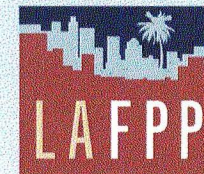


LAFPP

LOS ANGELES FIRE AND POLICE PENSIONS



PROPOSED STRATEGIC PLAN
JULY 1, 2010 TO JUNE 30, 2013
SUBMITTED TO THE BOARD
FROM THE AUDIT COMMITTEE
MARCH 18, 2010



2010-13 PROPOSED STRATEGIC PLAN INTRODUCTION

For the past several years, the Strategic Plan included four primary goals: Customer Service, Risk Management, Communications and Stakeholder Relations and Facilities and Resource Analysis. Given the formation of the Ad Hoc Space Planning Committee; our commitment to obtaining a headquarters building; and the fact that we cannot predict opportunities, I am recommending reducing the total number of goals to three, eliminating the Facilities and Resource Analysis Goal. Additionally, I am recommending that the Risk Management Goal be modified to allow for different types of risk to be included.

The projects planned over the next three-year period reflect a continued commitment to the major work staff has been engaged in to successfully complete our mission – to advance the health and retirement security of those who dedicate their careers to protecting and serving the people of Los Angeles.

These projects are long-term in nature, and are designed to make us a more effective and responsive organization. Staying focused on our long-term goals is especially important at a time when the City is experiencing unprecedented financial challenges.

In the case of the Retiree Payroll Conversion Project, we are spending significant time and resources in every part of the department to achieve the major milestones of this goal on time and on budget. We have been faced with many challenges along the way but anticipate accomplishing the conversion in late summer 2010.

We are utilizing technology to more effectively achieve our mission while at the same time reducing our carbon footprint. For example, our Document Imaging System Project will allow staff to quickly and efficiently locate specific documents required to do their work, eliminating the need for paper records. The Network Infrastructure and Security Project puts a structure in place to give us greater control over network infrastructure and the confidence that our member data is adequately protected. We also plan to more consistently incorporate metrics into our daily work, which allows us to concretely document value of these projects. Having meaningful metrics in place will give us the necessary tools to be more creative in managing departmental operations in the future.

I thank the Board for its interest and support of these valuable work programs and staff for their resolve and perseverance in meeting the challenges of improving our operations while doing their day to day work. Together we make our System stronger, and provide the highest quality services possible to our members.

GOAL I Customer Service – to continue developing systems and processes that provide members with accurate, prompt, and efficient services.

Project 1: Retiree Payroll Conversion Project 2010-11
 Project Lead: Alfredo Domagat, Sr. Systems Analyst II, Systems Section
 Project Participants: Systems, Active Member Services, Retired Member Services, Medical and Dental Benefits, Communications and Accounting Sections, Buck Consultants, Information Technology Agency and Office of the Controller.
 Stakeholders: Retirees and beneficiaries, Pensions Division Staff & Accounting Section Staff

PROJECT OBJECTIVE:	To fully convert the retiree payroll system from the Controller’s Mainframe to the OnPoint system, a web-based system owned by LAFPP, resulting in improved service to members, control over system operations for improved efficiency and effectiveness, streamlined data entry, and reduced manual calculations. Implementation of the benefit payment system working in tandem with OnPoint will result in additional member service enhancements and improved operational efficiency and effectiveness.
PROJECT HISTORY:	The Retiree Payroll Conversion project began in March 2004, with the objective to build upon the existing web-based member information system known as “Basis Web,” eliminate the legacy mainframe-based Retirement and Pension (RAP) System and create a comprehensive pension administration system. To date, a significant number of process improvements have been implemented, eliminating manual calculations and redundant data entry. As a result, our data is more accurate and calculations more reliable.
2010-11 DELIVERABLES:	<ul style="list-style-type: none"> a) Utilize an in-house report server/writer to develop report templates, determine access and frequency parameters and convert various mainframe generated reports; b) Identify requirements and develop specifications to eliminate manual processes where deemed appropriate and program changes into OnPoint; and c) Implement a Benefit Payment System that will issue monthly checks, calculate deductions, and process tax documents.

