

LASERS Benefits Louisiana.

Louisiana State Employees'
Retirement System



Board Book



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NOTICE AND AGENDA
Audit Committee Meeting
Thursday, December 12, 2019
12:30 p.m.

The Audit Committee will meet in the fourth floor conference room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Please silence your cell phone before meeting begins.

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT (allowed upon request before action items)

IV. REGULAR BUSINESS

1. Approval of the minutes of the September 26, 2019, meeting of the Audit Committee
(Action Item)
Virginia Burton, Chair
2. FYE 2020 Audit Projects Status Update
Ryan Babin, Audit Director

V. NEW BUSINESS

1. Employer Pension Audit Report (GASB 68) for FYE 2019 **(Action Item)**
Ryan Babin, Audit Director
2. Annual Review of Closed Items Report
Ryan Babin, Audit Director
3. Audit Committee Satisfaction Survey Results for 2019
Ryan Babin, Audit Director
4. Reports to be Reviewed
Ryan Babin, Audit Director
5. Audit Director's Comments
Ryan Babin, Audit Director

6. Executive Director's Comments
Cindy Rougeou, Executive Director

VI. OTHER BUSINESS

VII. ADJOURNMENT

NOTE: If special accommodations are needed, please contact this office prior to meeting.

**Louisiana State Employees' Retirement System
Audit Committee Meeting
September 26, 2019**

The Audit Committee of the Louisiana State Employees' Retirement System met on Thursday, September 26, 2019 in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Ms. Virginia Burton, Chair, called the meeting to order at 1:00 p.m. Roll was called by Ms. Beth Labello, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Virginia Burton, Ms. Beverly Hodges, Judge William Kleinpeter, Ms. Janice Lansing

Members Absent: None

Staff Present: Mr. Ryan Babin, Audit Director; Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director and Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Artie Fillastre, Chief Fiscal Officer; Mr. Eric Schoonmaker, Deputy IT Director; Ms. Beth Labello, recording secretary

Also Present: Mr. John Broussard (designee of Treasurer), Ms. Lori Pierce, Ms. Barbara McManus, Ms. Shannon Templet, Ms. Lorry Trotter, Mr. Rick McGimsey, Ms. Laura Gail Sullivan, Senate Counsel; Mr. Tyler Bosworth, House Retirement Committee; Mr. Freddy Smith, Ms. Bonnie Marcantel, Ms. Tara Oskins, Postlethwaite & Netterville

A quorum was present and the meeting opened for business.

Ms. Burton called for public comment. There were no public comments.

Regular Business

Ms. Burton called for approval of the minutes of the June 27, 2019 Audit Committee Meeting. **Ms. Hodges moved, seconded by Mr. Bickham, to approve the minutes. With no objection or discussion, the motion passed.**

Mr. Babin reviewed the FYE 2020 Projects.

New Business

Ms. Bonnie Marcantel with Postlethwaite & Netterville presented the results of the FYE 2019 external audit report. **Judge Kleinpeter moved, seconded by Ms. Lansing, to recommend the Board approve the external audit for June 30, 2019. With no**

objection or discussion, the motion carried. Ms. Marcantel complimented the Audit and Fiscal staff for their assistance with the audit. Ms. Rougeou thanked P&N for working so well with LASERS staff.

Mr. Babin presented the building fund audit report for June 30, 2019.

Mr. Babin reported on the continuing education efforts of the audit staff.

Mr. Babin gave an overview of the semi-annual open items report.

Mr. Babin reviewed the customer service evaluation survey results.

Mr. Babin reviewed the executive summary of audit reports. The report included summaries of the following projects:

- 1902 Employer Agency Queries
- 1903 Continuous Auditing
- 1910 Funding Actuarial File Layout Update Project
- 1928 Vista Equity Partners (External Review)
- 1988 Summary of Fraud Tips
- 2003 Department of Natural Resources (External Review)
- 2007 Department of Environmental Quality (External Review)

Audit Director Comments

Mr. Babin had no further comments.

Executive Director Comments

Ms. Rougeou thanked fiscal and audit staff for doing an excellent job.

Other Business

No other business was discussed.

Adjournment

The meeting adjourned at 1:30 p.m.

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
01	Fiscal	Agency Contribution Reporting	Project 1801 - report being finalized.	Oct-Dec	3/14/2018	
02	Fiscal/IT	JD Edwards User Security Review	This will be a joint project between Audit, Fiscal, and IT. Due to the specialized nature of this project, a third party company may be utilized to co-source an audit of the security. In addition, an evaluation of automated tools available to manage and audit security will be performed. Project 1802 - fieldwork being performed. Update: The initial audit by the third party vendor has been performed and LASERS has addressed the exceptions deemed necessary. A follow up audit to confirm the necessary exceptions have been corrected is being scheduled with the third party vendor.	Jan-Mar	2/26/2018	
03	Member Services/Fiscal/IT	Optimus Project Implementation (Phase 3)	This is Phase 3 of the Imaging replacement project. Audit's involvement in this project will vary; however, some possible review areas include: Functionality upgrades/enhancements, evaluation of possible online storage of Optimus data and disaster recovery related changes, and electronic forms. Project 1904 - Fieldwork being performed. Phase 3 is currently scheduled for completion the latter part of this fiscal year.	Jul-Sep	7/6/2018	
04	Member Services/Fiscal/IT	Online Self-Service Security (Optimus Project Implementation (Phase 3) related)	This is project relate to Phase 3 of the Imaging replacement project. Audit's involvement in this project will be focused on the online self-service security. Project 1908 - Fieldwork being performed. The online self-security is scheduled for completion by the 1st quarter of 2020.	Jul-Sep	7/9/2018	

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
05	Fiscal	Rehire Retirees	Project 1914 - report being finalized.	Jan-Mar	8/29/2018	
06	IT	Microsoft Office 365 Implementation Project	Microsoft's Office 365 product moves their applications (i.e., Outlook, Word, Excel, etc.) to a subscription based service (online only) model instead of the traditional on site model. IT is currently evaluating the options available to implement the Microsoft 365 version of Outlook at LASERS. If steps are taken to implement this application, then audit will participate in this project in a consulting capacity and review the components of the implementation plan and other key aspects of this project as they are developed. Project 1930 - fieldwork being performed.	Jul-Sep	2/25/2019	
07	Investments/Fiscal	Investment manager review	Project 1928 Vista Equity Partners - COMPLETED.	Jan-Mar	2/27/2019	7/29/2019
08	Member Services/Fiscal	Employer Agency Reviews	Testing of employer agencies is conducted throughout the fiscal year. As one employer agency review is completed another is started.	Jul-Jun		
		2003 Department of Natural Resources	Completed.	N/A	7/1/2019	7/10/2019
		2006 Port of Lake Charles	Completed.	N/A	7/19/2019	10/29/2019
		2007 Department of Environmental Quality	Completed.	N/A	7/22/2019	8/16/2019
		2010 Department of Justice	Completed.	N/A	8/23/2019	9/23/2019
		2011 McNeese State University	Fieldwork being performed.	N/A	8/29/2019	
		2014 Office of Financial Institutions	Completed.	N/A	10/7/2019	10/22/2019

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
		2015 Board of Medical Examiners	Fieldwork being performed.	N/A	10/15/2019	
09	Member Services/Fiscal	Employer Agency Queries	This project consists of a monthly evaluation of automated testing on employer agencies related to proper enrollment of members and rehired retirees and leave reporting for retirees.	Jul-Jun	7/1/2019	
			This project consists of the development of new automated testing for employer agencies.	Jul-Jun	7/1/2019	
10	Audit Services	Fraud Investigations		Jul-Jun	7/1/2019	
11	Member Services/Fiscal/IT	Funding Actuarial File Review	This project includes the testing of the actuarial data files submitted to the System Actuary for completion of the funding actuarial valuation. This will cover the most recent previous fiscal year. Project 2004 - COMPLETED.	Jul-Sep	7/1/2019	9/26/2019
12	Investments/Fiscal	Master Custodian Bank Review (BNY Mellon)	Project 2005 - fieldwork being performed.	Jul - Sep	7/1/2019	
13	Member Services/Fiscal/IT	GASB 68 Actuarial File Review	This project includes the following: - Testing of the actuarial data files submitted to the System Actuary for completion of the GASB 68 audit report. - Review of the GASB 68 audit report. This will cover the most recent previous fiscal year. Project 2008 - fieldwork being finalized.	Aug-Oct	7/31/2019	
14	Fiscal	External Financial Statement Audit Report and Funding Actuarial Valuation Report Review	This is an annual project that consists of a review of the external financial statement audit report and the funding actuarial valuation report. A cross comparison to the funding actuarial valuation report is also performed as part of this project. Project 2012 - COMPLETED.	Sep	9/6/2019	9/27/2019

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
15	IT	Disaster Recovery Process Modernization	IT is taking the steps to modernize the technology and approach to disaster recovery at LASERS. As part of this initiative, the disaster recovery process is also being modernized. Audit will participate in this project in a consulting capacity and review the new process as it is being developed and implemented. Project 2009 - fieldwork being finalized.	Sep-Nov	8/20/2019	
16	Audit Services	Audit Charter and Policy Compliance Review	This project will consist of the annual assessment of compliance and completion of the items outlined in the Audit Committee Charter, Audit Services Division Charter, and the Audit Resolution Policy and Procedures. Project 2013 - COMPLETED.	Oct-Dec	9/24/2019	10/9/2019
17	Audit Services	Mkinsight/Pentana Audit Upgrade and Enhancement	This project will be completing an upgrade of our audit management system.	Jan-Mar		
18	Executive/Member Services/Fiscal/IT	Actuarial File Layout Update Project (FYE 2020)	This consulting project will consist of working with the necessary parties to evaluate proposed changes to the annual actuarial file layout and perform the necessary testing of those changes. This will be a multi-year project. Final decisions have not been made on the planned work on this project for the fiscal year, but the goal is to begin work on Phase 1. Update: The initial analysis of the scope and effort of Phase 1 is being performed by IT and, upon completion, a anticipated start of Phase 1 will be established.	Jan-Mar		
19	Member Services	Benefit Calculation Review		Dec-Feb		

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
20	IT	IT Security Management Review	The area of focus for this review is Active Directory, Group Policy Management, and Network Logical Security. IT and Audit plan to partner with a third party firm to complete the technical aspects of this project. The process components of this area will be reviewed by audit.	Jan-Mar		
21	Audit Services	Peer Review of Louisiana Tech Internal Audit Function	The audit director has been requested to participate on the team that will perform a peer review of the Louisiana Tech internal audit function.	Jan-Mar		
22	Investments/Fiscal	Investment manager review		Jan-Mar		
23	Member Services/Fiscal/IT	SOLARIS User Security Update and Review	This will be a consulting and assurance type project. Member Services will be initiating a project to evaluate and update the user security roles in SOLARIS. Audit will provide feedback and recommendations in this area as the suggested updates are being developed and implemented. This project will also include an evaluation of all non-Member Service user security roles in SOLARIS to ensure proper configuration.	Jan-Mar		
24	Audit Services	Internal Quality Assurance Review	A full internal quality assurance review is completed in the fiscal year prior to an external quality assurance review. The next external quality assurance review is scheduled for FYE 2021.	Mar-May		

