



DEPARTMENT OF FIRE AND POLICE PENSIONS

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REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JUNE 1, 2023

ITEM: D.8

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: FOURTH QUARTER (FINAL STATUS) REPORT ON THE 2022-23 BUSINESS PLAN AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board receive and file the Fourth Quarter (Final Status) Report of the 2022-23 Business Plan.

BACKGROUND

The 2022-23 Business Plan was approved by the Board on June 16, 2022, and includes a total of 14 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 Partners

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 Manager (GM) Performance Evaluation Policy, 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.

DISCUSSION

Staff is providing the Fourth Quarter (Final Status) Report on the 2022-23 Business Plan projects as summarized in the 2022-23 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 2022-23 Business Plan through the fourth quarter is summarized as follows:

- Twelve (12) of the 14 projects are completed; and
- Two (2) of the 14 projects have met their 2022-23 milestones and are multi-year projects continuing to the 2023-24 Business Plan.

Completed Projects

Twelve (12) projects which are completed include:

- Project No. 1 – Implementation of the 115 Trust in Financial Reporting
- Project No. 2 – Implementation of New Global Credit Mandate
- Project No. 4 – Internal Audit Risk Assessment Framework
- Project No. 5 – Enterprise-wide Cyber Security Program
- Project No. 6 – Rollovers of Refund of Contributions via Wire Transfer
- Project No. 7 – Engaging Early-Career Members to Plan for Retirement
- Project No. 8 – Member Video Guides for Completing Counseling Forms
- Project No. 9 – Disability Claims Management System Review
- Project No. 11 – Unclaimed Final Checks
- Project No. 12 – Reinforcing Employee Connections and Organizational Culture in a Hybrid Workforce
- Project No. 13 – Permanent Hybrid Workforce
- Project No. 14 – Institutional Limited Partners Association Diversity in Action Initiative

Multi-Year Projects Continuing to the 2023-24 Business Plan

Two (2) projects are multi-year projects that have met their 2022-23 milestones and are continuing into the 2023-24 Business Plan:

- Project No. 3 – Implementation of Asset Allocation Plan
- Project No. 10 – Elimination of the Deceased Members Database

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 2023 General Manager Monthly Report, should the final status of a project be 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:

James Pineda, Management Analyst
Administrative Services Section

JS:MTS:WKP:JMS:EJH:JRP

Attachments I. 2022-23 Business Plan Dashboard – Fourth Quarter (Final Status) Report
 II. 2022-23 Business Plan Project Detail Reports



**2022-23 BUSINESS PLAN DASHBOARD
FOURTH QUARTER (FINAL STATUS) REPORT
QUARTER ENDING JUNE 30, 2023**

<u>Strategic Plan Goal</u>	<u>Project Title</u>	<u>Overall Project Duration</u>	<u>2022-23 Milestone Dates</u>	<u>Overall Project Schedule</u>	<u>Overall Project Budget</u>
Goal 1 Ensure a Financially Sound Retirement System	1. NEW – Implementation of 115 Trust in Financial Reporting	2022-23	✓	✓	✓
	2. NEW – Implementation of New Global Credit Mandate	2022-23	✓	✓	✓
	3. NEW – Implementation of Asset Allocation Plan	2022-23 2023-24	✓	●	●
Goal 2 Manage Risk Throughout the Organization	4. NEW – Internal Audit Risk Assessment Framework	2022-23	✓	✓	✓
	5. CONTINUING – Enterprise-wide Cyber Security Program¹	2020-21 2021-22 2022-23	✓	✓	✓
Goal 3 Enhance Customer Care and Stakeholder Relations	6. NEW – Rollovers of Refund of Contributions via Wire Transfer	2022-23	✓	✓	✓
	7. NEW – Engaging Early-Career Members to Plan for Retirement	2022-23	✓	✓	✓
	8. CONTINUING – Member Video Guides for Completing Counseling Forms¹	2022-23	✓	✓	✓
Goal 4 Pursue Operational Efficiencies	9. CONTINUING – Disability Claims Management System Review¹	2022-23	✓	✓	✓
	10. NEW – Elimination of the Deceased Members Database	2022-23 2023-24	✓	●	●
	11. NEW – Unclaimed Final Checks	2022-23	✓	✓	✓
Goal 5 Build and Support a Talented Workforce	12. NEW – Reinforcing Employee Connections and Organizational Culture in a Hybrid Workforce	2022-23	✓	✓	✓
	13. CONTINUING – Permanent Hybrid Workforce¹	2021-22 2022-23	✓	✓	✓
Goal 6 Promote Diversity Equity and Inclusion (DEI) Throughout the Organization	14. CONTINUING – Institutional Limited Partners Association Diversity in Action Initiative¹	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 These projects were initially included in the 2021-22 Business Plan. However, due to increasing workloads and competing priorities the Board authorized the deferral of these projects to the 2022-23 Business Plan.