Project 1: Retiree Payroll Conversion Project (continued)

<p>2010-11 MILESTONES:</p>	<p>By AUGUST 31, 2010:</p> <ul style="list-style-type: none"> a) Convert remaining mainframe processes into OnPoint and the identified Benefit Payment System; and b) Implement the new benefit payment process for benefit payments, deductions and taxes. c) Utilize an in-house report server/writer to extract existing reports. <p>By FEBRUARY 28, 2011:</p> <ul style="list-style-type: none"> a) Determine which existing MS Access Databases (e.g., HIPA) should be converted into OnPoint. <p>By JUNE 30, 2011:</p> <ul style="list-style-type: none"> a) Implement applicable features/function in the independent MS Access databases into OnPoint when appropriate. b) Using the in-house report server/writer, develop report templates for key custom reports.
<p>2010-11 RESOURCES:</p>	<p>Funding totaling \$674,000 is included in the 2010-11 Proposed Budget for software development (\$250,000), maintenance (\$100,000), benefit payment system (\$315,000), and hardware (\$9,000).</p>
<p>METRICS:</p>	<ul style="list-style-type: none"> a) Number of member records by type b) Number of regular monthly, one-time DROP, and emergency checks issued c) Percentage of members on direct deposit (not receiving checks)

Project 1: Retiree Payroll Conversion Project (continued)

2011-12 DELIVERABLES:	<ul style="list-style-type: none"> a) Identify and complete any necessary enhancements to the new Benefit Payment System, which will handle taxes, deductions and checks; and b) Complete non-critical OnPoint enhancements to improve efficiency.
2011-12 MILESTONES:	<p>By DECEMBER 31, 2011: Identify and implement any necessary enhancements of the new Benefit Payment System.</p> <p>By JUNE 30, 2012: Implement Non-Critical Features and Enhancements in OnPoint (LST Reversal, Discretionary COLA, Salary Components, Prior Hazard Pay, etc)</p>
2012-13 DELIVERABLES:	<ul style="list-style-type: none"> a) Identify best practices of other pension administration systems; and b) Develop a lifecycle replacement plan for OnPoint (as recommended in the 2007 City audit of our System).
2012-13 MILESTONES:	<p>By JUNE 30, 2013</p> <ul style="list-style-type: none"> a) Research the features and characteristics of other pension administration systems; and b) Complete a lifecycle replacement plan for OnPoint.

Project 2: Document Imaging System Project - 2010-11
Project Lead: Jennifer Huang-Leifeste, Programmer Analyst V, Systems Section
Project Participants: All Department Staff
Stakeholders: Board Members, Executive Management, and Department Staff.

PROJECT OBJECTIVE:	To reduce hardcopy documents and increase efficiency in searching and retrieving documents while protecting the members' personal information.
PROJECT HISTORY:	This project was first formally included as part of the General Manager's Department Goals in 2006-07. By December 2006, the Board approved the use of EMC Documentum, the standard document imaging system used by the City at that time. A formal implementation plan was developed in July 2007, calling for several stages of implementation as to not interfere with other department projects. In 2007-08, hardware and software was purchased and user requirements were identified. In 2008-09, the pilot program began which addressed three document types in Executive Management, Administrative Services and Investments.
2010-11 DELIVERABLES:	Begin use of the Documentum System throughout the Department for contracts, correspondence, Board documents and member records.
2010-11 MILESTONES:	<p>By DECEMBER 31, 2010:</p> <ul style="list-style-type: none"> a) Train staff on how to effectively use the Documentum System; b) Identify staff who will be responsible for scanning and indexing current documents; c) Begin digitizing contracts and correspondence file types throughout the Department; and d) Begin digitizing the most frequently referenced member documents within Pensions Division. <p>By JUNE 30, 2011:</p> <ul style="list-style-type: none"> a) Identify issues associated with back-file conversions of member records, including a cost-benefit analysis; b) Identify a vendor to conduct back-file conversions of member records, if desired; and c) Begin back-file conversions of member records if justified.

