

IN PERSON & VIRTUAL BOARD MEETING

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



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

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

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

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, JULY 1, 2026**

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 54953.8.3.

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:

Nancy M. Durazo, Chair
Wayne Moore, Vice Chair
Bobbie Fesler, Trustee
Aleen Langton, Trustee
David Ryu, Alternate Trustee

- I. CALL TO ORDER
- II. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER SB 707
 - A. Just Cause (Section 54953.8.3)
 - B. Statement of Persons Present at SB 707 Teleconference Locations

III. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Regular Meeting of June 3, 2026

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](#).

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Committee. Oral comment requests 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 within the form 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. **Operations Briefing**

- JJ Popowich, Assistant Executive Officer
 - Jessica Baxter, Assistant Executive Officer
 - Kathy Delino, Chief, Information Technology
 - (Presentation)

- B. **2023-2028 Strategic Plan Quarterly Update**

- JJ Popowich, Assistant Executive Officer
 - Jessica Baxter, Assistant Executive Officer
 - (Presentation)

- C. **AI Governance Framework Discussion Update**

- Chait Errande, Information Security Officer
 - Kathy Delino, Chief, Information Technology
 - (For Information Only) (Memo dated June 23, 2026)

VI. ITEMS FOR STAFF REVIEW

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

VII. ITEMS FOR FUTURE AGENDAS

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

VIII. GOOD OF THE ORDER

(For Information Purposes Only)

IX. EXECUTIVE SESSION

A. **Potential Threats to Public Services or Facilities**

(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Luis A. Lugo, Assistant Executive Officers JJ Popowich and Jessica Baxter, Chief, Information Technology Kathy Delino, Information Security Officer Chait Errande, and Other LACERA Staff.

X. ADJOURNMENT

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

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

Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday *and will also be posted on lacera.com at the same time, [Board Meetings | LACERA](#).*

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

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

1:30 P.M. – 2:20 P.M., WEDNESDAY, JUNE 3, 2026

This meeting was conducted by the Operations Oversight
Committee both in person and by teleconference under California
Government Code Section 54953.8.3.

COMMITTEE TRUSTEES

PRESENT: Nancy M. Durazo, Chair

Aleen Langton, Trustee

Bobbie Fesler, Trustee

ABSENT: Wayne Moore, Vice Chair

David Ryu, Alternate Trustee

STAFF, ADVISORS AND PARTICIPANTS

Luis A. Lugo, Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Jessica Baxter, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Kathy Delino, Chief, Information Technology

Joe Shiuan, Information Technology Manager II

STAFF, ADVISORS AND PARTICIPANTS (Continued)

Chaitanya Errande, Information Security Officer

Christine Roseland, Sr. Staff Counsel, Legal Services

David Choe, Project Manager, Systems Project Mgmt. Office

I. CALL TO ORDER

This meeting was called to order by Chair Durazo at 1:30 p.m.

II. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER SB 707

A. Just Cause (Section 54953.8.3)

B. Statement of Persons Present at SB 707 Teleconference Locations

There were no requests received.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of May 6, 2026

Trustee Langton made a motion, Trustee Fesler seconded, to approve the minutes of the regular meeting of May 6, 2026. The motion passed by the following roll call vote:

Yes: Fesler, Langton, Durazo

No: None

Absent: Moore, Ryu

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. REPORTS

A. **Operations Briefing**

JJ Popowich, Assistant Executive Officer
Jessica Baxter, Assistant Executive Officer
Kathy Delino, Chief, Information Technology
Joe Shiuan, Information Technology Manager II\
Christine Roseland, Sr. Staff Counsel, Legal Services
David Choe, Project Manager, Systems Project Management Office
(Presentation)

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

B. **Draft Board AI Governance Framework – Discussion Item**

Chaitanya Errande, Information Security Officer
Kathy Delino, Chief, Information Technology
(For Discussion Purposes) (Memo dated May 26, 2026)

The draft Board AI Governance Framework was discussed, with staff available to answer questions. This item will be brought back to the OOC next month, with changes/updates as presented by the Committee.

C. **Privacy Incidents: Personally Identifiable Information (Monthly)**

Chaitanya Errande, Information Security Officer
(For Information Only) (Memo dated May 11, 2026)

This item was received and filed.

VI. ITEMS FOR STAFF REVIEW

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

There was nothing to report.

