

LIVE VIRTUAL COMMITTEE MEETING

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



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing PublicComment@lacera.com. If you would like to remain anonymous at the meeting without stating your name, please let us know.

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

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

NOTICE OF MEETING AND AGENDA

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 NORTH LAKE AVENUE, SUITE 810
PASADENA, CA 91101

THURSDAY, OCTOBER 6, 2022 – 9:00 A.M.**

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

Any person may view the meeting online at
<http://lacera.com/leadership/board-meetings>

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

COMMITTEE MEMBERS:

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

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of September 7, 2022

II. PUBLIC COMMENT

(Written Public Comment – You may submit written public comments by email to PublicComment@lacera.com. Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.)

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

III. 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. FPPC Form 700 e-Filing Solution
Jessica C. Rivas, Staff Counsel
Margo McCabe, Legal Analyst
(Presentation)

- C. Business Continuity Tabletop Exercise Results
James Beasley, Supervising Administrative Assistant, Admin Services
(Presentation)

IV. ITEMS FOR STAFF REVIEW

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

V. ITEMS FOR FUTURE AGENDAS

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

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

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

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

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

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

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

WEDNESDAY, SEPTEMBER 7, 2022, 12:00 P.M. – 12:56 P.M.

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

COMMITTEE MEMBERS

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

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Vivian H. Gray
Wayne Moore
William Pryor
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer
Luis Lugo, Deputy Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Laura Guglielmo, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Tamara Caldwell, Supervisor-Disability Retirement Services
Hernan Barrientos, Supervisor-Disability Retirement Services
Marilu Bretado, Disability Retirement Services
Erika Heru, LACERA Creative Coordinator-Communications

STAFF, ADVISORS, PARTICIPANTS (continued)

Kelly Puga, Contact Center Manager-Member Services Contact Center
Gerald Bucacao, Sr. Retirement Benefits Specialist
Bob Schlotfeldt, CISO
Kathy Delino, Interim Chief Information Technology Officer
Summy Voong, Interim Assistant Systems Division Manager

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

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of August 3, 2022

Mr. Santos made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of August 3, 2022. The motion passed with one abstention.

II. PUBLIC COMMENT

III. REPORTS

A. LACERA Operations Briefing

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

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

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

B. Disability Retirement Online Application Preview

Tamara Caldwell, Supervisor-Disability Retirement Services
Hernan Barrientos, Supervisor-Disability Retirement Services
(Presentation)

Ms. Caldwell and Mr. Barrientos provided a brief presentation and answered questions from the Committee.

III. REPORTS (Continued)

- C. Communications - My LACERA Walkthrough Video
Erika Heru, LACERA Creative Coordinator
(Presentation)

Ms. Heru provided a brief presentation and answered questions from the Committee.

- D. Member Services Contact Center - My LACERA Support Queue
Kelly Puga, Contact Center Manager
Gerald Bucacao, Sr. Retirement Benefits Specialist
(Presentation)

Ms. Puga and Mr. Bucacao provided a brief presentation and answered questions from the Committee.

IV. ITEMS FOR STAFF REVIEW

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

There was nothing to report.

V. ITEMS FOR FUTURE AGENDAS

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

There was nothing to report

VI. GOOD OF THE ORDER

(For information purposes only)

VII. EXECUTIVE SESSION

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

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

September 7, 2022

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VIII. ADJOURNMENT

The meeting adjourned at 12:56 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

October 6, 2022





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

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

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

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

Project/Issue Title – Brief Description:

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



Status Indicator Note

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

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

• New and Updated Information

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

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



<p>reports are prepared to determine employer and employee contribution rates and to measure the funded status of the Pension Plan. In addition, the valuation report provides information used to prepare the Governmental Accounting Standards Board (GASB) Statement Number 68, financial statement reports. Plan Sponsors use the GASB reports to obtain information required for their financial statement disclosures.</p>	<p>Milliman began as a series of presentations to the Board of Investments (BOI) in August when they completed an “educational session” for the Trustees. The information included a high-level discussion of actuarial concepts, methods, and assumptions so Trustees are better informed for the upcoming investigation of experience process requiring Trustee input and decisions.</p> <p>Milliman will make three (3) presentations to the BOI this fall to review and determine the June 30, 2022, actuarial assumptions and methods. In addition, fiduciary counsel will make a presentation at the BOI meeting in October to underscore the importance of this process. The series of meetings are meant to provide the information necessary which will facilitate discussions as Trustees make decisions. Milliman’s October 2022 presentation will focus on economic assumptions and related actuarial methods.</p>
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Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial Accounting Services Division	July 2022	August 2023
	Project Lead(s): Ted Granger			
	On Schedule			
<p>Actuarial Valuation Reports: OPEB: The retiree healthcare (RHC) program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Number 75 prescribes</p>	<p><u>2022 OPEB – Annual Valuation</u> The July 1, 2022, OPEB Valuation Report is in progress. Milliman sent over, and LACERA staff are in the process of completing, the annual information request. Systems prepared and transmitted the year-end member census data to Milliman. LACERA prepared a draft project timeline and Milliman has started their preliminary data analysis. Milliman will present the final Valuation Report to the Board of Retirement in August 2023.</p>			



financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually for Los Angeles County and LACERA's Board of Retirement to make funding decisions and to provide the information for the GASB 75 report which is used for employer financial statement reporting.

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
<p>Alameda Decision Implementation: In 2020, the California Supreme Court issued its decision in the Alameda County Deputy Sheriff's Association v. Alameda County Employees Retirement Association ("Alameda"), challenging the constitutionality of changes passed in 2013 Assembly Bill 197, which amended the definition of compensation earnable, specifically, excluding pay items previously included such as unused vacation, termination pay, in-kind payments, and payments for services rendered outside of normal working hours. The Court upheld the constitutionality of the Legislature's actions. In 2021, the</p>	MOG	Benefits	08/01/2020	TBD
	Project Lead(s): Shonita Peterson			
	On Schedule			
	<p>Since the project start, staff have updated the salaries for 4,176 members to exclude Standby Pay and computed the contributions on earnings that occurred on or after January 1, 2013. Of those, 3,013 were actively employed, but only 2,284 had overpaid contributions. Since Active members cannot receive a refund while in service, LACERA suspended future contributions beginning with the March 30, 2022, salary (paid on April 15, 2022) through the point each member's balance had been depleted. Staff mailed 1,000 letters to the active members on February 11, 2022, and the remaining 1,084 letters on February 25, 2022. A split mailing was used to prevent overwhelming the Member Services Call Center.</p> <p>Subsequently, staff identified 149 deferred and inactive members, most of whom were entitled to a refund. Staff issued 132 checks to those members entitled to a refund. The balance of seventeen were not owed a refund.</p> <p>The Systems Division developed programming to remove the Standby pay code earnings for all retirees who retired on or after January 1, 2013, and recalculated their FAC earnings once the pay codes were removed. Per the BOR approval,</p>			



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.

these members were subject to having their benefits adjusted prospectively from August 30, 2020, following the court's decision.

