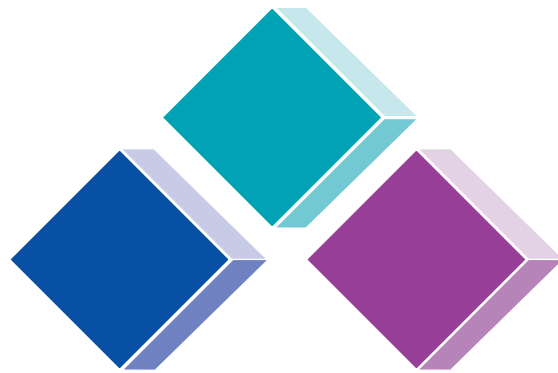


Public Employee Retirement System of Idaho

Strategic Plan 2019 - 2022



PERSI

Public Employee Retirement System of Idaho

MESSAGE FROM THE DIRECTOR



Don Drum
PERSI Executive Director

“The best way to predict the future is to create it.”

Abraham Lincoln

For more than fifty years, the Public Employee Retirement System of Idaho (PERSI) has been serving public employees by helping them build a secure future in retirement. PERSI continues to improve and upgrade our procedures and systems, aiming for stable, transparent, and trustworthy administration of our public agency. Over the past year, PERSI has seen tremendous benefits of our new pension administration system, Arrivos, with efficient and full reporting from our employers. We provided over 900 statewide in person meetings/workshops with employers, members and stakeholders regarding various PERSI topics. PERSI is enthusiastic and eager to continue taking steps to ensure a solid future for PERSI and the members and employers we serve.

CUSTOMER SERVICE

PERSI’s #1 priority is “Personalized Customer Service”. In 2018, an independent research firm (CEM) rated PERSI’s business practices against nine similar public retirement systems. The results help us develop and improve service levels, set goals and manage costs. PERSI’s service score is average among our peers, with a total service score was 79 out of a possible 100. Our administrative cost per member was \$82. This was \$36 below the peer average of \$119. This data reflects PERSI’s commitment and dedication to providing personalized customer service while controlling costs. Our attention to customer service has always been one of our cornerstones, and PERSI leadership continues to believe personalized customer service is key to all generations of members. We cannot afford to have any generation ignore and/or be uninformed about the benefits of PERSI.

COMMUNICATION

As I have in the past, I continue to travel throughout our state, meeting with legislators, employers, members, retirees, and constituency groups, and discussing matters important to PERSI and its stakeholders.

Communication between PERSI and our employers, members, and retirees remains a significant focal point. We continue to see great success from our new pension administration system. Arrivos has greatly reduced inconsistencies in payroll reporting and improved the quality of member data used by PERSI. Every employer uses Arrivos to report payroll information to PERSI. Our Employer Service Center works work closely with employers, to assist in answering matters with the new system.

PERSI’s educational outreach remains focused on making sure members, employers and lawmakers understand and appreciate the value of the PERSI benefit. Our training staff regularly travels the state to work directly with employers, educate members earlier in their careers, and provide expanded workshops explaining the PERSI benefit. We are committed to providing on-location workshops for members in every county of Idaho every year. Technology has enhanced our outreach, but will not replace our in-person efforts that have proven to be very successful. We continue to evaluate our methods but only utilize automation if we believe it provides increased value.

STABILITY – CONTRIBUTIONS MAINTAINS HEALTH OF THE FUND

We are very pleased PERSI broke through the \$18 billion ceiling for the first time this year, however, we must work harder to preserve what has been gained and address challenges as they emerge. We are grateful to the Idaho Legislature for its wisdom and guidance during times of modest market returns. Idaho Code 59-1322(5) has measures in place that keep required contributions to the fund set at a rate that will sustain the fund during

MESSAGE FROM THE DIRECTOR

less than stellar market years. Due to this statute, there was a scheduled 1% rate increase to take effect on July 1, 2018. However, during last October's Board meeting, the Board voted to delay implementation of the 1% contribution rate increase for one year, making the new effective date of the contribution rate increase July 1, 2019. Presently, the Board has not discussed or made plans to postpone the increase again. PERSI's strategic plan is built on bringing the future into the present, so we can begin to prepare for it. Preparing now, will ensure a successful execution of our plan and give PERSI a stable platform from which to build its future.



Donald D. Drum
Executive Director

GOALS & OBJECTIVES

PERSI's strategic plan defines its missions, goals, and the means by which it will measure its progress in addressing specific problems, needs, or challenges related to its mission over the course of several years.

Many organizations spend time reacting to unexpected changes instead of anticipating and preparing for them. PERSI prefers not to operate in crisis mode. Therefore, each year PERSI management reviews and updates the plan to reflect PERSI's strategies, actions, and progress toward its goals. Rather than focusing on a static set of performance measures, the plan provides priorities, accomplishments, and next steps, reinforcing the strategic plan's function as a living, vital document that serves as a genuine management tool.