VII. ITEMS FOR FUTURE AGENDAS

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

There was nothing to report.

VIII. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

IX. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:20 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.**



Operations Briefing

Operations Oversight Committee

July 2026



01

Operational Initiatives

16 organization-wide projects spanning infrastructure, member services, compliance, and technology modernization

02

Strategic Plan Initiatives

5 technology projects aligned to LACERA's strategic goals

03

IT Trends & AI Update

Highlighting the Modernization of Contract Management, Artificial intelligence landscape, LACERA's current AI applications, projects in development, and the future pipeline



21

Total Projects

18

On Track

3

Pending / On Hold

\$3.98M

FY 25-26 Budget

Upcoming Initiatives

Jul 2026

COLA Bank, PEPR Annual Benefit Statement (ABS)

Aug 2026

Legal Matter Management (LMM), Virtual Mailroom, LERT

Sept 2026

Microfiche Digitization

Oct 2026

Enterprise Knowledge Management

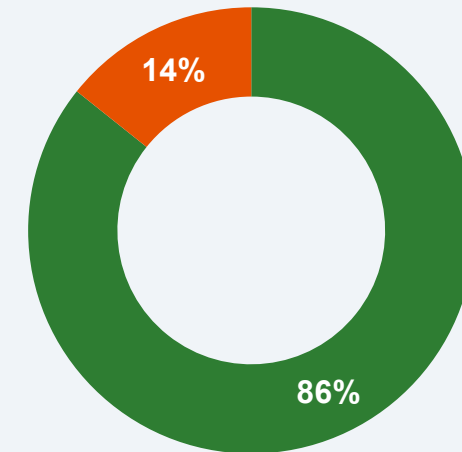
Nov 2026

Case Management (Sol) Phase 2

Dec 2026

Disability Retirement AI, PEPR FAC: Scheduled Earnings, Project Portfolio Management

Status Distribution



■ On Track ■ Pending / On Hold



Operational and Strategic Plan Initiatives

Organization-Wide Projects · 16 Active Initiatives

Technology Components of LACERA's Strategic Goals · 5 Initiatives



Boardroom Relocation and Expansion

On Track · Planning

Relocation of the Boardroom from the 8th Floor to the ground floor of Gateway Plaza.

Update: Staff continue to engage in planning discussions with the Office of the Building and external vendors regarding first-floor space allocation and requirements in preparation for obtaining building permits. Staff will provide an update during the Aug JOGC.

Budget: \$700,000 | Target: March 2027 | Ricki Contreras, Division Manager

CoPilot Champions

On Track · Execution

Expanding CoPilot adoption by empowering selected staff to lead adoption efforts, recommend training, and serve as peer mentors across the organization.

Update: Second round of training will be structured with division-specific use cases. Purchase Order issued, begin Planning activities with vendor.

Budget: \$51,000 | Target: September 2028 | Penelope Rodriguez, Project Manager

COLA Bank Retroactive Changes

On Track · Execution

Board of Retirement approved corrections to the COLA Accumulation Bank, involving retroactive corrections, recalculating benefit allowances, and paying members retroactive benefits.

Update: The team has reviewed and addressed 1,278 of the 1,292 COLA Project cases and issued retroactive payments as required. The remaining 14 are the most complex cases and will be finalized in July 2026 which will complete this project.

Target: July 2026 | Louis Gittens, Division Manager

Deductions for Dues from Retiree Benefit Payments

On Track · Execution

Policy implementation for members who elect to have dues, fees, or premium payments deducted from retirement benefits to ensure compliance with CERL Section 31452.5.

Update: Future process and workflow have been finalized. Benefits will partner with Systems to begin the development phase of the automation process for agency deductions.

Target: TBD | Louis Gittens, Division Manager



Digital Communication Governance & Compliance

On Track · Planning

eDiscovery solution for the Legal Office and Information Security Teams to identify, collect, and produce electronically stored information in response to legal and public records requests.

Update: Proof of Concept completed successfully. Estimated cost exceeds Board-approved amount; obtained additional vendor quotes; determining next steps.

Budget: \$120,000 | Target: TBD | Alonso Favela, Project Manager

LACERA Event Response Team (LERT) Management Solutions

On Track · Execution

Automate tracking of LACERA incidents and integrate ServiceNow workflow with the Pension Administration System and Emergency Notification System.