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
25	Executive	Enterprise Risk Management (ERM) Implementation	This is a consulting project where Audit Services is working with the Chief Risk Officer to evaluate the various components of ERM that are in the process of being implemented.	Jul-Jun		
26	All Divisions	Continuous Auditing of Various Processes	Continuous Auditing Queries performed in the following areas: <ul style="list-style-type: none"> - Accounting Processes (SOLARIS) - Accurint Search Activity - Benefits - Death - Disability - Membership - Refunds - Service Purchases - Transfers 			
			This is the project for the research of the exceptions identified during this testing.	Jul-Jun	7/1/2019	
			This project consists of the development of new continuous auditing tests.	Jul-Jun	7/1/2019	
			Review of IRS Form 1099-R issued by LASERS.	Dec-Jan	11/19/2019	
			Review of Required Minimum Distributions issued by LASERS.	Oct-Dec	11/18/2019	

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
27	Audit Services	Audit Services Follow Up Activities	This project consists of follow up on open items from previous projects conducted by the audit division. A larger than normal allocation has been assigned to this area for follow up related to Project 1604 IT Security Management Review and Project 1801 Agency Contribution Reporting Review.	Jul-Jun		
		<u>ADMINISTRATIVE WORK</u>				
28	Audit Services	Administrative work--including audit committee preparation, preparing audit division budget, updates of the charter, updates of the audit services division procedure manual, audit plan development, staff performance evaluations, travel, etc.			N/A	
		<u>UNBUDGETED PROJECTS</u>				
29	Audit Services	These projects will consist of those not planned at the start of the fiscal year.			N/A	
		<u>PERCENTAGE OF HOURS ALLOCATION</u>				
		82.55%	Budgeted Projects			
		2.54%	Follow up Activities			
		5.84%	Unbudgeted Projects			
		8.60%	Administrative Time			
		<u>PERFORMANCE MEASURES</u>				
		Audit Committee Satisfaction Survey	Feedback will be used to identify improvements.			
		External Quality Assessment (Peer) Review	Performed once every five years and should receive a "generally complies" rating which is the highest offered.			
		Training hours per auditor	Each auditor must obtain 40 hrs of continuing education each fiscal year.			

FYE 2020 Audit Plan

#	Division	Engagement Name	Status/Comments	Planned Start Period	Actual Start Date	Actual Completion Date
		<u>STAFFING RESOURCES</u>				
		<u>Name and Position</u>	<u>Certifications</u>	<u>LASERS Audit Experience (Approx.)</u>		
		Ryan Babin, Audit Director	Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA)	16 years		
		Reece Babin, Staff Auditor		2 years		
		Nicole Xue, Staff Auditor		1 year		
		Paul Tran, Staff Auditor		1 year		
		Laura Sena, Staff Auditor	CPA	5 months		

Summary of Closed Items Listing

Area	Number of Items Closed during 2019
Employer Agencies	11
Fiscal	1
Information Technology (IT)	2
Member Services	6
Total	20



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Items Closed During 2019

Observation #	Observation	Recommendation
<u>Agency Audit</u>		
1411	Port of South Louisiana	
01B	<p>The current process used by the agency to calculate LASERS reportable earnings is manual. The payroll staff performs the following general steps on a monthly basis:</p> <ul style="list-style-type: none">-Runs a report from the payroll system that contains the monthly contributions for each LASERS member.-Uses an Excel spreadsheet to derive the monthly earnings based on the monthly employee contributions obtained from the payroll system and the employee's contribution rate.-Reports to LASERS the manually derived earnings and the contributions contained in the payroll system generated report. <p>The manual nature of this process and use of a spreadsheet greatly increases the risk of agency contribution reporting errors. The LASERS reportable earnings should be obtained directly from the computer system since the contributions are derived from the employees' earnings for the respective month and not the other way around.</p> <p>During this review, twelve individuals were identified where the incorrect earnings were reported to LASERS. This type of error could cause service credit and final average compensation to be incorrect for the affected individuals.</p>	<p>The agency should submit the necessary breakdown and adjustments to correct the earnings and contributions for the twelve individuals cited in the observation above. Furthermore, the agency should perform a review of the monthly reports submitted to LASERS as compared to their computer system and determine if other errors exist. If additional errors are identified, then work with LASERS to make corrections accordingly. The agency agrees with this recommendation. The agency has submitted the requested paperwork for the twelve individuals cited in the observation above to LASERS. Also the paperwork for all employees has been submitted to LASERS and is currently under review. September 2015 Update: LASERS has received detailed payroll reports from the agency for these twelve individuals and is in the process of comparing to what was originally reported and making adjustments, as necessary.</p> <p>March 2016 Update (Audit Services): Fiscal is in the process of reviewing and approving these adjustments.</p> <p>September 2016 Update (Audit Services): Member Services has sent breakdowns of pay to the agency for five of the twelve individuals to be verified. Once the breakdowns are verified by the agency, Member Services will process them as administrative errors.</p> <p>March 2018 Update (Audit Services): There are currently nine items remaining open.</p>

Observation #	Observation	Recommendation
1623	Louisiana State University (LSU)	August 2019 Update (Audit Services): All nine items have been resolved.
03B	<p>The following items related to agency contribution reporting were identified:</p> <p>a. There were five individuals where the monthly base pay reported to LASERS was overstated for select months. According to the agency, these individuals were paid from multiple accounts which caused this reporting error. For example, one individual was paid from two different accounts for the month, which doubled the monthly base pay reported to LASERS in error. It should be noted that during this review, the agency provided LASERS with the necessary information to resolve one of the five individuals.</p> <p>b. There were two individuals where the pay period and pay dates were incorrectly reported for off-cycle retroactive adjustments. According to the agency, the current method used to process off-cycle retroactive adjustments is manual. The manual nature of this process can led to these types of reporting errors. It should be noted that during this review, the agency provided LASERS with the necessary information to resolve one of the two individuals.</p> <p>c. There were eight individuals where leave without pay (LWOP) dates were not reported to LASERS. According to the agency, the departments did not always load LWOP in order for the information to get reported to LASERS properly.</p> <p>Incorrect reporting of base pay, pay period dates, pay dates, and leave without pay can cause errors in producing retirement estimates for members and can also impact the proper calculation of service credit. According to the agency, these</p>	<p>The agency should review their agency reporting procedures and process currently in place and make the necessary changes to ensure base pay, leave without pay, pay period start, end and payment dates are reported to LASERS accurately and timely.</p> <p>LSU agrees with this recommendation. LSU's SOLARIS file was updated when implementing their new Human Capital Management (HCM) and Finance system. The new system is programmed to provide LWOP dates when they are available. LWOP for less than a pay period will still be electronically unreportable. More of the fields are being populated with the new system, but there are still new situations that are being identified each month and being reprogrammed as they go. Particularly as it pertains to base pay and pay period start and end dates.</p> <p>September 2017 Update (Audit Services): The agency is working on improving their current process to address the item.</p> <p>February 2019 Update (Audit Services): The agency is working on improving their current process to address this item.</p> <p>August 2019 Update (Audit Services): The agency has provided the changes made to their process and procedures that they feel have addressed the agency contribution reporting issues noted in this observation.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	reporting errors should be addressed with their new system called Workday, which went live effective July 1, 2016. The agency indicated that they will still need time to test this and will need several iterations to pass before knowing if it was fixed.	
1715	Louisiana State University Health Sciences Center Shreveport	
01A	<p>During this review, there were enrollment related reporting issues identified for two individuals. These items are as follows:</p> <p>a. One member was enrolled in the incorrect retirement plan upon hire. This member was hired into a hazardous duty position in April 2014, making them only eligible for the Hazardous Duty Plan (HAZP) in accordance with Louisiana Revised Statutes 11:611. However, this member was reported to LASERS under the Regular Employee 3 plan. During this review, LSUHSCS was informed that this individual was enrolled in the incorrect retirement plan. Since this member had no prior service credit, they should have been enrolled in the HAZP since the original hire date in 2014.</p> <p>b. One member was hired in a hazardous duty position, but was not Police Officer Standards and Training (POST) certified, so they were properly enrolled in the Regular Employee 3 plan. Upon becoming POST certified in May 2016, form 2-18 should have been submitted to LASERS for this member giving them the option to join the HAZP in accordance with Louisiana Revised Statute 11:620.</p> <p>The potential impact of the discrepancies noted is that these members were contributing into a plan with a:</p> <ul style="list-style-type: none"> • Lower employee contribution rates of eight percent compared to the nine and a half percent rate of the HAZP. • Different employer contribution rate for each fiscal year affected. • Lower benefit accrual rate of two and a half percent compared 	<p>The agency should work with LASERS to ensure the remaining steps are taken to fully correct the records for the individuals noted above. The agency agrees with this recommendation and has begun to correct the records for the individuals noted above. The agency will continue to work with LASERS Member Services to address these items.</p> <p>September 2017 Update (Audit Services): The agency has addressed one of the individuals and is currently working with Member Services to correct the second.</p> <p>March 2018 Update (Audit Services): The agency is still working with Member Services to correct the second individual.</p> <p>August 2018 Update (Audit Services): Member Services is working with the member to address this item.</p> <p>February 2019 Update (Audit Services): Member Services is still working with the member to address this item.</p> <p>July 2019 Update (Audit Services): Admin Error has been paid by member and SOLARIS has been corrected to reflect this status. This item is closed.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	to the HAZP accrual rate of three and a third percent.	
	It should be noted that the agency has submitted HAZP enrollment forms to LASERS for these two individuals.	
1907	University of Louisiana at Monroe	
01A	<p>During this review, it was determined that incorrect amounts of unused leave were certified for two retirees which caused an error in the payments issued to the members upon retirement. For one individual, the unused leave amount was overstated approximately 65 hours. For the second individual, the unused leave amount was understated approximately 10 hours. According to the agency, leave balances are certified after the final payroll has been processed and termination pay has been reduced from the leave balance. Before the certification is sent to LASERS, Human Resources at the agency emails the leave balance to their payroll department to verify the remaining leave balance.</p> <p>It should be noted that during this review the agency has provided the corrected leave forms to LASERS for these retirees.</p>	<p>The agency should work with LASERS staff, as necessary, to properly resolve the retirees cited in this observation. The agency agrees with this recommendation. ULM has provided the corrected leave forms and is working with LASERS to resolve the retirees cited in this observation. The agency has implemented new procedures for reporting leave balances to LASERS. The Human Resources Benefits Manager receives a copy of the leave balances from Payroll. This documentation includes the total amount of leave at retirement, after the agency payout, and once the accounts are zeroed out.</p> <p>March 2019 Update (Audit Services): The agency has submitted corrected leave balances for the two individuals to LASERS. LASERS staff has performed the necessary recalculations for both individuals. For the overpayment, the member has been invoiced and has sent a check to LASERS for the balance due. For the under payment, the member's benefit has been adjusted.</p>
01B	<p>During this review, it was determined that incorrect amounts of unused leave were certified for two retirees which caused an error in the payments issued to the members upon retirement. For one individual, the unused leave amount was overstated approximately 65 hours. For the second individual, the unused leave amount was understated approximately 10 hours. According to the agency, leave balances are certified after the final payroll has been processed and termination pay has been reduced from the leave balance. Before the certification is sent</p>	<p>The agency should review their procedures and process currently in place and make any necessary updates to ensure the unused leave balances are certified to LASERS in an accurate and timely manner. The agency agrees with this recommendation. The agency has reviewed their procedures and process. The agency agrees that retirees must be paid out up to 300 hours of annual leave within 15 days of termination. After Human Resources receives the leave balances from Payroll, Form 7-01 will be completed and mailed to LASERS within 30 days.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	<p>to LASERS, Human Resources at the agency emails the leave balance to their payroll department to verify the remaining leave balance.</p> <p>It should be noted that during this review the agency has provided the corrected leave forms to LASERS for these retirees.</p>	<p>March 2019 Update (Audit Services): The agency is in the process of making policy and procedure updates to ensure leave balances are reported correctly.</p> <p>April 2019 Update (Audit Services): The agency has updated their procedures. The analyst is instructed to print the final leave balances, give them to the Benefits Manager, and zero out the leave balances. The agency will then complete a payout form to determine if the individual is eligible to receive payment for annual and sick leave. If it is determined that they are eligible, the termination pay is calculated.</p>
02A	<p>During this review, it was determined that ineligible earnings were reported to LASERS for two individuals.</p> <p>One individual was granted optional pay in 2018. The optional pay is currently being paid to this individual over 26 pay periods. The amount earned thus far of \$609.12 has been reported to LASERS as retirement eligible. The agency noted that this wage type is used when making an optional pay lump sum payment over a period of time and is not considered permanent. According to LASERS Liaison Memo 12-23 Retirement Eligibility on Optional Pay, earned compensation does not include lump sum optional pay or optional pay spread over several pay periods or months. Furthermore, contributions are only paid on earned compensation. The agency confirmed that earnings should not have been reported to LASERS in this situation.</p> <p>A second individual was employed in a position at ULM that was not eligible for LASERS; however, a portion of wages earned in that position were coded as casual labor wages and incorrectly reported to LASERS. This occurred because the individual transferred from an ineligible position to a LASERS eligible position in the middle of a pay period and the portion of earnings</p>	<p>The agency should identify if there are other employees that have been affected by these type of issues and work with LASERS Fiscal staff to take the necessary steps to properly correct the records for the individuals impacted. The agency agrees with this recommendation. According to the agency, these individuals were reported in error. Going forward, ULM will work closely with the Controller's Office to ensure the correct percentage of retirement is being deducted from earnings.</p> <p>March 2019 Update (Audit Services): The agency is working with the LASERS Fiscal staff to resolve this item.</p> <p>May 2019 Update (Audit Services): The agency has worked with LASERS Fiscal staff and corrected the contributions for the two individuals discovered in the audit. ULM staff stated that they believed to have found one individual with similar issues and are working with LASERS Member Services to correct the issue. After discussing this item with Member Services, this individual does not appear to be related. This item is now closed.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	associated with the ineligible position was submitted to LASERS. The agency confirmed that ineligible wages in the amount of \$250 were sent to LASERS for this individual.	
02B	<p>During this review, it was determined that ineligible earnings were reported to LASERS for two individuals.</p> <p>One individual was granted optional pay in 2018. The optional pay is currently being paid to this individual over 26 pay periods. The amount earned thus far of \$609.12 has been reported to LASERS as retirement eligible. The agency noted that this wage type is used when making an optional pay lump sum payment over a period of time and is not considered permanent. According to LASERS Liaison Memo 12-23 Retirement Eligibility on Optional Pay, earned compensation does not include lump sum optional pay or optional pay spread over several pay periods or months. Furthermore, contributions are only paid on earned compensation. The agency confirmed that earnings should not have been reported to LASERS in this situation.</p> <p>A second individual was employed in a position at ULM that was not eligible for LASERS; however, a portion of wages earned in that position were coded as casual labor wages and incorrectly reported to LASERS. This occurred because the individual transferred from an ineligible position to a LASERS eligible position in the middle of a pay period and the portion of earnings associated with the ineligible position was submitted to LASERS. The agency confirmed that ineligible wages in the amount of \$250 were sent to LASERS for this individual.</p>	<p>The agency should review their agency reporting procedures and process currently in place and make the necessary changes to ensure only eligible wages are reported to LASERS in these situations. The agency agrees with this recommendation. According to the agency, these individuals were reported in error. Going forward, ULM will work closely with the Controller's Office to ensure the correct percentage of retirement is being deducted from earnings.</p> <p>March 2019 Update (Audit Services): The agency is in the process of making policy and procedure updates to ensure only eligible wages are reported to LASERS.</p> <p>May 2019 Update (Audit Services): The agency has confirmed that the reporting procedures and process currently in place has been addressed by Human Resources and Payroll to ensure only eligible wages are reported to LASERS.</p>
03	During this review, it was determined that LWOP dates were not consistently reported to LASERS. According to LASERS Liaison Memo 13-24 Reporting LWOP, it is necessary for non-LaGov reporting agencies to report LWOP to LASERS. LWOP dates can be reported to LASERS in two primary ways, Employer Self-	The agency should create LWOP reporting procedures and processes to ensure this information is reported to LASERS accurately and timely. The agency agrees with this recommendation. ULM stated that LWOP will be reported through Employer Self-Service going forward.

