

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

Members of the public may address the Board orally and in writing. To provide Public Comment, please visit the above link and complete the request form.

Attention: If you have any questions, you may email PublicComment@lacera.com.

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

AGENDA

A REGULAR MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE AND BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, JANUARY 15, 2025**

This meeting will be conducted by the Operations Oversight Committee and Board of Retirement both in person and by teleconference under California Government Code Sections 54953(f).

Any person may view the meeting in person at LACERA's offices or online at <https://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 TRUSTEES:

JP Harris, Chair
Jason Green, Trustee
Wayne Moore, Trustee
David Ryu, Alternate Trustee
(One Committee Member Seat is Vacant)

- I. CALL TO ORDER
- II. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)
 - A. Just Cause
 - B. Action on Emergency Circumstance Requests
 - C. Statement of Persons Present at AB 2449 Teleconference Locations

III. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Regular Meeting of December 4, 2024

IV. PUBLIC COMMENT

(Members of the public may address the Committee orally and in writing. To provide Public Comment, you should visit <https://LACERA.com/leadership/board-meetings> and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Committee meeting.

If you select oral comment, we will contact you via email with information and instruction as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Committee. Oral comment request will be accepted up to the close of the Public Comment item on the agenda.

If you select written comment, please input your written public comment or documentation on the above link as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email PublicComment@lacera.com.)

V. 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. **Board of Retirement Strategic Plan – Quarterly Update**

Luis A. Lugo, Deputy Chief Executive Officer
(For Information Only)

C. **FY2023-24 Annual Financial Statement Review**

Ted Granger, Chief Financial Officer
Michael Huang, Accounting Officer II
Ervin Wu, Accounting Officer I
(Presentation) (Memo dated December 18, 2024)

V. REPORTS (Continued)

D. **Annual Quality Assurance Audit Report**

Bernie Buenaflor, Chief, Quality Assurance & Metrics Division
(For Information Only) (Memo dated January 9, 2025)

E. **Member Services Workforce Management**

JJ Popowich, Assistant Executive Officer
Tatiana Bayer, Division Manager, Member Services
Kelly Puga, Section Head, Member Services
Vanessa Gonzalez, Interim Section Head, Outreach
Gerald Bucacao, Senior Retirement Benefits Specialist
(Presentation)

VI. 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.)

VII. 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.)

VIII. GOOD OF THE ORDER

(For Information Purposes Only)

IX. 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, Assistant Executive Officers JJ Popowich and Laura Guglielmo, Chief, Information Technology Kathy Delino, Information Security Officer Chaitanya Errande, and Other LACERA Staff.

IX. EXECUTIVE SESSION (Continued)

B. **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, Assistant Executive Officers JJ Popowich and Laura Guglielmo, Supervising Administrative Assistant II James Beasley, Administrative Services Division Manager Ricki Contreras, Chief, Information Technology Kathy Delino, Information Security Officer Chaitanya Errande, and Other LACERA Staff.

X. 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 *and will also be posted on lacera.com at the same time, [Board Meetings | LACERA](#).*

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 REGULAR MEETING OF THE OPERATIONS OVERSIGHT
COMMITTEE AND BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

2:43 P.M. – 2:46 P.M., WEDNESDAY, DECEMBER 4, 2024

This meeting was conducted by the Operations Oversight
Committee both in person and by teleconference under California
Government Code Section 54953(f)

COMMITTEE TRUSTEES

PRESENT: JP Harris, Chair
Jason E. Green, Trustee
Wayne Moore, Trustee
David Ryu, Alternate Trustee
ABSENT: Antonio Sanchez, Vice Chair

OTHER BOARD OF RETIREMENT TRUSTEES

Nancy Durazo, Trustee
Elizabeth Ginsberg, Trustee
Vivian H. Gray, Trustee
Les Robbins, Trustee

STAFF, ADVISORS AND PARTICIPANTS

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Steven P. Rice, Chief Counsel

I. CALL TO ORDER

This meeting was called to order by Chair Harris at 2:43 p.m. In the absence of Trustee Sanchez, the Chair announced that Trustee Ryu, as the alternate, would be a voting member of the Committee.

II. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

- A. Just Cause
- B. Action on Emergency Circumstance Requests
- C. Statement of Persons Present at AB 2449 Teleconference Locations

There were no requests received.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of November 6, 2024

Trustee Green made a motion, Trustee Ryu seconded, to approve the minutes of the regular meeting of November 6, 2024. The motion passed by the following roll call vote:

Yes: Green, Moore, Ryu, Harris

No: None

Absent: Sanchez

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. 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)

The Executive team presented the monthly briefing and was available to answer questions from the Committee. This item was received and filed.

B. **Member Services Workforce Management**

JJ Popowich, Assistant Executive Officer
Tatiana Bayer, Division Manager, Member Services
Kelly Puga, Section Head, Member Services
Vanessa Gonzalez, Interim Section Head, Outreach
Gerald Bucacao, Senior Retirement Benefits Specialist
(Presentation)

Without objection, this item was held over until a future meeting of the Operations Oversight Committee.

C. **Privacy Incidents: Personally Identifiable Information**

Tamara Caldwell, Division Manager, Disability Retirement Services
Esmeralda Delgado, Supervising Administrative Assistant II, Admin Services
(For Information Only) (Memo dated October 28, 2024)

This item was received and filed.

VI. 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.

VII. 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.

VIII. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

IX. 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, Assistant Executive Officers JJ Popowich and Laura Guglielmo, Chief, Information Technology Kathy Delino, Information Security Officer Chaitanya Errande, and Other LACERA Staff.

Without objection, this item was held over until the January 2025 Operations Oversight Committee meeting.

X. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:46 p.m.

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

FOR INFORMATION ONLY



**Operations Briefing Report
Fiscal Year 2024-2025**



January 15, 2025



The Operations Briefing Report includes a Project Status Dashboard presenting a quick at-a-glance view of each project’s status. The Dashboard is broken up into three color coded sections: New projects or projects with updates are reflected in purple and active projects with no new updates are reflected in blue. Projects completed this fiscal year are reflected in green.

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

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)

The Project Status Dashboard includes links to the project’s Active Project Details summary or the Completed Projects Detail summary. This section continues to provide an overall narrative of the project’s purpose and an overview of the project to date. The Project Details summary includes a section highlighting the latest updates to the project in the “Current Update” section followed by a “Historical Perspective” section to show past progress, successes, and challenges the project has gone through since it started.



PROJECT STATUS DASHBOARD

New Projects and Updates to Existing Projects

Project Title	Strategic Plan Initiative	Target Date	Status
<u>Actuarial Valuation Report: Retirement Benefits</u>	Compliance & Enterprise Risk Management	02/28/2025	Delayed
<u>Actuarial Valuation Report: Retiree Healthcare Benefits (RHC) (25)</u>	Compliance & Enterprise Risk Management	05/31/2025	On Schedule
<u>Annual Financial Statement Preparation and Audit</u>	Compliance & Enterprise Risk Management	01/31/2025	Delayed
<u>Alameda Decision Implementation</u>	Compliance & Enterprise Risk Management	TBD	Delayed
<u>Case Management Project (Sol: Phase I)</u>	Superior Member Experience	11/30/2024	Delayed
<u>Enterprise Budget Application (Questica) Implementation Phase II: Budget Book</u>	Compliance & Enterprise Risk Management	TBD	Delayed
<u>HR-NeoGov Expansion & Learning Management System</u>	Investing in People	03/31/2025	Delayed



<u>LACERA Event Incident Response Team (LERT) Management Solution</u>	Compliance & Enterprise Risk Management	TBD	Delayed
<u>Member Experience Communication Platform (MECP)</u>	Superior Member Experience	08/31/2025	On Schedule
<u>Medicare Part B Verification Enhancement</u>	Innovation Through Technology	6/30/2023	Delayed
<u>PEPRA Implementation: FAC Issue</u>	Compliance & Enterprise Risk Management	12/31/2024	Pushed Back



Existing Projects - No Updates

Project Title	Strategic Plan Initiative	Target Date	Status
<u>COLA Bank Retroactive Changes</u>	Compliance & Enterprise Risk Management	12/31/2024	Delayed
<u>Communications Plan</u>	Superior Member Experience	06/30/2024	Pushed Back
<u>eDiscovery Solution</u>	Compliance & Enterprise Risk Management	TBD	Delayed
<u>Enterprise Contract Lifecycle Management (ECLM) Solution</u>	Compliance & Enterprise Risk Management	12/31/2024	Delayed
<u>Pre-2003 Pension Reserve Clean-up</u>	Superior Member Experience	12/31/2024	Delayed
<u>PEPRA Implementation: Annual Benefit Statement</u>	Superior Member Experience	12/31/2025	Delayed
<u>Prepaid Bank Card Project</u>	Superior Member Experience	06/30/2025	Delayed
<u>Retroactive Payroll Adjustments: Prospective Correction</u>	Compliance & Enterprise Risk Management	TBD	Pushed Back
<u>Virtual Mailroom</u>	Innovation Through Technology	02/28/2025	On Schedule



FY 24-25 Completed Projects

Project Title	Strategic Plan Initiative	Target Date	Status
<u>960-hour Rehired Retiree audit process</u>	Superior Member Experience	6/30/2023	Completed
<u>Actuarial Valuation Reports: Retiree Healthcare (RHC) or Other Post-employment Benefits (OPEB) Program</u>	Compliance & Enterprise Risk Management	09/04/2024	Completed
<u>Data Digitization Sharing Project</u>	Innovation Through Technology	12/30/2024	Completed
<u>Microsoft Copilot Search Implementation</u>	Innovation Through Technology	07/31/2024	Completed
<u>Retirement Estimate Redesign</u>	Superior Member Experience	12/30/2024	Completed
<u>Retiree Healthcare Administration: Lifetime Maximum Benefit Project</u>	Superior Member Experience	12/31/2024	Completed



ACTIVE PROJECT DETAILS

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)



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management		
	Type	Project Sponsor	Start Date	Target Date	
	BSG	Financial & Accounting Services Division	August 2024	February 2025	
Project Lead(s): Ted Granger					
Delayed					
Current Update					
Actuarial Valuation Reports: Retirement Benefits The Government Code requires that valuations of the Retirement Benefits 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 employer and employee contribution rates and to measure the funded status of the Retirement Plan. In addition, the valuation report provides information used to prepare the Governmental Accounting Standards Board (GASB) Statement Numbers 67 & 68 reports. Plan Administrators (LACERA) and Plan Sponsors (County) use the GASB reports to obtain information required for their financial statement disclosures.	December 2024 – This item was moved to the February 2025 BOI agenda. Milliman completed the 2024 Valuation report and is working with LACERA to finalize the Board materials.				
	Historical Perspectives				
	November 2024 – Milliman prepared a draft valuation report and presentations slide for review in November. September 2024 – The County sent their annual request and Milliman provided a preliminary funding estimate letter, which includes estimates of the funded ratio as of June 30, 2024 and employer contribution rates for the fiscal year beginning July 1, 2025. August 2024 – Milliman (LACERA's consulting actuary) provided and LACERA staff completed the annual information request. LACERA's Systems Division prepared and transmitted the year-end member census data to Milliman. LACERA prepared a project timeline and Milliman reviewed and approved the timeline.				



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial Accounting Services Division	September 2024	May 2025
	Project Lead(s): Ted Granger			
	On Schedule			
	Current Update			
<p>Actuarial Valuation Reports: Retiree Healthcare (RHC) or Other Post-employment Benefits (OPEB) Program</p> <p>The Retiree Healthcare (RHC) Program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental/vision insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Numbers 74 & 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually, and experience and assumption studies are prepared triennially 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 based on the actuarial valuation and used for employer financial statement disclosure reporting.</p>	<p><i>December 2024 – LACERA and Milliman are working towards completing the annual valuation report under the new shortened timeline. We are also requesting that the Los Angeles County stakeholders consider a shortened timeline for the GASB 74 & 75 reports.</i></p>			
Historical Perspectives				
<p>November 2024 – LACERA and Milliman met with the Los Angeles County stakeholders and decided to shorten the annual reporting timeline by several months. Some data captured in the prior reporting model which delayed the reporting process, such as late-enrollee and the next year's healthcare premium renewal rates, will be included in the following year's report. The revised timeline will ensure the County receives reports earlier and help LACERA staff better manage competing projects.</p> <p>August 2024 – LACERA transmitted the census data file to Milliman (LACERA's consulting actuary) when they began planning for the annual OPEB valuation project.</p>				



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial & Accounting Services Division	May 2024	January 2025
	Project Lead(s): Ted Granger			
Delayed				
Current Update				
<p>Annual Financial Statement Preparation and Audit:</p> <p>Government code sections require that LACERA prepare annual financial statements including footnotes and disclosures in accordance with applicable accounting standards, obtain an external audit opinion of the financial statements, and transmit the reports to the Los Angeles County Board of Supervisors within six-months following the fiscal year-end.</p>	2024 – Annual Financial Statements/Audit			
	<p><i>December 2024 – FASD and Communications completed the 2024 ACFR and 2024 PAFR. The ACFR was posted to lacera.com and the PAFR was sent to all members with the December newsletters.</i></p> <p><i>There is one pending item regarding the Annual Financial Review presentation to the Operations Oversight Committee scheduled for their meeting in January 2025, originally planned for December 2024. The presentation is a high-level summary of information included in LACERA’s annual financial statements.</i></p>			
	Historical Perspectives			
<p>Plante Moran, LACERA's external auditor, began interim audit testing in May and June 2024, focusing on member data, benefit calculations, internal controls, and fraud interviews. By July, LACERA staff had completed the financial statement closing process and started preparing the Annual Financial Statements (AFS). In August, staff responded to audit information requests, and the auditor began substantive testing. During September, Plante Moran continued testing while LACERA staff prepared draft financial statements and investment-related disclosures, holding regular status meetings to finalize adjustments and complete the audit process.</p> <p>In October 2024, LACERA staff prepared and issued two draft reports for review and one final Annual Financial Statement Report (AFS). Plante Moran completed their audit inquiries, testing, and issued their audit opinion. LACERA received an unmodified or “clean” audit opinion</p>				



	<p>dated October 15, 2024. There were no audit findings or recommendations to report this year. Plante Moran will present their findings to the Audit Compliance Risk and Ethics (ACRE) Committee at the meeting in December. A copy of the audited AFS was sent to Los Angeles County by the deadline so the County can include some of LACERA’s financial statement data within their financial statements.</p> <p>November 2024 – FASD is currently working with Communications to prepare the 2024 Annual Comprehensive Financial Report (ACFR). The ACFR is an enhanced version of the Annual Financial Statements (AFS) but includes some additional information such as LACERA Trustees, transmittal letter from the CEO, and organizational chart. We expect to complete and distribute the ACFR in mid-December.</p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	MOG	Benefits	08/01/2020	TBD
	Project Lead(s): Shonita Peterson			
Delayed				
Current Update				
<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</p>	<p><i>Six groups of members impacted by this project have been identified in the project table. The remaining cases include previous service contracts, members subject to 401(a)(17) Compensation Limits and other complex cases that require significant time to review and correct.</i></p> <p><i>Benefits management is working with the Legal Office to resolve the remaining cases, reflected in the report below.</i></p>			
	Alameda Project Status		Current Report: 11/30/2024	
	Row Labels (Type, Status, Detail, Outstanding)		Count	%
	Pending Notification (Staff Reviewing and Processing)		13	0.300%



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.

Active	0	0.00%
Retired	3	0.07%
Deferred/Inactive	0	0.0%
Retired Deceased	4	0.09%
Active Death	4	0.09%
Other – *Active/Exceptions	2	0.04%
Withdrawn	0	0.0%
Completed	4,609	99.72%
Active	3,035	65.66%
Retired	876	18.95%
Deferred/Inactive	149	3.22%
Deceased	0	0.0%
Other - *Active/Exceptions	437	9.45%
Withdrawn	56	1.21%
Not affected	56	1.21%
Grand Total	4,622	100%

Historical Perspectives

This has been a multi-year project that evolved as we conducted discovery and made changes required by the Alameda Decision. The project involved updating salaries and recalculating contributions for members affected by the exclusion of Standby Pay from earnings. Staff broke the project into segments based on member status and situation, because each segmented group required unique handling. The summary below (produced with the assistance of Co-Pilot) reflects the historical progress to date:

- **Active Members:** Salaries of 4,176 members were updated, with 3,013 actively employed. Of these, 2,284 had overpaid contributions, leading to the suspension of future contributions until balances were depleted. Notifications were sent in February 2022 to avoid overwhelming the Member Services Call Center.



- **Deferred and Inactive Members:** Staff identified 149 deferred and inactive members, issuing 132 refund checks. The remaining 17 members were not owed a refund.
- **Retirees and Benefit Adjustments:** Retirees who retired on or after January 1, 2013, had their benefits adjusted prospectively from August 30, 2020. Notifications were sent in May 2022 to 710 members about benefit reductions effective July 31, 2022, with repayment options for overpaid benefits. Some members received refund checks, while others saw no changes due to specific conditions.

An important part of the historical record for this project is the acknowledgement of the Benefits commitment to self-evaluation and transparency. In August, Benefits reviewed the report and determined the actual number of affected members is 4,622. Initially, the project was handled by multiple units and there was a duplication of members. At this point, the project team has eliminated the duplicates and also completed 35 additional cases, leaving 17 cases remaining.

In September, Benefits reviewed the full report to identify previously completed cases that now require additional processing. For example, a member who was in Active service at the time of completion may now be deceased and their case now requires coordination with the survivor. At this point, the number of open cases is 31. Now that this review is complete, we do not anticipate a future increase to this number.



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management		
	Type	Project Sponsor	Start Date	Target Date	
	Strategic	Executive	August 24, 2022	December 2, 2024	
Project Lead(s): JJ Popowich, Luis A. Lugo, & Iveta Brecko (PM)					
Delayed					
Current Update					
<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.</p> <p>Processes included in Phase I are: Disability Retirement Services (DRS) Disability Litigation Office (DLO) Benefits – First Payment</p>	<p><i>Case Management for First Payment is in Production now. Initially, we did not plan to pay members through Sol in December, but 7 cases had been certified, went through payment cycles, and will be paid. 15 more cases went to the review queue with the expectation that they will also be paid in December. 80 more cases are already certified for payment in January.</i></p> <p><i>Core benefits and Advanced Payment units are processing First Payment cases in Sol. Death and Legal unit requested more training and will be prepared to start processing cases in Sol in January. QA group is auditing cases in Sol.</i></p> <p><i>Training is also ongoing for Member Services and LACERA administrators.</i></p> <p><i>The continuous improvement initiative is ongoing, with the plan to deploy changes to production in the first week of January.</i></p>				
	Historical Perspectives				
	<p>In May of 2022, 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>The team identified five phases over a series of years that would benefit from the Case Management System.</p> <p>Phase I consisted of three sub-phases: Disability Retirement Services (DRS), Disability Litigation Office (DLO, and the Benefits First Payment Process. The LACERA and Eccentex</p>				



	<p>teams completed the development of the case management processes for DRS going live effective: September 22, 2023. The team continues to fine tune the systems performance and making updates as needed.</p> <p>Development of the last sub-phase – the Benefits First Payment process – began simultaneously with the other projects as staff worked to develop detailed process flow maps of the process and define and refine business rules and minimum expectations for the case management system. With the completion of the DRS/DLO sub-phases the teams focused their efforts on the First Payment Process.</p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	MOG	Benefits	04/01/2021	12/31/2024
	Project Lead(s): Louis Gittens / Shonita Peterson			
	Delayed			
	Current Update			
<p>COLA Bank Retroactive Changes 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>	<i>No update at this time.</i>			
	Historical Perspectives			
	<p>The project was broken down into five phases based on the complexity of the calculations needed to pay retroactive benefits to members. We will resume working on this project in July 2024.</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, 8,511 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 project began in</p>			



December 2021. Staff have manually calculated COLAs for 455 members and payments were issued for this population.

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 3/31/23)	Number	Percentage
Completed	8,511	88%
In-Process	1,161	12%
Grand Total	9,672	100%



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience		
	Type	Project Sponsor	Start Date	Target Date	
	Strategic	Exec (MOG)	02/28/2022	06/30/2025	
Project Lead(s): JJ Popowich & Cynthia Martinez					
Pushed Back					
Current Update					
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 Communications 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.	<i>On October 2, 2024, the Communications team completed the update of the Communications Plan and incorporated the Strategic Plan priorities. The plan has been submitted to the Executive Office for review. Feedback has been received from the Executive Office and is now being incorporated.</i>				
	Historical Perspectives				
	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 is continuing the process of updating the draft Communications Plan to incorporate the Strategic Plan priorities based on the input from the assigned LEADS of each objective and other feedback provided by the Executive Team.					



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management		
	Type	Project Sponsor	Start Date	Target Date	
	Strategic	Information Security	12/01/2023	TBD	
	Project Lead(s): Steven Rice, Chaitanya Errande, & Celso Templo (PM)				
Delayed					
Current Update					
eDiscovery Solution Implement an eDiscovery solution that provides an intuitive and seamless way for the Legal Office and Information Security Teams to conduct eDiscovery, eDiscovery is the process of identifying, collecting, and producing electronically stored information (ESI) in response to a request for production in a lawsuit or investigation. An eDiscovery solution can help automate the collection of electronic data, such as email, MS Teams messages, SharePoint storages, Bloomberg, and SMS, and automate repetitive tasks, reducing the need for manual intervention.	<i>The eDiscovery Solution Project is currently transitioning from the Planning Phase to the Execution Phase. The eDiscovery Solution Team is in the Contract Development process, wherein terms and conditions are discussed with the vendor. The Legal Division is reviewing and proposing revisions to the contract.</i>				
	Historical Perspectives				
	In December of 2023, the IT Coordination Council (ITCC) approved the request by the Legal Office and Information Security teams to search and select a vendor that can provide LAC-ERA an eDiscovery Solution.				The LACERA eDiscovery Team evaluated and selected a vendor by inviting Veritas, Smarsh and GlobalRelay to provide quotes, demo the products, and answer questions relating to eDiscovery needs. Additionally, the eDiscovery project bypassed the Request for Proposal (RFP) process because all invited vendors offered costs below the qualifying threshold set in the RFP guidelines. After performing the necessary due diligence and incorporating selection factors such as system functionalities, pricing, support availability, system integrations, User Experience (UX), and end-user training, the eDiscovery Project team selected GlobalRelay as the vendor that would partner and collaborate with LACERA to implement the eDiscovery solution. The following milestones have been completed:
Contract Finalization and Procurement –The Administrative Services team finalized the contract agreement and procurement process.					
Since the cost of the project was expected to exceed the CEO’s approval threshold. the Project Executive Sponsor met with Executive Management to discuss the timeline and process for obtaining Board of Retirement approval.					



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	12/01/2023	TBD
	Project Lead(s): Laura Guglielmo and Cookie Jaranilla (PM)			
	Delayed			
Current Update				
Enterprise Budget Application (Questica) Implementation Phase II: Budget Book LACERA nearly finished 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 phase of the project will address the Budget Book that is submitted to the Boards during the approval process.	<i>Budget Team is targeting the completion of the CaseWare Budget Book training by December 29. The Budget Book template review is ongoing with several process review turnarounds anticipated.</i>			
	Historical Perspectives			
	<p>The implementation of the Questica budgeting solution has been divided into two phases. Phase I concerns the implementation of the budgeting application itself. Phase II consists of the review and implementation of the Budget Book function to assist with assembling the budget book that is submitted for approval to the Boards.</p> <p>Development of the budget book is a unique and detailed process that requires significant focus to migrate to a new platform. The native budget book application provided by Questica will be evaluated by the team after we have completed implementation of the budget application. The team plans to produce the FY 25 Budget Book outside of this application while this is under review. Once we have completed the roll out of the Questica application we will assign a target date for completion of this phase. The Project Team has been actively collaborating with Questica's Implementation Team to discuss project planning and schedule a kickoff for this initiative.</p> <p>On July 15th, the Budget Modernization Project Team held a kick-off meeting with FH Black, our partner from Questica, the vendor for our new budgeting software. As a historical note, FH Black, the vendor responsible for the Budget Book implementation, was introduced by Questica in October 2023. FH Black was also included in Questica's RFP response as part of their Implementation Team in July 2022. During the kick-off, the team discussed the project's scope, requirements, implementation plan, post-implementation support, and training. We emphasized the importance of clear communication and setting expectations among all involved</p>			



	<p>parties, including our own resources, subject matter experts, key stakeholders, and the vendor's implementation team.</p> <p>The Questica Budget Book Project is now in the Execution Phase. The necessary application, Caseware, has been installed for the Budget's Subject Matter Experts (SMEs). The project team is currently scheduling training and testing sessions for the Budget SMEs with FH Black's Implementation Team.</p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	BSG	Administrative Services	03/01/2022	12/31/2024
Project Lead(s): Ricki Contreras, Elsy Gutierrez & Penelope Rodriguez (PM)				
Delayed				
Current Update				
<p>Enterprise Contract Lifecycle Management (ECLM) Solution</p> <p>Pursuant to a recommendation by Administrative Services staff, the Operations Oversight Committee (OOC) 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><i>The ECLM Project is currently in the Execution Phase. The ECLM project team initiated a soft launch of the solution in early September for the Administrative Services, Systems, Legal, and Financial Accounting Services Divisions. Vendor Management features are undergoing testing and modification during this period.</i></p> <p><i>The ECLM project team is collaborating with the vendor to complete the configuration of ECLM and the user manual. The project team will continue testing the workflow for users and approvers throughout the month of November. Training sessions will begin at the end of November and will take place throughout the month of December. The Go-Live date for the solution is December 31st.</i></p>			



Historical Perspectives

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 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.

