

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 Committee orally and in writing. To provide Public Comment, you should visit the above link 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.

Attention: If you have any questions, you may email PublicComment@lacera.com. If you would like to make a public comment during the committee meeting, review the [Public Comment instructions](#).

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, MAY 1, 2024**

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
Antonio Sanchez, Vice Chair
Jason Green, Trustee
Wayne Moore, Trustee
David Ryu, Alternate Trustee

- 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 April 3, 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. **National Institute of Standards and Technology (NIST)
Cybersecurity Framework and Introduction**

Chaitanya Errande, Information Security Officer
(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.)

May 1, 2024

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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. 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

12:05 P.M. – 1:00 P.M., WEDNESDAY, APRIL 3, 2024

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

COMMITTEE TRUSTEES

PRESENT: JP Harris, Chair
Antonio Sanchez, Vice Chair
Wayne Moore, Trustee
David Ryu, Alternate Trustee
(Teleconference under CA Govt. Code Section 54953(b))

ABSENT: Jason E. Green, Trustee

OTHER BOARD OF RETIREMENT TRUSTEES

Nancy Durazo, Trustee
Elizabeth Ginsberg, Trustee
Vivian H. Gray, Trustee
Shawn R. Kehoe, Trustee (*joined at 12:13 p.m.*)
Les Robbins, Trustee (*left at 12:20 p.m.*)

STAFF, ADVISORS AND 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

Kathy Delino, Chief, Information Technology

Chaitanya Errande, Information Security Officer

Tatiana Bayer, Division Manager, Member Services

Ricki Contreras, Division Manager, Admin Services

Tionna Fredericks, Senior Retirement Benefits Specialist,
Retiree Healthcare

Eugenia Der, Senior Staff Counsel, Disability Litigation

Jasmine Bath, Senior Staff Counsel

Carly Ntoya, Director, Human Resources

Allison E. Barrett, Senior Staff Counsel

Vache Mahseredjian, Principal Investment Officer

I. CALL TO ORDER

This meeting was called to order by Chair Harris at 12:05 p.m. In the absence of Trustee Green, 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 March 6, 2024

Trustee Moore made a motion, Chair Harris seconded, to approve the minutes of the regular meeting of March 6, 2024. The motion passed by the following roll call vote:

Yes: Sanchez, Moore, Ryu, Harris

No: None

Absent: Green

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.

V. REPORTS (Continued)

B. **Board of Retirement Strategic plan 2024-2028 Quarterly Update**

Luis A. Lugo, Deputy Chief Executive Officer
(Presentation) (Memo dated March 27, 2024)

Mr. Lugo gave a brief presentation and was available to answer questions from the Committee. 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.)

Trustee Moore requested clarification of what is the current information on the monthly OOC Briefing.

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.

There was nothing to report.

X. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:00 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 2023-2024**



May 1, 2024



Welcome to the new and improved Operations Briefing Report. We have re-designed the report to make it easier to quickly identify the status of current projects, while still allowing everyone to take a deeper dive into the project’s progress. The new design 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. We have updated this section as well to highlight the latest updates to the project in its own “Current Update” section followed by a “Historical Perspective” section to show the progress, successes, and challenges the project has gone through since it started.

These updates make the report easier to read and access while maintaining the transparency of the overall project.

We also have one correction to make to the status of a previously reported completed project. Staff previously reported successful completion of our Accounts Payable automation project known as Certify AP effective January 30, 2024. However, we recently discovered that data related to invoices paid through Certify AP were not syncing correctly in our Microsoft Dynamics Great Plains Financial System



(GP). Staff have reviewed and reconciled invoice payment data and ensured it is now correctly reflected in our financial system. We identified the errors and root causes and have made the necessary corrections to ensure data is correctly organized and classified as it moves from Certify AP to GP. By the end of April, we will have completed this same process for check and electronic payment processing and will have completed our testing. Once the subject matter experts in Financial and Accounting Services Division (FASD) confirm all payment data is captured and classified appropriately in our test environment, we will re-launch our integration in our live system. We will again test the integration in the live system and correct any additional problems should they arise. Finally, staff will document the data integration process including clear instructions for each step. We expect these last steps to be completed by May 30, 2024.

Because this issue was identified in March, staff's projected actual expenditures for FY 2023-24 is based on actual data as of January 31, 2024, instead of actual data as of March 31, 2024. Projected actual expenditures are used in the development of our FY 2024-25 preliminary budget documents. Projected actual expenditures for the Retiree Health Care Benefits Program are also provided to the County CEO's Office for their budgetary purposes. Staff has confidence in our projected actual expenditures but would have preferred to have two additional months of reliable data to complete this analysis.



PROJECT STATUS DASHBOARD

New Projects and Updates to Existing Projects

| Project Title | Strategic Plan Initiative | Target Date | Status |
|---|---|-------------|-------------|
| <u>Actuarial Valuation Reports: Retiree Healthcare (RHC) or Other Post-employment Benefits (OPEB) Program</u> | Compliance & Enterprise Risk Management | 08/01/2024 | On-Schedule |
| <u>Alameda Decision Implementation</u> | Compliance & Enterprise Risk Management | TBD | Delayed |
| <u>Case Management Project (Sol: Phase I)</u> | Superior Member Experience | 06/24/2024 | On-Schedule |
| <u>Data Digitization Sharing Project</u> | Innovation Through Technology | 04/30/2024 | On Schedule |
| <u>eDiscovery Solution</u> | Compliance & Enterprise Risk Management | 07/01/2024 | On Schedule |
| <u>Enterprise Contract Lifecycle Management (ECLM) Solution</u> | Compliance & Enterprise Risk Management | 07/01/2024 | On Schedule |
| <u>LACERA Incident Response Team (LIRT) Management Solution</u> | Compliance & Enterprise Risk Management | 06/30/2024 | On Schedule |
| <u>PEPRA Implementation: Annual Benefit Statement</u> | Superior Member Experience | 06/30/2024 | Delayed |
| <u>PEPRA Implementation: FAC Issue</u> | Compliance & Enterprise Risk Management | 12/31/2024 | Pushed Back |
| <u>Retiree Healthcare Administration: Lifetime Maximum Benefit Project</u> | Superior Member Experience | 12/31/2024 | On Schedule |
| <u>Retirement Estimate Redesign</u> | Superior Member Experience | 12/30/2024 | On Schedule |