Observation #	Observation	Recommendation
	Service (ESS) or on the monthly contribution file. The agency noted that there is not a set process to report LWOP to LASERS. Incorrect or missing LWOP information can cause errors in producing retirement estimates for members and can also impact the proper calculation of service credit.	March 2019 Update (Audit Services): The agency is in the process of creating procedures to ensure LWOP is properly reported to LASERS. April 2019 Update (Audit Services): The agency has created procedures to report LWOP to LASERS.
1909	Department of Public Safety	
01A	<p>During this review, there were four enrollment related issues identified which are as follows:</p> <p>a. There were two individuals who were enrolled into the incorrect retirement plan upon hire. Both were hired into hazardous duty positions and should have been enrolled in the Hazardous Duty Plan (HAZP) since they did not have service credit in LASERS prior to being hired into a hazardous duty position. One was enrolled in the Regular Employee 4 plan (RGL4) and the other was enrolled in the Regular Employee 3 plan (RGL3). In both instances, the individuals were contributing into plans that have lower employee contribution rates of eight percent compared to the nine and a half percent rate of the HAZP. Additionally, the individuals were also subject to the lower benefit accrual rate of two and a half percent compared to the HAZP accrual rate of three and a third percent.</p> <p>b. One individual was hired on January 9, 2017 into a non-hazardous duty position and was properly enrolled in the RGL4 plan. On February 12, 2018, this individual was hired into a hazardous duty position which resulted in them having a choice to either join the HAZP prospectively or remain in the RGL4 plan. This election is made by the individual on the Hazardous Duty Services Plan Election form (2-18). In this situation, the election form was not obtained by the agency from the individual</p>	<p>The agency should work with LASERS to ensure the remaining steps are taken to fully correct the records for the individuals noted above. We have reached out to each affected employee and notified them of the error and necessary steps to correct the error. For the employees noted in letter A. of the Observations, since these errors resulted in additional contributions owed, HR reached out to OSUP to obtain the correct amounts owed and have set up payment plans, with repayment amounts agreed upon by the employees until retroactive contributions have been made whole. For the employee noted in letter B., we have notified the employee of their option to join the Hazardous Duty Plan or retain eligibility in their former plan. We have also requested a completed Election Form, Form 2-18, to confirm their decision. For the employee noted in letter C., they have now been enrolled in the proper retirement plan. The benefits section of HR will meet with staff to conduct a training to ensure that staff understands timely and accurately enrolling of employees into retirement plans based on all relevant factors (prior service, previous retirement, position type, etc.).</p> <p>February 2019 Update (Audit Services): All items except for one has been addressed. For the one open item, Member Services is awaiting payment on an outstanding invoice.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	<p>upon being hired into their hazardous duty position.</p> <p>c. There was one individual who retired from the Louisiana State Police Retirement System (LSPRS) and then subsequently hired into a LASERS eligible position on June 18, 2018. According to R.S. 11:411(7)(b), membership shall be optional for any person who is receiving retirement benefits from any Louisiana public retirement system. This individual opted to join LASERS and was not properly enrolled.</p> <p>It should be noted that DPS has begun taking the necessary steps to correct these records and update their procedures and training.</p>	<p>April 2019 Update (Audit Services): All items have been addressed.</p>
01B	<p>During this review, there were four enrollment related issues identified which are as follows:</p> <p>a. There were two individuals who were enrolled into the incorrect retirement plan upon hire. Both were hired into hazardous duty positions and should have been enrolled in the Hazardous Duty Plan (HAZP) since they did not have service credit in LASERS prior to being hired into a hazardous duty position. One was enrolled in the Regular Employee 4 plan (RGL4) and the other was enrolled in the Regular Employee 3 plan (RGL3). In both instances, the individuals were contributing into plans that have lower employee contribution rates of eight percent compared to the nine and a half percent rate of the HAZP. Additionally, the individuals were also subject to the lower benefit accrual rate of two and a half percent compared to the HAZP accrual rate of three and a third percent.</p> <p>b. One individual was hired on January 9, 2017 into a non-hazardous duty position and was properly enrolled in the RGL4 plan. On February 12, 2018, this individual was hired into a hazardous duty position which resulted in them having a choice</p>	<p>The agency should review their enrollment procedures and process and make any necessary changes to ensure the items noted in the observation are adequately addressed. As stated above, the benefits section of Human Resources will conduct a training with HR Analysts who are responsible for the processing of employees into various retirement plans. We will cover processes and procedures for enrollments. Additionally, the benefits section will put processes in place to audit enrollments each pay period. If the position is a hazardous duty position, the benefits section will confirm with the HR Analyst that the employee was not eligible for another plan and if the employee was eligible, that a 2-18 form has been received. We will also review all checklists used in the hiring process to ensure procedures are clear and up-to-date.</p> <p>February 2019 Update (Audit Services): We contacted DPS and are awaiting the status of the updated procedures/checklists.</p> <p>July 2019 Update (Audit Services): DPS has provided updated versions of their procedures and</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	<p>to either join the HAZP prospectively or remain in the RGL4 plan. This election is made by the individual on the Hazardous Duty Services Plan Election form (2-18). In this situation, the election form was not obtained by the agency from the individual upon being hired into their hazardous duty position.</p> <p>c. There was one individual who retired from the Louisiana State Police Retirement System (LSPRS) and then subsequently hired into a LASERS eligible position on June 18, 2018. According to R.S. 11:411(7)(b), membership shall be optional for any person who is receiving retirement benefits from any Louisiana public retirement system. This individual opted to join LASERS and was not properly enrolled.</p> <p>It should be noted that DPS has begun taking the necessary steps to correct these records and update their procedures and training.</p>	<p>checklists based on the outlined recommendation.</p>
1917	Delgado Community College	
01A	<p>During this review, one individual was hired into a LASERS eligible position, but was not properly enrolled into LASERS.</p> <p>According to LA R.S. 11:411(7)(a), "membership shall be optional for those persons sixty years of age or older at the time of employment and for those persons fifty-five years of age or older who have credit for at least forty quarters in the Social Security system." The individual should provide a copy of the Social Security Administration's form (SSA-7005) to validate that they have attained at least 40 quarters of work in Social Security.</p> <p>The individual identified during this review was between 55 and 60 years of age at their hire date and elected to not be enrolled in LASERS. However, it was discovered that documentation of</p>	<p>The agency should work with LASERS to ensure the remaining steps are taken to fully correct the record for the individual noted above. As stated above, the Human Resources/Benefit department has begun the process in correcting the identified individual's information. The remaining steps are for the calculation of what was paid into FICA, making a payment made into LASERS of that amount, including the difference in percentage not paid by both employee and employer.</p> <p>June 2019 Update (Audit Services): Individual made the decision to not participate in LASERS at age 55 without providing proof of SSA 40 quarters. After working with the member, the agency correctly enrolled them into LASERS retroactively.</p>

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	<p>the 40 quarters of work in Social Security was not submitted; therefore, they did not meet the criteria that allows for them to opt out of LASERS.</p> <p>It should be noted that DCC has begun taking the necessary steps to correct this record and update their procedures and training.</p>	