Update: Technical configuration for deployment and training users.

Target: August 2026 (Previously June) | Dave Choe, Project Manager

Disability Retirement AI Solution

On Track · Execution

Transform the document and record indexing process of the disability retirement application workflow to enhance speed, accuracy, and efficiency.

Update: Finalizing detailed requirements (SOW) to initiate procurement process with Vendor Management.

Budget: \$150,000 | Target: December 2026 | Alonso Favela, Project Manager

Legal Matter Management (LMM) Solution

On Track · Execution

Solution for the Legal Office to track and manage legal matters and integrate with Enterprise Contract Lifecycle Management.

Update: Completing project documentation, readying for project closure.

Budget: \$158,000 | Target: August 2026 | Dave Choe, Project Manager



Mainframe System Migration

On Track · Execution

Migration of existing pension administration mainframe functionality to modern infrastructure to enhance scalability, agility, and integration capabilities.

Update: Employing AI and automated testing to optimize coding and migration activities; working on new IRS file format conversion.

Budget: \$920,000 | Target: June 2028 | Alonso Favela, Project Manager

Microfiche Digitization

On Track · Execution

Conversion of LACERA's 46 million pages of microfiche to searchable PDF files stored in an Enterprise Content Management System, with a subset shared with the L.A. County Auditor-Controller.

Update: Mass conversion to searchable PDFs completed January. Awaiting MOU with LA County for delivery coordination.

Target: September 2026 (Previously June) | Tom Deluca, Project Manager

PEPRA: Annual Benefit Statement

On Track · Execution

Provide an Annual Benefit Statement (ABS) for PEPRA members.

Update: Design requirements submitted. Systems is continuing to work with Communications to resolve key business decisions before coding.

Target: December 2026 | Cynthia Martinez, Communications

PEPRA Final Average Compensation: Scheduled Earnings

On Track · Execution

Board of Retirement approved using Scheduled Earnings instead of Actual Earnings for calculating PEPRA member Final Average Compensation, including retroactive benefit payments.

Update: All routine cases have been completed. Two outstanding complex cases are nearing completion.

Target: July 2026 | Kevin Hawkins, Process Management Group, Benefits



Project Portfolio Management Solution

On Track · Planning

Streamlining project selection, prioritization, and resource allocation to align with business goals and improve efficiency and decision-making.

Update: Concluding trial in test environment, readying package for Vendor Management and Procurement process.

Budget: \$80,000 | Target: December 2026 | Sai Nichal Dasari, Project Manager

Retroactive Payroll Adjustments: Prospective Correction

Pending · Initiation

Collaboration with the Auditor-Controller to ensure timely and accurate collection of member payroll contributions on retroactive payroll adjustments.

Update: Concerns communicated to County. Auditor-Controller plans to work with Systems to resolve.

Target: TBD | JJ Popowich, Assistant Executive Officer

SASE (Phase II)

On Track · Execution

Implement core cloud-based networking and security features including SDWAN, Secure Enterprise Browser rollout, and Data Loss Prevention strategies.

Update: Advanced features being implemented. Prisma Access Browser testing underway for Boardroom, contractors, and disaster BYOD. We are also working on implementing interconnect a feature that is missing from our current solution

Target: August 2026 | Chait Errande, Information Security

Virtual Mailroom

Pending · Initiation

Moving document imaging services in LACERA's Document Processing Center to a third party as a permanent or business continuity solution.

Update: Begin Vendor Management and Procurement process.

Budget: \$150,000 | Target: TBD | Dave Choe, Project Manager



Case Management (Sol) Phase 2

On Track · Execution

Strategic Priority Goal 1: Superior Member Experience – 1.3 Digital Strategy

Extension of LACERA's Sol Case Management System to include Death Processing capabilities.

Update: Active Death Case Management module development has begun, about 50% complete.

Budget: \$260,000 | Target: November 2026 | Iveta Brecko, Project Manager

Member Experience Communication Project (MECP)

On Track · Execution

Strategic Priority Goal 1: Superior Member Experience – 1.3 Digital Strategy

Replace existing AWS Connect with a cloud communications service providing Omni-Channel Contact Center with native MS Teams integration.