PROJECT NO. 1: **NEW** – Implementation of 115 Trust in Financial Reporting
PROJECT LEAD: Michelle Chan, Department Chief Accountant, Accounting Section
GOAL #1: Ensure a Financially Sound Retirement System

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

PROJECT OBJECTIVE: To implement the IRC Section 115 Trust consistent with the financial reporting requirements as stipulated in the City’s Ordinance No. 187351.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
<p>BY SEPTEMBER 30, 2022:</p> <ul style="list-style-type: none"> a) Set up new funds and accounts for the 115 Trust in both the City’s Financial Management System (FMS) and LAFPP’s Microsoft Dynamics system; and, b) Incorporate the new funds and accounts in the financial reports. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Completed the set-up of new funds and accounts for the 115 Trust in both FMS and LAFPP’s Microsoft Dynamics system; and, b) Completed the incorporation of the new fund and account in the financial reports generated by both FMS and Dynamics systems.
<p>BY JUNE 30, 2023:</p> <ul style="list-style-type: none"> a) Incorporate the 115 Trust funds and accounts in the current recording process; b) Conduct staff training and run preliminary financial reports for validation; and, c) Incorporate the 115 Trust components into the templates for the annual financial statement schedules and footnotes. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Completed the incorporation of 115 Trust Fund and account in the current FMS and Dynamics recording process; b) Trained Accounting staff in using the new fund and accounts for 115 Trust transactions; Validated the 115 Trust and accounts on FMS info advantage reports and dynamics trial balances; and, c) Staff is currently working on incorporating the 115 Trust and accounts into the templates for the annual financial statement schedules and footnotes. Staff anticipates completion of the templates by June 30, 2023.

OVERALL PROJECT STATUS: Completed

The project completion is anticipated by June 30, 2023.

NEXT STEPS:

Upon the complete incorporation of the new fund and account for the 115 Trust in the recording process, the supporting financial schedules and reports, we will be able to account for the 115 Trust Fund balance and prepare the financial reports including the 115 Trust components.

BUDGET: On-Budget

No additional costs for this project.

PROJECT NO. 2: **NEW** – Implementation of New Global Credit Mandate
PROJECT LEAD: Tom Lopez, Interim Chief Investment Officer, Investments Division
GOAL #1: Ensure a Financially Sound Retirement System

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To increase portfolio diversification, reduce downside risk, increase flexibility to invest outside of traditional core fixed income, and enhance the fixed income portfolio's risk/return profile.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: a) Complete the global credit investment manager search including the execution of the investment management contract between the LAFPP Board and the manager; and, b) Initiate the planned reduction of existing fixed income accounts to fund the new mandate.	COMPLETED A search was conducted and at the May 19, 2022 meeting, Loomis Sayles was selected by the Board to manage the new global credit portfolio. The contract was fully executed and Core Fixed Income reduction was undertaken to fund the new global credit portfolio.
BY DECEMBER 31, 2022: Complete funding of the new global credit portfolio.	COMPLETED Funding of the portfolio was completed in August and September 2022 for a total of \$775 million.
BY MARCH 31, 2023: a) Monitor the performance of the new global credit portfolio/manager; and, b) Schedule quarterly portfolio update calls with the new manager.	COMPLETED Quarterly calls with Loomis Sayles were scheduled for calendar year 2023. Portfolio and performance reporting was initiated in October 2022.
BY JUNE 30, 2023: Continue to monitor the performance of the mandate and report to the Board as needed.	COMPLETED Performance will be reported in RVK's Quarterly Performance reports.