Fiscal

1316 Required Minimum Distribution Review

01	<p>LASERS policy is to issue payments to members and beneficiaries prior to December 31st of each year, for individuals that have not withdrawn the required minimum amount during the year. In November 2010, it was determined that Empower Retirement was not issuing RMDs in the same manner as LASERS. Instead, Empower Retirement issued RMDs based upon the participant's choice.</p> <p>In October 2011, LASERS corresponded with Empower Retirement and instructed them to begin issuing RMDs to all LASERS SDP members in accordance with IRS regulations and LASERS procedures. The correspondence contained details on LASERS procedures and IRS regulations which also included specific guidance on RMDs from LASERS tax attorney.</p> <p>During this project, records of SDP members and beneficiaries with accounts at Empower Retirement were reviewed as part of RMD testing. Below is a summary of the items that were identified. Member Services is currently drafting a letter to Empower Retirement that outlines the issues noted below along with suggested process improvements.</p>	<p>Member Services should implement a monitoring process to review results of Empower Retirement's RMD process prior to issuance of RMDs each year. Additionally, Member Services should ensure that future changes in the RMD process are communicated to Empower Retirement and work with them to make certain that the necessary modifications needed to prevent errors are implemented to reduce the risk of errors. Member Services agrees with the recommendation and responded that LASERS will work with Empower Retirement to establish a testing process on the accounts there prior to the issuance of RMDs. Empower Retirement will be notified of any changes to the RMD process by formal letter when changes occur. September 2014 Update:</p> <p>Fiscal suggests moving the target completion date to June 30, 2015 as this process just recently transitioned to them and they need time to work through it themselves work with Empower Retirement. Member Services replied to Fiscal in early September stating that they have not sent anything to Empower Retirement as they were waiting on confirmation from tax counsel on beneficiary related calculations. March 2015 Update: New target completion date December 31, 2015.</p> <p>March 2016 Update (Fiscal):</p>
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<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
		<p>We have not had time to obtain information from Empower Retirement due to new projects in the responsible area (Affordable Care Act compliance, JDE upgrade, etc.). Fiscal will contact Empower Retirement to obtain data issued by them and any logic documents they can provide to assist in the performance of testing. From there, Fiscal will see what additional changes should be made on their part. We will communicate our findings and conduct testing on their 2016 RMDs. Recommend new target completion date of February 28, 2017.</p> <p>February 2017 Update (Fiscal): Wretha worked with Empower in late 2016 to review their RMD listing and communicated changes to them. We have not had time to review the RMDs they issued against our listing. Nor have we had time to review any transfers made after the data provided by Empower was reviewed to see if any others were required to receive an RMD, and if they did receive it. Recommend new target completion date of May 31, 2017 to allow time for review and further discussion and any necessary changes to be made.</p> <p>August 2017 Update (Fiscal): Fiscal has completed research and it appears Empower is not using the correct divisor table for beneficiaries. They also suspect Empower is not following the 1 and 5 year payout rules that LASERS is using. Fiscal will send our procedures and charts to Empower and research further to determine if anything else is not being done using the same methodology as we are. Suggest new completion date of March 31, 2019. Fiscal is doubtful that programming by Empower could be corrected in time for the 2017 process. When verifying the RMD spreadsheet sent to LASERS for 2017, Fiscal will plan to flag the beneficiaries and manually calculation the RMDs using the correct table and have Empower change them.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
		<p>August 2019 Update (Fiscal): The difference in the RMD calculation method used by LASERS compared to Empower was discussed with Legal and it was decided that as long as Empower was using an IRS approved method, that there was not a need to push them to change to the method LASERS was using. Additionally, it was discussed that since all new DROP retirees funds are going to Empower, that we should not force them to change their calculations to match ours as the traditional DROP participant count for balances held at LASERS is decreasing. Fiscal recommends that this item be closed.</p> <p>September 2019 Update (Audit Services): Audit Services is planning to perform a review of the Empower RMD process during FYE 2021 which will consists of an independent validation that the issue(s) associated with this observation have been resolved.</p>

IT

1604 IT Security Management Review

07	<p>IT security related information is provided to all LASERS employees in two key ways. First, an IT security policy video is provided to newly hired employees during orientation. Second, IT security related items are communicated to employees on a periodic basis via email, employee newsletter, and agency wide staff meetings. This approach is a good way to increase the general level of IT security awareness, but there is no guarantee that employees will read the email, look at the newsletters, or understand the subject matter. A formalized plan to consistently inform LASERS staff of the ever changing security threats and actions they should take has not been documented.</p>	<p>IT should formalize and implement an organizational-wide IT security training program to ensure every employee knows how to recognize IT security red flags and how to respond accordingly.</p> <p>IT plans to perform the following corrective action to address this item:</p> <ul style="list-style-type: none"> •A training plan will be developed which will include, at a minimum, the following: <ul style="list-style-type: none"> o New hire training will be implemented that covers security topics. o Periodic and ongoing training provided to all staff which `cover focused topics such as: virus and malware protection best practices, web surfing issues, typical email attacks, phone scams,
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<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
		<p>and/or other data security related topics as they become available.</p> <ul style="list-style-type: none"> o Security presentation to the LASERS board. o Recommendation will be made into the purchasing or development of online computer based security training that can be distributed on a regular basis and be required to complete by staff similar to other HR required trainings. <p>August 2017 Update (IT): No activity has been accomplished on this item. A review of the item along with a draft plan and new completion date will be provided by the end of November 2017.</p> <p>July 2018 Update (IT): Due to some unexpected projects in the Spring, this project has been delayed. A new target date will be forthcoming.</p> <p>August 2019 Update (IT): The following is being provided: 1.New hire training is provided via the current video and will be updated as needed or at HR request. 2.Monthly staff communication is being performed in the form of the “Cyber Security and You” newsletter. 3.Periodic security presentations are made to the LASERS Board with approval from the Executive team. No further action is planned at this time. IT considers this item closed.</p>
09	<p>A network switch is a computer hardware device that connects other devices together on a computer network. It forwards and controls data flowing across the network to specific devices that need to receive it instead of broadcasting the data to all connected devices. When new security vulnerabilities are identified, the vendor may decide to release a security update patch that needs to be installed on the affected device to reduce its exposure to those vulnerabilities.</p>	<p>IT should make the necessary changes to their monitoring process that will ensure the following:</p> <ul style="list-style-type: none"> •Real time notification when a new version of a network switch OS is released. •Testing and installation of the new version is completed in a timely manner. <p>IT plans to perform the following corrective action to address this item:</p> <ul style="list-style-type: none"> •A procedure will be established and followed to review switch
LASERS IT procedure currently in place requires the network		

Observation

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Observation**Recommendation**

switch operating system (OS) to be evaluated for new updates on a bi-annual basis in June and December. If a new update is identified, then it is applied across all affected devices.

During this review, it was identified that five of the thirteen network switches in the LASERS environment were not updated to the current OS version in accordance with the outlined procedure notated above. It should be noted that during this review IT took the necessary steps to ensure these switches are on the current OS version.

and network device code on a quarterly basis and update as necessary. All exceptions to this process will be documented.

- The IT Security Administrator will submit a code summary and action plan report to the IT Tech Support Manager on a quarterly basis outlining the plans for the updates including reasons that these updates were not done. Note: There may be legitimate reasons to delay or cancel code updates.

- Investigation will be made into options for notification lists on all devices to ensure understanding when switch or network device updates becomes available.

September 2017 Update (IT):

No activity has occurred on this item. The development of the process is pending. Please adjust the completion date to June 2018 to account for any issues with product implementation.

September 2018 Update (IT):

Network switches are a critical piece of the LASERS infrastructure. Keeping these devices up to date helps ensure the security of the LASERS environment. To ensure LASERS is taking the best approach, responding timely, and utilizing skilled resources, IT has implemented a contract with one of our partners to evaluate our network environment on a quarterly basis. A report will be produced and approved changes/upgrades will be implemented that quarter. Once this contract is in place and the first session completed, this item will be considered closed. IT estimates the contract will be in place and the first execution will be complete at the latest by the end of November 2018.

December 2018 Update (IT):

The partnership with our vendor is working well. But as the analysis of the network environment has proceeded the time required to address everything has taken longer than anticipated. The environment is now updated but a “clean” run of the process

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		<p>has not occurred. Before we close out this item IT would like to have that “clean” run first. Request to delay this item to January 31, 2019.</p> <p>February 2019 Update (IT): There were many areas that needed to be updated and that took longer than anticipated. However, everything is complete, but we are awaiting the final report. From this, a standard quarterly report will be developed. Once complete, that report will be part of the process and used as evidence to close out this item. Next update will be provided February 28, 2019.</p> <p>March 2019 Update (IT): LASERS does not have deep expertise in the management of network switches, ASA firewalls, and other network management devices. To ensure LASERS is as secure as possible, IT has engaged Sparkhound in a quarterly analysis and maintenance contract. Sparkhound, in conjunction with technical support staff, will review the entire LASERS network infrastructure quarterly, updating software, loading patches, reviewing / updating configurations, and any other adjustments that need to be made. Each quarterly review, Sparkhound will produce a report for LASERS, “Network Health Check”. LASERS IT has received and reviewed the report from Sparkhound on the LASERS network infrastructure from the 1st quarter 2019 review. The updates took 2 quarters to complete to bring the LASERS network infrastructure in line with all critical recommendations, thus the 4th quarter 2018 report was not generated. The report states that “no major or critical configuration errors” were discovered. The critical items noted for the future were two network switches approaching end-of-life in Feb-2023 and Oct-2021. Both of these are far enough in the future such that budget planning can be managed within normal processes. The report identified numerous best practice options</p>

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		LASERS has the option to implement, but were not identified as mandatory. Each quarter, as the network assessment and update is performed these recommendations will be re-evaluated by Sparkhound to determine if they are still needed or have since been implemented. IT is recommending this item be closed.

Member Services

1614 Enrollment

02M During the 0919 review, testing was performed to verify that SOLARIS enrollment rule based validations (formerly known as enrollment edits) were working as designed. During the 1121 review, testing was performed to verify that SOLARIS functioned as intended due to the changes created by Act 992 of the 2010 Regular Legislative Session. Please refer to the background section of this report for relevant information on certain aspects of the current enrollment process. The primary issue identified during retesting of these items was the inconsistent results for C and H File enrollment processing. The processing of enrollment information should be consistent when processed by either the C or H File. Please refer to Appendix A for the original details associated with the items retested along with the updated testing results identified during this project. Of these 14 items, 13 remain open and one is closed.

DESCRIPTION

Member is eligible to contribute to the Hazardous Duty Plan (HAZP) with a positive election agreement on file.

STATUS PRIOR TO CURRENT PROJECT

TFS Bug 22945 (formerly SOLARIS Request #11553) was entered to address this issue; however, this bug was closed after it was made obsolete by TFS items 19615, 20090, and 24622. These TFS items are also closed.

Member Services should work with IT for items 2A through 2M to ensure that the C and H file processes pertaining to the enrollment validation functions as expected. Member Services agrees with this recommendation and has begun resolving it with comprehensive changes to the ACR contribution and HR file processes. These changes will ensure that all created enrollments that violate the enrollment rules will be placed in pending status. IT will update the SOLARIS application to address these findings. Member Services also noted that all work items that should have been generated by the C file process were accidentally turned off during the Enrollment Project and a data bug is being worked to turn those back on. TFS work items 36424, 36427, and 36416 have been entered for these updates. Furthermore, Member Services also plans to make enhancements to the SOLARIS testing process to better ensure these types of issues are tested for on a regular basis.

