



DEPARTMENT OF FIRE AND POLICE PENSIONS

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REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 17, 2019 **ITEM:** A.2

FROM: RAYMOND P. CIRANNA, GENERAL MANAGER

SUBJECT: SECOND QUARTER UPDATE FOR THE 2018-19 BUSINESS PLAN AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board authorize a revision to the Business Plan for Project No. 6 – Implementation of New Accounting Software and defer this Project to next year and instruct staff to include this project in the 2019-20 Business Plan.

DISCUSSION

Staff is providing a second quarter update on the status and progress of the 2018-19 Business Plan projects (Attachment II).

The 2018-19 Business Plan was approved by the Board on June 21, 2018 and includes a total of nine projects that fall within the department's five Strategic Goals:

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

These primary goals help keep the System resources focused on the most critical areas to ensure we successfully fulfill our Mission Statement:

“To advance the health and retirement security of those who dedicate their careers and risk their lives to protect the people of Los Angeles”

The 2018-19 Business Plan second quarter update is summarized in Attachment I. This attachment provides a brief overview of the projects, including the overall project duration, the progress towards meeting the 2018-19 Milestones, the overall project status and whether the project is currently over/under budget.

As presented in Attachment I, eight out of nine Business Plans are on schedule and within budget. However, the project schedule for Project No. 6 - Implementation of New Accounting Software has been changed due to the reasons discussed below.

This project primarily involves Accounting staff with assistance from the Systems Group. Due to Accounting staff having to refocus their efforts to develop new procedures for the additional workload that will be assumed by the Section with the implementation of PARIS (Pension and Retirement Information System), this project is behind schedule and will not be completed in the current fiscal year. This was also compounded by multiple staff movements in the Section due to promotions and hiring replacement staff took longer than anticipated. Accordingly, the General Manager has deferred this project until next fiscal year's work plan. All Milestone dates for the project will be revised to next fiscal year (2019-20). Staff intends to commence this project as soon as possible once PARIS is fully implemented.

BUDGET

Funding for the Implementation of New Accounting Software will be requested in the Fiscal Year 2019-20 Proposed Budget.

POLICY

No policy change as recommended.

This report was prepared by:

Diana Pointer, Manager
Administrative Services Section

RPC:WSR:MTS:DP

Attachments: I. 2018-19 Business Plan Dashboard - Second Quarter Update
 II. 2018-19 Revised LAFPP Business Plan

**DEPARTMENT OF FIRE AND POLICE PENSIONS
2018-19 BUSINESS PLAN
SECOND QUARTER UPDATE (AS OF DECEMBER 31, 2018)**

2018-19 BUSINESS PLAN DASHBOARD

PROJECT TITLE	Overall Project Duration	2018-19 Milestone Dates	Overall Project Schedule	2018-19 Project Budget
Goal 1 – Ensure a Financially Sound Retirement System				
1. <i>NEW</i> – Research Strategies to Manage Health Care Costs and Implement a Communications Plan to Educate Members on Related Topics	2018-19	●	●	●
Goal 2 – Manage Risk Throughout the Organization				
2. Private Equity Investment Fee Disclosure	2018-19	●	●	●
3. <i>NEW</i> – Upgrade of Internet Security System	2018-19	●	●	●
Goal 3 – Enhance Customer Care & Stakeholder Relations				
4. PARIS (Pension and Retirement Information System) Implementation	2015-16 2016-17 2017-18 2018-19	●	●	●
5. <i>NEW</i> – Website Redesign	2018-19	●	●	●
Goal 4 – Pursue Operational Efficiencies				
6. <i>NEW</i> – Implementation of New Accounting Software	Defer to 2019-20	Defer to 2019-20	Defer to 2019-20	●
7. <i>NEW</i> – Pension Administration Benchmarking	2018-19	●	●	●
Goal 5 – Build and Support a Talented Workforce				
8. <i>NEW</i> – Workforce Succession Planning	2018-19	●	●	●
9. <i>NEW</i> – Investments Division Staff Instructional Program	2018-19	●	●	●

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

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LOS ANGELES FIRE AND POLICE PENSIONS



2018-19 BUSINESS PLAN

**AS ADOPTED BY THE BOARD JUNE 21, 2018
AND REVISED JANUARY 17, 2019**



2018-19 BUSINESS PLAN INTRODUCTION

The 2019-21 Strategic Plan serves as a blueprint to guide LAFPP in the development of the annual 2018-19 Business Plan and includes the Vision, Mission, Values and Strategic Goals for LAFPP. The Strategic Plan was approved by the Board on February 1, 2018, reaffirming its commitment to the LAFPP Vision Statement:

