



DEPARTMENT OF FIRE AND POLICE PENSIONS

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REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JUNE 2, 2022

ITEM: C.6

FROM: RAYMOND P. CIRANNA, GENERAL MANAGER

SUBJECT: FOURTH QUARTER (FINAL STATUS) REPORT ON THE 2021-22 BUSINESS PLAN AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board receive and file the Fourth Quarter (Final Status) Report of the 2021-22 Business Plan.

BACKGROUND

The 2021-22 Business Plan was approved by the Board on June 17, 2021, and includes a total of 11 projects that fall within the Department's six (6) 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
- 6) Promote Diversity, Equity, and Inclusion (DEI) Throughout the Organization Including Our Investment Portfolio and Business Partners¹

These primary goals help keep the Department's resources focused on the most crucial 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 Managers (GM) Performance Evaluation Policy, as revised by the Board on April 21, 2022, a Business Plan final status report shall be provided to the Board at the first meeting in June. 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.

¹ Strategic Goal #6 was added to the 2022-24 Strategic Plan (adopted by the Board on November 18, 2021) subsequent to the approval of the 2021-22 Business Plan. It should be noted that Project #1 of the 2021-22 Business Plan, the Institutional Limited partners Association (ILPA) Diversity in Action Initiative, would also be in support of realizing this new goal.

DISCUSSION

Staff is providing the Fourth Quarter (Final Status) Report on the 2021-22 Business Plan projects as summarized in the 2021-22 Business Plan Dashboard (Attachment I). 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 2021-22 Business Plan through the fourth quarter is summarized as follows:

- Five (5) of the 11 projects are completed;
- Three (3) of the 11 projects have met their 2021-22 milestones and are multi-year projects continuing to the 2022-23 Business Plan;
- Two (2) out of the 11 projects are deferred for inclusion in the 2022-23 Business Plan; and,
- One (1) out of the 11 projects is behind schedule.

Completed Projects

Five (5) projects which are completed include:

- Project No. 2 - Environmental, Social and Governance (ESG) Oriented Investing
- Project No. 3 - Association of Local Government Auditors (ALGA) Peer Review
- Project No. 5 - Alive and Well Verification
- Project No. 8 - Emergency Preparedness Refresh
- Project No. 10 - Pension Administration Benchmarking - Staff presentation of the pension administration benchmarking results is tentatively scheduled for June 16, 2022 Board meeting, pending completion of the benchmarking survey by the peer group. For the purposes of this report, staff is reporting this Milestone as completed.

Multi-Year Projects Continuing to the 2022-23 Business Plan

Three (3) of the completed projects are multi-year projects that have met their 2021-22 milestones and are continuing into the 2022-23 Business Plan, which are:

- Project No. 1 – Institutional Limited Partners Association (ILPA) Diversity in Action Initiative
- Project No. 6 – Enterprise-wide Cyber Security Program
- Project No. 11 – Permanent Mobile/On-site Hybrid Workforce

Projects Deferred to the 2022-23 Business Plan

Two (2) projects are deferred to the 2022-23 Business Plan, as previously approved by the Board, which are:

- Project No. 7 – New Member Video Guides for Completing Counseling Forms
- Project No. 9 – Implementation of Workflow in PARIS for Disability Case Management

Project Behind Schedule

One (1) project is reporting behind schedule due to the need to address higher-priority items that have required additional resources. However, staff anticipates implementing the new file formats in PARIS by December 31, 2022 that will allow for the data exchange improvements envisioned for this project.

- Project No. 4 – Association Data Exchange Improvements

Additional details on all projects are included in the Project Detail Reports (Attachment II).

Staff will report back to the Board as part of the July 2022 General Manager Monthly Report, if the final status of a project is not as expected.

BUDGET

No additional funding is requested at this time.