Project 2: Document Imaging System Project (Continued)

2010-11 RESOURCES:	Funding totaling \$183,500 is included in the 2010-11 Proposed Budget for training (\$9,900), hardware and software (\$33,600), and professional services (\$140,000). Two clerical positions may be reassigned to address the new scanning and indexing functions. Additional funding may be required for back-file conversion, if it were to begin in 2010-11.
METRICS	<ul style="list-style-type: none"> a) Number of distinct document types in the system b) Number of documents scanned/indexed c) Average inquiries per user d) Number of paper documents destroyed e) Paper consumption
2011-12 DELIVERABLE:	Use of Documentum System by all staff throughout the Department.
2011-12 MILESTONES:	<p>By JUNE 30, 2012:</p> <ul style="list-style-type: none"> a) Scan and index all current day contracts, correspondence and member record documents. b) Identify and begin digitizing any additional document types in use throughout the department. c) Complete back-file conversion of member records, if started in 2010/11.
2012-13 DELIVERABLE:	Consider options to allow for further process improvements and a smaller carbon footprint.
2012-13 MILESTONES:	<p>By JUNE 30, 2013:</p> <ul style="list-style-type: none"> a) Identify and analyze paper processes still in use and establish a plan to reduce or eliminate them, including but not limited to the physical distribution of Board packages; b) Conduct a cost-benefit analysis of any process improvements identified; and c) If determined to be beneficial, identify specific metrics to measure success, and develop a timeline and budget for completion.

Project 3: Associations Audit Project 2010-11
Project Lead: Gregory Mack, Sr. Management Analyst II, Medical & Dental Section
Project Participants: Medical & Dental Benefits Section Staff
Stakeholders: System Retirees and Beneficiaries, Medical & Dental Benefits Section Staff, Associations/Unions Administering Retiree Health Plans

PROJECT OBJECTIVE:	To ensure that the health plans provided by the Associations are suitable and administered in a transparent, accountable and fiscally responsible manner, Medical & Dental Benefits (MDB) staff will conduct the annual audits of the Associations. MDB conducted an RFP for a new Health Services Consultant and the Board approved the selection of The Segal Company on December 3, 2009. The new Health Services Consultant will provide auditing assistance on an as-needed basis.
PROJECT HISTORY:	In April 2007, the Board approved an audit plan developed by the Health Services Consultant. Due to the concerns of the Associations, the audit plan was revised in January 2008 to exclude a study determining the possibility of LAFPP administering its own medical and dental plans. An audit of Associations was conducted and the findings were presented to the Board in May 2009. The audit did not uncover any material deficiencies and found that the plans and the premiums were competitive to industry benchmarks.
2010-11 DELIVERABLES:	Determine the frequency of audits of the four Associations. Once the frequency of the audits is determined, conduct Fiscal Year 2008-09 and 2009-2010 audits of the Associations administering City-approved medical and dental plans.
2010-11 MILESTONES:	BY SEPTEMBER 30, 2010 a) Staff completes the audit for Fiscal Year 2008-2009 of the Associations administering City-approved medical and dental plans. b) In consultation with the health services consultant, staff will present a report to the Board with a recommendation of the frequency of the audits. BY JUNE 30, 2011 c) Staff completes the audit for Fiscal Year 2009-2010 of the Associations administering City-approved medical and dental plans.
2010-11 RESOURCES:	Funding for the current contract with Segal is included in the 2010-11 Proposed Budget for Medical and Dental Plan Auditing Assistance and Miscellaneous Services. Funding not to exceed \$68,000.