The ECLM Solution’s Iteration 4 is underway to meet the newly structured Vendor Management the basic framework for the contract administration is still intact from the initial implementation. The new process has forced a pivot to restructure user groups and security roles to align with the Vendor Management group and personnel. ECLM Vendor Management system is functional and available for testing as the workflows are updated. Systems, Admin Services, Legal, Investment Division, and FASD Subject Matter Experts (SME’s) have completed rendering the final requirements imposing the process change and the final items of restructuring are in-flight. We are currently Projecting project to launch on time.

- Contract Repositories
- Vendor Portal
- Contract Approval Chain
- Consolidated Bid Responses and Evaluation – RFP Management
- AI Capabilities – Drafting, Reviewing & Executing of Contracts
- Reporting - Contract Requests, Solicitations, Contracts, and Vendors
- Systems Integration with Great Plains

To enhance the effectiveness of end-user training across all business divisions, we have re-structured the approach. Instead of conducting large 2-hour training sessions, we will now break down the training into 1-hour modules for each of the 5 individual modules. This modification aims to facilitate easier retention for end users. Additionally, each training session will involve a Subject Matter Expert (SME) from each division. These sessions will be supported by customized training materials tailored to our internal processes, which will be distributed before the sessions commence.



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Investing in People	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Laura Guglielmo (Exec - BSG)	03/19/2024	03/31/2025
Project Lead(s): Alonso Favela (PM), Carly Ntoya, & Roberta Van Nortrick				
Delayed				
Current Update				
HR-NeoGov Expansion & Learning Management System: Expand LACERA’s use of NeoGov to include Talent Acquisition, the Performance Module for represented staff, and the Learning Module, in line with Strategic Initiative #3.3 - Investing in People.	<p><i>The project is in the Execution Phase. The HR-NeoGov Implementation team has been collaborating with the project team regarding the implementation of the Performance (PERFORM) and Learning (LEARN) Modules.</i></p> <p><i>The configuration of the LEARN module has been completed and tested successfully. The configuration of the PERFORM module for represented employees and supervisors has been completed. User Acceptance Testing of the PERFORM module is currently in progress.</i></p> <p><i>Position and employee data that is shared by the LEARN and PERFORM modules has been imported. Historical import of courses to the LEARN module will begin when the position and employee data has been tested successfully.</i></p>			
	Historical Perspectives			
<p>On March 19, 2024, the IT Coordination Council (ITCC) approved the Human Resources team's proposal to expand LACERA's use of the NeoGov system. The approved enhancements include expanding the Talent Acquisition, Performance Modules for represented staff, and the Learning Module. This initiative directly supports LACERA's Strategic Initiative #3.3, which focuses on investing in the development and growth of our workforce. Funding for the additional NeoGov modules was included in LACERA's Administrative Budget for FY 2024/25.</p>				



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management		
	Type	Project Sponsor	Start Date	Target Date	
	Exec	Executive	01/01/2023	TBD	
Project Lead(s): JJ Popowich, Chait Errande, and David Choe (PM)					
Delayed					
Current Update					
LACERA Event Response Team (LERT) Management Solution LACERA seeks a solution that automates the tracking and workflow of LACERA incidents.	<i>The LIRT Management Solution has been rebranded to the LACERA Event Response Team (LERT) Management Solution. The project is in the Monitoring and Control Phase. On December 19, 2024, ServiceNow modules for LERT and Workplace Violence reporting, as part of the new HR Employee Center website, were presented during the Brown Bag All Staff meeting. These modules are published and are accessible to all staff on LACERA Connect. The HR Employee Center website allows staff to confidentially self-report Workplace Violence incidents to Human Resources or Data Privacy and I/T Security events related to member data directly to LACERA’s Event Response Team. This is a significant milestone as both modules support the recently adopted Workplace Violence Prevention Plan Policy and existing LACERA Event Response Team Policy.</i>				
	Historical Perspectives				
	In December 2022, the Information Technology Coordination Council approved a LIRT incident management solution project to automate the tracking of LACERA incidents. The LIRT project team decided to leverage a product that is already implemented at LACERA: ServiceNow Information Technology Service Management (ITSM). LACERA selected Winward as our business partner to leverage and customize the incident workflow of ServiceNow’s ITSM to support LACERA’s process regarding incident tracking, management, and reporting. Because LACERA owns this product and is only configuring one module to support our specific process, we were able to absorb the project's cost in the FY 2023-24 budget. Although the project was initially scheduled for completion in June 2024, we have extended the timeline to incorporate additional compliance requirements related to new Workplace Violence regulations.				



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	JJ Popowich (Exec - MOG)	10/18/2022	08/31/2025
	Project Lead(s): Cookie Jaranilla, Tatiana Bayer, & Cassandra Smith			
On Schedule				
Current Update				
Member Experience Communication Platform (MECP): LACERA is looking to improve the Member Experience through innovative use of modern technology to provide better support for our omnichannel service approach. This project is to select a cloud-based communication service that provides omni-channel contact center with native MS Teams' certificated integration along with other features designed to improve and make our services more efficient.	<i>The MECP Project is in the Planning Phase.</i>			
	<i>The Team continues to finalize the Statement of Work. Additional tasks have been identified and were discussed to be included. The Team will be reviewing this latest round of changes and anticipates a finalized SOW by mid-January.</i>			
	Historical Perspectives			
LACERA seeks a Member Experience Communications Platform software as a service (SaaS) with a proven, state-of-the-art, commercial-off-the-shelf solution with minimal modifications. LACERA's goal is to gain efficiency and update existing processes through a best-of-breed enterprise communications system, focusing on improving the timeliness, accuracy, consistency of information, and internal operations.				
At the August 7, 2024, meeting, the Board of Retirement authorized staff to engage with TTEC/Genesys to provide software and consulting services to configure, customize, and implement the Member Experience Communications Platform (MECP) – Genesys application for the Member Services and Retiree Health Care Divisions at a first-year cost of \$590,260 (implementation cost of \$157,675 and licensing fee of \$432,585). The total anticipated five-year cost is \$2,320,600. Sufficient appropriation is included as part of the FY 2024-25 Systems Division Enterprise Software Account. Contract development is now underway				
<i>The MECP Project Team successfully completed the review and discussion sessions with the primary stakeholders, subject matter experts, and the vendor. The review and finalization of the Statement of Work are ongoing. Integration with Eccentex, the Case Management vendor, is considered part of the deliverables.</i>				



	<p><i>We anticipate the Master Agreement and Statement of Work packet will be signed off by the appropriate stakeholders after completing these review sessions</i></p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Exec (MOG)	01/01/2013	12/31/2024
Project Lead(s): Cynthia Martinez				
Delayed				
Current Update				
<p>PEPRA Implementation: Annual Benefit Statement LACERA does not currently offer an Annual Benefit Statement (ABS) for PEPRA members.</p>	<p><i>No updates at this time.</i></p>			
	Historical Perspectives			
	<p>LACERA was unable to generate a PEPRA member ABS until we could accurately, automatically, calculate a member's FAC. This project is moving forward now that the FAC issue is nearly resolved. In the meantime, Progress continues on the PEPRA Implementation: FAC Issue project and that project's target date has been updated to October 30, 2023, to allow time to import historical files necessary to calculate a member's benefit estimates.</p> <p>A kickoff meeting was held on August 22, 2023, to discuss project expectations, review the Project Charter, confirm the ABS Team participants, briefly review the Active redesigned comp, and discuss next steps. It was confirmed the team will meet weekly to begin the review process of the Active redesigned comp. The team decided to change how we generate the ABS. To provide us with more flexibility in distribution of the new ABS, the team decided to move to a digital version which will decouple LACERA's reliance on specialized programming with our print vendors, reduce print and mailing costs, expedite receipt of the ABS by members, and was expected to shorten the development time for the new ABS. Communications has incorporated all feedback from the team and the ABS is currently in production for update of data fields and rebranding based on the team input.</p>			



The project continued to be negatively impacted by delays in finalizing the PEPR Final Average Compensation (FAC) amount. While work with the Auditor-Controller and our Systems teams continued a decision in May of 2024 was made to provide an estimated benefit amount based on an estimated FAC with caveats regarding accuracy and then focus on providing an accurate representation of the member's current and future percentage of FAC to provide insight into how their benefit is growing over time. A new target date was set for July 30, 2024, with the status of the project changing from from "Pushed Back" to "Delayed."

Since May, Communications drafted two ABS "comps" based on the team review and input (draft examples of what the new ABS will look like) and worked with Systems and our design vendor to refine the concepts. Feedback was sought from the team and then the Executive Office. A "final" review as conducted by all involved parties. After the final review, a few additional changes were required, and the ABS format was finalized.

In November 2024, we reported the project is pending development of programming required to generate the data and print the new ABS format. However, the project has been significantly delayed due to resource challenges as System resources are dedicated to the Case Management project.

Once resources are available Systems will provide their timeline for development, beta testing, and logistics. Systems will also provide Communications with a sample test file for the print vendor. After print vendor testing of the sample files and there are no issues, Communications will determine a final timeline and estimated completion date. The final stage is expected to be a campaign to inform our members two to three months prior to distribution of the new digital and print ABS and a launch date will be announced.



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management		
	Type	Project Sponsor	Start Date	Target Date	
	Strategic	Executive (MOG)	01/01/2013	12/31/2024	
	Project Lead(s): JJ Popowich & Lynn Francisco				
Pushed Back					
Current Update					
<p>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. To accurately calculate a member's benefit, these non-pensionable compensation items need to be filtered out.</p>	<p><i>This project has been placed on hold due to an ongoing evaluation of business rules required to finalize calculation methodology for the PEPRA FAC.</i></p>				
	Historical Perspectives				
	<p>The LACERA team and the Auditor Controller's Office have been diligently working on a project with a target completion date of December 31, 2024, despite encountering several challenges.</p> <ul style="list-style-type: none"> • Initial Progress and Deadlines: As of late April 2023, both teams have been meeting regularly and made significant progress towards the initial deadline of June 30, 2023, with a commitment to complete the project by July 2023. • Technical Developments: Significant advancements include the implementation of a program to update PEPRA earnings and the ingestion of historical files, which were completed by January 2024 by the Auditor-Controller's Office. Since January LACERA's Systems and Quality Assurance teams have been coordinating to validate and adjust internal programming to utilize the data provided by the Auditor-Controller. • Challenges and Adjustments: Several issues, such as handling retroactive payroll adjustments, and finalization of Business Rules have delayed the project, pushing the target date to December 31, 2024. • Robotic Processing Automation (RPA): The RPA tool has been developed to assist in the manual verification process, although it is not yet capable of fully automating the FAC calculation due to data insufficiencies. <p>*This summary is AI generated and edited for content.</p>				



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience		
	Type	Project Sponsor	Start Date	Target Date	
	Strategic	Executive (MOG)	07/01/2022	01/31/2025	
	Project Lead(s): Louis Gittens / Shonita Peterson				
Delayed					
Current Update					
<p>Pre-2003 Pension Reserve Clean-up Prior to January 1, 2003, non-vested contributory individuals were required to withdraw their contributions upon termination as they were not entitled to future benefits. The law was changed as of that date and non-vested members are now permitted to leave funds on deposit and later retire. LACERA has attempted to contact the non-vested individuals who terminated prior to 2003 and still have funds on deposit so they can withdraw their funds.</p> <p>The purpose of this project is to ensure that LACERA sends written notice through Certified mail to the most valid address we can find. Individuals in this group who still have funds on deposit after this initiative will have their funds placed into the Pension Reserve.</p>	<i>No updates at this time.</i>				
	Historical Perspectives				
	LACERA previously sent notification to the remaining 673 affected individuals. We determined which letters were returned to LACERA and sent notifications to secondary addresses through Certified mail. In November, we began sending letters to next of kin for deceased members.				
	The Process Management Group (PMG) is reviewing all accounts to ensure notification has been sent to all affected individuals. PMG will then work with FASD and Systems to have funds placed in the Pension Reserve, the final stage of this project.				
PMG is working with the Benefit Protection Unit within Benefits to locate individuals who have relocated. This additional effort will ensure LACERA has done all it can to notify this population.					
Final Notices have been sent to all impacted former members. The recipients have until 12/31/24 to respond. Based on the recipients' responses we will make final adjustments to the accounts and disburse any funds necessary or transfer all the remaining accounts accordingly. In order to accommodate processing time, we have adjusted the project completion date to 01/31/2025.					
Project extended to allow time for recipients to respond to the final notices.					



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Executive (MOG)	06/15/2022	06/30/2025
	Project Lead(s): JJ Popowich & Shonita Peterson (PM)			
Delayed				
Current Update				
Prepaid Bank Card Project Introduction of a prepaid bank card option for monthly benefit payments	<i>No updates at this time.</i>			
	Historical Perspectives			
	<p>LACERA is working on implementing a Prepaid Debit Card Service to provide an alternative to paper checks for retired and survivor benefit payments, aiming to reduce costs and improve reliability due to significant degradation of USPS mailing reliability and difficulty with delivering to some foreign countries.</p> <ul style="list-style-type: none"> • Project Initiation and Vendor Selection: In June 2022, LACERA issued an RFP for a Prepaid Debit Card Service and received two proposals by September 30, 2022. Conduent was selected as the vendor, with the Board of Retirements' approval in April 2023. • Contract and Legislative Developments: Contract and Statement of Work discussions with Conduent proceeded as planned. However, after a tentative agreement the project was delayed as Conduent and LACERA worked to address data security concerns expressed by the Information Security Office. Following successful discussions contract amendments were prepared for review. <p>Concurrently, LACERA worked with the State Legislature to seek changes to relevant state laws to authorize this new method of delivering benefit payments. The State Legislature passed AB 2474, authorizing a test program for the debit cards, which was signed by the Governor in July 2024.</p> <p>Following the resolution of both issues contract amendments were finalized.</p>			



	<p>Additionally, discussions with Conduent continued on issues like debit card design and finalizing a Statement of Work.</p> <p>*Summary developed using AI and edited for content.</p> <p><i>The Vendor Management team is working with the project team and Conduent to finalize the amendments to the contract and the accompanying statement of work. The team expects to have this stage finalized before the end of the year.</i></p> <p><i>Based on current progress made after the state passed AB2474, the project’s status has been moved from “Pushed Back” to “Delayed”. We have also adjusted the Target Date to June 30, 2025. This will account for time to finalize the contract, statement of work, set up and communication plans to our members. As directed by the Board of Retirement, this will be presented to the members and their survivors as an optional delivery method.</i></p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Cassandra Smith	9/1/2022	2/28/2025
	Project Lead(s): Leilani Ignacio & Kevin Hunter			
	Delayed			
Current Update				
<p>Medicare Part B Verification Enhancement Status Update</p> <p>This process improvement project is to have the OCR tool (Optical Character Recognition) scrape the data from the scanned/uploaded documents submitted as proof for Medicare Part B reimbursement. Another objective of this project is to use the</p>	<p><i>The team has finished reviewing the vendor's proposed methods of resolving the issue occurring with extracting data from multi-page Medicare Part B documents and are now working on development details for implementation of the selected solution.</i></p> <p><i>Project closure is now estimated to be at the end of February 2025 to allow for enough time to develop, test, and deploy this enhancement to the OCR capability.</i></p>			



scraped data from documents to systematically create work objects for resolution by the business users.

Historical Perspectives

In June 2024, the software changes to support Medicare Part B Optical Character Recognition (OCR) were deployed to Workspace. The changes included new OCR web services, a new automated workflow for Medicare Part B documents, and a new user interface for Workspace.

As Medicare Part B documents are received by mail and scanned into our Enterprise Content Management (ECM) system or uploaded by members on My LACERA and automatically committed to our ECM, the following steps occur:

1. The documents are sent through the automated Optical Character Recognition (OCR) process
2. The documents are automatically routed to the correct queue based on the data picked up during the OCR process
3. When a document is selected from a queue for processing, the data automatically picked up during the OCR process is presented to the user. The user does not need to complete any data entry, they only need to make a few decisions to confirm that data and complete the processing of the document.

The Project Team looked for opportunities to expand the automation and increase the accuracy of the OCR process. For example, members tend to submit multiple copies of the same document – by mailing one in, uploading another on My LACERA, and dropping a third copy off in LACERA’s drop box. The OCR capabilities allow the workflow to detect these duplicate documents, and they are sent to a specific “duplicate Medicare Part B” queue for review. If RHC finds that the duplicate detection is accurate, and they always terminate the duplicate request with an appropriate comment, we can automate this step for them. This is one of many possibilities for increased automation using OCR for Medicare Part B data.

Historically, the documents submitted for the verification of Medicare Part B reimbursements were manually reviewed by users for key data points and entered the data manually using Workspace online transactions.

This project was created to automate the process to bypass the manual review and entry of data points into Workspace.



	<p><i>In September 2024, the team started to work with the vendor Forefront Technologies to improve the implementation of the OCR technology and get their help in resolving issues. The vendor had been asked to resolve an issue occurring when extracting data from multi-page Medicare Part B documents.</i></p> <p><i>In October 2024, the vendor provided the team with a few proposed methods for resolving the issue with extracting data from multi-page Medicare Part B documents. The team began to discuss and further explore the solutions in more detail with the vendor.</i></p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Compliance & Enterprise Risk Management	
	Type	Project Sponsor	Start Date	Target Date
	MOG	Exec	06/01/2021	TBD
Project Lead(s): JJ Popowich				
Pushed Back				
Current Update				
<p>Retroactive Payroll Adjustments: Prospective Correction</p> <p>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 programming to take deductions at the time of payment. However, there are still some situations where these contributions are not being collected.</p>	<p><i>No updates at this time.</i></p>			
	Historical Perspectives			
	<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>			



	In 2022, LACERA met with the AC’s team to discuss collection of contributions for adjustments more than 60-months old. A few ideas were generated, and we continue to work with them to develop a procedure that both the County and LACERA can support.
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Innovation Through Technology	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Laura Guglielmo (Exec - BSG)	11/12/2024	02/28/2025
	Project Lead(s): Ahmad Chisty (PM), Ricki Contreras, & Esmeralda Delgado			
	On Schedule			
	Current Update			
	<i>No updates at this time.</i>			
	Historical Perspectives			
Virtual Mailroom: Establish a virtual mail room to provide a business continuity plan in the event that the LACERA building in Pasadena is inaccessible.	<p>On March 19, 2024, the IT Coordination Council (ITCC) approved Administrative Service's DPC team to seek a vendor for a Virtual Mailroom Pilot Program. This initiative establishes a business continuity plan in the event that the LACERA building, and mail room are inaccessible. The core objective is to outsource the digitization of member documents and incoming mail to a vendor that will act as a virtual mail room for LACERA. LACERA would then receive mail digitally, eliminating or supplementing the current process of digitizing incoming paper mail in LACERA Document Processing Center (DPC). Funding for this project was included in LACERA’s Administrative Budget for FY 2024/25.</p> <p>In November 2024, we reported that this project is in the Planning Phase. The project team gathered the necessary knowledge and completed the Request for Information (RFI) from the vendors. The results of the RFI were presented to and conditionally approved by the IT Coordination Council, garnering Executive Sponsorship for cost and resource allocation. The team has started the next milestone by preparing the documentation and information needed to collaborate with the vendor management group to create and issue the Request for Proposal (RFP).</p>			



COMPLETED PROJECT DETAILS

This portion of the Operations Briefing will detail projects and initiatives that have been completed during the Fiscal Year 2024 - 2025.

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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Benefits	Exec	2/1/2023	3/31/2024
	Project Lead(s): Shonita Peterson & Alex Ochoa			
Completed				
Current Update				
<p>960-hour Rehired Retiree Audit Process Automate the reporting and auditing of rehired retirees. Import data from the 120-day report into Workspace and automate notification letters to members approaching IRS limits.</p>	<p><i>In February 2024, the software changes to support automated auditing and reporting of rehired retirees were deployed in MyLACERA and Workspace. The changes included a new tile on MyLACERA for rehired retirees detailing the total hours that they have worked for the current fiscal year as well as an audit routine in Workspace that detects rehired retiree work hours and automatically sends notifications to members and their departments as certain thresholds of work hours are reached.</i></p> <p><i>In March 2024, the first audit process was executed to identify rehired retirees and send notifications to both the members and their departments.</i></p> <p><i>From April through June 2024, the audit process was executed monthly to identify members that were exceeding certain thresholds and sending automated notifications to both the members and their departments. It is important to note that no members have exceeded the 960-hour limit since the automated audit process was implemented. We consider this a complete success.</i></p> <p><i>The Systems Division is currently transitioning the rehired retiree audit process from a monitoring and controlling phase to project closure by adding it to LACERA's enterprise systems calendar and turning operational support over to the production support team. We expect the transition to be completed and the project to be closed by August 31, 2024.</i></p>			



As of August 2024 with the new automated JLetters being sent to members and departments this project is complete. LACERA will rely on system automation to monitor Rehired Retiree hours worked.

Historical Perspectives

The California Public Employees' Pension Reform Act of 2013 (PEPRA) prescribes limitations on the activities of retired members of these retirement systems, which supersede the provisions of PERS with which they conflict. Under both PERS and PEPRA, a retired member is generally subject to a limit of 960 hours of employment within a calendar or fiscal year, depending on the administrator of the system, for specified employers without reinstating in the system.

To remain compliant with IRS regulations, LACERA must audit rehired retirees to ensure that these members do not exceed the 960-hour limit.



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience		
	Type	Project Sponsor	Start Date	Target Date	
	BSG	Financial Accounting Services Division	August 2023	September 2024	
	Project Lead(s): Ted Granger				
Completed					
Current Update					
<p>Actuarial Valuation Reports: Retiree Healthcare (RHC) or Other Post-employment Benefits (OPEB) Program</p> <p>The Retiree Healthcare (RHC) Program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental/vision insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Numbers 74 & 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually, and experience and assumption studies are prepared triennially 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 based on the actuarial valuation and used for employer financial statement disclosure reporting.</p>	<p>September 2024 – Milliman (LACERA’s consulting actuary) presented the 2023 OPEB Actuarial Valuation report and CavMac (LACERA’s reviewing actuary) presented the results of their review to the Board of Retirement (BOR) at their September meeting. There were some questions regarding the future funding of the OPEB Program that will be followed-up on. This presentation and BOR’s approval completed the 2023 OPEB reporting cycle.</p> <p>LACERA slightly delayed the experience study process so Milliman could review the Board of Investment’s recently updated strategic asset allocation (SAA) for the OPEB Trust when considering the investment return assumption. The target completion date for this project was moved from August to September 2024.</p>				
	Historical Perspectives				
	<p>August 2023 – LACERA transmitted the census data file to Milliman when they began planning for the triennial year OPEB actuarial project cycle which includes an investigation of experience study and an annual valuation. Milliman started their work shortly thereafter.</p> <p>In February 2024, Milliman presented a first draft Experience Study report to the Los Angeles County Stakeholder group. The BOR approved FY 2024-2025 retiree medical insurance premiums presented by the Retiree Healthcare (RHC) Division at the March meeting. Milliman updated their analysis to include the latest premium information to develop the medical cost trends and projections.</p> <p>April 2024 – The Board of Investments approved and updated their strategic asset allocation (SAA) for the OPEB Trust. It was determined that LACERA needed to delay the experience study process so Milliman could review the new SAA when considering the OPEB Trust</p>				



investment return assumption and share this recent information with the County Stakeholder Group.

In May 2024, the Board of Investments approved and updated the OPEB Trust performance benchmarks and in June, the Investment Policy Statement (IPS) based on their recent approval of the SAA. LACERA held a second meeting to discuss draft 2 of the OPEB Experience Study with the Los Angeles County Stakeholder group including the County, Superior Court, labor groups, and their consultants, to review the remaining economic assumptions impacted by the SAA. There were no additional questions/concerns from the Stakeholder group.

June 2024 – Milliman provided an educational session to the Board of Investments at their in June meeting. The draft experience study report, which includes the actuarial assumptions, was completed by Milliman and presented at the July Board of Retirement meeting for approval. Milliman will prepare the annual valuation report and present it at the Board of Retirement meeting for approval in September.

July 2024 – The Board of Retirement approved the 2023 OPEB Experience Study draft report which included updated actuarial assumptions and methods that will be used to prepare the 2023 OPEB Valuation report. Milliman provided the draft valuation report appendices to LACERA for review.

In August 2024, Milliman completed the draft 2023 OPEB Valuation Report while LACERA staff and Milliman hosted the third and final Los Angeles County Stakeholder meeting for this project cycle. Milliman and CavMac (LACERA's reviewing actuary) presented their results with no major issues from the Stakeholder group. Milliman and staff prepared final reports for the September BOR meeting.



