
CALSTRS

Enterprise Projects Fiscal Year 2010/2011 Year End Report

Enterprise Projects

Fiscal Year End 2010/2011

The Enterprise Program Investment Council (EPIC) is responsible for governance of all enterprise projects which includes prioritizing, allocating resources and providing oversight of the \$20 million annual EPIC budget.

The Project Management Office (PMO) monitors and reports on the EPIC Budget and enterprise projects monthly to EPIC and quarterly to the Teachers' Retirement Board.

Enterprise Program Investment Council Members

Christine Ford
Chief of Staff

Ed Derman
Deputy Chief Executive Officer
Plan Design and Communication

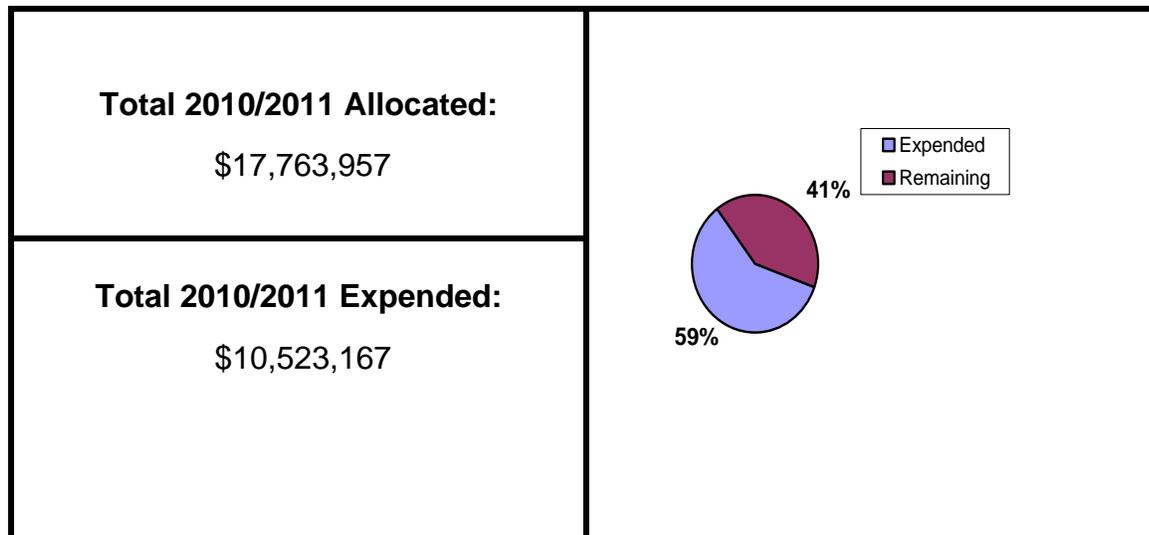
Peggy Plett
Deputy Chief Executive Officer
Benefits and Services

Janice Hanson
Deputy Chief Executive Officer
Enterprise Initiatives and Technology

Robin Madsen
Chief Financial Officer

Total Enterprise Projects' 2010/2011 Budget: \$20 Million

As of June 30, 2011



Enterprise Projects

Fiscal Year End 2010/2011

Project Name	Duration	Project Total ¹	2010/2011 Budget	2010/2011 Expended ²	Schedule	Budget
Actuarial Valuation	Apr 08 – Jun 11	\$1,967,648	\$211,775	\$80,669	●	●
Annual Update	Jul 10 – Jun 11	\$69,824	\$69,824	\$57,539	●	●
Anti-Spiking Discovery	Apr 11 – Aug 11	\$31,750	\$20,500	\$17,240	●	●
Board Elections	Nov 10 – Mar 12	\$48,000	\$21,120	\$20,255	●	●
BusinessRenew: Corporate Accounting & Resource Management ³	Jan 11 – Aug 13	\$389,070 ³	\$389,070 ³	\$343,605 ³	⚠ ⁴	●
BusinessRenew: Pension Discovery	Dec 10 – Feb 12	\$5,120,082	\$110,000	\$94,405	⚠ ⁵	●
BusinessRenew: Project Support	Jan 11 – Jun 13	\$1,934,700	\$67,300	\$75,293	●	●
Cost Effectiveness Measurement	Jul 10 – Jun 11	\$28,800	\$28,800	\$28,791	●	●
Future State Architecture	Jul 07 – Jun 11	\$1,693,694	\$472,248	\$474,503	☺	☺
Investment Accounting ⁶	Oct 08 – Dec 11	\$2,842,500	\$882,500	\$-	●	●
Member Service Center	Oct 10 – Apr 11	\$259,307	\$259,307	\$245,083	☺	☺
MyCalSTRS Online Services for Teachers ⁷	Jan 09 – Dec 11	\$2,078,816	\$2,035,650	\$1,779,563	●	●
Penalties and Interest	Dec 09 – Jun 12	\$12,497,936	\$8,455,100	\$3,521,518	●	●
Pension Accounting Initiative	May 08 – Jul 12	\$6,372,839	\$3,198,600	\$2,661,735	●	●
Reduce Files	Mar 08 – Dec 10	\$7,053,498	\$636,973	\$561,281	☺	☺
Project Management Office Program	Ongoing	\$794,260	\$794,260	\$756,642	N/A	●
Project Risk Reserve	Ongoing	\$500,000	\$500,000	\$148,650	N/A	●

Total Enterprise Projects' 2010/2011 Budget: \$20 million	Total 2010/2011 Allocated: \$17,763,957	Total 2010/2011 Expended: \$10,523,167
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Schedule & Budget Indicators:	● Acceptable	⚠ Warning	◆ Critical	☺ Complete
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¹ Project Total – amount represents the sum of the projects' prior years' actual expended amount and the current and future years budgeted amounts.

² 2009/2010 Expended – includes project expenses paid and does not reflect expenses that have been accrued.