GOAL II Risk Management – to establish formal and systematic approaches to minimize operational, investment and systemic risk throughout LAFPP

Project 4: Internal Audit Program 2010-11
 Project Lead: Caroline Dinu, Sr. Management Analyst II, Internal Audit Division
 Project Participants: All Department Staff
 Stakeholders: Members, the Board, Department Staff, and Contractors and Consultants

PROJECT OBJECTIVE:	To help ensure LAFPP investment and procurement decisions are made solely on the merits of the investment or services proposed by promoting transparency in the contracting process.
2010-11 DELIVERABLES:	A retrieval system in Documentum, for incoming Contractor Disclosure Reports that will enable Staff to track and store the disclosure reports, and perform customized queries. This deliverable will facilitate Staff efforts in providing regular and ad hoc reports on the incoming disclosure information received by firms.
2010-11 MILESTONES:	<p>BY SEPTEMBER 30, 2010: Identify and establish the Documentum attributes in the disclosure reports received from firms.</p> <p>BY DECEMBER 31, 2010: Test the retrieval system under various scenarios to see if the attributes initially identified require adjustments.</p> <p>BY JUNE 30, 2011: Implement the retrieval system for incoming Contractor Disclosure Reports.</p>
2010-11 RESOURCES:	Funding is currently included in the budget.

Project 5: Asset Allocation Project 2010-11
Project Lead: The General Consultant and the Investment Section
Project Participants: The Board, Department Management and the Investment Section
Stakeholders: Retirees and Beneficiaries, the City of Los Angeles

PROJECT OBJECTIVE:	To arrive at a new asset allocation for the Fund. During the process examine the efficacy of the hedge fund, private equity and enhanced indexing programs. Also incorporate risk and liquidity considerations into the asset allocation. The overall goal is to increase the effectiveness of the investment program, delivering better returns at a lower cost.
PROJECT HISTORY:	Normally done every three to five years. Last completed in January 2007
2010-11 DELIVERABLES:	<ul style="list-style-type: none"> a) Review the hedge fund program and determine whether to continue it. b) Review the enhanced index program and determine whether to continue it. c) Review the private equity program and determine whether to continue it. d) If programs are discontinued decide where to invest the assets.
2010-11 MILESTONES:	<p>By JULY 31, 2010:</p> <ul style="list-style-type: none"> a) Begin education to the Board regarding the asset allocation process. <p>By OCTOBER 31, 2010</p> <ul style="list-style-type: none"> a) Completion of the individual program reviews and partial completion of the asset allocation review. <p>By JANUARY 31, 2011</p> <ul style="list-style-type: none"> a) Completion of the asset allocation process.
2010-11 RESOURCES:	Funding for some hourly work by the Fund's actuary. \$25,000 or less.

Project 6: General Review of Marginal or Underperforming Investment Managers Project 2010

Project Lead: The General Consultant and the Investment Section
 Project Participants: The Board, Department Management and the Investment Section
 Stakeholders: Retirees and Beneficiaries, the City of Los Angeles

PROJECT OBJECTIVE:	Eliminating or replacing marginal or underperforming investment managers offers the potential for cost savings and greater investment returns.
2010 DELIVERABLES:	a) Identify and bring to the Board any recommendations from Staff and the general consultant regarding our existing investment managers.
2011 MILESTONES:	By JUNE 30, 2011: Implement any decisions by the Board regarding our existing investment manager roster.
2010 RESOURCES:	No out of pocket cost to implement, potential for significant cost savings.

Project 7: Network Infrastructure and Security Project – 2010-11
Project Lead: Jimmy Lindsey, Systems Programmer II, Systems Section
Project Participants: Systems Section, Verizon Business Solutions, AT&T
Stakeholders: Board, Department Staff and Active and Retired Members

