has significantly shifted its audits from Post-completion to Pre-completion audits to help ensure that the end-product that is delivered to our members is correct. 17 out of 21 processes are audited on a pre-completion basis (80.9%).

INTRODUCTION TO QUALITY AUDITS

Executive Management has determined a target accuracy rating of 98% overall for all audited transactions. The Quality Assurance & Metrics Division performs three (3) types of audits:

- **Pre-Completion Auditing** is performed prior to the delivery of a MOG transaction end-product to the member. This helps ensure that the transaction meets LACERA's quality standards upon delivery.
- **Post Completion Auditing** assesses the accuracy of a completed MOG transaction to help management in overseeing the associated business processes and staff performance.
- **CORE Benefit Training Audit** is performed prior to the delivery of a Core Benefit Trainee's live production end-product to the member. This helps ensure that the

transaction meets LACERA’s quality standards upon delivery. It also helps Management evaluate the trainee’s performance in support of their hiring decision.

QA, in conjunction with MOG Benefits Division, reviews the existing Audit Criteria and revises them based on a quantified risk assessment. After approval by the Executive Office, these criteria are posted in the MOGAP database and revised as changes in retirement law and business policies dictate. When a Retirement Benefit Specialist uploads a case to the MOGAP, a risk factor is assigned to the case at the time. The QA audit supervisor assigns 100% of high-risk cases while random samples of lower risk cases are assigned for audit on a pre-determined percentage basis.

The Audit conducted by QA generates feedback regarding work performed by MOG Staff in the form of Audit Review Notes. This feedback is provided to the MOG Staff’s immediate Supervisor, Section Head and Division Manager. Periodically, QA prepares audit reports for the respective Division Management, the Executive Office, and the Operations Oversight Committee of LACERA’s Board of Retirement. There are three kinds of QA Audit Review Notes, as follows:

- **Action Items** are conditions resulting from a tested transaction that did not meet (or pass) the established quality standards. The impact of an action item on a transaction’s accuracy rating is calculated based on the associated audit criteria and that criteria’s pre-determined weighting. LACERA requires all action items to be addressed or rejected by the appropriate level of management before an auditor can close those action items, as well as the underlying test selection. If QA Action Items were not issued, the test selection is deemed 100% accurate.
- **QA Referrals** are conditions not resulting from the audited work, but which warrant follow up to ensure the integrity of the related member’s account. For each QA Referral, an auditor will issue a service request to the appropriate work queue so that the necessary follow-up can be performed by the appropriate party.
- **Other Recommendations** are audit observations not directly relevant to the member whose transaction was audited, but which are relevant to the quality, timeliness or efficiency of the process or business unit being audited.

OVERALL PRODUCTION ACCURACY, SAMPLES, AND ACTION ITEMS BY AUDIT TYPE FY 2021-2022

	Pre-Completion Audit	Post Completion Audit	CORE Benefit Training Audit	Totals
Accuracy	97.77%	98.60%	96.68%	97.59%
Samples	6,384	1,140	1,352	8,876
Action Items	855	44	271	1,170
Outstanding Action Items	1	0	0	1

TABLE 1

PRE-COMPLETION AUDIT

The purpose of the Pre-Completion Audit is to help ensure accurate processing of outgoing member requests by auditing the transaction prior to its completion and delivery to the member. While pre-completion audits can be performed by members of the MOG Division, as well as QA, for purposes of independence and objectivity, QA only factors in the audit work performed by QA when it reports on the quality of the work performed. Any pre-completion audits performed by the MOG Division Staff are excluded from QA's reports, but they do help Management to manage their processes and staff performance.

In fiscal year 2021-2022, the Pre-Completion Audit reviewed 17 business processes. The sampling method is based on an agreement with the Benefits Division that staff upload 100% of the production in the MOGAP for Pre-Completion Audit. QA currently audits 50.47% of the total production for the 17 processes.

There were 6,384 member transactions audited in the MOG on a Pre-Completion basis, resulting in 855 Action Items. In the last three years, Action Items have decreased by an average of 13.55% due to the increase in sample size of transactions audited on a Pre-Completion basis. Staff is required to resolve all Action Items prior to completion of the transactions to minimize the negative impact on members.

Overall, the accuracy rate increased from the last fiscal year by 0.55% from 97.22% to 97.77% as shown in Table 2. The increase in accuracy was due to improvement in the following processes:

- Incremental Buy Back
- Military / Federal Time

TABLE 2	2021	2022
Accuracy	97.22%	97.77%
Samples	5,588	6,384
Action Items	773	855

There were 8 out of 17 processes that met or exceeded the target accuracy rate of 98%:

TABLE 3

Organization Goal 98% and Above	%	Quality Audit Goal 95% to 98%	%	Observation Audit Below 95%	%
1. Plan E Rescissions	100	9. Retirement Agenda	97.86	15. Termination	94.16
2. Executive Referrals	100	10. Reciprocity	97.56	16. Open Window Plan Transfer	94.04
3. 30 Year Cancellation	99.17	11. Incremental Buyback	97.52	17. Account Settlement	75.00

Organization Goal 98% and Above	%	Quality Audit Goal 95% to 98%	%	Observation Audit Below 95%	%
4. Member Death	98.79	12. General to Safety	96.77		
5. Military / Federal Time	98.77	13. Redeposit	96.70		
6. Retirement Estimates	98.37	14. Other Public Agency	95.54		
7. Temporary Time	98.28				
8. Sick Without Pay	98.07				

At the close of 2021-2022 Fiscal Year, one pre-completion case has an outstanding action item. This case falls outside normal operating procedures and is complex in nature. Management is actively seeking resolution of this issue through the Escalations and Administrative Appeals process, in consultation with the Legal Office. QA and Benefits continue to develop new business rules and training to further reduce future audit review notes and referrals.