Simply put, PERSI's strategic plan is a process by which we look into the future.



HISTORICAL OVERVIEW

The Public Employee Retirement System of Idaho (PERSI) was created in 1963 by the Idaho Legislature with funding effective July 1, 1965. Since that time, PERSI has provided a Defined Benefit (DB) plan designed to provide secure, long-term retirement benefits for career public service employees. PERSI became the plan administrator for a 401(k) Defined Contribution program in 1995 and immediately began offering it to employees of the State of Idaho as a supplement to the DB plan. In 2001, the original plan evolved into what is today known as the Choice 401(k) Plan.

ORGANIZATION AND GOVERNANCE

RETIREMENT BOARD

PERSI is directed by a five-member Retirement Board. The Trustees are appointed by the Governor of the State of Idaho for 5-year terms. These appointments are subject to legislative confirmation. State law requires that two members of the Board be active PERSI members with at least 10 years of service.

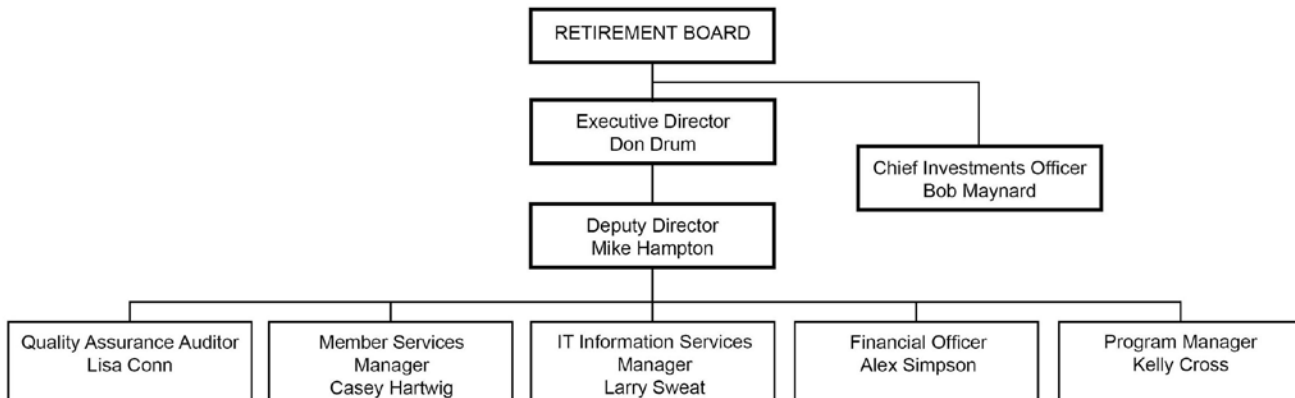
CURRENT BOARD MEMBERS:

| | |
|-----------------------------|---------------------------|
| Jeff Cilek, Chairman | Term expires July 1, 2020 |
| Celia R. Gould | Term expires July 1, 2018 |
| Joy Fisher | Term expires July 1, 2019 |
| J. Kirk Sullivan | Term expires July 1, 2021 |
| Park Price | Term expires July 1, 2022 |

PERSI STAFF

PERSI employs 67 staff members operating from the headquarters office in Boise (63 employees) and field offices in Coeur d’Alene (2 employees) and Pocatello (2 employees).