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Innovation Through Technology	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Systems	11/01/2023	12/30/2024
	Project Lead(s): Tom De Luca			
Completed				
Current Update				
Data Digitization Sharing Project A project to share previously digitized microfiche and Optical Archive System (OAS) records with the LA County Auditor/Controller	<p><i>The team presented the SharePoint prototype to the Auditor/Controller (A/C) and instructed them on how to navigate the site. The A/C have been reviewing the site on their own, asking probing questions such as the file-naming convention, how certain metadata values were sourced, and the pros and cons of various repository choices. The Project Team at LACERA completed and released a preliminary cost estimate on September 17th. This estimate includes both labor and material costs, covering hardware and software. The costs are categorized into two sections: those exclusive to LACERA and those that can be shared with the Auditor/Controller. Subsequently, if A/C decides to have LACERA staff further develop the prototype into a functioning tool for their department, a new project proposal and business statement have to be created for IT Coordination Council submission and approval. Additionally, the estimate features a fixed cost component and a variable cost that depends on the page volume. The next step for this project will be to return to the IT Coordination Council with feedback from the A/C, the project cost estimates, and a project proposal.</i></p>			
	Historical Perspectives			
<p>The Information Technology Coordination Council (ITCC) approved a prototype project to share previously digitized microfiche with the LA County Auditor/Controller (A/C) in October 2023. LACERA previously digitized 50 million microfiche and Optional Archive System (OAS) records containing LA County payroll data and built an electronic viewer for the images. The A/C only has the physical microfiche and the OAS records for this payroll data. The LACERA Systems Division would like to share our digitized images with the A/C in a portable format that is independent from all technology at LACERA. The prototype project that was approved by the ITCC will involve converting a subset of microfiche images to searchable PDF files and building a SharePoint page for searching the images. If the prototype is successful, and the A/C finds the files useful, we will make a request to the ITCC to</p>				



	<p>convert 30 million of the 50 million images to searchable .pdf and securely transmit them to the A/C.</p> <p>We have converted the subset of files to searchable PDF files for the prototype and are configuring the SharePoint page that will be used to search these files.</p> <p>Systems completed the configuration and set-up of the SharePoint site that will be used by the Auditor-Controller. The team continued to conduct internal testing to ensure it works as expected during the month of May. The prototype for sharing the digitized microfiche with the LA County Auditor/Controller (A/C) has been completed.</p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Innovation Through Technology	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Systems	02/21/2024	09/30/2024
	Project Lead(s): Summy Voong, Jim Lyle			
	Completed			
	Current Update			
Microsoft Copilot Search Implementation The introduction of Microsoft Copilot Search, Microsoft's AI chat interface	<i>The project has been completed.</i>			
	Historical Perspectives			
	The ITCC and Artificial Intelligence (AI) Committee approved the initial phase of the Microsoft Copilot deployment at LACERA in February (2024). The initial phase will involve the launch and training of Microsoft's generative AI chat and search features that work with Microsoft Edge. The new tool will be presented to the organization through MAC, SAC, and Brown Bag meetings as well as a series of training sessions customized for each division. We anticipate the launch to be finished by the end of September 2024.			
	Project Steps: <ol style="list-style-type: none"> 1. Road Show to Division Managers – Completed 2. AI policy approval – Completed 3. Staff to sign an acknowledgement new AI policy - 99% Completed 			



	<ol style="list-style-type: none"> 4. The Executive Board Assistants will be scheduling two meeting for Trustees - TBD 5. Presentation/Demo to MAC/SAC teams – Completed 6. Demonstration during Brown Bag Meeting – Completed 7. Enable feature for all staff (that signed the AI Policy) and send out training documents – Completed <p>Staff created a draft policy and forwarded it to the Ethics and Compliance Committee (ECC) for review.</p>
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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	RHC	Exec	03/01/2021	12/31/2024
Project Lead(s): Santos H. Kreimann & Luis A. Lugo				
Completed				
Current Update				
Retiree Healthcare Administration: Lifetime Maximum Benefit Project Going forward we will do an annual re- view with the County CEO as we move towards ultimately eliminating the lifetime maximum.	<i>October 2024 – The county CEO will raise the lifetime maximum from \$1 million to \$1.5 million dollars effective with the next renewal cycle, July 1, 2025. LACERA will then provide the county CEO with migration data quarterly with the goal of gradually increasing lifetime maximum.</i>			
	Historical Perspectives			
	Since the beginning of 2023, LACERA and the County CEO’s Office have been in active communication by meeting biweekly to address the Lifetime Maximum Benefit issue. LACERA provided the Board of Retirement (BOR) with a formal report and update on our progress during the August 2023 meeting via closed session.			
In November 2023, LACERA received an information request from the County and provided the requested information to the County. The County requested additional RHC program related information from LACERA in December 2023 and January 2024, to which LACERA responded accordingly.				



Since March 2024, The County of Los Angeles, and Coalition of County Unions (CCU) have continued to work through negotiations. LACERA continues to engage the County and Union representatives to provide any relevant information as they progress through their negotiations.

LACERA staff and LACERA's actuary continue to consult with the County's staff and actuary. These conversations and the County's negotiation process have resulted in additional actuarial-related information requests from the County. LACERA worked with Milliman and the County's actuary to complete and deliver these items in February 2024:

- 1) Actuarial Model – Retiree Healthcare benefits analysis and modeling to project future healthcare cost changes due to hypothetical benefit changes.
- 2) Cost Projections – GASB 75 report projections to analyze the impact of future healthcare cost changes.
- 3) Cost Savings – Retiree Healthcare benefit analysis of Tier 2 historical cost savings.

July 2024 – LACERA CEO and Deputy CEO have completed our Lifetime Maximum Benefit (LMB) educational meetings with all five Board of Supervisor (BOS) offices as of July 2024. The BOS and County CEO office are expected to discuss LMB next month. We provided the BOS and County CEO office with projected premium impact should the County CEO and/or BOS eliminate or raise the \$1 million LMB on Anthem I, II, and Prudent Buyer plans. We also informed the BOS and County CEO that a decision is needed by September 2024 for a July 2025 effective date



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Project / Issue Title Brief Description	Strategic Plan Initiative:		Superior Member Experience	
	Type	Project Sponsor	Start Date	Target Date
	Strategic	Exec (MOG)	01/01/2019	12/30/2024
Project Lead(s): Maggie Luong, Shonita Peterson				
Completed				
Current Update				
Retirement Estimate Redesign With the recent launch of our new Retirement Planning Hub and the My LACERA online retirement election process, we are turning our attention to re-designing the Retirement Estimate.	<i>The estimate is in Workspace production. This project is completed.</i>			
	Historical Perspectives			
	<p>In 2019, an effort was undertaken to beta test a new Retirement Prospectus Estimate and Election form. The project was placed on hold due to the COVID-19 Pandemic. Coming out of the immediate impacts of the pandemic the results of the beta teste were reviewed and it was determined the redesigned estimate was more complicated than would be useful.</p> <p>Subsequently LACERA pivoted to the new Retirement Planning Hub, the new Omnichannel Retirement Counseling process, and the My LACERA on-line retirement election.</p> <p>In April, the workgroup made great progress on the new estimate template finalizing their design and text recommendations. The final recommended estimate was distributed for re-view and approval.</p> <p>The estimate was approved. LACERA’s Systems staff has incorporated the new design in Workspace. The new form will be in conjunction with the First Payment Case Management Project in September 2024.</p> <p><i>Process Management Group is currently collaborating with Systems with testing of the new estimate in Workspace.</i></p> <p><i>Workspace QA. The new estimate template is being tested by select Benefits and Member Services staff. Once testing is completed, the estimate will be available in Workspace</i></p>			



	<p><i>production. Once in production, it will replace the old estimate and will be used for member counseling.</i></p>
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**LACERA Public Records Requests
November 15, 2024 – December 14, 2024**

DATE RECEIVED	REQUESTER	DOCS REQUESTED
10-17-24	K. Kuczynski, Hyland	<p>Request: Artificial Intelligence Solution for Disability Records Issue Date: August 1, 2024 Submission Due Date: September 12, 2024 Amended: August 21, 2024</p> <p>The request is as follows:</p> <ul style="list-style-type: none"> • Please provide all vendor responses, submissions, proposals, pricing, and forms of agreement regarding this RFI • Please provide any scoring/evaluation done in the process of selecting a vendor <p><i>Legal, on October 30, 2024, informed Requester that LACERA is in the process of setting up a SharePoint folder for the downloading of public files. Upon completion of the process, the Requester will be sent a site link.</i></p> <p><i>Legal, on November 21, 2024, informed Requester that LACERA will provide redacted responses by December 3, 2024.</i></p> <p><i>Legal, on December 3, 2024, notified Requester that LACERA is still processing redacted information and will notify Requester when site is available for access.</i></p> <p><i>IT, on December 17, 2024, via email, granted access to the PRA A1 site Library.</i></p>
11-18-24	R. Inchody, Pitchbook	<p>Request: Updated quarterly performance data from your plan’s alternative asset holdings for the following date(s): 3Q24.</p> <p><i>Transmitted 1 document.</i></p> <p><i>Legal on December 2, 2024, via email, sent the 2 responsive documents listed below.</i></p> <p><i>Private Markets Q3 2024.xlsx and Hedge Funds Data – Q3 2023.xlsx.</i></p>
11-22-24	K. Borchert, Fishbowl Solutions	<p>Request: Please provide all vendor responses, submissions, proposals, pricing, and forms of agreement regarding this RFI, including scoring/evaluation done in the process of selecting a vendor</p> <p><i>Legal, on November 25, 2024, via email, informed Requester that Senior Staff Counsel is out of the office and will respond to request upon return on December 2, 2024. Also informed Requester, that depending on volume of responsive information involved in may take time to generate a document.</i></p> <p><i>IT, on December 11, 2024, via email, granted access to the PRA A1 site Library.</i></p>

**LACERA Public Records Requests
November 15, 2024 – December 14, 2024**

DATE RECEIVED	REQUESTER	DOCS REQUESTED
11-22-24	N. Lee, Preqin	<p>Request: List of ALL hedge funds and fund of hedge funds in which LACERA is an investor from April 1, 2024, to June 30, 2024.</p> <p><i>Transmitted 1 document.</i></p> <p><i>Legal, on December 2, 2024, via email, transmitted the responsive document shown below.</i></p> <p><i>FOIA Request - Preqin _ Hedge Funds Data Q2 2024.xlsx.</i></p>
11-26-24	B. Campbell, with. Intelligence	<p>Request. Monthly performance data from your investment pools for all the absolute return/hedge funds in which LACERA is currently invested for the time period of September 2024.</p> <p><i>Transmitted 1 document.</i></p> <p><i>Legal, on December 5, 2024, via email, transmitted the responsive document listed below.</i></p> <p><i>FOIA Request – With Intelligence – Hedge Funds 2024-09-30.xlsx.</i></p>
12-02-24	D. Willett, Foundation AI	<p>Request: All vendor responses, submissions, proposals, pricing, and forms of agreement and provide scoring/evaluation done in the process of selecting a vendor re Artificial Intelligence Solution for Disability Records.</p> <p><i>IT, on December 11, 2024, via email, granted access to the PRA A1 site Library</i></p>
12-04-24	Aaron, HBS and Stanford Pension Research	<p>Request: Provide the plan's "target" allocation (i.e., not the "actual" allocation) to public equities for FY1990, 1991, 1992, 1993, 1994, 1995, and 1996</p> <p><i>Legal, on December 11, 2024, via email, provided the responsive comment that the link listed below will provide the information requested.</i></p> <p><i>Archived Annual Reports/LACERA.</i></p>
12-05-24	X.M. Revil, with. Intelligence	<p>Request: Information from Investment pools relating to performance of all closed-end funds for Q3 2024 investments.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Legal, on December 13, 2024, via email, transmitted the 2 responsive documents Listed below.</i></p> <p><i>Hedge Funds Data – Q3 2024.xlsx and Private Markets Q3 2024.xlsx.</i></p>

**LACERA Public Records Requests
November 15, 2024 – December 14, 2024**

DATE RECEIVED	REQUESTER	DOCS REQUESTED
12-10-24	C. Damien, NY Times	<p>Request: Excel spreadsheet with information on all current pension payees. Transmitted 2 documents.</p> <p><i>Legal, on December 13, 2024, via email, transmitted the 2 responsive documents listed below.</i></p> <p><i>Transparent_Calif_Retirees_2023.xlsx and Transparent_Calif_Survivors_2023.xlsx.</i></p>
12-13-24	H. Ahaiwe, HR, LA County and 1 other Recipient	<p>Per monthly request:</p> <p><i>Transmitted 1 document.</i></p> <p><i>Executive Office, on December 13, 2024, via email, transmitted the responsive document listed below.</i></p> <p><i>MonthlyAgenda.csv for December 4, 2024.</i></p>
12-13-24	Sheriffs Dept, LA County and 4 other Recipients	<p>Per monthly request:</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Executive Office, on December 13, 2024, via email, transmitted the responsive documents listed below.</i></p> <p><i>Monthly Agenda Reports for Sheriff Department Listing and Fire Department listing, each dated December 4, 2024.</i></p>
12-13-24	C. Siverson, Fire, LA County, and 5 other Recipients	<p>Per monthly request:</p> <p><i>Transmitted 1 document.</i></p> <p><i>Executive Office, on December 13, 2024, via email, transmitted the responsive document listed below.</i></p> <p><i>Board of Retirement Meeting on December 4, 2024, Benefit Approval List.pdf.</i></p>

REPORT OF FELONY FORFEITURE CASES

December 20, 2024

#	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
69	CASTRO	RICARDO	SHERIFF	9/5/2024	10/16/2024	N/A	N/A	PEND	N/A	N/A
68	ESSEX	SEAN	SHERIFF	6/7/2024	7/22/2024	N/A	N/A	DELAY – CD	N/A	N/A
67	LYONS	ANDREW	SHERIFF	1/12/2024	2/14/2024	N/A	N/A	PEND	SCD	N/A
66	VEGA	MIGUEL	SHERIFF	9/5/2023	10/27/2023	10/17/2024	N/A	PEND	PENDING	N/A
64	RIDLEY-THOMAS	MARK	BOS	3/31/2023	3/31/2023	10/23/2023	N/A	APPEAL	N/A	N/A

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
- WITHDRAWN: Member withdrew prior to conviction – no impact
- N/A: Not Available/Applicable

Board of Retirement (BOR) Strategic Plan Quarterly Update (2024-2028)

Operations Oversight Committee Meeting

January 2025



01 Progress Dashboard

Strategic Planning Dashboard – January 2025



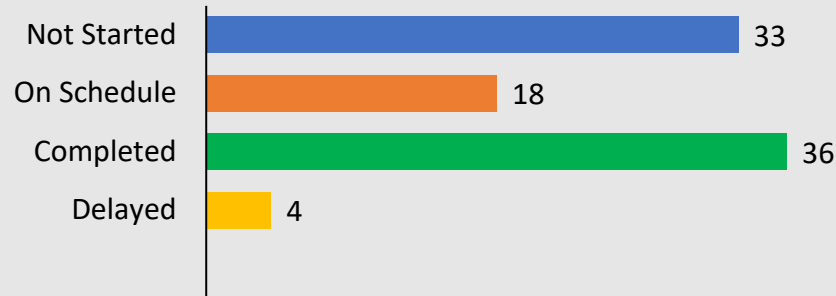
Total BOR Strategic Priorities
5

Total Strategic Objectives
13

Objectives: Current Focus
9

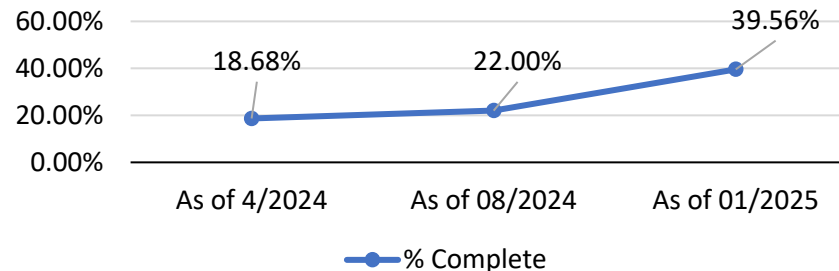
Total Tasks
91

Task Status as of January 2025



% of Tasks Completed
As of January 2025
39.6%

% of Tasks Completed by Quarter



Strategic Priority Goals

1 Superior Member Experience
Innovate and continuously improve the member experience

2 Innovation through Technology
Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

3 Investing in People
Attract, motivate, hire, and retain a highly engaged and skilled workforce

4 Compliance and Enterprise Risk Management
Adopt and implement compliance and enterprise risk frameworks aimed at facilitating strengthened governance around risk management and compliance

5 Fiscal Durability
Exercise care and prudence in managing our resources and fund assets

Objectives

- 1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey
- 1.2 Enhance member educational content at every stage in their journey and launch LACERA Communication Plan
- 1.3 Develop, implement, and deploy a digital strategy to better serve our members
- 1.4 Improve and enhance the retiree healthcare experience

- 2.1 Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform
- 2.2 Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information

- 3.1 Develop and implement a DEI framework aimed at promoting and embracing diversity, equity, and inclusion
- 3.2 Develop enterprise-wide Training and Development Programs designed to support and encourage employee growth and development
- 3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning

- 4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations
- 4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management

- 5.1 Develop organizational tools to support enterprise-wide fiscal responsibility
- 5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals.





02 OBJECTIVE SPOTLIGHT

COMPLETE - Strategic Objective 5.2

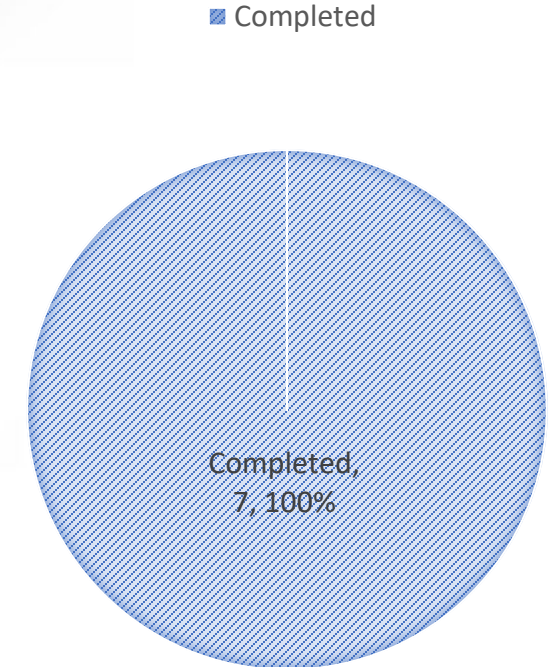


Strategic Goal: **Fiscal Durability**
 Strategic Objective: **5.2 – Update and revise LACERA Actuarial Funding Policy**
 LEAD: **Vache Mahseredjian (Lead)**

Legend
 On Schedule ● Complete ★
 Delayed/Stopped ▲
 Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives. Investment team in collaboration with FASD and Legal led jumpstart during 2023 BOI offsite	★	09/2023	01/01/2024
2	Review of existing policy and discussion of desirable elements	★	10/2023	12/01/2023
3	Schedule meetings among workgroup to develop drafts of new policies	★	10/2023	07/2024
4	FASD and LACERA Actuary (Milliman) to draft separate interest crediting policy	★	01/2024	08/2024
5	Seek approval of funding policy and interest crediting policy by LACERA ECC	★	08/2024	08/2024
6	Seek trustee input on proposed update of Actuarial Funding Policy and new Interest Crediting Policy.	★	08/2024	09/2024
7	Both policies adopted at BOI Meeting in October	★	09/2024	10/2024

Milestone Tracker





03 Workplan Dashboards

(PENDING)

WORKPLAN - Strategic Objective 1.1



Strategic Goal: **Superior Member Experience**
 Strategic Objective: **1.1 – Ensure an omni-channel experience at every stage of a member journey.**
 Executive Sponsor and Leads: **JJ Popowich; Tatiana Bayer (Lead)**

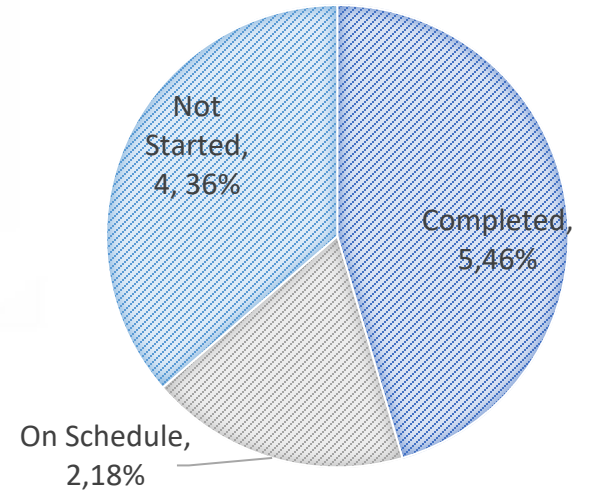
Legend

- On Schedule ●
- Delayed/Stopped ▲
- Not Started ◆
- Complete ★

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Determine the member’s journey methodology	★	10/2023	01/12/2024
3	Member Experience Council Charter	★	10/2023	06/30/2024
4	Internal Communication Plan (BOR, OOC, Executive Team, and Staff)	★	10/2023	06/01/2024
5	Identify and define Member Journeys	★	1/1/2024	07/01/2024
6	Create tools to review and track progress on objective/initiatives	◆	TBD	06/30/2026
7	Identify the channels of service required for each member journey	●	TBD	06/30/2026
8	Establish goals and KPI’s for each member journey	◆	TBD	10/31/2026
9	Assess the consistency and service quality across each channel	◆	TBD	12/31/2026
10	Identify member interaction pain points and opportunities for improvement	●	TBD	12/31/2026
11	Identify Budget Needs	◆	TBD	12/31/2026

Milestone Tracker

■ Completed ■ On Schedule
■ Not Started ■



WORKPLAN - Strategic Objective 1.4



Strategic Goal: **Superior Member Experience**
 Strategic Objective: **1.4 – Improving the Retiree Healthcare (RHC) experience.**
 Executive Sponsor and Lead: **JJ Popowich; Tionna Fredericks (Lead)**

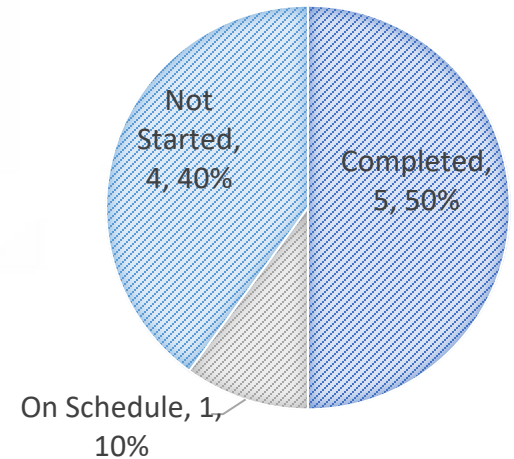
Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Build core team and schedule meeting cadence	★	10/2023	01/04/2024
2	Set-up team's collaboration timeline	★	10/2023	01/12/2024
3	Discuss ideas and opportunities for improving the Retiree RHC experience	★	10/2023	06/30/2024
4	Approval of Strategic Outline objective	★	10/2023	06/01/2024
5	Identify, Define, and Document Retiree Healthcare Roadmap	●	01/2024	12/31//2024
6	Establish County – LACERA working group	★	07/2024	07/18/2024
7	Collaborate with Union sponsored healthcare plans	◆	TBD	12/31/2024
8	Coordinate communication plan with internal and stakeholders	◆	TBD	12/31/2024
9	Identify and implement automation opportunities i.e. SSA Data Exchange	◆	TBD	12/31/2024
10	Develop actionable KPI's to measure retiree and member satisfaction	◆	TBD	3/31/2025
11				

Milestone Tracker

■ Completed ■ On Schedule
■ Not Started ■



WORKPLAN - Strategic Objective 2.1



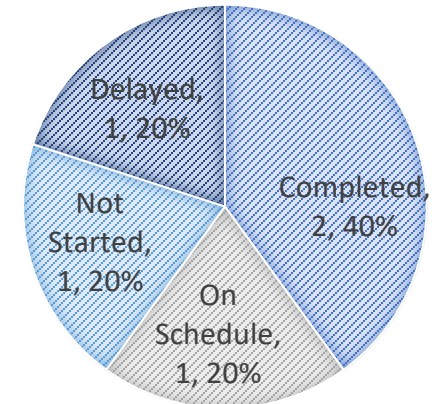
Strategic Goal: **Innovation Through Technology**
 Strategic Objective: **2.1 – Implement Enterprise Business Intelligence Solution**
 Executive Sponsor: **Luis Lugo; Kathy Delino (Lead)**

Legend
 On Schedule ● Complete ★
 Delayed/Stopped ▲
 Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Develop objective scope and goals	★	10/2023	01/01/2024
2	Communication Plan, Communicate objective goals to various stakeholders	★	01/2024	06/30/2024
3	Centralize Data Governance- Establish Data Management Team	▲	7/1/2024	06/30/2025
4	Publish Dashboards for Enterprise/Member Data (Explore Enterprise Solution)	●	7/1/2024	12/31/2026
5	Replace reporting requests with on-demand dashboards	◆	TBD	12/31/2025
6				
7				
8				
9				
10				
11				

Milestone Tracker

■ Completed ■ On Schedule
 ■ Not Started ■ Delayed



WORKPLAN - Strategic Objective 2.2



Strategic Goal: **Innovation Through Technology**
 Strategic Objective: **2.2 – Implement Enterprise Knowledge Management System**
 Executive Sponsor: **JJ Popowich; Eugenia Der (Lead)**