Update: This project will be divided into two phases due to delays in change management, contract reviews, and further analysis of AI functionality. Phase I covers core call center and queue management, audio/video call recording, workforce management, quality control, and a beta live Specialist chat on LACERA.gov. Phase II covers AI Agent Assist and AI chatbot features on LACERA.gov. Expected to begin testing in late June through July.

Budget: \$300,000 | Target: October 2026 | JJ Popowich, Assistant Executive Officer

Employer Portal

On Hold

Strategic Priority Goal 1: Superior Member Experience – 1.3 Digital Strategy

A secure online portal for employers to on-board LACERA members, streamlining the Sworn Statement process and granting earlier access to My LACERA self-service.

Update: On hold pending prioritization and resource availability decisions.

Target: TBD | Alonso Favela, Project Manager

Business Intelligence Initiative

On Track · Execution

Strategic Priority Goal 2: Innovation Through Technology – 2.1 Business Intelligence

Implement a centralized, scalable BI platform leveraging Microsoft Fabric, Power BI, and Copilot to unify data sources and enable advanced analytics across all divisions.

Update: Wrapping up on first set of 3 division specific dashboards; project team has identified next set of 3 divisions to work on.

Budget: \$960,000 | Target: December 2027 | Alonso Favela, Project Manager

Enterprise Knowledge Management

On Track · Execution

Strategic Priority Goal 2: Innovation Through Technology – 2.2 Knowledge Management

Hire a Taxonomy consultant to assist with requirements definition and RFP for a Knowledge Management System.

Update: Completed vendor demos; compiling proposal scores.

Budget: \$135,000 | Target: December 2029 | Dave Choe, Project Manager



Artificial Intelligence (AI) Update

Presented by Kathy Delino, Chief Information Technology

1 CoPilot Training – Second Round

- The second round of CoPilot training is currently in the planning stages
- Will be targeting specific use cases and teams for a more focused training approach

2 CoPilot CoWork Is Now Available

- CoPilot CoWork is now available for all users




In Production

Current Applications

- Microsoft CoPilot Chat
- Microsoft 365 CoPilot
- Microsoft CoWork
- AI-Powered Video Transcription
- BI & Data Visualization Tools
- AI-Assisted Code Generation
- AI-Assisted Test Case Generation
- AI-Assisted Contract Review

In Development

Building Now

- Website Chatbot + Call Center
- Disability Retirement Document AI
- AI-Enhanced Excel for Investments
-  Intelligent Document Processing

Future Pipeline

Coming Next

- AI for Board Meetings
- AI-Assisted Legal Research
-  AI-Assisted Analysis and Triage of Legal Documents



Use Case Moving to Next Phase



New Use Case



L//CERA

Questions?

Operations Oversight Committee | July 2026



BOARD OF RETIREMENT | STRATEGIC PLAN

2023–2028 Strategic Plan Quarterly Update

Operations Oversight Committee

JULY 2026

QUARTERLY REVIEW

Dashboard

April – June 2026

01

Strategic Plan Budget

FY 2025–26 · BUDGET VS. ACTUAL

\$1.9M | **\$1.2M**
 Budget Actual

FY 2026–27 · BUDGET

\$2.7M
 ▲ +\$750K (+33%) vs. prior year

*Strategic budget excludes \$25,000 contingency fund. Progress as of June 2026.

FY 2026–27 Allocation by Goal	Budget	Progress
Superior Member Experience	\$1,000,000	27%
Innovation Through Technology	\$1,430,000	45%
Investing in People	-	39%
Ethics & Compliance / Risk	\$50,000	59%
Fiscal Durability	\$150,000	50%
Total Strategic Budget*	\$2,630,000	

Goal Highlights



April through June 2026

Goal 1 | Superior Member Experience

The Member Experience Communication Platform (Genesys) user testing and integration validation is currently underway.

Goal 2 | Innovation Through Technology

Dashboards for the Business Intelligence Platform are currently being developed. Vendor selection for the Enterprise-Wide Knowledge Management Solution is in the final stages.

Goal 3 | Investing in People

Manager and Supervisor learning and development plans have been deployed, current emphasis on training to support performance evaluations and performance management.

Goal 4 | Ethics & Compliance and Enterprise Risk Management

A recruiter has been selected for the hiring of the Chief Ethics and Compliance Officer (CECO), a projected hiring timeline has been set, and the bulletin will be posted in June.