POST COMPLETION AUDIT

The purpose of the Post Completion Audit is to assess the accuracy of business processes, and the staff performing the work. Post Completion Audits are performed after the subject transactions are completed. To maintain audit independence, these audits are performed solely by QA. Data from these audits are used to identify process improvement and training opportunities. The auditee division supervisors are responsible for following up with staff regarding action items to ensure immediate correction, and thus minimize delay in completing work. QA auditors must verify that Staff have addressed the Action Items connected with their work before QA auditors can close out their test selection.

In fiscal year 2022, the Post Completion Audit reviewed 4 business processes using random sample selections from completed transactions. The number of members' transactions audited was 1,140, resulting in 44 Action Items. Staff resolved all Action Items within a fixed timeframe to minimize the negative impact on members.

Overall, the accuracy rate decreased from the last fiscal year by 0.16% from 98.76% to 98.60% as shown in Table 4. The decrease in sample size may have affected the decrease in accuracy of Post Completion Audits.

TABLE 4		2021	2022
	Accuracy	98.76%	98.60%
	Samples	1,228	1,140
	Action Items	52	44

There were 2 out of 4 processes that met or exceeded the target accuracy rate of 98%:

TABLE 5

Organization Goal 98% and Above	%	Quality Audit Goal 95% to 98%	%	Observation Below 95%	Audit	%
1. Direct Deposit	99.81	3. Beneficiary Change	97.50			
2. Federal/State Tax	98.61	4. First Payment	97.29			

At the close of 2021-2022 Fiscal Year, all post-completion cases have been resolved.

CORE BENEFIT TRAINING AUDIT

The purpose of the CORE Benefit Training Audit is to assess new hires' abilities in processing members' requests based on foundational core business processes and to provide audit feedback in a safe learning environment. This work is performed by a cross-functional team, consisting of members of the MOG Divisions in partnership with members of QA. MOG Division Managers and QA use the combined accuracy measurements to evaluate the performance of the students in the training class and to help determine how training can be adjusted or augmented to improve trainees' performance prior to completion of training.

In fiscal year 2021-2022, the Training Audit reviewed 6 business processes using 100% sampling. The number of members' transactions audited was 1,352, resulting in 271 action items. The increase in sample size of audited cases were due to more participants in the CORE Benefits training classes as two training groups participated in production for the year. The Training Audit ensures that trainees process members' requests in compliance with business rules, and all action items are required to be resolved prior to completion and delivery of the end product to the member.

Overall, the accuracy rate increased from the last fiscal year by 0.61% from 96.07% to 96.68% as shown in Table 6.

TABLE 6

	2021	2022
Accuracy	96.07%	96.68%
Samples	792	1,352
Action Items	168	271

There were 5 out of 6 processes that met or exceeded the CORE Benefits Training target accuracy rate of 95%:

TABLE 7

Organization Goal 98% and above	%	CORE Benefit Training Audit Goal 95% to 98%	%	Observation Audit Below 95%	%
1. Reciprocity	99.02	3. Sick Without Pay	96.98	6. Redeposit	93.01
2. Military / Federal Time	98.08	4. Temporary Time	96.41		
		5. Other Public Agency	95.85		

QA REFERRALS

QA Referrals are conditions not resulting from the audited work, but which warrant follow up to ensure the integrity of the related member's account. For each QA Referral, an auditor will issue a service request to the appropriate work queue to address the additional item(s) that fall outside the criteria of the audited transaction.

During fiscal year 2021-2022, out of 8,857 Benefits Transactions audited by QA, 214 referrals were issued as shown in Table 8. Currently, 12 (4.98%) are still open. The majority of these unresolved referrals (7 of 12 referrals) are Account Settlement cases that are handled through the Benefits work processes. The Account Settlement process has a high volume of work and has been undergoing significant reengineering of policies and procedures for handling account settlement and collections issues. PMG, in collaboration with the Legal Office and the MOG Divisions, continues to work diligently to further develop those policies and procedures to help direct Benefits staff in completing this work.

TABLE 8

Description	Number of Referrals Issued	Number of Referrals Outstanding	Percentage Outstanding (%)
Account Settlement	89	7	7.87%
Previous Service	34	1	2.90%
General	91	4	4.40%
Total	214	12	5.61%

CLOSING COMMENTS

The Quality Assurance & Metrics Division is committed to improving processes through continuous planning, monitoring, assessments, and evaluations. We incorporate data from the three (3) audits to design and develop additional training to address areas of potential improvement.

