



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 11

MEETING DATE: June 21, 2017

SUBJECT: Update on Strategic Initiatives

SUBMITTED FOR: ___ Consent Deliberation and Action Receive and File
X

RECOMMENDATION

Staff recommends the Board receive and file the update on SCERS' strategic initiatives presented by SCERS' management consultant.

PURPOSE

Provide an update on the consultant's activities related to assisting SCERS management with implementation of remaining open initiatives from the SCERS 2014-2018 Strategic Plan.

DISCUSSION

SCERS is entering the final year of its Strategic Plan 2014-2018. Many of the initiatives have been implemented but some of the most challenging remain, including SCERS IT Modernization Program.

Stephen Hawley, SCERS' Management Consultant, has been reviewing the past progress and remaining initiatives identified in the Strategic Plan to identify actions SCERS management can make with the purpose of getting planned initiatives completed earlier and ensuring that the momentum for beneficial change continues unabated even beyond the original five year strategic planning horizon.

A summary of key management consulting activities to date includes:

1. Recommendation to create a new office within the SCERS organization to increase and maintain focus on enterprise strategic initiatives and solutions that compete with core operational activities for management attention and resources. As a result, staff has recommended and the Board has approved establishing a new Enterprise Solutions Management (ESM) function within SCERS. In May, the Board approved the addition of an Assistant Retirement Administrator position that would report directly to the CEO and serve as the Director of ESM.
2. Designed a program for Enterprise Risk Management that will be implemented in June and operated going forward as one of the activities of the ESM.

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3. Reviewed SCERS' cyber security risk management environment.
 4. Reviewed SCERS' customer service performance management processes and capabilities. The data gathering and analysis phase of this review is nearly complete. A summary of results and recommendations for follow up action will be delivered to SCERS management in June.
 5. Provided input to the development of the RFP for the new Pension Administration System (PAS) with a particular focus on requirements related to cyber security and customer service performance management.

The management consulting activities for the coming months include:

1. Mobilization of the ESM including related policies and procedures.
 - a. Manage the Enterprise Risk Management program
 - b. Establish and implement policies and procedures for an Enterprise Continuous Improvement program
 - c. Establish an enterprise knowledge repository to facilitate the management of policies, procedures, business rules, etc.
 - d. Develop an enterprise program management plan and status reporting process that integrates plans from multiple projects including the IT modernization, completion of Strategic Plan initiatives, follow up activities for cyber security and customer service performance management, etc.
2. Oversight of the IT Modernization program activities with particular focus on the data conversion project start up, participation in the selection of the PAS vendor, participation in the analysis of the investment accounting needs, and the selection of the Investment Accounting System (IAS).

BACKGROUND

In January 2017, SCERS CEO Richard Stensrud engaged Stephen Hawley to perform management consulting work for the purpose of spurring completion of the initiatives remaining open from the SCERS 2014-2018 Strategic Plan. The consultant's assignments were further detailed in four Statements of Work as follows:

1. Planning, Review and Advisory Services
2. Cyber Security Analysis and Recommendations
3. Assist with Establishing Project Management Office (now "ESM")
4. Assist with Establishing Customer Service Performance Management Approach

ATTACHMENTS

Presentation by Steve Hawley, Management Consultant

Prepared by:

Reviewed by:

Stephen Hawley
Management Consultant to SCERS

Annette St. Urbain
Interim Chief Executive Officer

Update on Strategic Initiatives

June 21, 2017



SCERS

SACRAMENTO COUNTY
EMPLOYEES' RETIREMENT SYSTEM

Presented by:
Steve Hawley, Management Consultant

Background

In January, 2017, SCERS CEO Richard Stensrud engaged Stephen Hawley to perform management consulting work for the purpose of spurring completion of the initiatives remaining open from the SCERS 2014-2018 Strategic Plan. The consultant's assignments were further detailed in 4 Statements of Work (SOWs) as follows:

- *Planning, Review and Advisory Services*
- *Cyber Security Analysis and Recommendations*
- *Assist with Establishing Project Management Office (now "ESM")*
- *Assist with Establishing Customer Service Performance Management Approach*

Current Activities

- *Recommendation to create the Enterprise Solutions Management office (ESM).*
- *Enterprise Risk Management program*
- *Cyber security risk management review*
- *Customer service performance management review*
- *Pension Administration System (PAS) vendor selection*



Future Activities

- *Mobilization of the ESM including related policies and procedures.*
 - *Operate the Enterprise Risk Management program*
 - *Establish and implement policies and procedures for an Enterprise Continuous Improvement program*
 - *Establish an enterprise knowledge repository to facilitate the management of policies, procedures, business rules, etc.*
 - *Develop an enterprise program management plan and status reporting process*
- *Oversight of the IT Modernization program activities with particular focus on the data conversion project start up, participation in the selection of the PAS vendor, participation in the analysis of the investment accounting needs, and the selection of the Investment Accounting System (IAS) .*