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Teachers' Retirement Board
Pension Solution Project update
January 9, 2025

Agenda

- Project metrics
  - System integration testing
  - User acceptance testing
- Project update
  - Project to program
  - Implementation update
  - Transformation readiness
- Budget update
- Risk update

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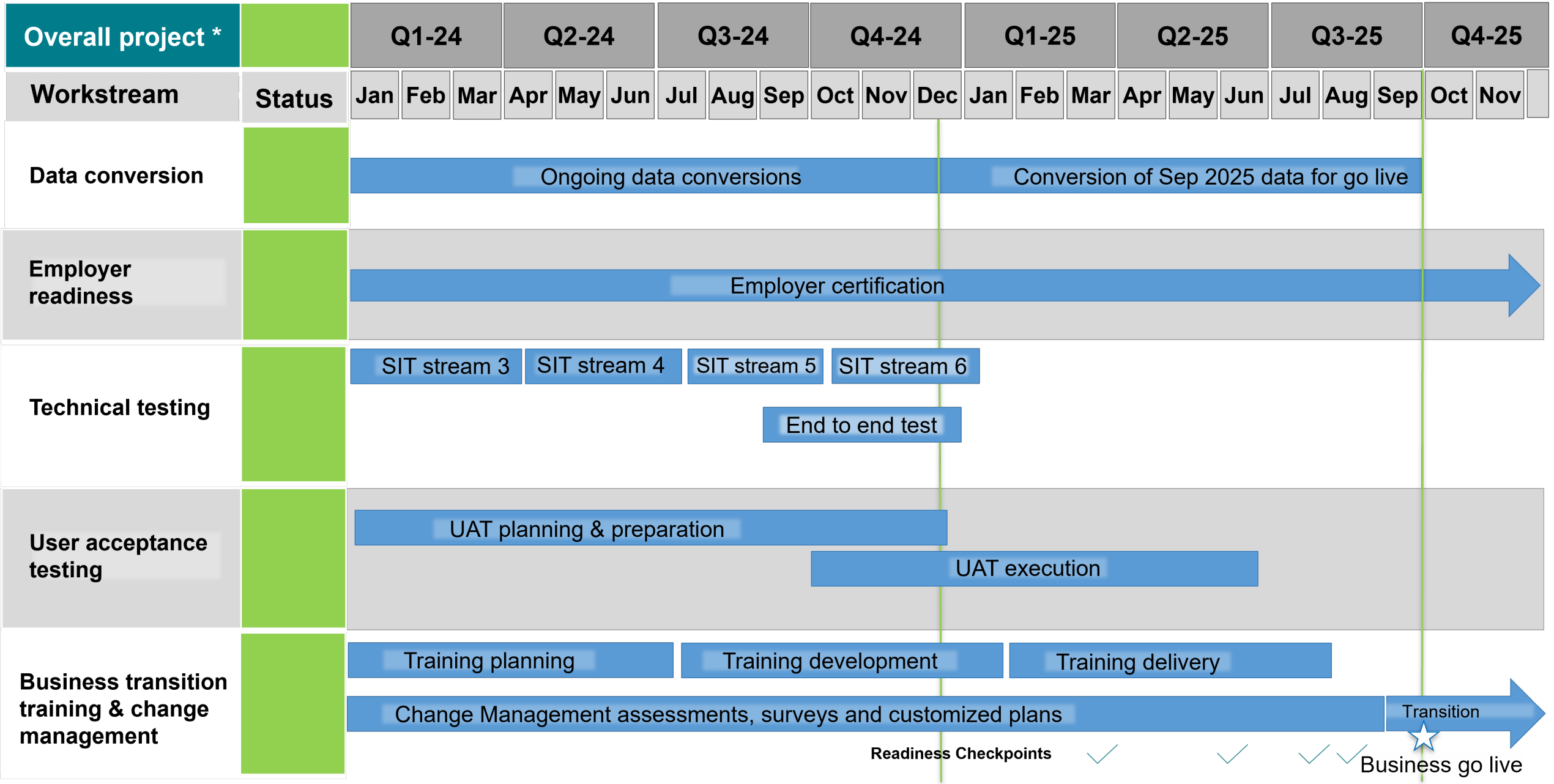
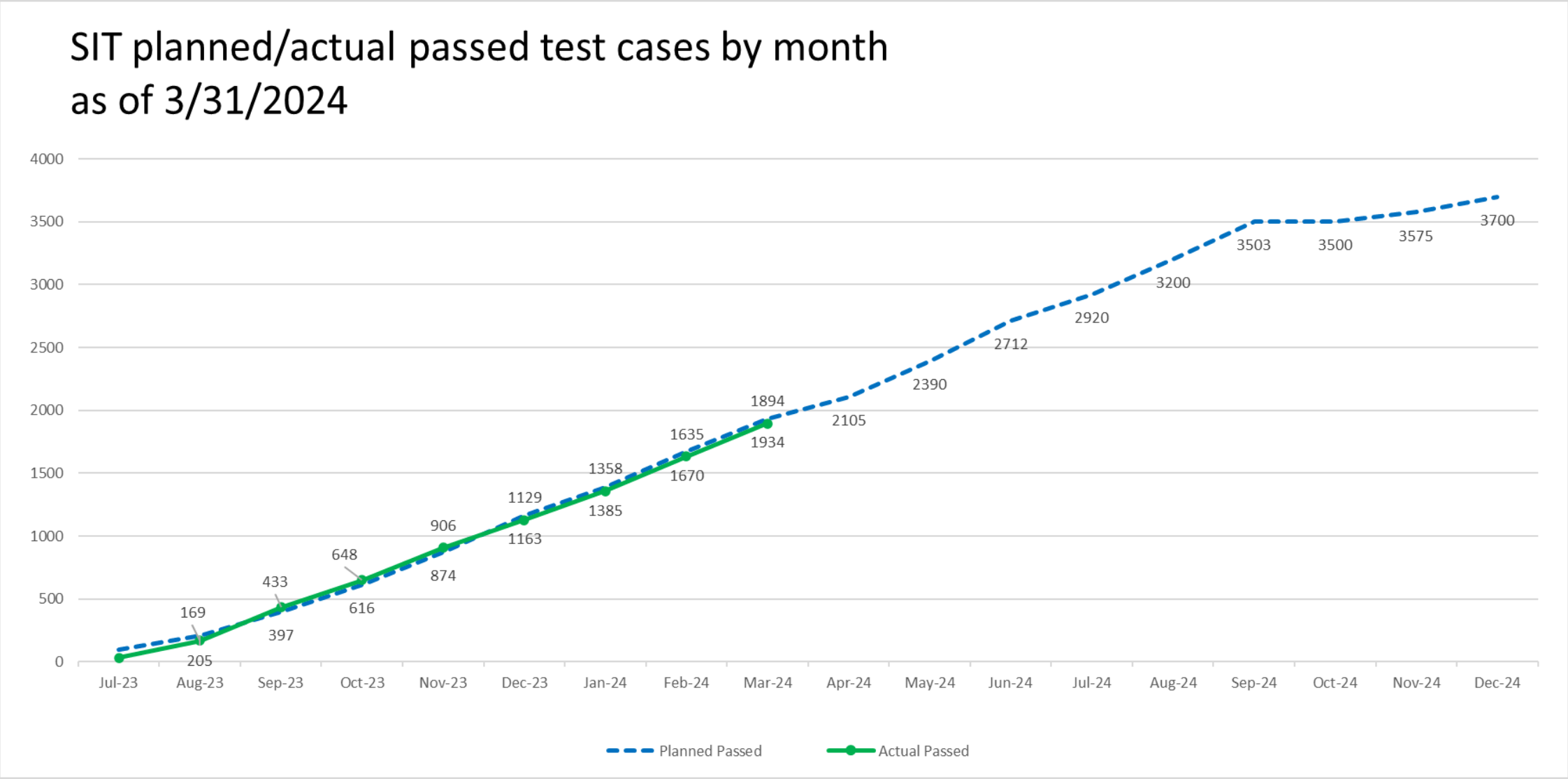
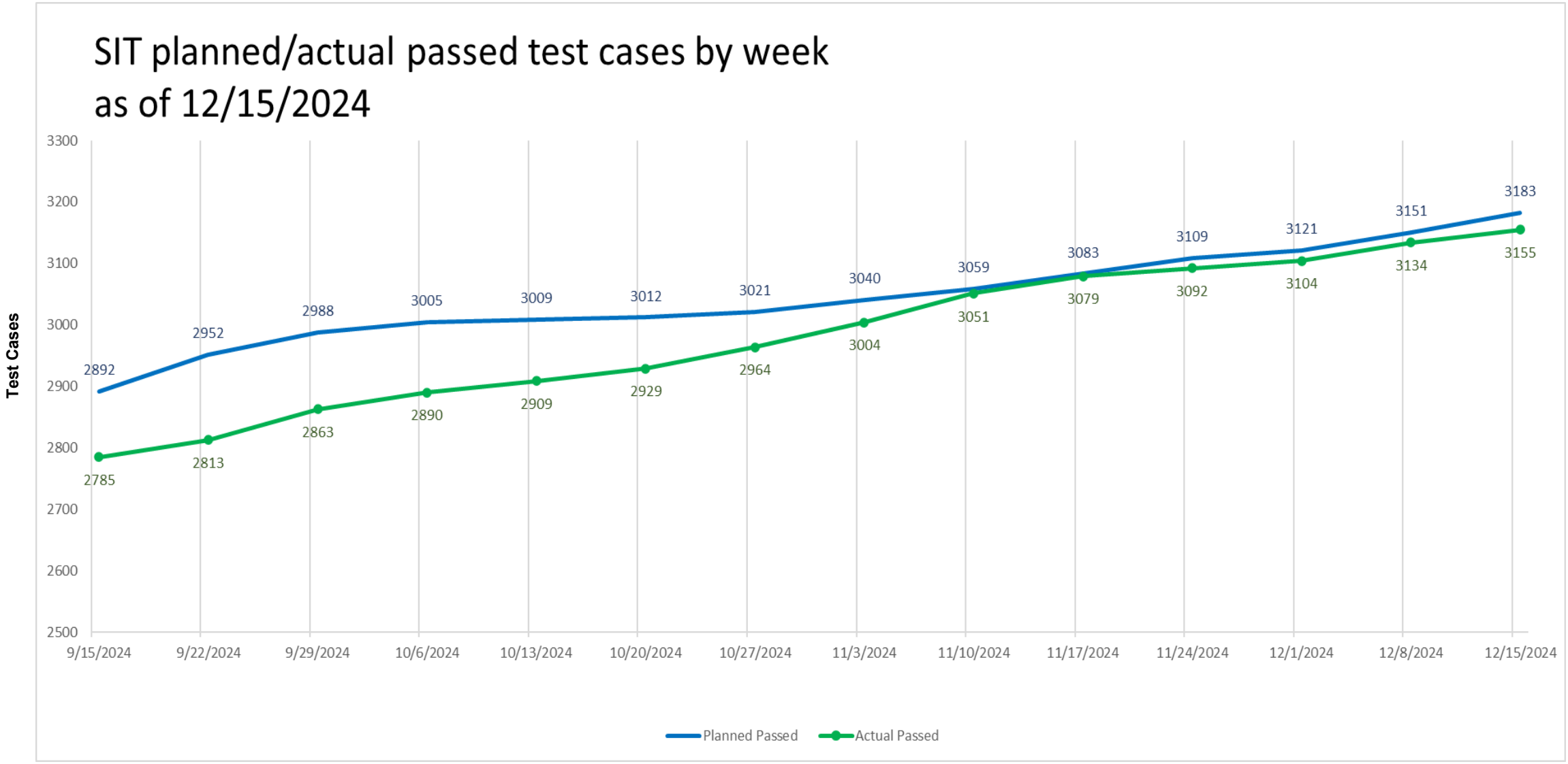
Teachers' Retirement Board
Project metrics
January 9, 2025