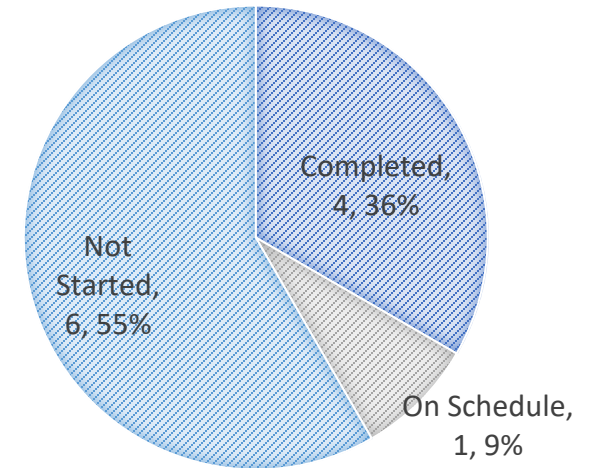
Legend

- On Schedule ●
- Delayed/Stopped ▲
- Not Started ◆
- Complete ★

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Project Approval by the IT Coordination Council	★	10/2023	03/31/2024
3	Communication Plan- Educate and Engage stakeholders on Knowledge Mgmt.	★	10/2023	07/01/2024
4	RFP for taxonomy consultant	★	03/2024	12/31/2024
5	Selection of consultant	●	11/2024	03/31/2025
6	Complete assessment of organizational needs and specifications	◆	TBD	04/30/2025
7	Update and reconcile data and knowledge	◆	TBD	06/30/2025
8	Select vendor and product	◆	TBD	06/30/2026
9	Project Launch	◆	TBD	07/31/2026
10	Create and adopt knowledge playbook/policy/guidelines	◆	TBD	12/31/2028
11	Project Completion	◆	TBD	12/31/2028

Milestone Tracker

■ Completed ■ On Schedule ■ Not Started ■



WORKPLAN - Strategic Objective 3.1



Strategic Goal: **Investing in People**

Strategic Objective: **3.1 – Develop and implement framework aimed at promoting D.E.I.**

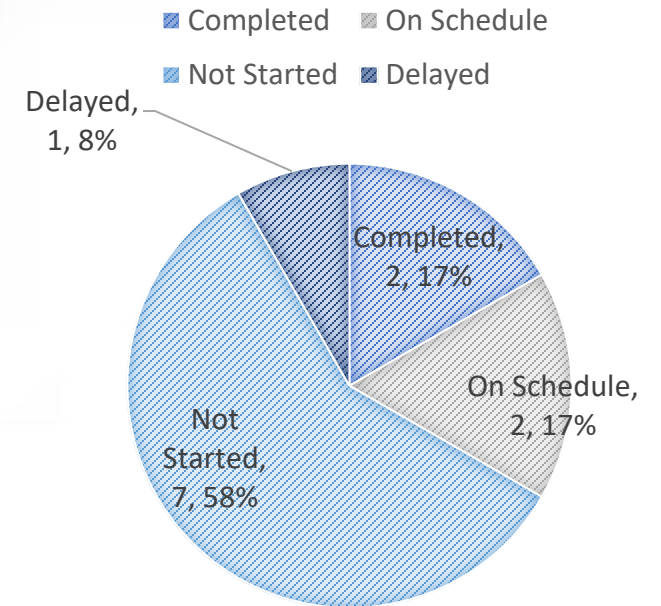
Executive Sponsor: **Laura Guglielmo**

Legend

- On Schedule ●
- Delayed/Stopped ▲
- Not Started ◆
- Complete ★

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Communication Plan – IDEA (Inclusion, Diversity, Equity, and Accessibility)	●	10/2023	6/30/2025
3	Assemble a staff driven IDEA Council	★	3/2024	07/26/2024
4	Prepare Charter for IDEA Council	▲	TBD	
5	Identify scope of work for Diversity, Equity, Inclusion, Belonging, and Accessibility (DEIBA) Advisor	◆	TBD	6/30/2025
6	Issue RFP and select advisor	◆	TBD	12/31/2025
7	Collect data from staff, members, vendors, and business partners re: DEIBA	●	06/2024	6/30/2025 and ongoing
8	Develop topical library for internal and external users	◆	TBD	6/30/2025 and ongoing
9	Post IDEA initiative and educational content within LACERA Connect	◆	TBD	06/30/2025
10	Identify external business partners/vendors	◆	TBD	12/31/2025
11	Develop Organizational Training Plan re: DEIBA	◆	TBD	12/31/2025
12	Review KPI's and assess LACERA policy and procedures through DEIBA lens	◆	TBD	12/31/2025

Milestone Tracker



WORKPLAN - Strategic Objective 3.3



Strategic Goal: **Investing in People**
 Strategic Objective: **3.3 – Improve and simplify hiring process**
 Executive Sponsor: **Laura Guglielmo; Carly Ntoya (Lead)**

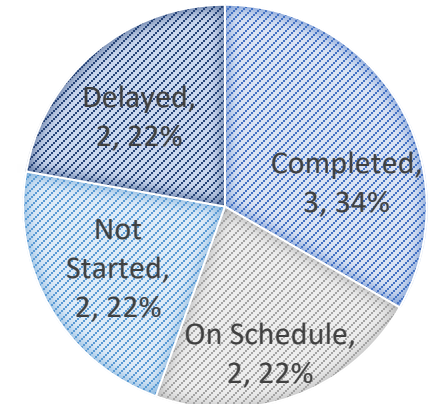
Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Labor Agreement for performance management changes	★	5/2024	10/31/2024
3	Explore opportunities to simplify LACERA Hiring Playbook	◆	TBD	6/30/2025
4	Revise and publish employee handbook and orientation	▲	10/2023	12/31/2024
5	Revise rater training	★	10/2024	12/31/2024
6	Expand use of NEOGOV for performance management	●	2/2024	06/30/2026
7	Achieve an organizational vacancy rate of 15% (determine internal KPI)	▲	7/2024	12/31/2024
8	Enhance recruitment and applicant communication in NeoGov	●	1/2024	12/31/2024
9	Implement use of a job analysis tool to use and create competency-based assessment	◆	TBD	12/31/2025
10				
11				

Milestone Tracker

- Completed
- On Schedule
- Not Started
- Delayed



WORKPLAN - Strategic Objective 4.1



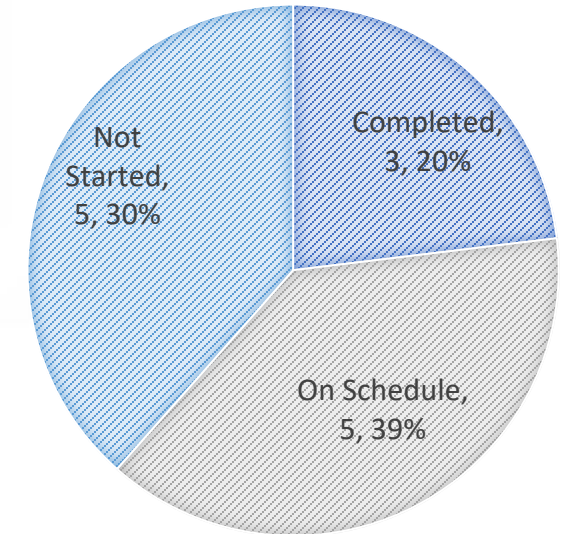
Strategic Goal: **Compliance and Enterprise Risk**
 Strategic Objective: **4.1 – Develop and implement an Enterprise Ethics and Compliance Program.**
 Executive Sponsor: **Luis Lugo; Steven Rice and Allison Barrett (Leads)**

Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

Milestone Tracker

■ Completed ■ On Schedule ■ Not Started



#	Objective Milestones	Status	Start	Expected Completion
1	Ethics Compliance Program (ECP) Communication campaign	●	10/2023	Ongoing
2	Approval of Ethics and Compliance program Charter	★	10/2023	10/09/2024
3	Update and obtain approval of ACRE (fka Audit) Charter	★	10/2023	10/09/2024
4	Chief Ethics and Compliance Officer (CECO) job description and class spec.	●	10/2023	1/08/2025
5	Ethics and Compliance Program Foundational Work Plan	★	7/2023	10/09/2024
6	Complete inventory of all Policies, Procedures, and Charters	●	2/2022	12/01/2024
7	Ethics and Compliance Orientation (MAC, SAC, and Staff)	◆	TBD	12/01/2024
8	Update LACERA Code of Ethical Conduct	●	7/2023	3/01/2025
9	Ethics and Compliance Training Program Plan	◆	TBD	12/01/2024
10	Determine critical risk areas and Scope of Program Oversight	◆	TBD	1/08/2025
11	PPC Management Software Solution/Compliance GRC solution (GRC 360)	●	3/2023	12/01/2024
12	County Approval of CECO Position	◆	TBD	4/01/2025

WORKPLAN - Strategic Objective 4.1



Strategic Goal: **Compliance and Enterprise Risk**
 Strategic Objective: **4.1 – Develop and implement an Enterprise Ethics and Compliance Program.**
 Executive Sponsor: **Luis Lugo; Steven Rice and Allison Barrett (Leads)**

Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
13	Initial/Baseline Divisional EC Risk Assessments and Ethical Culture Measurement	◆	TBD	1/08/2025
14	Development of recruitment process for ECO staff	◆	TBD	04/01/2025
15	Recruit/Hire CECO staff	◆	TBD	09/01/2025
16	Recruit/Hire ECO staff	◆	TBD	12/01/2025

WORKPLAN - Strategic Objective 5.1



Strategic Goal: **Fiscal Durability**
 Strategic Objective: **5.1 – Develop organizational tools and mindset to support fiscal responsibility**
 Executive Sponsor: **Laura Guglielmo; Ricki Contreras (Lead)**

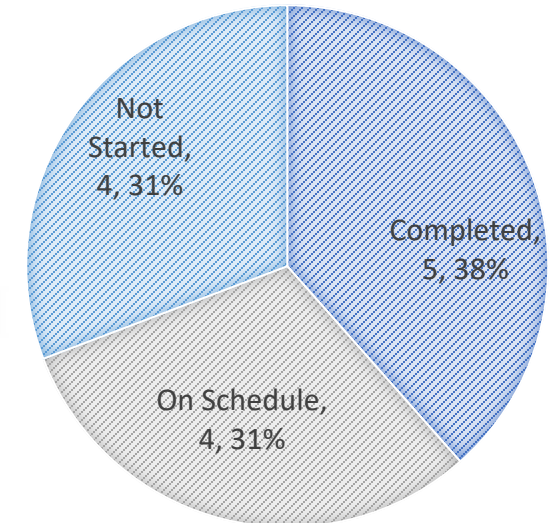
Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Finalize Certify AP Implementation	★	10/2023	02/28/2024
3	Finalize Budget software (Questica) Implementation/Complete full budget cycle	★	10/2023	06/30/2024
4	Finalize Contract/Vendor solution (Cobblestone) implementation/Train Users	●	10/2023	12/30/2024
5	Design and Implement Centralized Vendor Mgmt. Program	★	10/2023	09/30/2024
6	Update Procurement Policy	★	10/2023	09/30/2024
7	Create Non-Administrative Budget in Questica	●	07/2024	12/31/2024
8	Design and Assess Scope of ERP & Timing of Acquisition – Consultant Only	◆	TBD	06/30/2027
9	Design and Deliver a Comprehensive Financial Training for Managers	◆	TBD	06/30/2025
10	Design and Deliver Basic Financial Training for Staff	◆	TBD	06/30/2025
11	Implement Travel Module for Certify AP or equivalent	●	10/2024	06/30/2025
12	Automate the budget book publishing	●	10/2024	06/30/2025
13	Design and Deliver a Comprehensive Financial Training for Supervisors (1-30/2026)	◆	TBD	1/30/2026

Milestone Tracker

■ Completed
 ■ On Schedule
 ■ Not Started
 ■





LACERA Strategic Priorities and Objectives



BOR approved the Strategic Plan on July 6, 2023.

Board of Retirement

Strategic Priority Goals



1 Superior Member Experience
Innovate and continuously improve the member experience



2 Innovation through Technology
Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity



3 Investing In People
Attract, motivate, hire, and retain a highly engaged and skilled workforce



4 Compliance and Enterprise Risk Management
Adopt and implement compliance and enterprise risk frameworks aimed at facilitating strengthened governance around risk management and compliance



5 Fiscal Durability
Exercise care and prudence in managing our resources and fund assets

Objectives

- 1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey
- 1.2 Enhance member educational content at every stage in their journey and launch LACERA Communication Plan
- 1.3 Develop, implement, and deploy a digital strategy to better serve our members
- 1.4 Improve and enhance the retiree healthcare experience

- 2.1 Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform
- 2.2 Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information

- 3.1 Develop and implement a DEI framework aimed at promoting and embracing diversity, equity, and inclusion
- 3.2 Develop enterprise-wide Training and Development Programs designed to support and encourage employee growth and development
- 3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning

- 4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations
- 4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management

- 5.1 Develop organizational tools to support enterprise-wide fiscal responsibility
- 5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals.

COMPLETE - Strategic Objective 5.2



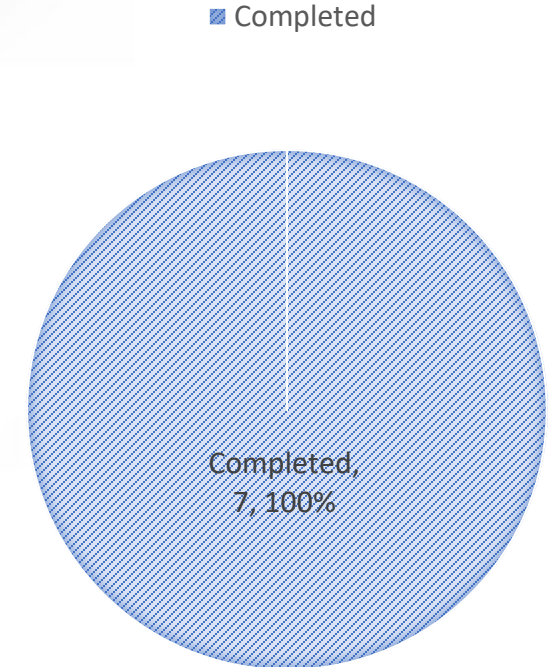
Strategic Goal: **Fiscal Durability**
 Strategic Objective: **5.2 – Update and revise LACERA Actuarial Funding Policy**
 Executive Sponsor: **Luis Lugo; Vache Mahseredjian (Lead)**

Legend

- On Schedule ● Complete ★
- Delayed/Stopped ▲
- Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives. Investment team in collaboration with FASD and Legal led jumpstart during 2023 BOI offsite	★	09/2023	01/01/2024
2	Review of existing policy and discussion of desirable elements	★	10/2023	12/01/2023
3	Schedule meetings among workgroup to develop drafts of new policies	★	10/2023	07/2024
4	FASD and LACERA Actuary (Milliman) to draft separate interest crediting policy	★	01/2024	08/2024
5	Seek approval of funding policy and interest crediting policy by LACERA ECC	★	08/2024	08/2024
6	Seek trustee input on proposed update of Actuarial Funding Policy and new Interest Crediting Policy.	★	08/2024	09/2024
7	Both policies adopted at BOI Meeting in October	★	09/2024	10/2024

Milestone Tracker



**FOR INFORMATION ONLY**

December 18, 2024

TO: Each Trustee
Operations Oversight Committee

FROM: Ted Granger 
Chief Financial Officer

Michael Huang 
Accounting Officer II

Ervin Wu 
Accounting Officer I

FOR: January 15, 2025 Operations Oversight Committee Meeting

SUBJECT: FISCAL YEAR 2023-2024 ANNUAL FINANCIAL REVIEW

Attached for your information are LACERA's annual financial statement highlights for the fiscal year ended June 30, 2024. Some of the key financial results include the following:

Pension Plan

- Pension Plan Fiduciary Net Position (fund balance) ended above the prior fiscal year, increasing \$5.3 billion, from \$73.9 billion to \$79.2 billion, primarily due to the appreciation of equity investment holdings and the increase in interest income from fixed income securities.
- Total Pension Plan investment return was 9.1% net of fees, compared to the actuarial expected return assumption of 7.0%.
- Pension Plan actuarial funded ratio, as of June 30, 2023, increased from 79.6% to 79.9%. The actuarial report timing requires that fiscal year ended (FYE) 2023 actuarial data is used for FYE 2024 financial statements. The 0.3 percentage point increase in funded ratio was primarily due to additional employer contributions required to amortize the Unfunded Actuarial Accrued Liability (UAAL).
- As of June 30, 2023, the Pension Plan's Valuation Assets was \$72.4 billion, and the Actuarial Accrued Liability (AAL) amounted to \$90.6 billion. The difference between actuarial assets and liabilities is the Unfunded Actuarial Accrued Liability (UAAL) which totaled \$18.2 billion, an increase of \$0.6 billion from the prior year primarily due to greater than assumed salary increases.

OPEB Trust

- OPEB Trust Fiduciary Net Position (fund balance) increased by approximately \$900 million, totaling \$4.0 billion compared to \$3.1 billion for the prior fiscal year, due to employer contributions and investment gains.

- OPEB Trust investment return was 11.1% net of fees, which outperformed the actuarial expected return assumption of 6.0%, primarily due to robust performance delivered by the global equity investments.
- As of July 1 2023, the OPEB Trust Valuation Assets was \$3.1 billion and the AAL amounted to \$23.5 billion. The difference between actuarial assets and liabilities is the UAAL which totaled \$20.4 billion, a decrease of \$0.3 billion from the prior year due to a combination of offsetting factors. Assumption changes from the 2023 Experience Study including raising the investment return assumption to 6.25%, asset gains and lower claim costs caused decreases, which outweighed expected increases in accrued liabilities.

If there are any questions, please contact me via email at: tgranger@lacera.com.

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer



ANNUAL FINANCIAL REVIEW FISCAL YEAR ENDED 2023-2024

Financial and Accounting Services Division (FASD):

Ted Granger, Chief Financial Officer

Michael Huang, Accounting Officer II

Ervin Wu, Accounting Officer I

Operations Oversight Committee
January 15, 2025



AGENDA

- Financial Reporting Process
- Annual Theme
 - ✓ ACFR – Annual Comprehensive Financial Report
 - ✓ PAFR – Popular Annual Financial Report
- Awards
- Financial Highlights and Reporting
 - Pension Plan
 - OPEB Trust
- Upcoming Standards & Pronouncements
- Q&A



Financial Statement 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 Office and BOR/BOI

R – Recording transactions for the new fiscal year

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

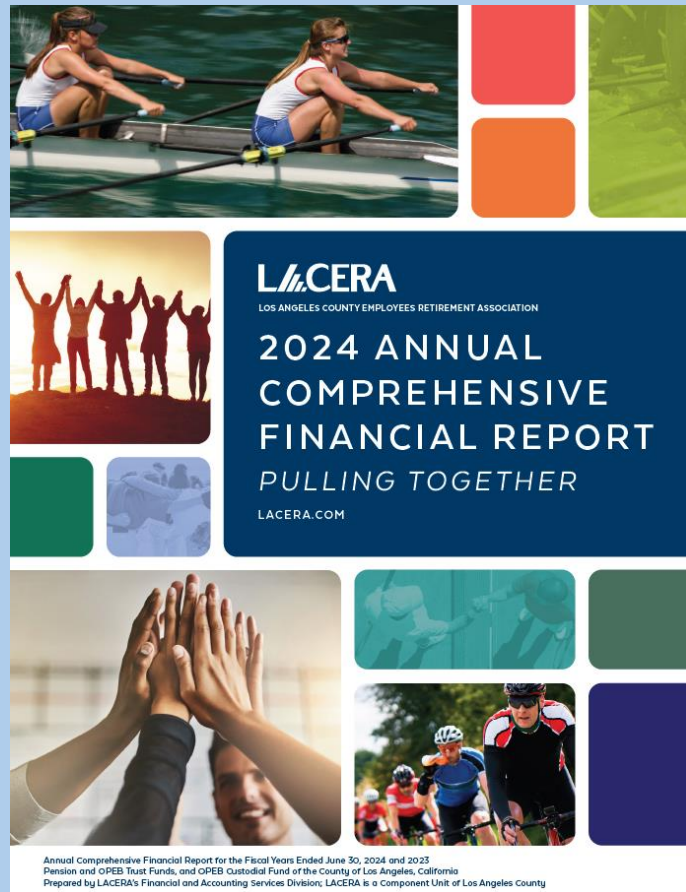
Financial Reporting Process



- ❖ Capture Accounting Activities
- ❖ Prepare Financial Statements/Footnotes
- ❖ Obtain Audit Opinion
- ❖ Produce Annual Comprehensive Financial Report (ACFR)
- ❖ Generate Popular Annual Financial Report (PAFR)



2024 ACFR and PAFR Theme



Pulling Together

LACERA has been proudly fulfilling our mission to produce, protect, and provide the promised benefits to our members since 1938.

We achieve this by **pulling together**—collectively visualizing success, working collaboratively while applying our unique strengths, and expertly executing our game plan.

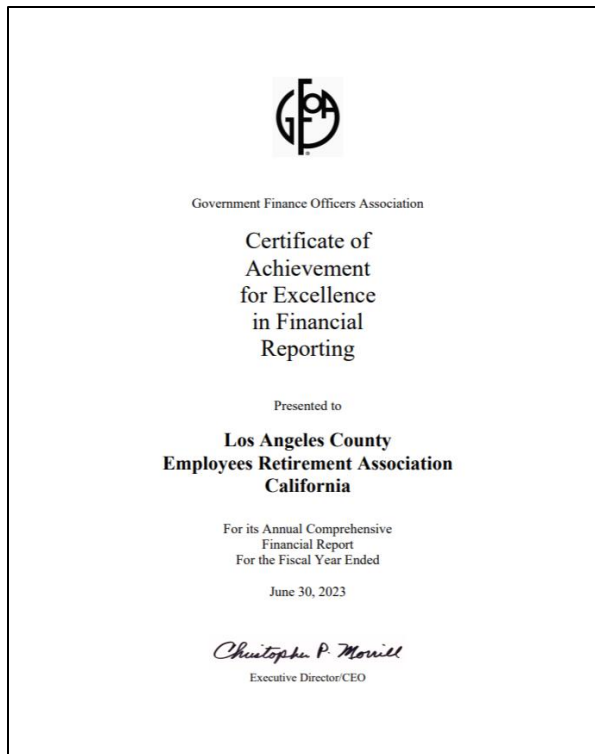
AWARDS



Government Finance Officers Association

➤ GFOA

- ACFR = 34 years
- PAFR = 26 Years



Public Pension Coordinating Council

➤ PPCC

- Public Pension Funding and Administration = 22 years





FINANCIAL HIGHLIGHTS

REVIEW of
RESULTS



OVERVIEW

PENSION PLAN

FUND BALANCE

- Fiduciary Net Position = \$79.2 billion

INCOME

- Total Additions = \$10.0 billion

EXPENSES

- Total Deductions = \$4.6 billion

INVESTMENT EARNINGS

- Total Fund Return = 9.1% (net of fees)

RATIO OF ASSETS/LIABILITIES

- Funded Ratio = 79.9% (as of the June 30, 2023 Valuation)

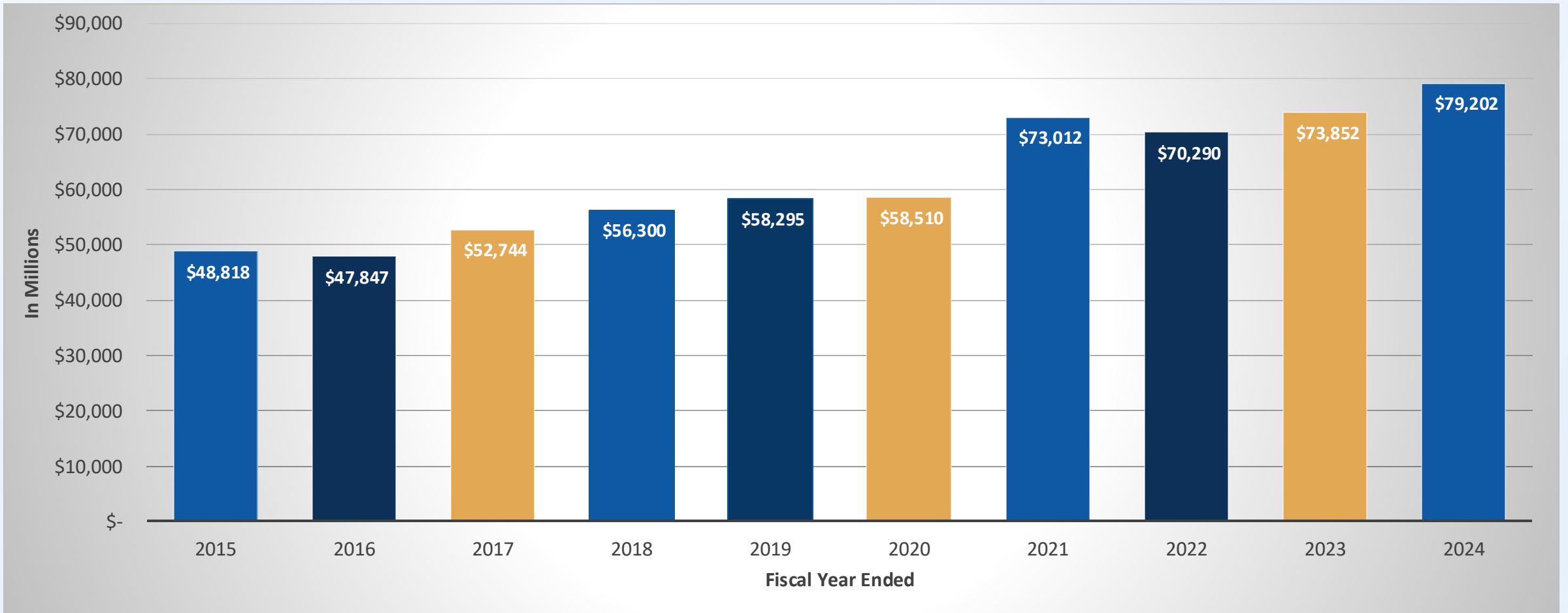


FIDUCIARY NET POSITION

PENSION PLAN

FIDUCIARY NET POSITION (FNP)