PERSI ORGANIZATION



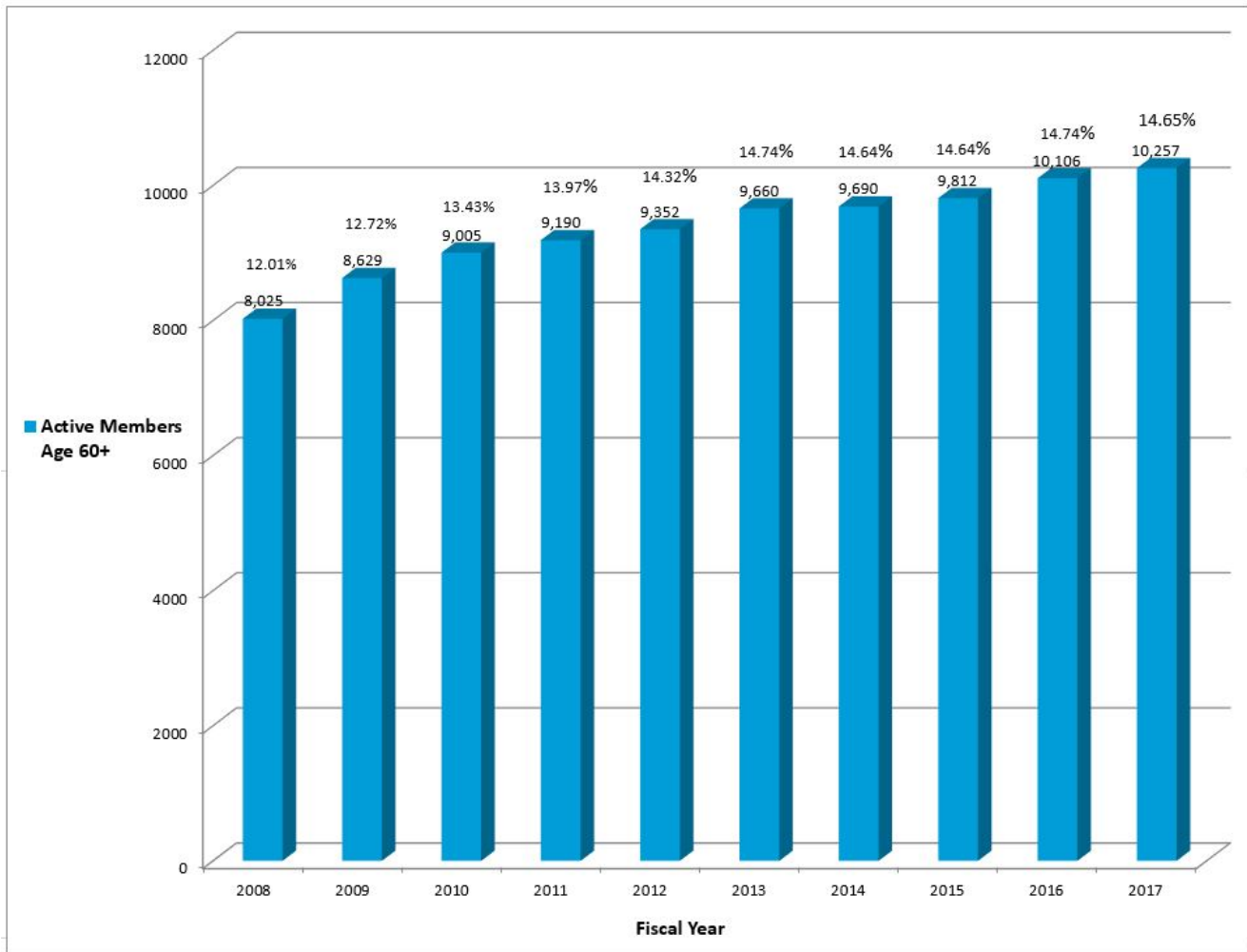
EXTERNAL INFLUENCES

A number of external factors influence PERSI operations. Federal and state legislation, Internal Revenue Service (IRS) requirements, membership demographics, employers, legislators, the economy and its impact on investments, and a host of other external factors play a large role in the benefits and services offered by PERSI.

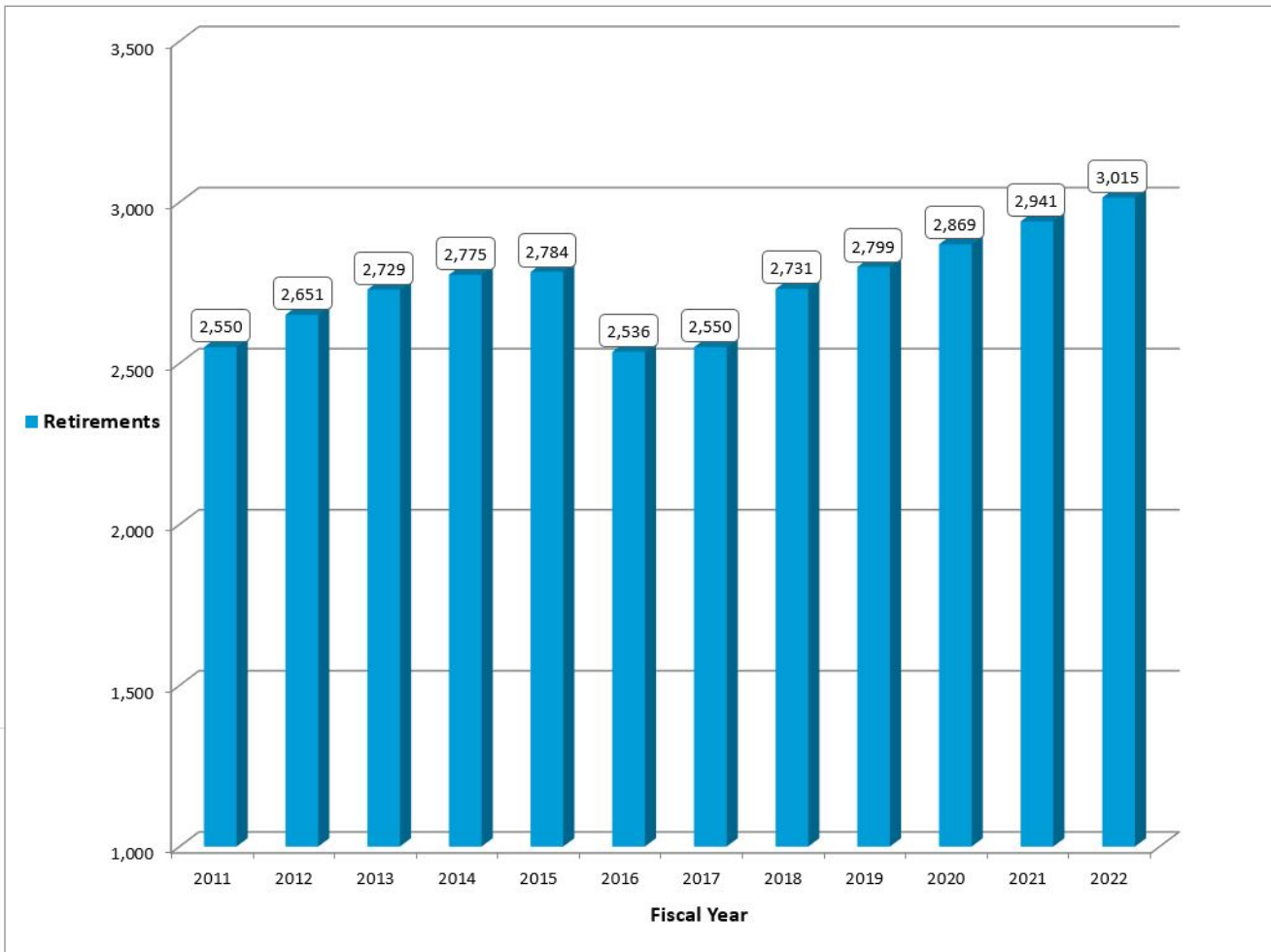
GROWTH AND AGE DISTRIBUTION OF PERSI MEMBERSHIP