Overall project *
Q1-24
Q2-24
Q3-24
Q4-24
Q1-25
Q2-25
Q3-25
Q4-25
Workstream
Status
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov
Data conversion
Ongoing data conversions
Conversion of Sep 2025 data for go live
Employer readiness
Employer certification
Technical testing
SIT stream 3
SIT stream 4
SIT stream 5
SIT stream 6
End to end test
User acceptance testing
UAT planning & preparation
UAT execution
Business transition training & change management
Training planning
Training development
Training delivery
Change Management assessments, surveys and customized plans
Transition
Readiness Checkpoints
Business go live

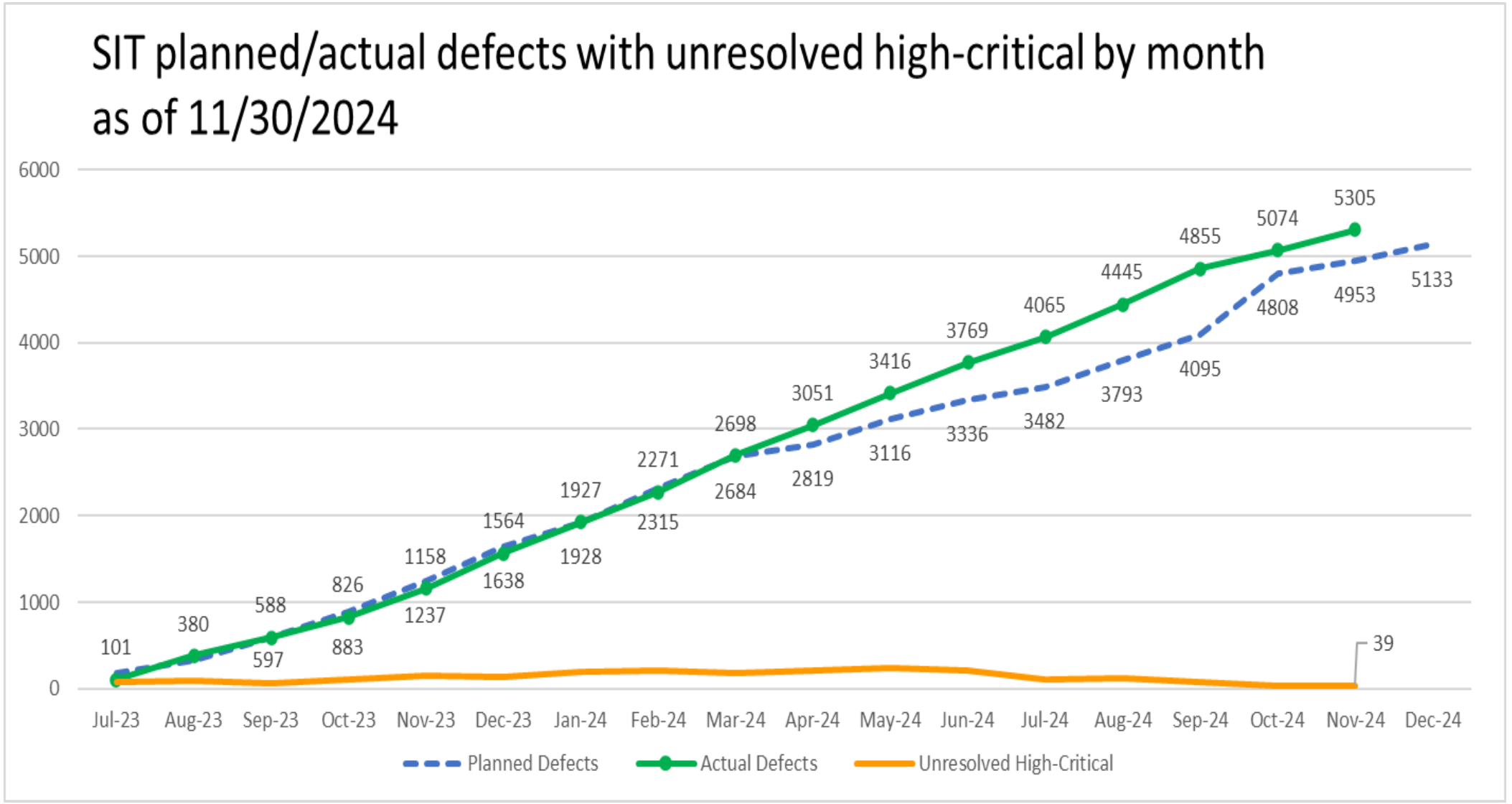
System integration test planned pass



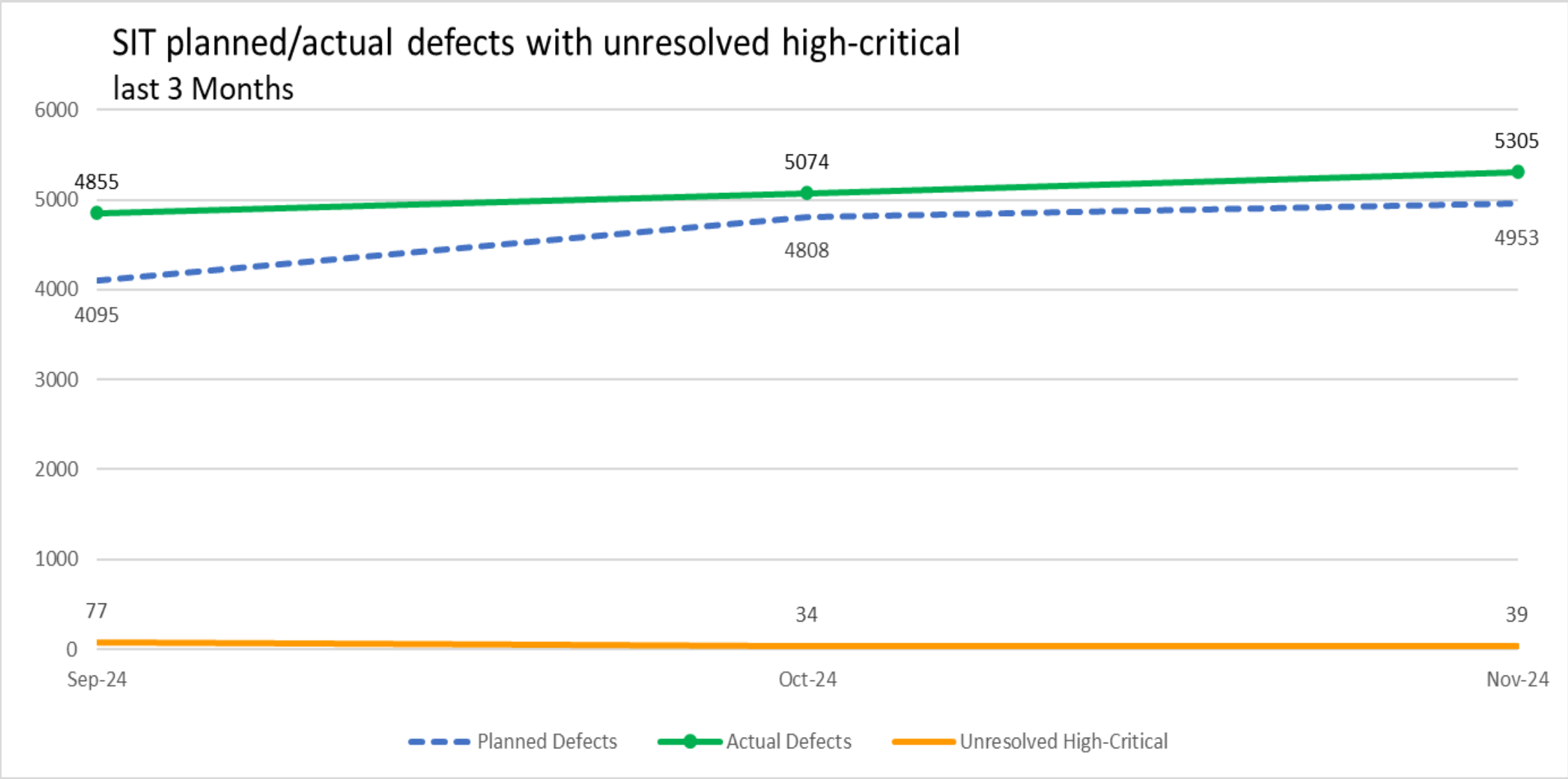
System integration test progress last three months