POLICY

No policy changes have been recommended.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

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Administrative Services Section

RPC:WSR:MTS:EC:EH

Attachments: I. 2021-22 Business Plan Dashboard – Fourth Quarter (Close Out) Report
II. 2021-22 Business Plan Project Detail Reports

**DEPARTMENT OF FIRE AND POLICE PENSIONS
2021-22 BUSINESS PLAN - FOURTH QUARTER (FINAL STATUS) REPORT
Quarter Ending June 30, 2022**

2021-22 BUSINESS PLAN DASHBOARD¹

PROJECT TITLE	Overall Project Duration ²	2021-22 Milestone Dates	Overall Project Schedule	Overall Project Budget
Goal 1 – Ensure a Financially Sound Retirement System				
1. NEW – Institutional Limited Partners Association Diversity in Action Initiative	2021-22 2022-23	✓	●	●
2. NEW – Environmental, Social and Governance (ESG) Oriented Investing	2021-22	✓	✓	✓
Goal 2 – Manage Risk Throughout the Organization				
3. CONTINUING – Association of Local Government Auditors (ALGA) Peer Review ³	2021-22	✓	✓	✓
4. NEW – Association Data Exchange Improvements	2021-22	●	●	●
5. NEW – Alive and Well Verification	2021-22	✓	✓	✓
6. CONTINUING – Enterprise-wide Cyber Security Program	2020-21 2021-22 2022-23	✓	●	●
Goal 3 – Enhance Customer Care and Stakeholder Relations				
7. DEFERRED – Member Video Guides for Completing Counseling Forms	Defer to 2022-23	Defer to 2022-23	Defer to 2022-23	Defer to 2022-23
Goal 4 – Pursue Operational Efficiencies				
8. NEW – Emergency Preparedness Refresh	2021-22	✓	✓	✓
9. DEFERRED – Implementation of Workflow in PARIS for Disability Case Management	Defer to 2022-23	Defer to 2022-23	Defer to 2022-23	Defer to 2022-23
10. NEW – Pension Administration Benchmarking	2021-22	✓	✓	✓
Goal 5 – Build and Support a Talented Workforce				
11. NEW – Permanent Mobile/On-site Hybrid Workforce Plan Implementation	2021-22 2022-23	✓	●	●

Legend:	●	On schedule or on budget
	●	At risk of falling behind schedule or going over budget
	●	Behind schedule/over budget
	✓	Project completed

¹ Strategic Goal #6, *Promote Diversity, Equity and Inclusion (DEI) Throughout the Organization Including Our Investment Portfolio and Business Partners*, was added to the 2022-24 Strategic Plan (adopted by the Board on November 18, 2021) subsequent to the approval of the 2021-22 Business Plan. It should be noted that Project #1, the Institutional Limited Partners Association (ILPA) Diversity in Action Initiative, would also be in support of realizing this new Strategic Goal.

² On March 17, 2022, the Board authorized continuation of Projects No. 1, 6, and 11 in the 2022-23 Preliminary Business Plan. As such, revisions are made to these projects' respective durations within this Dashboard.

³ This project was initially included in the 2020-21 Business Plan. However, in March 2020, due to the COVID-19 pandemic, in-person audits were suspended indefinitely by ALGA. On January 21, 2021, the Board authorized the deferral of the project and instructed staff to include this project in the 2021-22 Business Plan.

PROJECT NO. #1: **(NEW) Institutional Limited Partners Association Diversity in Action Initiative**
PROJECT LEAD: **Executive Management and Kristy Nguyen, Investment Officer III, Investments Division**
GOAL #1: **Ensure a Financially Sound Retirement System**

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

PROJECT OBJECTIVE: To improve the long-term sustainability and risk/return profile of the Board's private equity portfolio.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
<p>BY SEPTEMBER 30, 2021: Executive management and Investments Staff will be designated to review and oversee the process to become a signatory to the ILPA DAI Initiative and a member of the D&I Council.</p>	<p>COMPLETED Executive management and Investments Staff were designated.</p>
<p>BY JUNE 30, 2022: a) Designate a senior Investments Staff member to the D&I Council; and, b) Investments Staff and the private equity consultant will work to fulfill the reporting obligations required to be a signatory.</p>	<p>COMPLETED a) Kristy Nguyen has been designated as the senior Investments Staff member to be on the D&I Council. b) Investments Staff and the private equity consultants, as well as the real estate consultant, had separate calls on the programs they have in place to capture and compile DEI-related data. Investments Staff will continue to review and work to fulfill the reporting obligations required to be a signatory.</p>

OVERALL PROJECT STATUS: Ongoing

This project is on schedule.

