DEPARTMENT OF FIRE AND POLICE PENSIONS

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LAFPP
To Serve Those Who Protect
LOS ANGELES FIRE AND POLICE PENSIONS

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JULY 1, 2021   **ITEM: B.5**

FROM: RAYMOND P. CIRANNA, GENERAL MANAGER

SUBJECT: FOURTH QUARTER (CLOSE OUT) REPORT OF THE 2020-21 BUSINESS PLAN AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board receive and file the Fourth Quarter (Close Out) Report of the 2020-21 Business Plan.

BACKGROUND

The 2020-21 Business Plan was approved by the Board on June 18, 2020 and includes a total of 11 projects that fall within the department's five Strategic Goals:

1. Ensure a Financially Sound Retirement System
2. Manage Risk Throughout the Organization
3. Enhance Customer Care & Stakeholder Relations
4. Pursue Operational Efficiencies
5. Build and Support a Talented Workforce

These primary goals help keep the System resources focused on the most critical areas to ensure we successfully fulfill our Mission Statement: *"To advance the health and retirement security of those who dedicate their careers and risk their lives to protect the people of Los Angeles."*

In accordance with Governance Policy 12.10 of the General Manager (GM) Performance Evaluation Policy, a Business Plan final status report shall be provided to the Board during one of its meetings in July. This is intended to help the Board evaluate the success of the GM in completing Business Plan projects during the GM evaluation period (July 1 – June 30), which is a critical element of the Board's annual GM performance evaluation. This report is consistent with that Policy.

DISCUSSION

Staff is providing the fourth quarter (close out) report on the status and progress of the 2020-21 Business Plan projects. The fourth quarter (close out) report is summarized in Attachment I, the 2020-21 Business Plan Dashboard. This attachment provides a brief overview of the projects, including the progress toward meeting the Milestones, the overall project duration, the overall project status and whether the project is over/under budget.

As presented in Attachment I, the status of the 2020-21 Business Plan through the fourth quarter is summarized as follows:

- Nine (9) out of the 11 projects are completed;
- One (1) out of the 11 projects is behind schedule; and
- One (1) out of the 11 projects remains deferred to Fiscal Year 2021-22.

Additional detail on each project is included in Attachment II, Project Detail Reports.

PROJECT BEHIND SCHEDULE

Project No. 1 – Implementation of Asset Allocation
While the adoption of the Board's new asset allocation plan is complete, implementation of the new Private Credit asset class is ongoing. Investments Staff and General Consultant are currently reviewing the RFP respondents' proposals from the Bank Loan and Private Credit Advisor searches. At this time, it is anticipated that interviews and selection of managers by the Board will conclude no later than December 31, 2021.

PROJECTS CONTINUING INTO/DEFERRED TO FUTURE BUSINESS PLANS

One multi-year project that has met its 2020-21 milestones and is continuing into the 2021-22 Business Plan is:

Project No. 3 – Enterprise-wide Cyber Security Program
The work of this project will continue into Fiscal Year (FY) 2021-22 with focus on: 1) Addressing the recommendations in the network vulnerability assessment, 2) Researching and implementing Data Loss Prevention solutions, 3) Installing upgraded network security devices, 4) Completing the review of personnel policies and training, as appropriate, and 5) Continue researching cyber security best practices.

Another multi-year project that has met its 2020-21 milestones and will return in the 2022-23 Business Plan is:

Project No. 10 – Department-wide Business Process Improvements
The CEM (**C**ost **E**ffective **M**easurement) Benchmarking of our administrative expenses for FY 2017-18 resulted in twenty-one (21) opportunities for business process improvements (Attachment III, Business Process Improvement Matrix), of which five were completed in FY 2019-20, ten to be studied or implemented in FY 2020-21, and six to be studied in FY 2021-22 and completed by FY 2022-23.

In the Second Quarter Update (on January 21, 2021) to the Board, staff explained that four of the ten process improvements for FY 2020-21 had been completed. The remaining six have been completed as follows:

1. In order to quickly check in members for 1-on-1 in-person counseling and ensure members receive timely service potentially from multiple counselors, staff has reviewed and selected a digital visitor check-in software solution that meets our unique requirements: workflow, notification of multiple service requests and automated survey distribution. Staff continues to fine tune the workflow to ensure that members have a user-friendly interface and staff may

access various features including dashboards and performance metrics to drive further improvements. A proof-of-concept trial will be scheduled prior to reopening the office to members.

2. Staff has considered the best practice to require members to acknowledge website disclaimers at each log-in and generation of benefits estimate and has determined that doing so does not provide additional value to the website's design and security or to the member experience. The MyLAFPP log-in page already includes a site disclaimer as well as language that informs members that amounts provided are estimates only and are subject to change based on individual circumstances.

3. As of January 7, 2021, members may update their beneficiary via MyLAFPP. This new tool enhances the set of tools already available on our website.

4. While best practice (per CEM) may suggest that requiring a notary is just red tape and does not provide additional protection to the plan, LAFPP and City Attorney staff have discussed and determined there is a continued need for notarization of certain documents.

5. Staff has reviewed the presentation survey that is distributed to our members upon their participation in a variety of webinars and seminars. Staff has determined no modification is necessary to the survey for it to be considered presenter specific. This is primarily because with the exception of one presentation, all of our webinars and seminars are presented by one member of staff. Thus, the survey results can be interpreted as presenter specific.

6. Staff has reviewed our member surveys and has determined no modification is necessary to consider them topic specific. Our surveys allow for members to select the topic on which they are providing feedback - 1-on-1 counseling (or pension inception), seminars and webinars (six types of webinars). Members also have the option to provide feedback per event or for multiple events. These surveys are provided immediately after the event and member response time is usually within one business day.

Additionally, two of the six process improvements to be studied in FY 2021-22 and completed by FY 2022-23 have been implemented ahead of schedule:

1. The pandemic prompted staff to pursue video conferencing solutions for remote 1-on-1 counseling sooner than intended. Staff is currently utilizing multiple video conferencing platforms (Zoom, Teams, FaceTime, and Skype) with the ability to share screens with members and walk-through documents in a secure environment.

2. DROP counseling is conducted by appointment only and scheduling has traditionally been via phone. Real time counseling registration was implemented in February 2021. Members are now able to register for DROP counseling and make changes to their registration via a link.