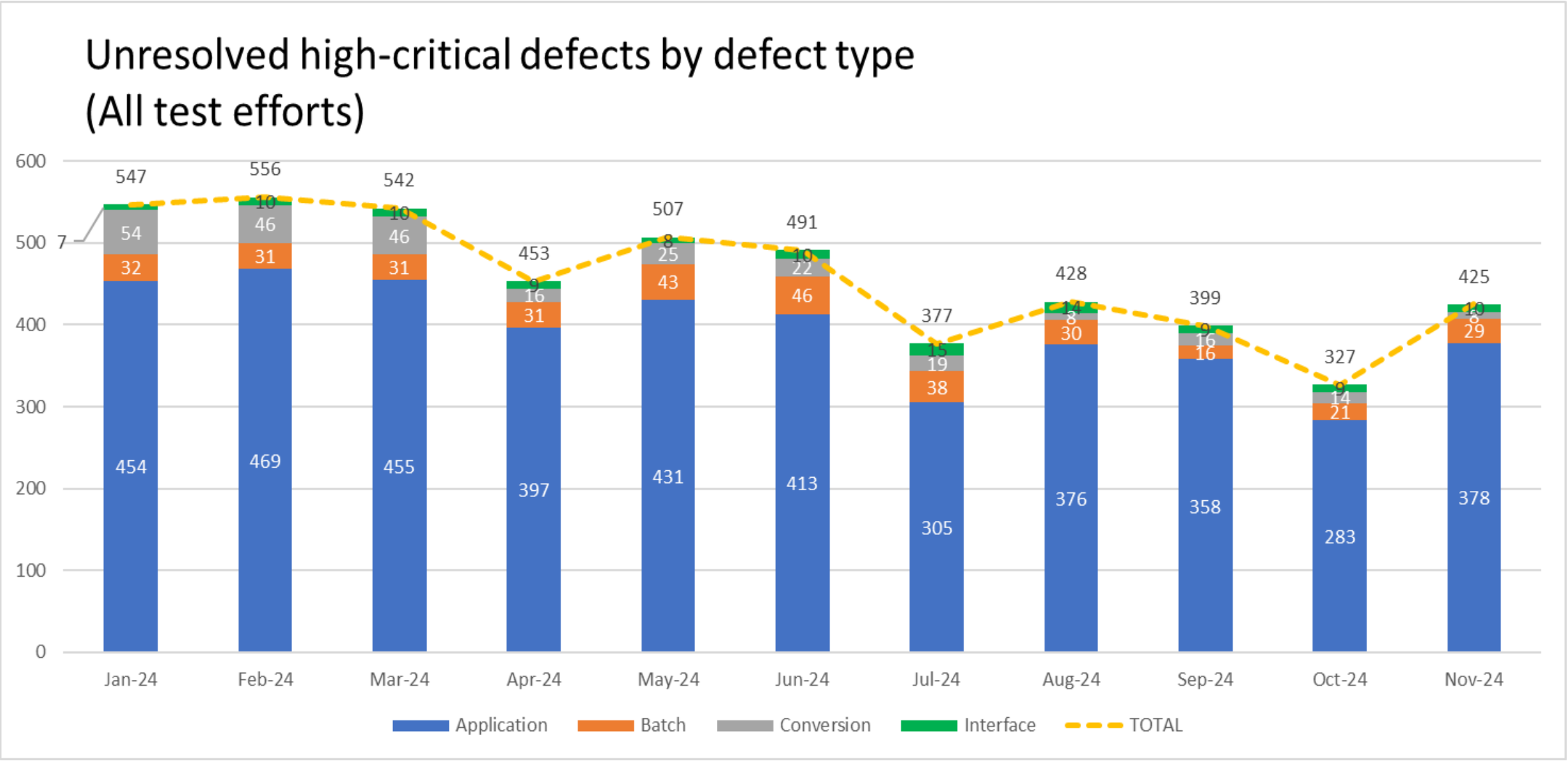
System integration test planned defects



System integration test defects last three months



Total critical/high defects



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Teachers' Retirement Board
User acceptance testing
January 9, 2025