To be a leader and innovator in the public pension industry through an uncompromising dedication to excellence, customer service, transparency, and education

The 2018-19 Business Plan methodically allocates resources to the most critical areas of our operations to successfully accomplish our Mission:

To advance the health and retirement security of those who dedicate their careers and risk their lives to protect the people of Los Angeles

Our Business Plan includes nine projects, including seven new projects and two carried over from last year. We believe these nine projects are the most critical to ensure we continue to meet the Department's five primary Goals:

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

Over the last several years, the Department has been engaged in the *Pension Administration System Project*, otherwise known as PARIS (Pension and Retirement Information System). This significant Project, which commenced in 2015-16, involves a complete transition of all member data and payment processing to a new system and has required a sustained, Department-wide effort to design and build the new system. 2018-19 will be the final year of implementation and involves the largest workload in the project's schedule. As such, a sustained, concerted effort by staff will be necessary in 2018-19 to complete the project. I look forward to the completion of the Project and its impact on our business processes to increase efficiency and enhance member experience.

Once again, I want to extend my deep appreciation to the Board and staff for its continued support for the Strategic and Business Plans over the years.

Sincerely,

Raymond P. Ciranna, General Manager

2018-19 BUSINESS PLAN PROJECT MATRIX SUMMARY

GOAL 1 – Ensure a Financially Sound Retirement System			
Project Title	Workload Level	Duration	Project Objective
(1) (NEW) Research Strategies to Manage Health Care Costs/Implement Communications Plan to Educate Members on Related Topics	Lead: High Participants: Moderate	2018-19	To conduct research strategies and continue to work with the associations and unions to better manage retiree health care costs and determine possible ways to reduce costs and improve program administration.
GOAL 2 – Manage Risk Throughout the Organization			
Project Title	Workload Level	Duration	Project Objective
(2) Private Equity Investment Fee Disclosure	Lead: Moderate Participants: Moderate	2017-18 2018-19	To annually provide the Board with specified information relating to the fees and returns of specified alternative investments.
(3) (NEW) Upgrade of Internet Security System	Lead: Moderate Participants: Low	2018-19	To upgrade and consolidate Internet security systems to improve web traffic monitoring of malware and malicious activities.
GOAL 3 – Enhance Customer Care and Stakeholder Relations			
Project Title	Workload Level	Duration	Project Objective
(4) PARIS (Pension and Retirement Information System) Implementation	Lead: High Participants: High	2015-16 2016-17 2017-18 2018-19	To design and implement a new Pension Administration System that will result in improved overall efficiency in the department’s business operations and continued superior service to our membership.

2018-19 BUSINESS PLAN PROJECT MATRIX SUMMARY

GOAL 3 – Enhance Customer Care and Stakeholder Relations			
(5) (NEW) Website Redesign	Lead: High Participants: High	2018-19	To design and launch a new website that will deliver improved on-demand access to current events, benefit information and other relevant resources.
Goal 4 – Pursue Operational Efficiencies			
Project Title	Workload Level	Duration	Project Objective
(6) (NEW) Implementation of New Accounting Software	Lead: Moderate Participants: Moderate	2018-19 <u>2019-20</u>	To replace the current accounting software and improve financial reporting.
(7) (NEW) Pension Administration Benchmarking	Lead: Moderate Participants: Moderate	2018-19	To measure our services and practices against our peers to gain a better understanding of the total administrative cost per member and help us determine if there are opportunities to become more efficient in the organization.
Goal 5 – Build and Support a Talented Workforce			
Project Title	Workload Level	Duration	Project Objective
(8) (NEW) Workforce Succession Planning	Lead: High Participants: Low	2018-19	To study workforce succession planning approaches to address the potential loss of personnel in critical positions and update LAFPP succession plan.
(9) (NEW) Investments Division Staff Instructional Program	Lead: Moderate Participants: Moderate	2018-19	To institute a program of scheduled classes given by the Investments staff for other members of the Investments staff.