³ BusinessRenew: Corporate Accounting & Resource Management – \$15.5 million funded through Board and contingency funds and is excluded in the Enterprise Projects' stated Budget, Allocated and Expended totals information. The project received an additional \$3.3 million in EPIC funding for fiscal year 2012/2013.

⁴ BusinessRenew: Corporate Accounting & Resource Management – schedule warning due to delayed procurement process.

⁵ BusinessRenew: Pension Discovery – schedule warning due to delay in Request for Proposal release.

⁶ Investment Accounting – project initiated with contingency funding and received EPIC funding in January 2010. The amount displayed above reflects EPIC funding only.

⁷ MyCalSTRS Online Services for Teachers - project initiated with contingency funding and received EPIC funding in November 2009. The amount displayed above reflects EPIC funding only.

Actuarial Valuation

The Actuarial Valuation project will provide CalSTRS with verification of the actuarial valuation processes, improve the current valuation process through the use of both technology and process improvement, and create detailed Actuarial Resources procedures.

Fiscal Year 2010/2011:

- Implemented online Data Validation Screen.
- Implemented remaining standard statistical reports.
- Implemented ad-hoc reporting capabilities.
- Completed system documentation and transition to information technology and business areas.
- Requested and received Enterprise Program Investment Council (EPIC) approval to extend the project end date to June 2012 and allocate \$130,000 in fiscal year 2011/2012 for completion of the Detailed Internal Procedures Report.

Board Strategic Fit

Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective D: Identify and eliminate internal and external data integrity problems.

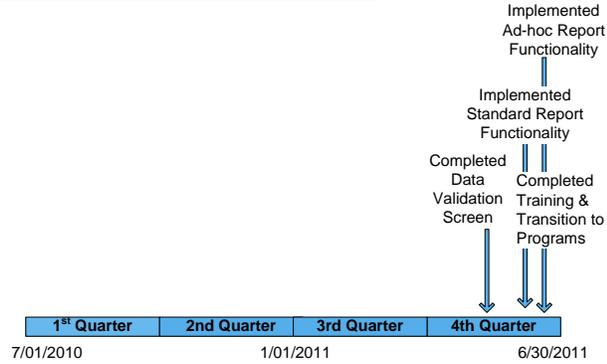
Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective F: Identify and improve the efficiency of CalSTRS business.

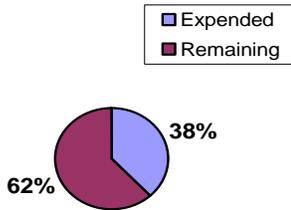
Planned Deliverables for Fiscal Year 2011/2012:

- Complete Detailed Internal Procedures Report.
- Complete project close-out report.

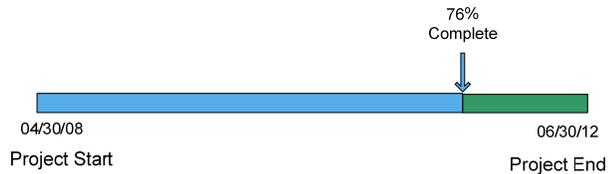
Major Fiscal Year 2010/2011 Milestones



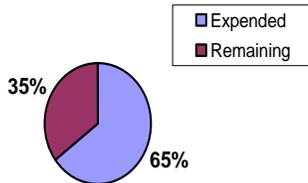
2010/2011 Project Budget
\$212 Thousand



Project Schedule Status Timeline



Total Project Budget
\$2 Million



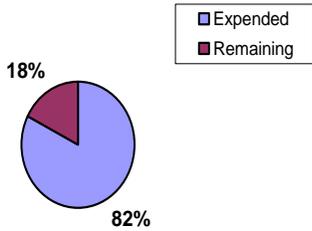
Annual Update

Annual Update is the process that creates and distributes the annual member Retirement Progress Reports.

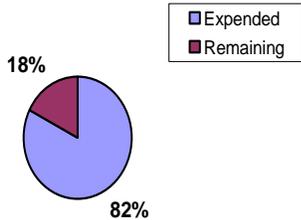
Board Strategic Fit

Teachers' Retirement Law requires individual account statements to be provided to each active and inactive member at least annually.

2010/2011 Project Budget
\$70 Thousand



Total Project Budget
\$70 Thousand



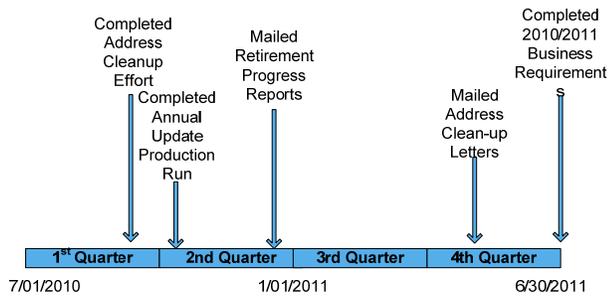
Fiscal Year 2010/2011:

- Completed an address cleanup mailing effort for 54,511 active members.
- Developed an improved user help guide for Retirement Progress Reports.
- Received and processed all employer reports for fiscal year 2009/2010.
- Completed 2009/2010 Annual Update process.
- Created and mailed 2009/2010 Cash Balance and Defined Benefit Retirement Progress Reports and posted member information to myCalSTRS web site.

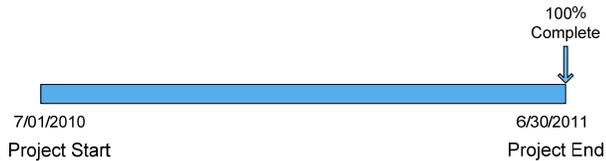
Planned Deliverables for Fiscal Year 2011/2012:

- Complete an address cleanup mailing effort for active members.
- Complete 2010/2011 Annual Update process.
- Create and mail 2010/2011 Cash Balance and Defined Benefit Retirement Progress Reports and post member information to myCalSTRS web site.
- Provide enhanced information on myCalSTRS web site to include member's earnable and service credit reported in 2010/2011.
- Finalize fiscal year 2010/2011 Lessons Learned and recommendations.
- Complete the 2010/2011 Annual Update close-out report.
- Prioritize the 2012/2013 Annual Update system modifications and enhancements.