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>Enterprise Budget Application (Questica) Implementation Phase II: Budget Book</u> | Compliance & Enterprise Risk Management | TBD | Delayed |
| <u>Microsoft Copilot Search Implementation</u> | Innovation Through Technology | 05/30/2024 | On Schedule |
| <u>Pre-2003 Pension Reserve Clean-up</u> | Superior Member Experience | 06/30/2024 | On Schedule |
| <u>Prepaid Bank Card Project</u> | Superior Member Experience | 06/30/2024 | Delayed |
| <u>Retroactive Payroll Adjustments: Prospective Correction</u> | Compliance & Enterprise Risk Management | TBD | Pushed Back |



FY 23-24 Completed Projects

| Project Title | Strategic Plan Initiative | Target Date | Status |
|--|---|--------------------|---------------|
| <u>Actuarial Valuation Reports: 2022 Actuarial Valuation of Retirement Benefits</u> | Compliance & Enterprise Risk Management | 06/30/2023 | Completed |
| <u>Actuarial Valuation Reports: 2022 Other Post-employment Benefits (OPEB) Actuarial Valuation</u> | Compliance & Enterprise Risk Management | 12/30/2023 | Completed |
| <u>Actuarial Valuation Reports: Retirement Benefits</u> | Compliance & Enterprise Risk Management | 12/30/2023 | Completed |
| <u>Annual Financial Statement Preparation and Audit:</u> | Compliance & Enterprise Risk Management | 12/30/2023 | Completed |
| <u>Enterprise Budget Application (Questica) Implementation Phase I</u> | Fiscal Durability | 01/31/2024 | Completed |
| <u>Human Resources (HR) Case Management</u> | Innovation Through Technology | 09/30/2023 | Completed |
| <u>Human Resources (HR) Digitization</u> | Innovation Through Technology | 12/30/2023 | Completed |
| <u>KBase Migration to SharePoint</u> | Innovation Through Technology | 09/30/2023 | Completed |
| <u>Policy Management Solution</u> | Compliance & Enterprise Risk Management | 12/30/2024 | Completed |
| <u>Retirement Counseling Redesign Project (Omnichannel Retirement Counseling)</u> | Superior Member Experience | 01/31/2024 | Completed |
| <u>Tax Table Changes for 2022: Phase II: Online Tax Calculator & ADR Redesign</u> | Superior Member Experience | 01/31/2024 | Completed |
| <u>Travel/Expense/P2P Software</u> | Compliance & Enterprise Risk Management | 01/30/2024 | 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 2023 | August 2024 |
| | | Project Lead(s): Ted Granger | | | |
| Actuarial Valuation Reports: Retiree Healthcare (RHC) or Other Post-employment Benefits (OPEB) Program 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 | On-Schedule | | | | |
| | <i>In April 2024, The Board of Investments approved and updated their strategic asset allocation (SAA) for the OPEB Trust. LACERA slightly delayed the experience study process so Milliman could review the new SAA when considering the OPEB Trust investment return assumption. Milliman will complete the experience study draft report, provide an educational session to the BOI in June and present the draft report at the July BOR meeting.</i> | | | | |



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 used for employer financial statement disclosure reporting.

Historical Perspectives

The BOR approved FY 2024-2025 retiree medical insurance premiums presented by the Retiree Healthcare (RHC) Division at the March meeting. Milliman uses the latest premium information to develop the medical cost trends and projections.

In February, Milliman presented a first draft Experience Study report to the Los Angeles County Stakeholder group. The Board of Investments is expected to approve the OPEB Trust strategic asset allocation study in April. The Stakeholder group will meet again in May and then in June, Milliman will provide the Board of Investments with an educational item discussing the impacts of the updated OPEB Trust asset allocation to the investment return assumption. In July, Milliman will finish the Experience Study and present a completed draft report to the Board of Retirement. The annual valuation report will follow and is expected to be completed and presented at the Board of Retirement meeting in September 2024.

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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 | | | |
| | On Schedule | | | |
| | Current Update | | | |



Alameda Decision Implementation

In 2020, the California Supreme Court issued its decision in the Alameda County Deputy Sheriff’s Association v. Alameda County Employees Retirement Association (“Alameda”), challenging the constitutionality of changes passed in 2013 Assembly Bill 197, which amended the definition of compensation earnable, specifically, excluding pay items previously included such as unused vacation, termination pay, in-kind payments, and payments for services rendered outside of normal working hours. The Court upheld the constitutionality of the Legislature’s actions. In 2021, the Legal Office notified the Board of Retirement that it had completed an initial review of LACERA legacy pay codes and determined that Standby Pay did not meet the expanded understanding of compensation earnable because of the Alameda Case.

The Alameda team continues to work on Active/Exceptions cases. Staff focused on adding alerts and comments to the remaining 140 cases not impacted by the Alameda Decision. Now that these cases have been reviewed and processed, staff continues working on Alameda cases including previous service contracts and other more complex cases. Five groups of members impacted by this project have been identified in the project table.

| Alameda Project Status | | Current Report: 03/31/2024 | |
|---|-------|----------------------------|--|
| Row Labels (Type, Status, Detail, Outstanding) | Count | % | |
| Pending Notification (Staff Reviewing and Processing) | 316 | 6.54% | |
| Active | 0 | 0.0% | |
| Retired | 5 | 0.1% | |
| Deferred/Inactive | 0 | 0.0% | |
| Retired Deceased | 38 | 0.8% | |
| Active Death | 5 | 0.1% | |
| Other – *Active/Exceptions | 268 | 5.55% | |
| Withdrawn | 0 | 0.0% | |
| Completed | 4,516 | 93.46 | |
| Active | 3,035 | 62.8% | |
| Retired | 874 | 18.09% | |
| Deferred/Inactive | 149 | 3.1% | |
| Deceased | 0 | 0.0% | |
| Other - *Active/Exceptions | 346 | 7.16% | |
| Withdrawn | 56 | 1.2% | |
| Not affected | 56 | 1.2% | |
| Grand Total | 4,832 | 100% | |



Historical Perspectives

Since the project started, 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.

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.

The Systems Division developed programming to remove the Standby Pay code earnings for all retirees who retired on or after January 1, 2013, and recalculated their FAC earnings once the pay codes were removed. Per the BOR approval, these members were subject to having their benefits adjusted prospectively from August 30, 2020, following the court's decision.

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 were 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.



