

LEOFF PLAN 2 BOARD MEETING
DEPARTMENT OF RETIREMENT SYSTEMS
ANNUAL ADMINISTRATOR UPDATE

July 27, 2011

Marcie Frost, Deputy Director

DRS Vision and Purpose

Vision: *Satisfied Customers - Valued Team Members*

Purpose: *Fully meet the needs of the people we serve while being good stewards of the resources entrusted to us*

□ Measured by:

- ▣ Fully satisfied customers – 90% rating an 8 or better
- ▣ Fully satisfied team members – 50% rating an 8 or better

□ Important and Valued Relationships

- ▣ Public employer community
- ▣ Stakeholder community

Year in Review

CHALLENGES AS OPPORTUNITIES

- Fewer resources to meet customer needs
 - 9 furlough days taken
 - ▣ Met compensation reduction with the April temporary layoff day
 - 13% vacancy rate
 - ▣ Filled positions on an approximate 1 for 3 ratio – most critical positions
 - ▣ Turnover in key positions

Year in Review

- YET, WE
- Delivered projects on time and on budget
 - ▣ Legislative projects
 - ▣ Cycle C Plan qualification
 - ▣ 457 plan record keeper change
 - ▣ New investment fund line-up for Plan 3 and 457 (launching Fall)
 - ▣ DB Access infrastructure – live on July 15
 - ▣ All Plan 2 handbooks updated with new format
- Kept a high level of responsiveness
- Created a Guiding Team

Strategies 2011 - 2012

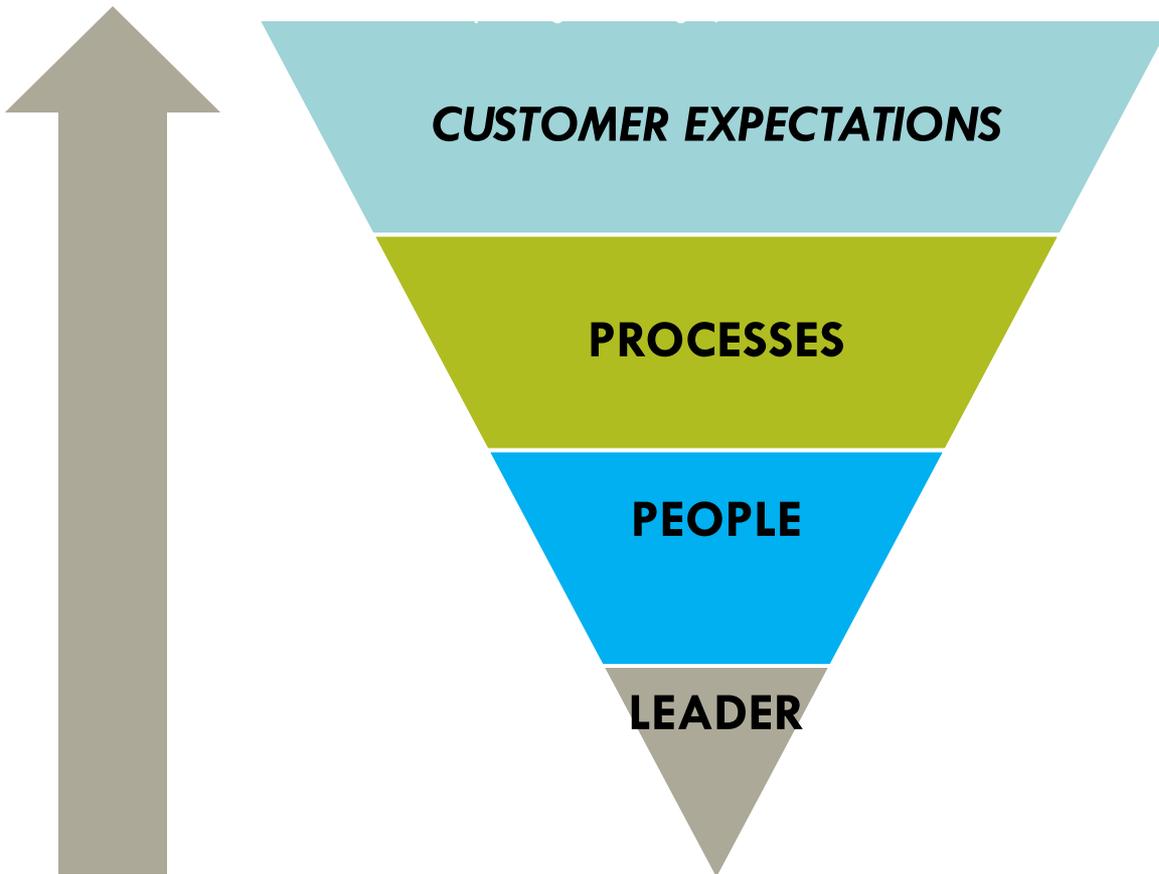
- Organizational alignment
 - Modernize work flow – implement recommendations from an Operational Study
- Technology
 - Online Retirement Application (ORA)
 - March 2012 go-live
 - Single sign-on
 - Project will launch after ORA is live
 - Employer Information System
 - 2012 Decision Package
- Knowledge Management
 - Key project for the Resource Team
 - In requirements definition
 - Videos
 - Launched and available on web site
 - Disability and Purchasing Service in the queue