February 2017 Update (Member Services):

This item is still in the process of being completed. Please change the projected completion date to April 30, 2017.

June 2017 Update (Member Services):

All work completed through the following TFS items: Change Request 36424:ACR H File process - Updates to Enrollment Validation Change Request 36427:Update ACR C File Process -

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	<p>CURRENT EXPECTED RESULTS</p> <p>ESS and SOLARIS Enrollment Tab: A pending enrollment should be created and a work item should generate. C and H Files: A pending enrollment record should be created and a work item should generate.</p> <p>TESTING RESULTS</p> <p>ESS: No issues were identified. SOLARIS Enrollment Tab: A pending enrollment was created; however, no work item generated. C and H Files: A pending enrollment was not created and a work item did not generate.</p>	<p>Set Enrollment and Membership Statuses when ME-### rule is violated Bug 36416:Update Membership Edit Configurations Change Request 36457:Audit Enrollment Followup Project - ACR Enrollment Issues</p> <p>July 2018 Update (Member Services): Please change the target date to December 31, 2018. At this time, Member Services is unable to determine why the logic works outside of the ACR process, but seems to fail within the ACR process.</p> <p>December 2018 Update (Member Services): Member Services re-ran the test that was used for ME-041 generated by the C File, and the Enrollment now comes through as Pending at the end of the process. This should resolve all outstanding issues with the C File enrollment process. It seems that this ended up being resolved by a change made recently that strengthened the logic that finds the Enrollment that is associated with the contribution record that created it.</p>
1804	Disability Review	
01A1	<p>The following items were noted during this review and relate to instances where the disability process and procedures are not aligned. These observations and recommendations are outlined to help improve the process and documentation within the related disability processes.</p> <p>Disability retirees may return to active state service but they must select one of the following reemployment options:</p> <ul style="list-style-type: none"> •Return to active service and terminate their disability retirement benefit and become a contributing member of LASERS. •Return to work for a six month trial period and suspend their disability benefit during that time. 	<p>Member Services should evaluate the current processes and procedures for the areas described in the observations and take the steps to ensure the necessary updates are made. Member Services agrees with this recommendation. The corrective action plan for this item is noted below.</p> <p>Corrective Action Plan (Short-Term) (CLOSED)</p> <p>The following actions have been taken to address the issues related to disability retirees that return to state service (item A above):</p> <ul style="list-style-type: none"> •Member Services updated the Disability Retiree Return to State Service procedures which have been reviewed by Audit

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	During this review, it was observed that one member returned to work and chose to terminate their disability retirement; however, their monthly benefit payments did not cease on the date of reemployment which resulted in an overpayment of \$3,411.08. An invoice was sent to the member requesting the funds to be repaid and the member has agreed to a payment plan.	<p>Services.</p> <ul style="list-style-type: none"> •Member Services implemented a verification process for the Disability Return to Work process. The supervisor will now have a Death and Disability analyst verify the process. •The retiree in the observation above has been invoiced and has agreed to a payment plan.
		<p>Corrective Action Plan (Long-Term) (OPEN)</p> <p>Along with the items noted above, Member Services has also entered a request to create routing options in OPTIMUS to address the issues related to disability retirees that return to state service (item A above). This item is being tracked using TFS request 43857.</p> <p>June 2019 Update (Member Services): Member Services has updated the procedures and converted the work flow from a one step process to a two step workflow for disability retirees who have returned to work.</p>
01C1 -1	<p>The following items were noted during this review and relate to instances where the disability process and procedures are not aligned. These observations and recommendations are outlined to help improve the process and documentation within the related disability processes.</p> <p>After being approved for disability retirement, LASERS requires the retiree to complete an Annual Attending Physician Statement (AAPS) annually during their first five years of retirement and every three years thereafter until the retiree meets eligibility for regular retirement. This statement must be signed and completed by an AAPS Board approved physician. The procedures relating to the recertification of continuing disability states that all physicians performing the AAPS recertification</p>	<p>Member Services should evaluate the current processes and procedures for the areas described in the observations and take the steps to ensure the necessary updates are made. Member Services agrees with this recommendation. The corrective action plan for this item is noted below.</p> <p>Corrective Action Plan (Short-Term) (CLOSED)</p> <p>The following actions have been taken to address the issues related to the physician portion of the procedures:</p> <ul style="list-style-type: none"> •Member Services updated the Disability Certification of Continued Disability (AAPS) and Re-evaluation procedures to include verification of physician's license if the physician did not recertify the disability and that the physician information should be

<i>Observation</i>	<i>Observation</i>	<i>Recommendation</i>
#	<p>should be entered into SOLARIS. Also, the analyst should verify that the physician who completed the AAPS form is a MD and that their license is active/valid by confirming this through the LA State Board of Medical Examiners website. This verification should be uploaded to the retiree's OPTIMUS folder. After the physician has been verified and approved, the appointment information should be updated in SOLARIS Disability Tracking. During this review, the following was observed:</p> <ul style="list-style-type: none"> •The physician's information was not entered into SOLARIS if the physician did not recertify the retiree as continuing to be disabled. •There were instances where a verification of the physician's medical license were not found in OPTIMUS. •The physician's information was not entered for the AAPS appointments in SOLARIS. There is a limitation in SOLARIS that does not allow the physician to be selected for AAPS appointments, which is being addressed by TFS request 39817. 	<p>entered into SOLARIS (item C1 above). These procedures have been reviewed by Audit Services.</p> <p>Corrective Action Plan (Long-Term) (OPEN)</p> <p>Member Services has entered two TFS requests to address the limitation in SOLARIS that does not allow the physician to be selected for AAPS appointments (item C1 above). These items are pending promotion in SOLARIS and are being tracked as TFS requests 39817 and 43785.</p> <p>January 2019 Update (Member Services): TFS items 39817 and 43785 were worked an staff confirmed that the issues in this item are no longer happening. Please close this item.</p> <p>January 2019 Update (Audit Services): This item can be closed. TFS bugs have corrected the issue with selecting a doctor for AAPS appointments.</p>
01C3 -2	<p>The following items were noted during this review and relate to instances where the disability process and procedures are not aligned. These observations and recommendations are outlined to help improve the process and documentation within the related disability processes.</p> <p>Member Services is in the process of developing procedures for physician approval and maintenance. Currently, the draft version of these procedures instruct the analyst to enter the physician's information in the required fields in SOLARIS and to upload the physician approval and information sheet into OPTIMUS. During this review, it was observed that multiple physicians did not have the correct fee information in SOLARIS. In order to ensure that a physician is paid the correct amount for case reviews or</p>	<p>Member Services should review the information stored in SOLARIS for Board Alternate physicians to ensure it is correct and properly supported by documentation in OPTIMUS.</p> <p>Member Services agrees with this recommendation. Member Services has implemented a plan to review all Board Primary and Board Alternate physicians listed in SOLARIS that have been paid within the past five years and have an "Active" status once a year (item C3 above). Physicians outside of these parameters will be changed to "Inactive" status. These steps have been added to the Physician Approval and Maintenance procedures which have been reviewed by Audit Services. TFS request 43822 has been entered to change all physicians outside the parameters above to an inactive status in SOLARIS.</p>

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	independent medical examinations, SOLARIS should include the physician's correct fee information. Additionally, there was one instance where the approval documentation could not be found in OPTIMUS for a Board Alternate physician, but the physician was determined to be LASERS Approved in SOLARIS.	<p>January 2019 Update (Member Services): TFS 43822 has been completed and staff is now maintaining the SOLARIS information to include fees. We recommend that this item be closed.</p> <p>January 2019 Update (Audit Services): The procedures were updated to include a process for maintaining the doctor's status and information in SOLARIS. The physicians missing their fee information in SOLARIS have been updated. Audit also confirmed the physicians in Maintain Doctor have updated statuses.</p>
1923	Benefit Calculation Review	
01	<p>A sample of benefit calculations finalized in 2018 were randomly selected for independent recalculation by Audit Services. Exception results from analytic queries were also reviewed and independent recalculations were performed, where necessary. Lastly, calculations that required a recalculation as identified during the post-final calculation check performed by the Member Services quality assurance specialist were reviewed by Audit Services.</p> <p>Of the 114 calculations tested by Audit Services, there was one benefit calculation error identified. The initial retroactive benefit payment made to one retiree was in error. The termination date was used to calculate the initial retro payment instead of the retirement date. This resulted in a one-time benefit overpayment of \$68.11. Member Services has taken the necessary action to correct the record. The retroactive payment was corrected and the total overpayment has been collected.</p>	Member Services should evaluate the benefit calculation process based on the issue noted in the observation and determine which areas should be strengthened to minimize calculation errors. The Processing Supervisor provided additional training and explanation to the analysts who processed this file. Member Services will continue to enhance their desk procedures and other job aids used by staff. Since Member Services already has a verification process in place and this not a common error, no formal process changes are recommended at this time. The corrective action has already been taken for this observation.
02	Member Services has developed a QA review process for retirement calculations which include a random 10 percent	Member Services should evaluate the quality assurance review process and make the appropriate changes to ensure that errors

<i>Observation #</i>	<i>Observation</i>	<i>Recommendation</i>
	<p>review of benefit calculations finalized each month, a random 10 percent review of all work completed by Member Services analysts, and a 100 percent review of all specialty plan calculations and calculations that were completed using a workaround.</p> <p>According to Member Services, if an error is found by the QA specialist during their review, then they provide details of the error to Member Services management for correction. The error should be corrected within 10 days, if possible. Furthermore, the QA specialist is responsible for verifying that all corrections are completed. During the project, it was observed that one error identified by the QA specialist in July 2018 was not corrected as of February 2019. The net result of this error identified \$728.89 in underpayments to be disbursed to the member. Member Services has corrected the error noted above.</p>	<p>identified by the QA specialist are corrected in a timely and accurate manner. Effective April 2019, Member Services created a document that is imported into a member's file after a QA check is performed. If an error is found, a workflow is initiated in Optimus and routed to the Member Services Supervisor workbasket. The appropriate supervisor is responsible for ensuring the issue is corrected. If the supervisor is out of the office or overlooks the item, the manager can easily see that there is an outstanding issue that requires attention. Once the error is resolved, the work item is closed. The corrective action has already been taken for this observation.</p>



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Results of 2019 Audit Committee Satisfaction Survey

Question	Yes	No	Comments
1. Do you feel that the organizational placement of the audit services division is appropriate?	3	0	
2. Does the charter ensure that internal auditors have free and unrestricted access to records, information, locations and employees to perform their audits?	3	0	
3. Is the evaluation and update of the audit services division charter every three years sufficient?	3	0	
4. Are the quantity and type of projects, as outlined in the annual audit plan, appropriate and reasonable?	3	0	
5. Are your suggestions for areas to be audited included in the audit plan?	3	0	
6. Do you believe that the work scheduled by audit services, as outlined in the audit plan, gives appropriate attention to areas of high risk within LASERS?	3	0	
7. Is the content of the audit reports provided to the audit committee adequate?	3	0	
8. Is the current reporting process to track and follow-up on open observations sufficient?	3	0	
9. Is the communication of the customer service evaluation results (completed by management) to the audit committee sufficient?	3	0	
10. To your knowledge, is the audit services director a valued member of the management team?	3	0	
11. Are you satisfied with the overall professionalism and conduct of the audit services division?	3	0	
12. What improvements could be made in the future to maximize the effectiveness and efficiency of the Audit Services Division?	N/A	N/A	I believe the Audit Division is doing a great job.
13. Are you satisfied with your understanding of the audit services division's purpose and role at LASERS?	3	0	

Question	Yes	No	Comments
14. Do you find the overall effectiveness of the audit services division to be satisfactory?	3	0	
15. To your knowledge, is the audit services division objective and independent in fulfilling its duties?	3	0	
16. Please provide in the space below feedback concerning questions that may need to be re-worded or removed.	N/A	N/A	

EXECUTIVE SUMMARY OF AUDIT REPORTS

2004 Funding Actuarial File Review (FYE 2019)

This was a planned engagement on the fiscal year end 2020 Audit Plan. The fieldwork for this engagement was completed on September 26, 2019.