NEXT STEPS:

This is a multi-year project and will continue into 2022-23. Investments Staff will continue to review and work to fulfill the reporting obligations required to be a signatory including having discussions with Executive Management on compiling department-wide DEI related programs and data.

On March 17, 2022, the Board approved continuation of the Institutional Limited Partners Association (ILPA) Diversity in Action Initiative project as part of the 2022-23 Preliminary Business Plan. Staff anticipates presenting the project as part of the 2022-23 Final Business Plan for Board approval on June 16, 2022.

BUDGET: On-Budget

PROJECT NO. #2: (NEW) Environmental, Social and Governance (ESG) Oriented Investing
PROJECT LEAD: Nathaniel Chang, Investment Officer II, Investments Division
 Annie Chao, Investment Officer II, Investments Division
GOAL #1: Ensure a Financially Sound Retirement System

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To assess the level of ESG integration throughout the LAFPP Investment Portfolio, while becoming more aware of how ESG may be integrated into the Investment Portfolio through education and implementation of policies that reflect these standards.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY SEPTEMBER 30, 2021: Staff will initiate the process of assessing each LAFPP investment manager's ESG portfolio construction process.	COMPLETED Investment Staff developed and distributed an ESG Survey to approximately 350 asset management firms across public and private markets asset classes. Staff received and compiled approximately 140-150 responses and is reviewing the responses.
BY MARCH 31, 2022: a) Investments Staff and the General Consultant will complete a thorough review of the Investment Policy, including the ESG portion of the policy; and, b) Investments Staff and the Board's proxy service provider will complete a comprehensive review of the Proxy Policy.	COMPLETED a) The General Investment Consultant, RVK, completed an analysis of the Board's ESG Policy with their assessment attached as a memo on April 21, 2022. RVK believes that the ESG Policy is an appropriate step in building a framework for consistent evaluation of ESG factors. b) The Board's Proxy Service Provider has completed the review of LAFPP's Proxy Policy. Staff and the Proxy Service Provider will be discussing possible changes to enhance ESG related proxy voting and will bring suggested changes to the Board for approval at a future Board meeting.
BY JUNE 30, 2022: Report to the Board with the results of the total Plan assets under management with investment managers that have a formal ESG integration plan.	COMPLETED Investments Staff is currently undergoing the data analysis portion of the milestone and anticipates presenting the findings to the Board by June 30, 2022.

OVERALL PROJECT STATUS: Completed

Investments Staff will report to the Board the results of the ESG Survey as well as proposed changes to the Proxy Voting Policy.

PROJECT NO. #2: (NEW) Environmental, Social and Governance (ESG) Oriented Investing
PROJECT LEAD: Nathaniel Chang, Investment Officer II, Investments Division
Annie Chao, Investment Officer II, Investments Division
GOAL #1: Ensure a Financially Sound Retirement System

NEXT STEPS:

Upon assessment of the ESG Survey results, as well as proposed changes to the Proxy Voting Policy, the Board may decide to analyze and advance various ESG initiatives with the help of a General Consultant or a specialized ESG Consultant.

BUDGET: On-Budget

PROJECT NO. #3: (CONTINUING) Association of Local Government Auditors (ALGA) Peer Review
PROJECT LEAD: Cynthia Varela, Manager, Internal Audit Section
GOAL #2: Manage Risk Throughout the Organization

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

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. Professional auditing standards require internal audit organizations to develop and maintain a quality assurance and improvement program to evaluate conformance with the standards.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY MARCH 31, 2022: Undergo and successfully pass an ALGA peer review.	COMPLETED The ALGA External Peer Review was completed on November 4, 2021. Internal Audit Section (IAS) received a rating of pass with no deficiencies noted.
BY JUNE 30, 2022: Report peer review results to the Board.	COMPLETED The peer review reports were presented to the Board on January 6, 2022.