PERSI has grown from a small agency serving 5,500 active members in 1965 to a much larger organization today. As of June 30, 2017, PERSI had 70,073 active members and 784 employers across the state. In addition, PERSI had 45,468 retirees and 34,151 inactive members. In the ten-year period from 2007 to 2017, the number of PERSI members increased from 118,109 to 149,692.

The number of active members who are near retirement age is increasing. The following chart shows the number and percentage of active members who were age 60 or older as reported in PERSI’s Actuarial Valuation reports for each of the last ten years. This aging of PERSI’s membership has increased the need for PERSI’s services for retirement assistance, retirement education and retirement processing.



The chart below shows the number of retirements processed in fiscal years 2011 through 2017, taken from PERSI's Actuarial Reports, and retirements projected for 2018 through 2022. Retirements projected for 2018 are based on current year-to-date retirements processed. Projections for fiscal years 2019 through 2022 are based on the number of active members reaching retirement age. In Fiscal Year 2017, the number of retirements processed had increased by 24.5% in the ten years since 2007. After a drop in Fiscal year 2016, the growth trend is expected to continue as the baby-boomer generation retires from the workforce. PERSI must be prepared to manage the increased workload while maintaining its standard of excellent customer service.



EFFECTS OF INVESTMENTS ON PERSI TRUST FUND AND OPERATIONS

A combination of investment earnings and contributions from employers and employees fund PERSI. For Fiscal Years ending 2005, 2006, and 2007, the fund experienced phenomenal growth earnings with gross returns of 10.9 percent, 12.3 percent and 20.0 percent respectively. In 2008, with returns of -4.2 percent, PERSI had its first negative fiscal year since 2002. The market collapse continued in Fiscal Year 2009, causing a significant and rapid decline in the value of the fund. Over a seven-month period beginning in September 2008, the fund value dropped nearly 33 percent.

The fund began recovering in April 2009, and by June 30th regained nearly half of its losses since September 2008. Still, the net return for Fiscal Year 2009 was -16.0 percent, which matched the worst fiscal year in PERSI's history (1974). Recovery continued sporadically throughout the following year with more volatility in the markets. The fund ended Fiscal Year 2010 with a net investment return of 12.4 percent. Although the progress was positive, the fund was not fully recovered; so in December of 2009, the Retirement Board approved a series of contribution rate increases to ensure the long-term sustainability of the fund. The first increase of 1.5 percent (1% employer and .5% employee) was scheduled to take effect July 1, 2011, but the fund continued to recover; so in the fall of 2010 and again in 2011, the Board voted to postpone the increases until July 1, 2013. In the fall of 2012, market volatility caused the funded ratio to drop to 84.7%. Market indicators led the Board to believe volatility might continue. Thus, the Board made a decision to allow the 1.5% scheduled rate increase to go into effect on July 1, 2013. The PERSI fund ended Fiscal Year 2012 with a net return of 1.16%. Fiscal Year 2013 (ended June 30, 2013) was a good year – one that, for much of the year, had the potential to be great, with net returns of 9.1%, investment gains of over \$1.092 billion, and asset levels that rose from \$11.933 billion at the start of the year to \$12.756 billion at the close. Cautiously optimistic, the Board postponed implementation of the second contribution rate increase which was scheduled to take effect July 1, 2014. Fiscal Year 2014 ended with a net return of 17.24%, \$14.69 billion in assets and a funded ratio of 93.9%. In October, 2014, the Board voted to eliminate two proposed contribution rate increases (1.5% and 2.31%). The first increase would have taken effect July 1, 2015. At the same time, the Board recommended an up-to-4% Cost of Living Adjustment (COLA) for retirees. Fiscal year 2015 ended June 30, 2015 with a net return of 2.7%, \$14.9 billion in assets and a funded status of 90%. Fiscal year 2016 ended June 30, 2016 with net return of 1.27%, \$14.85 billion in assets and a funded status of 86.3%. Fiscal year 2017 ended June 30, 2017 with a net return of 12.7%, \$16.38 billion in assets and a funded status of 91.1%. Fiscal year 2018 ended June 30, 2018 with an unaudited net return of 8.4%, \$17.5 billion in assets and a funded status of 91%.