Major Fiscal Year 2010/2011 Milestones



Project Schedule Status Timeline



Anti-Spiking Discovery

The purpose of this project is to conduct a discovery effort to explore system-wide solutions that will allow CalSTRS to systematically and consistently identify and prevent benefit spiking.

Board Strategic Fit

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective E: **Enhance the scope and quality of internal controls, internal audits and external audits.**

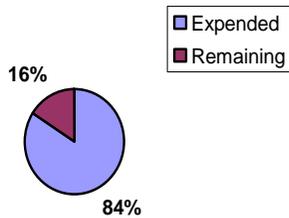
Fiscal Year 2010/2011:

- Completed the recommendation for changes to existing legislation (Senate Bill 27) that is aimed at preventing benefit spiking.
- Completed recommendations for processes to be more proactive and to increase effectiveness and consistency in identifying potential spiking.
- Completed recommendation for the creation of a Compensation Review Unit that will be charged with analyzing compensation to determine whether increases in salary prior to retirement are intended to spike a benefit.
- Completed recommendation for CalSTRS corporate database system changes that includes generating reports based on specific criteria to identify and monitor a population of CalSTRS membership where there is a higher likelihood of spiking.
- Completed recommendation for a Pension Hotline to allow anyone to anonymously and confidentially report suspected benefit spiking or other discrepant compensation practices.

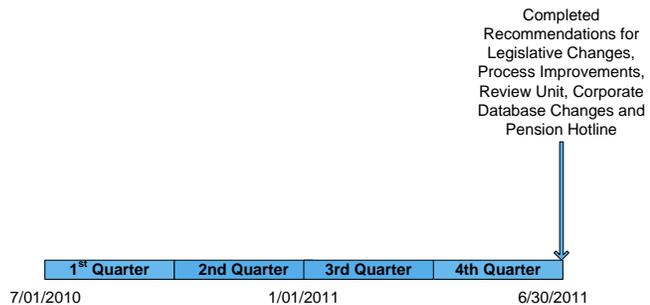
Planned Deliverables for Fiscal Year 2011/2012:

- Deliver Discovery Results document and presentation to Enterprise Program Investment Council (EPIC).
- Transition to program areas for implementation of recommendations.
- Conduct lessons learned.

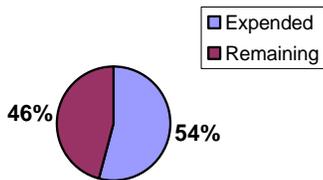
2010/2011 Project Budget
\$21 Thousand



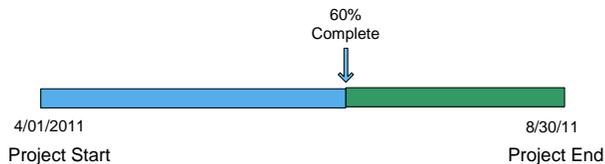
Major Fiscal Year 2010/2011 Milestones



Total Project Budget
\$32 Thousand



Project Schedule Status Timeline



Board Elections

The Board Election project will facilitate, coordinate and conduct the CalSTRS 2012 Board Election as required under the Teachers' Retirement Law. The elected candidates will serve a four-year term beginning January 1, 2012.

Fiscal Year 2010/2011:

- Received election services vendor contract approval.
- Reviewed, updated and approved functional specifications.
- Received, validated and certified nominee petitions.
- Certified candidate signatures for CalSTRS respective Board seats.
- Published candidate names on CalSTRS web site.
- Completed internal testing of address data files.
- Received all eight Candidate Statements.

Board Strategic Fit

Key Operational Initiative

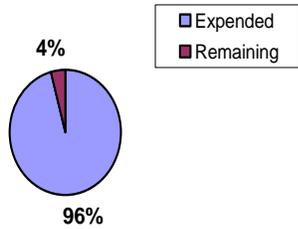
Teachers' Retirement law requires CalSTRS to conduct a Board Election every four years.

Planned Deliverables for Fiscal Year 2011/2012:

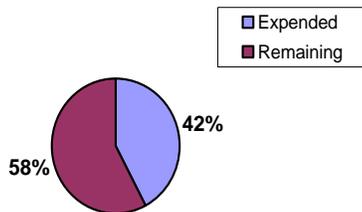
- Deliver production address files to election services vendor.
- Validate and proof printed ballots and envelopes prepared by vendor.
- Compile, format and deliver Candidate Statements to vendor.
- Complete testing of telephone and internet voting process.
- Announce Certified Election results and post on CalSTRS website.

Major Fiscal Year 2010/2011 Milestones

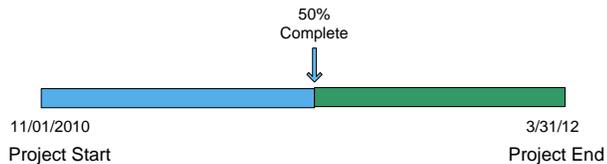
2010/2011 Project Budget
\$21 Thousand



Total Project Budget
\$48 Thousand



Project Schedule Status Timeline



BusinessRenew Corporate Accounting & Resource Management

The Renew Corporate Accounting and Resource Management (CARM) project will reduce risk, provide accurate and timely financial services information, and modernize CalSTRS financial services, systems and ways of doing business through enhanced business processes and the implementation of SAP functionality.

Fiscal Year 2010/2011:

- Initiated BusinessRenew: Corporate Accounting and Resource Management (CARM) project.
- Developed vendor Request for Information (RFI) and selected integration vendor (CIBER).
- Requested and received Board approval to contract with CIBER for project and amended contract based on negotiations.
- Received Enterprise Program Investment Council (EPIC) approval for additional project funding of \$3.3 million for fiscal year 2012/2013.
- Commenced Project Preparation phase.