Goal 5 | Fiscal Durability

As part of the enterprise-wide fiscal responsibility tool assessment, a needs assessment and corresponding scope of work for the Enterprise Resource Planning (ERP) solution is being developed during the procurement pre-planning phase.

PROGRESS AGAINST GOALS

Strategic Plan Overview

April – June 2026

02

GOAL 1: Superior Member Experience

Innovate and continuously improve the member experience

Objective	Progress	Current FY Budget	Executive Sponsor, Lead, Project Manager	Key Update	Highlights	Expected Completion
<p>1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	JJ Popowich, Tatiana Bayer	Member journey surveys efforts are underway.	The Member Experience Council continues to work on each member journey framework.	September 2028
<p>1.2 Enhance member educational content at every stage in their journey and launch LACERA Communication Plan</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	JJ Popowich, Cynthia Martinez	The Communication Plan is in the final stage of review.	Retirement University educational video series in post-production, with twelve videos planned.	December 2028
<p>1.3 Develop, implement, and deploy a digital strategy to better serve our members</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$1,000,000	JJ Popowich, Cookie Jaranilla (PM), Iveta Brecko (PM)	The Member Experience Communication Platform (Genesys) is ready for testing.	Continued efforts to Sol and other applications continue to be enhanced.	December 2028
<p>1.4 Improve and enhance the retiree healthcare experience</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	JJ Popowich, Tionna Fredericks	Efforts are underway to finalize the online Retiree Healthcare enrollment.	-	June 2028

Strategic Objective 1.1 | Omni-Channel Experience

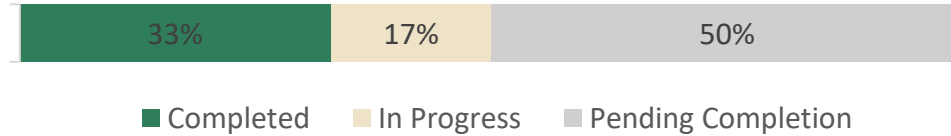


Ensure an omni-channel experience at every stage of a member journey

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Implemented a standardized omnichannel retirement counseling
- Implemented Retiree Healthcare new retiree topics into the Member Services retirement counseling throughout the Call Center to offer a true omnichannel standardized counseling (in alignment with the current Outreach counseling)
- Cross trained Outreach and Call Center staff on all different channels used to provide member counseling

Key Activities Underway

- New hire member surveys for general and safety
- Identify points of communication in each member journey
- Develop a framework and plan for each omni-channel
- Identify and implement new omni-channel sources
- Communicate omni-channel sources and educational content

Strategic Objective 1.2 – Member Educational Content

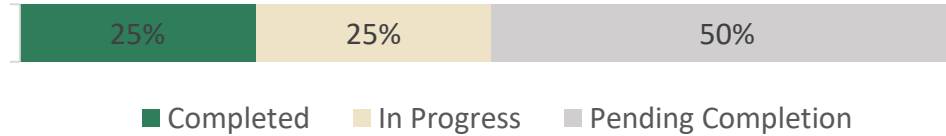


Enhance member educational content at every stage in their journey and launch LACERA Communication Plan

Overall Status
EXECUTION PHASE



Overall Objective Progress



Key Accomplishments

- Launched Social Media Plan

Key Activities Underway

- Finalize LACERA's Communication Plan
- Complete member education needs assessment
- Launch and expand the Resource Library on LACERA.gov
- Execute targeted outreach campaigns
- Implement accessibility enhancements
- Retirement University educational video series

Strategic Objective 1.3 – Digital Strategy

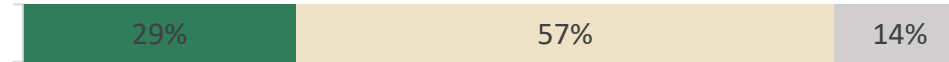


Develop, implement, and deploy a digital strategy to better serve our members

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Selection of the Member Experience Communication Platform (Genesys)
- Completed first retirement payment within LACERA's Case Management System (SOL) and the workflow is being monitored
- Execute the Disability Retirement and Disability Litigation Case Management (SOL Phase I)