PERSI's objective is to minimize the effect of external influences whenever and wherever possible by diversifying among a wide range of domestic and international asset classes and investment management styles. With billions invested worldwide, PERSI does everything possible to manage risk to the fund. It is, however, impossible to predict or control the rise and fall of world markets; therefore, PERSI funding levels are very much subject to market fluctuations. Regardless of changes in the global economy, PERSI remains steadfast in its investment philosophy: **SIMPLE** – control liabilities and rely on market returns with 70/30 equity/fixed mix; **TRANSPARENT** – easy to understand and explain, concentrate on broad structures and strategies, and no black box investing; **FOCUSED** – look at the big picture over the long term (15 to 20 years), concentrate on material impacts on overall portfolio, and maintain a small staff and citizen board; **PATIENT** – react occasionally or not at all, recognize that daily and yearly markets are often abnormal, avoid need for numerous decisions, and strive for long-term consistency .

TECHNOLOGY

Information is a key resource for PERSI and it relies heavily on information technology (IT) as an enabler of its strategic plan. PERSI strives to optimize the value of IT by balancing the advantages of technology with risk optimization and resource expenditure. To accomplish this, PERSI adopted ISACA's *COBIT 5* as its over-arching framework for IT governance. ISACA is the *Information Systems Audit and Control Association* and COBIT is a set

of *Control Objectives for Information and Related Technology*. The first version of COBIT was released in 1996. Version 5 is the latest version, released in April 2012.

Within the IT realm, PERSI relies on numerous different published standards and best practices from organizations, such as ISO, NIST and ITIL, that address specific areas of IT activities. *COBIT 5* complements and aligns with these works, and functions as PERSI's overarching framework for governance and management of IT.

COBIT 5 provides the mechanism for translating stakeholder needs into specific, actionable IT goals that are aligned with and supportive of PERSI's enterprise goals. It introduces the concept of a "Goals Cascade" as the mechanism to translate stakeholder needs into specific, actionable and relevant enterprise goals and IT-related goals. This translation effectively supports alignment between enterprise needs and IT solutions and services.¹

The table on the following page depicts how PERSI's primary enterprise goals, derived from stakeholder needs, cascade to IT-related goals, and how the IT-related goals support and align with PERSI's enterprise goals. Enterprise goals are placed at the top of the table and IT-related goals are listed down the left side. The table maps IT-related goals to enterprise goals and shows how enterprise goals are supported by the IT-related goals. A 'P' represents a primary relationship where the IT-related goal is a primary support for the enterprise goal. An 'S' represents a secondary relationship, where the IT-related goal strongly supports the enterprise goal but is not as important as those with primary relationships.

The table shows that a PERSI enterprise goal is to have a customer oriented service culture. For PERSI to achieve this goal, the IT strategy must be aligned with the business strategy and IT must deliver IT services in line with business requirements. These IT goals are primary supports for the enterprise goal. If a requirement of the enterprise strategy, for example, is to process a member request for a service within a certain number of business days, IT must provide the technological capability to support the business requirement.

Of lesser importance, but still pertinent, is the secondary condition that the technology for processing the request be integrated into the business process for logical and efficient workflow. Additional secondary support of the enterprise goal derives from the IT goals of delivering high-quality products and services on time and budget, and having a competent and motivated IT Team.

¹*COBIT 5 – A Business Framework for the Governance and Management of Enterprise IT*, (ISACA, 2012), 17.