Board Strategic Fit

Goal 1: Raise the quality in the delivery of benefits, products and services to best in class.

Objective D: Identify and eliminate internal and external data integrity problems.

Goal 3: Ensure a supportive and efficient organization and be an employer of choice.

Objective E: Enhance the scope and quality of internal controls, internal audits and external audits.

Objective F: Identify and improve the efficiency of CalSTRS business

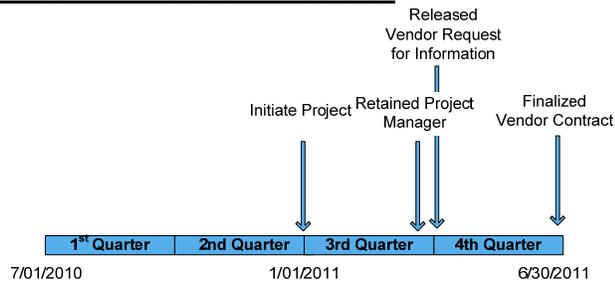
Planned Deliverables for Fiscal Year 2011/2012:

- Validate Business Requirements and develop system blueprint/design.
- Configure commercial off-the-shelf (COTS) package and complete development of all non-standard software.
- Commence system testing.
- Develop training and change management materials.
- Negotiate and obtain Board approval for an application support and maintenance contract amendment with the vendor.

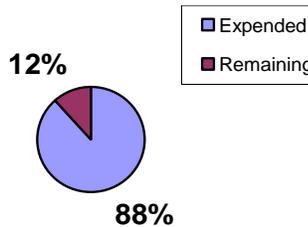
🚩 Schedule Warning: Project is behind schedule due to the delay in the procurement process.

Note: Project is funded from FY2011/2012 Operating Budget one time funds and contingency funds and will utilize Enterprise Program Investment Council (EPIC) funding for Fiscal Year 2012/2013 only. The project encumbered \$389,070 of the initial \$1.8 million budget amount for fiscal year 2010/2011.

Major Fiscal Year 2010/2011 Milestones



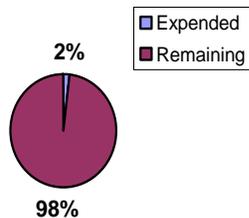
2010/2011 Project Budget
\$390 Thousand



Project Schedule Status Timeline



Total Project Budget
\$18.8 Million



BusinessRenew Pension Discovery

The Renew Pension Discovery will acquire the services of a Pension System Expert to assist CalSTRS in planning for a new pension solution, refining estimates for costs, schedule and resources.

Board Strategic Fit

Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective D: Identify and eliminate internal and external data integrity problems.

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective E: Enhance the scope and quality of internal controls, internal audits and external audits.

Objective F: Identify and improve the efficiency of CalSTRS business.

Fiscal Year 2010/2011:

- Published Request for Proposal (RFP) for Pension System Expert.
- Documented list of pension-related unclear and/or inconsistent business practices.
- Finalized pension expert vendor selection; received Enterprise Program Investment Council (EPIC) approval for vendor selection.
- Finalized vendor contract Statement of Work and Payment Schedule.

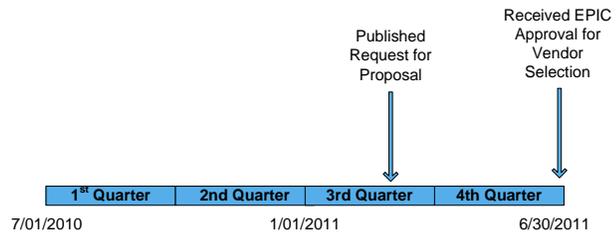
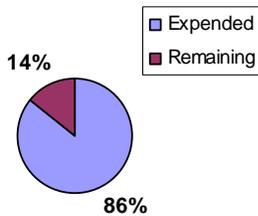
Planned Deliverables for Fiscal Year 2011/2012:

- Receive Board approval for contract award.
- Execute contract and on-board pension system expert.
- Finalize the detailed project schedule and staffing plan.
- Finalize the solution for placement of the pension accounting functionality.
- Recommend areas needing new/clarified laws, regulations or policies.
- Refine new pension solution estimates for resources, schedule and funding.
- Document new pension solution funding approach and strategies for procurement, implementation and integration.
- Receive Enterprise Program Investment Council (EPIC) approval of Final Discovery Results.
- Receive Enterprise Program Investment Council (EPIC) and Board approval to continue with Pension Solution Business Requirements.

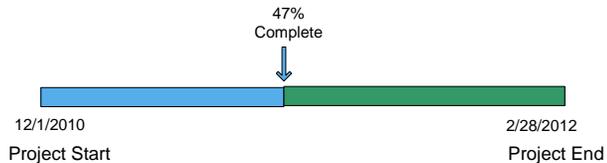
⚠ Schedule Warning: Project is behind schedule due to the delay in releasing the Request for Proposal for a pension expert.

Major Fiscal Year 2010/2011 Milestones

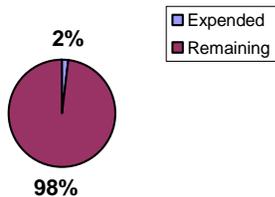
2010/2011 Project Budget
\$110 Thousand



Project Schedule Status Timeline



Total Project Budget
\$5.1 Million



BusinessRenew Project Support

The Renew Project Support will provide project support for all Renew project efforts including independent project oversight, legal services and cultural change and communications management support.

Board Strategic Fit

Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective D: Identify and eliminate internal and external data integrity problems.

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective E: Enhance the scope and quality of internal controls, internal audits and external audits.