With completion of the above two process improvements, there are four remaining for follow up through FY 2022-23. Additional opportunities for process improvements may be identified in CEM Benchmarking of our FY 2020-21 administrative expenses (which is Project No. 10 of the 2021-22 Business Plan), and they may also be considered for follow up in FY 2022-23.

Lastly, one project was deferred to the 2021-22 Business Plan:

Project No. 2 – Association of Local Government Auditors (ALGA) Peer Review
Internal Audit Section's last external ALGA peer review was completed in June 2017 for the review period April 16, 2014 through April 15, 2017. The subsequent peer review was expected to be conducted in FY 2020-21, however, due to the COVID-19 pandemic, in March 2020 the Government

Accountability Office (GAO) extended the deadline for completing peer reviews. As of December 2020, the suspension remained in place. On January 21, 2021, the Board instructed staff to defer the project to FY 2021-22. Board approval of the deferral also allowed a one-time deviation from the Board's Governance Policies, Section 3.15(B)(i), for the Departmental Audit Manager to obtain a peer review by other auditors as required by professional standards, no less frequently than every three (3) years. Subsequently, on June 17, 2021, the Board approved the 2021-22 Final Business Plan, which included ALGA Peer Review.

BUDGET

No additional funding is requested at this time.

POLICY

No policy changes have been recommended.

This report was prepared by:

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Administrative Services Section

RPC:WSR:MTS:EC:EH

Attachments: I.   2020-21 Business Plan Dashboard - Fourth Quarter (Close Out) Report
                II.   Project Detail Reports
                III.   Business Process Improvement Matrix

DEPARTMENT OF FIRE AND POLICE PENSIONS
2020-21 BUSINESS PLAN
FOURTH QUARTER (CLOSE OUT) REPORT (AS OF JUNE 30, 2021)

2020-21 BUSINESS PLAN DASHBOARD

PROJECT TITLE	Overall Project Duration	2020-21 Milestone Dates	Overall Project Schedule	Overall Project Budget
Goal 1 – Ensure a Financially Sound Retirement System				
1. **NEW – Implementation of Asset Allocation**	2020-21	🔴	🔴	✔
Goal 2 – Manage Risk Throughout the Organization				
2. **NEW – Association of Local Government Auditors (ALGA) Peer Review**	**Defer to 2021-22**	**Defer to 2021-22**	**Defer to 2021-22**	**Defer to 2021-22**
3. **NEW – Enterprise-wide Cyber Security Program**	2020-21 2021-22	✔	🟢	🟢
Goal 3 – Enhance Customer Care and Stakeholder Relations				
4. **NEW – Direct Deposit for Refund of Contributions**	2020-21	✔	✔	✔
5. **NEW – LAFPP Benefits Information Session**	2020-21	✔	✔	✔
6. **NEW – Rollovers via Wire Payment**	2020-21	✔	✔	✔
7. **PARIS (Pension and Retirement Information System) Implementation**	2015-16 2016-17 2017-18 2018-19 2019-20 2020-21	✔	✔	✔
Goal 4 – Pursue Operational Efficiencies				
8. **NEW – Improvements to the Disability Claims Database**	2020-21	✔	✔	✔
9. **Pensions Division Business Process Reengineering**	2019-20 2020-21	✔	✔	✔
10. **Department-wide Business Process Improvements**	2019-20 2020-21	✔	✔	✔
Goal 5 – Build and Support a Talented Workforce				
11. **NEW – Department-wide Cross-Training Program**	2020-21	✔	✔	✔

Legend:		
	🟢	On schedule or on budget
	🟡	At risk of falling behind schedule or going over budget
	🔴	Behind schedule/over budget
	✔	Project completed

PROJECT NO. 1: NEW – Implementation of Asset Allocation
PROJECT LEAD: Tom Lopez, Chief Investment Officer, Investments Division
GOAL I: Ensure a Financially Sound Retirement System

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
🔴	🔴	✔️

PROJECT OBJECTIVE: To improve the risk/return profile for LAFPP's investments.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Evaluate and formulate plan to achieve new Asset Allocation targets.	**COMPLETED** The Board adopted a new asset allocation plan on August 20, 2020.
BY DECEMBER 31, 2020: a. Begin implementation of the new Asset Allocation strategy, including any necessary manager searches.	**COMPLETED** Staff has evaluated and formulated its plan for implementation and reported its recommendations to the Board on October 15, 2020 and December 17, 2020. As a result, the Board on December 17th approved two searches for firms to manage the new allocation.
BY MARCH 31, 2021: a. Schedule and hold interviews if needed for new managers.	**ONGOING** RFPs for two separate Private Credit searches were issued earlier this year. Responses for both searches have been received and are currently being evaluated to determine the next steps in the process.
BY JUNE 30, 2021: a. Complete new Asset Allocation Plan.	**ONGOING** The new asset allocation plan was adopted by the Board on August 20, 2020; however, the two private credit searches have not yet been completed.

OVERALL PROJECT STATUS: Ongoing

The adoption of the Board's new asset allocation plan is complete. The implementation of the new Private Credit asset class is ongoing as the Board, Staff and General Consultant review the proposals from the respondents of the Bank Loan and Private Credit Advisor searches.

NEXT STEPS:

The interviews and the selection of managers by the Board are expected to be completed by December 31, 2021.

BUDGET: On-Budget

PROJECT NO. 2: NEW – Association of Local Government Auditors (ALGA) Peer Review
PROJECT LEAD: Cynthia Varela, Manager, Internal Audit Section
GOAL II: Manage Risk Throughout the Organization

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
Deferred to 2021-22	Deferred to 2021-22	Deferred to 2021-22

PROJECT OBJECTIVE: To determine whether Internal Audit Section's quality control system is suitably designed, operates effectively, and produces quality work in compliance with professional standards.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY MARCH 31, 2022 (AMENDED 01/21/21): a. Undergo the external ALGA Peer Review and confirm results of the peer review; and, b. Identify corrective actions that may be needed to address recommendations.	**DEFERRED TO 2021-22**
BY JUNE 30, 2022 (AMENDED 01/21/21): a. Report ALGA peer review results and corrective actions, if necessary, to the Board.	**DEFERRED TO 2021-22**

OVERALL PROJECT STATUS: Deferred to 2021-22

Internal Audit Section's last external ALGA peer review was completed in June 2017 for the review period April 16, 2014 through April 15, 2017. The subsequent peer review was expected to be conducted in FY 2020-21, however, due to the COVID-19 pandemic, in March 2020 the Government Accountability Office (GAO) extended the deadline completing peer reviews. As of December 2020, the suspension remained in place. On January 21, 2021, the Board instructed staff to defer the project to FY 2021-22. Board approval of the deferral also allowed a one-time deviation from the Board's Governance Policies, Section 3.15(B)(i), for the Departmental Audit Manager to obtain a peer review by other auditors as required by professional standards, no less frequently than every three (3) years.