INTRODUCTION

| Mapping PERSI Enterprise Goals to IT-related Goals | | | | | | | | |
|---|-----------------------------------|--|--------------------------------------|------------------------------------|------------------------|------------------------------|--|----------------------------------|
| | PERSI Enterprise Goal | | | | | | | |
| | Customer Oriented Service Culture | Business Service Continuity & Availability | Compliance with Laws and Regulations | Operational and Staff Productivity | Financial Transparency | Skilled and Motivated People | Optimized Business Process Functionality | Optimized Business Process Costs |
| IT-related Goal | | | | | | | | |
| Alignment of IT and business strategy | P | S | | | | S | P | S |
| Delivery of IT services in line with business requirements | P | S | S | | | S | P | S |
| Enablement and support of business processes by integrating applications and technology into business processes | S | | | S | | | P | S |
| Security of information, processing infrastructure and applications | | P | P | | | | | |
| Optimization of IT assets, resources and capabilities | | | | S | | | S | P |
| IT compliance, and support for business compliance, with laws and regulations | | | P | | | | | |
| Management and transparency of IT-related business risk | | P | S | | P | S | | |
| Delivery of products and services, on time, on budget, and meeting requirements and quality standards | S | | | | | | | S |
| Competent and motivated IT Team | S | | | P | | P | | |

NIST CYBERSECURITY FRAMEWORK AND CIS CRITICAL SECURITY CONTROLS

In February 2014, the National Institute of Standards and Technology (NIST) introduced version 1.0 of the *Framework for Improving Critical Infrastructure Cybersecurity*, commonly referred to as the CyberSecurity Framework (CSF). PERSI's IT Team has studied the NIST CSF and adopted it as the strategic methodology to managing cybersecurity risk and strengthening PERSI's IT security posture. It provides a common taxonomy and mechanism for PERSI to evaluate and strengthen existing cybersecurity processes while aligning with industry best practices.

Under the guidance of the NIST CSF, PERSI is implementing formal policies and processes that support the following objectives: ²

- Describe the current cybersecurity posture;
- Describe the target state for cybersecurity;
- Identify and prioritize opportunities for improvement within the context of a continuous and repeatable process;
- Assess progress toward the target state;
- Communicate among internal and external stakeholders about cybersecurity risk.

A component of the NIST CSF is the Framework Core, which identifies activities that should be performed to achieve specific cybersecurity outcomes, and provides references to sources of guidance for achieving those outcomes. Most activities in the Framework Core are directly referenced to a corresponding activity in the *Critical Security Controls* published by the *Center for Internet Security*. Consequently, a logical approach for implementing the NIST CSF is to implement the CIS Critical Security Controls. For nearly all activities in the Framework Core, references are made to *NIST Special Publication 800-53* and *COBIT 5*, therefore; PERSI relies heavily on *COBIT 5* and *NIST SP-800-53* for guidance on implementing the CIS Critical Security Controls.

PERSI is working with the State Department of Administration – Office of the CIO (OCIO) to make progress on the objectives of the Critical Security Controls. OCIO has provided a tool, called *AuditScripts* for performing the initial assessment of information assurance maturity level based on the controls defined by the Critical Security Controls. PERSI has completed assessment of the current state for Controls 1 – 5 and has completed work on documenting the target state and Plan of Action & Milestones (POAM) for closing the gap between the current and target states.

PERSI is well situated for meeting the target of implementing Critical Security Controls 1 -5, as some of the tools required for compliance have been implemented at PERSI for years, but with informal policies and reporting. Many action items in the POAM are tasks for developing formal policy and automated reporting, as well as upgrading and expanding use of existing tools, along with additional advanced training.

² *Framework for Improving Critical Infrastructure Cybersecurity, Version 1.0*, National Institute of Standards and Technology. February 12, 2014.

FEDERAL LAW AND REGULATION CHANGES REGARDING RETIREMENT PLAN QUALIFICATIONS

The PERSI Base Plan is a tax-qualified governmental retirement plan under the Internal Revenue Code. Changes in federal laws may affect PERSI or require changes to its statutes or rules. Failure to make required changes in a timely manner could have a negative impact on the plan's qualified status. Therefore, it is necessary for PERSI to track federal developments closely and to understand the impact they have on the system and its members.

THE PLANNING PROCESS

A Planning Committee comprised of department managers and PERSI's project coordinator commenced work on a strategic plan in March 2009. The process began by defining the agency's Values, Mission, and Vision. These established the framework for building the various elements of the plan.

Next, the Planning Committee conducted an Environmental Assessment: an analysis of PERSI's Strengths, Weaknesses, Opportunities, Threats, and Trends (i.e., SWOTT analysis). The SWOTT analysis identified the agency's critical success factors. These factors guided the development of outcome-oriented goals. Objectives defining how each goal would be attained and managed were created to ensure optimized coordination and implementation. Performance Measures were established to enable PERSI to gauge its success in reaching its goals. An accompanying Performance Measurement Plan was drafted to define the timeframe, responsibilities, and audience for each measure.

Immediately upon inception of the agency-wide plan, business unit-specific action plans were completed. These plans identify the specific objectives each business unit must complete to bring about successful realization of strategic plan goals. Action plans break the objectives down further by identifying the specific tasks, which must be completed to achieve the objective. Managers review action plans periodically with the PERSI Leadership Team and the plans are updated to show progress and shortfalls. Managers then prioritize tasks and assign staff accordingly.