OVERALL PROJECT STATUS: Completed

The ALGA External Peer Review was completed on November 4, 2021. The peer review examined IAS’ internal quality control system and determined it was adequately designed and operating effectively to provide reasonable assurance of compliance with both Government Auditing Standards and International Standards for the Professional Practice of Internal Auditing, as well as applicable legal and regulatory requirements for audits during the period April 16, 2018 through April 15, 2021.

Organizations can receive a rating of pass, pass with deficiencies, or fail. IAS received a rating of pass with no deficiencies noted. The peer review team noted a few areas for improved Internal Audit policies and procedures and to clarify non-audit services in the Audit Charter. On February 17, 2022, Internal Audit presented an updated Audit Charter for the Board’s review and approval. The updated Audit Charter was approved by the Board and is included in the Board’s Governance Policies, Section 3.0 Appendix 2. Suggestions by the peer review team to improve Internal Audit’s Policies and Procedures Manual were considered and the manual was updated in March 2022.

NEXT STEPS:

No further steps are needed for this Business Plan project. The next ALGA Peer Review will be scheduled in Fiscal Year (FY) 2024-25.

BUDGET: On-Budget

PROJECT NO. #4: (NEW) Association Data Exchange Improvements
PROJECT LEAD: Anthony Torres, Manager, PASCo Section
GOAL #2: Manage Risk Throughout the Organization

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

PROJECT OBJECTIVE: To reduce the use of Social Security Numbers in the files LAFPP and the Associations (LAPPL, LAFRA, LAPRA, and UFLAC) exchange each month and eliminate an outside database to produce these files.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY DECEMBER 31, 2021: File specifications finalized for the new export and import files that exchange data between LAFPP and the Associations.	COMPLETED In January 2022, LAFPP and the Associations agreed on the new file formats and specifications for them were finalized.
BY JUNE 30, 2022: PARIS configured to use the new export and import files.	ONGOING Due to the need to address higher-priority items that have required additional resources, staff anticipates implementation of the file formats in PARIS by December 31, 2022.

OVERALL PROJECT STATUS: Ongoing

LAFPP has provided Avenu, the pension administration system vendor for PARIS, with specifications for the new file formats. However, several higher-priority programming assignments have tied up Avenu’s resources, including the new DROP program (“DROP 2.0”), implementation of the new form W4-P in myLAFPP, and remediation of errors in the latest build that was rolled out to the test environment in January 2022. Due to the need to address these higher-priority items, Avenu will not be able to program the new file formats in time to meet the June 30, 2022 deadline.

NEXT STEPS:

Implementation of the new file formats are expected to be completed by December 31, 2022.

BUDGET: On-Budget

PROJECT NO. #5: (NEW) Alive and Well Verification
PROJECT LEAD: Kevin Davis, Benefits Analyst, Retirement Services Section
GOAL #2: Manage Risk Throughout the Organization

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To verify LAFPP members/survivors are alive and well during the COVID-19 pandemic and to minimize the risk of overpayment to the deceased.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
<p>BY SEPTEMBER 30, 2021:</p> <p>a) Begin research phase of project on July 1, 2021; and,</p> <p>b) Survey other systems regarding similar verification efforts that require minimal face to face interaction.</p>	<p>COMPLETED</p> <p>Contacts were made with other California pension agencies including CalPERS, WPERP, LACERS, LACERA, Ventura County, Orange County, San Diego County, Santa Barbara County and San Francisco County. Most did not have a regular audit program. LACERA has a section dedicated to such audits ongoing.</p>
<p>BY DECEMBER 31, 2021:</p> <p>a) Complete research phase and begin preparation of mailing list and correspondence; and,</p> <p>b) Prior to rollout of verification process, place check messages and web posting.</p>	<p>COMPLETED</p> <p>A CalPERS letter was used as a template for contacting members, which was reviewed and approved by Executive management. Members who met the age criteria (90+ years) were identified and recently deceased members were removed.</p>
<p>BY MARCH 31, 2022:</p> <p>Begin verification process on January 1, 2022. Receive results, follow up with non-responsive members.</p>	<p>COMPLETED</p> <p>The first round of letters were mailed the week beginning January 3, 2022, with a response rate of 73% by February 15, 2022. A second round of letters were mailed the week beginning March 13, 2022. The letter was modified to include a photo option to report status. The response rate increased to 92% by March 31, 2022.</p>
<p>BY JUNE 30, 2022:</p> <p>Receive results, follow up with non-responsive members, and close out project.</p>	<p>COMPLETED</p> <p>Non-responsive members were contacted by email and phone (where possible). A third round of letters was mailed on May 15, 2022. Further vital record searches are scheduled for non-respondents.</p>