Beginning May 24, 2022, LACERA notified 710 members via email that their monthly benefit allowance will be reduced effective July 31, 2022. Of these, 405 members were notified that due to the retroactive deduction of benefits to the August 2020 monthly allowance, they have been overpaid and will be required to repay the overpaid benefits. Members will be given the option to repay by lump sum, or via deductions from their benefits over a period of time (including financing interest). The remaining 305 retirees were mailed a refund check for the overpaid retirement contributions that exceeded the overpaid retirement benefit. An additional fifty-six members with Standby Pay neither have a refund nor a benefit change due to the timing of their standby pay, while a Plan E member, or having a 30-year cancellation.

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



Alameda Project Status	Current Report 9/27/2022	
	Count	%
Row Labels (Type, Status, Detail, Outstanding)		
Pending Notification (Staff Reviewing and Processing)	884	5.9%
Active	055	01.1%
Retired	153	3.6%
Deferred/Inactive	0	0.0%
Deceased	51	1.2%
Other – *Active/Ex- ceptions	625	0.0%
Withdrawn	0	0.0%
Completed	3,969	94.1%
Active	2965	70.3%
Retired	743	17.6%
Deferred/Inactive	149	3.5%
Deceased	0	0.0%
Withdrawn	56	1.3%
Not affected	56	1.3%
Grand Total	4,220	100%

***Alameda Project – Active Members:** In addition to the 286 Retired / Deceased / Survivor / Legal Split Payee cases, there are a total of 625 Active Exception cases that require manual review and processing by the specialist. The Workspace Support Team had informed the Benefits Team of this population. However, because we were concentrating



	on the retired population, we overlooked and did not report the Active Exception population. Our priority is still focused on the Retired / Deceased / Survivor / Legal Split Payee cases first.
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Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	09/16/2022
Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)				
Call Center Improvements: Phase I – Call Wait Time – Call Back:	On Schedule			
Phase I focuses on implementing a call back request feature to allow members on hold to request a call back between the hours of 10-3. Additionally, this phase will include the ability to announce call wait times.	The team continues to focus on implementing the ability for members to elect a call back and to have accurate wait times announced. During September LACERA worked with AWS to review and refine the Callback design through several discovery sessions. A development environment was created to serve as the platform to develop and test the new callback call flows. Callback prototypes were demonstrated, and feedback was provided to further refine the flow. A final prototype was presented, and User Acceptance testing was performed. Ongoing refinements and configuration tuning are in process. The LACERA Team expects to sign off and transition to the production environment and do final testing by the last week of September, allowing the call back and wait announcements to be live before this meeting.			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	09/19/2022
Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)				
Call Center Improvements: Phase II – Voice Authentication – AI Assisted Validation	Delayed			
Using AWS voice chat and voice authentication services to validate a member/survivor prior to speaking to a Specialist.	Our contact center service provider, AWS, offers two services which we have identified as possible member experience enhancements that will help further reduce call center wait times by reducing call duration. Members calling LACERA must pass a Basic Validation to allow us to access a member’s account, and then a Secure Validation before we can discuss their account in detail or make changes.			



	<p>AWS has an AI voice chat function which we believe can be used to interact with the member before talking to a Specialist and complete both validation steps. If successful we can reduce call duration by 1-2 minutes per call. Additionally, if fully integrated we would be able to personalize the call.</p> <p>Additionally, AWS offers a voice authentication service which can be used to validate callers by voice. Members who have opted into this service would be recognized and validated by AWS and able to bypass the validation process. This would be offered to members as an option upon completing a Secure Validation process.</p> <p>We have changed the status on Phase II due to the complexity of the project. The LACERA team and AWS have continued to discuss the refinement of the SOW. Additionally, we added Internal Audit and Info Security to the team and received their support for the project going forward. This was a critical hurdle to overcome to ensure the security of our new process.</p>
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Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	TBD
Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)				
On Schedule				
<p>Call Center Improvements: Phase III – Holiday Scheduling Automation</p> <p>Automates the scheduling of holidays for the call centers, eliminating the risk of human error and accidentally opening the call center on a holiday with no staff.</p>	<p>Currently the Systems team has to manually turn on the holiday messaging and voicemail boxes. This phase will allow them to pre-set holidays.</p> <p>Phase III is included in the SOW finalized in August. This feature will be implemented along with the Call Back and Wait-Time announcement features by the start of October.</p>			



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Executive (MOG)	06/01/2022	TBD
Project Lead(s): JJ Popowich, Cookie Jaranilla (PM)				
On Schedule				
Call Center Improvements: Phase IV – Emergency Access Console Provide ability to enable/disable an emergency announcement for each respective queue MS or RHC when all agents are logged out as well as during specified date/time range as may be set.	Phase IV is included in the SOW finalized in August. This feature will be implemented along with the Call Back and Wait-Time announcement features by the start of October.			