NEXT STEPS:

This project has been included in the FY 2021-22 Final Business Plan, as approved by the Board on June 17, 2021.

BUDGET: Deferred to 2021-22

PROJECT NO. 3: **NEW – Enterprise-wide Cyber Security Program**
PROJECT LEAD: **William Raggio, Executive Officer, Administrative Operations Division**
GOAL II: **Manage Risk Throughout the Organization**

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✅	🟢	🟢

PROJECT OBJECTIVE: To develop an enterprise-wide cyber security program that will focus on all levels of the organization to improve the Department's posture and defense against cyber-attacks.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Further research cyber security programs and begin holistic review of current cyber security posture.	**COMPLETED** a. Research was performed as scheduled during this quarter.
BY DECEMBER 31, 2020: a. Continue work with outside counsel to implement PII handling best practices; b. Form incident response team and begin development of incident response procedures; and, c. Begin network-wide encryption implementation.	**COMPLETED** a. Work was completed on PII best practices in January 2021. b. Staff initiated work with outside legal counsel to develop an incident response procedure, and the team selection was selected as part of this process. c. Network encryption and dual authentication was completed in September 2020.
BY MARCH 31, 2021: a. Complete encryption implementation and assess encryption posture; and, b. Research cyber liability insurance and provide education and findings to the Board.	**COMPLETED** a. Encryption related work completed prior quarter. b. Board education was provided on April 15, 2021 (two weeks late).
BY JUNE 30, 2021: a. Begin cyber liability insurance procurement process, if determined to be appropriate; and, b. Begin development of personnel policies and procedures, and additional employee training, if appropriate.	**COMPLETED** a. On April 15, 2021, the Board authorized staff to solicit quotes for cyber liability insurance and determine coverage amounts, and to return to the Board with a recommended insurance policy. b. Based on on-going work, personnel policies are being reviewed and additional training needs are being assessed.

PROJECT NO. 3:   **NEW – Enterprise-wide Cyber Security Program**
PROJECT LEAD: **William Raggio, Executive Officer, Administrative Operations Division**
GOAL II: **Manage Risk Throughout the Organization**

OVERALL PROJECT STATUS: <u>Ongoing</u>

As a two-year project, the project work continues at this time. The FY 2020-21 Milestones were met, other than providing cyber liability insurance two weeks late.

At this time, staff and the outside law firm have completed the Information Security Incident Response Policy and a Response Team (along with backups) have been identified. The Response Team will conduct a table-top exercise of the Plan on June 24, 2021. Based on this exercise, it is expected the Plan will be refined and the Policy will be completed. The Policy will then be reviewed periodically there-after and similar table-top exercises will be conducted to ensure the Response Team is prepared going forward.

Additionally, a comprehensive Network Security Framework Assessment was completed in May 2021 by a third-party vendor. This Assessment resulted in a prioritized list of recommendations to further enhance LAFPP's security posture. These recommendations are being methodically addressed and are part of next fiscal year's work plan.

NEXT STEPS:

This work will continue into the FY 2021-22 and will focus on: 1) Addressing the recommendations in the network vulnerability assessment, 2) Researching and implementing Data Loss Prevention solutions, 3) Installing upgraded network security devices, 4) Completing the review of personnel policies and training, as appropriate, and 5) Continue researching cyber security best practices.

BUDGET: <u>On-Budget</u>

Separate funding was not provided for this project. Rather, existing funds were used for outside law firm assistance and for network hardware purchases.

PROJECT NO. 4: **NEW – Direct Deposit for Refund of Contributions**
PROJECT LEAD: **Riza Mulawin, Manager, Active Member Services Section**
GOAL III: **Enhance Customer Care and Stakeholder Relations**

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To improve efficiency in processing refunds of contributions by providing former members and related parties the option to direct deposit their refunds.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Review and test direct deposit functionality in PARIS with PASCo Staff.	**COMPLETED** The system's functionality was successfully reviewed and tested.
BY DECEMBER 31, 2020: a. Project Lead to provide training to Active Member Services Staff on entering direct deposit information in PARIS.	**COMPLETED** Conducted two (2) training cycles and provided staff a written manual to ensure accuracy in processing direct deposits.
BY MARCH 31, 2021: a. Revise the Refund of Contribution Form to include necessary direct deposit information; b. Mail revised forms to former members and related parties; and, c. Post revised forms on LAFPP website.	**COMPLETED** Forms have been revised to include direct deposit information and authorization. The revised forms have been posted on the LAFPP website and mailed to recently terminated members.
BY JUNE 30, 2021: a. Begin processing requests by former LAFPP members and related parties to direct deposit their refund of contributions.	**COMPLETED** As of May 31, 2021 payment roll, AMS started processing requests for direct deposit of refunds of contributions.

OVERALL PROJECT STATUS: Completed

Project objective has been met. As of May 31, 2021, 20% of requests for refund of contributions were processed as direct deposit instead of physical check.

NEXT STEPS:

Staff will continue to disseminate the direct deposit form to encourage former members and related parties to use direct deposit for their refund of contributions.

BUDGET: On-Budget

No additional costs associated with this project.