THE PLAN FRAMEWORK: VALUES, MISSION, AND VISION

VALUES

Values are the foundation upon which all PERSI performance is built. PERSI staff will integrate core values into their day-to-day business operations, resulting in exceptional service to members and internal customers.

Three core values (3 Cs) - **Commitment, Character, and Competence** – were carefully selected and agreed upon as the basis for providing professional service. They are depicted in the graphic below.



The Planning Committee developed the following statements to define each of the 3 Cs clearly:

COMMITMENT

- 1) Producing the highest level of quality possible, always seeking to exceed customer expectations while staying within our ethical and internal control boundaries.
- 2) Focusing on the continuous improvement of our processes and services to meet future challenges and opportunities.
- 3) Jumping into challenging assignments.
- 4) Carefully discovering what is needed and wanted, seeking to “do it right” the first time.
- 5) Seeking solutions to problems/mistakes immediately, and following through until they are resolved. Learning from them for next time.

CHARACTER

- 1) Communicating in a positive, courteous, compassionate manner.
- 2) Treating all customers (internal and external) with the same level of respect and dignity, despite their individual characteristics/backgrounds/circumstances or your personal values/beliefs.
- 3) Listening to and understanding people’s concerns and problems without taking anything they say personally.

STRATEGIC PLAN ELEMENTS

- 4) Acting in an ethical and honest manner in all endeavors. Maintaining the highest level of confidentiality and security with respect to members and their account information.
- 5) Cultivating the trust of coworkers, members and employers by taking ownership of and responsibility for our actions and their results.
- 6) Conducting one's self in a professional manner in speech and appearance.
- 7) Taking pride in your work area – keeping it clean and orderly.

COMPETENCE

- 1) Learning every aspect of the job.
- 2) Recognizing when additional information or training is needed to ensure you have the knowledge and skills needed to do the job.
- 3) Taking action only to your current level of expertise and authority.
- 4) Focusing on what needs to be done and differentiating between what is and is not part of PERSI's core functions.
- 5) Performing duties in an accurate and timely manner that ensures our members receive the service and benefits to which they are entitled.

MISSION

The Mission describes PERSI's *current purpose*.

**To provide a sound retirement system and high quality service and education
to help Idaho public employees build a secure retirement.**

VISION

This defines PERSI's *ideal future* four years from now.

**To be the premier public retirement system, respected by customers, peers, and the community,
and known for professional service, technological advancement, and fund stability.**

WHAT WILL BE ACCOMPLISHED AND HOW: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goals represent *what will be accomplished* to reach the vision. To be effective, goals must focus on the long-term desired outcomes or achievements of the agency. Four goal themes emerged for PERSI: **Communication, Technology, Organizational Structure, and Staff Development.**

Objectives (aka strategies) define *how the goals will be achieved*. Department-specific strategies that align with the agency-wide direction will be developed and implemented by respective managers and staff.

Performance measures are tools for gauging success in achieving goals. Often, performance measures must be sensitive enough to discern the impact of individual objectives; but they are ultimately designed to track progress on reaching the outcomes defined by the goals. The performance measures include annual targets or benchmarks which help track incremental changes in plan success.

GOAL 1

Accurate, timely, and relevant information communicated to internal and external customers.

OBJECTIVES

- A) Implement and refine business processes that support PERSI’s communication strategy within the following areas of emphasis:
- Internal communication
 - External communication
 - Member Education
 - Employer Education

PERFORMANCE MEASURES

| MEASURES | BENCHMARKS | BENCHMARK EXPLANATION |
|---|--|--|
| 1. Internal communication through meetings, training, and correspondence related to improving business processes. | Monthly department meetings and quarterly all-staff meetings | Benchmark based on agency research and management best practices |
| 2. External communication through multimedia platforms including Webinars, Videos, Social Media, and other methods. | 4 Communications per month | Benchmark based on agency research |
| 3. External communication and education through in-person visits and presentations. | 4 external trainings per month, each county visited at least once per year | Benchmark based on agency research |
| 4. Member Education – Quality of Training / Retention of Knowledge* | 95% / 75% | Benchmark based on agency research |

**PERSI trainers use an electronic audience response system in the educational workshops to gather feedback from workshop attendees. Besides the benefit of measuring pre- and post-workshop knowledge, the immediate feedback enables trainers to quickly adapt course presentations to devote more attention to topics which tend to receive low measures for understanding. Consequently the measurement tool also helps raise the quality of training and retention of knowledge.*

GOAL 2

Technology solutions optimized for and aligned with business-driven processes.