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



Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	Strategic	Executive (MOG/BSG)	08/24/2022	12/31/2022
Project Lead(s): JJ Popowich, Luis A. Lugo, & Iveta Brecko (PM)				
Case Management Project: 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.	On Schedule			
	<p>In May, the BOR approved LACERA's recommended vendor, Eccentex, to partner with LACERA to develop our Case Management System. Eccentex was selected after an extensive review of thirteen vendor proposals received from our RFP.</p> <p>The Disability Retirement Services (DRS) process is the first focus in Phase I. Throughout the month of September, the DRS and Eccentex teams have been going through the discovery phase of the project and are now working on developing prototypes for review. At the same time, the teams have begun the discovery phase for the Disability Litigation processes.</p>			

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	MOG	Benefits	04/01/2021	12/31/2022
Project Lead(s): Carlos Barrios				
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.	Delayed			
	<p>The project was broken down into five phases based on the complexity of the calculations needed to pay retroactive benefits to members.</p> <p>Phase I-IV: As of the date of this report, LACERA has paid out just over \$3.8 million in retroactive COLA earnings. Of the 9,672 members and survivors impacted, 8,178 accounts have been systematically resolved, which represents all members and survivors currently in a payment status.</p> <p>The fourth phase of the project, which requires manually calculating the retroactive benefits, includes 1,494 cases in a payment status. The manual phase of the project began in December 2021. Staff have manually calculated COLAs for 455 members and payments were issued in March and May of 2022.</p>			



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 while we 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.

The number of cases reported as completed last month was incorrect and has been corrected for this month.

COLA Bank: Retroactive Payment Project		
Status (As of 05/20/22)	Number	Percentage
Completed	8,510	88%
In-Process	1,162	12%
Grand Total	9,672	100%

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Executive (BSG)	03/01/2022	08/01/22
Project Lead: Laura Guglielmo, Budget Team, and Cookie Jaranilla (PM)				
Enterprise Budget Application:	Delayed			
Per a recommendation by Budget staff, the Operations Oversight Committee (OOC) on March 2, 2022, authorized a RFP for software and professional services to procure,	On April 14, 2022, LACERA received proposals from nine vendors. LACERA's evaluation team, with guidance from the consultant, reviewed all the proposals and based on the ratings, narrowed down the list to the top two vendors. The finalists have been invited to demonstrate their solutions following a detailed proof of capabilities script. These demonstrations were completed in July. The final vendor			



<p>configure, and implement an enterprise budget application for the Budget Unit in the Administrative Services Division. The RFP was published on LACERA.com on March 7, 2022.</p>	<p>has been identified by the selection team, and a recommendation will be made to the Board of Retirement for its consideration in October 2022. If approved, the team will negotiate an agreement with the selected vendor. The project implementation timeline is 26 weeks, depending on staff subject matter expert availability.</p>
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Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Administrative Services	03/01/2022	3/01/2023
Project Lead(s): James Beasley & Michael Dozier (PM)				
On Schedule				
<p>Enterprise Contract Lifecycle Management (ECLM) Solution: 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>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.</p> <p>The next steps in the process are to review, finalize, and approve the statement of work with the vendor, select Subject Matter Experts for the project implementation, and create a project plan to manage the implementation process.</p>			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Administrative Services	July 2022	October 2022
Annual Insurance Renewal – Phase II: After the Insurance Team’s completion of a successful solicitation, the BOR approved the replacement of LACERA’s current insurance brokerage firm. Alliant Insurance Services, Inc. (Alliant) was selected as the Broker of Record for LACERA effective April 29, 2022.	Project Lead(s): James Beasley			
	On Schedule			
	LACERA’s Broker of Record, Alliant Insurance Services, Inc., has obtained quotes and is binding policies with carriers for the October 9 th insurance renewal period. The Insurance Renewal Team and Broker are scheduled to provide recommendations for the Fiduciary Liability, Cyber Liability, and Crime Protection insurance policy selections at the September Board of Retirement meeting. The Board of Retirement approved the purchase of Fiduciary (\$408,890) and Cyber Liability (\$622,774) insurances effective October 9, 2022, at the September Board of Retirement meeting. They also approved that the expiration for these policies may be adjusted at management’s discretion to expire on June 30, 2023, to make all the insurance policies due on the same date each year. The recommendation to delegate authority to the Chief Executive Officer (CEO) or their designee to approve all insurance renewals moving forward, due to the timeliness of insurance bids and the close deadlines for renewals, was approved as well. Staff will provide an information-only report to the BOR in November with final renewal costs and terms.			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	01/01/2013	12/31/2022
PEPRA Implementation: FAC Issue: The Final Average Compensation for PEPRA members is exclusive of	Project Lead(s): JJ Popowich & Lynn Francisco			
	Pushed Back			
	The team focusing on this project have been working with the County Auditor-Controller to find a way to automatically filter out the non-pensionable			



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 PEPR. In order to accurately calculate a member's benefit, these non-pensionable compensation items need to be filtered out.

compensation items. The team believes it has made progress on filtering out most of the non-pensionable compensation items.

The team continues to work with the AC to address pay code changes that occur mid-pay period, which are not filtered out. The team met with the AC in late June and the AC committed to providing a test file by July 15th. The test file was delivered in mid-August. Systems and QA have begun the testing process to determine if the file addresses our concerns and allows us to accurately calculate the FAC. If testing is successful, we will work with the AC to get this data retroactively to at least 2014.

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
		Strategic	Executive (MOG)	03/03/2022
Project Lead(s): Bonnie Nolley & Linda El-Farra				
OneMeeting (PrimeGov) Implementation: The Board of Retirement approved a more effective meeting management tool to help streamline the planning and conducting of Board/Committee meetings while improving transparency and public access.	On Schedule			
	Staff is working with the vendor in developing workflows and solutions for the processes currently being done manually. User testing has been completed around user item permissions and workflows. Trustee testing and training will begin by mid-October. Staff plans on presenting an overview of the public interface at the Operations Oversight Committee in November 2022			



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Disability Retirement Services (MOG)	May 4, 2021	February 23, 2023
Project Lead(s): Tamara Caldwell & Kathy Delino				
On-Line Disability Retirement Application:	On Schedule			
To facilitate member self-service, improve the member experience, and streamline the intake of disability retirement applications, the Systems Division has been working jointly with the Disability Retirement Division to develop an on-line disability retirement application on My LACERA.	A presentation and live preview of the online application was provided to OOC on September 7, 2022. The online application was deployed that evening and visible to LACERA membership on September 8, 2022. As of September 21, 2022, 12 applications are in process, pending submission. On September 19, 2022, a link to a member experience survey was published on the Home and application success pages of My LACERA. Staff will monitor application activity to collect data concerning functionality and member experience and make improvements and enhancements, if necessary, in anticipation of the official launch, which will include a Communications campaign scheduled for November.			