PROJECT NO. 5:   NEW – LAFPP Benefits Information Session
PROJECT LEAD: Stephen Bayutas, Benefits Analyst, Communications & Education
                      Section
GOAL III: Enhance Customer Care and Stakeholder Relations

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✔	✔	✔

PROJECT OBJECTIVE: To communicate the benefits offered by the Department to members in a more personalized and focused setting, as well as electronic/virtual formats.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY DECEMBER 31, 2020: a. Create schedule of information sessions; b. Draft presentation and handouts; c. Create outline and storyboard for informational videos; and, d. OPTIONAL: Research software options for a possible live virtual component.	**COMPLETED**
BY MARCH 31, 2021: a. Finalize presentation content and calendar; b. Assign, train, and schedule staff designated to present; c. Design informational videos for digital component; and, d. OPTIONAL: Feedback on live virtual component.	**COMPLETED**
BY JUNE 30, 2021: a. Conduct a pilot launch for presentations; b. Send announcements and invitations to members; c. Post informational videos on LAFPP website; and, d. Conduct a survey of attendees to gain feedback for improvement.	**COMPLETED** All live sessions ceased due to COVID-19 Restrictions. The program was converted to virtual webinars and all deadlines were moved up to continue the education program. All milestones were completed by September 30, 2020.

PROJECT NO. 5:   **NEW – LAFPP Benefits Information Session**
PROJECT LEAD: **Stephen Bayutas, Benefits Analyst, Communications & Education Section**
GOAL III: **Enhance Customer Care and Stakeholder Relations**

OVERALL PROJECT STATUS: Completed

The Communications & Education Section (C&E) identified and divided the project into three (3) broad topics. The "Understanding Your Plan" session provides the member with basics of the LAFPP pension plan and includes disability and survivor benefits. The "Health Benefits - Insurance in Retirement" session talks about the medical and dental benefits available in retirement. Lastly, the "Service Retirement and DROP Entry" session presents different retirement scenarios and DROP provisions. A completely new set of handouts was created for these presentations and a rigorous training was held for staff tasked with presenting and answering questions.

Due to COVID-19, the project timeline was accelerated and the presentations were delivered as a webinar via the Zoom platform. Members were invited through a series of email blasts, newsletter articles, and website postings - including resources provided by the Associations (LAPPL, LAFRA, LAPRA, and UFLAC). Registration was completed via the MyLAFPP member web portal.

The first presentation was held on September 30, 2020. As of June 30, 2021 Staff has conducted a total of 26 sessions. Overall, there have been 869 total members in attendance and C&E conducts roughly three (3) webinar sessions per month. A survey link is provided as a follow-up after each session and feedback has been overwhelmingly positive.

NEXT STEPS:

Staff is prepared to conduct in-person presentations in the future using the same materials and content. In-person presentations will be scheduled pending direction from the General Manager and after COVID-19 restrictions have been sufficiently modified to allow for this format. C&E staff will continue to provide webinars indefinitely, as they have proven to be a more cost effective, efficient, and convenient format by which we can serve our members' pension education needs.

BUDGET: On-Budget

PROJECT NO. 6: NEW – Rollovers via Wire Payment
PROJECT LEAD: May Simmons, Manager, DROP/Service Pensions Section
GOAL III: Enhance Customer Care and Stakeholder Relations

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To provide members and beneficiaries the option to rollover DROP Distributions via wire transfer.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Coordinate with PASCo Staff and Northern Trust to test the functionality of wire transfers for rollover of DROP Distributions.	**COMPLETED** Functionality was tested in PARIS and in Northern Trust with assistance from Systems' ConSEPP unit and PASCo Staff.
BY DECEMBER 31, 2020: a. Train DROP Staff in processing rollover of DROP Distributions via wire transfer.	**COMPLETED** Staff were trained on how to process DROP distributions via wire transfers.
BY MARCH 31, 2021: a. Update applicable forms and communications to reflect the availability of a wire transfer option for rollover payments.	**COMPLETED** Rollover forms were updated to reflect the new option.
BY JUNE 30, 2021: a. Post an article to the LAFPP website to inform members the availability of wire transfer option for rollover payments; b. Implement rollover payments via wire transfers; and, c. Process wire payments for rollovers as requested by members.	**COMPLETED** An article was posted to the LAFPP website on June 18, 2021. Rollovers via wire transfers will begin to be offered to members during one-on-one counseling sessions in June and group counseling sessions in July.

OVERALL PROJECT STATUS: Completed

Project will be completed by June 30, 2021 and the objective will be met.

NEXT STEPS:

Staff will work with financial institutions if there are any questions in filling out the new form and ensuring that the rollover via wire transfer is acceptable.

PROJECT NO. 6: **NEW – Rollovers via Wire Payment**
PROJECT LEAD: **May Simmons, Manager, DROP/Service Pensions Section**
GOAL III: **Enhance Customer Care and Stakeholder Relations**

BUDGET: <u>On-Budget</u>
Staff worked on the project during normal working hours and therefore did not incur additional costs.

PROJECT NO. 7: **CONTINUING – PARIS (Pension and Retirement Information System) Implementation**
PROJECT LEAD: **Alfred Domagat, Sr. Systems Analyst II, Systems Section**
GOAL III: **Enhance Customer Care and Stakeholder Relations**

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✔	✔	✔

PROJECT OBJECTIVE: To design and implement a new Pension Administration System that will result in improved overall efficiency in the department's business operations and continued superior service to our membership.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY JUNE 30, 2021: a. Delivery, testing, and integration of three of ten Workflows.	**COMPLETED** All three (3) workflow integration functionality were successfully delivered and tested by Staff. The lessons learned from the implementation of these workflows will aid in the assessment of additional workflows for future integration.

OVERALL PROJECT STATUS: Completed

The objective of this project was to design and implement a new Pension Administration System that will result in improved overall efficiency in the department's business operations and continued superior service to our membership. The core PARIS system went live in January 2019. The Member Self-Service functionality went live in May 2019. The DocuShare Integration was implemented in March 2021. The final milestone of implementing the three (3) workflows is considered complete as of June 30, 2021. The end of this fiscal year marks the end of the PARIS Project implementation. Going forward as described below, staff will continue to enhance the system to increase efficiencies within the system, and to increase services to our members.

NEXT STEPS:

Staff will continue to assess the need for critical enhancements, member self-service features, and additional workflows that will improve both the user experience of LAFPP staff and, most importantly, the members we serve.

BUDGET: On-Budget

No additional funding was requested for this project.