Objective F: Identify and improve the efficiency of CalSTRS business.

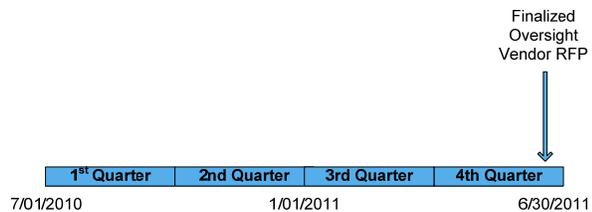
Fiscal Year 2010/2011:

- Developed BusinessRenew Communications and Change Management plans.
- Established BusinessRenew steering committee.
- Developed draft BusinessRenew governance model.
- Finalized independent oversight vendor services Request For Proposal (RFP).
- Finalized external legal service firm contract.
- Hired BusinessRenew Organizational Development support staff.

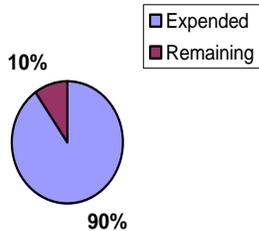
Planned Deliverables for Fiscal Year 2011/2012:

- Finalize BusinessRenew Communications and Change Management plans.
- Finalize BusinessRenew Partnership Agreements between project and business areas.
- Finalize BusinessRenew governance model.
- Award independent project oversight vendor services contract.
- Acquire BusinessRenew Communications support staff.

Major Fiscal Year 2010/2011 Milestones



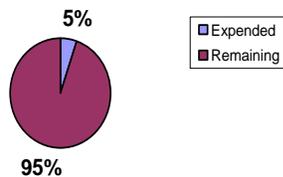
2010/2011 Project Budget
\$67 Thousand



Project Schedule Status Timeline



Total Project Budget
\$1.9 Million



Cost Effectiveness Measurement

CalSTRS initiated the Cost Effectiveness Measurement (CEM) Defined Benefit Administration Survey project to coordinate and facilitate all efforts in response to the Defined Benefit Administration annual survey being conducted by CEM, Inc.

Fiscal Year 2010/2011:

- Gathered and compiled Cost Effectiveness Measurement (CEM) survey responses from CalSTRS business areas.
- Completed and delivered 2009/2010 CEM Survey results to CEM, Inc.
- Received final 2009/2010 Defined Benefit Benchmarking Survey Analysis Report from CEM, Inc.

Planned Deliverables for Fiscal Year 2011/2012:

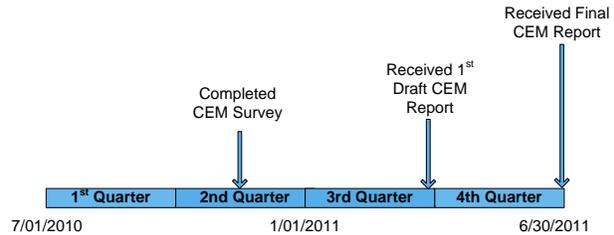
- Present 2009/2010 CEM presentation to CalSTRS Leadership Team and staff.
- Redefine business roles and responsibilities of core team players for the 2010/2011 CEM project.
- Complete 2010/2011 CEM Defined Benefit Benchmarking Survey.

Board Strategic Fit

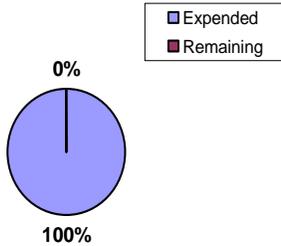
Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective C: Evaluate customer service using benchmark and best practices research

Major Fiscal Year 2010/2011 Milestones



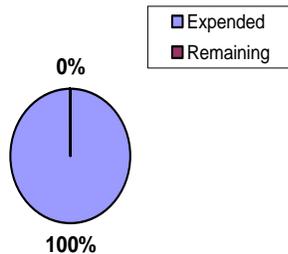
2010/2011 Project Budget \$29 Thousand



Project Schedule Status Timeline



Total Project Budget \$29 Thousand



Future State Architecture

The Future State Architecture Project will deliver the Solutions Framework and Implementation Roadmap to assist the organization in moving forward to its Future State as defined in the CalSTRS Strategic Plans.

Board Strategic Fit

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective F: *Identify and improve the efficiency of CalSTRS business.*

Fiscal Year 2010/2011:

- Completed Pension Administration solution vendor demonstrations.
- Distributed Implementation Roadmap for approval.
- Implemented umbrella name for Implementation Roadmap initiatives going forward: CalSTRS BusinessRenew.
- Obtained Enterprise Program Investment Council (EPIC) approval of Implementation Roadmap and business case for the Pension System discovery project under BusinessRenew.
- Moved priority management effort to Project Management Office Program.
- Completed project close-out report.

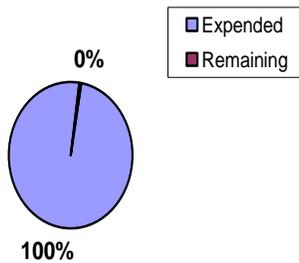
Planned Deliverables for Fiscal Year 2011/2012:

- Project is complete.

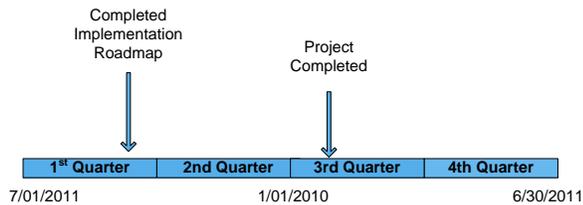
Total Project Cost: Project was completed under budget. These funds were returned to the Enterprise Program Investment Council (EPIC) budget.

Schedule and Scope: Project was completed within the approved schedule and scope.