Despite the challenges previously described, QA continues to make progress and is looking forward to pursuing the following initiatives in the future, with the support of the Board of Retirement:

- Develop a formalized QA Annual Audit Plan
- Develop Key Performance Indicators for QA
- Further Re-organizing of Quality Assurance to enhance its independence and objectivity
- Conducting onboarding Exams through HR to fully staff the Division
- Increasing QA's scope of audits to include more processes and allocate resources to those processes based on their relative risk
- Taking on additional audit-related functions in support of LACERA's goal of improving the Member Journey, such as Call Monitoring, reviewing Member Correspondence, and Member Surveys
- Continuing to increase the proportion of audits performed on a Pre-Completion basis so we can continue to catch errors before they affect our members
- Working with our partners to explore new tools and techniques for clearing member account exceptions
- Creating an Account Certification module to perform a comprehensive analysis, documentation, rectification, and certification of the accuracy and completeness of an account
- Instilling the "auditor mindset" and greater analytical skills into all MOG staff through Advanced CERL Education (ACE) training so that they are better prepared to support LACERA's vision of multi-channel service, including self-service.

The Quality Assurance & Metrics Division strives to contribute to LACERA's quality eco-system, which includes continual improvement activities. QA will continue to consult with their partners throughout LACERA, such as the other MOG Divisions and Systems, to enhance QA's value to LACERA and its members. We are hopeful that these efforts will lead to additional increases in accuracy, better member experiences, and process efficiency, with the ultimate goal being 100% accuracy.



Pre-Completion Audit – Weighted Accuracy Data

Chart A – Pre-Completion Audit: Comparative Accuracy Rates, Fiscal Years ending 2018-2022

Process	2022	2021	2020	2019	2018	% Increase (-Decrease)			
						2021-22	2020-21	2019-20	2018-19
30 Year Cancellation	99.17%	98.00%	77.50%	97.37%	97.22%	1.17%	20.50%	-19.87%	0.15%
Age/Rate Change		-	86.04%	96.67%	100.00%	-	-	-10.63%	-3.33%
Death	98.79%	-	98.53%	97.34%	97.03%	-	-	1.19%	0.31%
<i>Plan Transfer</i>									
<i>a) Open Window</i>	94.04%	100.00%	72.06%	91.58%	89.40%	-5.96%	27.94%	-19.52%	2.18%
<i>b) Incremental Buy Back</i>	97.52%	95.25%	96.53%	95.67%	94.63%	2.27%	-1.28%	0.86%	1.04%
<i>Previous Service Contracts</i>									
<i>a) General to Safety</i>	96.77%	95.92%	98.31%	95.21%	98.17%	0.85%	-2.39%	3.10%	-2.96%
<i>b) Military / Federal Time</i>	98.77%	96.45%	98.14%	98.72%	96.25%	2.32%	-1.69%	-0.58%	2.47%
<i>c) OPA</i>	95.54%	95.58%	97.35%	98.18%	97.74%	-0.04%	-1.77%	-0.83%	0.44%
<i>d) Redeposit</i>	96.70%	95.31%	98.27%	95.11%	94.62%	1.39%	-2.96%	3.16%	0.49%
<i>e) SWOP</i>	98.07%	98.64%	98.41%	98.48%	97.05%	-0.57%	0.23%	-0.07%	1.43%
<i>f) Temporary Time</i>	98.28%	98.20%	98.55%	98.10%	97.07%	0.08%	-0.35%	0.45%	1.03%
Reciprocity	97.56%	97.41%	100.00%	95.61%	97.31%	0.15%	-2.59%	4.39%	-1.70%
Retirement Estimate	98.37%	97.78%	100.00%	100.00%	98.95%	0.59%	-2.22%	-	-
Service Retirement Agenda	97.86%	97.20%	96.69%	97.94%	97.63%	0.66%	0.51%	-1.25%	0.31%
Termination Letters	94.16%	91.91%	-	95.00%	99.09%	2.25%	-	-	-4.09%
AVERAGE	97.22%	96.74%	94.03%	96.73%	96.81%	0.48%	2.72%	-2.70%	-0.08%



Chart B – Percent of Pre-Completion Cases Audited – Fiscal Years ending 2018-2022