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Superior Member Service | | |
|---|---|------------------------|-------------------------|-------------|--|
| | Type | Project Sponsor | Start Date | Target Date | |
| | Strategic | Executive (MOG/BSG) | 08/24/2022 | 06/24/2024 | |
| Project Lead(s): JJ Popowich, Luis A. Lugo, & Iveta Brecko (PM) | | | | | |
| On Schedule | | | | | |
| Current Update | | | | | |
| <p>Case Management Project (Sol: Phase I)</p> <p>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>First Payment user acceptance testing (UAT) is ongoing. We are running it in phases – certification, benefit amounts calculation and placement on Board Agenda with subsequent data updates in Workspace. Letter content and printing will be tested for each phase. Certification portion testing is going smoothly, with some minor fixes. We are holding twice-weekly meetings with Benefits group product owners and testers to go over the issues. Continuous improvement is ongoing for DRS and DLO groups. Enhancement requests are being developed and moved to production bi-weekly.</i></p> <p><i>Training for Sol administrators and developers is complete. We are planning to start involving developers in Sol enhancements development as soon as the most important application programming interface (API) development tasks are complete.</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 teams completed the development of the case management processes for DRS going live</p> | | | | |



| | |
|--|---|
| | <p>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</p> <p>In April of 2021, the Board of Retirement approved corrections to the COLA Accumulation Bank, which involved making retroactive corrections, recalculating benefit allowance amounts, and paying members retroactive benefits due to a discrepancy discovered in the COLA Accumulation.</p> | <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 | 06/30/2024 |
| | 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>No update at this time.</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 beginning 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: | | Innovation Through Technology | |
|---|---|-----------------|-------------------------------|-------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | Strategic | Systems | 11/01/2023 | 04/30/2024 |
| | Project Lead(s): Tom De Luca | | | |
| On Schedule | | | | |
| 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 | <i>Systems has completed the configuration and set-up of the SharePoint site that will be used by the Auditor-Controller. The team is now conducting internal testing to ensure it works as expected.</i> | | | |
| | <i>The next step, expected to be taken in the next 30 days, is to schedule a meeting with the Auditor-Controller to provide them with access and discuss User Acceptance Testing.</i> | | | |
| | Historical Perspectives 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 convert 30 million of the 50 million images to searchable .pdf and securely transmit them to the A/C. 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. We expect the prototype to be completed by the end of April 2024. | | | |



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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>No update at this time.</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> | | | | |



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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 | 07/01/2024 | |
| Project Lead(s): Steven Rice, Chaitanya Errande, & Celso Templo (PM) | | | | | |
| On Schedule | | | | | |
| 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 following items are the latest status on this project.</i> <ul style="list-style-type: none"> <i>Contract Finalization and Procurement –The Administrative Services team is finalizing the contract agreement and procurement process.</i> <i>The cost of the project is expected to exceed the CEO’s approval threshold. The Project Executive Sponsor will meet with Executive Management to discuss the timeline and process for obtaining Board of Retirement approval.</i> <i>Formal Vendor Kickoff Meeting - The eDiscovery Project Team plans on holding a formal kick-off meeting with the vendor, as soon as necessary approvals have been satisfied. This meeting will introduce key stakeholders on both sides, clearly define project scope and timelines, and establish clear expectations for successful collaboration.</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 LACERA 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 | | | | |



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| | <p>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.</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 | 07/01/2024 |
| | Project Lead(s): Ricki Contreras, Celso Templo & Michael Dozier (PM) | | | |
| | On Schedule | | | |
| 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 scheduled for a soft launch on June 14th, 2024, initially serving the Administrative Services, Systems, and FASD divisions. A full launch is targeted for mid-to-late June, pending resolution of minor data integration issues. This timeline ensures a smooth transition to the Vendor Management Group, which will assume responsibility for ongoing system maintenance. The implementation of new policies, procedures, and administrator security updates has resulted in a 4-week delay. However, the project remains committed to delivering a Minimal Viable Product (MVP) by the end of June. To ensure a positive user experience, a two-week period will be dedicated to distributing and validating training materials prior to full user engagement. Considering these factors, full operational functionality and general product availability are projected for June to early July, with a focus on prioritizing product stability.</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 3 has been completed. ECLM is in production and available for use. Systems, Admin Services, Legal, Investment Division, and FASD Subject Matter Experts (SME’s) have completed conducting their User Acceptance Testing (UAT). Functionalities available in production are the following:

- 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 restructured 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: | | Compliance & Enterprise Risk Management | |
|--|---|-----------------|---|-------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | Exec | Executive | 01/01/2023 | 06/30/2024 |
| | Project Lead(s): JJ Popowich, Chait Errande, and Michael Dozier (PM) | | | |
| On Schedule | | | | |
| Current Update | | | | |
| LACERA Incident Response Team (LIRT) Management Solution LACERA seeks a solution that automates the tracking and workflow of LACERA incidents. | Prototype Ready and User Acceptance Testing Initiated <i>A functional prototype is now available for review by key stakeholders. This review will gather valuable feedback to ensure the product aligns with both vendor and user needs. The project is entering Sprint 3, where the focus will be on addressing all regulatory compliance items. To meet the June 21st, 2024, deadline for the Workplace Violence Prevention Policy, a change order has been approved to incorporate additional regulatory requirements. Windward is currently refining the prototype based on these updates. User Acceptance Testing (UAT) has also begun, with crucial personnel granted access to provide their feedback. This input will be essential for Windward engineers as they continue to refine the prototype. Overall, the project is ahead of schedule and progressing well.</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 can absorb the project's cost in the FY 2023-24 budget. We expect this project to be completed in June 2024. The processes of contract execution and procurement have been completed successfully. Currently, we are collaborating with key stakeholders, including the Executive Sponsor, Chief Information Technology Officer, and Subject Matter Experts, to finalize the | | | |



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| | requirements by the end of March. InfoSec staff have provided their expertise as consultants during the requirement gathering phase. |
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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 | 05/30/2024 |
| | Project Lead(s): Summy Voong, Jim Lyle | | | |
| On Schedule | | | | |
| Current Update | | | | |
| Microsoft Copilot Search Implementation The introduction of Microsoft Copilot, an Artificial Intelligence assistant for Microsoft Edge and Microsoft Office Applications. | <i>No update at this time.</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 for each division. We anticipate the launch to be finished by May 2024. | | | | |
| Project Steps: <ol style="list-style-type: none"> 1. Road Show to Division Managers – Completed 2. AI Policy approval and staff to sign an acknowledgement on policy 3. The Executive Board Assistants will be scheduling two meeting for Trustees - TBD 4. Presentation/Demo to MAC/SAC teams – TBD 5. Demonstration during Brown Bag Meeting – TBD 6. Enable feature for all staff and send out training documents – TBD | | | | |