PROJECT NO. 8:   **NEW – Improvements to the Disability Claims Database**
PROJECT LEAD: Kristen Rosauer, Manager, Disability Pensions Section
GOAL IV: Pursue Operational Efficiencies

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: Pursue operational efficiencies by creating a functional and technologically up-to-date Disability Claims database that will track the status of all applications received by Disability Pensions Section and serve as an archive for all Disability Pension applications. It is desirable that the system will also be capable of generating reports for accurate reporting metrics.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Complete an analysis of the current Disability Pension Claims Database; b. Identify gaps and areas for improvement; and, c. Identify reports which are obsolete and any new reports that the system will need to generate.	**COMPLETED** Staff completed an analysis of the current database, identified gaps and areas of improvement, and identified obsolete reports. Staff identified reports that should be considered for incorporation into the database to pursue operational efficiencies.
BY DECEMBER 31, 2020: a. Disability Pensions Section, Systems section, and PASCo Section will meet to discuss the functionality and limitations of PARIS for Disability's purposes.	**COMPLETED** PASCo Staff recommended the integration process begin by creating flow charts and identifying the various phases of case progression. This will provide the backbone for the case management "build out."
BY MARCH 31, 2021: a. Outline what may be implemented in PARIS; b. Determine if PARIS will be able to meet needs of a Disability archiving system; c. Research how other pensions systems archive Disability data and compare against PARIS; d. Determine if a separate program or outside technology would serve purposes better; and, e. Research other methods of archiving (software programs, etc.).	**COMPLETED** Discussions with PASCo Staff identified items that could reasonably be implemented in PARIS as part of a case management system. Staff reached out to other pension plans to inquire as to how the plans track their disability application process. There are external software programs available that are geared toward disability case management, but these are mostly tailored to meet the needs of insurance companies, law firms, and workers' compensation.

PROJECT NO. 8:   **NEW – Improvements to the Disability Claims Database**
PROJECT LEAD: **Kristen Rosauer, Manager, Disability Pensions Section**
GOAL IV: **Pursue Operational Efficiencies**

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY JUNE 30, 2021: a. Make final determination as to if PARIS will be able to function as an archive for Disability Case information, or if outside resources should be used; b. If PARIS will be used, develop implementation plan and outline for data migration and functional menus; and, c. If PARIS will not be used, develop schedule for transfer of data and testing modules with input from systems Staff and PASCo Staff.	**COMPLETED** Discussions with PASCo staff determined that most case functionality may be incorporated into PARIS, however, there are aspects of the disability case process that will not be eligible for integration.

OVERALL PROJECT STATUS: <u>Completed</u>

The objective of this project was to pursue operational efficiencies by exploring options to replace the outdated Disability Claims database. It was determined that the current PARIS system will be able to incorporate case functionality, however, not all aspects involved in the current disability application process will be eligible for incorporation into the existing system.

NEXT STEPS:

As part of the Business Plan for FY 2021-22, Disability Pensions Section staff will continue to work with PASCo and Systems Staff to develop a plan to incorporate into PARIS a disability case management workflow that will track the status of disability pension and survivor benefit applications, as well as generate reports for accurate reporting metrics.

BUDGET: <u>On-Budget</u>

No additional funding was requested for this project.

PROJECT NO. 9: **CONTINUING – Pensions Division Business Process Reengineering**
PROJECT LEAD: **Anthony Torres, Manager, PASCo Section**
GOAL IV: **Pursue Operational Efficiencies**

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: Business processes for Pensions Division will be reviewed by PASCo Section in consultation with Accounting Section and Internal Audit Section. Recommendations will be made to leverage PARIS and DocuShare to improve efficiency.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY SEPTEMBER 30, 2020: a. Business process review completed, recommendations made, and process manuals developed for one Section in Pensions Division.	**COMPLETED** Business processes were reviewed, recommendations made, and a process manual was developed for the DROP/Service Pensions Section.
BY DECEMBER 31, 2020: a. Business process review completed, recommendations made, and process manuals developed for one Section in Pensions Division.	**COMPLETED** Business processes were reviewed, recommendations made, and a process manual was developed for the Retirement Services Section.
BY MARCH 31, 2021: a. Business process review completed, recommendations made, and process manuals developed for one Section in Pensions Division.	**COMPLETED** Business processes were reviewed, recommendations made, and a process manual was developed for the Disability Pensions Section.
BY JUNE 30, 2021: a. Business process review completed, recommendations made, and process manuals developed for one Section in Pensions Division; and, b. Recommendations made for handoffs between Pensions Division and Accounting Section.	**COMPLETED** Business processes were reviewed, recommendations made, and a process manual was developed for the Communications & Education Section. Further recommendations were made to improve calculation handoffs between Pensions Division and the Accounting Section.

OVERALL PROJECT STATUS: Completed

Between January 2020 and June 2021, processes were reviewed for six (6) sections in Pensions Division and recommendations were made to improve processes and reduce errors. Manuals were developed for each of the six sections covering their basic processes in PARIS.

Further recommendations were made in consultation with the Accounting Section to improve pension roll processing.

PROJECT NO. 9:   **CONTINUING – Pensions Division Business Process Reengineering**
PROJECT LEAD: **Anthony Torres, Manager, PASCo Section**
GOAL IV: **Pursue Operational Efficiencies**

NEXT STEPS:

PASCo Section will follow-up on the recommendations made and develop a schedule for implementation.

BUDGET: <u>On-Budget</u>

The project was completed on budget.

PROJECT NO. 10: CONTINUING – Department-wide Business Process Improvements
PROJECT LEAD: Myo Thedar, Chief Benefits Analyst, Administrative Operations Division
GOAL IV: Pursue Operational Efficiencies

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To implement operational best practices department-wide on insights gained from the pension administration benchmarking process and results for the period ending June 30, 2018.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY JUNE 30, 2021: a. Report the final implementation status of the projects via the FY 2020-21 Business Plan – 4th Quarter Report.	**COMPLETED** All ten business process improvement projects intended for review in FY 2020-21 have been researched. They are implemented, ready for implementation upon the re-opening of our office to members or have been determined as no further action is required.

OVERALL PROJECT STATUS: Completed

Twenty-one (21) opportunities for business process improvements were prioritized as a result of the CEM (**C**ost **E**ffective **M**easurement) Benchmarking of our administrative expenses for FY 2017-18. Five were completed in FY 2019-20 and ten have been completed in this FY 2020-21. Two of the remaining six scheduled to be studied in FY 2021-22 and completed by FY 2022-23 have also been completed this FY. Please refer to the Business Process Improvement Matrix (Attachment III).

NEXT STEPS:

Four business process improvement opportunities remain for follow-up in FY 2022 and FY 2023.

