



FY10 PERFORMANCE PLAN

District of Columbia Retirement Board

MISSION

The mission of the District of Columbia Retirement Board (DCRB) is to prudently invest the assets of the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement Plan (the "Plans"), and to provide Plan participants with total retirement services.

SUMMARY OF SERVICES

DCRB manages and controls the assets of the Plans on an actuarially sound basis and seeks long-term investment returns in excess of the actuarial investment rate of return assumption at a level of risk commensurate with the expected levels of return and consistent with sound and responsible investment practices. DCRB assures that sufficient assets are available to timely and accurately pay the benefits promised under the terms of the Plans and provides all participants, their survivors, and their beneficiaries with appropriate administrative support services.

OBJECTIVE 1: Improve communications to plan members.

INITIATIVE 1.1: Expand DCRB website content and provide participants with self-help features.

DCRB will expand the content of its web site so that members may receive timely, up-to-date, information regarding their pension benefits. DCRB will enhance the benefit calculator that was added to its web site during FY2009, adding features that allow members to make informed decisions about their retirement and to be knowledgeable of the benefits that are available to them, their survivors, and their beneficiaries.

OBJECTIVE 2: Reduce the amount of time from a member's retirement date to the receipt of their first retirement payment.

INITIATIVE 2.1: Gather and verify historical data.

It currently takes an average of 90 days from the date members retire to the date they receive their initial benefit payment. This time frame is largely due to the current retirement process, which is paper-based, manual, decentralized, and antiquated. To improve payment turnaround time, DCRB will: (1) collaborate with upstream stakeholders to assure that the data used to calculate benefits is both available and accurate, (2) contract to audit the integrity of the data collected by participating employers, (3) create a data base to house historical data and collect data going forward. This Data Reclamation Project will eliminate the need to collect and verify the integrity of the data at the point of retirement. Once this project is completed, turnaround time should be reduced to the industry standard of less than 60 days.



OBJECTIVE 3: Continue to Automate and Streamline Benefits Administration Operations

INITIATIVE 3.1: Implement Workflow Management

During FY2009, DCRB completed a project which resulted in the imaging of over 3.4 million documents housed in retirement folders. To complete this automation project, the primary retirement processing work flows need to be identified, reengineered, and implemented. This project will protect documents from loss or damage, permit DCRB staff to move data around electronically within DCRB, permit simultaneous access to documents, and allow DCRB to share data electronically with other District agencies.

OBJECTIVE 4: Control costs.

INITIATIVE 4.1: Review and revise the procurement process.

DCRB will hire a Senior Procurement Specialist to work with the current Procurement Specialist. These staff members will review and revise the procurement process to address possible inefficiencies and expand the procurement policy.

OBJECTIVE 5: Reduce risk.

INITIATIVE 5.1: Assess the impact of the current risk level on the funding status of the Plans and make appropriate overall investment management strategies to buttress the Plans' funded position.

DCRB will continue to gain knowledge of the primary risks, which have increased during this past year, to the funding level of the District of Columbia Teachers' Retirement Fund and the District of Columbia Police Officers and Firefighters' Retirement Fund and will develop the tools and methods to manage these risks. Additionally, DCRB will consider the recommendations from the asset liability analyses to ensure that the appropriate governance is in place to continue to make sound investment decisions in this changed environment, and to provide access to the best practices during turbulent times while controlling costs.



PROPOSED KEY PERFORMANCE INDICATORS

Measure	FY08 Actual	FY09 Target	FY09 YE Actual*	FY10 Projection	FY11 Projection	FY12 Projection
Achieve a long-term 10 year annualized rate of return in excess of the actuarially assume rate of return.	5.7	7.00	3.71	7.00	7.00	7.00
% of benefit payments made within 90 days.	69%	70%	69%	70%	70%	70%
% of monetary, process, and documentation errors.	11%	<10%	<10%	<10%	<10%	<5%
% of vendor payments made on a timely basis to minimize interest penalties.	95%	95%	95%	95%	95%	95%

*Information is gathered annually.



STANDARD CITYWIDE OPERATIONAL MEASURES

Measure	FY09 YTD
Contracts	
KPI: % of sole-source contracts	
KPI: Average time from requisition to purchase order for small (under \$100K) purchases	
KPI: # of ratifications	
KPI: % of invoices processed in 30 days or less	
Customer Service	
KPI: OUC customer service score	
Finance	
KPI: Variance between agency budget estimate and actual spending	
KPI: Overtime as percent of salary pay	
KPI: Travel/Conference spending per employee	
KPI: Operating expenditures "per capita" (adjusted: per client, per resident)	
People	
KPI: Ratio of non-supervisory staff to supervisory staff	
KPI: Vacancy Rate Total for Agency	
KPI: Admin leave and sick leave hours as percent of total hours worked	
KPI: Employee turnover rate	
KPI: % of workforce eligible to retire or will be within 2 years	
KPI: Average evaluation score for staff	
KPI: Operational support employees are percent of total employees	
Property	
KPI: Square feet of office space occupied per employee	
Risk	
KPI: # of worker comp and disability claims per 100 employees	