Customers and Team Members

- Supportive and Engaged Leaders
 - ▣ Coaching and Mentoring
 - ▣ Leadership development
 - PXT assessment (learning style, occupational interests and behavioral tendencies)
- Engaged team members
 - ▣ Performance evaluations – 100% goal for timeliness and quality
 - Using coaching sessions as the source
 - ▣ Team satisfaction criteria and goal
- Customer satisfaction
 - ▣ Creating fully satisfied customers within DRS' mission
 - ▣ Understanding needs and expectations
 - ▣ Recognize employees and continuously improve processes (using Lean tools)

100% CUSTOMER NEEDS-BASED MODEL

100 % TEAM SUCCESS MODEL



Leadership Behaviors: Supportive and Engaged

- Listening to understand
- Coaching and mentoring
- Communicating proactively
- Supporting continuous improvement
- Pushing decision-making into the organization
- Creating an environment where everyone can be successful
- Focuses the organization on customer needs within set frame

Customers and Team Members

- DRS fully implementing Lean principles
- Starting with the Benefit Estimate Process
 - Gathering Customer Data – *What do you need to be fully satisfied with the benefit estimate?*
 - Direct one-on-one interviews
- Early Customer Satisfaction Criteria
 - **Anticipate my needs** – ensure I know all options available so that I make the right choice and understand my earned benefits
 - **Consistent and Standard** – give me consistent information and responses so I can trust the information provided
 - **Responsive and Timely** – be responsive to my request and negotiate with me if you can't deliver within stated timeframe
 - **Personalized** – understand me as an individual member and personalize my service to make it easy
 - **Caring attitude** – demonstrate a caring, friendly and helpful approach when working with me
 - **Accuracy** – take the time to ensure you are providing quality and timeliness

Operations – Service Measures

- All Plans

- ▣ Retirement estimate requests – 92.1% within 5 days
- ▣ Calcs/Recalcs – 99% done without interrupted flow in income stream
- ▣ Correspondence responses – 97.6% within 5 days
- ▣ Walk-in counseling – 97.1% within 4 minutes
- ▣ Incoming calls – 91.8% answered within 30 seconds

- LEOFF Plan 2

- ▣ Retirement estimate requests – 92.6% within 5 days
- ▣ Walk-in counseling – 95% within 4 minutes

LEOFF Plan 2 Activities

Completed and ongoing

- ▣ Monthly report and meeting with LEOFF 2 Board staff
- ▣ Member Statements
- ▣ Handbook Update
- ▣ Medical Expense Accounts 401(h)
- ▣ Seminars include LEOFF 2 as of 1/2008
 - Ad hoc requests are met also