Key Activities Underway

- Migrating Active Death Processing to Sol to streamline and improve the process
- Streamline foundational processes within SOL, My LACERA, and Workspace (pension administration platform)
- Launch the Member Experience Communication Platform (Genesys) designed to improve member and retiree interactions across multiple channels
- Implement and launch SOL Phase II – Active Death and Retired Death Case Management
- Integrate Empower (401/457 Defined Contribution Plan) and My LACERA portal
- Launch Employer Portal to support LA County Department of Human Resources and new hires
- Launch LACERA mobile application

Strategic Objective 1.4 – RHC Experience

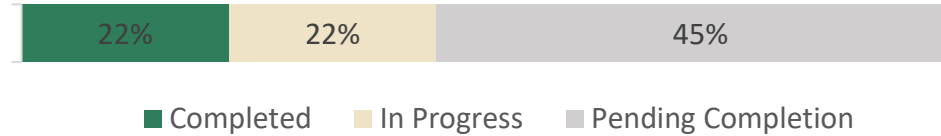


Improve and enhance the retiree healthcare experience

Overall Status
EXECUTION PHASE



Overall Objective Progress



Key Accomplishments

- Survey results received from the Retiree Healthcare staff regarding member journey and process input

Key Activities Underway

- Creation of a Retiree Healthcare summary chart of the non-medicare plans for members to easily reference
- Launch a member online medical and dental plan comparison for member reference
- Integrate the Social Security Administration (SSA) date exchange for member online plan comparison
- Automate Retiree Healthcare foundational processes
- Distribute a Retiree Healthcare survey to all members
- Implement a Retiree Healthcare online enrollment
- Communicate Retiree Healthcare online enrollment and training to members

Goal 2: Innovation Through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

Objective	Progress	Current FY Budget	Executive Sponsor, Lead, Project Manager	Key Update	Highlights	Expected Completion
<p>2.1</p> <p>Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$840,000	Luis Lugo, Kathy Delino, Alonso Favela (PM)	Business Intelligence dashboards have been developed for four divisions: Systems, Member Services, Disability Retirement Services, and Retiree HealthCare.	The Business Intelligence project team is working with HR, Admin Services and Benefits to assess reporting and dashboard requirements.	December 2027
<p>2.2</p> <p>Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$590,000	JJ Popowich, Eugenia Der, David Choe (PM)	Vendor selections for the knowledge management solution are underway.	-	December 2028

Strategic Objective 2.1 – Business Intelligence Platform

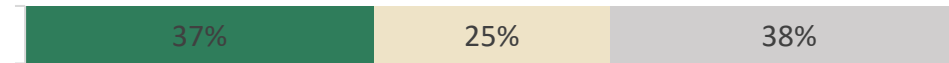


Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Selected and implemented a business intelligence platform
- Established a centralized repository for organization-wide information for easy reference
- Business Intelligence dashboards delivered for four divisions

Key Activities Underway

- Establish Business Intelligence governance and role-based access
- Roll out of dashboards to each to include top metrics and visualization requirements, building interactive dashboards with drill-down capabilities, and rolling out dashboards to leadership teams

Strategic Objective 2.2 – Enterprise-Wide Knowledge Management



Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Taxonomy consultant selected
- Organizational assessment and content tagging of approximately 3,500 knowledge assets from the Member Operations Group and Compass Library completed
- First iteration of LACERA taxonomy glossary completed
- Request for Proposal issued for a Knowledge Management Solution

Key Activities Underway

- Training for divisional knowledge generators to ensure compliance with taxonomy processes
- Selection of a Knowledge Management Solution Vendor
- Implement and launch Knowledge Management Solution

Goal 3: Investing in People

Attract, motivate, hire, and retain a highly engaged and skilled workforce

Objective	Progress	Current FY Budget	Executive Sponsor, Lead, Project Manager	Key Update	Highlights	Expected Completion
<p>3.1 Develop and implement a framework aimed at promoting and embracing diversity, equity, and inclusion (DEI)</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	Jessica Baxter	IDEA site launched on LACERA Connect for Staff to access resources and information.	-	December 2027
<p>3.2 Develop enterprise-wide training and development programs designed to support and encourage employee growth and development</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	Jessica Baxter, Carly Ntoya	Revising existing and creating new organizational development pathways .	Assigned Manager and Supervisor Learning Plans in NeoGov Learn.	June 2028
<p>3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	Jessica Baxter, Carly Ntoya, Alonso Favela (PM)	Recruitment for Chief Ethics and Compliance Officer underway.	Completed piloting of low-tech automation.	June 2028