Process	2022			2021			2020			2019			2018			% Increase (-Decrease)			
	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	2021-22	2020-21	2019-20	2018-19
30 Year Cancellation	294	24	8.16%	53	5	9.43%	37	4	10.81%	100	4	4.00%	189	3	1.59%	-1.27%	-1.38%	6.81%	2.41%
Age/Rate Change	-	-	-	-	-	-	17	14	82.35%	7	4	57.14%	16	1	6.25%	-	-	25.21%	50.89%
Death	129	129	100.00%	-	-	-	77	77	100.00%	111	111	100.00%	111	103	92.79%	-	-	-	-
<i>Plan Transfer</i>																			
<i>a) Open Window</i>	83	33	39.76%	30	8	26.67%	11	4	36.36%	84	66	78.57%	79	38	48.10%	13.09%	-9.70%	-42.21%	30.47%
<i>b) Incremental Buy Back</i>	327	118	36.09%	153	104	67.97%	142	103	72.54%	281	239	85.05%	316	196	62.03%	-31.89%	-4.56%	-12.52%	23.03%
<i>Previous Service Contracts</i>																			
<i>a) General to Safety</i>	322	141	43.79%	119	96	80.67%	111	82	73.87%	161	102	63.35%	186	73	39.25%	-36.88%	6.80%	10.52%	24.11%
<i>b) Military / Federal Time</i>	612	207	33.82%	329	238	72.34%	413	168	40.68%	556	200	35.97%	426	159	37.32%	-38.52%	31.66%	4.71%	-1.35%
<i>c) OPA</i>	864	296	34.26%	407	208	51.11%	655	190	29.01%	900	321	35.67%	726	237	32.64%	-16.85%	22.10%	-6.66%	3.02%
<i>d) Redeposit</i>	118	64	54.24%	59	48	81.36%	58	41	70.69%	149	113	75.84%	128	79	61.72%	-27.12%	10.67%	-5.15%	14.12%
<i>e) SWOP</i>	966	336	34.78%	520	377	72.50%	570	308	54.04%	676	285	42.16%	682	310	45.45%	-37.72%	18.46%	11.88%	-3.29%
<i>f) Temporary Time</i>	2318	824	35.55%	1197	1011	84.46%	1739	884	50.83%	1925	1031	53.56%	1762	991	56.24%	-48.91%	33.63%	-2.72%	-2.68%
Reciprocity	363	60	16.53%	68	13	19.12%	69	3	4.35%	83	29	34.94%	365	58	15.89%	-2.59%	14.77%	-30.59%	19.05%
Retirement Estimate	849	77	9.07%	290	14	4.83%	431	376	87.24%	6	5	83.33%	57	0	0.00%	4.24%	-82.41%	3.91%	83.33%
Service Retirement Agenda	4048	3983	98.39%	3454	3454	100.00%	3248	3248	100.00%	3133	3133	100.00%	3307	3307	100.00%	-1.61%	0.00%	0.00%	0.00%
Termination Letters	1318	73	5.54%	275	12	4.36%	38	0	0.00%	76	1	1.32%	630	11	1.75%	1.18%	4.36%	-1.32%	-0.43%
TOTALS / AVERAGE % Audited	12,611	6,365	50.47%	6,954	5,588	80.36%	7,616	5,502	72.24%	8,248	5,644	68.43%	8,980	5,566	61.98%	-29.88%	8.11%	3.81%	6.45%



Post-Completion Audit

Chart C – Post Completion Audit: Weighted and Un-Weighted Accuracy Rates

Process	2022 Weighted	2022 UnWeighted	2021 Weighted	2021 UnWeighted	% Increase (-Decrease)	
					2020-21 W	2020-21 U
Beneficiary Change	97.50%	97.62%	98.58%	98.65%	-1.08%	-1.03%
Direct Deposit	99.81%	99.89%	99.79%	99.88%	0.02%	0.01%
Federal / State Tax	98.61%	98.61%	99.09%	99.09%	-0.48%	-0.48%
First Retirement Payment	97.29%	97.14%	96.62%	96.68%	0.67%	0.46%
AVERAGE	98.60%	98.66%	98.76%	98.67%	-0.16%	-0.01%

Weighted Accuracy Data

Chart D – Post Completion Audit: Comparative Accuracy Rates from Fiscal Years ending 2018-2022

Process	2022	2021	2020	2019	2018	% Increase (-Decrease)			
						2021-22	2020-21	2019-20	2018-19
Beneficiary Change	97.50%	98.58%	97.15%	97.54%	95.71%	-1.08%	1.43%	-0.39%	1.83%
Direct Deposit	99.81%	99.79%	99.80%	99.90%	99.32%	0.02%	-0.01%	-0.10%	0.58%
Federal / State Tax	98.61%	99.09%	99.81%	99.44%	98.39%	-0.48%	-0.72%	0.37%	1.05%
First Retirement Payment	97.29%	96.62%	96.34%	98.54%	99.40%	0.67%	0.28%	-2.20%	-0.86%
AVERAGE	98.60%	98.76%	98.11%	98.91%	97.93%	-0.16%	0.65%	-0.80%	0.98%

Chart E – Post Completion Audit: Number of Samples from Fiscal Years ending 2018-2022

Process	2022	2021	2020	2019	2018	# Increase (-Decrease)			
						2021-22	2020-21	2019-20	2018-19
<i>Beneficiary Change</i>	351	330	270	360	308	21	60	-90	52
<i>Direct Deposit</i>	360	330	270	360	360	30	60	-90	0
<i>Federal / State Tax</i>	359	330	270	360	360	29	60	-90	0
First Retirement Payment	70	238	542	231	20	-168	-304	311	211
TOTAL	1,140	1,228	1,352	1,311	1,048	-88	-124	41	263



Weighted Accuracy Data

Chart F – Post Completion Audit: Action Items for FY 2020 - 2021 and 2021 - 2022

Process	Samples / Accuracy				Exceptions					
	FY 21-22		FY 20-21		Action Items		QA Referrals		Total	
	Sample / Accuracy	Sample / Accuracy	Sample / Accuracy	Sample / Accuracy	FY 21-22 A	FY 20-21 A	FY 21-22 R	FY 20-21 R	FY 21-22	FY 20-21
Beneficiary Change	351	96.69%	330	98.58%	25	13	0	1	25	14
Direct Deposit	360	99.81%	330	99.79%	2	2	0	2	2	4
Fed & State Tax	359	98.61%	330	99.09%	10	5	0	2	10	7
First Payment	70	97.29%	238	96.62%	7	32	0	5	7	37
TOTALS	1,140	98.32%	1,228	98.76%	44	52	0	10	44	62