User acceptance testing - progress

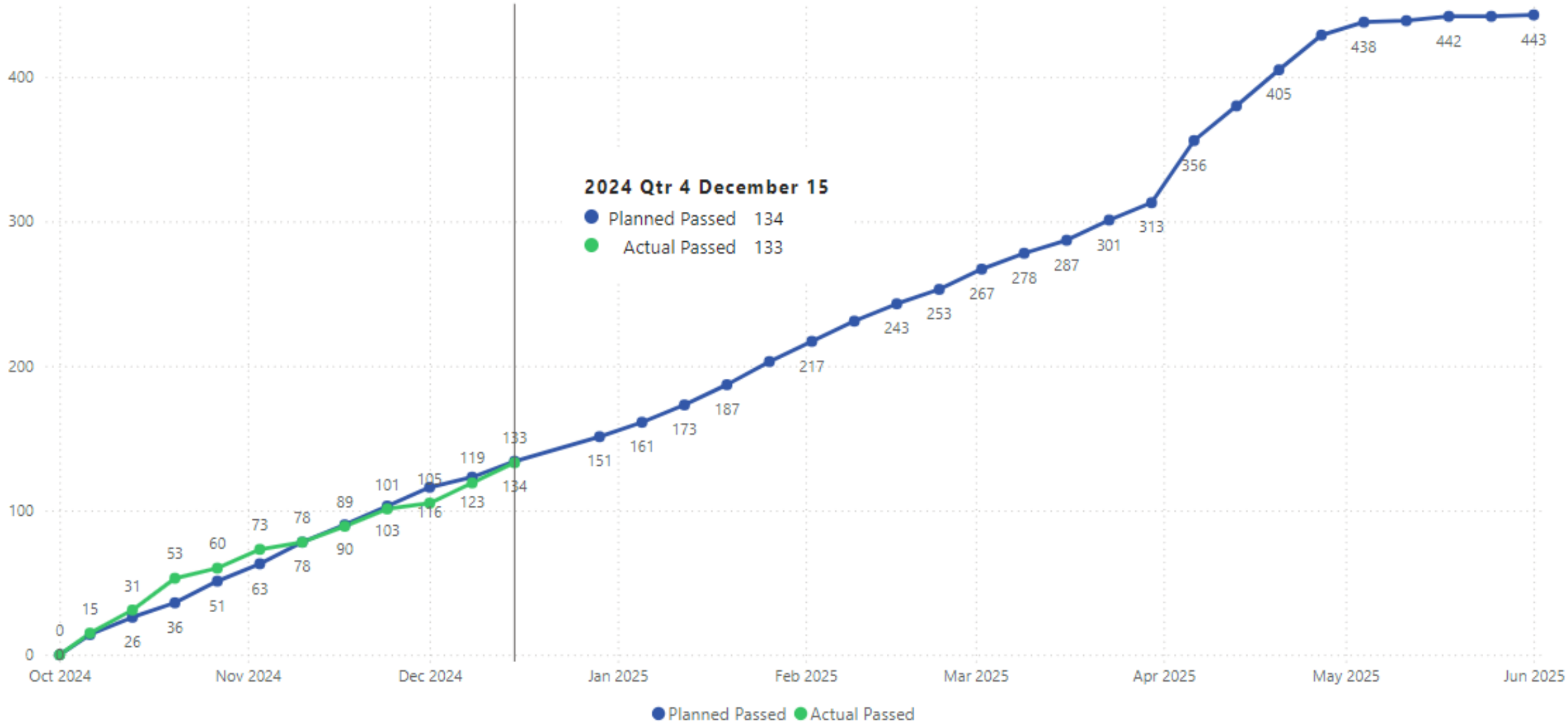
218 Executed

133 Passed

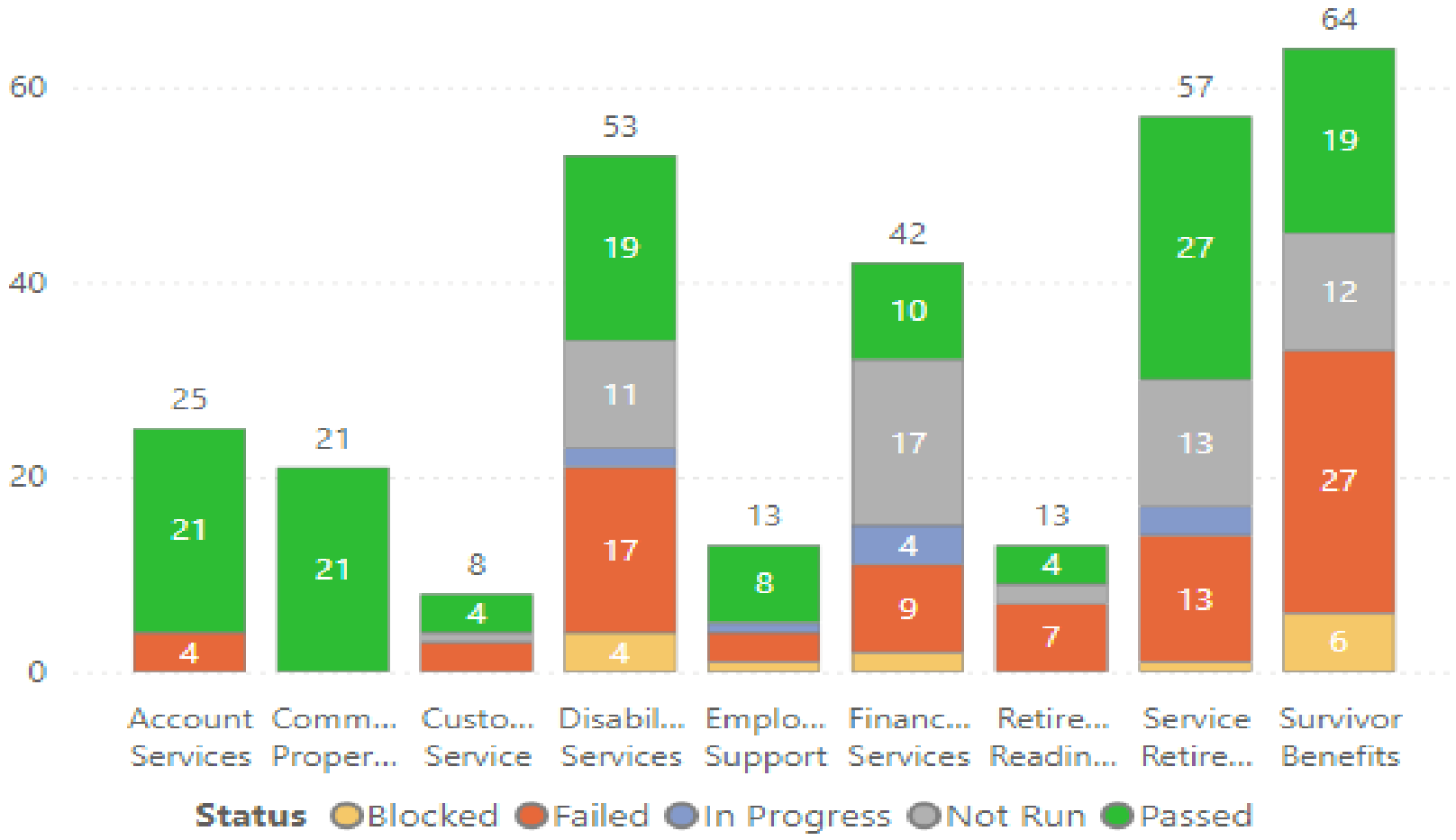
85 Failed

As of 12/15/2024

User acceptance testing - progress



User acceptance testing - execution



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Teachers' Retirement Board
Project update
January 9, 2025