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



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	RHC	Executive Office	March 2021	TBD
Project Lead(s): Santos H. Kreimann & Luis A. Lugo				
Retiree Healthcare Administration: Lifetime Maximum Benefit Project:	Delayed			
	The County CEO’s Office has provided LACERA their actuary’s response to our \$1 million Lifetime Maximum Benefit (LMB) analysis. LACERA’s healthcare consultant (Segal) and actuary (Milliman) have reviewed the report and briefed LACERA staff on the key areas of disagreement. On June 10, 2022, LACERA staff held a meeting with the County CEO’s office and their actuarial consultant, Cheiron. LACERA’s healthcare consultant (Segal) presented their analysis and findings as a follow-up to Cheiron’s report. The County CEO’s office will have an internal discussion and will reengage LACERA on next steps, which will be geared towards discussing potential solutions in addressing the \$1 million LMB.			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Executive (BSG)	October 2021	June 2023
Project Lead(s): Laura Guglielmo, Ted Granger, & Cookie Jaranilla				
Travel/Expense/P2P Software: LACERA has procured “Certify” software created by Emburse, an accounts payable automation and expense management provider.	Pushed Back			
	<u>Travel and Expense Module</u> Staff has implemented a soft pause for the Certify travel and expense report management software. There are some internal processes that require additional review and consideration. Staff is using Microsoft SmartSheets to implement the travel and training approval processes. Systems is in the process of developing Smartsheet solutions for Human Resources’ Training and Employee Development unit that will be synchronized with the travel software implementation. In addition, staff needs to devote additional time to reviewing the travel booking software provided through Certify which includes understanding hidden fees and how to apply the tool for group events.			



	<p><u>Accounts Payable Module</u> Staff shifted focus to Certify’s accounts payable “core” tool. Staff is preparing to resume internal discussions at the end of September and move forward. Staff developed process flowcharts and will present them to Certify to establish and optimize LACERA’s processes within the software workflow. In addition, staff is helping Certify initiate the software by establishing users, vendors, electronic payment methods, and developing approval processes. Throughout this process, staff will continue to evaluate the software product to ensure it meets LACERA’s needs and requirements.</p> <p>The accounts payable module includes a streamlined procurement and payables process that leverages optimized character recognition to reduce manual data entry. With Certify, LACERA may also make payments via ACH or virtual credit cards to vendors. This project strategically aligns with Systems’ goal of upgrading the technology of the organization and will replace the manual process with the latest technology.</p>
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• Existing Projects/Initiatives: No New Updates

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

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



<p>audit opinion of those statements, and transmit these reports to the Los Angeles County Board of Supervisors within six-months following the fiscal year end.</p>	<p>calculations. LACERA staff completed the annual financial closing process and completed preliminary work to start preparing the fiscal year-end financial statements.</p> <p>During the last month, LACERA staff received information from various LACERA Divisions, held internal FASD team meetings, bi-weekly meetings with Plante Moran, and met with the Investment Office regularly. FASD staff completed the “hard close” and will continue preparing the financial statements. Nearly all investment manager statements were received by the deadline, and there was a small adjustment to the hard close results. Plante Moran is conducting detailed investment and accounting testing beginning August 29 through the middle of October. LACERA is on track to complete and submit audited financial statements by mid-October and submit them to the County by the October 31 deadline.</p>
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Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	01/01/2013	TBD
Project Lead(s): Cynthia Martinez				
PEPRA Implementation: Annual Benefit Statement	Delayed			
LACERA does not currently offer an Annual Benefit Statement (ABS) for PEPRA members.	LACERA is unable to generate a PEPRA member ABS until we can accurately, automatically, calculate a member’s FAC. This project is on hold until the FAC issue is resolved.			

Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Operations	Executive (MOG)	June 2021	TBD
Project Lead(s): JJ Popowich				
Retroactive Payroll Adjustments: Prospective Correction	Delayed			
	Following the AC’s programming change, LACERA implemented a testing regimen to ensure that the contributions were being deducted as expected.			



<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>In August, the AC notified LACERA that they were adjusting the time frame that they would be withholding contributions for retroactive adjustments to 60 months (from the current 99 months). All retroactive earnings paid for pay periods more than 60 months in arrears would no longer have contributions deducted from them. This change was made by the County due to excessive degradation in their payroll system’s performance.</p> <p>We met with the AC’s team to discuss collection of contributions for adjustments more than 60 months old. A few ideas were generated from the meeting, and we will continue to work with them to develop a procedure that both the County and LACERA can support.</p>
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Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	Strategic	Executive (MOG)	07/01/2022	12/31/2022
Project Lead(s): Kevin Hawkins				
On Schedule				
<p>Tax Table Changes for 2022: New Tax Withholding Form The IRS published updated tax tables for 2022 which became effective January 1, 2022. The IRS finalized a revised Federal Withholding Certificate for Pension & Annuity Recipients (commonly referred to as a W-4P tax withholding form), in early 2022. The IRS is not requiring the new form be used until the 2023 tax year.</p>	<p>Earlier this year, the Project Management Group worked with tax counsel to understand the intricacies of the changes to the W-4P tax withholding form for 2022.</p> <p>LACERA.com was updated with an announcement that the new tables may cause a slight change to some member’s net benefit amount. We are also advising members that we will continue to use and support the current version of the W-4P form and will not accept any 2022 forms submitted before we transition to using the 2022 form exclusively. We posted a Q & A section on LACERA.com (also accessible through My LACERA) to explain how LACERA is adjusting the new withholding guidance. One important and reassuring note: Members who have already started receiving their benefit payments from LACERA through 2023, will not be required to file a new form if they wish to keep their current preferences. The team is working on a communication campaign which will launch as we get closer to</p>			



	<p>year end to ensure members have adequate information to make 2023 tax elections.</p> <p>On August 4, 2022, we held a project kickoff meeting to review the project charter, formalize our project plan and responsibilities and assign work. The team has been hard at work developing the first drafts of the new W-4P tax form. Additionally, Systems is working on programming required to support the new tax withholding election rules to allow staff to update elections in Workspace and members to make changes through My LACERA. Our goal is to be able to release access to the new forms by November 2022 to accommodate the first of the year retirement elections. We will continue to keep the Trustees updated on our progress.</p>
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Completed Projects/Initiatives