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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 | 06/30/2024 |
| | Project Lead(s): | | | |
| Delayed | | | | |
| Current Update | | | | |
| <p>PEPRA Implementation: Annual Benefit Statement</p> <p>LACERA does not currently offer an Annual Benefit Statement (ABS) for PEPRA members.</p> | <p><i>LACERA is still working with the Auditor Controller on its efforts to systematically calculate a PEPRA Final Average Compensation (FAC) amount which is critical to the ability to deliver automated retirement benefit estimates. This has been negatively impacting our ability to deliver the PEPRA Annual Benefits Statements to members.</i></p> <p><i>Given this delay, the team has revisited the ABS design and determined that rather than providing a specific estimated benefit amount at this time we will provide 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.</i></p> <p><i>The team drafted two ABS "comps" (draft examples of what the new ABS will look like) and has been working with Systems and our design vendor to refine the concepts. These concepts will be provided to the Executive Team in late May, after which we expect to receive final input and approval to move forward with the statements.</i></p> <p><i>There is still significant work to be done with our print vendor and Systems on our delivery plan for the ABS. The team has opted to make delivery of the ABS electronic by default through My LACERA. This will significantly reduce costs associated with mailing and printing. Members without My LACERA access will receive mailed ABS, and members who do have My LACERA, but wish to receive a physical copy mailed to them will have the ability to request this option. As a result of the progress made, we have changed the status from "Pushed Back" to "Delayed." We have also adjusted our expected delivery date to July 30, 2024.</i></p> | | | |



Historical Perspectives

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.

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.

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 has decided to pursue a change in how we generate the ABS. To provide us with more flexibility in distribution of the new ABS, we will be looking at generating a digital version which will decouple LACERA's reliance on specialized programming with our print vendors. This should also shorten the time to complete and publish a 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.



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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</p> <p>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>The team has suffered a significant setback in our ability to calculate the PEPRA FAC automatically. As we were implementing the programming developed to calculate the FAC based on the data provided by the Auditor-Controller, we determined that the data was insufficient to calculate the FAC in certain circumstances. Most notably in situations where members receive a mid-pay period adjustment. Unfortunately, mid-pay period adjustments can occur at any time in a member's career and may also be retroactive in nature which complicates the calculation further. While they are not frequent, given the 36-month rolling FAC period just one occurrence in three years can cause an inaccurate FAC. As a result, staff need to continue to manually verify FAC figures.</i></p> <p><i>The team is finalizing a complete report on their findings and an analysis of the available data we are aware of in the County's payroll system. Based on this report the Executive Team will discuss the next steps with the Auditor-Controller's Office.</i></p> <p><i>Additional exploration of the use of the Robotic Processing Automation tool provided by the County has also occurred. The tool is successful for researching single pay periods at a time. The team is working with the County on phase two and also discussing how this tool can be deployed in our process. Unfortunately, it is not suitable at this time to overcome the difficulties we have experienced with the more automated process.</i></p> <p><i>As a result of this setback, we have pushed the Target Date back to 12/31/2024.</i></p> | | | |
| Historical Perspectives | | | | |
| <p>As of late April 2023, the LACERA team and Auditor Controller's Office continue to meet regularly and make progress towards the agreed upon deadline of June 30, 2023.</p> | | | | |



In mid-January, the two teams met, along with LACERA CEO Santos Kreimann, and LA County Auditor-Controller Arlene Barrera, to discuss the urgent necessity of completing the project. Based on availability of AC resources, the two teams will begin working on the final stages of this project in February and have committed to working towards a July 2023 completion date. The team has been meeting bi-weekly to ensure we remain focused on completing this project on-time.

On March 16, 2023, AC provided a test file on the PEPRA embedded earnings. Systems and QA division collaborated on testing and confirmed the file provided the appropriate data necessary to calculate a more accurate Final Average Compensation (FAC). Systems is now working on updating our internal programs to use these files in a production environment.

Systems has completed and implemented the program in production. The program was first run to update the September 15, 2023, PEPRA actual earning salaries and are received with each new payroll period files prospectively.

Beginning in November the team started ingesting historical files beginning with the last three years first (August 31, 2023, down to September 15, 2020), and working back to 2013. The files are processed on an expedited basis so we can conclude this project as early as possible. The team completed ingesting the most current three years by December 31, 2023. As of 1/13/2024, the most current three years historical PEPRA embedded files have been processed and salary records in Workspace adjusted to remove PEPRA embedded earnings.

The Process Management Group (PMG) is working on updates to the PEPRA FAC Business rules. The team is working with the Legal Office to finalize the business rule. Once the rule has been finalized (expected to be finalized by end of February) the final parameters can be provided to Systems to program the FAC.

After the ingestion of actual payroll files was completed additional testing of the programming designed to remove non-pensionable actual earnings embedded in pay code 099 indicated additional work was needed to address retroactive payroll adjustments and mid-period payroll changes. The team is working to identify methods to account for the common payroll activities.



Once additional programming to address the issues identified above, and incorporate business rules, the team will be discussing scheduling the release of the PEPRA FAC for current active members to see and for staff to use in the calculation of estimates and retirements, followed by scheduling the release for use by deferred members. . We do not have an ETA at this time due to the newly discovered programming challenges.

A secondary effort to use Robotic Processing Automation (RPA) to help automate the manual process of accessing member payroll records and entering the required information into the manual Excel sheets used to calculate the FAC is on-going. The AC and LACERA had held several discovery meetings to help AC programmers understand the manual process. The AC and ISD teams working on this application provided a demo to the LACERA team in May.

Given that the RPA was not scheduled to be completed prior to the AC completing the permanent solution, the team has been evaluated the need to continue development. Ultimately, the team determined that there is value to the RPA process when having to manually research accounts for problems and appeals. The team has provided feedback to the ISD team, and we are continuing to refine the tool. The tool will be used for supplemental research if questions are raised about the PEPRA FAC.

RPA User Acceptance Testing (UAT) was completed on 2/14/2024 by the LACERA team. This closes Phase 1 (automatic extraction of payroll records from eHR, QSAL, and TEHW into Excel. Phase 2 (calculation of embedded non-pensionable amount to be removed) will begin shortly. We are in the process of scheduling the start with a new team from ISD and the AC.