PROJECT NO. #5: (NEW) Alive and Well Verification
PROJECT LEAD: Kevin Davis, Benefits Analyst, Retirement Services Section
GOAL #2: Manage Risk Throughout the Organization

OVERALL PROJECT STATUS: Completed

Of a total population of 662 members who fit the criteria for the Alive and Well Verification, 638 have responded (or 96%). The non-responsive population is down to 24 members. Attempts to contact non-responsive members are ongoing.

NEXT STEPS:

If attempts to contact remaining non-responsive members fail, further direction will be required from Executive management and withholding of payments for non-responsive members may need to be authorized.

Staff has also attained insights into how to improve the alive and well verification process for future, as-needed exercises. Some recommendations for internal process improvements include staggering mailing and response due dates and providing clarification on the acceptable methods of response (e.g. email attachment, fax, etc.).

BUDGET: On-Budget

PROJECT NO. #6: (CONTINUING) Enterprise-wide Cyber Security Program
PROJECT LEAD: William Raggio, Executive Officer, Administrative Operations Division
GOAL #2: Manage Risk Throughout the Organization

ON TRACK TO MEET 2021-22 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.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
<p>BY DECEMBER 31, 2021:</p> <ul style="list-style-type: none"> a) Research Data Loss Prevention (DLP) solutions and recommend implementation strategy; b) Review the results of the network vulnerability assessment and prioritize identified vulnerabilities (by data type, severity, and potential risk) in the remediation plan; c) Complete review of personnel policies and procedures, and staff training, and determine what policies and procedures need revisions, and identify additional training needs, as appropriate; and, d) Continue research on Cyber Security best practices and report to the Board, as necessary. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Research was performed and the PAM solution from vendor, Delinea is selected. b) Vulnerabilities are categorized with risk rating of critical, severe, moderate, and low in the remediation plan. c) Policies and procedures reviewed with revisions identified. d) Research on Cyber Security best practices was conducted.
<p>BY JUNE 30, 2022:</p> <ul style="list-style-type: none"> a) Complete implementation of PAM solutions and user password management; b) Install upgraded network security devices; c) Complete the network vulnerability assessment remediation plan; d) Complete revisions to personnel policies and procedures, and complete additional staff training, as appropriate; and, e) Based on research, implement best practice solutions for Cyber Security. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) PAM and user password management implemented. b) Network security devices upgraded with more functionalities and better performance. c) Vulnerability remediation plan has been developed and work initiated. d) Policies and procedures revisions completed. e) Cyber Security best practice on network segmentation was implemented.

PROJECT NO. #6: (CONTINUING) Enterprise-wide Cyber Security Program
PROJECT LEAD: William Raggio, Executive Officer, Administrative Operations Division
GOAL #2: Manage Risk Throughout the Organization

OVERALL PROJECT STATUS: Ongoing

The FY 2021-2022 Milestones were met and the Enterprise-Wide Cyber Security Program will continue into FY 2022-23.

NEXT STEPS:

For FY 2022-23, work will focus on: 1) Remediating all moderate-risk level and some low-risk level vulnerabilities, 2) Implementing the Data Loss Prevention (DLP) solution for email, 3) Deploying Security Information and Event Management (SIEM) tool to provide real-time analysis of security alerts, and, 4) Continuing research related to cyber security best practices.