LASERS is required to supply member and retiree data to the Legislative Actuary and the LASERS actuary for the production of the annual actuarial valuation. According to R.S. 11:127(C), the actuaries for the public retirement systems, plans, or funds and the legislative actuary shall submit annual actuarial valuations to the Public Retirement Systems' Actuarial Committee (PRSAC).

The overview of the annual process for producing the actuarial file is as follows:

- The process generally begins in mid-July. Certain prerequisite activities must be completed before the actuarial data file can be developed for testing. (e.g., final posting of June employee contributions, complete processing of retirement applications with a retirement date on or before June 30th).
- The Information Technology (IT) Division prepares the actuarial files which contain LASERS member and retiree data in a format provided by the Legislative Actuary.
- The Audit Services and Fiscal Divisions perform a series of tests designed to verify the validity and completeness of the records on the file and identify possible errors requiring correction. Critical errors are reviewed and corrected by Member Services, IT, and/or Fiscal Division staff.

The file is typically delivered to the LASERS actuary and the Legislative Actuary the last week in August. The LASERS actuary typically has the valuation report ready for distribution and presentation to the LASERS Board of Trustees for the September board meeting.

A thorough review and testing of the actuarial file was performed by LASERS staff to help ensure that all critical errors found on the actuarial file were resolved. The actuarial file was submitted to the LASERS actuary and the Legislative Actuary prior to the September 1st deadline. There were no reportable observations identified during this review.

BOARD OF TRUSTEES:

Shannon Templet, Board Chair
Thomas Bickham, Vice Chair
Virginia Burton
Commissioner Jay Dardenne

Beverly Hodges
Judge William Kleinpeter
Janice Lansing
Barbara McManus

Sen. Barrow Peacock
Rep. Kevin Pearson
Lori Pierce
Hon. John Schroder
Lorry Simmons Trotter

Cindy Rougeou, Executive Director

2006 Port of Lake Charles (External Review)

This was a planned engagement on the fiscal year end 2020 Audit Plan. The fieldwork for this engagement was completed on October 23, 2019. Port of Lake Charles employs approximately 108 LASERS members. Overall, the Port of Lake Charles has effective procedures in place with regard to the handling of retirement related processes for their LASERS members. No reportable agency issues were identified during this review.

2010 Department of Justice (DOJ) (External Review)

This was a planned engagement on the fiscal year end 2020 Audit Plan. The fieldwork for this engagement was completed on September 20, 2019. DOJ employs approximately 472 LASERS members. No reportable issues were identified during this review.

2012 Component Unit Financial Report (CUFR) and Funding Actuarial Valuation Report Review

This was a planned engagement on the fiscal year end (FYE) 2020 Audit Plan. The fieldwork for this engagement was completed on September 27, 2019.

The CUFR and Valuation are required to be completed annually and contain critical information that is utilized by both internal and external stakeholders. The CUFR is compiled by the LASERS Fiscal Division and audited by an independent external audit firm, Postlethwaite & Netterville (P&N). The Valuation is prepared by an independent actuarial and consulting firm, Foster & Foster. Both of these reports are reviewed by various personnel at LASERS before being finalized and presented to the LASERS Board of Trustees.

Overall, it was determined that within reason:

- The calculations in the fiscal year end (FYE) 2019 CUFR and Valuation were accurate.
- The amounts and information reported in the previous and current year's CUFR and Valuation were materially consistent.
- The amounts and information contained in both the CUFR and Valuation for the current year matched.

No issues were identified during this review. All necessary revisions were made prior to the distribution of the final reports.

2013 Audit Charter and Policy Compliance Review

The Audit Services Division performed a review to determine if items outlined in the Audit Committee Charter, Audit Services Division Charter, and Audit Resolution Policy and Procedures were complied with and adhered to for the period July 2018 through June 2019. Also, the items noted as issues during Project 1603 that remain open were re-evaluated.

It was concluded that no new areas of non-compliance were observed. Furthermore, the remaining open items established during Project 1603 are being tracked for periodic follow up.

The audit director certifies the following to the audit committee:

- The Audit Services division reports to a level within the organization that allows the internal audit activity to fulfill its responsibilities.
- The internal audit activity continues to maintain its organizational independence.
- The internal audit activity has a quality assurance program in place to ensure conformance to the Institute of Internal Auditors' International Professional Practices Framework. There are no known exceptions to conformance with this framework.

2014 Office of Financial Institutions (OFI) (External Review)

This was a planned engagement on the fiscal year end 2020 Audit Plan. The fieldwork for this engagement was completed on October 22, 2019. OFI employs approximately 90 LASERS members. No reportable issues were identified during this review.



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**NOTICE AND AGENDA
Investment Committee Meeting
Thursday, December 12, 2019
1:00pm**

The Investment Committee will meet in the fourth floor conference room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, LA.

Please silence your cell phone before meeting begins

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT

IV. REGULAR BUSINESS

1. Approval of the minutes of the November 21, 2019, meeting of the Investment Committee **(Action Item)**
Beverly Hodges, Chair

V. NEW BUSINESS

1. Monthly Performance Review
Bobby Beale, CFA, CAIA – Chief Investment Officer
2. Investment Division Annual Report
Bobby Beale, CFA, CAIA – Chief Investment Officer

VI. OTHER BUSINESS

VII. ADJOURNMENT

There are no managers on the blackout list

NOTE: If special accommodations are needed please contact this office prior to meeting.



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**Louisiana State Employees' Retirement System
Investment Committee Meeting
November 21, 2019**

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, November 21, 2019, in the fourth floor Committee Room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Ms. Beverly Hodges, Committee Chair, called the meeting to order at 1:00 p.m. Ms. Jennifer Adams, recording secretary, conducted roll call.

ROLL CALL

Members present: Mr. Thomas Bickham; Ms. Virginia Burton; Ms. Beverly Hodges; Mr. John Broussard, Designee – Louisiana State Treasurer; Ms. Janice Lansing; Ms. Shannon Templet; Ms. Barbara McManus and Ms. Lorry Trotter

Members absent: Senator Barrow Peacock, Representative Kevin Pearson, Commissioner Dardenne, Judge William Kleinpeter and Ms. Lori Pierce

Staff present: Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director & Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Vicari Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Ms. Jennifer Adams, recording secretary; Investment Staff: Ms. Laney Sanders, Mr. Darren Fournier, Ms. Celeste Funderburk, Mr. Jacques Brousseau, Mr. Reeves Pearce, Ms. Alisa Lacombe and Mr. Sam Chastain.

PUBLIC COMMENT

The Chair called for public comment. Hearing none, the Chair called for the next agenda item.

REGULAR BUSINESS

The committee considered the minutes of the October 24, 2019, Investment Committee meeting. **Mr. Bickham moved seconded by Ms. McManus, to**

approve the minutes of the October 24, 2019, Investment Committee meeting. With no further discussion, and no objections, the motion carried.

NEW BUSINESS

3rd Quarter Performance Review and Asset Allocation Discussion

Mr. Beale reviewed Plan performance for the third quarter of 2019. He stated that the Plan return for the quarter ended September 30, 2019 was -0.1%. He then reviewed October performance, stating that for October 2019, the Plan return was 1.9%.

Mr. Beale then gave an overview of LASERS asset allocation.

Insight Partners Fund XI

Ms. Sanders presented a summary of the Fund and referenced the recommendation letter from NEPC that was distributed to each Board Member. **Mr. Broussard moved, seconded by Ms. McManus, to commit \$100 million to Insight Partners Fund XI. With no further discussion, and no objections, the motion carried.**

Annual Reports

Mr. Beale presented the Annual Trading Report, Internally Managed Reports and Annual Proxy Report as required by the Statement of Investment Objectives.

OTHER BUSINESS

With no other business brought before the committee, the meeting adjourned at 2:11 p.m.

LASERS INVESTMENT COMMITTEE

PROPOSED 2020 AGENDA ITEMS

JANUARY 22 & 23

- Trustee Workshop
- Monthly/YE 2019 Performance Review
- Trustee Education
 - Actuarial Science
 - Laws, Rules and Regulations
 - Investment
- Management Committee/Regular Board Meeting

FEBRUARY 27

- 4th Quarter 2018 Performance Review

MARCH 26

- Monthly Performance Review

APRIL 23 (*Legislative Session convenes 4/8*)

- Monthly Performance Review

MAY 21

- 1st Quarter 2020 Performance Review
- Annual Optional Retirement Plan/Self-Directed DROP Review

JUNE 25 (*Legislative Session adjourns 6/8*)

- Monthly Performance Review
- Annual Custodian Review
- Annual Consultant Review

JULY 23

- Fiscal Year End Performance Review

AUGUST 27

- 2nd Quarter 2020 Performance Review

SEPTEMBER 29 (Tuesday)

- Monthly Performance Review

OCTOBER 22

- Monthly Performance Review
- Internal Funds Portfolio Review
- Annual Trading Report
- Annual Proxy Report

NOVEMBER 19

- 3rd Quarter 2020 Performance Review

DECEMBER 10

- Monthly Performance Review
- Investment Division Annual Report

*All agenda items are subject to change

BOLD items require a quorum



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NOTICE AND AGENDA
Management Committee Meeting
Thursday, December 12, 2019
Immediately following Investment Committee

The Management Committee will meet in the fourth floor conference room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Please silence your cell phone before meeting begins.

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT (allowed upon request before action items)

IV. REGULAR BUSINESS

1. Approval of the Minutes of the November 21, 2019, Management Committee Meeting
(Action Item)
Barbara McManus, Management Committee Chair

2. Executive Counsel's Report
Tina Grant, Executive Counsel

V. NEW BUSINESS

1. Review and Approval of Alternate Physicians to the State Medical Board **(Action Item)**
Megan Jones, Retirement Benefits Analyst
2. Chief Administrative Officer's Comments
 - a. Monthly Operating Budget Report
 - b. Monthly Pension Administrative Report
Trey Boudreaux, Chief Administrative Officer
3. Deputy Director & Chief Operating Officer's Comments
Maris LeBlanc, Deputy Director & Chief Operating Officer
4. Executive Director's Comments
Cindy Rougeou, Executive Director
5. **Executive Session** - Approval of the December 2019 Disability Retirement Report **(Action Item)**
Megan Jones, Retirement Benefits Analyst

6. **Executive Session** - Discussion of the Board Self-Evaluation
Shannon Templet, Board Chair

VI. OTHER BUSINESS

VII. ADJOURNMENT

NOTE: If special accommodations are needed, please contact this office prior to meeting.