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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 | 06/30/2024 |
| | Project Lead(s): Louis Gittens / Shonita Peterson | | | |
| On Schedule | | | | |
| Current Update | | | | |
| <p>Pre-2003 Pension Reserve Clean-up</p> <p>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 update at this time.</i> | | | |
| | Historical Perspectives | | | |
| | <p>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.</p> <p>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.</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) | 06/15/2022 | 06/30/2024 |
| | 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 update at this time.</i> | | | |
| | Historical Perspectives | | | |
| <p>In June 2022, the OOC approved the release of a Request for Proposal (RFP) for a Prepaid Debit Card Service. LACERA seeks an easily accessible alternative to paper checks for monthly participant retirement and survivor benefit payments. The goals are three-fold: to provide a lower cost alternative to issuing checks for those participants without a banking relationship who are likely to pay fees to access their benefit payment, to reduce the number of monthly benefit payment checks issued by LACERA, and to create a more reliable payment process in the event of a disaster that impacts the ability to mail monthly paper checks. A secondary goal is to reduce or eliminate paper checks that are mailed to one-time payees by offering prepaid bank cards and direct deposit for death benefits and withdrawals.</p> <p>On September 30, 2022, LACERA received two proposals for Prepaid Debit Card Services. A cross functional evaluation team reviewed the proposals, and the vendors presented their services to the team. The selection team identified Conduent as the vendor of choice and the recommendation was approved by the Board of Retirement at the April 2023 board meeting.</p> <p>LACERA met with Conduent at our first kick-off meeting also known as the Joint Configuration Session on Tuesday November 14, 2023. Weekly “check in meetings” have been scheduled.</p> <p>The prepaid debit card project remains on hold. The LACERA team decided that it would be best to draft a contract amendment that specifically addresses the data security concerns</p> | | | | |



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| | <p>with third party vendors. The Legal Office drafted the amendment, and it is currently under review with the vendor.</p> <p>In addition, there is pending legislation under consideration regarding updating CERL to specifically list payment via a debit card as a payment method for retirement benefits. Currently, the payment of government benefits is permissible under federal Regulation E.</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 | | | |
| | On Schedule | | | |
| Retiree Healthcare Administration: Lifetime Maximum Benefit Project | Current Update | | | |
| | <p><i>April 2024 - LACERA continues to work with the County CEO's office on the elimination of the Lifetime Maximum Benefit (LMB) for Anthem PPO plans. The County CEO has expressed a willingness to resolve the LMB issue and we're actively discussing a timeline. Their labor negotiations will play a factor in that timing.</i></p> <p><i>LACERA CEO and Deputy CEO met with the County CEO on April 2, 2024, and discussed the LMB. They are also meeting with the Board of Supervisors (BOS) to educate them on this issue. Thus far, they've met with BOS for districts one and five.</i></p> | | | |
| | Historical Perspectives | | | |
| | <p>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.</p> <p>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.</p> | | | |



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| | <p>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:</p> <ol style="list-style-type: none"> 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. <p>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.</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) | 01/01/2019 | 12/30/2024 |
| | Project Lead(s): Maggie Luong, Shonita Peterson | | | |
| | On Schedule | | | |
| | 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 workgroup has made great progress on the new estimate template. The overall design has been finalized and approved by the team. Currently the estimate text is under review and will be finalized once a consensus is reached. The team will continue to meet regularly to review all proposed changes for the redesigned estimate.</i> | | | |
| | Historical Perspectives | | | |
| | 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. | | | |



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| | Subsequently LACERA pivoted to the new Retirement Planning Hub, the new Omnichannel Retirement Counseling process, and the My LACERA on-line retirement election. |
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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 | | | | |
| Retroactive Payroll Adjustments: Prospective Correction The Auditor-Controller is responsible for collecting contributions on all compensation earnable and pensionable earnings compensation at the time of payment. For many years, the AC has not been collecting contributions on retroactive payroll adjustments. In 2021, the AC made changes to their programming to take deductions at the time of payment. However, there are still some situations where these contributions are not being collected. | <i>No update at this time.</i> | | | |
| | Historical Perspectives | | | |
| | Following the AC's programming change, LACERA implemented a testing regimen to ensure that the contributions were being deducted as expected. 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. 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. | | | |



COMPLETED PROJECT DETAILS

This portion of the Operations Briefing will detail projects and initiatives that have been completed during the Fiscal Year 2023 - 2024.

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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 2022 | June 2023 |
| | Project Lead(s): Ted Granger | | | |
| Completed | | | | |
| <p>Actuarial Valuation Reports: 2022 Actuarial Valuation of Retirement Benefits</p> <p>The Government Code requires that valuations of the Retirement Fund (Pension Plan) be performed at least once every three years. The Board of Investments' 2013 Retirement Benefit Funding Policy requires valuations be completed annually. These reports are prepared to determine 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>2023 Retirement Benefits – Actuarial Risk Assessment</p> <p>LACERA staff and Milliman presented the 2023 Annual Actuarial Risk Assessment report based upon the most recently completed Valuation report, to the Board of Investments (BOI) at their June 2023 meeting. There were some follow-up questions from Trustees regarding the impact PEPRRA may have on setting actuarial assumptions. Staff expects Milliman to present some additional information at a future BOI meeting.</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 | July 2022 | August 2023 |
| | Project Lead(s): Ted Granger | | | |
| Completed | | | | |
| <p>Actuarial Valuation Reports: 2022 Other Post-employment Benefits (OPEB) Actuarial Valuation</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 insurance plans and death benefits. GASB refers to these benefits as Other Post-Employment Benefits (OPEB) for financial reporting. GASB Statement Number 75 prescribes financial statement reporting standards for OPEB programs. Actuarial valuations are prepared annually for Los Angeles County and LACERA’s Board of Retirement to make funding decisions and to provide the information for the GASB 75 report which is used for employer financial statement reporting.</p> | <p>2022 OPEB – Annual Actuarial Valuation Report</p> <p>Milliman completed the July 1, 2022, OPEB Valuation Report and presented the results to the Board of Retirement on August 2, 2023.</p> <p>The upcoming 2023 OPEB actuarial reporting cycle will include both a triennial experience study and annual valuation report.</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 | August 2023 | December 2023 |
| | Project Lead(s): Ted Granger | | | |
| Completed | | | | |
| <p>Actuarial Valuation Reports: Retirement Benefits</p> <p>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 Pension Plan. In addition, the valuation report provides information used to prepare the Governmental Accounting Standards Board (GASB) Statement Numbers 67 & 68 reports. Plans (LACERA) and Plan Sponsors (County) use the GASB reports to obtain information required for their financial statement disclosures.</p> | <p>2023 Retirement Benefits – Annual Valuation</p> <p>The June 30, 2023, Retirement Benefits Valuation Report has been completed. Milliman and staff presented the final report to the Board of Investments (BOI) at their December 2023 meeting.</p> <p>There are two additional reports that will be prepared based upon the results of the 2023 Retirement Benefits Valuation Report:</p> <ol style="list-style-type: none"> 1) Staff will work with Milliman to prepare the upcoming GASB 68 report for Los Angeles County's June 30, 2024, annual financial statements. 2) Staff will work with Milliman to prepare the upcoming 2024 Risk Assessment Report, tentatively scheduled to be presented at the June 2024 Board of Investments meeting. | | | |