Strategic Objective 3.1 – Diversity, Equity, Inclusion



Develop and implement a framework aimed at promoting and embracing diversity, equity, and inclusion (DEI)

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Established the Inclusion, Diversity, Equity, and Accessibility (IDEA) Council
- Communicated Statement of Commitment to LACERA team members, members via LACERA.gov and to the public via social media
- Created the IDEA platform on LACERA Connect (Intranet) for LACERA team members to go for resources and information
- Launch the IDEA platform internally providing resources and information

Key Activities Underway

- Conduct a needs assessment gap analysis
- Centralize training programs and opportunities to educate LACERA team members via LEARN Management System

Strategic Objective 3.2 – Employee Training and Development



Develop enterprise-wide training and development programs designed to support and encourage employee growth and development

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Implement a Supervisor Learning and Development Plan aiming to equip and enhance each supervisors' skills and knowledge essential for excelling in this role
- Implement a Manager Learning and Development Plan specifically tailored for Division Managers at LACERA aiming to enhance technical and soft skills essential for excelling in this role

Key Activities Underway

- Implement an All-Staff Development Plan focused on a standard baseline set of knowledge, skills, and abilities (KSA)
- Revise and enhance the Career Development Program (CDP)
- Revise the Temporary Opportunity Program (TOP) providing permanent LACERA employees with a chance to gain hands-on work experience in various parts of our organization through temporary assignments
- Revise the Leadership Development Program (LDP) to align with the Leadership Pipeline including leadership courses and invaluable experience by working as part of a team while developing and utilizing skills that are learned

Strategic Objective 3.3 – Improve & Simplify Hiring Process



Improve and simplify the hiring process, aimed at building a solid foundation for succession planning

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Automated reports for represented and non-represented performance evaluations
- Implemented and regularly reported Key Performance Indicators (KPIs), publicly and internally
- Implemented enhancements in NeoGov to allow for expanded candidate communication during the recruitment and assessment phases

Key Activities Underway

- Update the Employee Handbook
- Launch non-represented performance evaluations with completion deadlines and training support
- Revise and implement a standardized new hire onboarding process
- Pilot testing programs to map the hiring process
- Launch a modern new hire orientation program
- Develop a Workforce Plan to mitigate attrition

Goal 4: Ethics & Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at facilitating strengthened governance around risk management and compliance

Objective	Progress	Current FY Budget	Executive Sponsor, Lead, Project Manager	Key Update	Highlights	Expected Completion
<p>4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	Luis Lugo, Steven Rice, Allison Barrett	Ongoing development of policies, training, and governance structures to strengthen ethical standard, accountability and compliance across the organization continue to be a focus.	The Chief Ethics and Compliance Officer recruitment is underway.	December 2028
<p>4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$50,000	Luis Lugo, Leisha Collins	Enterprise Risk Management (ERM) Group has been established.	Internal Audit and the Ethics and Compliance team are taking a collaborative approach to the development of the ERM program as part of an Aligned Assurance model, with Internal Audit acting as project manager.	December 2028

Strategic Objective 4.1 – Ethics & Compliance Plan and Program



Develop an ethics and compliance plan and program to ensure adherence to ethical standards and established processes, procedures, policies, and governing rules and regulations

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Ethics and Compliance Committee Established
- Policy Management Central Library Created
- Conducted Staff Culture Survey and Focus Groups
- Substantial Progress on All Elements of Board- and ACRE-Approved Foundational Work Plan
- Six Certified Ethics and Compliance Professionals (CCEP)

Key Activities

- Code of Ethical Conduct Revision and Code Roll-Out, Orientation, and Training
- Create Staff Culture Action Plan Based on Survey Results
- Partnered with Internal Audit on Initial Ethics and Compliance Risk Assessment ("Aligned Assurance")
- Draft Hiring Plan and Hire the Chief Ethics Compliance Officer
- Conduct In-House Ethics and Compliance Training, through Several Vehicles, including the Ethics and Compliance Committee, the Management Offsite, and Direct Staff Interactions
- Draft Stand-alone Nonretaliation Policy, Investigation Policy, Risk Identification and Assessment Policies and Procedures