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

Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial Accounting Services Division	July 2022	August 2023
Project Lead(s): Ted Granger				
Completed				
<p>Actuarial Valuation Reports:</p> <p>OPEB: The retiree healthcare (RHC) program administered by LACERA on behalf of Los Angeles County includes retiree healthcare benefits such as medical and dental insurance plans and death benefits.</p>	<p><u>2021 OPEB – Annual Valuation</u> The July 1, 2021, OPEB Valuation Report is complete. Milliman presented the final Valuation Report to the Board of Retirement in August. Milliman will address the LACERA OPEB liability and discuss LACERA’s funding progress and any potential funding strategies should the Board want to consider.</p>			



<p>GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Number 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually for Los Angeles County and LACERA's Board of Retirement to make funding decisions and to provide the information for the GASB 75 report which is used for employer financial statement reporting.</p>	
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Project / Issue Title Brief Description	Type	Project Sponsor	Start Date	Target Date
	BSG	Financial Accounting Services Division	January 2021	June 2022
<p>Actuarial Valuation Reports – Retirement Fund: 2022 Retirement Benefits - Risk Assessment</p>	<p>Project Lead(s): Ted Granger</p>			
	<p>Completed</p>			
	<p>2022 Pension – Annual Risk Assessment Milliman prepared the 2022 Annual Risk Assessment report based upon the most recent completed valuation report and presented a final report to the Board of Investments (BOI) at their June meeting.</p>			



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

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



Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Executive (BSG)	01/2021	06/2022
Project Lead(s): Summy Voong				
Enterprise Wi-Fi Project:	Completed			
Approved in the Fiscal Year 2020-21 budget adjustments by the BOR, the Systems Division is currently installing an enterprise Wi-Fi network.	All fiber, cables, access points, and switches have been installed on all LACERA floors and five segmented networks have been configured and tested. The Systems Division will deploy the final segmented network to on-site staff on August 1, 2022.			

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



	<p>number: My LACERA Support Queue, Retiree Healthcare, Check Mailing Date Announcement, and Member Services.</p> <p>The new queue went live on August 10, 2022.</p>
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Project / Issue Title	Type	Project Sponsor	Start Date	Target Date
Brief Description	BSG	Executive Office	01/04/2022	May 2022
Project Lead(s): Luis A. Lugo & Carly Ntoya				
Return to the Office:	Completed			
LACERA's Administrative Services Division's Health and Safety Unit have been working hard to ensure a smooth return to the office for LACERA's staff.	<p>In preparation for staff returning to the office, the Health and Safety Unit posted updated information posters, restocked all personal protective equipment items, and provided staff with COVID-19 safety instructions. They have also worked with several staff to adjust the ergonomic configurations on their workstations as needed.</p> <p>The team also worked side by side with the PEP Team and the Executive Team to provide a warm welcome to returning staff. Working together with the PEP Team they decorated the Workshop room, where staff were encouraged to stop by and receive a small welcome back token and a welcome by the Executive Team, managers, and staff from Administrative Services.</p>			

DATE RECEIVED	REQUESTER	DOCS REQUESTED
07-11-22	D. Wells Wang, Law Offices of Gregory Smith	<p>Request: All communications and documents sent or received by any LACERA employee, Board Member relating to Microsoft migration, hiring of vendors, technology-related audit and/or security assessment, from July 1, 2022, to present and the hiring of Jim Lyle.</p> <p><i>On July 5, 2022S. Rice to responded to letter & J. Harrington to assist gathering response records.</i></p> <p><i>On July 11, 2022, Counsel emailed LACERA’s response letter to Mr. Smith’s July 1, 2022, PRA request.</i></p> <p><i>On July 26, 2022, Counsel Sent LACERA’s determination letter along with the anticipated production schedule.</i></p> <p><i>On July 27, 2022, Ms. Wells notified counsel that she will be out of the country and will not be able to attend a meeting.</i></p> <p><i>Transmitted 26 documents.</i></p> <p><i>On September 2, 2022, Counsel emailed 26 responsive documents to Ms. Wells</i></p> <p><i>Transmitted 35 documents.</i></p> <p><i>On September 9, 2022, Legal transmitted 35 responsive documents to Requestor.</i></p> <p><i>Computer Systems submitted authority to SharePoint site link for responsive video files.</i></p>
07-21-22	V. Sayas, with. intelligence	<p>Request: copies of records relating to the Fund Presentation for Smart Infrastructure Managers (Smart Infrastructure Capital Partners Fund I).</p> <p><i>On July 29, 2022, Counsel notified Mr. Sayas that LACERA’s Investment Division will provide responsive records by Friday, August 5, 2022.</i></p> <p><i>On August 16, 2022, Counsel forwarded the redacted Collation Smart Infrastructure Capital Partners, LP and Smart Infrastructure Concurrence Memo Reports in response to Mr. Sayas request.</i></p>
08-03-22	S. Laxmidhar. with. intelligence	<p>Request: Obtain digital copies of public records that pertain to private markets investment vehicles that Los Angeles County Employees Retirement Association has contributed capital to (i.e., Private Equity, Private Debt, and/or Real Assets). The requested data should include but is not limited to:</p> <p>Fund Name, Fund Size, Vintage Year, Market Value/Total Value, Total Commitment, Total Contributions, Total Distributions, Adjusted Remaining Value, Gain/Loss, Net Return, Gross IRR, Net IRR, TVPI, DPI, Management Fee Information, Partnership Expenses, and Carried for the following quarters:</p> <ul style="list-style-type: none"> • Q1 2019 • Q3 2019