PROJECT OBJECTIVE:	To continue to provide a secure and reliable network infrastructure that allows staff to efficiently and effectively support our members.
PROJECT HISTORY:	Staff determined that internet speed caused a customer service issue in 2007 and included a plan to address it in the 2008-09 Strategic Plan. The Board authorized staff to move forward with our own independent internet connection in February, 2009. A temporary independent 6MB internet connection was implemented in September 2009, resulting in greatly improved speed and improved security. Prior to this action, LAFPP never knew when or if the Information Technology Agency conducted information technology security audits nor were we notified about potential vulnerabilities. The permanent Fiber line was implemented in January, 2010. As a result of this technological independence, LAFPP staff took on significant additional responsibilities for network infrastructure maintenance, operation and security.
2010-11 DELIVERABLES:	<ul style="list-style-type: none"> a) Formalize a policy that establishes an information technology security audit and penetration test plan to ensure that audits and tests are conducted routinely, that vulnerabilities are promptly corrected and the root causes of risk are identified and mitigated wherever feasible; b) Ensure the continued reliability of the network by formalizing an information technology disaster recovery plan; and c) Research the option of replacing our current telephone system with a Voice over Internet Protocol (VoIP) as a means to reduce costs, simplify maintenance and improve member service.

Project 7:

Network Infrastructure and Security Project (Continued)

<p>2010-11 MILESTONES:</p>	<p>By DECEMBER 31, 2010: a) Establish and implement an information technology security audit and penetration test plan policy which includes a timeline and documentation of procedures to mitigate risk and documentation of actions taken; and b) Formalize an Information Technology Disaster Recovery Plan.</p> <p>By JUNE 30, 2011: Complete the analysis of the hardware and software required to implement a VoIP phone system for the LAFPP’s headquarters building.</p>
<p>2010-11 RESOURCES:</p>	<p>Funding totaling approximately \$332,100 is included in the 2010-11 Proposed Budget, including network and internet access and monitoring services (\$68,900), hardware and software maintenance (\$13,200), and a security assessment consultant (\$250,000). Additional dedicated staffing may be required.</p>
<p>METRICS</p>	<p>a) Number of audits/penetration tests b) Number of actual security breaches c) Downtime resulting from security breaches</p>
<p>2011-12 DELIVERABLES:</p>	<p>Implement technological enhancements to our network infrastructure to allow for improved efficiency, security and reliability.</p>
<p>2011-12 MILESTONES:</p>	<p>By JUNE 30, 2012: a) If feasible, implement a Voice over Internet Protocol (VoIP) phone solution for our Department; and b) Implement system improvements identified as part of our information technology security audits and penetration tests or other best practices.</p>
<p>2012-13 DELIVERABLE:</p>	<p>Implement technological enhancements to our network infrastructure to allow for improved efficiency, security and reliability.</p>
<p>2012-13 MILESTONES</p>	<p>By JUNE 30, 2013: Implement additional system improvements identified as part of our information technology security audits and penetration tests or other best practices.</p>

GOAL III Communication and Stakeholder Relations– to present key stakeholders a clear picture of the value provided by the System and to maintain positive, professional relations with key stakeholders.

Project 8: Improved Functionality of Employee Self Service (ESS)
 Project Lead: Robyn Wilder, Sr. Management Analyst II, Communications/Special Projects Section
 Project Participants: Diana Anderson/Joseph Salazar
 Stakeholders: All LAFPP members

PROJECT OBJECTIVE:	To expand the features and services available in the Employee Self Service (ESS) section of the Web site to better serve all members.
2010-11 DELIVERABLES:	<ul style="list-style-type: none"> a) Activate ESS access for retired members in conjunction with OnPoint and the Benefit Payment System conversion. b) Capture active and retired members' email addresses for electronic distribution of communications. c) Provide electronic sign-ups for pre-retirement seminars for active members.
2010-11 MILESTONES:	<p>BY DECEMBER 31, 2010:</p> <ul style="list-style-type: none"> a) Complete research on the functionality of ESS for retired members. b) Complete research on methods of capturing members' email addresses. c) Complete research on options to provide electronic pre-retirement seminar sign-ups. <p>BY JUNE 30, 2011:</p> <ul style="list-style-type: none"> a) Implement ESS access for retired members. b) Implement email address capture and electronic pre-retirement seminar sign-ups.
2010-11 RESOURCES:	Funding is currently included in the budget.