OVERALL PROJECT STATUS: Completed

The search for a global credit manager was completed and Loomis Sayles was selected by the Board to manage the new portfolio. The portfolio was funded for \$775 million.

NEXT STEPS:

Quarterly performance monitoring will be conducted by staff and RVK. Portfolio performance will be reported in RVK's Quarterly Performance Reports.

BUDGET: On-Budget

PROJECT NO. 3: **NEW** – Implementation of Asset Allocation Plan
PROJECT LEAD: Tom Lopez, Interim Chief Investment Officer, Investments Division
GOAL #1: Ensure a Financially Sound Retirement System

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

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

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: Evaluate and formulate plan to achieve new Asset Allocation targets.	COMPLETED The Board reviewed the Asset/Liability Study and Asset Allocation Study at the September 1, 2022 meeting. At the October 6, 2022 meeting, the Board approved the current Asset Allocation Plan and targets.
BY DECEMBER 31, 2022: Begin implementation of new Asset Allocation strategy, including any necessary searches.	COMPLETED RVK is providing Asset Class Structure presentations to the Board. Domestic equity was presented at the February 2, 2023 Board meeting. International equity was presented at the April 6, 2023 Board meeting with a follow-up report presented at the May 18, 2023 meeting.
BY MARCH 31, 2023: Schedule and hold interviews, if needed, for new managers.	DEFERRED TO 2023-24
BY JUNE 30, 2023: Complete new Asset Allocation Plan.	DEFERRED TO 2023-24

OVERALL PROJECT STATUS: Ongoing

On April 20, 2023, as part of the 3rd Quarter Business Plan Update, the Board approved deferring portions of the Project for inclusion in the 2023-24 Business Plan to allow for continuation and thorough consideration of the Asset Class Structure presentations.

NEXT STEPS:

Continue the Asset Class Structure presentations. If the Board adopts changes to the individual asset classes, then potential searches may be conducted to implement the Board's actions.

BUDGET: On-Budget

PROJECT NO. 4: **NEW** – Internal Audit Risk Assessment Framework
PROJECT LEAD: Cynthia Varela, Departmental Audit Manager, Internal Audit Section
GOAL #2: Manage Risk Throughout the Organization

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

PROJECT OBJECTIVE: To further refine Internal Audit Section's risk assessment process and develop a robust risk assessment toolkit and process to systematically assess risk exposure and internal control gaps on an organizational level.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: Identify and define risk criteria (e.g., financial impact, mission impact, complexity) and risk rating scale (e.g., high-risk for non-routine, estimated or complex processing that relies on judgment or experience).	COMPLETED Internal Audit (IA) staff identified and defined 10 risk criteria and a risk rating scoring scale in September 2022, which were shared with the General Manager and Assistant General Manager on September 19, 2022.
BY DECEMBER 31, 2022: Identify key business activities.	COMPLETED IA staff identified key business activities which were shared with Executive Management and Section Managers on October 4, 2022. Input from management was considered for revisions before presenting to Executive Management.
BY MARCH 31, 2023: Present list of key business activities, risk criteria and rating scale to Executive Management and obtain agreement or modify as needed.	COMPLETED IA staff shared the updated list of business activities, risk criteria, scoring scale, and an example of risk rating a business activity with Executive Management on December 13, 2022. The risk assessment framework considered input from Executive Management from the discussion held on December 19, 2022.
BY JUNE 30, 2023: Evaluate risk exposure and internal control gaps with the new tool and review results of risk assessment with Executive Management.	COMPLETED IA staff determined the risk rating scores for key business activities in May 2023. The risk rating scores will be shared with Executive Management no later than June 2, 2023.

OVERALL PROJECT STATUS: Completed

Internal Audit identified and defined the risk criteria, risk rating scale and key business activities to enable an evaluation of the risk exposure and internal control gaps of key LAFPP operations. Each component of the risk assessment framework was shared with management to obtain input from knowledgeable operations staff.