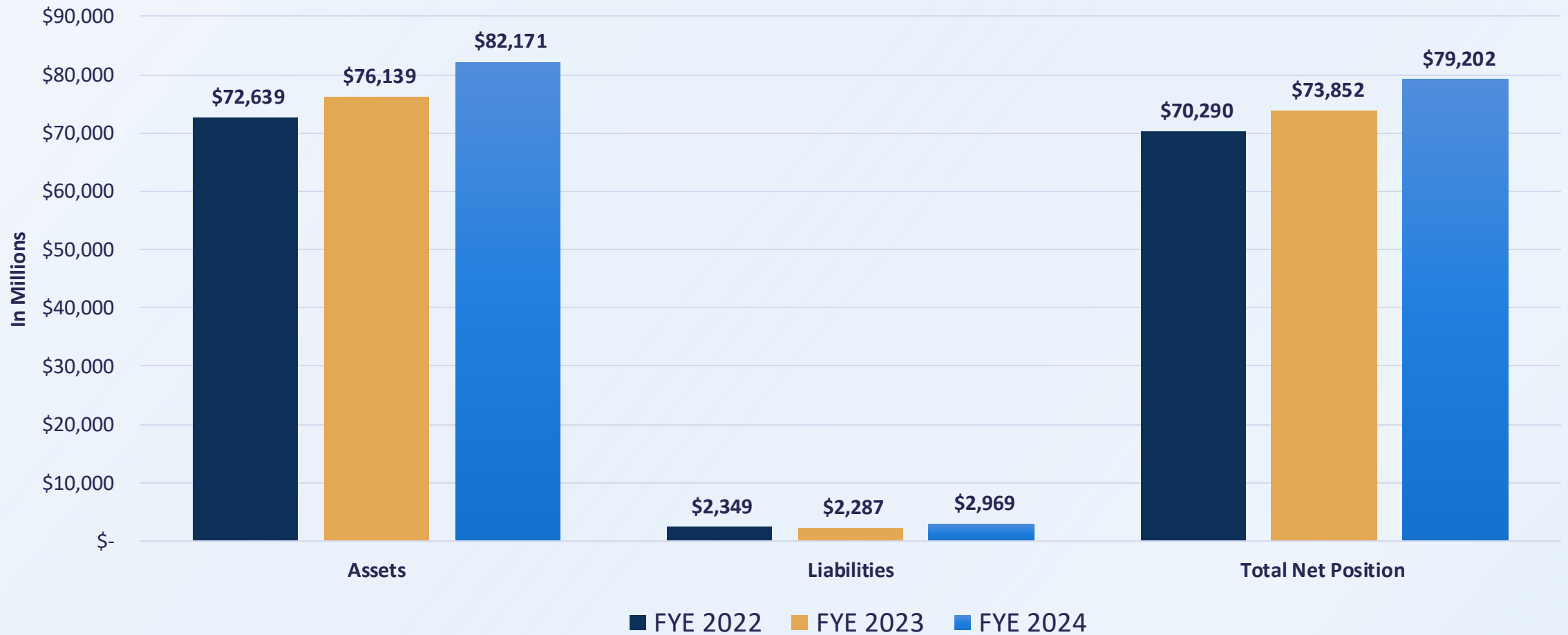
PENSION PLAN



FIDUCIARY NET POSITION (CONTINUED)



PENSION PLAN





FNP: ADDITIONS & DEDUCTIONS

PENSION PLAN

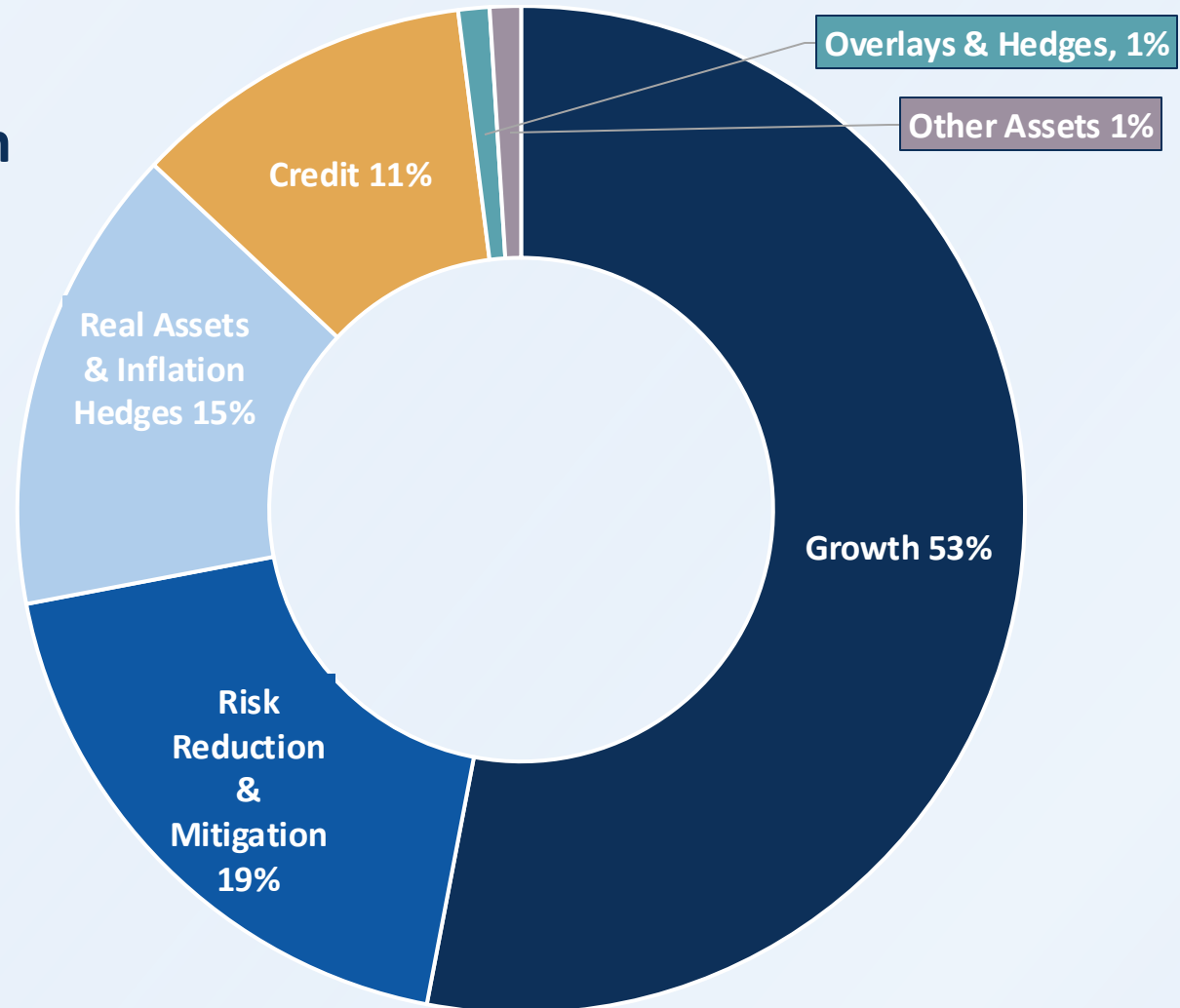
(Dollars in Millions)	2024	2023	2022
Contributions	\$3,370	\$3,095	\$2,959
Net Investment Income/(Loss)	6,617	4,861	(1,536)
Total Additions (C + I)	\$9,987	\$7,956	\$1,423
Benefits & Refunds	(\$4,518)	(\$4,281)	(\$4,045)
Admin & Misc Expenses	(119)	(113)	(100)
Total Deductions (B + E)	(\$4,637)	(\$4,394)	(\$4,145)
Net Increase/(Decrease)	\$5,350	\$3,562	(\$2,722)
Beginning Net Position	73,852	70,290	73,012
Ending Net Position	\$79,202	\$73,852	\$70,290



ASSET ALLOCATION

PENSION PLAN

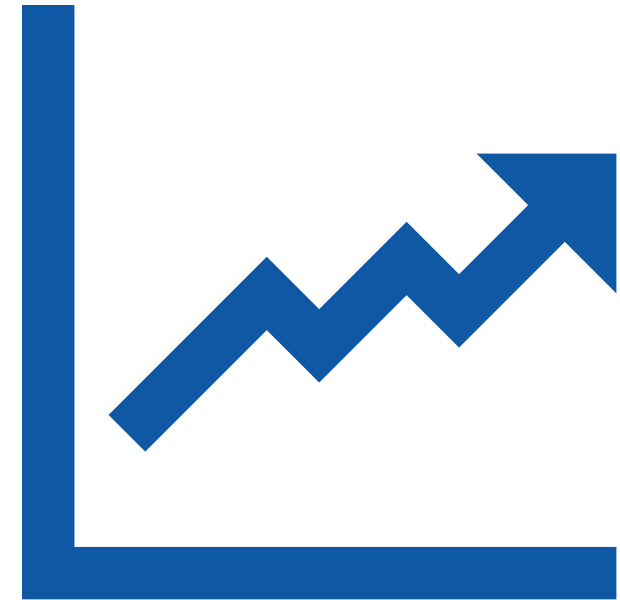
Functional Asset Allocation
As of June 30, 2024





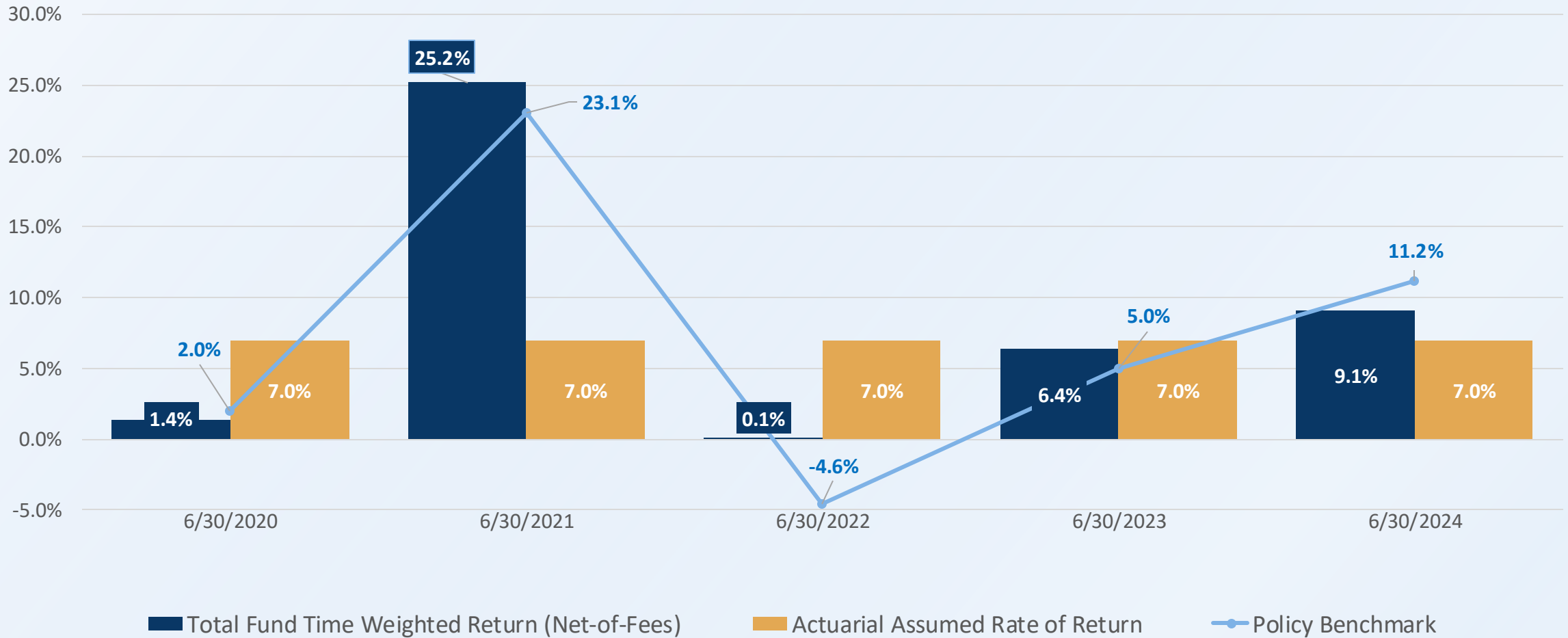
INVESTMENT RETURNS

PENSION PLAN



INVESTMENT RETURNS

PENSION PLAN



ACTUARIAL VALUATION

PENSION PLAN



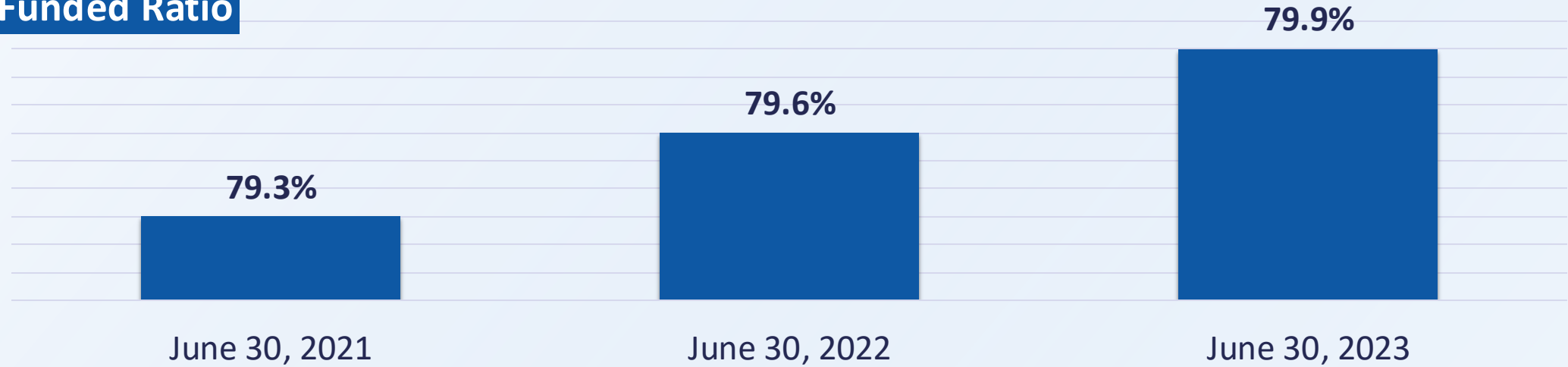
Funded Ratio & Liabilities

Employer & Member
Contribution Rates

ACTUARIAL VALUATION RESULTS



Funded Ratio



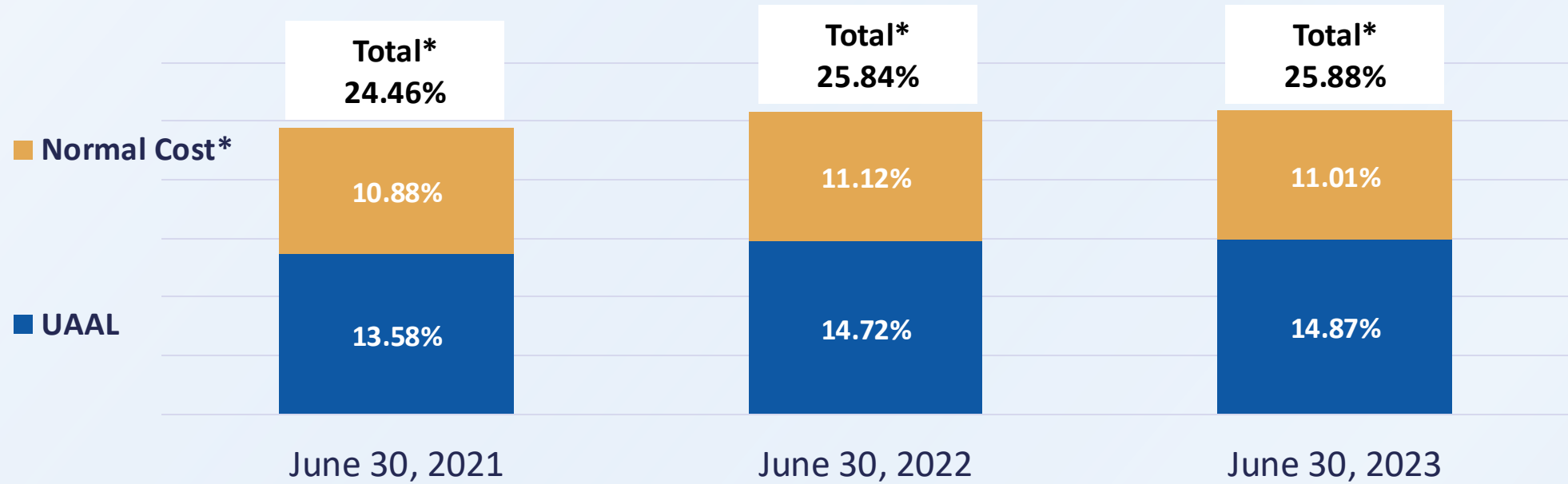
Unfunded Actuarial Accrued Liability (UAAL) [In Millions]



VALUATION CONTRIBUTIONS



Employer Contribution Rates



*Blended rate for all plans.

VALUATION CONTRIBUTIONS



Member Contribution Rates

Recommended Rates (Based on 2023 Valuation)						
	Entry Age	Normal	Cost of Living	Total as a % of Pay	Current Rate (Total)	Ratio (New / Current)
General Members						
Plan A	25	3.33%	2.73%	6.06%	6.06%	100.0%
	35	4.06%	3.33%	7.39%	7.39%	100.0%
	45	4.86%	3.99%	8.85%	8.85%	100.0%
	55	5.16%	4.24%	9.40%	9.40%	100.0%
Plan B	25	6.65%	1.74%	8.39%	8.39%	100.0%
	35	8.12%	2.12%	10.24%	10.24%	100.0%
	45	9.73%	2.54%	12.27%	12.27%	100.0%
	55	10.32%	2.69%	13.01%	13.01%	100.0%
Plan C	25	5.70%	1.49%	7.19%	7.19%	100.0%
	35	6.96%	1.82%	8.78%	8.78%	100.0%
	45	8.44%	2.21%	10.65%	10.65%	100.0%
	55	9.74%	2.55%	12.29%	12.29%	100.0%
Plan D	25	5.70%	1.52%	7.22%	7.22%	100.0%
	35	6.96%	1.85%	8.81%	8.81%	100.0%
	45	8.44%	2.24%	10.68%	10.68%	100.0%
	55	9.74%	2.59%	12.33%	12.33%	100.0%
Plan G	All Ages	7.51%	1.77%	9.28%	9.24%	100.4%
Safety Members						
Plan A	25	4.89%	4.26%	9.15%	9.15%	100.0%
	35	5.69%	4.96%	10.65%	10.65%	100.0%
	45	6.70%	5.84%	12.54%	12.54%	100.0%
	55	6.70%	5.84%	12.54%	12.54%	100.0%
Plan B	25	9.77%	3.27%	13.04%	13.04%	100.0%
	35	11.37%	3.80%	15.17%	15.17%	100.0%
	45	13.40%	4.48%	17.88%	17.88%	100.0%
	55	13.41%	4.48%	17.89%	17.89%	100.0%
Plan C	All Ages	11.66%	3.31%	14.97%	14.76%	101.4%

Note: A portion of some of the member contribution rates is paid for ("picked up") by the employer and is not considered part of the member's contribution account for refund purposes. Such contributions are referred to as the surcharge amount and are subject to change each year. The rates shown in the table above are prior to any surcharge payments.

PEPRA Plans

General Plan G	Safety Plan C
All Ages: 9.28%	All Ages: 14.97%

- ✓ PEPRA plans General Plan G and Safety Plan C member rates are required to be equal to 50 percent of the normal cost
 - New member contribution rates became effective July 1, 2024

LEGACY Plans

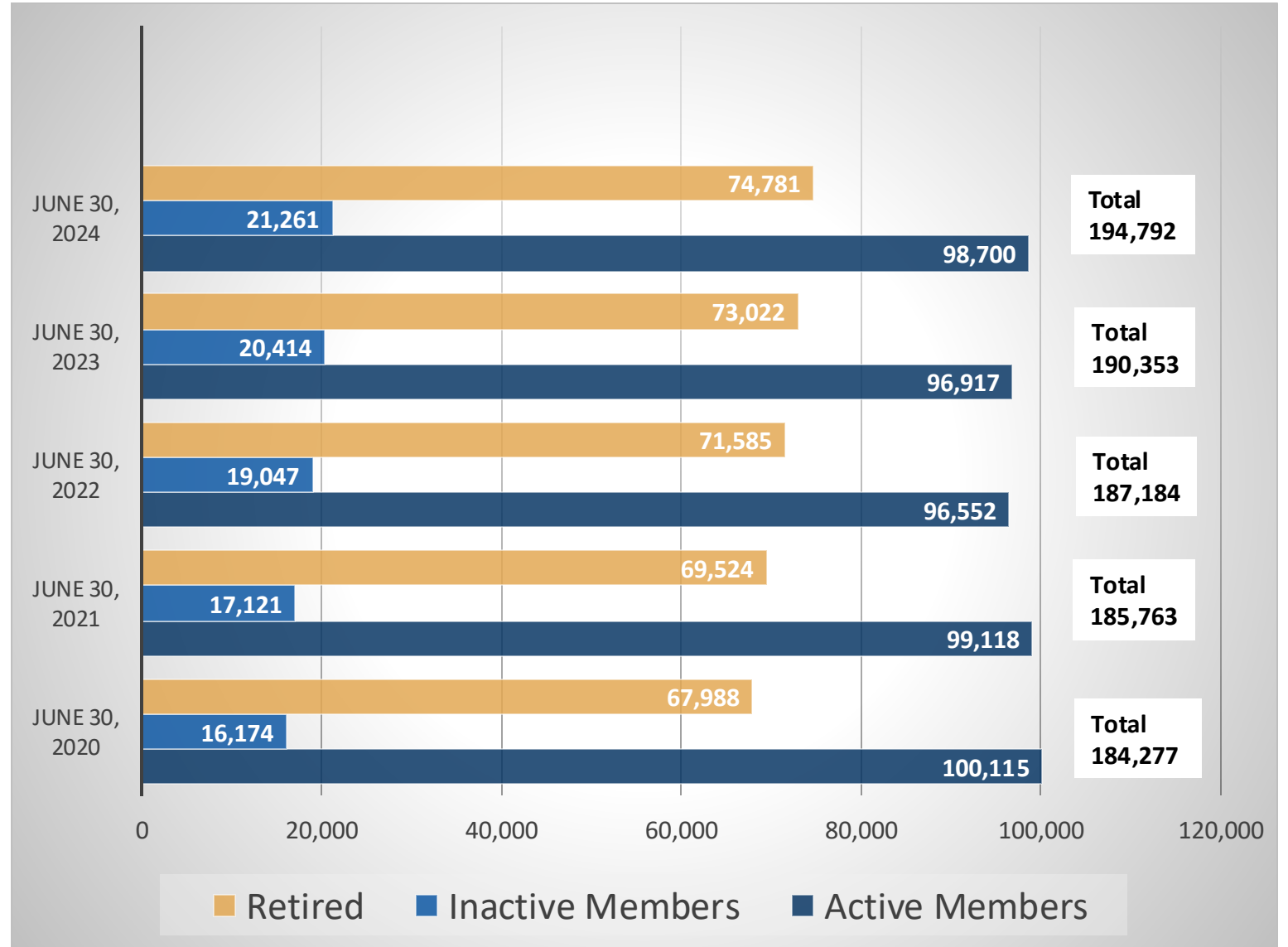
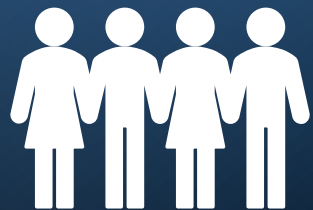
- ✓ Member contribution rates for all contributory LEGACY plans (General Plans A, B, C and D, and Safety Plans A and B) vary based on a member's entry age when joining LACERA
 - Since no new assumptions were adopted effective with the June 30, 2023 valuation, there are no recommended changes to LEGACY plan member contribution rates