Underway

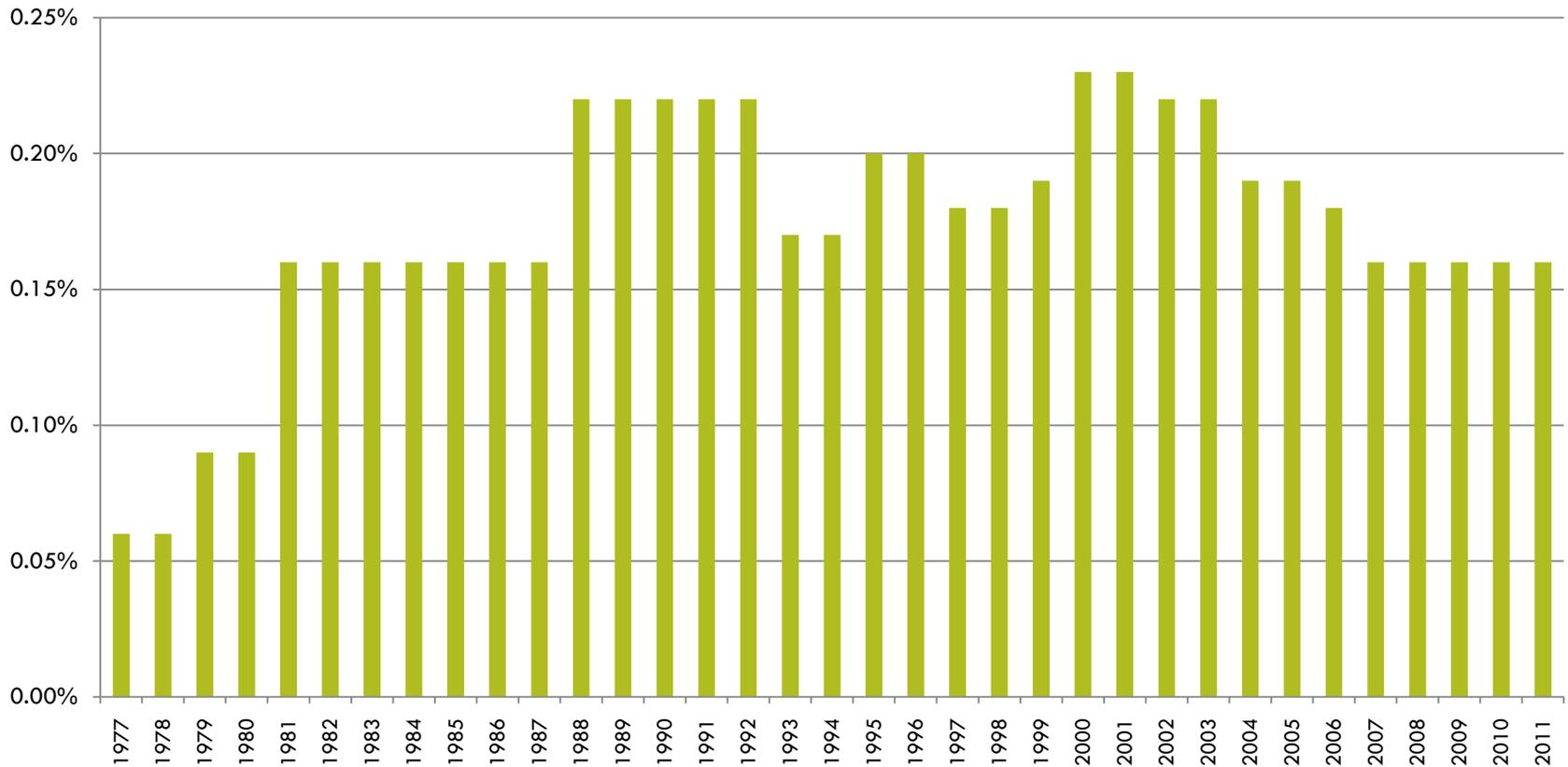
- ▣ Rules
 - Firefighter Definition
 - Format Change – citing relevant examples
- ▣ L1 /L2 Merger Study
 - Coordinating with OSA
 - Conducting stakeholder facilitation process