OBJECTIVES

- A) Alignment of IT and business strategy
- B) Delivery of IT services in line with business requirements
- C) Enablement and support of business processes by integrating applications and technology into business processes
- D) Security of information, processing infrastructure and applications
- E) Optimization of IT assets, resources and capabilities
- F) IT compliance, and support for business compliance, with laws and regulations
- G) Management and transparency of IT-related business risk
- H) Delivery of products and services, on time, on budget, and meeting requirements and quality standards
- I) Competent and motivated IT Team

PERFORMANCE MEASURES

| MEASURES | BENCHMARKS | BENCHMARK EXPLANATION |
|---|--|---|
| 1. Objective A): Number of customer service disruptions due to IT service-related incident | 99% delivery with no customer service disruptions | Benchmark based on project management best practices |
| 2. Objective B): CRM/IT Capability score from annual CEM Benchmarking survey | Score not lower than peer average | Benchmark based on industry standard and agency management best practices |
| 3. Objective C): Increase in member registration and use of the self-service web site | 3% growth per Fiscal Quarter | Benchmark based on agency research |
| 4. Objective D): Progress towards implementation of the Center for Internet Security (CIS), Critical Security Controls 1 through 6 | Plan of Action & Milestones formulated and progress on schedule as planned | Benchmark based on agency research and agency management best practices |
| 5. Objective E): Total pension IT/IS cost from annual CEM Benchmarking survey | Total cost not higher than peer median | Benchmark based on industry standard |
| 6. Objective F): Percent of policies supported by effective standards and working practices | Score increase by 20 percentage points per year | Benchmark based on industry standard |
| 7. Objective G): Premises and systems vulnerability assessment and remediation | Zero high or medium risk vulnerabilities | Benchmark based on industry standard |
| 8. Objective H): Percentage of IT service requests completed on time and meeting acceptance criteria | 95% | Benchmark based on industry standard |

GOALS & OBJECTIVES

| | | |
|---|---|--------------------------------------|
| 9. Objective I): Progress toward completion of objectives set in individual training/development plans | 90% of development objectives accomplished within annual review periods | Benchmark based on industry standard |
|---|---|--------------------------------------|

GOAL 3

Maintain an organizational structure that supports consistent, effective, and accountable operations.

OBJECTIVES

- A) Create a work environment that encourages quality service and accountability.
- B) Develop an organizational structure that supports and encourages employee development and growth.
- C) Evaluate and refine standard operation procedures for each department and update them as changes occur.
- D) Annually review internal controls and make improvements where needed or appropriate.
- E) Monitor and improve processes for internal quality review and improvement.
- F) Quality Assurance department, Business Analyst position, and Internal Trainer position to work with subject matter experts to identify, document, update and train staff for consistent application of policies and procedures.

PERFORMANCE MEASURES

| MEASURES | BENCHMARKS | BENCHMARK EXPLANATION |
|---|---------------------|---|
| 1. Percent of retirees who receive their first annuity payment on their scheduled retirement date | 95% | Benchmark based on industry standard |
| 2. Number of business days to produce a written benefit estimate after a request is received. | 7 Days | Benchmark based on industry standard |
| 3. Number of days to produce a separations benefit after receipt of final salary via transmittal. | 7 Days | Benchmark based on industry standard |
| 4. Average number of days after receipt to process employer transmittals | 3 Days | Benchmark based on industry standard |
| 5. Organized training sessions on a quarterly basis to promote employee development. | 95% Participation | Benchmark based on agency management best practices |
| 6. Conduct internal review of new or changes to existing policies, forms and procedures | Monthly CART review | Benchmark based on agency management best practices |
| 7. Percentage of calls resulting in undesired outcomes versus total incoming calls | <3% | Benchmark based on industry standard |
| 8. Security audit of user level access within the Pension Administration System | Annually | Benchmark based on industry standard and agency management best practices |
| 9. Benchmarking study against other pension systems | Annually | Benchmark based on industry standard |

GOAL 4

An organizational culture in which all communication and actions reflect the values of character, commitment, and competence.

OBJECTIVES

- A) Conduct comprehensive, accurate, and timely employee performance reviews to include coaching sessions, job shadowing, and individual development plans jointly developed by the employee and his/her immediate supervisor.
- B) Provide orientation for new employees to include PERSI terminology, the organizational chart and information on job functions and business processes.
- C) Utilize performance metrics to monitor production, identify areas of need of support and/or improvement, and measure workflow balance between appropriate staff.
- D) Conduct employee recognition program to encourage and reward meritorious performance.
- E) Conduct exit interviews with employees leaving the agency.

PERFORMANCE MEASURES

| MEASURES | BENCHMARKS | BENCHMARK EXPLANATION |
|--|--|--|
| 1. Employee Recognition Annually, Quarterly, and Monthly | 100% | These benchmarks are recognized as industry standard |
| 2. Employee Reviews completed on-time | 100% | These benchmarks are recognized as industry standard, and required by State of Idaho personnel rules |
| 3. Exit Interviews | 100% | These benchmarks are recognized as industry standard |
| 4. Performance Metrics | Internal comparison of production by staff and workflow type | Utilization of new pension admin system reporting to track, measure and compare production levels by staff and workflow type |



PERSI

Public Employee Retirement System of Idaho