MEMBERSHIP



MEMBERSHIP

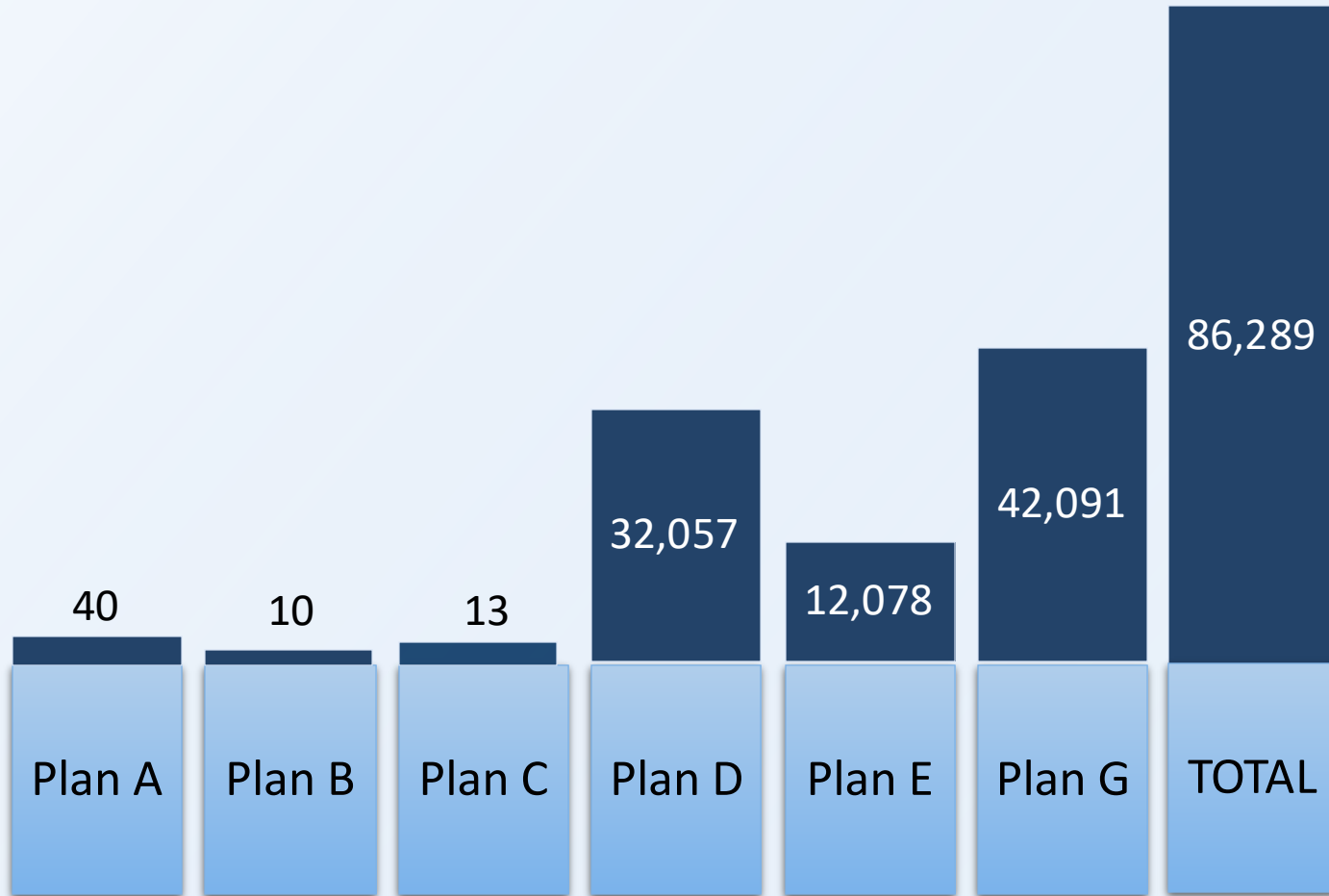


ACTIVE PLAN MEMBERSHIP

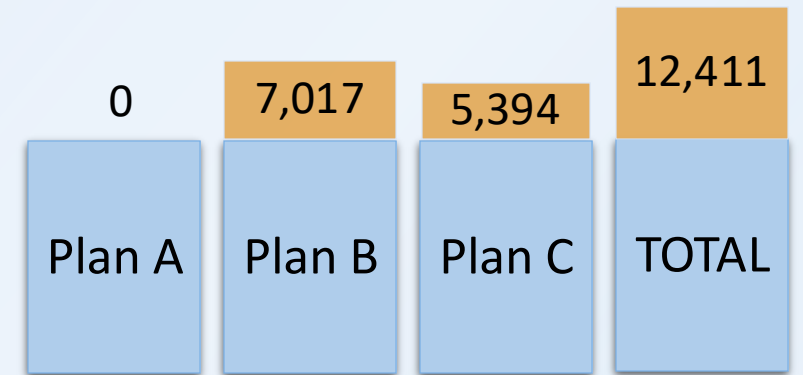
AS OF JUNE 30, 2024



GENERAL



SAFETY





OPEB TRUST



OWNERSHIP BALANCE BY AGENT

OPEB TRUST

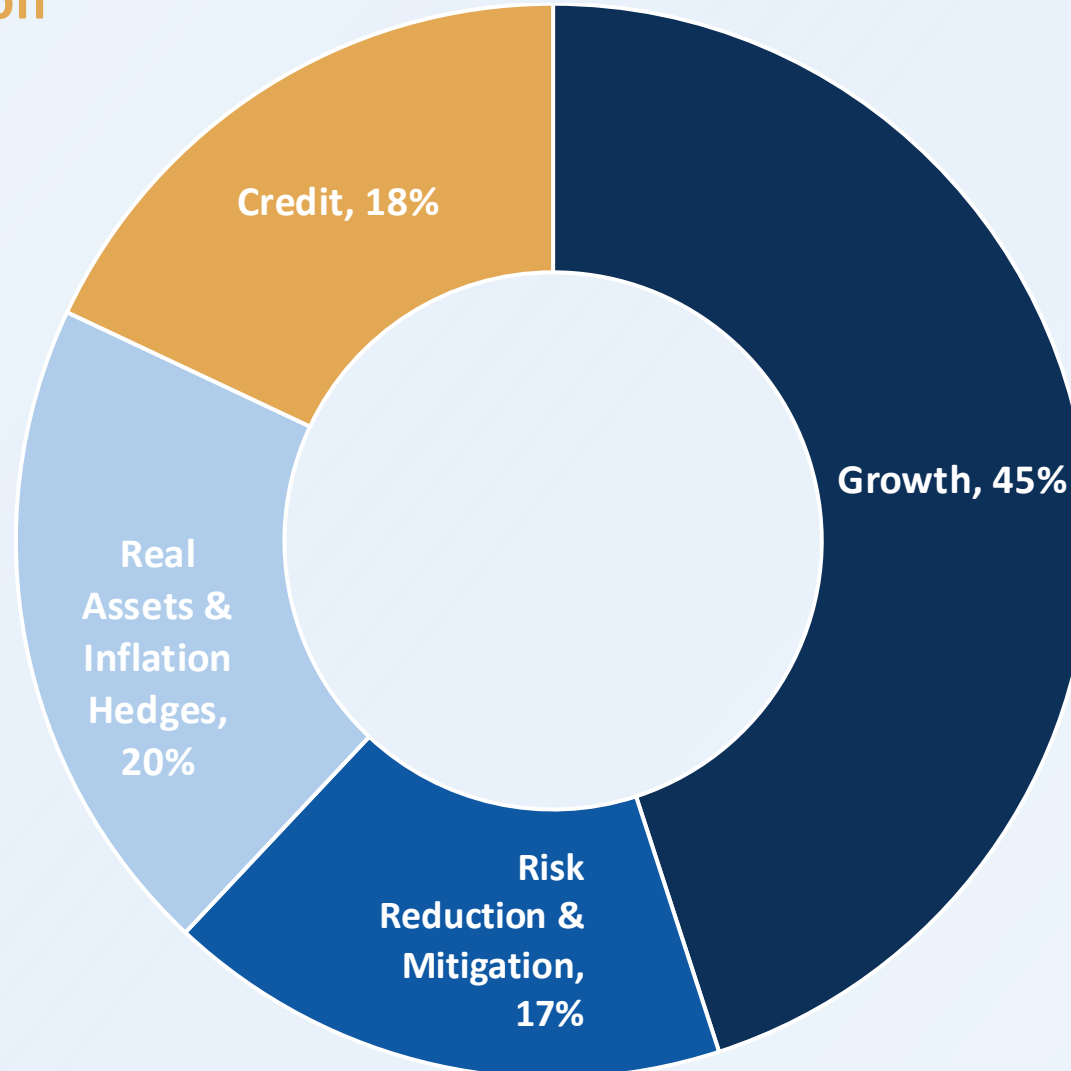
Plan Sponsor (Dollar in Thousands)	2024	2023
LOS ANGELES COUNTY	\$3,870,833	\$3,009,326
LACERA	21,708	15,610
SUPERIOR COURT	85,330	66,904
TOTAL BALANCE	\$3,977,871	\$3,091,840



ASSET ALLOCATION

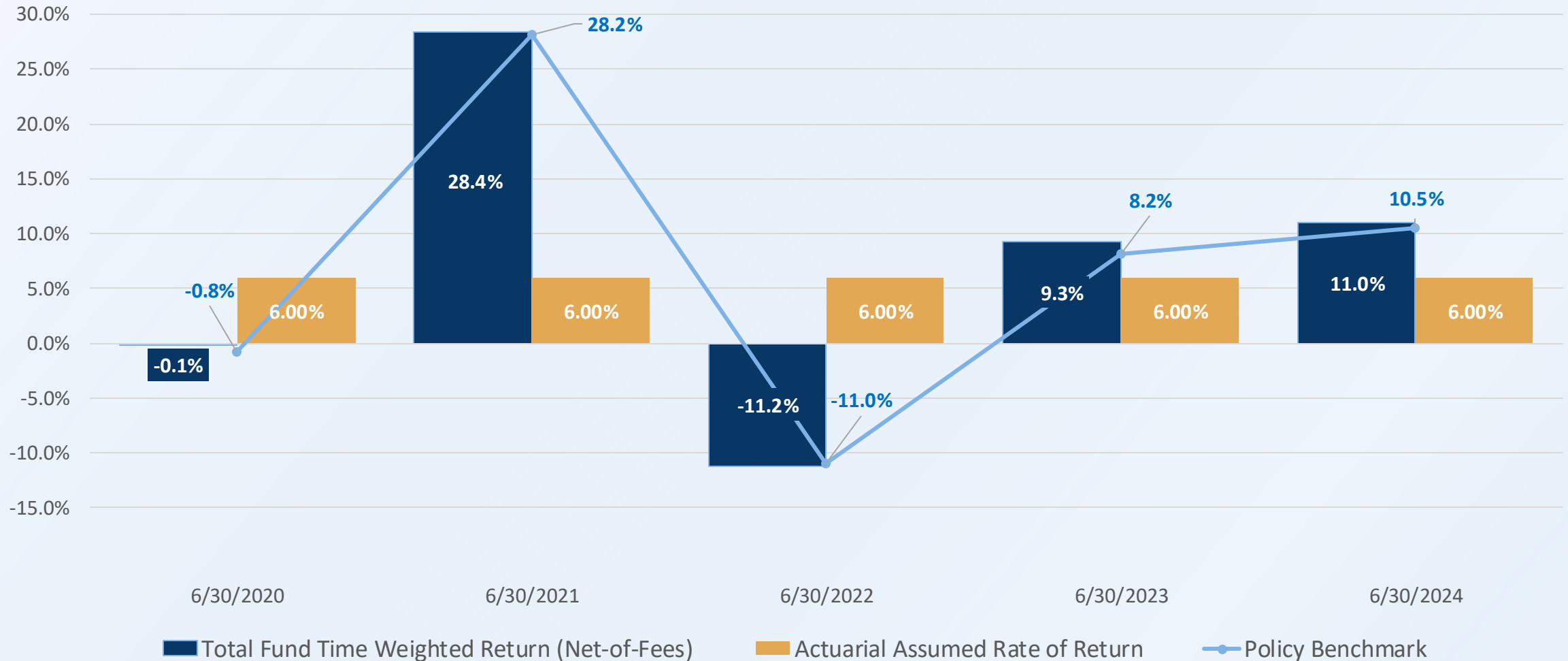
OPEB TRUST

Functional Asset Allocation
As of June 30, 2024



INVESTMENT RETURNS

OPEB Trust





Upcoming Standards & Pronouncements

GASB Pronouncements Effective for the Fiscal Year Ending 2025

- **GASB 101 – *Compensated Absences***
 - Recognition and measurement of compensated absences liability to more appropriately reflect when an obligation is incurred.
- **GASB 102 – *Certain Risk Disclosures***
 - Concentration or constraint of any event that could cause a substantial impact and actions taken to mitigate the risk.

GASB Pronouncements Effective for the Fiscal Year Ending 2026

- **GASB 103 – *Financial Reporting Model Improvements***
 - Improve disclosures in Management's Discussion and Analysis to provide objective and easily readable analysis of financial activity.

THANK YOU!




QUESTIONS?

**FOR INFORMATION ONLY**

January 9, 2025

TO: Operations Oversight Committee
JP Harris, Chair
Wayne Moore, Trustee
Jason Green, Trustee
David Ryu, Alternate Trustee

FROM: Bernie Buenaflor 
Chief, Quality Assurance & Metrics Division

FOR: January 15, 2025, Operations Oversight Committee Meeting

SUBJECT: **Annual Quality Assurance Audit Report**

Enclosed is the annual Quality Assurance Division (QA) audit report to the Operations Oversight Committee (OOC) outlining the results of the quality audit for fiscal year 2023-2024. QA Staff will be present at the January 15, 2025, OOC meeting to provide an overview of the report and answer any questions or concerns that you may have.

As discussed in this report, during FY 2023-2024, although short-staffed itself, QA helped address staff shortages in the Member Operations Group (MOG) by conducting two Specialist Basic Training classes. The first one was completed on April 30, 2024. The second class began June 3, 2024, and will conclude May 31, 2025. Note that the training program continues to be evaluated and updated to reflect changing business needs. We are working on adding components of customer service and counseling training so that trainees can be more productive when they graduate and begin working in Benefits and Member Services as hybrid specialists. Despite this significant increase in the scope and complexity of the training program, QA maintained all scheduled audits of member transactions and kept pace with the peak production season, known as "March Madness".

FY 2023-2024 had other achievements as well. The following positive developments in QA's audit work also occurred within the last fiscal year:

- 1) To improve member service and accuracy, all current audits, except first payment and data input are performed on a pre-completion basis. Pre-completion audits enable LACERA to correct errors before they impact the member and to coach Staff before errors can be repeated. Note that errors are still recorded for purposes of QA's assessment.
- 2) QA improved the communication and follow up processes generated through the MOGAP, which is the audit management application developed last fiscal year jointly with Systems and the Process Management Group (PMG), resulting in the resolution of all transactional audits from Fiscal Year 2023/2024, as reflected in the attached report.
- 3) In its effort to enhance accuracy and add value to LACERA's operations, QA worked closely with Benefits, the Legal Office, and Systems to analyze the processes and business rules involved in:
 - a. Account settlement transactions (i.e.: member account correction and collections activities),
 - b. PEPRA Member contribution and final average compensation calculations,

Page 2

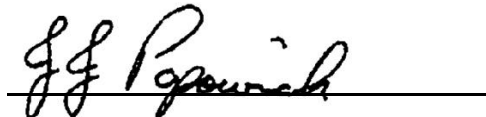
- 4) An Annual Audit Plan for QA has been formalized and submitted to the Executive Office for review and approval. This includes regular review of QA's Discovery Sampling and Control Self-Assessment Process to help maximize the benefits from audit observations.
- 5) QA submitted Key Performance Indicators for QA staff items to the Executive Office for review and is in the process of refining these.

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

- 1) Reorganize for greater independence and objectivity
- 2) Achieve full staffing for QA Division
- 3) Expand scope of audits based on risk levels. (This goal is dependent on staffing.)
 - a) More processes
 - b) Call monitoring
- 4) Work with our partners to explore new tools and techniques for clearing member account exceptions
- 5) Instill the "auditor mindset" and enhance staff analytical skills of all MOG staff through Advanced CERL Education (ACE) training to prepare them for more senior roles, as well as the business needs of the future.

QA continues 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, excluding the work of trainees in the Specialist Basic Training Program, during the fiscal year ending June 30, 2024, met the 98% standard of quality set by LACERA. Meanwhile, the Specialist Basic Training participants achieved a 95% 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

Encl.

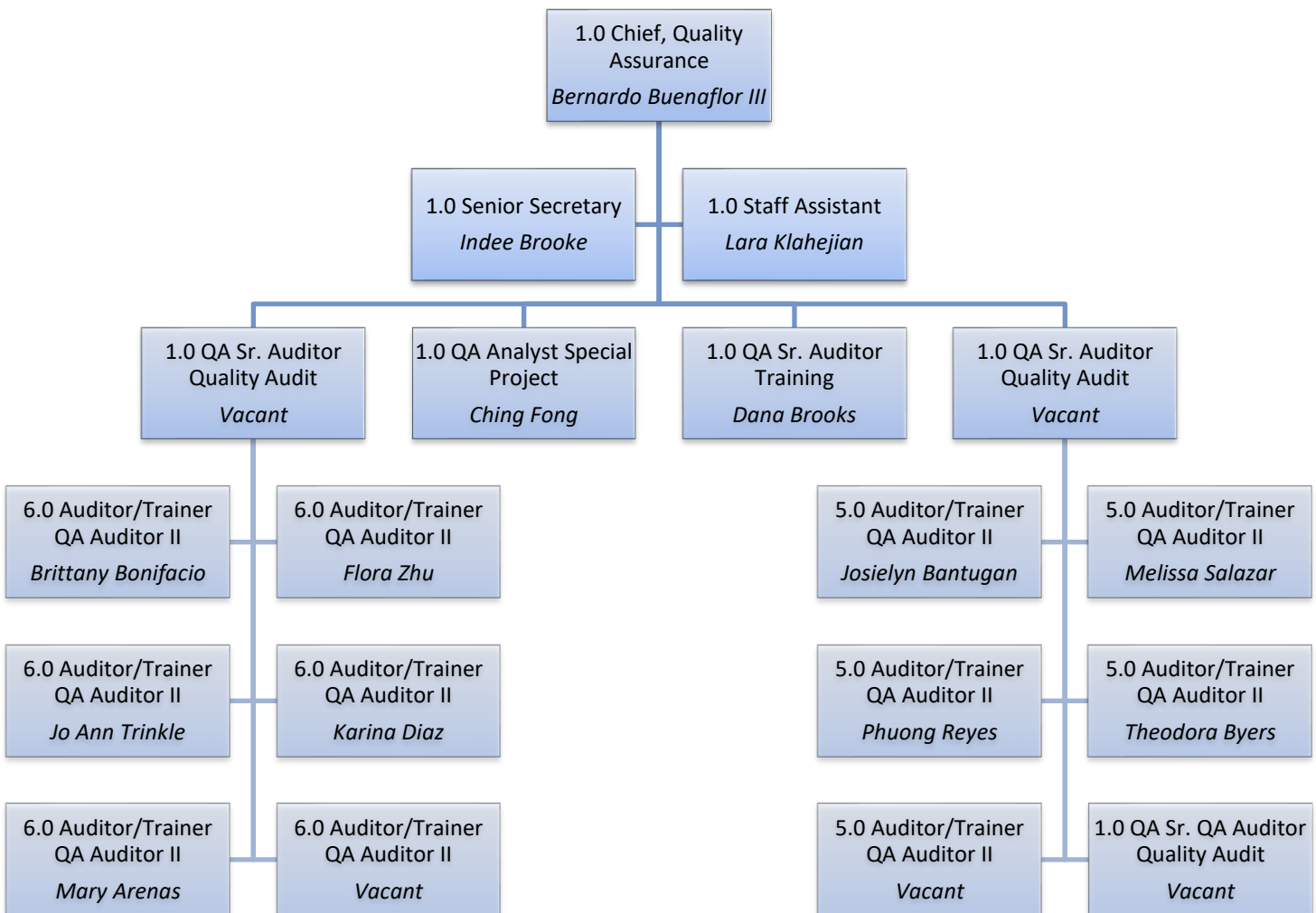


EXECUTIVE SUMMARY

INTRODUCTION TO QUALITY ASSURANCE

The Executive Office has defined the responsibilities of LACERA’s Quality Assurance Division (QA) and aligned them with LACERA’s strategic plans. 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:





BACKGROUND

During Fiscal Year 2023-2024, QA's scope of auditing remained below its budgeted capacity due to the prolonged vacancies, but QA continued to audit at levels on par with the prior fiscal year.

STAFF SHORTAGES

Starting November 2020, QA lost to normal 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. 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

- Agreed Upon Procedures (flexible testing parameters and procedures to address high risk transactions for which standardized testing parameters and procedure are not yet available)
- QA has gradually increased its role in the call monitoring of Member Services calls through the auditing of Specialist Basic Training call production.

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. 19 out of 23 processes are audited on a pre-completion basis (82.61%).

INTRODUCTION TO QUALITY AUDITS

Executive Management has determined a target accuracy rating of 98% overall for all audited transactions. QA 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 and to correct transactions requiring rework.



- **Specialist Basic Training Audit** is performed prior to the delivery of a 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 Divisions, reviews and revises the existing Audit Criteria on an annual basis, as business rules evolve or as recommended through process-specific risk assessments. The MOG Division Management role is to ensure that the subject production process is accurately presented in the audit criteria, while QA's role is to design the sampling and testing parameters that best address the assessed risks for that process. After approval by MOG Division Management, QA, and the Executive Office, these criteria are posted in the MOGAP database, where they are used by auditors to rate the accuracy of each audited transaction.

When a Retirement Benefit Specialist uploads a case to the MOGAP, a Risk Level is assigned to that specific case. Risk Levels are based on the characteristics of a particular case that are known from audit experience to pose various levels of risk to the accuracy of the case. QA audits 100% of high-risk cases while random samples of lower-risk cases are audited 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 2023-2024

TABLE 1

	Pre-Completion Audit	Post Completion Audit	Specialist Basic Training Audit	Totals
Accuracy	97.74%	98.70%	94.52%	96.99%
Samples	6,846	1,641	1,883	10,370
Action Items	904	65	471	1,440
Outstanding Action Items	0	0	0	0

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 2023-2024, the Pre-Completion Audit reviewed 19 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 audited 53.02% of the total production for the 19 processes.

The number of members’ transactions audited in the Pre-Completion Audit was 6,846, resulting in 904 Action Items. Staff strive to resolve all Action Items within a pre-defined timeframe to minimize the negative impact on members.

Overall, the accuracy rate decreased from the last fiscal year by 0.08% from 97.82% to 97.74% as shown in Table 2. The decrease in accuracy was due to setback in the following processes:

- Agreed Upon Procedures
- Incremental Buy Back
- Other Public Agency

TABLE 2

	2023	2024
Accuracy	97.82%	97.74%
Samples	6,521	6,846
Action Items	866	904

There were 9 out of 19 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. Executive Referrals	100.00	10. Retirement Agenda	97.83	17. Open Window Plan Transfer	94.76
2. Felony Forfeiture	100.00	11. 30 Year Cancellation	97.54	18. Retirement Estimates	93.60
3. Plan E Rescissions	100.00	12. Termination	97.46	19. Agreed Upon Procedure	92.55
4. Member Death	99.51	13. Incremental Buyback	97.06		
5. Sick Without Pay	99.18	14. Account Settlement	96.75		
6. Temporary Time	98.63	15. Redeposit	96.22		
7. Military/Federal	98.42	16. Other Public Agency	96.08		
8. General to Safety	98.15				
9. Reciprocity	98.12				

At the close of 2023-2024 Fiscal Year, all pre-completion action items have been resolved.

MOG Management’s Action Plan:

Benefits has examined the audit findings and identified trends in terms of root causes. We have collaborated with QA to identify specific training for staff to ensure they are able to meet the requirements. Retirement Estimates training is scheduled for January 2025. Open Window Plan Transfer training will take place in February 2025.

Agreed Upon Procedures is a miscellaneous category of complex work that does not fit a particular set of guidelines. Our supervisors will work closer with staff to ensure they receive the support they need as these cases arise. In the future, we plan to implement more robust business rules and resources to assist staff as they process their work.

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

rework. 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 2023-2024, the Post Completion Audit reviewed 4 business processes using random sample selections from completed transactions. The number of members’ transactions audited was 1,641, resulting in 65 Action Items. Staff resolved all Action Items within a fixed timeframe to minimize the negative impact on members.

Overall, the accuracy rate increased from the last fiscal year by 0.11% from 98.58% to 98.70% as shown in Table 4. The increase in sample size may have affected the increase in accuracy ratio of Post Completion Audits.

TABLE 4		2023	2024
	Accuracy	98.58%	98.70%
	Samples	1,305	1,641
	Action Items	46	65

There were 3 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 Audit Below 95%	%
1. Direct Deposit	99.78	4. Beneficiary Designation	97.33		
2. Federal/State Tax	98.96				
3. First Payment	98.71				

To help improve the First Payment accuracy, the Benefits Division, along with the Systems Division, is implementing mitigating controls in the new Case Management System (CMS) as follows:

- Standardized Certification Process of Retirement Agenda
- Automatic Identification of Inflated Salaries that Post after Agenda
- Pay Holds if First Payment Disbursement is not Reviewed or Approved

As always, QA shares their observations and insights with the MOG to help improve the accuracy and efficiency of their processes. PMG helps define, document, and improve MOG processes and, along with QA and the MOG Management, provides coaching and training to MOG Division Staff.