2010/2011 Project Budget
\$472 Thousand



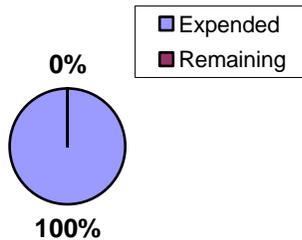
Major Fiscal Year 2010/2011 Milestones



Project Schedule Status Timeline



Total Project Budget
\$1.7 Million



Investment Accounting

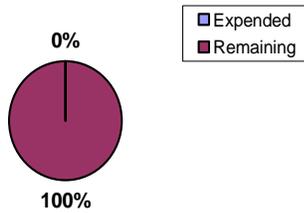
The Investment Accounting Project will enhance the current accounting procedures and processes as they relate to accounting for CalSTRS' investment portfolio.

Board Strategic Fit

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective E: **Enhance the scope and quality of internal controls, internal audits and external audits.**

2010/2011 Project Budget
\$883 Thousand



Fiscal Year 2010/2011:

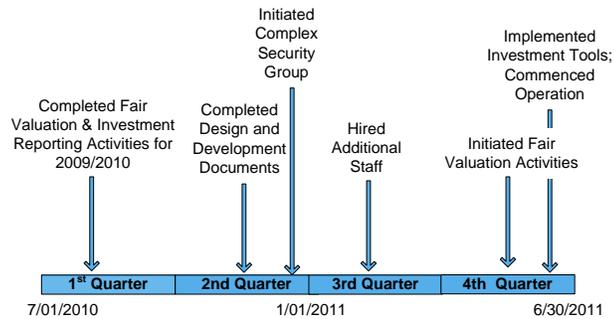
- Finalized design and requirement documents for the comprehensive investment accounting model.
- Finalized and established CalSTRS Complex Securities Group, which is responsible for analyzing and evaluating the accounting treatment and financial reporting implications of new and existing investment types.
- Developed and implemented a comprehensive investment accounting model that includes new and enhanced analysis, reconciliations and oversight tools to ensure investment accounting information maintained by third party custodians is properly accounted for in accordance with Generally Accepted Accounting Principles (GAAP).
- Completed Year 2 Fair Valuation activities; initiated 2010/2011 Fair Valuation activities.

Planned Deliverables for Fiscal Year 2011/2012:

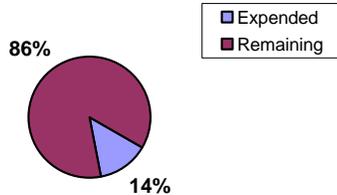
- Complete 2010/2011 Fair Valuation activities.
- Transition operation of the oversight tools to CalSTRS Investment Accounting staff.
- Finalize complex securities memoranda for applicable investments.
- Complete and implement recommendation for long term solutions to general ledger mapping issues and expand chart of accounts for investments and investment activities.
- Document policies and procedures for investment accounting and reporting.
- Conduct project close-out activities.

Note: The project was initiated in October 2008, with a total of \$1,250,000 in contingency funds divided equally between fiscal years 2009/2010 and 2010/11, and received Enterprise Program Investment Council (EPIC) funding beginning in January 2010. All of the \$625,000 of the 2009/2010 contingency funds have been expended.

Major Fiscal Year 2010/2011 Milestones



Total Project Budget
\$2.8 Million



Project Schedule Status Timeline



Project Name	Purpose	Accomplishments
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Member Service Center Discovery

The Member Service Center Discovery effort will identify and document business requirements for establishing five CalSTRS Member Service Centers (MSC) statewide with the first opening in Southern California.

Board Strategic Fit

Goal 3: Ensure a supportive and efficient organization and be an employer of choice.

Objective C: Explore the pros and cons for having branch offices to enhance customer service.

Fiscal Year 2010/2011:

- Defined facility, infrastructure, technology and telecommunication requirements for a Member Service Center site.
- Determined optimal Los Angeles office site is 505 N Brand Blvd, Glendale based on demographics.
- Completed and presented Discovery Results document to Enterprise Program Investment Council (EPIC).
- Transitioned to the program areas for implementation.

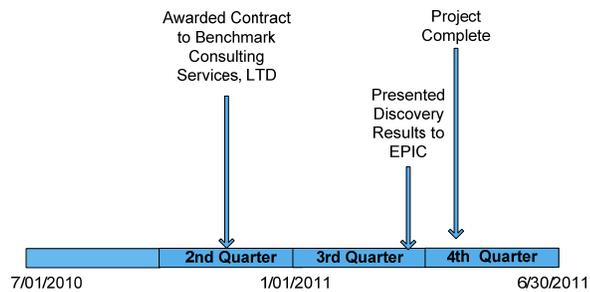
Planned Deliverables for Fiscal Year 2011/2012:

- Project is complete.

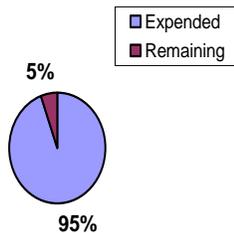
Total Project Cost: Project was completed under budget by \$19,000.

Schedule and Scope: Project was completed within the approved scope and one month ahead of schedule.

Major Fiscal Year 2010/2011 Milestones



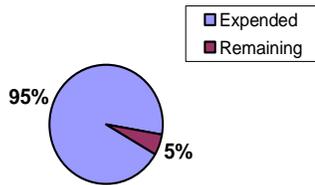
2010/2011 Project Budget \$259 Thousand



Project Schedule Status Timeline



Total Project Budget \$259 Thousand



myCalSTRS Online Services for Teachers (MOST)

The MOST project will enhance member online services by updating the secure access and providing a variety of new online services including the ability to complete the retirement application and register for direct deposit online.

Board Strategic Fit

Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective A: **Develop new ways to effectively communicate with different segments of the membership to enhance their understanding of CalSTRS benefits.**

Fiscal Year 2010/2011:

- Implemented the new user login process and direct deposit online registration process.
- Implemented online submit Service Credit Forms.
- Implemented online submit Pension Income Verification form.
- Implemented the on-line submit Death Beneficiary forms and Notification of Death functionality.
- Implemented the on-line submit Service Retirement application, Pre-Election of an Option application and Refund application.