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<ul style="list-style-type: none"> • Q3 2020 • Q4 2021 (if available) <p><i>On August 9, 2022 & August 10, 2022, Counsel advised the requestor that the documents for the LACERA Investment Division have been requested, and the responsive documents will be produced by Tuesday, August 16, 2022.</i></p> <p><i>On August 16, 2022, Counsel forwarded reports in response to the request</i></p>
08-15-22	D. Barry, Markets Group	<p>Request: The video feed from the prior week's Investment Committee Meeting.</p> <p><i>Transmitted 1 recording link.</i></p> <p><i>On August 15, 2022, Counsel sent the meeting recording link and password to access the link.</i></p>
08-16-22	FOIA Data Collection Team	<p>Request: Information for all investment made in private funds (private equity, infrastructure, real estate, private credit). It should include:</p> <ul style="list-style-type: none"> • Name of the fund • Commitment • Contributions from inception to date • Distributions from inception to date • Current value (NAV) <p>For Q1 and Q2</p> <p><i>Transmitted 1 document.</i></p> <p><i>On August 19, 2022, Counsel electronically forwarded the LACERA'S Private Equity, Real Assets, Real Estate, and Private Credit fund report.</i></p>
08-19-22	M. Garcia, Individual	<p>Requestor sent email to Public Records with only a picture attached without providing any type of specific request for LACERA records.</p> <p><i>On August 23, 2022, Legal transmitted email response to Requestor that there was not a request sent to LACERA. LACERA has not received a new requested from Mr. Garcia.</i></p>
08-23-22	J. Chase, JTSC	<p>Request: Copy of Custody/Master Custody contract that LACERA has with current provider (State Street).</p> <p><i>Transmitted 5 documents.</i></p> <p><i>On August 30, 2022, Counsel electronically forwarded the 5 documents shown below.</i></p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<ol style="list-style-type: none"> 1. <i>Custody Contract,</i> 2. <i>List of Exhibits</i> 3. <i>Exhibit A,</i> 4. <i>Exhibit B, and</i> <i>Exhibit C Fee- Schedule and Amendment</i>
09-08-22	L. Lyons Bloomberg, LP	Request: Copy of all documents, materials, and/or presentations, including external consultants pertaining to alternative investments. <i>Transmitted 1 document.</i> <i>On Friday, September 16, 2022, via email, Legal transmitted responsive document shown below.</i> <i>Q1 & Q2 FOIA Request – 2022-09-16.xlsx.</i>
09-13-22	LA County Sheriffs Department	Per monthly request: <i>Transmitted 2 documents.</i> <i>Sent, on September 13, 2022, via email: Monthly Agenda Reports for Sheriff Department Listing and Fire Department listing each dated August 30, 2022.</i>
09-13-22	C. Siverson, LA County	Per monthly request: <i>Transmitted 1 document.</i> <i>Sent on September 13, 2022, via email: Board of Retirement Meeting of September 7, 2022, Benefit Approval List.pdf.</i>
09-13-22	M. Toroy, Pageant Media	Request: Metrics for all fund investments for Private Equity, Venture Capital, Private Debt, Real Estate, Real Assets/Infrastructure Funds. <i>Transmitted 1 document.</i> <i>On Friday, September 16, 2022, via email, Legal transmitted responsive document shown below.</i> <i>Q1 & Q2 FOIA Request – 2022-09-16.xlsx.</i>
09-13-22	T. Usher, HR, LA County	Per monthly request: <i>Transmitted 1 document.</i> <i>Sent on September 13, 2022, via email: MonthlyAgenda.csv for September 2022.</i>

REPORT OF FELONY FORFEITURE CASES PROCESSED

September 29, 2022

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

STATUS LEGEND:

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



September 21, 2022

TO: Each Trustee,
Operations Oversight Committee, Board of Retirement

FROM: Jessica C. Rivas^{JR}
Staff Counsel

FOR: October 6, 2022 Operations Oversight Committee Meeting

SUBJECT: FPPC Form 700 e-Filing Solution

I. INTRODUCTION

Legal Services, with Systems, has spent the past several months exploring an e-filing solution for LACERA's Fair Political Practices Commission (FPPC) Form 700 Statement of Economic Interest filers and Legal Services' management of that process. We plan to move forward with one of two possible vendors, which we are confident will make the process more efficient for filers and Legal Services alike. See attached presentation.

II. BACKGROUND

The California FPPC oversees conflict of interest issues as set forth in the Political Reform Act (PRA) (Gov. Code §§ 81000, et seq.). The PRA prohibits any public official from making, participating in making, or otherwise using his or her official position to influence a governmental decision in which the official has a financial interest. In addition, the PRA requires every public official to disclose economic interests set forth in disclosure categories that could foreseeably be affected materially by the exercise of their official duties. (§§ 81002(c), 87200-87314.)

Accordingly, Trustees and certain LACERA employees, as well as consultants and financial managers for LACERA, must file annual Statements of Economic Interests via Form 700 disclosing those personal assets and interests that may be affected during the performance of their official duties. (§§ 87200-87350.) These filers must also file Assuming Office Statements within thirty (30) days of joining LACERA and Leaving Office Statements within thirty (30) days of termination of service. Trustees, employees, consultants, and financial managers who are required to file Statements of Economic Interest are either identified in Section 87200 (Statutory Filers) or designated in the agency's Conflict of Interest Code (Code Filers). (§§ 87300 and 87302.)

We currently have a total of approximately 228 filers for LACERA, which includes trustees, employees, consultants, and financial managers. Most of them file directly with LACERA, while 26 file with the County.

Those that file with LACERA must manually complete a new PDF Form 700 each year, sign, and e-mail to Legal Services. There is no way for filers to access the information in previous years' filings (unless they save them for their own records) and no mechanism

for their forms to be reviewed for errors and omissions before submission. Legal Services manually sends e-mail notices to advise filers of deadlines and if their filing is late or needs to be amended; manually maintains a database of filings and e-mail communications with filers in SharePoint; manually tracks the status of filings through an Excel spreadsheet; and manually conducts a thorough review of a subset of the filings to meet the FPPC's audit requirement.

III. POTENTIAL E-FILING SOLUTIONS

An e-filing solution would promote ease of use for filers, ease of administration for Legal Services, and compliance with FPPC requirements.

Netfile and Granicus are software vendors that offer Form 700 e-filing solutions for public agencies that largely eliminate the repetitive manual tasks necessary to assist hundreds of filers. Once a public agency chooses to contract with one of these vendors and receives approval from the FPPC, the agency is onboarded to their system. The software automatically generates notices to filers, provides FPPC instructions on how to complete the Form 700 as well as instructions on how to use the software, automatically checks for errors or omissions, and largely automates the audit process. Additionally, these e-filing solutions save filers' information so that filers can easily review and quickly update their filing each year. These e-filing solutions are used by hundreds of other public agencies across the state.