Chart G – Post Completion Audit: Number of Action Items from Fiscal Years ending 2018-2022

Process	2022	2021	2020	2019	2018	# Increase (-Decrease)			
						2021-22	2020-21	2019-20	2018-19
Beneficiary Change	25	13	15	21	27	12	-2	-6	-6
Direct Deposit	2	2	1	1	6	0	1	0	-5
Federal / State Tax	10	5	1	4	10	5	4	-3	-6
First Retirement Payment	7	32	77	12	1	-25	-45	65	11
TOTAL	44	52	94	38	44	-8	-42	56	-6

CORE Training Audit

Chart H – Trainee Production: Weighted and Un-Weighted Accuracy Rates

Process	2022	2022	2021	2021	% Increase (-Decrease)	
	Weighted	UnWeighted	Weighted	UnWeighted	2021-22 W	2021-22 U
Incremental Buy Back	-	-	98.34%	97.31%	-	-
Plan Transfer	-	-	86.46%	89.58%	-	-
<i>Previous Service</i>						
<i>a) General to Safety</i>	-	-	97.05%	95.38%	-	-
<i>b) Military / Federal Time</i>	98.08%	97.55%	97.96%	97.03%	0.12%	0.52%
<i>c) OPA</i>	95.85%	96.29%	91.29%	92.79%	4.56%	3.50%
<i>d) Redeposit</i>	93.01%	91.30%	93.06%	90.57%	-0.05%	0.73%
<i>e) SWOP</i>	96.98%	96.17%	98.68%	98.26%	-1.70%	-2.09%
<i>f) Temporary Time</i>	96.41%	95.30%	97.03%	95.87%	-0.62%	-0.57%
Reciprocity	99.02%	99.05%	-	-	99.02%	99.05%
30 Year Cancellation	-	-	-	-	-	-
Termination Letter	-	-	93.99%	94.05%	-	-
Estimates	-	-	96.72%	96.25%	-	-
AVERAGE	96.67%	96.03%	96.07%	95.60%	0.60%	0.43%

CORE Training Audit – Weighted Accuracy Data
Chart I – Training Audit: Action Items / QA Referrals for FY 2020 - 2021 and 2021 - 2022

Process	Samples / Accuracy				Exceptions				Total	
					Action Items		QA Referrals			
	FY 21-22		FY 20-21		FY 21-22	FY 20-21	FY 21-22	FY 20-21	FY 21-22	FY 20-21
	Sample / Accuracy	Sample / Accuracy			A	A	R	R		
PLAN TRANSFER										
Incremental Buy Back	-	-	50	98.34%	-	8	-	2	-	10
Open Window	-	-	5	86.46%	-	3	-	0	-	3
PREVIOUS SERVICE										
General to Safety	-	-	58	97.05%	-	16	-	1	-	17
Mil Fed	117	98.08%	81	97.96%	14	14	0	5	14	19
OPA	237	95.85%	122	91.29%	37	37	0	5	37	42
Reciprocity	95	99.02%	-	-	5	-	0	-	5	-
Redeposit	39	93.01%	37	93.06%	17	14	0	0	17	14
SWOP	334	96.98%	84	98.68%	61	6	0	2	61	8
Temporary Time	530	96.41%	197	97.03%	137	45	0	7	137	52
30 Year Cancellation	-	-	-	-	-	-	-	-	-	-
Termination Letter	-	-	21	93.99%	-	3	-	0	-	-
Retirement Estimate	-	-	137	96.72%	-	22	-	4	-	26
TOTALS	1,352	96.07%	792	96.07%	271	168	0	26	271	191



APPENDIX A - QUALITY ASSURANCE AUDIT METHODOLOGY

The Quality Assurance and Metrics Division performs regular audits of benefit-related transactions to measure the accuracy and quality of the work, to ensure that the end-product meets LACERA’s standards of quality as expressed in the audit criteria, and to identify areas of improvement. A risk assessment was conducted to determine which processes were going to be included in the audit plan.

AUDIT CRITERIA

Each process was broken down into several agreed upon audit criteria (approved and accepted by Management) shown as follows. For example, the Previous Service process has the following criteria, risk levels and weight of each criterion.

TABLE 9

Criteria	Risk	Weight
Eligibility	HIGH	35%
Worksheet	HIGH	35%
Salaries (if applicable)	AVERAGE	15%
Data Entry (if applicable)	AVERAGE	15%
Service Credit	AVERAGE	10%
<ul style="list-style-type: none"> ▪ Cost Letters/ ▪ Documents scanned 	AVERAGE	5%



MOGAP QUALITY AUDIT REVIEW NOTES

Quality Review Notes	Audit	Description
QA Action Item		Conditions resulting from the audited work that adversely impact the accuracy or effectiveness of the audited transaction and require immediate corrective action. QA will monitor the status of Action Items until they are satisfactorily addressed or are rejected by someone at least two supervisory levels above the individual performing the audited work.
QA Referral		Conditions not resulting from the audited work, but which warrant follow up to ensure the integrity of the member's account and its related transactions. QA closes the QA Referral once the auditor issues one or more Service Requests in Workspace to address the concerns documented in the QA referral. It is the responsibility of the MOG Division to complete the service request in accordance with normal MOG processes.
Other Recommendations		Audit observations not directly relevant to the audited member's account, but relevant to the quality, timeliness or efficiency of the process being audited or to the general operations of the audited business unit. A QA Supervisor monitors Other Recommendations until they are addressed to the satisfaction of both QA and the MOG Division Manager.