BUDGET: On-Budget

PROJECT NO. #7: (DEFERRED) Member Video Guides for Completing Counseling Forms
PROJECT LEAD: Krystle Gill, Senior Benefits Analyst I, DROP/Service Pensions Section
GOAL #3: Enhance Customer Care and Stakeholder Relations

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
Deferred to 2022-23	Deferred to 2022-23	Deferred to 2022-23

PROJECT OBJECTIVE: To provide members an additional resource in reviewing at their leisure the various forms discussed during counseling sessions.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY SEPTEMBER 30, 2021: Create a video for how to complete DROP Entry Forms. Will use video software to record staff going over each form that is covered during DROP Entry counseling session. The focus will be on the forms with voiceover by DROP staff.	DEFERRED TO 2022-23
BY MARCH 31, 2022: Create a video for how to complete Service Retirement Forms. Will use video software application to record staff going over each form that is covered during Service Retirement counseling session. The focus will be on the forms with voiceover by DROP staff.	DEFERRED TO 2022-23
BY JUNE 30, 2022: a) Will collaborate with Communications & Education Staff to ensure all videos are posted on LAFPP’s website; and, b) Create a video for how to complete DROP Exit Forms. Will use video software application to record staff going over each form that is covered during DROP Exit counseling session. The focus will be on the forms with voiceover by DROP staff.	DEFERRED TO 2022-23

OVERALL PROJECT STATUS: Deferred to 2022-23

Due to a continuous, unforeseen increase in workload for the DROP/Service Pensions Section (DROP/SP), Staff was unable to complete this project.

NEXT STEPS:

This project will be included in the 2022-23 Final Business Plan as presented to the Board for its approval on June 16, 2022.

BUDGET: Deferred to 2022-23

PROJECT NO. #8: (NEW) Emergency Preparedness Refresh
PROJECT LEAD: Esther Chang, Manager, Administrative Services Section
GOAL #4: Pursue Operational Efficiencies

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To ensure emergency management processes and preparedness training as included in LAFPP’s Department Emergency Plan (DEP) continue to be applicable and supportive of staff working both on-site or remotely.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
<p>BY DECEMBER 31, 2021:</p> <ul style="list-style-type: none"> a) Conduct inventory of emergency supplies and safety kits; b) Consolidate inventory information in central file or database and establish a formal schedule for conducting inventory and replenishment of emergency supplies; and, c) Review emergency notification process and accessibility of emergency preparedness information for on-site and remote employees; coordinate with Systems and/or Human Resources Sections to make any necessary updates. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Inventory was conducted of emergency supplies and safety kits. b) Emergency supply and safety kit information was consolidated into a central file with timelines identified for conducting future inventory and regular supply replenishment. c) LAFPP’s emergency employee notification process was reviewed, adjusted, and updated to include notifications to work-issued mobile and personal phone numbers (call and text/email).
<p>BY MARCH 31, 2022:</p> <ul style="list-style-type: none"> a) Complete annual DEP update and review of LAFPP internal manuals (Neptune Building Operating Policies and Procedures and Emergency Procedures/Floor Warden manuals); and, b) Distribute updated DEP and manuals to Department staff and stakeholders, as appropriate. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) The annual DEP update was submitted to the Emergency Management Department. LAFPP internal manuals were reviewed and updated. b) The DEP was distributed to Department staff and stakeholders, with a copy uploaded to the department intranet site and electronic file management system.
<p>BY JUNE 30, 2022:</p> <ul style="list-style-type: none"> a) Procure replenishment of any emergency supplies prior to expiration; and, b) Review processes should staff deployment plans change (depending on status of pandemic or changes to staff on-site deployment). 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Price quotes to replace all deployed emergency supplies have been received. Procurement of supplies is anticipated prior to the end of FY 2021-22. b) Processes will continue to be reviewed based on the status of the pandemic or changes to staff on-site deployment.

PROJECT NO. #8: (NEW) – Emergency Preparedness Refresh
PROJECT LEAD: Esther Chang, Manager, Administrative Services Section
GOAL #4: Pursue Operational Efficiencies

OVERALL PROJECT STATUS: Completed

All milestones are anticipated to be met.