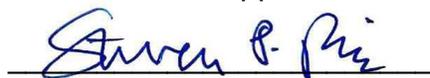
We have coordinated with the County of Los Angeles, which is our Conflict of Interest Code reviewing body under the PRA, and plan to be ready for filers to use the new system for the next annual filing period (March-April 2023).

The e-filing solution would initially only be available to those who file directly with LACERA, but we will work to make this option available to those who currently file with the County as well. This will require additional coordination with the County and an amendment to the LACERA Conflict of Interest Code.

IV. CONCLUSION

No action from the Committee is required, but we welcome and appreciate your input. We plan to present this item to the Board of Retirement and Board of Investments as information only items in November. Staff will inform the Trustees when the new product is available and provide training.

Reviewed and Approved:



Steven P. Rice
Chief Counsel

Attachment

cc: Santos H. Kreimann Jonathan Gabel Luis A. Lugo JJ Popowich
 Laura Guglielmo Carly Ntoya Richard Bendall



FORM 700

e-Filing Solution

Jessica Rivas, Staff Counsel
Margo McCabe, Legal Analyst
Legal Services Division

Background



- Political Reform Act
- California Fair Political Practices Commission (FPPC)
- Form 700 Statement of Economic Interests
 - Annual
 - Assuming Office
 - Leaving Office
- LACERA filers
- County filers
- Filers include trustees, certain staff, and consultants and managers



Filers

- Manually fill in new PDF each year and e-mail to Legal
- Cannot save data from year to year
- No automatic review for missing data

Legal Services

- Manually sends e-mail notices to filers
- Manually maintains database of filings
- Manually tracks status of filings via Excel spreadsheet
- Manually performs audit and requests filers to amend as needed

e-Filing Solution



- Automatically generates notices to filers
- Provides FPPC instructions on how to complete the Form 700
- Provides instructions on how to use the software
- Automatically checks for errors or omissions
- Automates the audit process
- Saves filers' information
- Used by hundreds of other public agencies throughout the state
- Cost range: \$5,000 – 7,000/year
- Coordinated with the County's Executive Office of the Board of Supervisors, Conflict of Interest/Lobbyist Division



Potential Vendors



Next Steps



- Decide on vendor
- Contracting
- Onboarding
- Training for Legal Services & Systems
- Training for filers
- **Goal: up and running for 2023 Annual Filing period (Mar. 1 – Apr. 1)**

Thank You!



Questions?

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**FOR INFORMATION ONLY**

September 20, 2022

TO: Each Trustee,
Operations Oversight Committee, Board of Retirement

FROM: James Beasley – Administrative Services 
Supervising Administrative Assistant II

FOR: October 6, 2022 Operations Oversight Committee Meeting

SUBJECT: BUSINESS CONTINUITY TABLETOP EXERCISE RESULTS

EXECUTIVE SUMMARY

The LACERA Executive Management views business continuity as a critical risk mitigation and preparedness exercise that must be regularly practiced and tested. In late 2021, the Business Continuity Team (BCT) conducted a tabletop exercise that tested the LACERA Incident Response Team (LIRT) and their ability to manage a crisis event while utilizing the redesigned Crisis Response and Business Continuity Plans (BCP). In early 2022, the team followed up with another tabletop exercise to test LACERA's ability to resume member payroll while assessing the ability of our essential business partners in a "doomsday" situation. However, these tabletop exercises challenged only a handful of LACERA staff to work cohesively to solve realistic scenarios that would pose a risk to LACERA's overall mission. Our next step was to test each division's Business Continuity Plan with select staff.

LACERA conducted one-hour tabletop exercises with each division individually from July 18th to October 5th, 2022. Each division's Recovery Team was tested on their ability to recover critical business functions while using their BCP. The exercise was planned and developed over a 90-day period with two preparation workshops conducted to inform the Division Managers. The exercise was facilitated by expert consultants from Castellan Solutions Inc. with a combined 60+ years of experience.

The most compelling observation from the Divisional Tabletop Exercises was the noticeable improvement in the overall preparedness and resilience capabilities over the last two years. Significant efforts have been made, and critical resources applied to

implement new and robust work-from-home and cloud technology solutions. This in addition to consistent examples throughout all divisions of increased awareness, understanding, and knowledge of the fundamentals of business continuity requirements and execution protocols attributed to the success of the Tabletop Exercise.

The goal is for business continuity to become a disciplined culture within LACERA including the understanding that it is a program requiring a continuous cycle of improvement, testing, and training. There are still improvements to be made but we have established a solid foundation upon which to build.

TABLETOP EXERCISE DETAILS

A tabletop exercise is a discussion-based training session where staff can meet in a safe, stress-free, and non-confrontational environment to discuss their responses to a particular crisis event. The exercise is designed to evaluate the effectiveness of the BCP, train staff on their roles and responsibilities, and identify deficiencies in the Plan. Tabletop exercises are a good way to see if policies and procedures exist to handle certain events.

An effective exercise will:

- Clarify roles and responsibilities of all staff members
- Reinforce knowledge of procedures, facilities, systems, and equipment
- Improve individual performance as well as organizational coordination and communication
- Reveal weaknesses and identify after-action items that will require resolution

This year the BCT elected to exercise each division by simulating a severe earthquake scenario designed to challenge accessibility to LACERA Gateway Plaza, communications, and business systems by the participating Division Recovery Teams. To challenge the participants, the availability and reliability of power sources, cell phone coverage, and Wi-Fi/Internet access was compromised during the tabletop exercise scenario.

EXERCISE OBJECTIVES

- To understand their roles and responsibilities at the time of disaster should an incident affect their division and/or LACERA;
- To understand their current management response and their business unit recovery capabilities – and explore the tools and information they have to assist/support them at the time of crisis;

- To become familiar with their division's BCP;
- To learn the importance of building an action plan at the time of recovery that will record what actions they must do and manage. Action plans from the exercises (and actual events) will become useful appendices in LACERA's business continuity software database; and
- To adjust their BCP, and/or their business continuity planning processes as needed to provide better information and guidance for future exercises or actual events.

