



Regular Meeting

Item Number 8 – Open Session

Subject: Pension Solution Project Update

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Item Type: Information

Date & Time: May 3, 2023 – 30 minutes

Attachment(s):

Attachment 1 – Independent Project Oversight Report

Attachment 2 – Pension Solution Glossary

PowerPoint(s):

PowerPoint 1 – Pension Solution Update

PowerPoint 2 – Independent Project Oversight Consultants' Presentation

Item Purpose

The purpose of this item is to provide a Pension Solution Project update.

Executive Summary

Human Resources Recruitment Update:

The Pension Solution Team continues to make progress on filling key roles on the project team. The project structure is being refined to operate most effectively for the post interim services period (ISP) period. The project has added multiple new positions to support various business, technical, project management and organizational development activities. Many of those positions are currently under recruitment and the remaining are in progress and will be posted no later than June 30, 2023.

Project Activities

Sagitec's contract includes a goal of resolving Problem Incident Reports (PIR) in specified categories on a monthly basis. Sagitec is meeting their contractual goals in resolving design issues

discovered during the user acceptance test period and data conversion issues. Due to a decreasing volume of inventory in non-design issues found during the user acceptance test period and interface issues, the monthly goals are no longer applicable and the team is focused on resolving the remaining inventory. In addition to the contracted PIR goals identified in the contract, Sagitec is completing additional PIRs from other testing activities and is exceeding their cumulative monthly throughput goals.

Efforts continue to procure vendor resources to execute the project beyond the ISP. The team is identifying the proper timelines and activities needed beyond June 30 to deliver a successful system.

Lessons Learned

As has been reported previously, the Project initiated an effort known as Strengthen Our Foundation to implement lessons learned to ensure we are better prepared to successfully implement the Pension Solution project. All work related to this effort is to be completed by June 30, 2023.

Activity	Purpose	Status
1. Establish test approach based on best practices	Ensure test approach reflects best practices in testing	Completed
2. Acquire project management services	Ensure project benefits from daily management of activities and resources	In progress
3. Resolve critical data conversion PIRs	Prioritize most significant data conversion PIRs for resolution.	In progress
4. Update tools to include data to manage the project	Input data into project tools so that the project knows what work there is to be managed	In progress
5. Pilot Test Approach	Conduct a pilot to determine whether aspects of the documented test approach work well for the project.	In progress
6. Grow understanding of system functionality	Ensure alignment amongst team members of system functionality	In progress
7. Establish metrics	Develop metrics for work underway as part of Strengthen Our Foundation	In progress

Activity	Purpose	Status
8. Implement top 10 project lessons learned	Identify and implement lessons learned	In progress
9. Prioritize design PIRs for Go Live	Determine, of the design PIRs, which are needed before the system goes live.	Completed
10. Refine design specifications to address design PIRs	Of the Design PIRs identified in #9, refine the design specifications to reflect the requested changes.	In progress

As previously reported, CalSTRS also received the recommendations from the Project Health Assessment. Weaver made 48 recommendations to support CalSTRS’ efforts through the procurement process from preparing a Request for Proposal (RFP) to onboarding the selected vendor and enhancing CalSTRS’ ability to provide oversight activities over the progression of the project. Each recommendation had a suggested timeline to implement, including those that should be part of the RFP for the postISP vendor, those that should be completed during the ISP, and those that support onboarding efforts with the selected vendor. To date, several of the recommendations have been implemented and others are in progress of being incorporated into procurements or vendor agreements.

Summary of Top Challenges and Mitigation Strategies

Staff continue to monitor and address the significant challenges facing the project. The top challenges and associated mitigation strategies include:

Challenges	Mitigation Strategies
Timely recruitment to fill key roles on the project team.	Recruitment for multiple State employee positions are underway to fill new and existing project roles to prepare us for the post-ISP period. In addition, key project functions have been identified to procure vendor resources to support our project teams in these areas. We recently onboarded a new Quality Manager who is responsible for assessing project processes, reviewing project metrics and making quality improvement recommendations.

Challenges	Mitigation Strategies
Providing timely availability and continuity of business area resources (subject matter experts) for the duration of the project.	We have identified the needs and are working with Managers in the business area to ensure sufficient staff are available timely to work on the project, in addition to securing new resources through our revised Pension Solution Organization Structure.
Procuring vendor resources for post-Interim Service Period project activities.	A dedicated team is working diligently on contract negotiations to secure vendor services for project execution; that team is also working on procurements that will support the CalSTRS project teams with various functions beyond the Interim Service Period.

Overall, the Interim Service Period is resulting in great collaboration and a quality work product; CalSTRS is pleased with the progress made during this period which is leveraging lessons learned.

Strategic Plan Linkage: Goal 2, Objective A of the Strategic Plan - *Implement and integrate a highly adaptive pension administration system to modernize transactional capabilities.*