**Louisiana State Employees' Retirement System
Management Committee Meeting
Thursday, November 21, 2019**

The Management Committee of the Louisiana State Employees' Retirement System met on Thursday, November 21, 2019 in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Ms. Barbara McManus, Committee Chair, called the meeting to order at 2:03 p.m. Roll was called by Ms. Beth Labello, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Janice Lansing, Ms. Virginia Burton, Ms. Beverly Hodges, Mr. John Broussard (designee of the Treasurer), Ms. Barbara McManus, Ms. Shannon Templet, and Ms. Lorry Trotter

Members Absent: Ms. Lori Pierce, Judge William Kleinpeter, Senator Barrow Peacock, and Representative Kevin Pearson

Staff Present: Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director and Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Artie Fillastre, Chief Fiscal Officer; Ms. Tonja Normand, Public Information Director; Mr. Ryan Babin, Audit Director; Ms. Tricia Gibbons, Retirement Benefits Administrator; Ms. Megan Jones, Retirement Benefits Analyst; Mr. Dan Bowden, IT Director; Ms. Amanda Celestine, Executive Management Officer; and Ms. Beth Labello, recording secretary

Also Present: Ms. Shelley Johnson, Foster & Foster

A quorum was announced present and the meeting opened for business.

Public Comment

Ms. McManus called for public comment. There were no public comments.

Regular Business

Ms. McManus called for approval of the October 24, 2019, Management Committee minutes. **Mr. Bickham moved, seconded by Ms. Lansing, to approve the minutes. With no objection or discussion, the motion carried.**

Ms. Trotter moved, seconded by Ms. Templet, to go into Executive Session for the purpose of discussing the November 2019 Disability Retirement Report. With no objection or discussion, the motion carried.

Mr. Bickham moved, seconded by Ms. Trotter, to return to Regular Session. With no objection or discussion, the motion carried.

Mr. Bickham moved, seconded by Ms. Trotter, to recommend the Board approve the November 2019 Retirement Disability Report. With no objection or discussion, the motion carried.

Ms. Grant stated she had no news to report in the Executive Counsel's report.

New Business

The board self-evaluation was distributed. Ms. Rougeou stated the evaluation is due by December 6 to Ms. Templet either via mail, or through the online Survey Monkey. A link to the evaluation will be emailed to the Trustees.

Mr. Boudreaux reviewed the Chief Administrative Officer's comments.

Ms. LeBlanc reviewed the Deputy Director & Chief Operating Officer's comments.

Ms. Rougeou reviewed the Executive Director's comments. She stated that detailed cyber security discussions will take place with the Trustees in 2020, starting with presentations at the Trustee Workshop.

Other Business

There was no other business to discuss.

Adjournment

The meeting adjourned at 2:25 p.m.

Appointment of Physicians as Alternates to the State Medical Disability Board for Annual Attending Physician Statement Certification

FAMILY MEDICINE

HENRY	EVANS JR	NEW ORLEANS	LA
MICHAEL	RAMAGOS	LIVONIA	LA
PRATIBHA	ANNE	SHREVEPORT	LA
JOHN	JOHNSON	JENA	LA
VIRGIL	SEARS	GAINESVILLE	TX

GENERAL PRACTICE

DONALD	PERRY	TALLULAH	LA
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INTERNAL MEDICINE

DEEPESHKUMAR	PATEL	BATON ROUGE	LA
STEVEN	VENTERS	FARMERVILLE	LA
JOSEPH	CHIOTA JR	COVINGTON	LA
MICHAEL	GARRETT	SHREVEPORT	LA
ERIC	MELANCON	MORGAN CITY	LA
IGNAZIO	ALBERGAMO	BATON ROUGE	LA
MICHAEL	GARRETT	SHREVEPORT	LA
LUKASZ	MUNIGA	SHREVEPORT	LA
BLANE	MIRE	NATCHEZ	MS
WILLIAM	CEFALU	MORGAN CITY	LA
BRENT	ARDOIN	MAMOU	LA
LLOYD	LEONARDS	BATON ROUGE	LA
EDWARD	SLEDGE	BATON ROUGE	LA

NEPHROLOGY

MAHESH	BASIREDDY	BATON ROUGE	LA
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NEUROLOGICAL SURGERY

THOMAS	DONNER	THIBODAUX	LA
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NEUROLOGY

CHARLES	UGOKWE	ALEXANDRIA	LA
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ORTHOPEDICS

ROBERT	RABALAIS	ZACHARY	LA
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PHYSICAL MEDICINE & REHABILITATION

DAVID	JONES	BEAUMONT	TX
-------	-------	----------	----

PSYCHIATRY

ZAHID	IMRAN	BATON ROUGE	LA
PETER	MAHONY JR	METAIRIE	LA
HA	DO	NEW ORLEANS	LA
ERIC	KRAMER	METAIRIE	LA

PULMONOLOGY

DONALD	PAYNE	SHREVEPORT	LA
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December 2019 Management Committee Meeting Chief Administrative Officer's Comments

Fiscal Division

- Please note the January 2020 benefit payments will have an effective date of Wednesday, January 1, 2020; however, financial institutions may not make the funds available until the next business day, January 2, 2020 due to January 1 being a Federal Reserve holiday. Retirees may also notice a change in their benefit payment starting January 1 as a result of the new year tax changes and insurance rate changes. LASERS encourages benefit recipients to review their withholdings annually and, if necessary, request a change by filling out a new W4-P form, which can be found on our website, www.lasersonline.org.
- Postlethwaite & Netterville continues their audit of the 2019 GASB 68 Employer Pension Report. The audit's opinion letters will be distributed during this month's Audit Committee meeting.
- DROP/IBO Required Minimum Distribution (RMD) letters were mailed on November 26, 2019 to 2,533 retirees. RMD payments will be issued on Tuesday, December 17.
- Fiscal continues preparing for year-end tax reporting for members, retirees, employees, and vendors. This involves working with IT on implementing and testing any changes in processing Forms 1095-C, 1099R, 1099 Misc, and W2.

Information Technology Division

- IT is nearing completion of the LASERS Optimus Project and Cognizant contractors are starting to roll off the project and leave.
- Work continues on the MyLASERS Member portal including implementing advanced data security measures.
- The formal process change document for MyLASERS is complete and being routed for approvals.
- The pilot portion of the Office 365 Email Project is concluded with no problems to report. This project will now move to agency-wide implementation.
- The Microsoft Dynamics implementation for Investments is underway and will go-live early 2020.
- The AskLASERS Project is in the early stages. IT is creating the formal process change for stakeholders to review.
- Annual processes are ramping up.
- The IT Service Desk reports an on-time delivery of IT services of 98.25% of SLA for November 2019.
- There was an unusually high level of breach and fraud attempts in Nov. that coincided with the state hack. We saw an increase of 1733% in malware activity at that specific time. Our defenses held.

- The November IT Cybersecurity newsletter topic was on how to safely shop online during the holidays.
- IT has now implemented a more secure file transfer system. This Secure File Transfer Protocol (SFTP) system better secures LASERS Member and Agency data.
- IT is currently writing a detailed Data Security Incident Response Plan. The draft plan is currently under review.
- IT is actively searching for staff to fill three vacancies.
- LASERS Website top three search words or phrases for November 2019 were 1. Drop, 2. Retirement Calculator, 3. Deferred Comp.



8401 United Plaza Blvd. • Baton Rouge, LA 70809

LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

Mail: P.O. Box 44213 • Baton Rouge, LA 70804-4213

Phone: (toll-free) 1.800.256.3000 • (local) 225.922.0600

Fiscal Division

OPERATING BUDGET REPORT

November 30, 2019

(Unaudited)

Category	2018-2019 Actual	2019-2020 Budget	Monthly Expenses	2019-2020 YTD Actual	Remaining Balance	2019-20 % of Budget	2018-19 % of Actual
Personnel	\$ 14,756,369	\$ 15,908,800	\$ 1,174,008	\$ 5,818,619	\$ 10,090,181	37%	37%
Travel Expenses	177,581	181,000	3,042	76,874	104,126	42%	58%
Operating Services	2,883,360	3,314,200	105,462	1,816,597	1,497,603	55%	61%
Professional Services	520,328	627,000	24,088	166,332	460,668	27%	20%
Acquisitions	201,629	228,000	14,600	21,867	206,133	10%	23%
TOTAL	18,539,267	20,259,000	1,321,200	7,900,289	12,358,711	39%	40%
Investment Fees	32,033,869	36,000,000	2,858,911	14,361,005	21,638,995	40%	42%
GRAND TOTAL	\$ 50,573,136	\$ 56,259,000	\$ 4,180,111	\$ 22,261,294	\$ 33,997,706	40%	41%

CAPITAL OUTLAY BUDGET REPORT

November 30, 2019

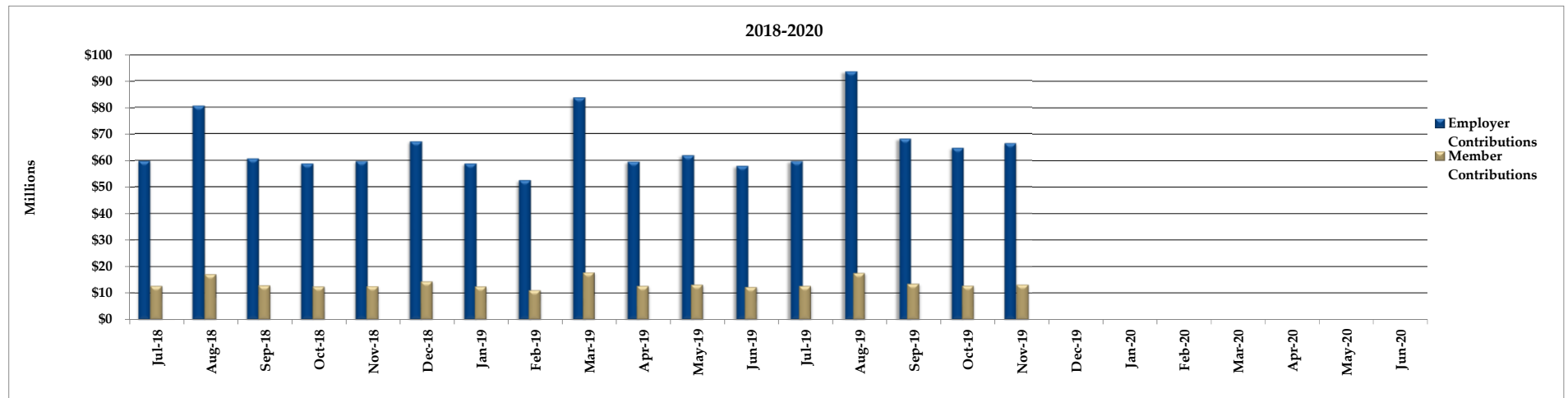
(Unaudited)

Category	Total Project Budget	2014-2019 LTD Actual	2019-2020 YTD Actual	Total Project Expenses	Remaining Balance	% of Budget Used
Operating Services	\$ 210,278	\$ 142,278	\$ 44,907	\$ 187,185	\$ 23,093	89%
Professional Services	4,464,229	3,954,380	\$ 17,572	3,971,952	492,277	89%
Acquisitions	674,944	669,944	-	669,944	5,000	99%
GRAND TOTAL	\$ 5,349,451	\$ 4,766,602	\$ 62,479	\$ 4,829,081	\$ 520,370	90%

Pension Contributions
Fiscal Years 2018-2019 and 2019-2020 thru November 30, 2019