THE THREE COMPONENTS OF A REVIEW NOTE

The Audit Review Note consists of three components which communicate Quality Assurance's observations to the auditee.

1. Criteria

LACERA'S official standard by which the accuracy of a process is measured as adopted by Quality Assurance and its counterparts in Member Operations Group and approved by the Executive Office.

2. Conditions / Causes

The conditions are the relevant facts and evidence supporting the assessment and accuracy of the audit.

The causes are the reasons that the conditions do not meet the criteria.



3. Recommendations and Corrective Action Plan

These are the steps that Quality Assurance suggests be taken to resolve any issues identified in the audit and to meet the standard of the established criteria.

The three qualities of a good recommendation and corrective action plan addresses the following:

1. Historical conditions to correct past issues
2. Immediate current transactions
3. Root case to prevent future issues

ACTION ITEMS

Action Items are issued when the tested transaction did not meet (or pass) the standards of the quality audit criteria. All action items are communicated to the divisions and are distributed to supervisors and staff for immediate corrective actions. After the divisions have corrected the action items, they are returned to QA for approval. QA reviews the responses to the action items and marks each action item as one of the following:

TABLE 10

Approved	=	Accepted (action item was resolved)
Action Required	=	Correction still Required
NA	=	No longer Applicable (the exception is no longer an issue due to changes in the member’s account subsequent to the audit)

As required by LACERA, all action items must be corrected before reaching the member or before being implemented into our system for the payment of benefits. After the action item is resolved, the member’s request can be completed. If no QA Action Items are issued for the transaction, it is deemed 100% accurate. If a QA Action Item is issued for the transaction, the transaction’s accuracy rating is measured based on which audit criteria was involved. Each audit criterion is assigned a weight, which allows QA to calculate a weighted, risk-based accuracy rating and an unweighted, stratified accuracy rating.



APPENDIX B – QA AUDIT – SAMPLE ACCURACY CALCULATIONS

Calculation of accuracy rates using Weighted Criteria

As mentioned earlier, each sample is measured against the agreed upon criteria or check points. Accuracy is calculated based on the number of action items issued and which audit criteria is involved.

EXAMPLE: in the audit month, the total of audited work objects for the Sick Without Pay process is three. Workflow shows that Specialist A completed two of these work objects while Specialist B completed one and the table on the next page shows the results of the audit review.

TABLE 10

	Eligibility	Worksheet	Salaries	Lump Sum Cost	Data Entry	Service Credit	Cost Letter / Documentation	
	35%	10%	15%	10%	15%	10%	5%	= 100%
	7	2	3	2	3	2	1	= 20
Sample 1 Specialist A	Pass	Fail	Fail	Pass	Fail	Pass	Pass	
Sample 2 Specialist A	Pass	Pass	Pass	Pass	Pass	Pass	Fail	
Sample 3 Specialist B	Pass	Fail	N/A	N/A	Fail	Fail	Pass	

To be able to calculate the accuracy rate, we know that Sick Without Pay has 7 criteria or check points. We then assign each criterion a value depending on the assigned weighted value, which is based on the level of risk and the criterion’s importance to the business process.



ACCURACY RATE FOR SPECIALIST A

The criterion factors used to determine the accuracy rate of the two Sick Without Pay transactions completed by Specialist A can be viewed as shown here. The % value for each criterion is shown on line 2 (total = 100%); the weighted numeric value assigned to each criterion is shown on line 3 (total = 20).

TABLE 11

	Eligibility	Worksheet	Salaries	Lump Sum	Data Entry	Service Credit	Cost letter / Documents scanned	
	35%	10%	15%	10%	15%	10%	5%	= 100%
	7	2	3	2	3	2	1	= 20 value
Sample 1 Specialist A	Pass	Fail	Fail	Pass	Fail	Pass	Pass	12/20 = (60%)
Sample 2 Specialist A	Pass	Pass	Pass	Pass	Pass	Pass	Fail	19/20 = (95%)
Accuracy by individual criterion	14/14 = 100%	2/4 = 50%	3/6 = 50%	4/4 = 100%	3/6 = 50%	2/2 = 100%	1/2 = 50%	[31/40 = total accuracy 77.5%]

Specialist A's accuracy rate is then calculated using the data for all the samples. The overall accuracy rate for Sick Without Pay would be calculated as follows:

1. the total value of the criteria with the "Pass" mark
(Sample 1, value 12 + Sample 2, value 19 = 31 total)
2. is divided by the total value of all applicable criteria in this sample
(Sample 1, value 20 + Sample 2, value 20 = 40 total)
3. which is equal to a 77.5% overall accuracy rate on the two Sick Without Pay transactions completed by Specialist A.