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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 2023 | December 2023 |
| | Project Lead(s): Ted Granger | | | |
| Completed | | | | |
| <p>Annual Financial Statement Preparation and Audit:</p> <p>Government code sections require that LACERA prepare annual financial statements including footnotes and disclosures, obtain an external audit opinion of those statements, and transmit the reports to the Los Angeles County Board of Supervisors within six-months following the fiscal year-end.</p> | <p style="text-align: center;">2023 – ACFR and PAFR</p> <p>LACERA completed it's 2023 annual financial statements project having reached the following milestones:</p> <ul style="list-style-type: none"> • LACERA distributed the Annual Financial Statements (AFS) to the LACERA Boards and Los Angeles County in early November. • Plante Moran presented the audit reports and AFS to the Audit Committee at their December meeting. • Communications completed and mailed the Popular Annual Financial Report (PAFR) to all members in December. • Communications finalized the Annual Comprehensive Financial Report (ACFR) and post it to LACERA's website by the end of December. • FASD submitted LACERA's ACFR and PAFR to the Government Finance Officers Association (GFOA) for their award programs by the end of December. | | | |



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Fiscal Durability: 5.1 | |
|---|--|-----------------|------------------------|------------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | BSG | Executive (BSG) | 10/06/2022 | January 31, 2024 |
| Project Lead(s): Laura Guglielmo and Cookie Jaranilla (PM) | | | | |
| Completed | | | | |
| <p>Enterprise Budget Application (Questica) Implementation Phase I</p> <p>LACERA is implementing its first automated enterprise budget application which will be used for budget development and budget control and will integrate with LACERA's financial system, Great Plains. This system replaces a manual budget development process that relies on Microsoft Excel and Word. It will also ensure that managers have real-time budget to actual reporting capabilities for data informed decision making.</p> | <p>After an extensive RFP and selection process, the Board of Retirement approved the selection of Questica on October 6, 2022. The contract and statement of work were finalized, and the project kick off meeting was held with the LACERA Budget Team and Questica team on November 17, 2022.</p> <p>The Project team has continued to fine-tune Questica's Budget Modernization application in the following areas:</p> <ul style="list-style-type: none"> • Required roles for Change Request Permissions • General Ledger (GL) Account Roll-up and Reporting Requirements • Personnel Sync Integration • Amended Budget Export • View Creation <p>The Budget Team has successfully completed the Business Division Training and provided the necessary assistance and guidance for entering the FY 2024-2025 division budget into Questica. The Questica Budget Modernization Solution has now been implemented and is in production on January 31st, 2024, marking the completion of the project.</p> | | | |



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Innovation Through Technology | |
|--|---|-----------------|-------------------------------|-------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | BSG | Executive (BSG) | 01/01/2023 | 09/30/2023 |
| Project Lead(s): Carly Ntoya and Michael Dozier (PM) | | | | |
| Completed | | | | |
| <p>Human Resources (HR) Case Management</p> <p>LACERA seeks a case management solution that supports Human Resources workflow with automatic notifications, document management, and version control as well as the ability to view HR workloads on an interactive dashboard.</p> | <p>In December 2022, the Information Technology Coordination Council approved a case management project for Human Resources. Funding for the project was approved during the FY 2022-23 midyear budget adjustments. The HR project team selected ServiceNow’s Human Resources module for their case management solution.</p> <p>Since August, the Winward Implementation team has been testing the HR Case Management Module. We are pleased to report Phase 1 testing has been completed. In addition, the Phase 2 Discovery Session consisting of Knowledge Management and New Hire workflows have been accomplished, and several demonstrations of the completed workflows have been provided, recorded, and saved for training purposes and stakeholders’ consumption. Live User Acceptance Testing (UAT) of Phase II was completed in early October. This finalizes the Implementation activities, and the HR Case Management application was released to production on October 3rd. The Executive Management Presentation of the HR Case Management took place on October 5th. Post implementation plans are to use feedback gathered during the UAT for future enhancements.</p> | | | |



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Innovation Through Technology | |
|--|--|-----------------|-------------------------------|-------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | BSG | Executive (BSG) | 10/01/2022 | 12/30/2023 |
| Project Lead(s): Carly Ntoya and Don Song (PM) | | | | |
| Completed | | | | |
| <p>Human Resources (HR) Digitization</p> <p>LACERA is currently converting 350,000+ paper Human Resources' personnel, payroll, medical, and classification files to electronic files to allow quick retrieval of documents by a hybrid workforce, shared access to information, full text search capabilities, and an audit trail of document access.</p> | <p>In March 2022, the Information Technology Coordination Council approved the Human Resources Digitization Project. Funding for the project was approved as part of the FY 2022-23 budget.</p> <p>The scanning of the 350,000 HR Historical files has been successfully accomplished. As the project concludes, the plan is to transition the management and support of HR Digitization to Systems Infrastructure for ongoing operations.</p> | | | |



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Innovation Through Technology | |
|--|--|------------------------|-------------------------------|----------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | BSG/MOG | Communications/Systems | December 2022 | September 2023 |
| | Project Lead(s): Selassie Burke, Erika Heru/Ian Duggan | | | |
| Completed | | | | |
| <p>KBase Migration to SharePoint</p> <p>KBase is an older knowledge base product that staff use on a daily basis for historical information, explanations of CERL and other information. The KBase data infrastructure needed to be updated to ensure its continued viability and improve access.</p> | <p>As part of the continuous commitment to improve our digital infrastructure and enhance user experience, our current Knowledge Base (KBase) has transitioned to a newer and more advanced platform on SharePoint.</p> <p>The move to SharePoint isn't just about a new look—it's also about functionality, security, and efficiency. SharePoint offers a robust platform, with numerous advantages such as improved security, enhanced collaboration features, and scalability to meet our future needs.</p> <p>KBase remains easily accessible within LACERA Connect. KBase now has a built-in search feature on SharePoint, locating the information needed is faster and more intuitive.</p> <p>Systems, in particular, Selassie Burke, managed the migration ensuring it was a seamless transition of a total of 1,314 related Wiki web pages that are now fully indexed and searchable.</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 | Executive (BSG) | 09/21/2023 | Q2 2024 |
| Project Lead(s): Luis Lugo and Gnan Arige (PM) | | | | |
| Completed | | | | |
| <p>Policy Management Solution</p> <p>LACERA seeks an automated solution to support LACERA Policy Management Process.</p> | <p>In September 2022, the Information Technology Coordination Council approved a policy management project to automate the creation, review, approval, and maintenance of LACERA policies as well as track the versions and acknowledgement of policies. Funding for this project was included in the FY 2022-23 budget. The policy management project team issued a Request for Quote (RFQ) and reviewed quotes submitted by interested vendors and consultants.</p> <p>The Executive Sponsor and Project team have decided to conclude this project and integrate its objectives and requirements into a new initiative. The upcoming initiative, tentatively named the “Organizational Governance Initiative,” will encompass additional modules, including Compliance GRC, Internal Audit, and Enterprise Risk Management. This strategic move aims to streamline and align various governance aspects under a cohesive framework for more effective management and oversight.</p> | | | |



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| Project / Issue Title Brief Description | Strategic Plan Initiative: | | Superior Member Experience | |
|--|----------------------------|------------------|----------------------------|-------------|
| | Type | Project Sponsor | Start Date | Target Date |
| | MS | Executive Office | | 01/31/2024 |
| Project Lead(s): Jonathan Tran and Maritza Perez | | | | |
| Completed | | | | |



Retirement Counseling Redesign Project (Omnichannel Retirement Counseling)

The basic retirement counseling process for members considering retirement has not changed in many years. While checklists used to counsel members have been updated over time, a top to bottom review of the process has not occurred in some time.