PROJECT NO. 4: **NEW – Internal Audit Risk Assessment Framework**
PROJECT LEAD: **Cynthia Varela, Departmental Audit Manager, Internal Audit Section**
GOAL #2: **Manage Risk Throughout the Organization**

OVERALL PROJECT STATUS (CONTINUED): Completed

The risk rating scores were completed by Internal Audit staff in May 2023 using the framework that was developed. Executive Management will have an opportunity to provide input to the risk scores, no later than June 16, 2023, which Internal Audit will consider. Internal Audit will use the results of the framework to help plan future audits.

The risk assessment toolkit that was developed is an additional resource for Internal Audit to use for ensuring high risk areas are included in annual audit plans.

NEXT STEPS:

No further steps are needed for this Business Plan project.

BUDGET: On-Budget

PROJECT NO. 5: CONTINUING – Enterprise-wide Cyber Security Program
PROJECT LEAD: Bob Yan, Information Systems Manager II, Systems Section
GOAL 2: Manage Risk Throughout the Organization

ON TRACK TO MEET 2022-23 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.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
<p>BY DECEMBER 31, 2022:</p> <ul style="list-style-type: none"> a) Classify department Personally Identifiable Information (PII), gather requirements, and design email DLP solution; b) Remediate all medium-risk level vulnerabilities; c) Research and evaluate SIEM tool; 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) PII criteria determined along with other Data Loss Prevention (DLP) requirements. Product from vendor Proofpoint, was selected as the DLP solution. b) All medium-risk level vulnerabilities were remediated. c) Research completed and ITA’s enterprise SIEM tool is to be leveraged for cost effectiveness. d) Research on Cyber Security best practices was conducted.
<p>BY JUNE 30, 2023:</p> <ul style="list-style-type: none"> a) Procure software if necessary; configure, test, and deploy email DLP solution; b) Remediate some of the low-risk level vulnerabilities; c) Procure, test, and deploy SIEM tool; and, d) Based on research, implement best practice solutions for Cyber Security. 	<p>COMPLETED</p> <ul style="list-style-type: none"> a) Proofpoint DLP solution was implemented. b) Some of the low-risk level vulnerabilities were remediated. c) Worked with ITA and deployed SIEM tool. d) Cyber Security best practice access control was implemented.

OVERALL PROJECT STATUS: Completed

2022-23 Milestones were met on schedule and within budget.

NEXT STEPS:

For Fiscal Year 2023-24, work will focus on adding another layer of security to our posture with Zero Trust Network Access solution and migrating all files to the cloud.

BUDGET: On-Budget

PROJECT NO. 6: **NEW** – Rollovers of Refund of Contributions via Wire Transfer
PROJECT LEAD: Riza Mulawin, Manager, Active Member Services Section
GOAL 3: Enhance Customer Care and Stakeholder Relations

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To provide former members and beneficiaries the option to rollover refund of contributions via wire transfer, reducing the risk of checks being lost/stolen and expediting the process.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: Coordinate with Northern Trust, PASCo staff, Systems staff, and Accounting staff to test the functionality of wire transfers for rollover of refund of contributions.	COMPLETED Successfully tested functionality in the Pension and Retirement Information System (PARIS).
BY DECEMBER 31, 2022: Provide training to Active Member Services staff in processing contribution refunds via wire transfer.	COMPLETED Staff training has been completed.
BY MARCH 31, 2023: Update applicable forms and communications to reflect the availability of wire transfer option for contribution refunds.	COMPLETED Applicable forms have been revised and reviewed by City Attorney.
BY JUNE 30, 2023: Implement rollover of refunds via wire transfers and process payments as requested by former members and beneficiaries.	COMPLETED The rollover of refunds via wire transfers will be implemented by June 30, 2023.

OVERALL PROJECT STATUS: Completed

The project is expected to be completed by June 30, 2023.

NEXT STEPS:

Applicable forms will be posted on the Department's website.

BUDGET: On-Budget

Staff was able to complete testing and training during regular work hours. The additional cost associated with wire transfer fees will be paid by former members and/or beneficiaries.