The Board has instructed staff to perform a follow-up CEM Benchmarking analysis in FY 2021-22 to measure changes in departmental operations since the initial 2018-19 engagement.   Results of the benchmarking will determine whether additional business process improvements will be considered for FY 2022-23.

BUDGET: On-Budget

Separate funding was not provided for this project. Funding for each business process improvement project, if necessary, was requested in the FY 2020-21 Budget.

PROJECT NO. 11: **NEW – Department-wide Cross-Training Program**
PROJECT LEAD: **James Schiffhauer, Department Personnel Officer, Human Resources**
GOAL V: **Build and Support a Talented Workforce**

ON TRACK TO MEET 2020-21 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To expand the cross-training pilot program on a permanent basis and Department-wide and to study the results to assist in the efficient expansion of the Department workforce succession plan.

2020-21 ADOPTED MILESTONES	STATUS OF 2020-21 MILESTONES
BY DECEMBER 31, 2020: a. Identify sections/positions and number of pairs to participate in the department-wide cross-training program; b. Complete orientation of new trainers and trainees for the program; and, c. Begin new set of cross-training pairs.	**COMPLETED** Trainee and Trainer were selected and have completed their sessions for cross-training.
BY JUNE 30, 2021: a. Assess the success of the department-wide cross-training program and make any necessary adjustments to program; and, b. Consider expanding number of pairs and continuing department-wide cross-training program.	**COMPLETED** The cross-training program was completed albeit not as successful during the pandemic and as originally planned.

OVERALL PROJECT STATUS: <u>Completed</u>

The cross-training program is completed. Evaluation of pairs who participated in the training program shows that in-person training has a longer impact on trainee as far as retention of material.

NEXT STEPS:

The cross-training program will continue to be offered, although not highlighted as an annual business plan project and adjusted for the new hybrid working model. Lessons learned over the course of the fiscal year highlighted the fact that the transfer of skills may be more effective when the Trainer and Trainee are sitting at the same desk space (rather than meeting virtually or sitting while socially distanced).

BUDGET: <u>On-Budget</u>

No budget impact.

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1 **Services Area**   Paying Pensions

LAFPP Score (rounded)	100
Peer Average	100

Rationale/Best Practice   ◦Mission critical.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Paying Pensions	Q24 any late pension roll	LAFPP pension rolls are timely.	No Action

2 **Services Area**   Pension Inceptions

LAFPP Score (rounded)	95
Peer Average	41

Rationale/Best Practice   ◦Perfect score means system can incept a pension or survivor benefit without an interruption in cashflow.
◦Interruptions can cause hardships and irritation for members, especially in case of survivor pension.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Cash Flow Interruptions	Q25 % of first pension check within one month of final active check	Member pension - Delay, if any, is due to last minute change in retirement effective date. No action necessary at this time.	No Action
Survivor Pensions	Q26 % paid without interruption between pensioner final check and QSS first check	Most survivor pension inceptions are processed for the pension roll subsequent to the month of the member's death. However, this is dependent on the date of the member death notification, receipt of the member's death certificate, availability of marriage certificate or proof of qualified survivor, etc., and there could be a few months delay between the last paid pensioner check and the first survivor check. Staff reviewed and proposed changes which were adopted by the Board on April 16, 2020, to alleviate delays: - Alternate proof of death (statement from funeral home or physician) will be accepted. - Waivers from the qualified survivor to collect overpayment will be obtained. - Accounting will process off-cycle survivor payment.	CFY

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3 **Services Area**   Benefit Estimates

LAFPP Score (rounded)   69
Peer Average   56

Rationale/Best Practice   ◦Perfect score requires system to turn around an estimate within three days of the request and provide all of the information on a written estimate.
◦The more members understand how their pension is affected by inflation, social security, etc, the better they can plan for retirement.
◦The more channel choices in obtaining a pension estimate, the greater access and convenience for members.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Turnaround Speed	Q27 desired speed < 3 days; LAFPP 5 days regularly measure time to provide an estimate	MyLAFPP, which includes a benefit calculator for pension as well as service purchase, has launched since the benchmarking survey. Additionally, the cross-training pilot will be expanded departmentwide in FY 21. Given these enhancements, staff anticipates improvement in the time it takes for members to obtain benefit estimates. Staff plans to pursue related metric to measure effectiveness.	L-Term
Content	Q28 estimates explain: inflation protection effects of social security **alternative scenarios to improve benefit** **alternative retirement options**	Basic information is currently provided with benefit estimates. Additional information regarding pension impact on social security benefits, Windfall Elimination Provision, Government Pension Offset, etc. are posted on LAFPP.com and retirement options are available via My LAFPP. However, providing scenarios to improve benefit may border on providing financial planning advice. Members may seek such advice through the Financial Planning Education Consultant.	No Action
Alternative Channels	Q16, Q20 and Q33 estimates offered via: mbr stmnts - include future pension entitlement **website - ben calc in non secured area** **website - calc in secured area; not linked to member data** website - calc in secured area; linked to mbr salary/svce data **immediate est. provided (on phone) and on real-time basis**	MyLAFPP, which includes a benefit calculator for pension as well as service purchase, has launched since the benchmarking survey. The calculator generates benefit estimates which include salary, years of service, final average salary, loss time, etc. LAFPP maintains written benefit estimates rather than phone benefit estimates as the latter leave room for error or misunderstanding.	No Action

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4 **Services Area** 1 on 1 Counseling

LAFPP Score (rounded) 100
Peer Average 100

Rationale/Best Practice ◦Higher volumes imply greater availability, value, and greate communication of availability.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Availability	Q2 and Q14 (# members counseled 1-on-1)/(active membership) desired quotient > 1% LAFPP 2473/13422 Peer 1414/12833	LAFPP achieved perfect score. **However, staff explored how to be more available for 1-on-1 counseling. Staff researched how to quickly and accurately check in members upon arrival. To that end, staff reviewed four digital visitor check-in software solutions and found one to meet our unique requirements: workflow, notification of multiple service requests and automated survey distribution. Staff continues to fine tune the workflow to ensure that members have a user-friendly interface and staff is able to use various features including performance metrics to drive further improvements. A proof-of-concept trial will be scheduled prior to reopening the office to members.** **The pandemic prompted staff to pursue video conferencing solutions for remote 1-on-1 counseling sooner than intended. Staff is currently utilizing platforms including Zoom, Teams, FaceTime, and Skype, with the ability to share screen with members, to walk through documents in a secure environment.**	S-Term (Digital Visitor Check-In) L-Term (Remote Counseling)