Los Angeles Fire and Police Pensions

Performance Management: 2009-2012 Goals and Measures

Project	Objective	Performance Measures		
GOAL I - Customer Service		Meets	Status	Exceeds
1) Retiree Payroll Conversion Projection	Fully convert the retiree payroll system to the OnPoint system.	By 12/31/2009 – a1) Identify Hardware & Software reqs. & staffing & skill reqs. to support in-house report function; and, a2) Sign contract for benefit payment system; By 06/30/2009 – a) Complete enhancements of survivor benefits; b) Complete critical enhancements for involved Sections; and, c) Complete impact assessment of independent MS Access databases currently in use throughout LAFPP.	Hardware & Software needed for in-house reporting function will not be completed until 6/30/2010 due to other priorities; Expect to sign contract by April 2010; Survivor benefit enhancements are postponed until 12/31/2010 due to other priorities; On target for Critical Enhancements; Independent MS Access databases are currently being reviewed and should be completed by 6/30/2010;	Sign contract before 12/31/2009. Critical enhancements completed before 06/30/2010.
2) Document Imaging System	Reduce hardcopy documents and increase efficiency in searching retrieving documents while protecting the members' personal information.	By 12/31/2009 - Determine the future uses of imaging system in Exec. Mgmt., Investments and Admin. Svcs. By 06/30/2010 – a) Install and configure centralized scanning on 4 th floor; and, b) Begin scanning contracts and correspondence documents within Acctg., Systems and C&SP.	The Documentum Steering Committee implemented a generic framework approach in February 2010 that streamlined the future implementation of the project. Documentum Steering Committee will make a decision re: centralized scanning by 06/30/2010; Investments & Executive mgmt. scanning correspondence & contract doc types. Statement of Work for modified generic framework signed and programming to be completed by June, 2010.	Complete modified Documentum framework by 06/30/2010; Remaining staff in dept. to begin digitizing documents by 6/30/2010.
3) Independent Network Infrastructure Project	Establish a separate internet connection from the City backbone to allow for reliable and improved service.	By 12/31/2009 – a) Complete security assessment of Internet connection implementation and network infrastructure; and, b) Determine if servers should be hosted at LAFPP or vendor. By 06/30/2010 – a) Assume management of LAFPP existing router and T-1 line.	Completed the security assessment of their internet implementation and infrastructure by 09/30/09. Moved internet hosting to AT&T 11/2009. Assumed management of LAFPP existing router & T-1 line 09/30/2009.	Determine if Internet servers should be hosted at LAFPP headquarters or with a vendor by 09/30/09. Assume management of router and T-1 line by 9/30/09.
4) Enhance Retirement Counseling and Member Literature	Enhance retirement literature provided to members to allow counseling packages to be presented in a more user-friendly format.	By 09/30/2009 – a) Implement improved MDB information into counseling sessions; By 06/30/2010 – a) Revise DROP Entry literature.	MDB information implemented in August 2009; Graphics Design contract executed 1/2010; project scope to contractors 3/2010.	Implement improved MDB information before 09/30/2009; Revise DROP Entry literature before 06/30/2010
5) Associations Audit Project	To ensure that the health plans are suitable and administered in a transparent, accountable and fiscally responsible manner.	By 08/31/2009 – a) Release RFP for a health services consultant. By 12/31/2009 – a) Finalize procedures that will enable staff to collect health plan data to facilitate future audits; b) Staff will have the ability to conduct future audits. By 01/31/2010 – a) The Board approves the selection of the new health services consultant. By 06/30/2010 – a) Staff completes the Association audits of FY 2008-2009.	MDB released the RFP on August 20, 2009; Segal provided MDB staff the recommendation of MOU language to facilitate future audits in September 2009; The Board approved Segal as the health services consultant in December 2009; Based on delays in implementing new MOU with the Associations it is anticipated that the audits will not be completed by June 30, 2010.	Staff completes the Fiscal Year 2008-09 Associations audit before 06/30/2010.
6) Internal Revenue Code Compliance	To maintain compliance with Federal, State and Local regulations governing the LAFPP.	[Please note: these dates were revised by the Board on August 20, 2009. Also, meeting these dates is largely contingent on the IRS' responsiveness to our application for a Determination Letter.] By 10/31/2009 – Complete procedural modifications as recommended by Ice Miller to comply with the Internal Revenue Code under the Voluntary Correction Program. By 02/26/2010 – City Council adoption of Ordinance changes to codify compliance modifications in the Plan document. (Administrative Code)	Due to complexities of Sec. 415 compliance testing and implementation of procedural changes, it is anticipated that modifications will be completed by 06/30/2010, in conjunction with the Benefit Payment System. IRS Compliance Statement and favorable Determination Letter still pending. Currently, the Council would need to adopt ordinances by August 24, 2010. This deadline may be extended depending upon when the final Determination Letter is issued.	Procedural modifications are completed prior to 6/30/2010. Required Ordinances and/or Charter Amendments adopted prior to IRS deadlines.