PROJECT NO. 7: **NEW** – Engaging Early-Career Members to Plan for Retirement
PROJECT LEAD: Elizabeth Trevizo, Benefits Analyst and Stephen Bayutas,
 Sr. Benefits Analyst I, Communications & Education Section
GOAL 3: Enhance Customer Care and Stakeholder Relations

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To engage members in the early stages of their career and encourage the utilization of various available LAFPP educational tools to begin long-term financial planning for retirement.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: Research trends to appeal to younger audiences (e.g., obstacles that deter participation, topics of appeal, preferences/formats to receive information).	COMPLETED Communications & Education (C&E) staff researched trends which appeal to younger audiences.
BY DECEMBER 31, 2022: a) Develop a communications/outreach plan with scheduled dates and activities/tasks; and, b) Create metrics with detailed methods to measure progress.	COMPLETED C&E staff created individualized topic brochures, devised newsletter series on topics that appeal to younger members, emailed communications, and, designed short educational videos. The metrics have been developed and the data will be updated and tracked for the duration of the project.
BY MARCH 31, 2023: a) Implement the communications/outreach plan; and, b) Review plan progress.	COMPLETED Brochures were disseminated to all roll calls & line ups. Additionally, pamphlets and small brochures were emailed to members within a specified age and years of service range.
BY JUNE 30, 2023: Assess progress by utilizing the developed metrics.	COMPLETED Conducted a survey of 4,360 Tier 6 members to assess base line knowledge of pension benefits. Created an Understanding Your Plan brochure and a flyer illustrating Tier 6 key provisions which were distributed by email and at various outreach events. Educational videos are currently in production.

OVERALL PROJECT STATUS: Completed

The video production is ongoing and is scheduled to be completed by June 30, 2023.

PROJECT NO. 7: **NEW – Engaging Early-Career Members to Plan for Retirement**
PROJECT LEAD: Elizabeth Trevizo, Benefits Analyst and Stephen Bayutas,
Sr. Benefits Analyst I, Communications & Education Section
GOAL 3: Enhance Customer Care and Stakeholder Relations

NEXT STEPS:

Staff will continue to disseminate educational material at future outreach events and finalize educational videos for online posting.

BUDGET: On-Budget

Costs of \$250 incurred for video editing are included in the 2022-23 Budget.

PROJECT NO. 8: CONTINUING – 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 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
		

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

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
<p>BY SEPTEMBER 30, 2022: Create a video for how to complete DROP Entry Forms by using a video software application to record staff going over each form that is covered during DROP Entry counseling sessions. The focus will be on the forms with voiceover by DROP staff.</p>	<p>COMPLETED Tutorial videos on how to complete DROP Entry Forms to be used during DROP Entry counseling sessions were completed.</p>
<p>BY DECEMBER 31, 2022: Start creating videos on how to complete Service Retirement Forms by using a video software application to record staff going over each form that is covered during Service Retirement counseling sessions. The focus will be on the forms with voiceover by DROP staff.</p>	<p>COMPLETED Creation of tutorial videos on how to complete Service Retirement Forms commenced during the reporting period.</p>
<p>BY MARCH 31, 2023: Complete all videos on how to complete Service Retirement Forms.</p>	<p>COMPLETED Tutorial videos on how to complete all Service Retirement Forms were completed.</p>
<p>BY JUNE 30, 2023:</p> <ul style="list-style-type: none"> a) Create a video for how to complete DROP Exit Forms by using a video software application to record staff going over each form that is covered during DROP Exit counseling sessions. The focus will be on the forms with voiceover by DROP staff; and b) Collaborate with Communications & Education staff to ensure all videos are posted on LAFPP’s website. 	<p>COMPLETED Majority of videos for DROP Exit Forms were completed. Staff are working on the remaining two forms, which are expected to be completed by June 2023.</p> <p>Upon completion of the DROP Exit Forms videos, Staff will coordinate with Communications & Education staff for posting of all videos on LAFPP’s website.</p>

PROJECT NO. 8: CONTINUING – 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

OVERALL PROJECT STATUS: Completed

The project is expected to be completed by June 30, 2023.

NEXT STEPS:

Upon posting of the videos on our website, DROP/Service Pensions staff will incorporate them in our counseling sessions and provide members the link as an additional resource.

BUDGET: On-Budget

There was no additional cost associated with producing these videos. Staff was able to complete them during regular work hours.