GOAL 1 – Ensure a Financially Sound Retirement System

Project 1: NEW – Research Strategies to Manage Health Care Costs and Implement a Communications Plan to Educate Members on Related Topics

Duration: 2018-19

Project Lead: Eunice Zordilla, Manager, Medical & Dental Benefits

Project Participants: Medical & Dental Benefits Staff, LAFPP Management, the City Attorney’s Office, and Health Plan Consultant

Stakeholders: LAFPP Management, LAFPP Members, and Board-approved Medical and Dental Insurance Providers/Administrators

<p>PROJECT OBJECTIVE</p>	<p>Research strategies and continue to work with the associations and unions to better manage retiree health care costs and determine possible ways to reduce costs and improve program administration. Develop and implement a communications plan that helps retired members better understand their benefits and other topics associated with the subsidy and health care costs.</p>
<p>PROJECT HISTORY</p>	<p>In June 2017, the Board formed an Ad Hoc Committee on Retiree Health Plans to explore subsidy cost saving measures. Since then the Ad Hoc Committee has continued to discuss related topics and research various factors affecting the subsidy amounts members may receive and the available health plans.</p> <p>The health insurance subsidy has been administered in essentially the same fashion since the program's inception in the 1970's. The current health plan sponsors have been administering Board-approved plans and negotiating benefit levels and premiums on behalf of members for over 40 years. In recent years, the rising subsidy expense on the pension fund has become a concern for the Board. And over the course of establishing health plan options for members previously enrolled in LACERS plans, the Board became aware of varying subsidy benefits and available plans between Fire, Harbor, Airport and Police retirees. Most recently, the City Attorney has advised staff that future operating agreements with Board-approved health plan sponsors should be in the form of contracts.</p> <p>To ensure the Board may fulfill its fiduciary responsibilities with respect to the health subsidy program, it is necessary to study the existing Board-approved plans as well as health plans/programs offered by other retirement systems. Possible changes to the health insurance subsidy or other aspects of the retiree health plan program requires further educating members regarding subsidy benefits and their health care costs.</p>
<p>2018-19 DELIVERABLES</p>	<p>a) Develop a communications plan; b) Create publications, website updates and video posts regarding</p> <ul style="list-style-type: none"> • Subsidy Program • Health Plans • Medicare; and <p>c) Research strategies to manage health care costs and an assessment of retiree health plan program.</p>

Project 1: NEW – Research Strategies to Manage Health Care Costs and Implement a Communications Plan to Educate Members on Related Topics (Continued)

<p>2018-19 MILESTONES</p>	<p><u>BY SEPTEMBER 30, 2018:</u> General Manager’s approval of member communications plan.</p> <p><u>BY JUNE 30, 2019:</u> Completion of:</p> <ul style="list-style-type: none"> a) Scheduled publications, web updates, and video posts; b) Research of strategies to manage health care costs; c) Implementation of a new Medicare Option for retirees; and d) The assessment of the retiree health plan program administration
<p>2018-19 RESOURCES</p>	<p>The 2018-19 Budget includes: \$225,000 for health consultant services; \$25,000 for printing and binding services; and \$26,000 for postage costs.</p>

GOAL 2 – Manage Risk Throughout the Organization

Project 2: Private Equity Investment Fee Disclosure

Duration: 2018-19

Project Lead: Tom Lopez, Chief Investment Officer, Investments Division

Project Participants: Investments Staff, Private Equity Advisors and Private Equity Funds

Stakeholders: Board Members, LAFPP Members, and the City

PROJECT OBJECTIVE	To annually provide the Board with specified information relating to the fees and returns of specified alternative investments.
PROJECT HISTORY	Assembly Bill No. 2833 was signed into law in 2016 and added Section 7514.7 to the Government Code, requiring that effective January 1, 2017 public pension plans annually disclose at a public meeting information relating to the fees, expenses and returns of alternative investments entered into on or after the effective date, as well as existing alternative investments to which additional commitments are made after the effective date, and to make reasonable efforts to obtain such information from such investments existing prior to January 1, 2017. The purpose of this project is to comply with the new law.
2018-19 DELIVERABLES	An annual Private Equity Fee Report covering the preceding calendar year will be presented to the Board before the end of each calendar year.
2018-19 MILESTONES	<u>BY DECEMBER 31, 2018:</u> Staff will prepare and present to the Board a Private Equity Fee Disclosure Report for the 2017 calendar year. Subsequent reports will be presented before the end of each calendar year and will cover the preceding calendar year.
2018-19 RESOURCES	There is no additional funding or staffing request associated with this project.