LEOFF Plan 2 Members

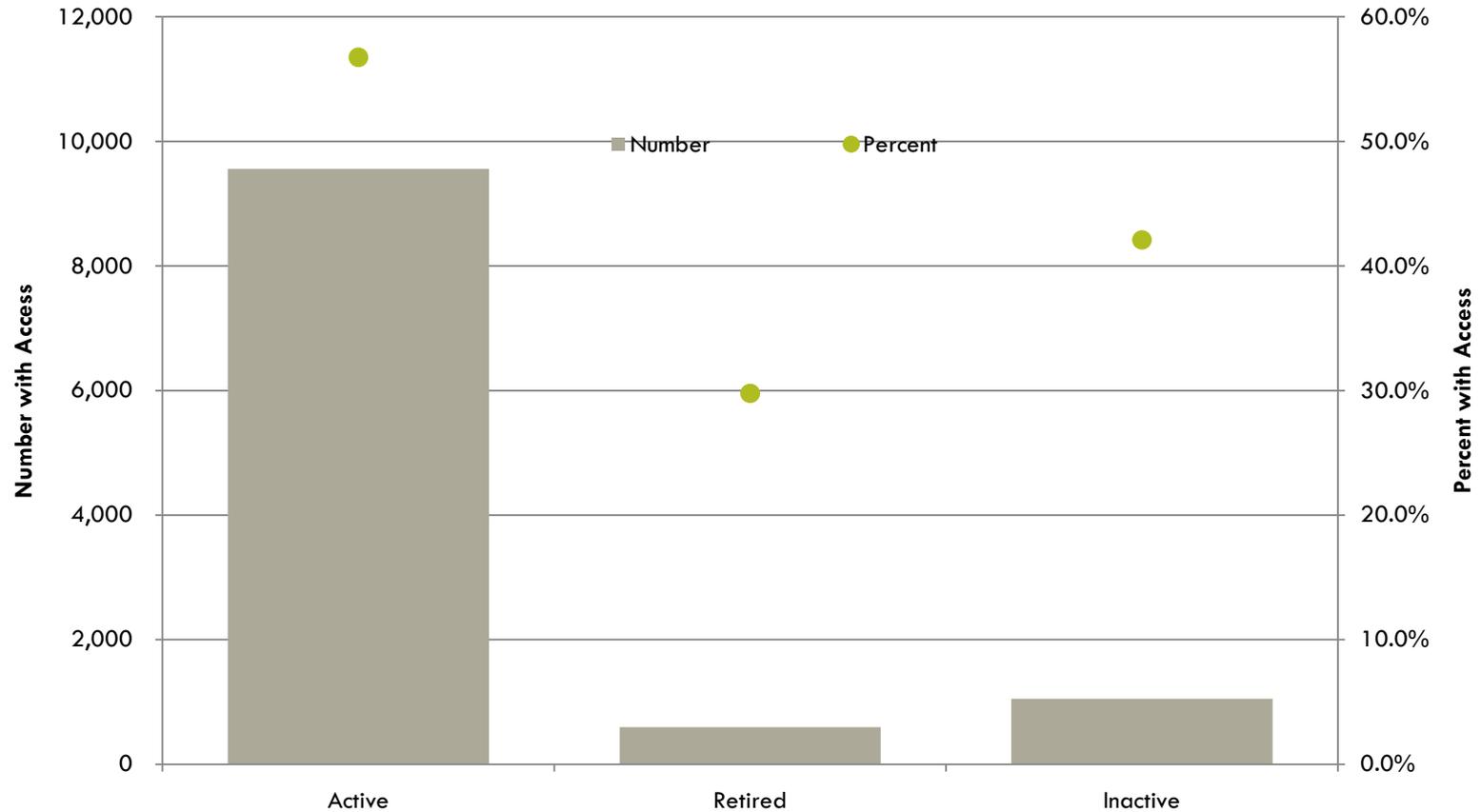
- Top of Mind Topics
 - ▣ Duty and Catastrophic Disability
 - ▣ Purchasing Optional Service
 - ▣ Questions on earnable compensation
 - Cafeteria Plans – employer sponsored medical
 - Deferred compensation
 - ▣ Working after LEOFF 2 retirement