ACCURACY RATE FOR SPECIALIST B

Specialist B’s accuracy rate on the single sample transaction is calculated as follows:

1. the total value of the criteria with the “Pass” mark (see bottom line of grid: total accuracy criteria = 8)
2. is divided by the total value of all applicable criteria in this sample
 - See 2nd line of grid: total value of pertinent criteria = 15 out of 20 since 5 are not applicable to Sample 3.
 - See 3rd line (audit analysis of sample) where N/A status is indicated under each inapplicable criterion.
3. which is equal to a 53.3% accuracy rate on the Sick Without Pay transaction completed by Specialist B

TABLE 12

	Eligibility	Worksheet	Salaries	Lump Sum	Data Entry	Service Credit	Cost letter / Documents scanned	
	35%	10%	15%	10%	15%	10%	5%	= 100%
	7	2	3	2	3	2	1	= 20 value
Sample 3 Specialist B	Pass	Fail	N/A	N/A	Fail	Fail	Pass	8/15 = (53.3%)
Accuracy by individual criterion	7/7 = 100%	0/2 = 0%	N/A	N/A	0/3 = 0%	0/2 = 0%	1/1 = 100%	[8/15 = total accuracy of 53.3%]



ACCURACY RATE FOR BUSINESS PROCESS – WEIGHTED

The overall accuracy rate for the Sick Without Pay process is then calculated using the data for all the samples. The overall accuracy rate for Sick Without Pay calculated as follows:

1. the total value of the criteria with a “Pass” mark (for all 3 samples: bottom line: total accuracy value = 39)
2. is divided by the total value of all applicable criteria for all 3 samples (applicable criteria total = 55)
 - See bottom line: total value of pertinent criteria = 55 out of 60 since 5 are not applicable to Sample 3.
3. which is equal to an overall accuracy rate of 70.9% for the Sick Without Pay business process.

TABLE 13

	Eligibility	Worksheet	Salaries	Lump Sum Cost	Data Entry	Service Credit	Cost Letter / Documents	
	35%	10%	15%	10%	15%	10%	5%	= 100%
	7	2	3	2	3	2	1	= 20 value
Sample 1 Specialist A	Pass	Fail	Fail	Pass	Fail	Pass	Pass	12/20 = (60%)
Sample 2 Specialist A	Pass	Pass	Pass	Pass	Pass	Pass	Fail	19/20 = (95%)
Sample 3 Specialist B	Pass	Fail	N/A	N/A	Fail	Fail	Pass	8/15 = (53%)
PROCESS Accuracy by individual criterion	21 / 21 = 100%	2 / 6 = 33.33%	3 / 6 = 50%	4 / 4 = 100%	3 / 9 = 33.33%	4 / 6 = 66.67%	2 / 3 = 66.67%	[39/55 = TOTAL ACCURACY 70.9%]



Calculation of accuracy rates using Un-Weighted Criteria

Each sample is measured against the agreed upon criteria or check points which are assigned equal value and importance. Calculations are performed in exactly the same way as indicated for the weighted criteria.

OVERALL ACCURACY RATE FOR BUSINESS PROCESS – UNWEIGHTED

EXAMPLE: This sample of the Sick Without Pay audits is to enable the comparison between weighted and un-weighted criteria calculation.