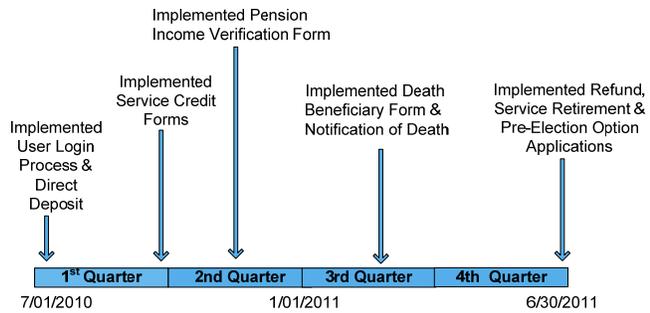
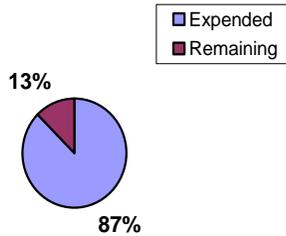
Planned Deliverables for Fiscal Year 2011/2012:

- Conduct Lesson Learned sessions.
- Complete project close-out report.

Note: The project was initiated in January 2009 with fiscal year 2008/2009 contingency funds of \$858,000 and fiscal year 2009/2010 contingency funds of \$1,480,000 and received Enterprise Program Investment Council (EPIC) funding beginning in November 2009. A total of \$543,000 in contingency funds has been expended.

Major Fiscal Year 2010/2011 Milestones

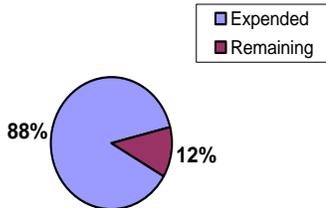
2010/2011 Project Budget \$2 Million



Project Schedule Status Timeline



Total Project Budget \$2.1 Million



Penalties and Interest

The Penalties and Interest project will implement SAP, a commercial off-the-shelf (COTS) solution, to automate the calculation, billing, monitoring, collection and dispute process of penalties and interest assessed to Employers for late remittances, late reporting and late adjustments of contributions.

Board Strategic Fit

Goal 1: *Raise the quality in the delivery of benefits, products and services to best in class.*

Objective D: **Identify and eliminate internal and external data integrity problems.**

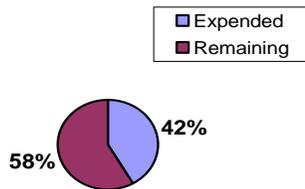
Fiscal Year 2010/2011:

- On-boarded the implementation vendor and commenced implementation project.
- Procured a project management services vendor.
- Validated Penalties and Interest Business Requirements and developed system blueprint/design.
- Configured commercial off-the-shelf (COTS) package and completed development of all non-standard software.
- Developed and commenced implementation of Employer readiness plan.
- Completed two of four phases of testing (Unit Testing and Integration Test Cycle 1).
- Received Enterprise Program Investment approval to expand scope and budget to include changes to current in-house systems prior to the July 2012 regulations start date.

Planned Deliverables for Fiscal Year 2011/2012:

- Implement the automated system to support the refund and collection of contributions and the collection and assessment of penalties and interest and activate the contribution underpayment collection and overpayment refund process.
- Complete updates to the corporate database and the Secure Employer Web site (SEW) edits.
- Conduct business readiness and training activities.
- Implement the final version of the penalties and interest regulations and activate the penalties and interest assessment and collection processes.
- Complete project close-out activities.

2010/2011 Project Budget
\$8.5 Million

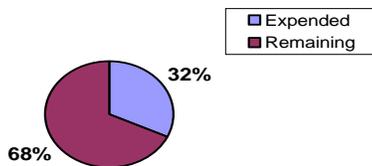


Major Fiscal Year 2010/2011 Milestones



Project Schedule Status Timeline

Total Project Budget
\$12.5 Million



Pension Accounting Initiative

The Pension Accounting Initiative will improve internal controls by addressing gaps between current and best practices in accounting policy, planning, treatment, chart of accounts, analysis, availability of financial information, use of the general ledger, communication of fiscal impacts, and training for pension administration business events.

Board Strategic Fit

Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective E: **Enhance the scope and quality of internal controls, internal audits and external audits.**

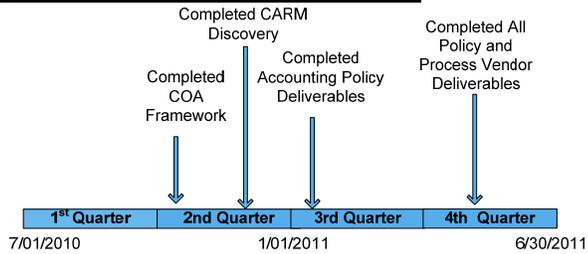
Fiscal Year 2010/2011:

- Completed development of policies necessary to strengthen organizational internal controls.
- Completed the development of accounting treatments and analytical review for the remaining receive money, disburse money, and manage money business events.
- Completed design and implementation of enhanced internal controls over both technical and programmatic accounting areas.
- Established a risk management program to recognize and act on accounting risks.
- Completed and received Enterprise Program Investment Council (EPIC) approval of discovery effort that resulted in business requirements for the Corporate Accounting and Resource Management (CARM) system to prepare for system procurement.

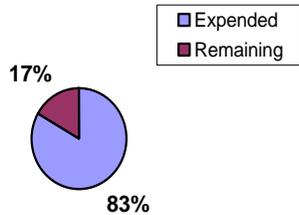
Planned Deliverables for Fiscal Year 2011/2012:

- Complete the annual assessment of the accounting treatment implementation efforts designed to strengthen internal controls over financial reporting.
- Develop a proposal for a pension accounting classification, to be submitted to the State's human resources control agency, addressing the deficiencies in the current account classification structure.