GOAL 2 – Manage Risk Throughout the Organization

Project 3: NEW - Upgrade of Internet Security System

Duration: 2018-19

Project Lead: Bob Yan, Director of Systems, Systems Section

Project Participants: Systems Section

Stakeholders: LAFPP Staff and Management

PROJECT OBJECTIVE	To upgrade and consolidate Internet security systems to improve web traffic monitoring of malware and malicious activities.
PROJECT HISTORY	<p>LAFPP currently utilizes two network security devices, a firewall with an integrated intrusion prevention system (IPS) and a web traffic filter to block unauthorized access and malware from the network.</p> <p>The web traffic filter has become error-prone and unstable recently and it is anticipated to be discontinued by the vendor after its acquisition by another security software firm. The upgrade of the web traffic filter along with the consolidation of it to the firewall/IPS will not only improve the filtering of malware and malicious activities but also provide staff central management capabilities to quickly and effectively respond to security threats.</p>
2018-19 DELIVERABLES	Upgrade web traffic filter and consolidate it with the firewall/IPS to improve cybersecurity posture.
2018-19 MILESTONES	<p><u>BY DECEMBER 31, 2018:</u></p> <p>a) Review existing software features and gather new requirements; b) Research and evaluate available compatible security software; and c) Select and procure software.</p> <p><u>BY MARCH 31, 2019:</u></p> <p>a) Install, configure, and deploy software into production; and b) Optimize and backup security configurations.</p>
2018-19 RESOURCES	There is no additional funding request associated with this project.

GOAL 3 – Enhance Customer Care and Stakeholder Relations

Project 4: PARIS (Pension and Retirement Information System) Implementation

Duration: 2015-16, 2016-17, 2017-18, and 2018-19

Project Lead: Alfred Domagat, Sr. Systems Analyst II, Systems Section

Project Participants: LAFPP Staff, Consultants, Northern Trust, the Information Technology Agency, and Office of the City Controller

Stakeholders: LAFPP Staff and Management, and LAFPP Members and Beneficiaries

PROJECT OBJECTIVE	To design and implement a new Pension Administration System that will result in improved overall efficiency in the department’s business operations and continued superior service to our membership.
PROJECT HISTORY	<p>The Request for Proposal (RFP) to replace the current Pension Administration System was released in July 2014 with several bids received in October 2014. The Evaluation Team reviewed the bids and selected Conduent State and Local Systems, Inc (Conduent) as the top-ranking vendor with the lowest cost. The Board awarded the contract to Conduent on May 21, 2015 and implementation of the project began in July 2015. The new system that is being developed was later named PARIS (Pension and Retirement Information System).</p> <p>For the last three years, staff has worked with the Conduent team to setup the hosting environment, confirm and document the various specifications for PARIS, and deliver in phases, newly developed system functionality for validation by LAFPP staff. A three-month system-wide User Acceptance Testing (UAT) to run “End-to-End” processing and perform “parallel” testing of the major system processes and calculations will be completed before the project is implemented. 2018-19 will serve as the fourth year of project implementation and the completion of all phases of the project.</p>
2018-19 DELIVERABLES	<ul style="list-style-type: none"> a) Configure and deliver all critical system functionality which includes defect-repair of major issues identified during UAT as well as issues found during the “Go-Live” production rollout; b) Configure and deliver for testing additional system functionality for DocuShare and Workflow integration as well as Member Self-Service; and c) Ongoing data cleansing and data conversion.

Project 4: PARIS (Pension and Retirement Information System) Implementation (Continued)

<p>2018-19 MILESTONES</p>	<p><u>BY DECEMBER 31, 2018:</u></p> <p>a) Delivery of all critical system functionality including fixes to major issues identified during the User Acceptance Testing and the "Go Live" production rollout by October 31, 2018.</p> <p><u>BY JUNE 30, 2019:</u></p> <p>a) Delivery, testing and implementation of system functionality for the Member Self-Service.</p> <p>b) Delivery, testing and implementation of additional system functionality for DocuShare and Workflow integration.</p>
<p>2018-19 RESOURCES</p>	<p>On May 21, 2015, the Board approved an amount not-to-exceed \$9.02 million to implement a new Pension Administration System (PAS) (3 years) and provide post-implementation services (5 years) by Conduent State and Local Systems, Inc. The Board also approved LRWL, Inc. to provide oversight project management and quality assurance services for an amount not to exceed \$1.16 million.</p> <p>Approximately \$1.92 million for the PARIS Project is included in the 2018-19 Budget, \$1,700,000 for Conduent State and Local Systems, Inc. and \$217,200 for LRWL, Inc.</p>