PROJECT NO. 9: CONTINUING – Disability Claims Management System Review
PROJECT LEAD: Lee Tsubaki, Manager, Disability Pensions Section
GOAL 4: Pursue Operational Efficiencies

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

PROJECT OBJECTIVE: To pursue operational efficiencies by identifying and documenting the requirements needed for an improved Disability Claims Management System.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY DECEMBER 31, 2022: a) Conduct a thorough analysis of the existing database and recurring/ad hoc reports; and, b) Determine the information needed to be modified/included in a future case management solution.	COMPLETED Disability Pensions staff has conducted its analysis of the existing database and has determined the appropriate data that is needed.
BY JUNE 30, 2023: a) Identify the requirements for the future Disability Case Management System solution; and, b) Begin to research software options for Disability Claims case management and reporting solutions, both internal and external.	COMPLETED Discussions with Management and Systems staff have determined that it would be more conducive to create a new Access database internally than to purchase outside software.

OVERALL PROJECT STATUS: Completed

The 2022-23 Milestones were met and the creation of a new Access database will be completed in 2023-24.

NEXT STEPS:

Disability Pensions staff will work with the Systems Section on building a database framework. The new Access database will include some existing elements of LAFPP’s current database and remove unnecessary functions.

BUDGET: On-Budget

PROJECT NO. 10: NEW – Elimination of the Deceased Members Database
PROJECT LEAD: Erika M. Robinson, Manager, PASCo Section
GOAL 4: Pursue Operational Efficiencies

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

PROJECT OBJECTIVE: To analyze the functionality contained in the Deceased Members Database and determine the upgrades to PARIS needed to eliminate the Deceased Members Database.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY DECEMBER 31, 2022: Identify correspondence and functionality from the Deceased Members Database that should be incorporated into PARIS.	COMPLETED Required correspondence and functionality from the database were identified for inclusion in PARIS.
BY MARCH 31, 2023: Finalize specifications for new correspondence in PARIS to replace correspondence generated by the Deceased Members Database.	COMPLETED The specifications for a new PARIS report have been finalized. All other required correspondence has been incorporated into PARIS.
BY JUNE 30, 2023: Finalize specifications for new (non-correspondence) functionality in PARIS to replace functionality from the Deceased Members Database.	COMPLETED The specifications for functionality are being drafted and will be completed by June 30, 2023.

OVERALL PROJECT STATUS: Ongoing

The project will continue into 2023-24 and is on schedule to be completed by June 30, 2024.

NEXT STEPS:

Upon completion of the June 2023 Milestone, staff will begin discussions with the PARIS vendor on the required programming.

BUDGET: On-Budget

To date, no additional costs have been incurred and none were anticipated for this first year of the project. Any additional costs will be determined in the second year, by September 30, 2023.

PROJECT NO. 11: NEW – Unclaimed Final Checks
PROJECT LEAD: Lis Burog, Benefits Analyst, Retirement Services Section
GOAL 4: Pursue Operational Efficiencies

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To locate next of kin for 166 cases where a pensioner passed away and their final check is left unclaimed.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: a) Draft the Next of Kin Form; b) Research next of kin/estate using various search methods, including LexisNexis; and, c) Survey CALAPRS to find if they utilize other methods of locating relatives/next of kin.	COMPLETED Next of Kin Form was drafted while also researching the contact information of the estates. CALAPRS was surveyed for other methods, but no responses received.
BY DECEMBER 31, 2022: Complete next of kin/estate research, prepare mailing list and draft/finalize correspondence to next of kin/estate.	COMPLETED Research was completed, the mailing list was prepared, and the letters to the estates were finalized for distribution.
BY MARCH 31, 2023: Begin mailings to next of kin/estate starting January 2023, with correspondence to include affidavit and a request for the death certificate in order to process final checks. Follow-up correspondence sent out for unresponsive next of kin/estate.	COMPLETED First batch of letters were mailed by the end of March. Accurint (LexisNexis) searches were completed for missing contact information and follow up letters were mailed in May 2023. As of May 17, 2023, 25 death certificates have been received and final checks have been processed for payment.
BY JUNE 30, 2023: Resolve at least 50% of the files and provide final checks to pensioners' next of kin/estate.	COMPLETED Staff expects to achieve the goal by resolving 50% of the files by June 30. Will continue to locate missing estates and close files as death certificates and affidavits arrive.

OVERALL PROJECT STATUS: Completed

The overall project status is complete by resolving at least 50% of the old files. Final checks were processed and cases were finally closed.