Major Fiscal Year 2010/2011 Milestones



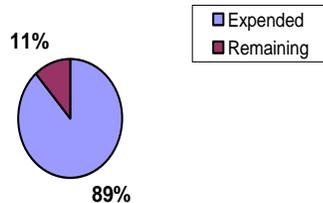
2010/2011 Project Budget \$3.2 Million



Project Schedule Status Timeline



Total Project Budget \$6.4 Million



Reduce Files

The Reduce Files project will convert non-member paper, microfilm and microfiche files to electronic format to reduce storage space requirements. This will decrease the number of filing cabinets throughout CalSTRS and contribute to the New Headquarters facility's LEED Gold Certification for sustainable "green" construction. The project also includes implementing a Records Management Program to ensure proper ongoing record maintenance.

Fiscal Year 2010/2011:

- Completed microfiche/microfilm backfile conversion.
- Finalized and deployed new training courses.
- Deployed P8 Enterprise Content Management System (ECMS).
- Completed project close-out activities.

Planned Deliverables for Fiscal Year 2011/2012:

- Project is complete.

Total Project Cost: Project was completed within budget.

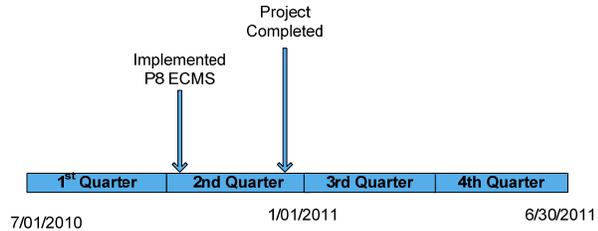
Schedule and Scope: Project was completed within the approved schedule and scope.

Board Strategic Fit

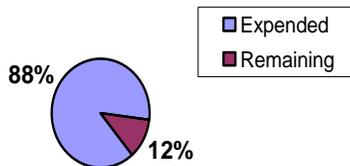
Goal 3: *Ensure a supportive and efficient organization and be an employer of choice.*

Objective D: *Design policies and practices to address the distribution and retention of electronic records.*

Major Fiscal Year 2010/2011 Milestones



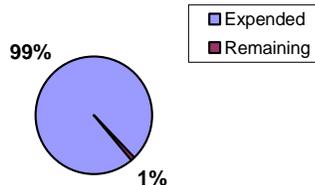
2010/2011 Project Budget
\$637 Thousand



Project Schedule Status Timeline



Total Project Budget
\$7.1 Million

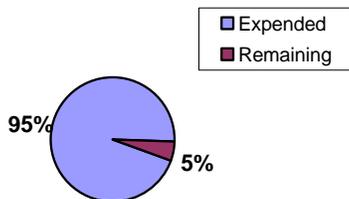


Project Name	Purpose	Accomplishments
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Project Management Office Program

The Project Management Office provides oversight and management of enterprise wide Enterprise Program Investment Council (EPIC) projects. The Project Management Office utilizes Project Management and System Development Life Cycle methodologies to manage projects. The Project Management Office also provides project resources and project management consulting to the CalSTRS organization.

**2010/2011 Project Budget
\$794 Thousand**



Fiscal Year 2010/2011:

- Continued to provide direction and project management resources for two projects (Future State Architecture and Penalties and Interest) for a portion of the year.
- Provided direction for one project (BusinessRenew: Corporate Accounting and Resource Management (CARM)) requesting a budget increase.
- Provided direction for three projects (Penalties and Interest, Actuarial Valuation and myCalSTRS Online Services for Teachers) requesting schedule and budget modifications.
- Provided direction for two efforts (Member Service Center and Anti-Spiking) presenting business cases for discoveries.
- Provided direction for two projects (Member Service Center and Pension Accounting Initiative for the initiation of the BusinessRenew: Corporate Accounting and Resource Management project (CARM)) completing discoveries.
- Provided direction for one project (Pension Accounting Initiative) requesting a schedule change.
- Provided direction for four projects (Pension Accounting Initiative, Penalties and Interest, myCalSTRS Online Services for Teachers and Actuarial Valuation) requesting a scope change or confirmation.
- Provided direction for three new project requests (BusinessRenew: Pension Discovery, BusinessRenew: Data Preparation and Board Elections).
- Provided direction for two projects (Reduce Files and Future State Architecture) conducting close-out activities.
- Presented the results of one post implementation evaluation report (PIER) for the Community Colleges – AB1586 Project.
- Completed the draft of one post implementation evaluation report (PIER) for the Accounting Reengineering Project .
- Completed two Project Express Workshop series to CalSTRS staff on project management processes and templates.
- Transitioned the Priority Management effort from Future State Architecture to the Project Management Office Program.
- Provided oversight and management (i.e. scope, schedule, budget, risk, issue) of fifteen enterprise projects/discovery efforts.

Planned Deliverables for Fiscal Year 2011/2012:

- Provide oversight and management (i.e. scope, schedule, budget, risk, issue) for thirteen enterprise projects/discovery efforts.
- Complete two post implementation evaluation reports (PIERs) on the Data Integrity and Additional Earnings and Annuity Credit projects.
- Provide direction for two new requests for discovery (BusinessRenew: Data Preparation and BusinessRenew: Centralized Requirements Repository).
- Provide direction for one new project request (Priority Management – Project Portfolio Management Tool).
- Provide direction for one project (BusinessRenew: Corporate Accounting and Resource Management) requesting budget and schedule realignment.
- Update Project Express workshops and provide updated workshop series to CalSTRS staff on project management processes and templates.
- Support the Priority Management process rollout and tool procurement and implementation.
- Update the CalSTRS project management methodology to align with CalSTRS updated system development methodology.