Due to the ongoing COVID-19 pandemic and reduced on-site staff presence, emergency preparedness procedures and manuals did not require extensive updating during the project year. The DEP and internal emergency preparedness documents had been previously updated in 2020 and 2021 to reflect ongoing changes and updates related to COVID-19 response and telecommuting deployment. These updates were carried over and refined during the project year. Staff also completed an inventory of on-site emergency supplies. This information was used to create an updated inventory system to determine appropriate emergency supply needs and replenishment timelines. Emergency supplies immediately needing to be replenished are in the process of being procured.

NEXT STEPS:

Staff will continue to monitor the status of the COVID-19 pandemic and on-site personnel levels, with revisions to internal emergency preparedness manuals as needed. Additional enhancements to preparedness training will also be explored and implemented, to include training guides and information to be posted to the intranet for employees.

BUDGET: On-Budget

PROJECT NO. #9: **(DEFERRED)** Implementation of Workflow in PARIS for Disability Case Management
PROJECT LEAD: Kristen Rosauer, Manager, Disability Pensions Section
GOAL #4: Pursue Operational Efficiencies

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
Deferred to 2022-23	Deferred to 2022-23	Deferred to 2022-23

PROJECT OBJECTIVE: To pursue operational efficiencies by implementing a case management workflow into PARIS that will track the status of disability pension and survivor benefit applications, as well as generate reports for accurate reporting metrics.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY SEPTEMBER 30, 2021: a) Determine which data and reports in existing database should be migrated to PARIS; and, b) Submit Disability Workflow specifications to PARIS.	DEFERRED TO 2022-23
BY DECEMBER 31, 2021: a) Develop data migration plan; and, b) Submit Disability Reporting Specifications.	DEFERRED TO 2022-23
BY MARCH 31, 2022: Begin testing of case management system in PARIS UAT.	DEFERRED TO 2022-23
BY JUNE 30, 2022: a) Train staff on how to use PARIS for case management; and, b) Full implementation of workflow pertaining to disability case management in PARIS.	DEFERRED TO 2022-23

OVERALL PROJECT STATUS: Deferred to 2022-23

On October 21, 2021, the Board approved the deferral of this project to FY 2022-23. Discussions with staff indicated that current issues with workflow implementation for other Sections were to be addressed prior to beginning work on the Disability Case Management Workflow. Staff also determined that other PARIS functionalities should be prioritized (e.g., DROP 2.0, IRC 415 limits, and member web messaging) due to the large number of members that would benefit from these functionalities versus the rather limited number of members applying for Disability Pensions.

NEXT STEPS:

This project will be included in the 2022-23 Final Business Plan as presented to the Board for its approval on June 16, 2022.

BUDGET: Deferred to 2022-23

PROJECT NO. #10: (NEW) Pension Administration Benchmarking
PROJECT LEAD: Myo Thedar, Chief Benefits Analyst, Administrative Operations Division
GOAL #4: Pursue Operational Efficiencies

ON TRACK TO MEET 2021-22 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To measure our services and practices against our peers, as a follow-up analysis of services and administrative cost per member with consideration of the business process improvements that have been completed since the 2018-19 benchmarking, and to identify process improvement opportunities to become even more efficient in the organization.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
BY SEPTEMBER 30, 2021: Obtain Board authority to utilize professional services to perform an objective pension administration benchmarking analysis.	COMPLETED On July 15, 2021, the Board authorized staff to sole-source an agreement with CEM Benchmarking, Inc. (CEM) to perform benchmarking analysis.
BY JUNE 30, 2022: Provide to the Board a detailed report of LAFPP’s pension administration performance and costs compared to our peer group.	COMPLETED The LAFPP Benchmarking is completed. However, CEM is awaiting benchmarking by some peer group pension systems before providing our results. As such, while staff plans to report the pension administration benchmarking results at the June 16, 2022 Board meeting, there is a chance that may be delayed by the peer group. However, for the purposes of this report, staff is reporting this Milestone as completed.

OVERALL PROJECT STATUS: Completed

Staff will present to the Board a detailed report of LAFPP’s pension administration performance and costs compared to our peer group.

NEXT STEPS:

On June 16, 2022, the Board may consider the results of the CEM Pension Administration Benchmarking survey and instruct staff to evaluate newer operational best practices based on CEM’s benchmarking results and to perform a follow-up CEM Benchmarking survey in three years to measure changes in departmental operations.