The Member Services team has undertaken a project to modernize the counseling process to incorporate a true omnichannel approach by integrating the Retirement Planning section on LACERA.com and the My LACERA portal into the counseling process. Integrating these resources into the retirement counseling process will allow members to connect with LACERA in more ways than ever and help pave the way for future innovations and streamlined services.

A team of Member Services subject matter experts under the direction of the project leads have been meeting and developing a new retirement counseling model.

The team has reviewed all data points and information shared with members during counseling sessions ranging from a few minutes to the more in-depth counseling sessions lasting an hour or more. The review is intended to ensure we are covering all of the vital information needed during our counseling sessions. The results of this review have led to updates to checklists, collateral material provided to members, and seeks to integrate the new Retirement Planning section on LACERA.com and My LACERA portal into counseling.

Over the last few months, the team has been beta testing this new counseling model during actual member counseling sessions. This beta testing process has allowed the team to collect vital member and staff feedback on the new model.

The team is now in the final stages of this project. They are working with the Communications team to update the Retirement Planning section on LACERA.com with additional information that will support key discussion points and feed into new communication collateral. Additionally, the team has launched the first phase of this project with a revamped PEPRA Final Average Compensation training module for all Member Services and Disability Retirement staff, in collaboration with Quality Assurance, Benefits, and PMG. Member Services and Disability Retirement staff have received an in-depth overview of the new Business Rules applicable to calculating a PEPRA member's FAC and how this affects other processes. Additionally, the Team has expanded calculation training to other specialized Benefits units, such as Death and Legal.

Due to new enhancements to My LACERA that were released into beta in January, the team revised their counseling plans to incorporate the new functionality. Training on the new counseling standards was completed January 11th, 2024. The Team presented an overview to the OOC on February 7, 2024, and continue to work closely with staff and gather user feedback for further improvements on implementation.



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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) | 07/01/2022 | 01/31/2024 |
| Project Lead(s): Kevin Hawkins | | | | |
| Delayed | | | | |
| <p>Tax Table Changes for 2022: Phase II: Online Tax Calculator & ADR Redesign</p> <p>The IRS published updated tax tables for 2022 which became effective January 1, 2022. The IRS finalized a revised Federal Withholding Certificate for Pension & Annuity Recipients (commonly referred to as a W-4P tax withholding form). These follow up projects are designed to improve the overall Member Experience.</p> | <p>In early 2022, 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>In Phase I, the team completed the rollout of the new Federal Withholding Certificate for Pension & Annuity Recipients (commonly referred to as a W-4P withholding form) on time. This included updating Workspace so staff can enter member tax elections in compliance with the new form design, as well as My LACERA so members can complete tax election changes themselves.</p> <p>The team also identified additional tasks that need to be completed in Phase II which originally included the development of an on-line tax calculator accessible through My LACERA and the redesign of the Automatic Deposit Receipt / paycheck stub. The development of the on-line tax calculator has now been moved to Phase III.</p> <p>An Automatic Deposit Receipt ADR redesign. Staff worked to develop a re-designed ADR with new fields that support the new tax withholding rules. After working with our check printing vendor to validate the new format would fit in the allotted space for the existing ADR, a business rule with an embedded copy of the proposed layout was distributed to stakeholders for approval. The redesign was approved by stakeholders in August and the team provided an informational memo to the Operations Oversight Committee in November. In November, we began notifying retired members through inserts in their November checks and various publications. Another notification was provided with the December checks. A new section has also been added to LACERA.com to provide members with detailed explanations on how to read their ADR/check stub. Members received the new ADR for the first time with their January 2024 checks or automatic deposits, which completes this part of the 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 | Exec (BSG) | October 2021 | 01/30/2024 |
| Project Lead(s): Laura Guglielmo, Ted Granger & Cookie Jaranilla | | | | |
| Completed | | | | |
| <p>Travel/Expense/P2P Software</p> <p>LACERA has procured “Certify” software created by Emburse, an accounts payable automation and expense management provider.</p> | <p><u>Accounts Payable (AP) Module</u></p> <p>The AP Certify Project Team’s User Acceptance Testing has been completed, and Live Training has started with the business divisions targeted for the Soft-Launch. These Business Solutions Group of divisions is comprised of the following:</p> <ul style="list-style-type: none"> • Admin Services Procurement • Disability Retirement Services (DRS) • Financial and Accounting Services Division (FASD) • Legal Office • Systems <p>In collaboration with Emburse's Implementation Team, the Project Team has aligned check payment processing with the requirements set by State Street Bank, LACERA's partner for clearing and funding checks. Simultaneously, the Project Team is actively integrating AP Certify with Great Plains (GP) Invoice payment data, finalizing critical components for data integration.</p> <p>The AP Certify Project Team has successfully concluded the End-User Training sessions for the LACERA Business Divisions. Following this, the application was seamlessly integrated into production on January 30, 2024.</p> | | | |