GOAL 3 – Enhance Customer Care and Stakeholder Relations

Project 5: NEW - Website Redesign

Duration: 2018-19

Project Lead: Carol Tavares, Sr. Management Analyst I, Communications & Education

Project Participants: Communications & Education Staff, LAFPP Website Consultant

Stakeholders: LAFPP Members, Board Members, LAFPP Staff, and the City

PROJECT OBJECTIVE	To design and launch a new website that will deliver improved on-demand access to current events, benefit information and other relevant resources.
PROJECT HISTORY	<p>The last website redesign was completed in June 2014. A new Web consultant contract commenced in October 2017. During the RFP review process staff had the opportunity to review examples of other websites, including government sites, which highlighted areas for improvement to our current site.</p> <p>The current site needs to be reviewed to identify new ways to engage our membership and stakeholders and to offer a functional and informative digital source of benefit information.</p>
2018-19 DELIVERABLES	To conduct an analysis of our current website for usability and functionality. Structure the site for easy navigation, improved flow and organization of information and highlight current information and events.
2018-19 MILESTONES	<p><u>BY SEPTEMBER 30, 2018:</u></p> <ul style="list-style-type: none"> a) Discovery – Identify gaps between the old and upcoming site, and develop strategic solutions to close gaps by means of information architecture, design, and content strategy; b) Review existing analytics; and c) Finalize web design and approval. <p><u>BY MARCH 31, 2019:</u></p> <ul style="list-style-type: none"> a) Implementation – Execute approved design and information architecture into content management system (by January 31, 2019); b) Full content migration; and c) Training and support for launch and post-launch. <p><u>BY JUNE 30, 2019:</u></p> <ul style="list-style-type: none"> a) Final launch; and b) Monthly maintenance agreement begins for ongoing support.
2018-19 RESOURCES	\$115,000 is included in the 2018-19 Budget for website support services.

Goal 4: Pursue Operational Efficiencies

Project 6: NEW – Implementation of New Accounting Software Defer Project to 2019-20

Duration: ~~2018-19~~2019-20

Project Lead: Yolanda Huang, Dept. Chief Accountant IV, Accounting Section

Project Participants: Accounting and Systems Sections

Stakeholders: LAFPP Staff and Management, LAFPP Members and Public

PROJECT OBJECTIVE	To replace the current accounting software and improve financial reporting.
PROJECT HISTORY	The current version of the accounting software, Microsoft Dynamics SL is no longer supported by the software vendor. The software has been in use for more than 8 years and upgrading it to the current version will be very costly due to changes in licensing. Since Accounting Section needs are primarily focused on General Ledger (GL) functionalities, the implementation of an accounting software specialized in GL functionalities would be more cost effective and would better serve the Section.
2018-19 <u>2019-20</u> DELIVERABLES	Evaluate and implement new accounting software focused on GL functionalities and financial reporting.
2018-19 <u>2019-20</u> MILESTONES	<p><u>BY MARCH 31, 202019:</u></p> <p>a) Review existing software features and gather new requirements b) Research and evaluate available software and cloud-based services; and c) Select and procure software or cloud-based services.</p> <p><u>BY JUNE 30, 202019:</u></p> <p>a) Install, configure, and deploy software in production; and b) Migrate data and conduct user training.</p>
2018-19 <u>2019-20</u> RESOURCES	There is no additional funding request associated with this project.

Goal 4 – Pursue Operational Efficiencies

Project 7: NEW - Pension Administration Benchmarking

Duration: 2018-19

Project Lead: Myo Thedar, Chief Benefits Analyst, Administrative Operations Division

Project Participants: All Sections

Stakeholders: LAFPP Staff and Management

PROJECT OBJECTIVE	To measure our services and practices against our peers to gain a better understanding of the total administrative cost per member and help us determine if there are opportunities to become more efficient in the organization.
PROJECT HISTORY	<p>Pension funds engage in benchmarking studies to assess their effectiveness and efficiency in delivering services. Elements considered in these studies include number of members, structure and complexity of the fund, service level, volume of transactions, etc. The data-driven findings provide a current state assessment in comparison to similar size funds, identify high performing areas, and pinpoint areas for improvement. Funds leverage the findings to better manage costs, improve service levels, develop objective performance metrics, and ultimately, best align its resources with its core vision. LACERS has participated in benchmarking of its investments portfolio, while LACERA and CalPERS have participated in benchmarking their pension administration.</p> <p>Staff anticipates scheduling similar studies periodically so we can compare ourselves over time.</p>
2018-19 DELIVERABLES	With staff's assistance compiling the necessary data, a consultant will produce a pension administration benchmarking analysis.
2018-19 MILESTONES	<p><u>BY SEPTEMBER 30, 2018:</u> Obtain Board authority to utilize professional services to perform an objective pension administration benchmarking analysis.</p> <p><u>BY JUNE 30, 2019:</u> Provide to the Board a detailed report of LAFPP's pension administration performance and costs compared to our peer group.</p>
2018-19 RESOURCES	The 2018-19 Budget includes a total of \$20,000 for the pension administration benchmarking consultant.