5 **Services Area** Presentations

LAFPP Score (rounded) 98
Peer Average 90

Rationale/Best Practice ◦Higher volumes imply greater availability and value.
◦Smaller groups are preferred to larger groups because they provide more opportunities for individual attention.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Availability	Q2 and Q14 desired # attendees as a % of active membership > 2.5% LAFPP 2023/13442 Peer 1530/12833	LAFPP achieved perfect score. **However, online registration for benefit and financial planning webinars was rolled out September 24, 2020, as a real-time tool to access upcoming webinars. This functionality has since been upgraded and will be available for members to register for in-house presentations when City guidelines allow for indoor public meetings to convene.**	S-Term
Group Size	Q2 and Q14 desired # attendees per presentation < 20 attendees LAFPP 2023/87 Peer 1530/48	LAFPP achieved near perfect score. **However, in light of the pandemic, virtual (benefit) presentations were implemented on September 30, 2020. These webinars allow for smaller group discussion as well as more opportunities for individual attention. As of this report, staff has hosted 26 virtual presentations, with a total of 869 members in attendance (on average of 33 members per event). The data suggests staff has been able to offer webinars to a high volume of participants. Additionally, staff has uploaded seven static videos at LAFPP.com, on topics such as COLA, recruit training time, survivors, etc.**	S-Term

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ATTACHMENT III

6 **Services Area**   Member Contacts

LAFPP Score (rounded)   30
Peer Average   40

Rationale/Best Practice ◦Perfect score requires callers to reach a knowledgeable person with a wait time of < 20 seconds.
◦Members prefer to get through immediately to knowledgeable person.
◦Irritation increases rapidly with number of menu layers
◦Receptionists are often more irritating than a menu layer ecause of the need to explain member needs twice, incorrect redirection, etc.
◦System can serve member better if staff had real time access to all records and tools which enable staff to provide immediate, informed, and accurate answers.
◦Ability to serve members is greatly reduced if capabilities or policies prevent us from answering questions over the phone.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Availability	Q17 through Q19, Q22 **% abandoned calls** **hours/week available via phone** **average wait time on phone (desired within 20 seconds)** phone menu navigation prior to reaching a representative receptionist as first point of contact	Since the benchmarking results, staff has implemented an interactive voice response (IVR) feature to the department's main phone line. With IVR, member callers are routed to their choice of sections within the Pension Division through touch-tones from the telephone rather than through a human operator. Additionally, based on results of a member survey specific to the desired hours of business, LAFPP has shifted its operations 1/2 hour earlier, to 7:30 AM to 4:30 PM. Staff acknowledges a virtual call center (VCC) system is best practice (e.g. to measure abandoned calls) and without one, LAFPP will not score well in this area. Staff proposes to revisit this item in the future to determine if there is a VCC system appropriate for our needs and given the potential for mobile workforce.	CFY (Interactive Voice Response and Business Hours) L-Term (Virtual Call Center)
Capability	Q20 through Q21, Q23 **benefit estimates available via phone** **estimates based on calculator linked to member account data** **service credit purchase estimates via phone** **change address over phone** **change email address over phone** **change pay instruction over phone** workflow system with real-time status of open items	Staff has evaluated the risks and rewards of providing these services via telephone and has determined that written benefit estimates leave little room for error or misunderstanding and that MyLAFPP provides members the ability to change address, email address and pay instructions, past business hours.	No Action

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7 **Services Area** Website

LAFPP Score (rounded) 77
Peer Average 65

Rationale/Best Practice ◦Members visit website looking for information; the more information is provided the more tailored and customized it is to the member, then the easier it is to get on-line, the better.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Benefit Calculators	Q16 interactive calculator linked to salary & service data calculate cost of purchase service credit	LAFPP achieved perfect score.	No Action
Salary and Service Credit	Q16 **secure access to salary & service data (LAFPP inactives do not)** if salary & service data is up-to-date to most recent pay period complete annual history of salary & svc. credit data available	LAFPP inactive members will not have access to salary and service data. However, deferred vested members may maintain access to such data available in MyLAFPP as long as registration took place prior to termination/resignation.	No Action
Secure Access Design	Q15 and Q16 immediate access upon registration log-in greets by name **disclaimer acknowledgement @ each log-in** **disclaimer acknowledgement each time pension est. is generated** **inactives have access** secure mailbox or digital file of correspon./mbr documents	**Staff has considered the best practice to require members to acknowledge disclaimers at each log-in and generation of benefit estimate and has determined that doing so does not provide additional value to the website's design and security or to the member experience. MyLAFPP log-in page includes a site disclaimer as well as language that informs members that amounts provided are estimates only and are subject to change based on individual circumstances.** LAFPP inactive members will not have access to salary and service data.	S-Term
Other Transactions and Tools	Q16 **counseling session registration in real time (L-Term)** presentation registration **live chat (CFY)** change address **change beneficiaries (S-Term)** add or change email address reset password change banking instructions change tax withholding view and print 1099R view pension payment advices **apply for retirement (L-Term)** **% of online pension apps requiring mail in of follow up docs/sigs** **check status of online pension apps** **online refund application** download member statement **upload docs in-lieu of mailing hard copies** view pensionable earnings or service without downloading	**DROP counseling requires appointment and scheduling has traditionally been via phone. Real time counseling registration was implemented in February 2021. Members are now able to register for DROP counseling and change registration via a link.** Web chat feature went live in the current FY. **As of January 7, 2021, members may update their beneficiary via MyLAFPP.** Straight through processing (retirement and refund application) requires additional research. It maybe more appropriate for a system with many employers. Currently, members are able to fax in or email scanned copies or quality photos of documents in-lieu of mailing hard copies. Staff plans to explore secure upload of documents through MyLAFPP or like portal.	CFY (Live/Web Chat) S-Term (Update Beneficiaries) L-Term (Real Time Counseling Session Registration, Straight Through Processing, and Secure Portal for Member Upload of Documents)

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8 **Services Area**   News and Targeted Communications