EXERCISE APPROACH

The exercise consisted of three different types of activities:

SCENARIO INJECTS: Scenario injects are a series of events that prompt the participants to implement the plans, policies, and procedures intended to be validated during the exercise. The facilitators provide injects to the participants to drive exercise involvement toward the achievement of the objectives. Scenario injects provide information to the Recovery Teams during the tabletop exercise as it unfolds. Participants are not able to control the timing or accuracy of this information – thus simulating what can happen during an actual incident.

PLANNING: Recovery teams utilize the BCP Recovery Playbooks to guide their decisions and deliberations, based on the injected information and planning information they had available. BCP Recovery Playbooks include details on their business processes, staff, critical business partners (internal/external), and recovery tasks. The Division Manager controls the quality and accuracy of this information by providing updates to their BCP during LACERA's scheduled quarterly BCP review cycle.

POST-PLANNING DISCUSSION: At the conclusion of the exercise, the facilitators summarize what actions the Recovery Team had taken and reviewed considerations and actions the Team may have missed. This portion of the process is very helpful as a feedback loop to assist LACERA in future exercises or actual events.

TABLETOP EXERCISE RESULTS

Planned properly, tabletop exercises are almost always viewed as a success. The goals of this exercise were to raise awareness of each division's incident response disciplines, review communication protocols, and discover opportunities to enhance collaboration and response effectiveness. Overall, the Exercise Facilitators were impressed with the

capabilities that each Division Recovery Team had in their “arsenal” to address and overcome the scenario presented.

All 15 divisions participated in the tabletop exercise, and the average score for the exercise was 89 out of 100. There were eight (8) divisions that scored in the 90s, six (6) in the 80s, and one (1) in the 70s. Although the division scores were good, this exercise also pinpointed areas for improvement, which is one of the stated goals of the exercise. The BCT is partnering with the divisions to address these improvements.

Key observations and follow-up steps identified across multiple divisions include:

- The implementation of the telework program at LACERA means that there may be many staff members who are teleworking during an actual crisis. In this event, the primary recovery strategy is to identify and record LACERA staff who own power generators, have copper landline telephones (aka Plain Old Telephone Service [POTS]), and/or have a personal or LACERA-issued wireless router that acts as a mobile Wi-Fi hotspot. This information could be useful during a crisis event that affects both power and communication in the region.
- Most of the Divisional BCP plans are very detailed and contain a lot of key information. However, this can result in some plans being very large when exported. The business continuity software provides the capability to publish (print to PDF) a shorter version of the BCP plan that contains only critical (actionable) data needed at the time of the incident. This shortened version of the BCP plan is sometimes called the “grab and go” plan and is highly encouraged.
- Many divisions were unclear about where they would send their critical staff (alternate site for recovery) if the disaster scenario reduced the capability of recovery staff members to work from home. This is something to be discussed in detail and then documented in each BCP plan.

There were some processes that can only be done onsite at LACERA. For these processes, there needs to be an established alternate site for them to be performed and that includes pre-positioning needed equipment or sourcing at the time of a disaster. If there is a disaster that limits staff’s ability to access their email and other technology used to communicate, there should be emergency means available to be implemented to allow this communication.

Next Steps

As a result of the exercise, there were several After-Action items identified, ranging between 3-8 items per division. All action items have been added to the Business

Continuity Project Plan, and the BCT will work with each division to correct any discrepancies and address any identified gaps. The next tabletop exercise is projected for late winter and will focus on cybersecurity threats. This exercise will include participation from the Systems Division's Disaster Recovery Team and the Information Security Team.

NOTED AND REVIEWED:



Laura Guglielmo
Assistant Executive Officer

Attachments

RV:jb



Business Continuity

Tabletop Exercise Results Summary

Operation Oversight Committee

October 6, 2022

Exercise Objectives



- For participants to understand their roles and responsibilities.
- To understand their current management response and their business unit recovery capabilities.
- Educate & Train. Use of their Business Continuity Plan (BCP) and Continuity Best Practices.
- The *Action Plan*. The importance of building an *action plan* at the time of recovery.
- And knowing the *Action Plan* is never built ahead of time!
- Improvement to the BCPs, and/or the business continuity planning processes.

Exercise Scope



SCENARIO:

A severe earthquake scenario exercise designed to challenge accessibility to LACERA facilities, communications, and business systems. Availability and reliability of power sources, cell phone coverage, and Wi-Fi / Internet access were compromised.

PARTICIPATING DIVISIONS:

1. Benefits Division
2. Investments Division
3. Internal Audit Division
4. FASD Division
5. Administration Services Division
6. Member Services Division
7. Disability Litigation Division
8. Human Resources Division
9. Disability Retirement Division
10. Communications Services Division
11. Retiree Healthcare Division
12. Systems Division
13. Quality Assurance & Metrics Division
14. Executive Office Division
15. Legal Division

Exercise Results



EXERCISE AFTER ACTIONS – Plan Improvements

The average score for the exercise was 89 out of 100. Although the division scores were good, this latest exercise fulfilled one of the stated goals of uncovering areas for improvement.





EXERCISE AFTER ACTIONS – Plan Improvements

Several After-Action items were provided as a result of the exercise that ranged between 3-8 items per division. There are a total of 93 after-action items that need to be addressed by LACERA. Key observations and follow-up steps identified across multiple divisions include:

Identifying alternate communication methods

Developing Grab & Go plans for quick response efforts

Identify alternate recovery sites for critical business processes that can only be conducted at LACERA's physical location

Summary & Observations



- Significant improvement in the overall preparedness and resilience capabilities since the 2019 Business Continuity Program redesign.
- Information Technology resilience and implemented DR strategies are strong.
- Reliance on the HQ building for business processing has been minimized.
- Continuity and risk are becoming a cornerstone of the LACERA culture.
- Senior & Executive Management are committed to the vision.
- Continuity Management Life Cycle adoption is visible.
- As a best practice, LACERA will continue to conduct routine tabletop exercises and provide ongoing training to ensure that it maintains business resilience during a disruption.

Thank You!



QUESTIONS?



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