At the close of 2023-2024 Fiscal Year, all post-completion action items have been resolved.

SPECIALIST BASIC TRAINING AUDIT

The purpose of the Specialist Basic Training Audit is to assess the quality of the work processed by newly trained new hires in response to actual member requests, to provide such audit feedback in a safe learning environment, and to ensure that such work meets LACERA’s standard of quality when completed. Audits are 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 2023-2024, the Training Audit reviewed 10 business processes using 100% sampling. The number of members’ transactions audited was 1,883, resulting in 471 action items. All action items are required to be resolved prior to completion and delivery of the end-product to the member.

Overall, the accuracy rate decreased from the last fiscal year by 2.43% from 96.95% to 94.52% as shown in Table 6. The decrease in accuracy was due to setbacks in the following processes:

- Redeposit
- Incremental Buyback
- Other Public Agency

TABLE 6	2023	2024
Accuracy	96.95%	94.52%
Samples	1,316	1,883
Action Items	246	471

There were 7 out of 10 processes that met or exceeded the Specialist Basic Training target accuracy rate of 95%:

TABLE 7					
Organization Goal 98% and above	%	Specialist Basic Training Audit Goal 95% to 98%	%	Observation Audit Below 95%	%
1. Military/Federal	98.21	3. Account Settlement	96.49	8. Other Public Agency	94.42
2. 30 Year Cancellation	98.00	4. Sick Without Pay	96.19	9. Incremental Buyback	90.86
		5. Temporary Time	96.10	10. Redeposit	84.17
		6. Reciprocity	95.66		
		7. General to Safety	95.10		

It should be noted that, out of the 25 trainees that started in the SBT program, 15 were able to graduate. While the attrition rate was significant in this fiscal year, those who continued on as Retirement Benefit Specialist II's were the ones who were able to meet LACERA's quality expectations.

Quality Assurance's Action Plan:

QA will work with the MOG divisions and the Executive Office to develop the SBT program so that it can better prepare staff to perform to LACERA's standards of accuracy. The QA training team will continue to identify and pursue improvement opportunities, such as:

- 1) improving the methodology of instruction
- 2) enhancing trainer skills
- 3) upgrading the technology used for instruction

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 2023-2024, out of 10,370 Benefits Transactions audited by QA, 124 referrals were issued as shown in Table 8. At the close of 2023-2024 Fiscal Year, all QA Referrals have been resolved.

TABLE 8

Description	Number of Referrals Issued	Number of Referrals Outstanding	Percentage Outstanding (%)
Account Settlement	67	0	0.00%
Refunds or Discharge Cancellation	31	0	0.00%
General	26	0	0.00%
Total	124	0	0.00%

OTHER RECOMMENDATIONS

Other Recommendations are issues resulting from an audit observation unrelated to a specific member transaction or account. It is applicable to the quality, timeliness or efficiency of the process or business unit being audited. The associated MOG Division Manager, Section Head, and QA Senior Auditor review and respond to other recommendations by indicating their

concurrence or nonconcurrence, as well as any action plan and timeline for addressing the described issues.

During the fiscal year 2023-2024, one recommendation was issued. The two Other Recommendations, were as follows:

- Temporary Time as OPA service credit calculation of hours is not aligned with the County Municipal Code and Interpretive Manual. The issue of this change is currently under review with the Legal Office and MOG Division Managers. Policies and Procedures will be issued or updated as appropriate. (issued 6/2023 and still open as of the preparation of this report)
- Revisit of PEPRA law as current interpretation in BRU 315 does not align with the actual language in the law and with information posted on lacera.com and in plan booklets. Compensation limit examples in BRU 315 does not align with Benefits Division's Process Management Group's understanding of compensation limit rules. While BRU 315 has been updated, it impacts other BRUs related to compensation limits. Approval of all BRUs may take some time.

CLOSING COMMENTS

The Quality Assurance Division is committed to improving processes through continuous planning, monitoring, assessments, and evaluations. We utilize the data from the three (3) categories of audits to improve the design and contents of technical training conducted by QA for the benefit of MOG staff. QA also participates in:

- specialized functions, such as the review of new pay codes for pensionability, and
- quality and compliance control for special projects, such as the implementation of changes in law or legal judgments.

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-organize QA to enhance its independence and objectivity
- Conduct onboarding Exams through HR to fully staff the Division
- Increase QA's scope of audits to include more processes and allocate resources to those processes based on their relative risk
- Take on additional audit-related functions in support of LACERA's goal of improving the Member Experience Journey, such as Call Monitoring, reviewing Member Correspondence, and Member Surveys

- Continue to increase the proportion of audits performed on a Pre-Completion basis so we can continue to catch errors before they affect our members
- Work with our partners to explore new tools and techniques for clearing member account exceptions
- Create an Account Certification system to perform a comprehensive analysis, documentation, rectification, and certification of the accuracy and completeness of an account
- Instill 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: technological innovation, investing in its people, and enhancing the member experience through multi-channel service, including self-service.

The Quality Assurance Division strives to contribute to LACERA’s quality eco-system, which includes continual improvement activities and a focus on compliance and risk management. 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

Chart A – Pre-Completion Audit: Comparative Accuracy Rates, Fiscal Years ending 2020-2024

Process	2024	2023	2022	2021	2020	% Increase (-Decrease)			
						2023-24	2022-23	2021-22	2020-21
30 Year Cancellation	97.54%	96.67%	99.17%	98.00%	77.50%	0.87%	-2.50%	1.17%	20.50%
Account Settlement	96.75%	93.78%	-	-	-	2.97%	-	-	-
Administrative Appeal	-	100.00%	-	-	-	-	-	-	-
Agreed Upon Procedures	92.55%	96.04%	-	-	-	-3.49%	-	-	-
Executive Referrals	100.00%	78.13%	-	-	-	21.87%	-	-	-
Felony Forfeiture	100.00%	100.00%	-	-	-	-	-	-	-
Member Death	99.51%	99.29%	98.79%	-	98.53%	0.22%	0.50%	-	-
Plan E Rescission	100.00%	90.00%	-	-	-	10.00%	-	-	-
<i>Plan Transfer</i>									
<i>a) Open Window</i>	94.76%	92.98%	94.04%	100.00%	72.06%	1.78%	-1.06%	-5.96%	27.94%
<i>b) Incremental Buy Back</i>	97.06%	98.14%	97.52%	95.25%	96.53%	-1.08%	0.62%	2.27%	-1.28%
<i>Previous Service Contracts</i>									
<i>a) General to Safety</i>	98.15%	97.48%	96.77%	95.92%	98.31%	0.67%	0.71%	0.85%	-2.39%
<i>b) Military / Federal Time</i>	98.42%	99.29%	98.77%	96.45%	98.14%	-0.87%	0.52%	2.32%	-1.69%
<i>c) OPA</i>	96.08%	97.09%	95.54%	95.58%	97.35%	-1.01%	1.55%	-0.04%	-1.77%
<i>d) Redeposit</i>	96.22%	94.43%	96.70%	95.31%	98.27%	1.79%	-2.27%	1.39%	-2.96%
<i>e) SWOP</i>	99.18%	98.51%	98.07%	98.64%	98.41%	0.67%	0.44%	-0.57%	0.23%
<i>f) Temporary Time</i>	98.63%	98.31%	98.28%	98.20%	98.55%	0.32%	0.03%	0.08%	-0.35%
Reciprocity	98.12%	97.56%	97.56%	97.41%	100.00%	0.56%	0.00%	0.15%	-2.59%
Retirement Estimate	93.60%	93.60%	98.37%	97.78%	100.00%	0.00%	-4.77%	0.59%	-2.22%
Service Retirement Agenda	97.83%	98.11%	97.86%	97.20%	96.69%	-0.28%	0.25%	0.66%	0.51%
Termination Letters	97.46%	96.75%	94.16%	91.91%	-	0.71%	2.59%	2.25%	-
AVERAGE	97.74%	97.82%	97.77%	96.74%	94.64%	-0.08%	0.05%	1.03%	2.10%



Chart B – Percent of Pre-Completion Cases Audited – Fiscal Years ending 2020-2024

Process	2024			2023			2022			2021			2020			% Increase (-Decrease)			
	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	Pre-Completion	Audited	%	2023-24	2022-23	2021-22	2020-21
30 Year Cancellation	83	57	68.67%	70	15	21.43%	294	24	8.16%	53	5	9.43%	37	4	10.81%	47.25%	13.27%	-1.27%	-1.38%
Account Settlement	2937	547	18.62%	903	106	11.74%	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Appeal	0	0	-	1	1	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Agreed Upon Procedures	39	39	100.00%	21	21	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive Referrals	2	2	100.00%	16	16	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Felony Forfeiture	1	1	100.00%	1	1	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Member Death	163	163	100.00%	154	154	100.00%	129	129	100.00%	-	-	-	77	77	100.00%	-	-	-	-
Plan E Rescission	1	1	100.00%	2	2	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Plan Transfer</i>																			
<i>a) Open Window</i>	98	50	51.02%	51	29	56.86%	83	33	39.76%	30	8	26.67%	11	4	36.36%	-5.84%	17.10%	13.09%	-9.70%
<i>b) Incremental Buy Back</i>	282	158	56.03%	249	94	37.75%	327	118	36.09%	153	104	67.97%	142	103	72.54%	18.28%	1.67%	-31.89%	-4.56%
<i>Previous Service Contracts</i>																			
<i>a) General to Safety</i>	204	151	74.02%	331	147	44.41%	322	141	43.79%	119	96	80.67%	111	82	73.87%	29.61%	0.62%	-36.88%	6.80%
<i>b) Military / Federal Time</i>	312	175	56.09%	763	216	28.31%	612	207	33.82%	329	238	72.34%	413	168	40.68%	27.78%	-5.51%	-38.52%	31.66%
<i>c) OPA</i>	440	287	65.23%	1015	360	35.47%	864	296	34.26%	407	208	51.11%	655	190	29.01%	29.76%	1.21%	-16.85%	22.10%
<i>d) Redeposit</i>	93	82	88.17%	120	82	68.33%	118	64	54.24%	59	48	81.36%	58	41	70.69%	19.84%	14.10%	-27.12%	10.67%
<i>e) SWOP</i>	597	359	60.13%	1443	458	31.74%	966	336	34.78%	520	377	72.50%	570	308	54.04%	28.39%	-3.04%	-37.72%	18.46%
<i>f) Temporary Time</i>	1868	928	49.68%	3303	1135	34.36%	2318	824	35.55%	1197	1011	84.46%	1739	884	50.83%	15.32%	-1.19%	-48.91%	33.63%
Reciprocity	430	196	45.58%	427	109	25.53%	363	60	16.53%	68	13	19.12%	69	3	4.35%	20.05%	9.00%	-2.59%	14.77%
Retirement Estimate	211	128	60.66%	498	93	18.67%	849	77	9.07%	290	14	4.83%	431	376	87.24%	41.99%	9.61%	4.24%	-82.41%
Service Retirement Agenda	3283	3283	100.00%	3340	3340	100.00%	4048	3983	98.39%	3454	3454	100.00%	3248	3248	100.00%	0.00%	1.61%	-1.61%	0.00%
Termination Letters	1869	239	12.79%	1204	142	11.79%	1318	73	5.54%	275	12	4.36%	38	0	0.00%	0.99%	6.26%	1.18%	4.36%
TOTALS / AVERAGE % Audited	12,913	6,846	53.02%	13,912	6,521	46.87%	12,611	6,365	50.47%	6,954	5,588	80.36%	7,599	5,488	72.22%	6.14%	-3.60%	-29.88%	8.14%



Post-Completion Audit

Chart C – Post Completion Audit: Comparative Accuracy Rates from Fiscal Years ending 2020-2024

Process	2024	2023	2022	2021	2020	% Increase (-Decrease)			
						2023-24	2022-23	2021-22	2020-21
Beneficiary Change	97.33%	98.36%	97.50%	98.58%	97.15%	-1.03%	0.86%	-1.08%	1.43%
Direct Deposit	99.78%	99.91%	99.81%	99.79%	99.80%	-0.13%	0.10%	0.02%	-0.01%
Federal / State Tax	98.96%	98.30%	98.61%	99.09%	99.81%	0.66%	-0.31%	-0.48%	-0.72%
First Retirement Payment	98.71%	97.76%	97.29%	96.62%	96.34%	0.95%	0.47%	0.67%	0.28%
AVERAGE	98.70%	98.58%	98.30%	98.52%	98.28%	0.11%	0.28%	-0.22%	0.25%

Chart D – Post Completion Audit: Number of Samples from Fiscal Years ending 2020-2024

Process	2024	2023	2022	2021	2020	# Increase (-Decrease)			
						2023-24	2022-23	2021-22	2020-21
Beneficiary Change	480	428	351	330	270	52	77	21	60
Direct Deposit	480	428	360	330	270	52	68	30	60
Federal / State Tax	480	353	359	330	270	127	-6	29	60
First Retirement Payment	201	96	70	238	542	105	26	-168	-304
TOTAL	1,641	1,305	1,140	1,228	1,352	336	165	-88	-124



Specialist Basic Training Audit

Chart E – Specialist Basic Training Audit: Comparative Accuracy Rates, Fiscal Years ending 2020-2024

Process	2024	2023	2022	2021	2020	% Increase (-Decrease)			
						2023-24	2022-23	2021-22	2020-21
<i>Plan Transfer</i>									
<i>a) Open Window</i>				86.46%	91.07%	0.00%	0.00%	-86.46%	-4.61%
<i>b) Incremental Buy Back</i>	90.86%	98.24%		98.37%	98.02%	-7.38%	98.24%	-98.37%	0.35%
<i>Previous Service Contracts</i>									
<i>a) General to Safety</i>	95.10%	95.29%		97.05%	94.22%	-0.19%	95.29%	-97.05%	2.83%
<i>b) Military / Federal Time</i>	98.21%	97.84%	98.08%	97.96%	98.10%	0.37%	-0.24%	0.12%	-0.14%
<i>c) OPA</i>	94.42%	97.10%	95.85%	91.29%	98.15%	-2.68%	1.25%	4.56%	-6.86%
<i>d) Redeposit</i>	84.17%	94.69%	93.01%	93.06%	92.78%	-10.52%	1.68%	-0.05%	0.28%
<i>e) SWOP</i>	96.19%	96.77%	96.98%	98.68%	96.12%	-0.58%	-0.21%	-1.70%	2.56%
<i>f) Temporary Time</i>	96.10%	96.98%	96.41%	97.03%	96.26%	-0.88%	0.57%	-0.62%	0.77%
Account Settlement	96.49%								
Reciprocity	95.66%	97.46%	99.02%		96.64%	-1.80%	-1.56%	99.02%	-96.64%
Retirement Estimate	-	96.40%		96.72%	98.42%	-	96.40%	-96.72%	-1.70%
30 Year Cancellation	98.00%	98.13%			97.35%	-0.13%	98.13%	0.00%	-97.35%
Termination Letter	-	97.59%		93.99%		-	97.59%	-93.99%	-
AVERAGE	96.06%	96.95%	96.56%	95.06%	96.10%	-0.89%	0.39%	1.50%	-1.04%



Specialist Basic Training Audit

Chart F – Specialist Basic Training Audit: Number of Samples from Fiscal Years ending 2020-2024

Process	2024	2023	2022	2021	2020	% Increase (-Decrease)			
						2023-24	2022-23	2021-22	2020-21
<i>Plan Transfer</i>						0	0	0	0
<i>a) Open Window</i>	-	-	-	5	64	-	-	-	-59
<i>b) Incremental Buy Back</i>	29	142	-	50	190	-113	-	-	-140
<i>Previous Service Contracts</i>						0	0		
<i>a) General to Safety</i>	125	104	-	58	214	21	-	-	-156
<i>b) Military / Federal Time</i>	312	118	117	81	228	194	1	36	-147
<i>c) OPA</i>	275	232	237	122	369	43	-5	115	-247
<i>d) Redeposit</i>	8	16	39	37	110	-8	-23	2	-73
<i>e) SWOP</i>	412	118	334	84	397	294	-216	250	-313
<i>f) Temporary Time</i>	571	199	530	197	1071	372	-331	333	-874
Account Settlement	140	-	-	-					
Reciprocity	6	127	95	-	138	-121	32	-	-
Retirement Estimate	-	134	-	137	116	-	-	-	21
30 Year Cancellation	5	16	-	-	72	-11	-	-	-
Termination Letter	-	110	-	21		-	-	-	21
AVERAGE	1883	1316	1352	792	2969	567	-36	560	-2177

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

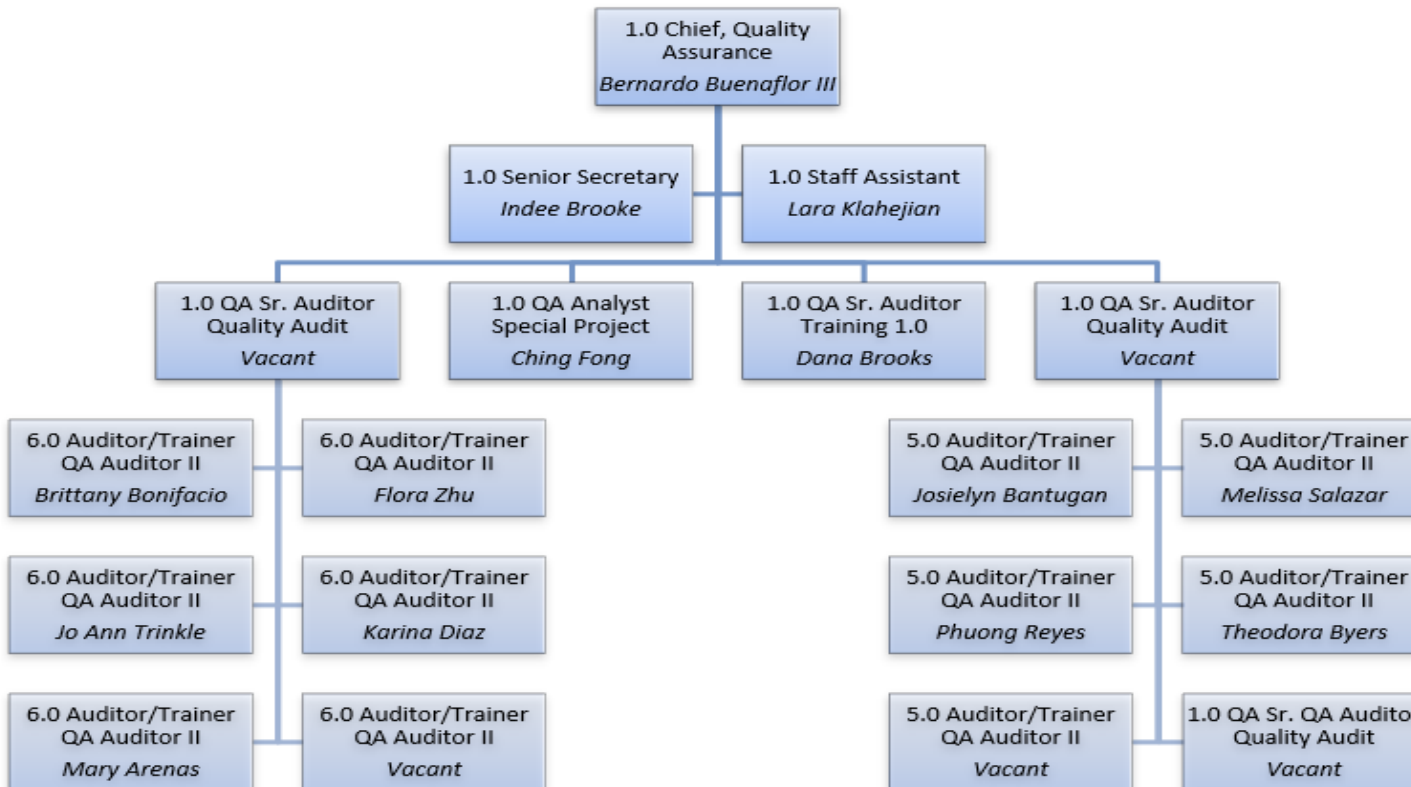
	Eligibility	Worksheet	Salaries	Lump Sum Cost	Data Entry	Service Credit	Cost Letter / Documents	
	35%	10%	15%	10%	15%	10%	5%	= 100%
	7	2	3	2	3	2	1	= 20 value
Sample 1 Specialist A	Pass	Fail	Fail	Pass	Fail	Pass	Pass	12/20 = (60%)
Sample 2 Specialist A	Pass	Pass	Pass	Pass	Pass	Pass	Fail	19/20 = (95%)
Sample 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%]

QA Annual Audit Report FY 2023 - 2024

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 2023 - 2024

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	Specialist Basic Training Audit	Totals
Accuracy	97.74%	98.70%	94.52%	96.99%
Samples	6,846	1,641	1,883	10,370
Action Items	904	65	471	1,440
Outstanding Action Items	0	0	0	0

3 Types of Audits

1. Pre-Completion Audit
2. Post Completion Audit
3. Specialist Basic Training Audit

Setbacks

Division Staffing Shortages

Other Recommendations

- 2 Items Remained Outstanding

Post Completion Audit: First Payment Accuracy

- New Case Management (CMS) will help improve accuracy through:
 - Standardized Certification Process of Retirement Agenda
 - Automatic Identification of Inflated Salaries and Postings after Agenda
 - Pay Holds if First Payment Disbursement is not Reviewed or Approved

Achievements



- Increase Pre-Completion Audits
 - Over 82.60%
- New Audit Areas
 - Agreed Upon Procedures (flexible testing parameters and procedures are not yet available)
 - QA has gradually increased its role in the call monitoring of Member Services calls through the auditing of Specialist Basic Training call production
- QA has developed and submitted for executive approval three governance documents, namely:
 - QA Key Performance Indicators
 - QA Staff Development and Training Standards
 - 2024/2025 Annual QA Production/Audit Plan

QA's Future Initiatives



- Reorganize for Greater Independence and Objectivity
- Full Staffing
- Expand Scope of Audits Based on Risk Levels
 - More Processes
 - Call Monitoring
 - Member Surveys
- Explore New Tools and Techniques for Clearing Member Account Exceptions
- Instilling the “Auditor Mindset” and Analytical skills to prepare Staff for the workplace of the future
 - Advanced CERL Education (ACE) Training



Member Services Workforce Management

MS Contact Center and Member Service
Center

By JJ Popowich, Tatiana Bayer, Kelly Puga, Vanessa
Gonzalez & Gerald Bucacao

Member Services

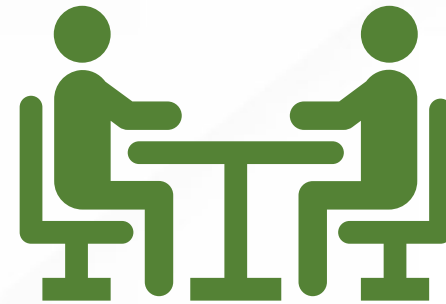


Introduction

Member Services Division has two front line sections that service all account and retirement inquiries from Active Members, Retired Members, Survivors, Beneficiaries, County Departments and third-party agencies.



Member Service Contact Center



Member Service Center (MSC)

This presentation will focus on the workforce management practices and how it is being utilized by both sections of Member Services (Contact Center and MSC). This practice helps us optimize staffing in Member Services with the goal of providing the Superior Member Experience.



Member Service Contact Center



Member Services

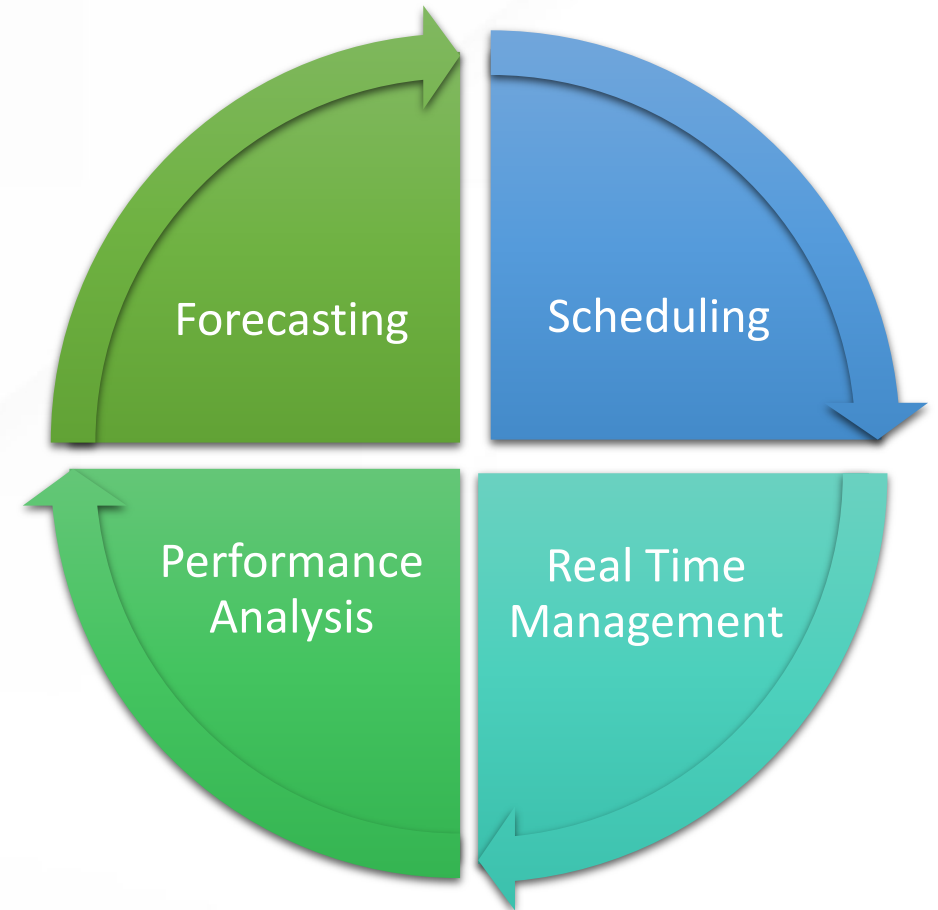


Workforce Management in Member Services

Optimizing Efficiency and Providing Superior Member Experience

- Workforce management (WFM) is a critical operational function designed to ensure that the right number of specialists with the appropriate skills are available to handle member interactions at any given time.
- Effective workforce management seeks to optimize both productivity and member satisfaction by balancing workload demands with staffing levels.