Project update

- Project to program
- Implementation update
- Transformation Readiness

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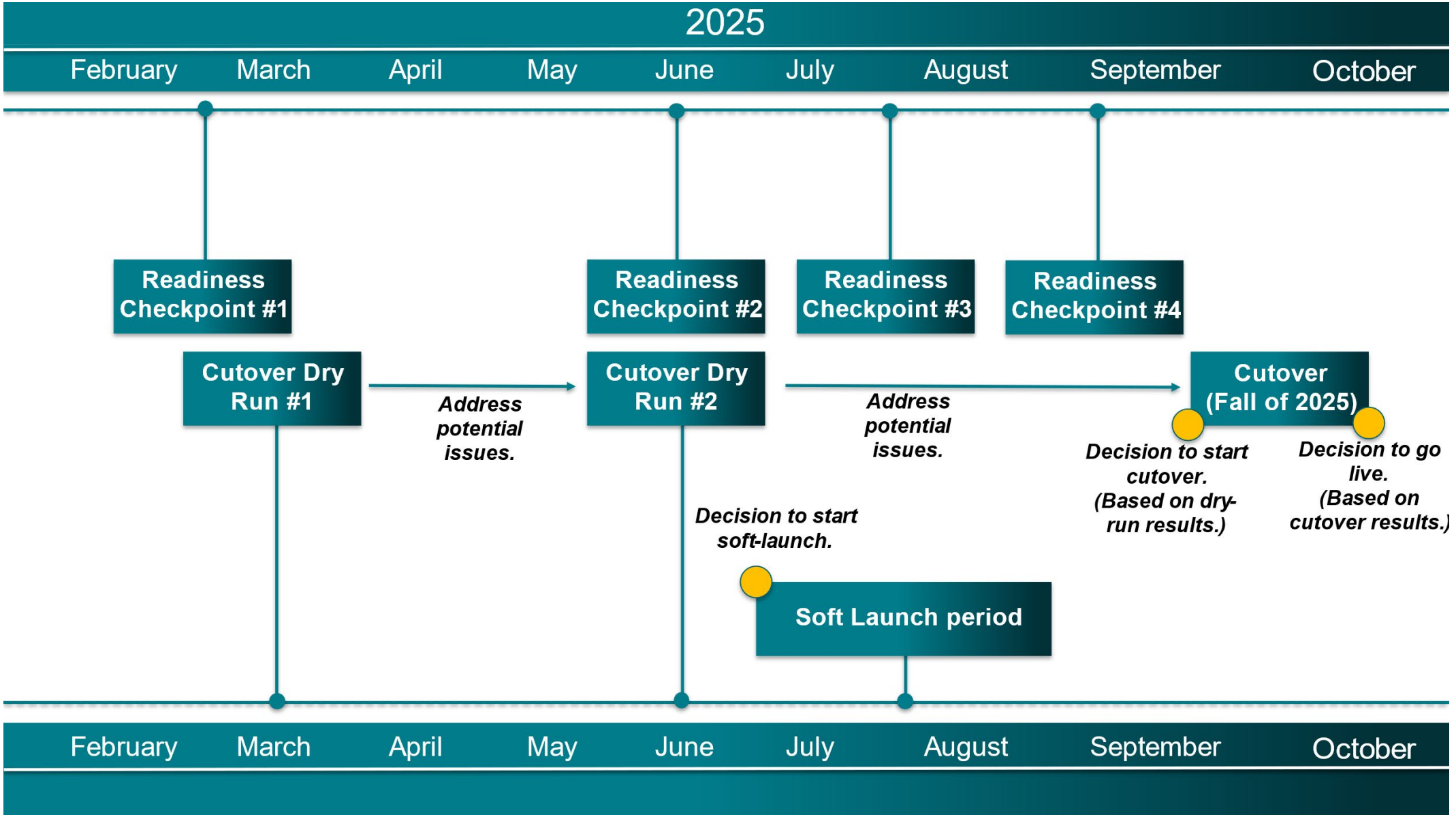
Teachers' Retirement Board
Implementation update
January 9, 2025

Defining the Readiness Scorecard

- **A structured evaluation framework** designed to assess both *system* and *organizational* readiness for the cutover to the new system.
- **Evaluates readiness across eight key categories**, ensuring comprehensive coverage of all critical aspects.
- **Utilized at four predefined checkpoints** to track *expected progress*.
- **Decision-making tool** to determine readiness to **enter the cutover window**.

Application
Data
Operations
Environment
Staff
Employer
Member
PMO

Defining the scorecard – Timeline



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Teachers' Retirement Board Transformation Readiness update

January 9, 2025

Org-wide survey overview

433

31%

Total CalSTRS participants

- 14 days: Nov 13-27
- Conducted by ESM through Qualtrics

325

75%

High-Impacted Stakeholders

- Benefits & Services
- Financial Services
- Tech Services

108

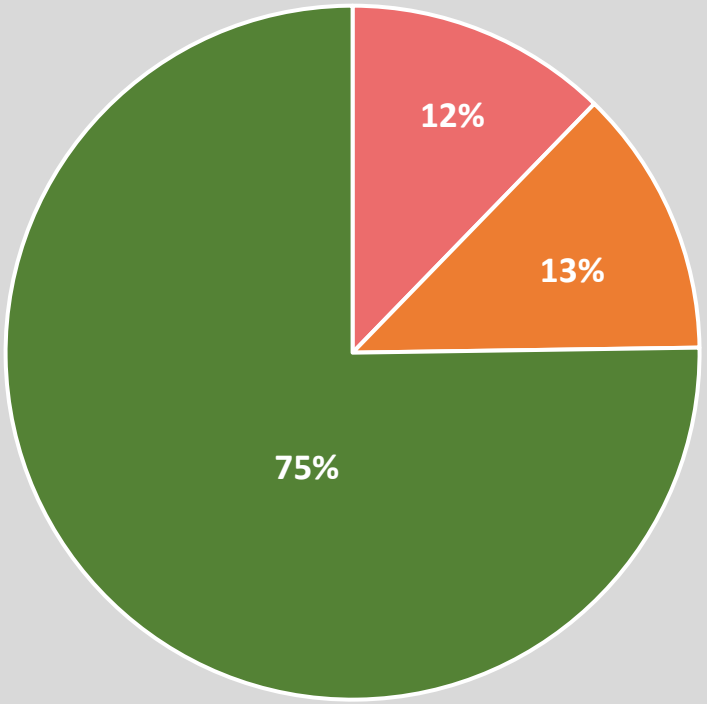
25%

Med/low-Impacted Stakeholders

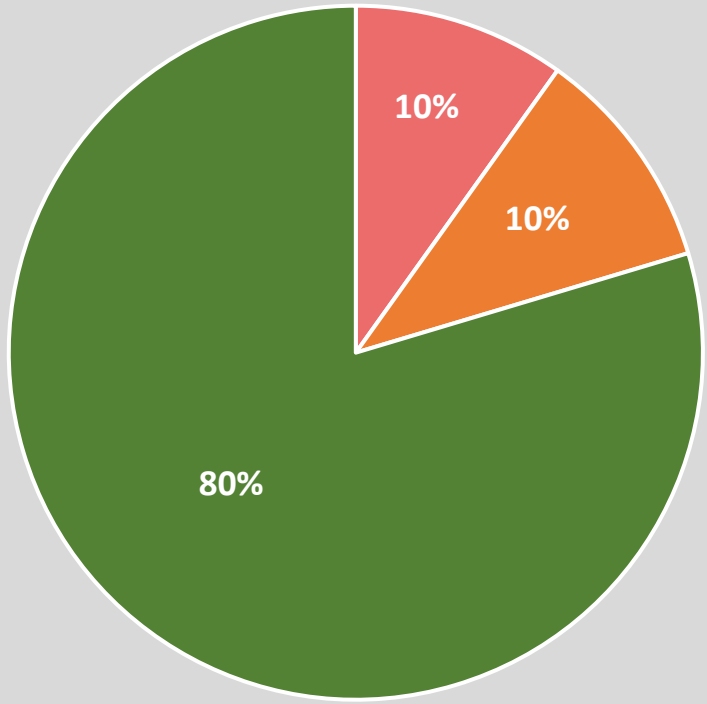
- Administrative Services
- Executive Branch
- Gen. Counsel
- Investments
- Public Affairs

I understand the new system's potential impacts to my business area.