Los Angeles Fire and Police Pensions

Performance Management: 2009-2012 Goals and Measures

Project	Objective	Performance Measures		
<u>GOAL II – Risk Management</u>		<u>Meets</u>	<u>Status</u>	<u>Exceeds</u>
7) Internal Audit Project	To manage the operational risks identified by the various external audits of the fund, the 2008 risk assessment and the City's management audit conducted by IFS.	<p>By 07/31/2009 – a) Present a consolidated audit plan for 2009-10.</p> <p>By 12/31/2009 – a) Recruit Dept. Audit Mgr.; b) Provide status to Audit Cmte. on the 2009-10 consolidated audit plan; c) Provide status report on IFS recommendations; and, d) Identify training opportunities for Internal Audit Staff.</p> <p>By 06/30/2010 – a) Report to the Audit Cmte. on the status of the 2009-10 consolidated audit plan; and, b) Status report on the IFS recommendations.</p>	<p>Audit plan was presented in December 2009. The Audit Cmte did not have a quorum in July 2009. Dept. Audit Mgr. hired on February 26, 2010. Audit plan and IFS status report presented in December 2009. Periodic status reports provided to the respective Committees and the full Board.</p>	Complete recruitment of Dept. Audit Mgr. before 12/31/2009.
<u>GOAL III – Communications and Stakeholders Relations</u>		<u>Meets</u>	<u>Status</u>	<u>Exceeds</u>
8) Corporate Governance Update	To monitor corporate governance developments, including any new regulation and pending legislation that might affect the Fund, update stakeholders and provide recommendations to the Board on corporate governance issues of concern.	<p>Gather updated information on corporate governance issues, including any new regulations or pending legislation that might affect the Fund, proxy contest issues, etc.</p> <p>Update the Board with information and recommendations on corporate governance issues of concern, specifically focusing on financial regulatory reform that might affect the Fund.</p> <p>Update the corporate governance section of our website with the assistance of the City Attorney.</p>	<p>Staff continues to monitor and will forward items to the Board as necessary. At this time, staff is heavily engaged in Asset Allocation issues and working with the new General Consultant. As such, the emphasis has shifted since the Strategic Plan was adopted by the Board.</p>	N/A
<u>GOAL IV - Facility and Resource Analysis</u>		<u>Meets</u>	<u>Status</u>	<u>Exceeds</u>
9) New Headquarters Facility Project	To establish a new headquarters that will provide more efficient space thus enhancing the productivity of the Board and staff.	<p>The original 2009-10 Milestone dates were revised by the Board on Nov. 5, 2009. As such, there are currently no specific dates assigned to this Project.</p>	<p>Current lease expires April 2012. No specific milestone dates have been assigned to this project as its progress depends upon the availability of real estate in the downtown Los Angeles Civic Center Area. By February 2010 and pursuant to the Board's direction on November 5, 2009, Staff has interacted directly with local real estate brokers and office owners to monitor the real estate market in the downtown Los Angeles Civic Center Area and pursue a potential headquarters facility. Staff has toured several buildings to determine suitability and met with City civil and structural engineers to gain an understanding of seismic issues that should be considered when evaluating office buildings.</p>	Identify building to purchase by June 30, 2010