Key Components of Workforce Management

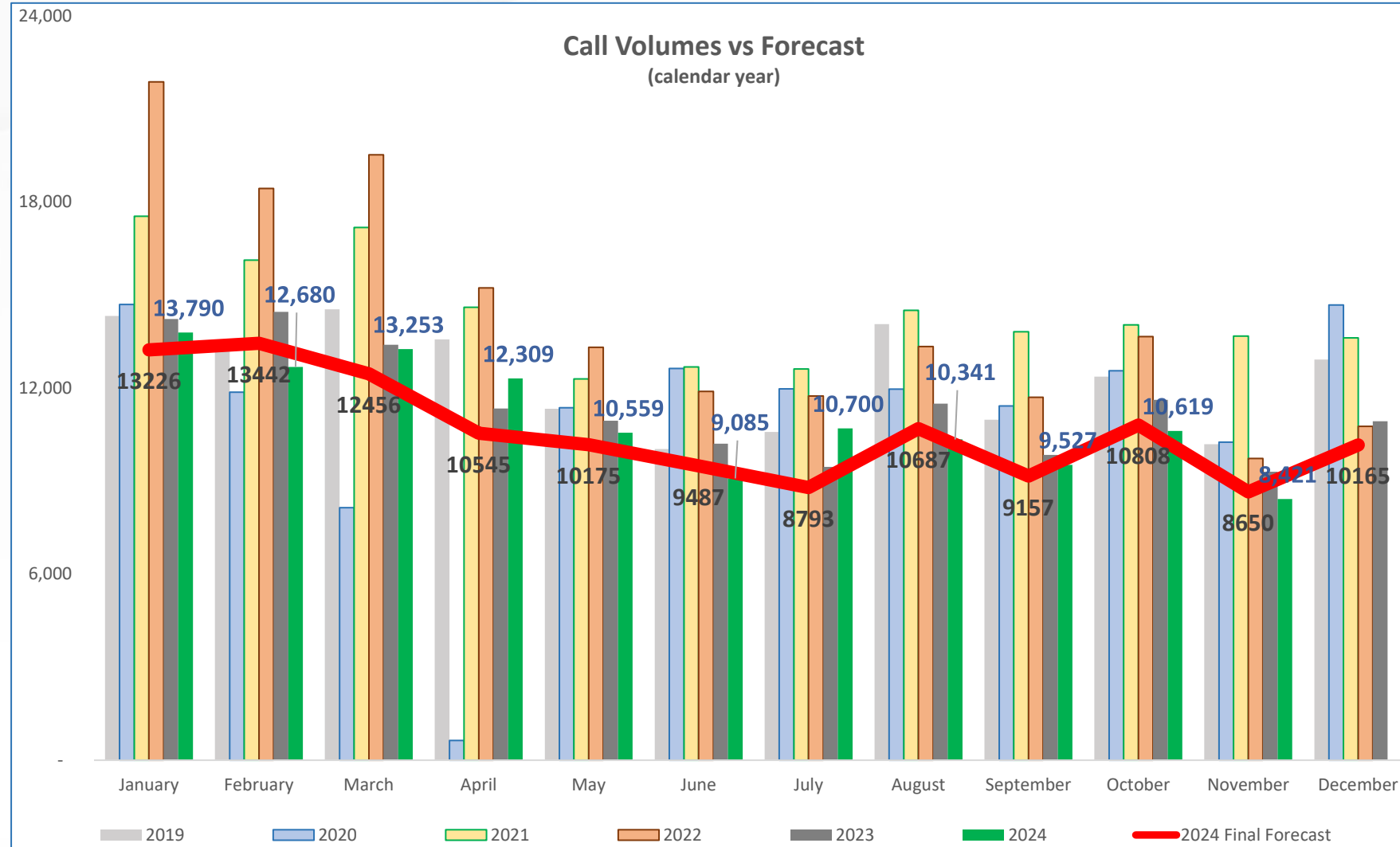


Member Services



Forecasting – Contact Center

- Forecasting - predicting future contact volumes based on historical data, trends, and seasonal variations such as March Madness and Tax season.



Member Services



Forecasting – Contact Center

- Accurate forecasts are essential for determining staffing requirements and ensuring that the contact center and the member services center can handle the expected workload.

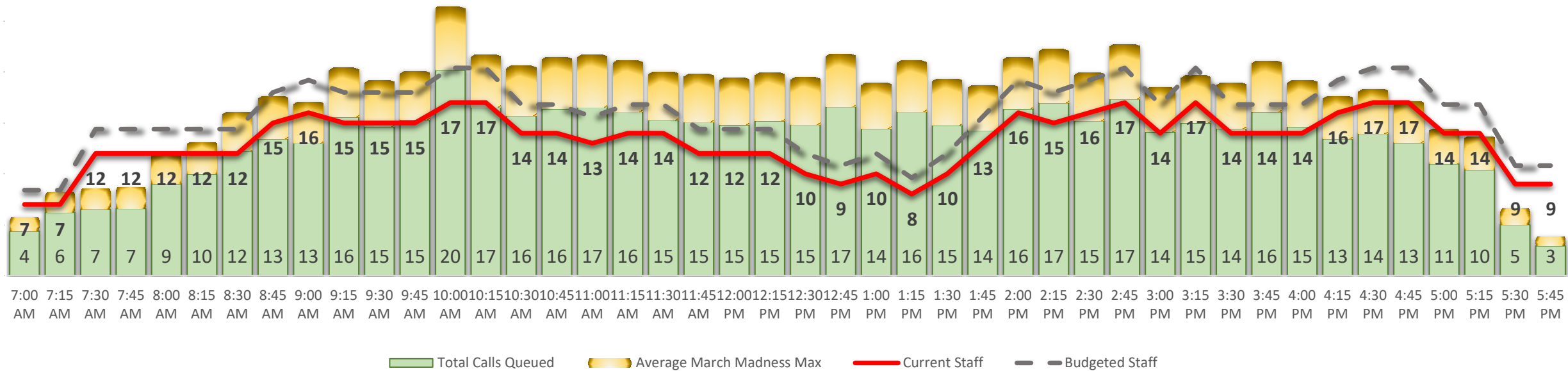
The Power of One

Call Volume	Number of Staff	Service Level (% calls answered in 60 seconds)	Average Wait Time (in Sec)
557	25	23.73%	241
557	26	29.29%	190
557	27	32.20%	173
557	28	35.10%	155
557	29	41.41%	127
557	30	48.59%	104
557	31	52.75%	93
557	32	56.90%	82
557	33	66.31%	61
557	34	76.06%	82
557	35	80.44%	54
557	36	84.81%	26
557	37	90.19%	17
557	38	95.56%	7
557	39	96.72%	5
557	40	97.88%	3

Member Services



MS Call Center Daily Intervals



- Scheduling translates the forecasted workload into specific work schedules and break times for specialists. This process aims to align specialist availability with expected contact volumes and optimizing coverage utilizing the systems we have in place such as Amazon Connect and Q-Flow.
- Part of scheduling is factoring in shrinkage which is expected time off and unexpected time off.

Member Services



Real Time Management – Contact Center

- Real-time management involves monitoring and adjusting staffing levels throughout the day to address unexpected changes in contact volumes or specialist availability.

MS Call Center

Agent Login	Channels	Agent		
		Activity	Duration	Routing Profile
[Redacted]	Voice	After contact work	00:05:32	Member Services Q
[Redacted]	Voice	After contact work	00:07:31	MyLACERA Member
[Redacted]	Voice	After contact work	00:02:44	MyLACERA Member
[Redacted]	Voice	After contact work	00:00:17	MyLACERA Member
[Redacted]	Voice	After contact work	00:05:38	MyLACERA Member
[Redacted]	Voice	After contact work	00:02:55	Member Services Q
[Redacted]	Voice	After contact work	00:04:22	MyLACERA Member
[Redacted]	Voice	After contact work	00:00:10	MyLACERA Member
[Redacted]	Voice	Lunch/Break	00:02:27	MyLACERA Member
[Redacted]	Voice	Meeting	00:58:28	MyLACERA Member
[Redacted]	Voice	On contact	00:05:04	Member Services Q
[Redacted]	Voice	On contact	00:07:52	MyLACERA Member
[Redacted]	Voice	On contact	00:06:32	MyLACERA Member
[Redacted]	Voice	On contact	00:04:21	MyLACERA Member

Last Update: Apr 23, 2024, 3:28:16 PM [Actions](#) [Save report](#)

Real-time Metrics: MS Only Real Time Report

Queues

Time range: midnight to now (US/Pacific)

Name	Contacts		Performance									
	Availability	Active	In queue	Oldest	Queued	Handled	Abandoned	AHT	Avg queue answer time	Max Queued	Transferred out	SL 60 secs
Summary	0	13	6	00:12:28	580	384	76	00:13:47	00:14:56	00:53:28	54	23.45%
Member Services	0	11	6	00:12:28	406	219	72	00:13:59	00:18:42	00:53:28	28	26.85%
HR Hotline	0	0	0	00:00:00	1	1	0	00:10:33	00:01:09	00:01:09	0	0.00%
MyLACERA	0	1	0	00:00:00	54	50	4	00:13:28	00:01:33	00:04:32	19	42.59%
Callback-Member Services	0	1	0	00:00:00	119	114	0	00:13:33	00:13:40	00:30:06	7	3.36%
MS Spanish Queue	0	0	0	00:00:00	-	-	-	-	-	-	-	-

Member Services



Performance Analysis – Contact Center

- Performance analysis involves evaluating key metrics such as average handle time, service level and adherence to schedule.
- By analyzing these metrics, member service managers can identify areas for improvement, provide targeted coaching to specialists, and make informed decisions about future staffing and operational strategies.
- **Contact Center Metrics (January 2023-November 2024)**

MS Call Center Metric	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Call Volume	14,223	14,455	13,394	11,340	10,942	10,202	9,456	11,492	9,847	11,622	9,302	10,931	13,790	12,680	13,253	12,309	10,559	9,085	10,700	10,341	9,527	10,619	8,421
Service Level	38.56%	36.31%	55.41%	45.61%	63.72%	63.56%	69.97%	70.85%	67.61%	46.38%	55.98%	38.57%	33.00%	31.63%	35.52%	42.37%	80.84%	83.24%	68.41%	67.70%	63.55%	48.89%	57.83%
Average Handle Time	0:17:26	0:17:56	0:16:46	0:16:36	0:16:07	0:16:06	0:16:02	0:16:34	0:16:20	0:16:08	0:16:25	0:15:53	0:16:48	0:17:17	0:17:48	0:17:16	0:17:16	0:17:13	0:16:55	0:17:12	0:17:34	0:17:24	0:16:32
Staff Count	19	25	29	28	26	26	26	26	26	26	26	25	25	24	24	24	34	30	28	26	25	25	25

- **Average Call Volume/Month – 11,239 calls per month, 546 calls per day, 22 calls per staff per day**
- **Average Handle Time – 16 minutes 51 seconds (calls can range from 5 minutes to 1.5 hours)**
- **Average Service Level – 55.02% of calls answered within 60 seconds (target of 80%) in the Member Services Queue**
- **Average Number of Staff – 25**



Member Service Center (MSC)

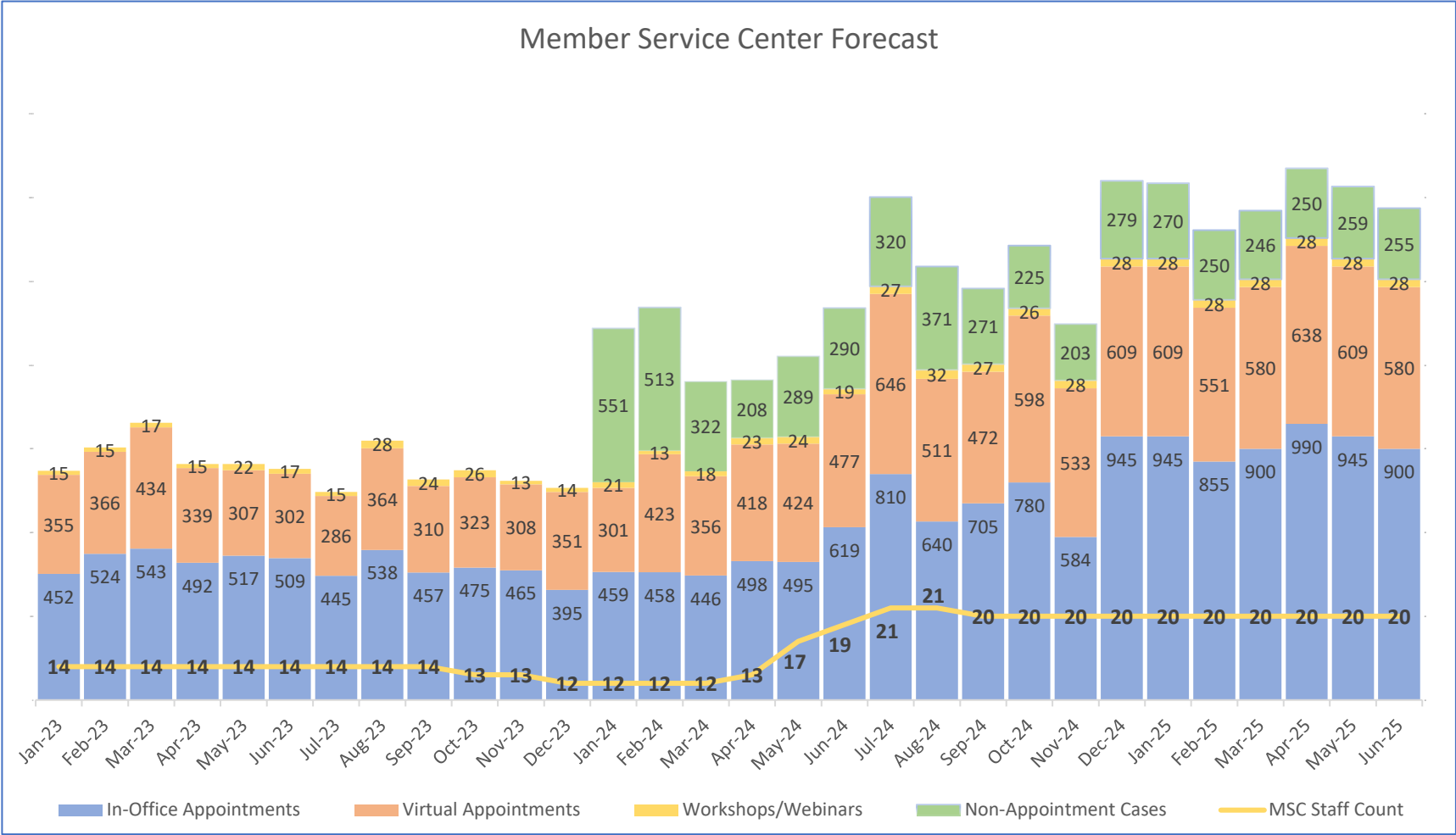


Member Services



Forecasting – Member Service Center (MSC)

- Forecasting multiple Omnichannels that MSC service



Member Services



Scheduling – Member Service Center (MSC)

- In-Office Appointments
- Virtual Appointment
- Workshops/Webinars
- Field Events
- Home Visits
- Walk-ins

Appointments - In-Office | Monday, October 21, 2024

Day List Remaining Next Hour Waiting Canceled Direct Admit

Working Hours: 7:00 AM-4:30 PM Vacant Time: 0:00 Hours

Time	Staff	Appointment ID	Duration	Status
7:00 AM	C101	C100	60 min.	Booked
8:00 AM	C106	C104		Booked
8:00 AM	C102	C105		Booked
8:00 AM	C103	C107		Booked
9:00 AM	C108	C111		Booked
9:00 AM	C112	C113		Booked
9:00 AM	C110	C109		Booked
10:00 AM	C116	C115		Booked
10:00 AM	C117	C118		Booked
10:00 AM	C114	C119		Booked
11:00 AM	C122	C120		Booked
11:00 AM	C123	C124		Booked
11:00 AM	C125	C121		Booked
1:00 PM	C129	C126		Booked
1:00 PM	C127	C128		Booked
1:00 PM	C130			Manager's Control
2:00 PM	C133	C131		Booked
2:00 PM	C134	C132		Booked
3:00 PM	C136	Den		Booked
3:00 PM	C135	C137		Booked

■ Vacant
 ■ Booked
 ■ Reserved
 ■ Occupied
 ■ Locked

This form is not automatically updated

Sep **October 2024** No

Sun	Mon	Tue	Wed	Thu	Fri	Sat
29	30	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

- My Calendars
- My Favorites
 - Active Today
 - Recently Used
 - Grouped by Service Type
 - Grouped by Unit
 - Owned by Me
 - Not Working Today
 - Calendars in Other Units

Member Services



Real Time Management – Member Service Center (MSC)

- Providing real-time visibility of staff activity and productivity, ensuring staff are at the right place at the right time serving members and helping them along their journey

Unit: Member Services Include sub units Agent Status: Active

Search Show 50 results

	Name	Elapsed	Function	Location	Last Service/ Back Office Task
	Desk Reception (Reception)	119d, 4:32		Reception	
		22d, 4:32	Drop-Off / Pick-Up Documents	Window 1	
		0:49:19	Counseling - Virtual	Door 2	Appointments - Virtual (C120)
	Services Member (Counter)	678d, 6:29	Call All	Reception	
		1:22:24	Counseling - Virtual	Virtual	Appointments - Virtual (C119)
		1:28:46	Workshop	Virtual	Retirement Workshop (R101)
		1:26:19	Counseling - Virtual	Virtual	Appointments - Virtual (C118)
		0:31:41	In-House	Door 2	Appointments - In-Office (C125)
		0:17:42	In-House	Door 1	Adhoc (W109)

Records: 1..30 of 30

Online Service Statistics

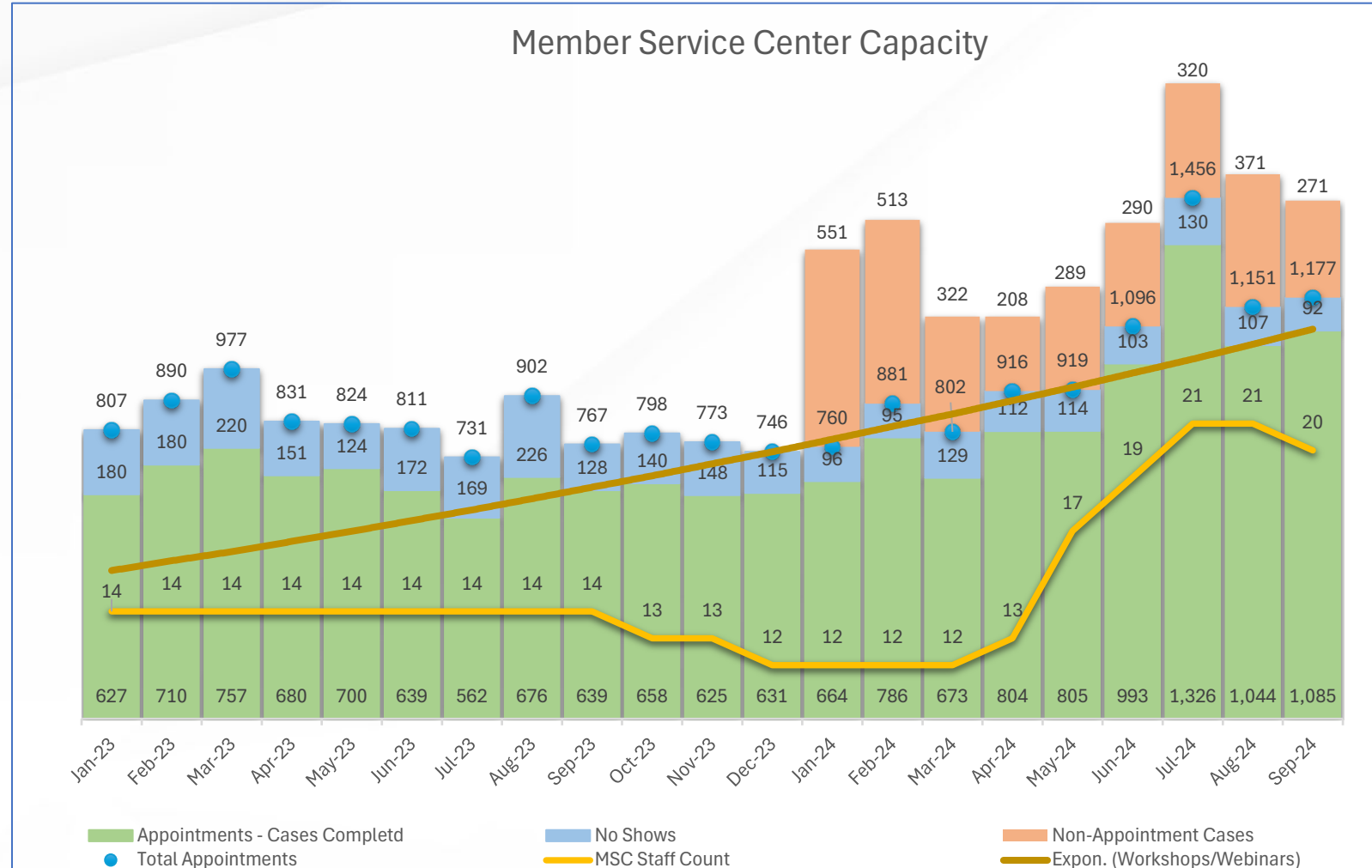
Service	Waiting	Avg. Waiting Time	Max. Waiting Time	In Service	Avg. Service Time	Max. Service Time
Accommodations	0	0:00:00	0:00:00	0	0:00:00	0:00:00
Adhoc	0	0:00:00	0:00:00	1	0:17:03	0:17:03
Appointments - In-Office	1	0:02:19	0:02:19	3	0:38:06	1:08:13
Appointments - Virtual	1	0:35:47	0:35:47	4	1:08:26	1:22:51
Drop-Off / Pick-Up Documents	0	0:00:00	0:00:00	0	0:00:00	0:00:00
LACERA Visitor Intake	0	0:00:00	0:00:00	0	0:00:00	0:00:00
Retirement Workshop	0	0:00:00	0:00:00	1	1:28:07	1:28:07

Member Services



Performance Analysis – Member Services Center (MSC)

- **Monthly Cases Completed by Volume – 1,366**
- **9 additional staff as of July 2024**
- **Increase in staff lead to larger webinar/workshop numbers:**
 - **Average Workshops 28 per Month**
 - **Average Monthly Workshop Attendance 1,032 members**
- **Implementation of Appointment Reminder Notification Systems assisted in reduction of number of no shows**



Member Services



Benefits of Effective Workforce Management

Improved Member Experience

- Timely and efficient service
- Reduces wait times and the likelihood of abandoned calls
- Improve quality of services

Enhanced Employee Engagement

- More balanced workload for specialists
- Prevents burnout and fosters a positive work environment
- More productive workforce

Cost Efficiency

- Align staffing levels with actual workload demands
- Leads to better utilization of resources

Operational Flexibility

- Agility to respond to changing business needs and external factors
- Enable quick and informed adjustments to staffing and operations
- Success story: addition to a second queue - technical support line for member in need of assistance with their member portal





Challenges in Workforce Management

Accurate Forecasting

- Forecasting contact volumes can be complex
- Known and unknown events can impact forecast accuracy
- Requires continuous refinement and adjustments

Adapting to Specialist Availability

- Ability to use flexibility when creating schedules
- Managing unexpected absences and specialist availability requires flexible and responsive WFM systems

Maintaining Service Levels

- Need to ensure sufficient staffing to meet service level agreements (SLAs)
- Current Service Level set by the organization is to answer 80% of member calls within 60 seconds

Technology Integration

- Integrating workforce management systems with other contact center technologies is critical for seamless operations
- Ensuring compatibility and real-time data exchange can be complex and require significant investment



Member Services



Conclusion

Why is Workforce Management essential to ensure a Superior Member Experience?

- Improved member satisfaction
- Plays a vital role in optimizing efficiency
- Enhance employee engagement
- Cost efficiency
- Operation flexibility
- By effectively managing forecasting, scheduling, real-time adjustments, and performance analysis, contact centers can strike a balance between operational efficiency and quality member service.

The benefits of Workforce Management makes it indispensable to **Produce, Protect, and Provide the Promised benefits to our members.**



THANK YOU!

Member Services Division



QUESTIONS?



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

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



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