DRS Administrative Expense Fee

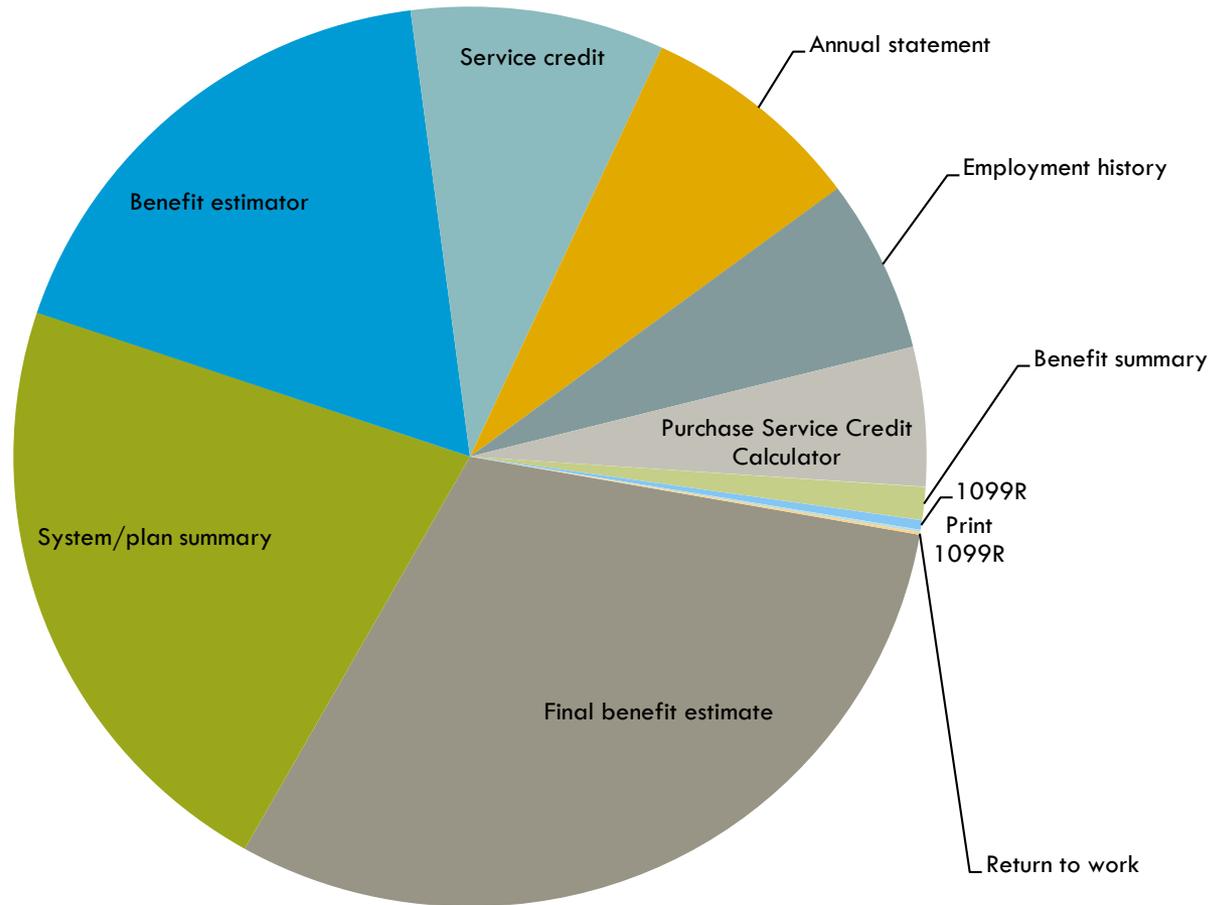
DRS' Admin Rate



Defined Benefit Account Access

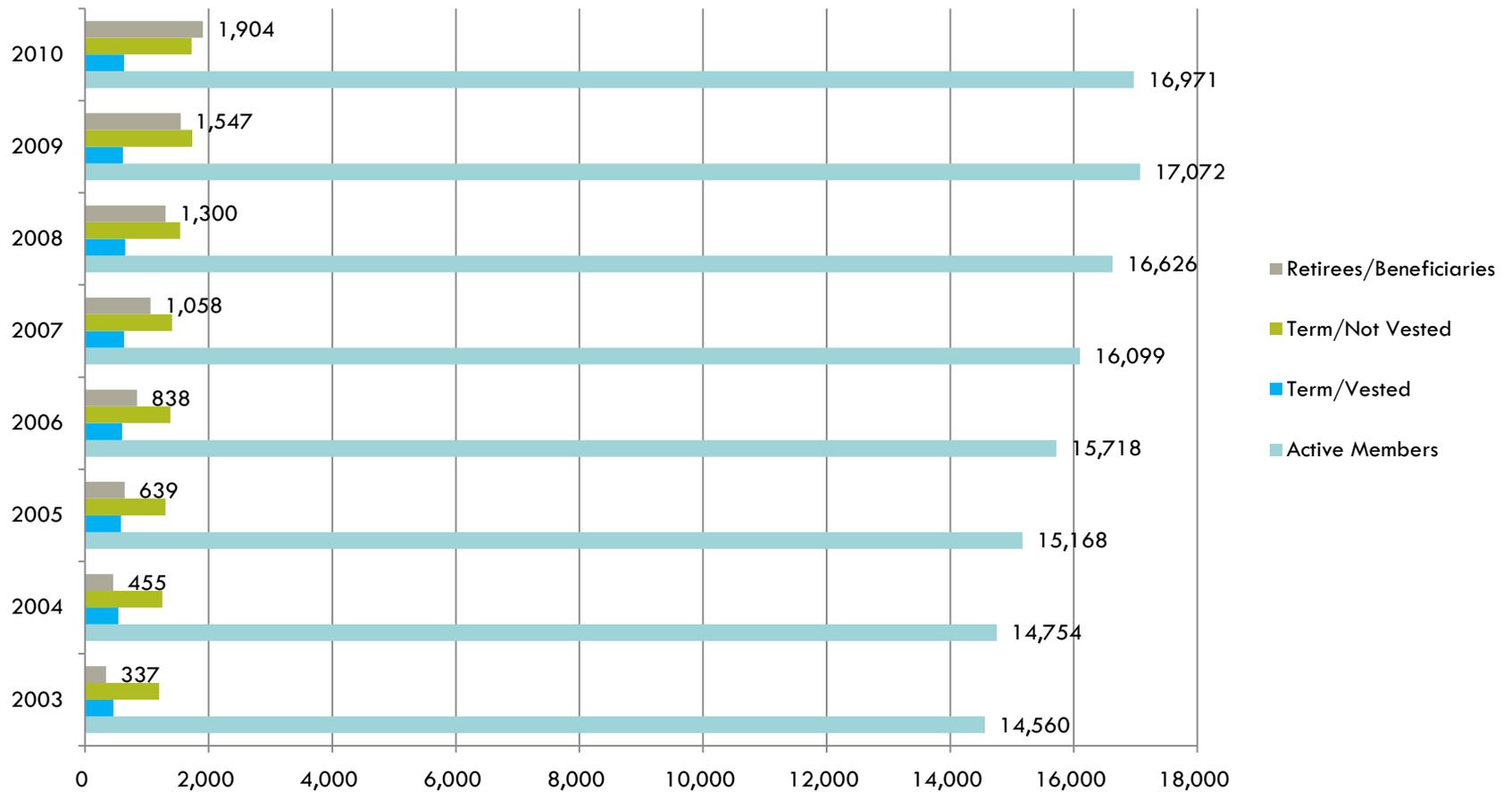


Defined Benefit Account Access Activities



LEOFF Plan 2 Demographics

Trending data



Questions / Discussion

LEOFF PLAN 2 BOARD MEETING
DEPARTMENT OF RETIREMENT SYSTEMS
ANNUAL ADMINISTRATOR UPDATE

July 27, 2011
Marcie Frost, Deputy Director

DRS Vision and Purpose

Vision: *Satisfied Customers - Valued Team Members*
Purpose: *Fully meet the needs of the people we serve while being good stewards of the resources entrusted to us*

- Measured by:
 - Fully satisfied customers – 90% rating an 8 or better
 - Fully satisfied team members – 50% rating an 8 or better
- Important and Valued Relationships
 - Public employer community
 - Stakeholder community