PROJECT NO. 11: **NEW – Unclaimed Final Checks**
PROJECT LEAD: **Lis Burog, Benefits Analyst, Retirement Services Section**
GOAL 4: **Pursue Operational Efficiencies**

NEXT STEPS:

Retirement Services will continue to work on this project. Staff hopes to resolve all outstanding files, especially if there is a living next of kin. If not, the case file will be closed.

BUDGET: On-Budget

Project was on-budget with costs attributed to staff time and mailings.

PROJECT NO. 12: **NEW** – Reinforcing Employee Connections and Organizational Culture in a Hybrid Workforce
PROJECT LEAD: Monique Lewis, Senior Personnel Analyst I, Human Resources Section
GOAL 5: Build and Support a Talented Workforce

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To explore best practices that will help build a deeper sense of community and reinforce our organizational culture while continuing as a hybrid workforce.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY SEPTEMBER 30, 2022: a) Research organizational approaches to fostering collaboration and community in a hybrid work environment by surveying similar organizations about any initiatives they may be implementing; and, b) Research emerging technologies that may assist with such initiatives.	COMPLETED Research into both organizational approaches and emerging technologies was conducted online, via webinars, and through inquiries of other City departments. Viable ideas were included in the Employee Engagement Survey distributed to all LAFPP employees.
BY DECEMBER 31, 2022: Survey LAFPP employees to determine employee interests.	COMPLETED The Employee Engagement Survey was opened in December 2022.
BY JUNE 30, 2023: a) Develop a plan and pilot one initiative and catalogue others for future implementation; and, b) Assess if initiative pursued has met goal and whether to pursue full implementation.	COMPLETED a) Based on the results of the Employee Engagement Survey which indicated that the majority of staff would like to collaborate in a philanthropic activity to help our neighboring communities, staff organized a food drive. b) Staff will gather feedback from participants about the food drive by the end of June 2023. Other ideas to build a deeper sense of community have been catalogued for future use.

OVERALL PROJECT STATUS: Completed

Human Resources staff researched ways to foster community and collaboration in a hybrid workforce and recognized employee engagement and technology have become increasingly intertwined. Research was conducted online, via webinars, and through inquiries of other departments. Beyond research findings, feedback to an Employee Engagement Survey was utilized when selecting an initiative to implement within LAFPP. Based on the survey responses, HR staff organized a food drive. Staff will gather feedback from participants about the food drive by the end of June 2023.

NEXT STEPS:

Other approaches to reinforce organizational culture have been catalogued for future implementation and HR staff will continue to survey and solicit feedback and ideas from all employees.

PROJECT NO. 12: **NEW** – Reinforcing Employee Connections and Organizational Culture
in a Hybrid Workforce
PROJECT LEAD: Monique Lewis, Senior Personnel Analyst I, Human Resources Section
GOAL 5: Build and Support a Talented Workforce

BUDGET: On-Budget

Only staff salary was spent for oversight of this project to achieve employee engagement and reinforce a cross-organizational collaborative culture in a hybrid work environment.

PROJECT NO. 13: CONTINUING – Permanent Hybrid Workforce
PROJECT LEAD: Myo Thedar, Assistant General Manager,
 Administrative Operations Division
GOAL 5: Build and Support a Talented Workforce

ON TRACK TO MEET 2022-23 MILESTONES?	WILL THE PROJECT SCHEDULE BE MET?	WILL THE PROJECT BE ON BUDGET?
✓	✓	✓

PROJECT OBJECTIVE: To be at the forefront of modern workforce practices by implementing a permanent hybrid workforce to increase efficiencies, reduce ongoing operating expenses and carbon footprint, and evolve to meet member service needs in the future.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
ONGOING: Continue to evaluate departmental performance metrics to ensure member service and operational standards are being met.	COMPLETED Staff is accountable for monthly internal and external metrics to ensure member service and operational standards continue to be met.
BY DECEMBER 31, 2022: a) Evaluate daily office workstation needs (assuming walk-in members are permitted beginning July 1, 2022); and, b) Expand shared/mobile office workstation pilot program to 50% of all staff.	COMPLETED a) In February 2023, the LAFPP building reopened to walk-in members. On average, 33% of staff are onsite daily, consistent with the hybrid remote work schedule and to provide in-person member services. b) Shared/mobile office workstation pilot program expanded to over 50% of all staff.
BY JUNE 30, 2023: Expand shared/mobile office workstation pilot program to 100% of staff.	COMPLETED Equipment for shared/mobile office workstation program has been deployed to 100% of staff.