All stakeholders



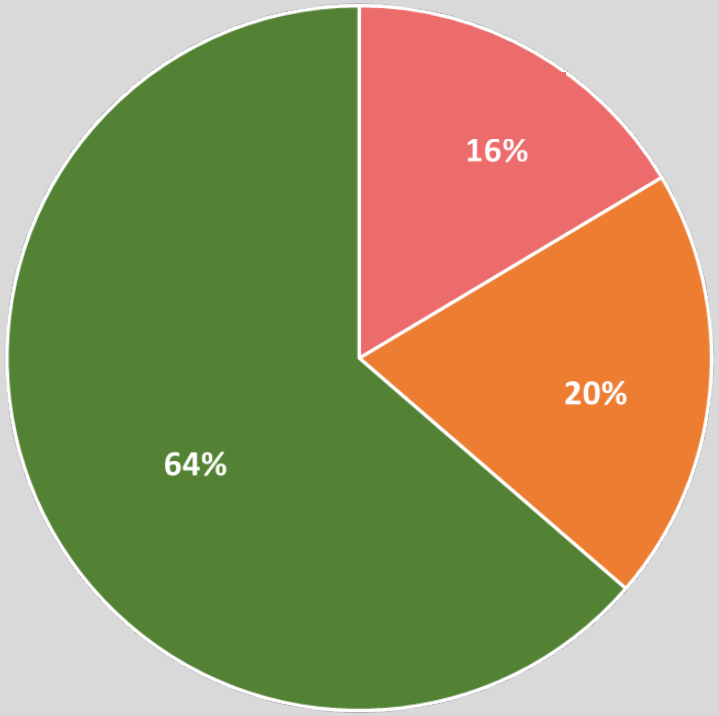
High impacted stakeholders



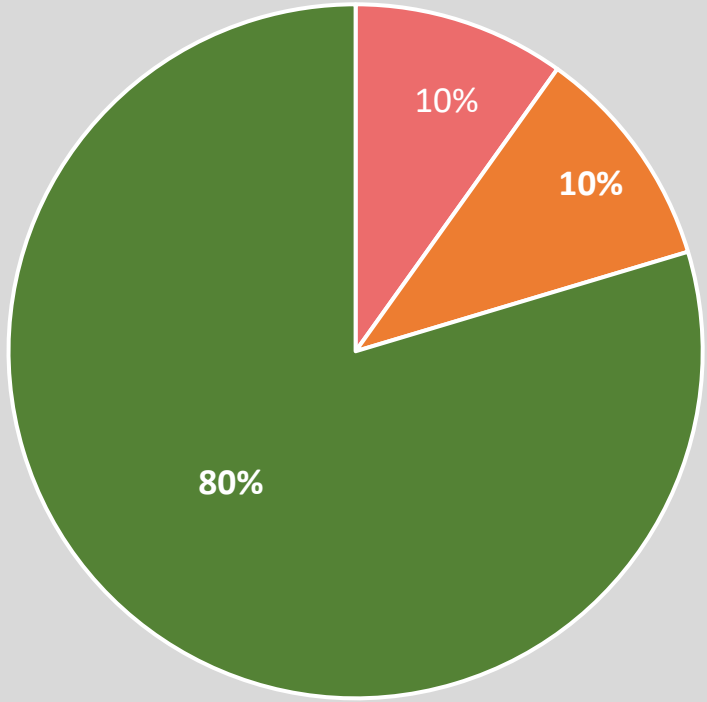
Agree = Strongly Agree/Agree/Somewhat agree
Neutral = Neutral
Disagree = Strongly Disagree/Disagree/Somewhat Disagree

I believe the Pension Solution Project implementation in fall 2025 will be successful.

All stakeholders



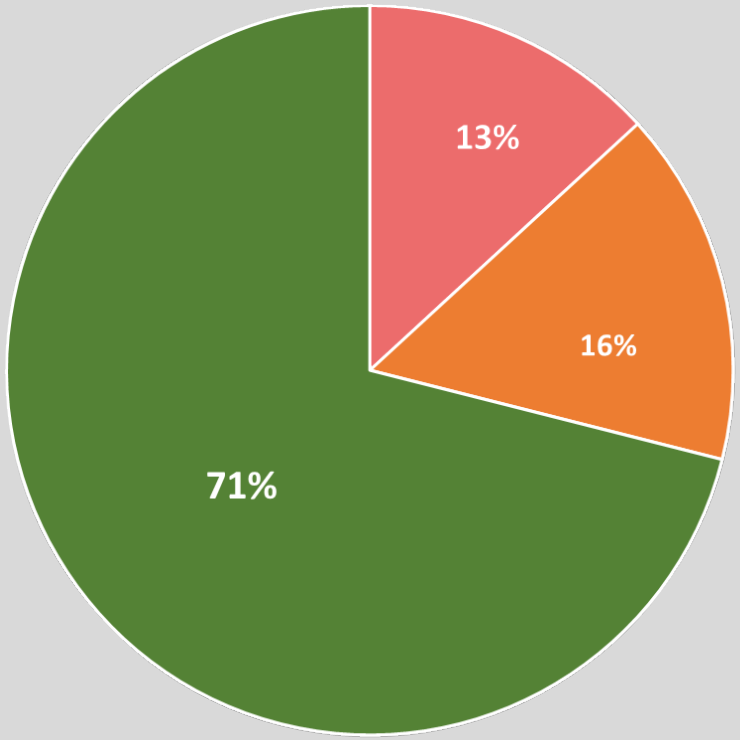
High impacted stakeholders



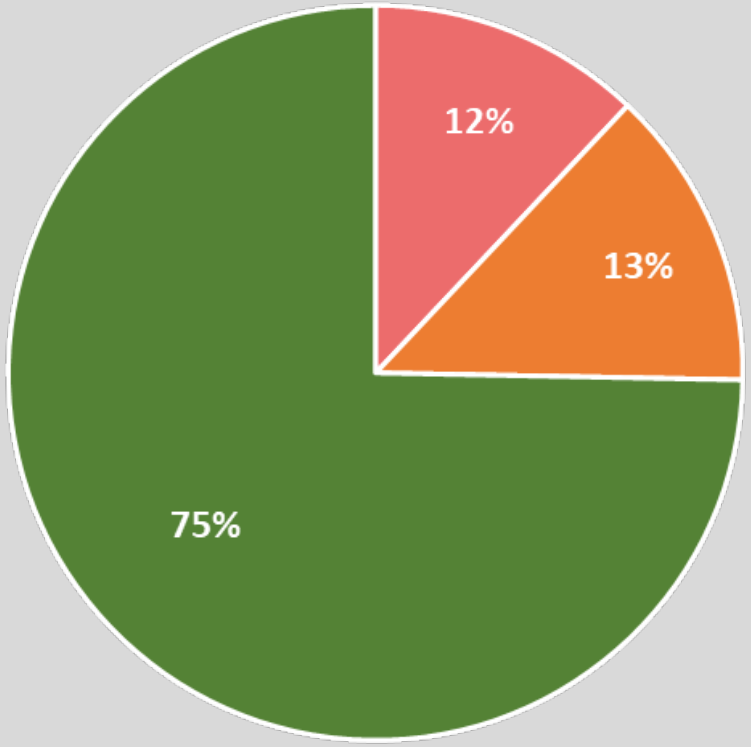
Agree = Strongly Agree/Agree/Somewhat agree
Neutral = Neutral
Disagree = Strongly Disagree/Disagree/Somewhat Disagree

I receive adequate communication about the Pension Solution Project.