Year in Review

CHALLENGES AS OPPORTUNITIES

- Fewer resources to meet customer needs
 - 9 furlough days taken
 - Met compensation reduction with the April temporary layoff day
 - 13% vacancy rate
 - Filled positions on an approximate 1 for 3 ratio – most critical positions
 - Turnover in key positions

Year in Review

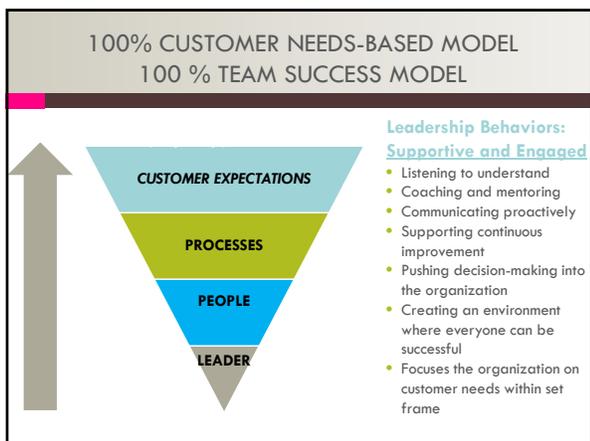
- YET, WE
- Delivered projects on time and on budget
 - Legislative projects
 - Cycle C Plan qualification
 - 457 plan record keeper change
 - New investment fund line-up for Plan 3 and 457 (launching Fall)
 - DB Access infrastructure – live on July 15
 - All Plan 2 handbooks updated with new format
- Kept a high level of responsiveness
- Created a Guiding Team

Strategies 2011 - 2012

- Organizational alignment
 - Modernize work flow – implement recommendations from an Operational Study
- Technology
 - Online Retirement Application (ORA)
 - March 2012 go-live
 - Single sign-on
 - Project will launch after ORA is live
 - Employer Information System
 - 2012 Decision Package
- Knowledge Management
 - Key project for the Resource Team
 - In requirements definition
 - Videos
 - Launched and available on web site
 - Disability and Purchasing Service in the queue

Customers and Team Members

- Supportive and Engaged Leaders
 - Coaching and Mentoring
 - Leadership development
 - PXT assessment (learning style, occupational interests and behavioral tendencies)
- Engaged team members
 - Performance evaluations – 100% goal for timeliness and quality
 - Using coaching sessions as the source
 - Team satisfaction criteria and goal
- Customer satisfaction
 - Creating fully satisfied customers within DRS' mission
 - Understanding needs and expectations
 - Recognize employees and continuously improve processes (using Lean tools)



- ### Customers and Team Members
- DRS fully implementing Lean principles
 - Starting with the Benefit Estimate Process
 - Gathering Customer Data – *What do you need to be fully satisfied with the benefit estimate?*
 - Direct one-on-one interviews
 - Early Customer Satisfaction Criteria
 - **Anticipate my needs** – ensure I know all options available so that I make the right choice and understand my earned benefits
 - **Consistent and Standard** – give me consistent information and responses so I can trust the information provided
 - **Responsive and Timely** – be responsive to my request and negotiate with me if you can't deliver within stated timeframe
 - **Personalized** – understand me as an individual member and personalize my service to make it easy
 - **Caring attitude** – demonstrate a caring, friendly and helpful approach when working with me
 - **Accuracy** – take the time to ensure you are providing quality and timeliness

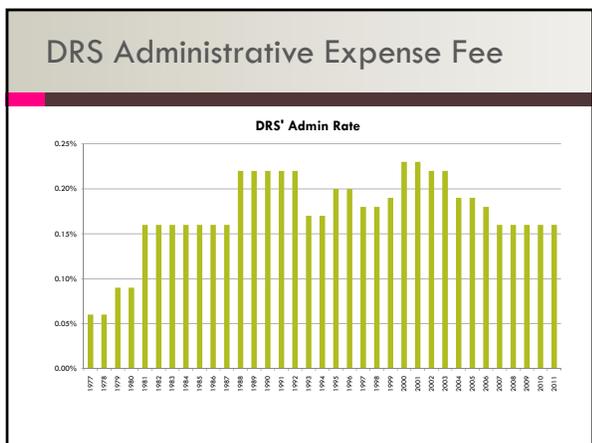
- ### Operations – Service Measures
- All Plans
 - Retirement estimate requests – 92.1% within 5 days
 - Calcs/Recalcs – 99% done without interrupted flow in income stream
 - Correspondence responses – 97.6% within 5 days
 - Walk-in counseling – 97.1% within 4 minutes
 - Incoming calls – 91.8% answered within 30 seconds
 - LEOFF Plan 2
 - Retirement estimate requests – 92.6% within 5 days
 - Walk-in counseling – 95% within 4 minutes