OVERALL PROJECT STATUS: Completed

Staff has adjusted well to a permanent hybrid work schedule, reporting to the office in person at least two business days per week and continues to successfully provide the majority of services virtually, over the telephone, or in person, utilizing the equipment and software necessary for a shared/mobile office workstation.

NEXT STEPS:

Staff proposes studying the impacts of full implementation of the hybrid workstation program on in-person staff collaboration, such as all-staff onsite meetings, business continuity exercises, emergency evacuation training, activities in support of Project No. 12 Reinforcing Employee Connections and Organizational Culture in a Hybrid Workforce, and potential activities related to a new business plan project for 2023-24 for Employee Development. Staff would like the flexibility to study these considerations for a couple of years and return to the Board at a later date

PROJECT NO. 13: CONTINUING – Permanent Hybrid Workforce
PROJECT LEAD: Myo Thedar, Assistant General Manager,
Administrative Operations Division
GOAL 5: Build and Support a Talented Workforce

NEXT STEPS (CONTINUED):

with a more thoughtful evaluation to better support our future office space needs, which may include office space reduction (possibly allowing LAFPP to lease the vacant space in the future) and/or consideration of an alternative layout that may not reduce the overall office footprint, but better support the office in the future.

BUDGET: On-Budget

FY 2022-23 Budget provided sufficient funding to purchase necessary software and laptop docking stations.

PROJECT NO. 14: **CONTINUING** – Institutional Limited Partners Association Diversity in Action Initiative
PROJECT LEAD: Susan Liem, Investment Officer II, Investments Division
GOAL 6: Promote Diversity, Equity and Inclusion (DEI) Throughout the Organization, Including Our Investment Portfolio and Business Partners

ON TRACK TO MEET 2022-23 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 markets portfolio.

2022-23 ADOPTED MILESTONES	STATUS OF 2022-23 MILESTONES
BY DECEMBER 31, 2022: Present to the Board for consideration recommended changes to the Proxy Voting Policy as proposed by Glass Lewis and Staff. Begin requesting DEI information to be presented by all asset managers to the Board.	COMPLETED Investments staff presented the Proxy Voting Policy, and the Board adopted all recommendations. Staff made requests to managers to provide DEI information in their written and verbal presentations.
BY MARCH 31, 2023: a) Ensure all future presentations by asset managers include information on their respective firm's DEI activities and goals starting in the Fiscal Year 2023-24. b) Complete the process for LAFPP to become an ILPA DAI signatory.	COMPLETED Managers are including DEI activities in their material. Investments staff completed the process to become an ILPA DAI signatory and reported the update to the Board.
BY JUNE 30, 2023: Review efforts of Investments staff, private markets managers and department, and report back to the Board on the results.	COMPLETED At the April 6, 2023 Board meeting, Investments staff presented to the Board the acceptance of LAFPP as an ILPA DAI signatory.

OVERALL PROJECT STATUS: Completed

The process to be an ILPA DAI signatory was completed in February 2023. ILPA notified Investments staff in March 2023 that LAFPP had met the requirements to be a signatory to ILPA's Diversity in Action Initiative. Staff reported back to the Board the completed business plan project in April 2023.

PROJECT NO. 14: CONTINUING – Institutional Limited Partners Association Diversity in Action Initiative
PROJECT LEAD: Susan Liem, Investment Officer II, Investments Division
GOAL 6: Promote Diversity, Equity and Inclusion (DEI) Throughout the Organization, Including Our Investment Portfolio and Business Partners

NEXT STEPS:

Commissioner Ambriz requested a follow-up on the responsibilities of an ILPA DAI signatory and continuing DEI efforts. Staff will also include a new project in the 2023-24 Business Plan: “Efforts to Advance Diversity, Equity, and Inclusion (DEI) in Investment Program.”

BUDGET: On-Budget