| DATE RECEIVED | REQUESTER | DOCS REQUESTED |
|---------------|-------------------------------------|--|
| 03-14-24 | E. Raasch, American Transparency | <p>Request: Electronic documents that list all LACERA retired employees paid a monthly pension annual in fiscal or calendar year 2023.</p> <p>Legal, on March 15, 2024, contacted the Disability Division to request the responsive information. Responsive documents should be received by March 24, 2024, or sooner, at which time responsive information will be submitted to Requester.</p> <p>Transmitted 3 documents.</p> <p>Legal, on April 1, 2024, via email, sent to Requester the 3 responsive documents listed below.</p> <p>PRA Special Notes Key.doc; Transparent_Calif_Retirees_2023.xlsx, and Transparent_Calif_survivors_2023.xlsx.</p> |
| 03-15-24 | J. Esparza | <p>Request: Copy of data pertaining to all holdings representing the total AUM held by LACERA and including the following data points for each security as of Sept 30, 2023, and Dec 31,2023.</p> <p>Transmitted 1 document.</p> <p>Legal, on March 21, 2024, via email, sent the responsive document shown below.</p> <p>FOIA Request – Bloomberg – All AUM Data Sep & Dec 2023.xlsx.</p> |
| 03-15-24 | Tannia Leon, Hurrell Cantrall | <p>Request: Obtain copies of applications for benefits, responses, denials, and related documents thereof from LACERA of a current employee.</p> <p>Legal, on March 19, 2024, sent via email, a request to send any specific records requested so a determination can be made as to which records are exempt and records that LACERA can disclose. PRA rules differ from the subpoena process. Requester did not follow-up.</p> |
| 03-18-24 | J. Cahill, Individual | <p>Request: Full listing of the domestic and international stock/equity holdings for LACERA for the current year's holdings list (2024), as well from the years of 2015-2023.</p> <p>Transmitted 1 document.</p> <p>Legal, on March 21, 2024, via email, sent the responsive document shown below.</p> <p>FOIA Request – LRHA-SD-Equity Holdings Data 2017-2024.xlsx.</p> |
| 03-19-24 | Ummair Arshid, PEI Group | <p>Request: Global data at 31st December 2023, and only includes proprietary capital held through third-party managed investment vehicles and direct investments.</p> <p>Legal, on March 20, 2024, sent responsive information via email, to Requester.</p> |

| DATE RECEIVED | REQUESTER | DOCS REQUESTED |
|---------------|---|---|
| 04-02-24 | A. Garfinkle, Fortune | Request: Copy of the latest version of the portfolio investment report. <i>Legal, on April 11, 2023, via email, sent Requester the responsive document shown below.</i> <i>FOIA Request – Fortune – PE Holdings Data Dec 2023.xlsx.</i> |
| 04-04-24 | H. Ahaiwe, HR, LA County and 1 other Recipient | Per monthly request: <i>Transmitted 1 document.</i> <i>Executive Office, on April 4, 2024, via email, transmitted the responsive document shown below.</i> <i>MonthlyAgenda.csv for April 3, 2024.</i> |
| 04-04-24 | Sheriffs Dept, LA County and 4 other Recipients | Per monthly request: <i>Transmitted 2 documents.</i> <i>Executive Office, on April 4, 2024, via email, transmitted the responsive documents shown below.</i> <i>Monthly Agenda Reports for Sheriff Department Listing and Fire Department listing, each dated April 3, 2024.</i> |
| 04-04-24 | C. Siverson, Fire, LA County, and 5 other Recipients | Per monthly request: <i>Transmitted 1 document.</i> <i>Executive Office, on April 4, 2024, via email, transmitted the responsive document shown below.</i> <i>Board of Retirement Meeting on April 3, 2024, Benefit Approval List.pdf.</i> |
| 04-12-24 | M. Russell, Business Insider | Request: All records, in stored electronic format, pertaining to the keywords “Mercato Partners” (CRD #163142) (SEC# 802-129324). <i>Legal, on April 13, 2024, sent request for responsive information to Investments Division. Upon receipt of requested information, Legal will transmit to Requester.</i> |

REPORT OF FELONY FORFEITURE CASES

April 19, 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 |
|----|--------------------|---------------------|---------|-----------------|-----------------|----------------------------|--------------------------|------------|-------------------|-------------|
| 67 | LYONS | ANDREW | SHERIFF | 1/12/2024 | 2/14/2024 | | | PEND | | |
| 66 | VEGA | MIGUEL | SHERIFF | 9/5/2023 | 10/27/2023 | | | DELAY - CD | | |
| 65 | HERNANDEZ | CHRISTOPHER | SHERIFF | 7/24/2023 | 10/11/2023 | 4/10/2024 | | PEND | | |
| 64 | RIDLEY-THOMAS | MARK | BOS | 3/31/2023 | 3/31/2023 | 10/23/2023 | | APPEAL | | |
| 61 | SHEPOS | THOMAS | CEO | 1/23/2023 | 2/14/2023 | | | PEND | | |

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.



NIST Cybersecurity Framework and Introduction

Information Security Office

Who is NIST and what is the NIST CSF



- **National Institute of Standards and Technology (NIST)**

- Is an agency of the U.S. Department of Commerce. Established by Congress, NIST is one of the nation's oldest physical science laboratories.
- Its primary role is to promote safety and collaboration for industry and government alike by being responsible for measurement science, standards, and technology
- NIST's activities are organized into physical science laboratory programs that include nanoscale science and technology, engineering, information technology, neutron research, material measurement, and physical measurement

- **NIST Cybersecurity Framework (CSF)**

- The development of the NIST Cybersecurity Framework (CSF) was initiated with Executive Order 13636, released on February 12, 2013.
- The NIST CSF provides guidance to industry, government agencies, and other organizations to manage cybersecurity risks
- It offers a taxonomy of high-level cybersecurity outcomes that can be used by any organization to better understand, assess, prioritize, and communicate its cybersecurity efforts

Understanding the NIST CSF Tier System



The NIST CSF Tier system provides context on how an organization views cybersecurity risk and the processes in place to manage that risk. The Tiers describe the degree to which an organization's cybersecurity risk management practices exhibit the characteristics defined in the Framework.

Tiers are not meant to represent maturity levels. Instead, they help an organization understand how they view and manage cybersecurity risks



Functions of the NIST CSF 2.0



- The NIST CSF 2.0 is organized around six key functions. These functions provide a comprehensive view of the life cycle for managing cybersecurity risk.
- These pillars are not sequential but are performed concurrently and continuously to form an operational culture that addresses the dynamic cybersecurity risk



Understanding the Identify Function



The Identify function is like the foundation of a house. It helps organizations understand what they need to protect, just like knowing what rooms and items are in your house.

Key parts of the Identify function include:

- **Asset Management (ID.AM):** This is like making a list of everything in your house. You need to know what you have before you can protect it. This includes everything from your computer to your software.
- **Improvement (ID.IM):** This is about always looking for ways to do things better. Just like you might upgrade your home security system or put stronger locks on your doors, you should always be looking for ways to improve your cybersecurity.
- **Risk Assessment Approach (ID.RA):** This is about understanding what risks you face. Just like you would assess the risk of a break-in to your house based on your neighborhood, you need to understand the cybersecurity risks to your organization.

In simple terms, the Identify function helps you understand what you have, how to protect it, and what risk's you face. It's the first step in building a strong cybersecurity program.



Identify: Develop an understanding to manage cybersecurity risk to systems, people, assets, data, and capabilities..

Thank You!



Information Security Office

Questions?

cerrande@lacera.com | 626-346-8168