Strategic Plan 4.2 – Enterprise Risk Management



Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Established an Enterprise Risk Management (ERM) Group
- Interviewed consulting firms to advise on ERM implementation

Key Activities Underway

- Hire an ERM consultant to advise and assist in the ERM implementation

Goal 5: Fiscal Durability

Exercise care and prudence in managing our resources and fund assets

Objective	Progress	Current FY Budget	Executive Sponsor, Lead, Project Manager	Key Update	Highlights	Expected Completion
<p>5.1 Develop organizational tools to support enterprise-wide fiscal responsibility</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$150,000	Jessica Baxter, Ricki Contreras, Cookie Jaranilla (PM), Penelope Rodriguez (PM)	CobbleStone process review and assessment efforts underway.	Enterprise Resource Planning (ERP) needs assessment underway.	June 2028
<p>5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals</p>	<ul style="list-style-type: none"> ● On Track (Execution Phase) 	\$0	Luis Lugo, Jon Grabel, Jude Perez	Key efforts are focused on completing the classification and analysis of the LACERA Building.	-	June 2027

Strategic Objective 5.1 – Fiscal Responsibility

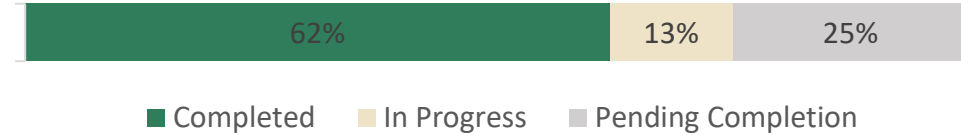


Develop organizational tools to support enterprise-wide fiscal responsibility

Overall Status
EXECUTION PHASE



Overall Objective Progress



Key Accomplishments

- Implemented Accounts Payable (Certify) System
- Implemented a Budget Software (Questica) Solution
- Centralized a vendor management program
- Implemented a Travel and Expense Software (Certify/Emburse)

Key Activities Underway

- Implement an Enterprise Contract Lifecycle Management (ECLM) Solution (Cobblestone)
- Provide staff with financial training
- Conduct an Enterprise Resource Planning (ERP) tool assessment

Strategic Objective 5.2 – Support the BOI’s Strategic Plan Goals

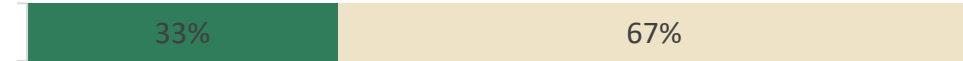


Support the LACERA Investment Office in implementing and achieving the BOI’s Strategic Plan Goals

Overall Status
EXECUTION PHASE



Overall Objective Progress



■ Completed ■ In Progress ■ Pending Completion

Key Accomplishments

- Approval of the Actuarial Funding Policy and Interest Crediting Policy for Reserves
- Conduct the classification and analysis of the LACERA Building
- Implement a plan to reclassify the LACERA Building

Key Activities Underway

- Approval of the OPEB Prefunding Policy
- Select a Media and Public Relations firm
- Implement an Investment Office Incentive Plan

Thank You.

Questions & Discussion

June 23, 2026

TO: Operations Oversight Committee
Nancy M. Durazo, Chair
Wayne Moore, Vice Chair
Bobbie Fesler, Trustee
Aleen Langton, Trustee
David Ryu, Alternate Trustee

FROM: Chait Errande 
Information Security Officer

Kathy Delino *KD*
Chief, Information Technology

FOR: July 1, 2026 Operations Oversight Committee Meeting

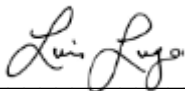
SUBJECT: **Board AI Governance Framework Discussion – Update**

The Information Security Officer and Executive teams are working diligently to finalize the Board AI Governance Framework Policy. This work remains a priority and is being carefully developed to support thoughtful governance, oversight, and responsible use of artificial intelligence within LACERA.

Staff anticipate bringing this item forward for the Committee's consideration at the August 2026 Operations Oversight Committee meeting.

We appreciate the Committee's patience and look forward to presenting the completed framework at that time.

Reviewed and Approved:



Luis A. Lugo
Chief Executive Officer

CE:KD:nm

cc: Luis A. Lugo
Steven P. Rice
Jonathan Grabel
Jude Perez
JJ Popowich
Jessica Baxter



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

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