BUDGET: On-Budget

The cost of the pension administration benchmarking is \$22,500.

PROJECT NO. #11: (NEW) Permanent Mobile/On-site Hybrid Workforce Plan Implementation
PROJECT LEAD: Joseph Salazar, Assistant General Manager, Pensions Division
GOAL #5: Build and Support a Talented Workforce

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

PROJECT OBJECTIVE: To implement a permanent mobile/on-site hybrid workforce to increase efficiencies, reduce ongoing operating expenses and carbon footprint, and evolve to meet member service needs in the future.

2021-22 ADOPTED MILESTONES	STATUS OF 2021-22 MILESTONES
<p>BY SEPTEMBER 30, 2021:</p> <ul style="list-style-type: none"> a) Draft permanent mobile/on-site hybrid work plan for staff; b) Prepare communication plan for members and stakeholders; and, c) Complete roll-out of technology tools, including laptops, software, and other equipment for staff. Continue to monitor and deploy software security and monitoring tools. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) A comprehensive Mobile/On-site Hybrid Workforce Policy was prepared by management and is intended to complement the City’s Telecommuting Policy, once finalized. b) The Communications & Education Section prepared and executed a plan to communicate our new virtual service offerings to all members and beneficiaries. Staff also conducted a special member survey to evaluate the effectiveness of remote services provided and find avenues for customer service improvements. c) All mobile technology tools have been deployed to all staff, and Systems continuously monitors and deploys software security and monitoring tools.
<p>BY DECEMBER 31, 2021:</p> <p>Evaluate deployment plan by reviewing departmental performance metrics to ensure customer service standards are met.</p>	<p>COMPLETED</p> <p>Performance metrics and member service surveys continue to reflect high ratings.</p>
<p>BY MARCH 31, 2022:</p> <ul style="list-style-type: none"> a) Re-evaluate deployment plan by reviewing departmental performance metrics to ensure customer service standards are being met; and, b) Begin pilot program to model/evaluate shared workstations in one of more department sections. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Effective March 7, 2022, the General Manager implemented a new deployment plan requiring all staff to report to the office a minimum of two days per week. Management continues to monitor staff performance metrics and member surveys each month to ensure excellent service is provided to all members. b) A shared workstation pilot program was initiated in the PAS Coordination Section in March.

PROJECT NO. #11: (NEW) Permanent Mobile/On-site Hybrid Workforce Plan Implementation
PROJECT LEAD: Joseph Salazar, Assistant General Manager, Pensions Division
GOAL #5: Build and Support a Talented Workforce

2021-22 ADOPTED MILESTONES (CONT.)	STATUS OF 2021-22 MILESTONES (CONT.)
<p>BY JUNE 30, 2022:</p> <ul style="list-style-type: none"> a) Continue to evaluate departmental performance metrics to ensure customer service standards are being met; b) Finalize and implement long-term office deployment plan. Replace and/or eliminate any extraneous technology equipment, including office printers, PCs, and copiers; and, c) Begin review and discussions of current office layout needs for cubicles, offices, counseling rooms, etc. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Performance metrics and member service surveys continue to reflect high ratings. b) Staff continues to work in the office at least two days each week and management intends for this deployment plan to be permanent. c) Management is preparing to begin evaluating the department’s long-term office space needs now that a permanent deployment plan has been established.

OVERALL PROJECT STATUS: Ongoing

The Department has now successfully transitioned to a permanent hybrid workforce. Both members and staff are pleased with this new structure, as it provides new service delivery options and flexibility. Management recognizes the positive impact the hybrid workforce model has on our employees’ satisfaction/well-being and the environment.

NEXT STEPS:

Based on the success of the shared/mobile workstation pilot program, Department management would like to expand the program to all staff/sections over the next fiscal year. We also wish to begin exploring options for potentially reducing office space usage from three floors to two floors of the building, thus possibly allowing LAFPP to lease the vacant space in the future. Staff, through its space evaluation, may consider an alternative layout that may not reduce the overall office footprint, but better support the office in the future.

BUDGET: On-Budget