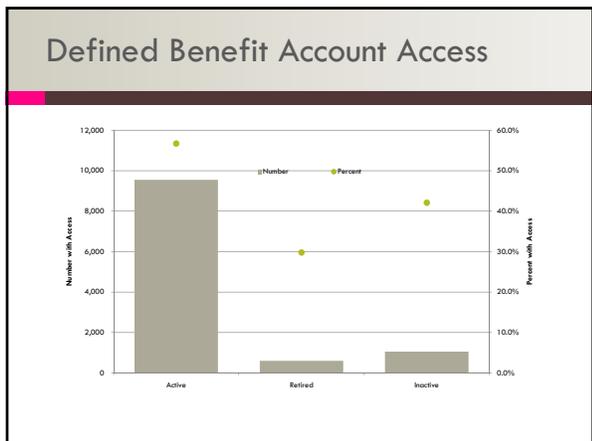
LEOFF Plan 2 Activities

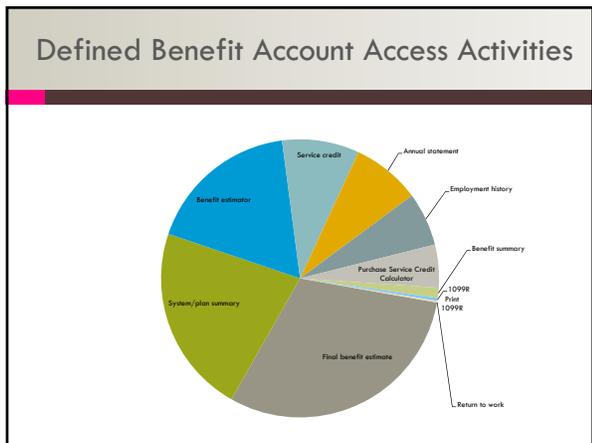
- Completed and ongoing
 - Monthly report and meeting with LEOFF 2 Board staff
 - Member Statements
 - Handbook Update
 - Medical Expense Accounts 401(h)
 - Seminars include LEOFF 2 as of 1/2008
 - Ad hoc requests are met also
- Underway
 - Rules
 - Firefighter Definition
 - Format Change – citing relevant examples
 - L1/L2 Merger Study
 - Coordinating with OSA
 - Conducting stakeholder facilitation process

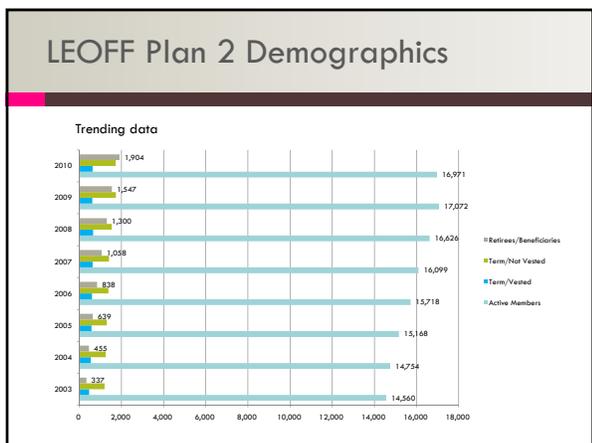
LEOFF Plan 2 Members

- Top of Mind Topics
 - Duty and Catastrophic Disability
 - Purchasing Optional Service
 - Questions on earnable compensation
 - Cafeteria Plans – employer sponsored medical
 - Deferred compensation
 - Working after LEOFF 2 retirement









Questions/Discussion