Goal 5: Build and Support a Talented Workforce

Project 8: NEW - Workforce Succession Planning

Duration: 2018-19

Project Lead: James Schiffhauer, Department Personnel Officer
Administrative Services Section

Project Participants: All Sections

Stakeholders: LAFPP Staff and Management

PROJECT OBJECTIVE	To study workforce succession planning approaches to address the potential loss of personnel in critical positions and update LAFPP succession plan.
PROJECT HISTORY	<p>Succession planning has long been an integral part of our operations. It was first developed in 2005-06 for the General Manager and Chief Investment Officer positions (General Manager Goal #3). In 2012-13, succession plans for the two Assistant General Manager positions were incorporated to the existing plan (Three-Year Strategic Plan Goal #7). For the last several years members of executive staff and HR have met regularly to discuss strategies to recruit, develop and retain staff throughout the department.</p> <p>Most recently, Mayor Garcetti issued Executive Directive No. 15 (ED-15) Equitable Workforce and Service Restoration in April 2016 that coordinated efforts Citywide to manage the possible loss of 46% of the City's workforce. As part of ED-15, each department must annually assess its workforce and update the plan to address front line services, succession planning and technology needs.</p> <p>LAFPP currently has 126 authorized positions. Over the next three years, LAFPP will have between 30% to 40% of its workforce eligible for retirement, many of whom includes seasoned and knowledgeable supervisors and managers. These numbers demonstrate the need to develop and maintain a viable workforce succession plan to mitigate the effect of high levels of anticipated retirement.</p>
2018-19 DELIVERABLES	To study workforce succession planning approaches and update our current succession plan.
2018-19 MILESTONES	<p><u>BY DECEMBER 31, 2018:</u> Study workforce succession planning approaches to strengthen the ability of individuals within the department to assume key leadership positions as they become available.</p> <p><u>BY JUNE 30, 2019:</u> Develop a workforce succession planning team. Perform a comprehensive workforce needs assessment, which would include the impact of the PARIS (Project No. 4) implementation. Identify key leadership positions based on the workforce needs assessment and devise a plan to incorporate them to the updated succession plan. Update the current the succession plan.</p>
2018-19 RESOURCES	There is no additional funding or staffing request associated with this project.

GOAL 5 – Build and Support a Talented Workforce

Project 9: NEW – Investments Division Staff Instructional Program

Duration: 2018-19

Project Lead: Tom Lopez, Chief Investment Officer, Investments Division

Project Participants: Investments Division Staff

Stakeholders: Board Members, LAFPP Members, and the City

PROJECT OBJECTIVE	To institute a program of scheduled classes given by the Investments staff for other members of the Investments staff.
PROJECT HISTORY	<p>During the last 40 years, Investments staff have undergone informal training on a one-to-one basis to impart the knowledge and skills required to be an Investment Officer. For example, the Investment Officer II would train the Investment Officer I on the day-to-day operations of managing an asset class. Courses will include, but are not limited to, topics on: preparing RFPs, writing contracts and reviewing other legal documents (e.g. side letters, investment guidelines, and tax documents), and monitoring manager performance and manager staffing and many other items.</p> <p>Staff is proposing a more formal and comprehensive approach to sharing information and practical experience among the staff. The process would include building a curriculum that covers all the plan's asset classes, contracting, presentation skills, manager selection and evaluation, custody operations, plan history, ethics, where to find information resources and a variety of analytical skills.</p>
2018-19 DELIVERABLES	Start the instruction program in the Investments Division. Given the Division's workload, it is planned that courses will be short but held several times per month.
2018-19 MILESTONES	<u>BY JUNE 30, 2019:</u> Complete at least 10 classes this year. Maintain a list of topics taught at the classes along with any material used.
2018-19 RESOURCES	Staff does not anticipate requiring additional funding or authorized positions.