All stakeholders



High impacted stakeholders



Agree = Strongly Agree/Agree/Somewhat agree
Neutral = Neutral
Disagree = Strongly Disagree/Disagree/Somewhat Disagree

How do you prefer to receive project information?

#1 Leadership

#2 Central

#3 Other

- Town Hall
- Pension Solution briefing
- Division meeting
- Board meeting
- Word of mouth

#4 Email

Key impressions

- Staff unclear about what go live looks like.
- Lack of clarity and accessibility on project progress and communication.
- Concerns about resource management.
- Concerns about system readiness.

Pension Solution actions

- Robust communications strategy for 2025.
- Emphasize post go live support plan and project to program.
- Consistent, transparent messaging to business areas from leadership.
- Continued transparency on testing progress and defects.
- Share the workaround/procedures early.
- Emphasize post go live support during Maintenance and Operations phase.

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Teachers' Retirement Board
Pension Solution Project budget
January 9, 2025

Budget to date

Pension Solution budget (amounts in millions)	Go live budget[1]	Expenditures as of 10/31/2024	Remaining budget available
CalSTRS Project team[2]	$225.3	$164.9	$60.4
Technology admin costs	$16.0	$7.4	$8.6
Solution implementation vendor costs	$281.8	$234.4	$47.4
Total Pension Solution budget for go live	**$523.1**	**$406.7**	**$116.4**

[1] An additional $104.7 million is approved for post implementation activities including maintenance and operations and stabilization.

[2] CalSTRS Project team includes project staff, subject matter experts and CalSTRS contractors.

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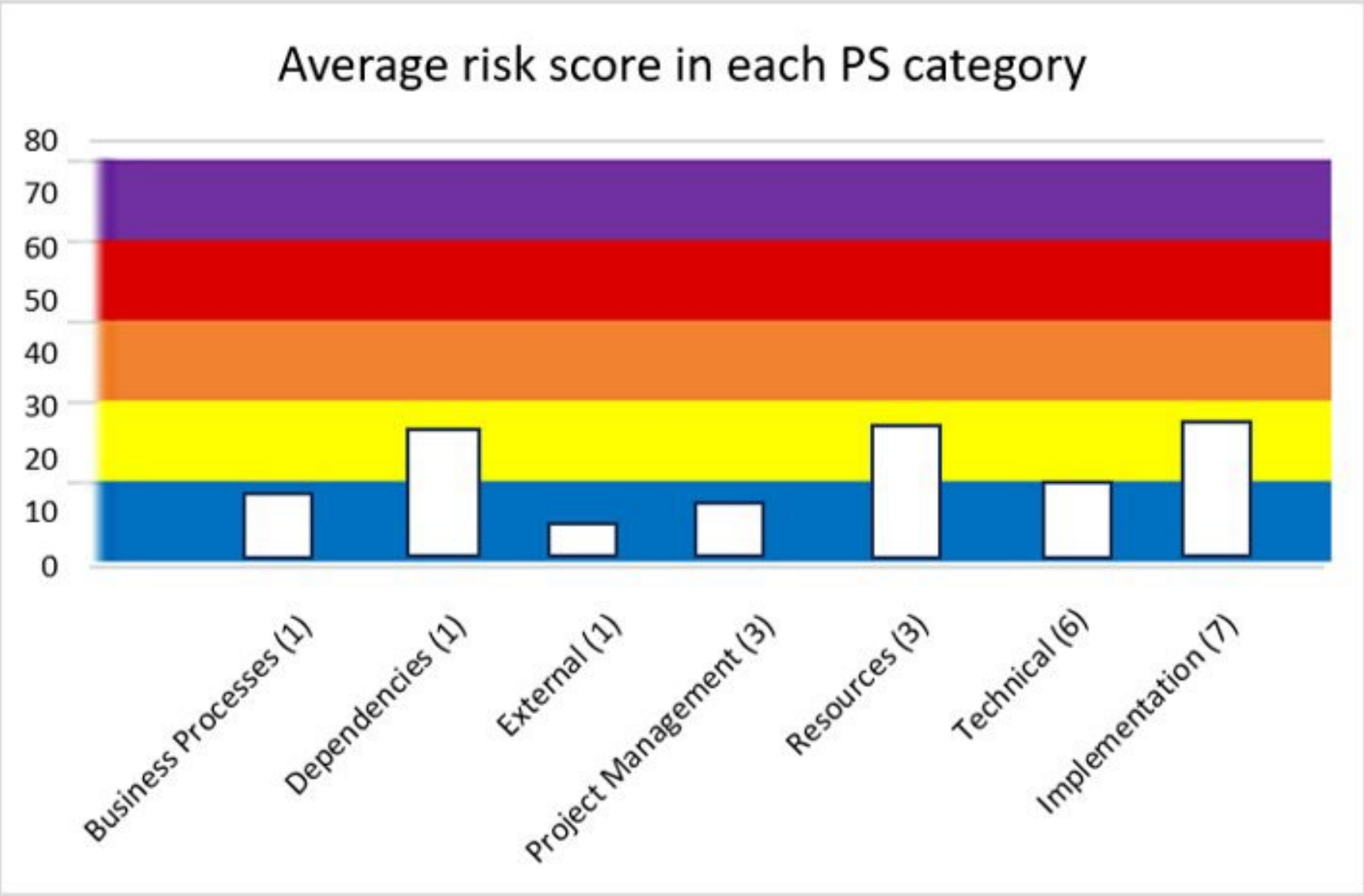
Teachers' Retirement Board
Pension Solution Project risk update
January 9, 2025

Risk skyline



Key risk topics

- Outstanding defect counts.
- User acceptance testing progress.
- Data reconciliation.

End of Presentation

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HOW WILL YOU SPEND YOUR FUTURE?

January 2025

Teachers' Retirement Board Meeting