TABLE 14

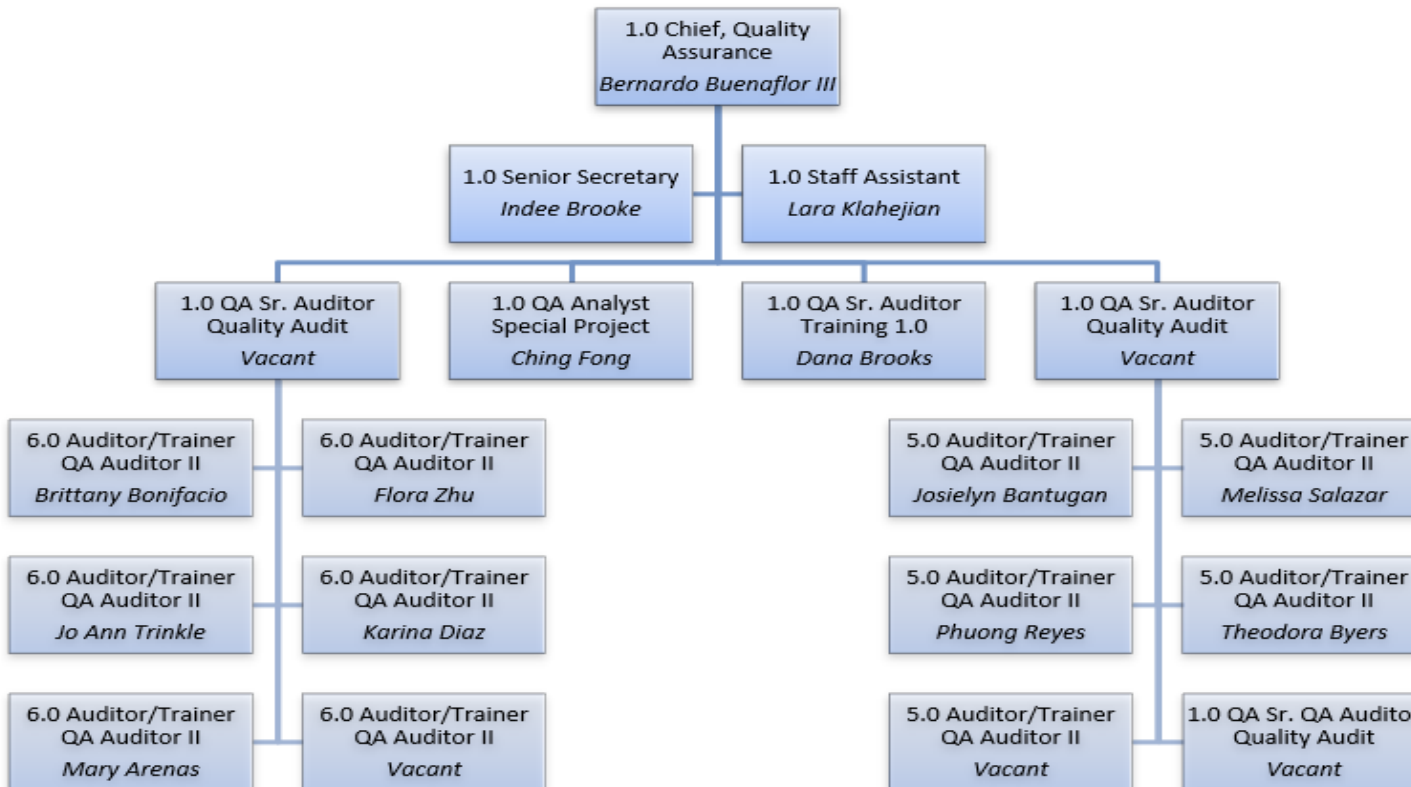
	Eligibility	Calculations	Salaries	Lump Sum Cost	Data Entry	Service Credit	Cost letter / Documents	
	14.30%	14.29%	14.29%	14.28%	14.28%	14.29%	14.27%	= 100%
	2.88	2.86	2.86	2.85	2.85	2.86	2.84	= 20 value
Sample 1 Specialist A	Pass	Fail	Fail	Pass	Fail	Pass	Pass	11.43/20 = 57.2%
Sample 2 Specialist A	Pass	Pass	Pass	Pass	Pass	Pass	Fail	17.16/20 = 85.8%
Sample 3 Specialist B	Pass	Fail	N/A	N/A	Fail	Fail	Pass	5.72/14.29 = 40%
PROCESS Accuracy by individual criterion	8.64 / 8.64 = 100%	2.86 / 8.58 = 33.33%	2.86 / 5.72 = 50%	5.7 / 5.7 = 100%	2.85 / 8.55 = 33.33%	5.72 / 8.58 = 66.67%	5.68 / 8.52 = 66.67%	[34.31/ 54.29 = TOTAL ACCURACY of 63.2%]

QA Annual Audit Report

L//CERA

Presenter: Bernie Buenaflor,
Chief Quality Auditor

Organizational Structure



19 Budgeted Positions

- Chief Quality Auditor
- 5 Senior Quality Auditors
- 11 Quality Auditor II
- 1 Senior Secretary
- 1 Staff Assistant

Audit Results – FY 2021 - 2022

The logo for L/CERA, featuring the letters 'L/CERA' in a bold, sans-serif font. The 'L' and 'C' are connected, and the 'E' and 'R' are also connected. The logo is set against a blue background.

	Pre-Completion Audit	Post Completion Audit	CORE Benefit Training Audit	Totals
Accuracy	97.77%	98.60%	96.68%	97.59%
Samples	6,384	1,140	1,352	8,876
Action Items	855	44	271	1,170
Outstanding Action Items	1	0	0	1

Note: There were 12 outstanding QA Referrals, which are observations not specific to an audited transaction, but which warrant follow up action.

3 Types of Audits

1. Pre-Completion Audit
2. Post Completion Audit
3. CORE Benefit Training Audit

Setbacks

- Division Staffing Shortages
- Outstanding Action Items
 - 1 Action Item Remained Outstanding
- QA Referrals (Observations not specific to an audited transaction but which warrant follow up action)
 - 12 QA Referrals Remained Outstanding

	Pre-Completion Audit	Post Completion Audit	CORE Benefit Training Audit	Totals
Accuracy	97.77%	98.60%	96.68%	97.59%
Samples	6,384	1,140	1,352	8,876
Action Items	855	44	271	1,170
Outstanding Action Items	1	0	0	1

Description	Number of Referrals Issued	Number of Referrals Outstanding	Percentage Outstanding (%)
Account Settlement	89	7	7.87%
Previous Service	34	1	2.90%
General	91	4	4.40%
Total	214	12	5.61%



Achievements



- Re-Organization of Quality Assurance
- Increase Pre-Completion Audits
 - Over 80.9%
- New Audit Areas
 - Account Settlement Transactions (primarily collection activities)
 - PEPRA Retirements
 - Resumed and Expand Active Death Audits

QA's Future Initiatives



- Reorganize for Greater Independence and Objectivity
- Full Staffing
- Develop Key Performance Indicators for QA
- Develop a Formalized QA Annual Audit Plan
- Expand Scope of Audits Based on Risk Levels
 - More Processes
 - Call Monitoring
 - Member Surveys
- Increase Proportion of Audits on a Pre-Completion Basis
- Explore New Tools and Techniques for Clearing Member Account Exceptions
- Instilling the “Auditor Mindset”
 - Advanced CERL Education (ACE) Training



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**