LAFPP Score (rounded)   89
Peer Average   59

Rationale/Best Practice   ◦Communicating more frequently by newsletter, personalized and customized messages for different target audiencesis higher service.
◦Milestone events as such joining the system, are good opportunities to communicate the value of the benefit.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Newsletters	Q29 at least 2x per year actives at least 2x per year retirees **1x per year inactives** segments-all/active/inactive/ret./age/gender based/empl.	Newsletter mailing list has been updated to include deferred vested members.	CFY
Other Communications	Q35 welcome kit personalized letter	LAFPP achieved perfect score. No action required.	No Action

9 **Services Area**   Member Statements

LAFPP Score (rounded)   83
Peer Average   68

Rationale/Best Practice   ◦Up-to-date accurate member statements provide one of the best opportunities to communicate value of benefit.
◦Showing estimate of future pension entitlement is more important than showing the refund value because pension entitlement is potentially much more valuable.
◦Sending member statements directly to active member rather than through employers is higher service because they are less likely to get lost and they are more confidential.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Method	Q31, Q32, and Q34 data current to one month (LAFPP 2 months) **paper statements mailed directly to home** electronic notice of online statement availability **if sent to inactives at least annually**	LAFPP has been moving into a paperless environment and has opted to make member statements available online. There are no plans to provide statements to inactives.	No Action
Content	Q33 summarizes service credit provides pensionable earnings **includes historical summary of salary and svc credit earned/yr** shows refund value if left at statement date shows est. of future pension benefit (age based&earliest ret)	Current statement is three pages long and includes year-to-date service credit. Historical information is on past member statements which are available via MyLAFPP.	No Action

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10 **Services Area**   Disability

LAFPP Score (rounded)   0
Peer Average   31

Rationale/Best Practice   ◦From member perspective, faster is higher service.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Timeliness	Q36 average # months between application and decision	To obtain a perfect score in this area, staff would need to process and the Board would need to render a decision within one month of receiving the application (peer average at the time of benchmarking was 11 months). The application process is largely member driven and many external factors influence the processing timeline that are out of staff's control (claim amendments, surgeries, rescheduling of appointments). City Charter and Administrative Code mandate that an applicant must be examined by no less than three physicians selected by LAFPP. This differs from other Plans that may require a medical examination by one physician or a records review of medical documentation supporting the claimed illness or injury. An Ad-Hoc Committee was formed in September 2019 to review and provide direction on modifying the disability pension application process, with the goal of decreasing the length of time it takes between receiving a completed application and the Board hearing. To this end, in April 2020, the Board approved a number of amendments to its Operating Policies and Procedures. A pilot program for disability pension applicants to gather and submit all medical records as part of the application began in August 2020 and was discontinued in March 2021 largely due to the COVID-19 pandemic and economic hardship experienced by the applicants. It is reasonable to expect that if there were no case backlog and no influence from external factors outside of staff's control, that a nine to eleven month processing time from receipt of the disability application to Board approval would be feasible.	S-Term

11 **Services Area**   Red Tape

LAFPP Score (rounded)   60
Peer Average   54

Rationale/Best Practice   ◦Extra red tape like obtaining notarization, creates work for members and may not provide additional protection for the system (notarization can be fraudulent).
◦Many systems have decided that the potential risk reduction does not justify the inconvenience caused to members.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Red Tape	Q37 and Q38 notary required for retirement application (all, some, none) birth & marriage certs required before incepting a pension notary required for all refund apps	Staff evaluated two leading e-signature providers for use with member documents and LAFPP internal documents. Both providers have comparable features such as task progress tracking and encryption. However, one provider meets a higher level of security standards and costs significantly more than the second provider. Staff considered deploying the second provider solution to staff to validate its capabilities but agreed no additional tools are needed to track documents.	S-Term
Notarization Disability Apps	Q37 notary required for disability applications	LAFPP and City Attorney staff have discussed and determined there is a continued need for notarization of certain documents. LAFPP staff also surveyed plans through the CALAPRS network regarding the elimination of notarizations.	S-Term

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ATTACHMENT III

12 **Services Area**   Satisfaction Surveying

LAFPP Score (rounded)   28 Weighted
Peer Average   24 Weighted

Rationale/Best Practice   ◦Best practice satisfaction surveying is single activity focused, sent only to members who have recently received the service, can be summarized service-agent based, is performed on a frequent random-sample basis and results are communicated widely
◦By measuring satisfaction, system is doing a better job of managing and improving it.
◦Surveying immediately after the activity tends to give feedback that is heavily influenced by the member's positive or negative impression of the service agent.
◦Surveying a day or so later captures member's feedback regarding the success of the process and whether the member accomplished what they intend to.

Scoring Category	Associated Survey Questions	Analysis	Disposition: CFY = By 6/30/20 S-Term = By 6/30/21 L-Term = By 6/30/23 No Action
Calls	Q39 **did survey take place in CEM surveyed year single activity survey duration between session and survey is survey delayed by at least 1 day from session survey # times per year ability to break down survey results by service agent ability to break down survey results by topic covered**	Staff will be required to ask members to complete an online survey. Without a virtual call center, all metrics would need to be manually recorded and produced.	No Action
Presentations	Q39 did survey take place in CEM surveyed year single activity survey duration between session and survey is survey delayed by at least 1 day from session survey # times per year **ability to break down survey results by service agent ability to break down survey results by topic covered**	**Staff has reviewed the presentation survey that is distributed to our members upon their participation in a variety of webinars and seminars. Staff has determined no modification is necessary to the survey for it to be considered presenter specific. This is primarily because with the exception of one presentation, all of our webinars and seminars are presented by one staff. Thus, the survey results can be interpreted as presenter specific.**	S-Term
1-on-1 Counseling	Q39 did survey take place in CEM surveyed year single activity survey duration between session and survey is survey delayed by at least 1 day from session survey # times per year ability to break down survey results by service agent ability to break down survey results by topic covered	LAFPP scored well and no further action necessary.	No Action
Pension Inceptions	Q39 did survey take place in CEM surveyed year **single activity survey duration between pension inception and survey survey # times per year**	**Staff has reviewed our member surveys and has determined no modification is necessary to consider them topic specific. Our surveys allow for members to select the topic on which they are providing feedback - 1-on-1 counseling (or pension inception), seminars and webinars (six types of webinars). Members also have the option to provide feedback per event or for multiple events. These surveys are provided immediately after the event and member response time is usually within one business day.**	S-Term