FYE 2018-2019					FYE 2019-2020				
Month	Members	Employer Contributions	Member Contributions	Total	Month	Members	Employer Contributions	Member Contributions	Total
Jul-18	38,838	\$59,697,518	\$12,584,945	\$72,282,463	Jul-19	39,248	\$59,563,412	\$12,564,327	\$72,127,739
Aug-18	38,777	\$80,467,128	\$16,937,413	\$97,404,541	Aug-19	39,706	\$93,393,627	\$17,490,255	\$110,883,882
Sep-18	39,358	\$60,612,431	\$12,804,449	\$73,416,880	Sep-19	39,119	\$68,028,441	\$13,372,503	\$81,400,944
Oct-18	39,691	\$58,649,070	\$12,403,095	\$71,052,165	Oct-19	39,280	\$64,554,220	\$12,650,421	\$77,204,641
Nov-18	39,176	\$59,545,792	\$12,522,208	\$72,068,000	Nov-19	39,280 *	\$66,385,304	\$13,072,850	\$79,458,154
Dec-18	39,149	\$66,995,478	\$14,303,812	\$81,299,290	Dec-19				\$0
Jan-19	39,591	\$58,663,671	\$12,387,895	\$71,051,566	Jan-20				\$0
Feb-19	39,442	\$52,447,079	\$10,955,798	\$63,402,877	Feb-20				\$0
Mar-19	39,754	\$83,591,435	\$17,621,815	\$101,213,250	Mar-20				\$0
Apr-19	39,524	\$59,350,208	\$12,549,448	\$71,899,656	Apr-20				\$0
May-19	39,894	\$61,794,183	\$13,052,550	\$74,846,733	May-20				\$0
Jun-19	39,533	\$57,811,900	\$12,215,128	\$70,027,028	Jun-20				\$0

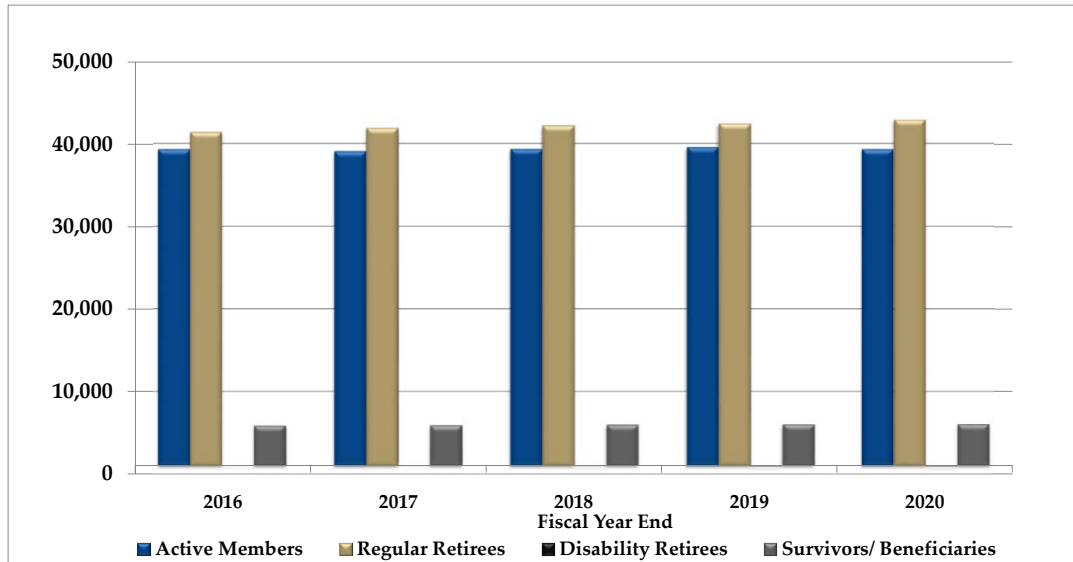
NOTE: Contributions based on estimates (November 2019 based on October 2019).



LASERS Membership
For Five Years as of November 30, 2019

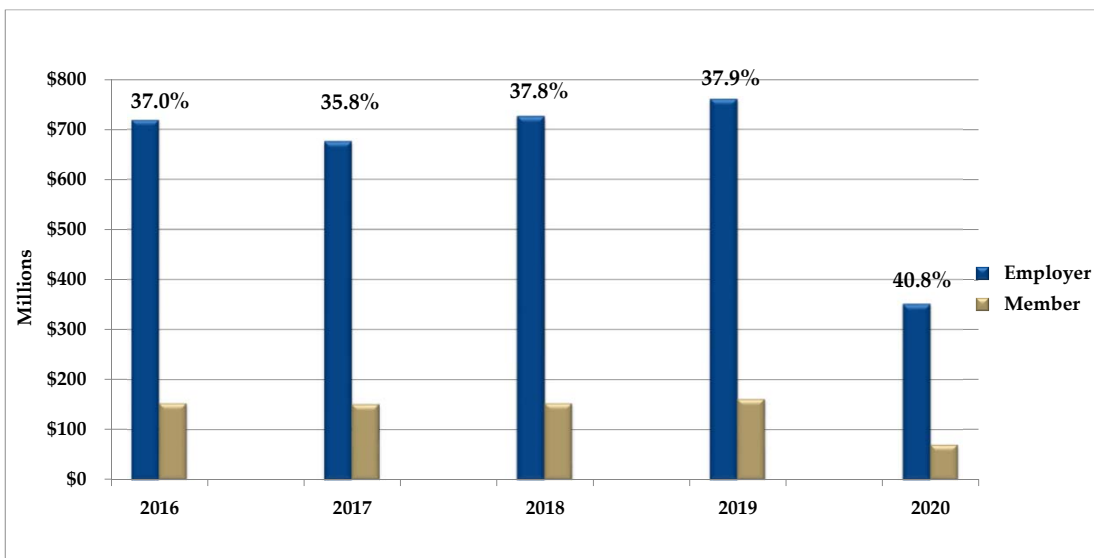
Fiscal Year	Active Members	Regular Retirees	Disability Retirees	Survivors/ Beneficiaries	Total Members**
2016	39,284	41,356	1,043	5,802	87,485
2017	39,055	41,818	989	5,872	87,734
2018	39,293	42,136	930	5,940	88,299
2019	39,533	42,393	899	5,977	88,802
2020	39,280	42,832	900	6,005	89,017

Note: *Counts for FY2019 - FY2020 are an approx. not based on actuarial data. **Total Members does not include DROP, Terminated Vested/Non-Vested



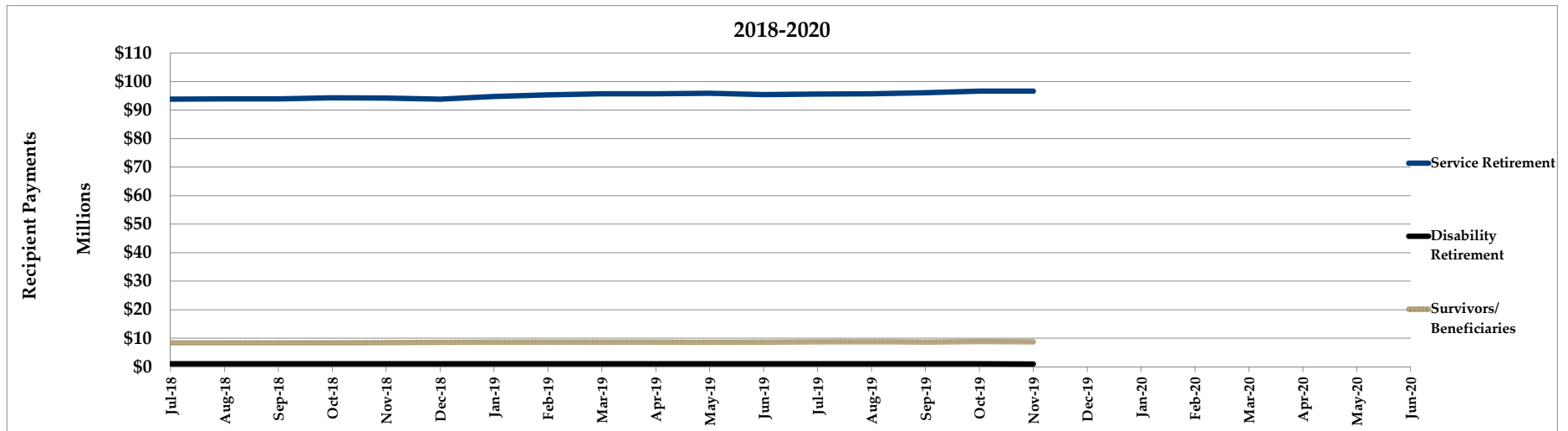
Pension Contributions
For Five Years as of November 30, 2019

	2016	2017	2018	2019	2020
Employer	\$718,606,512	\$675,583,750	\$725,802,871	\$760,150,449	\$351,925,004
Member	\$152,233,771	\$149,931,242	\$152,189,709	\$160,338,556	\$69,150,356
Total	\$870,840,283	\$825,514,992	\$877,992,580	\$920,489,005	\$421,075,360



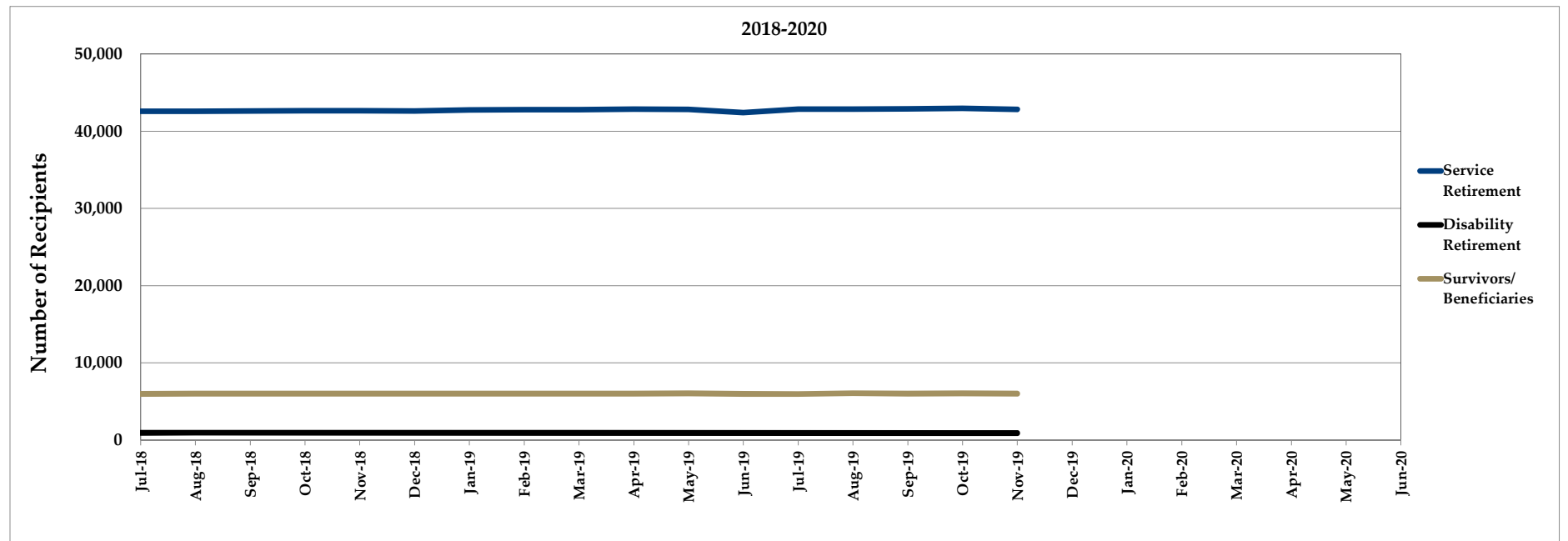
Service/Disability/Survivor/Beneficiary Payments
Fiscal Years 2018-2019 and 2019-2020 through November 30, 2019

FYE 2018-2019					FYE 2019-2020				
Month	Service Retirement	Disability Retirement	Survivors/Beneficiaries	Total	Month	Service Retirement	Disability Retirement	Survivors/Beneficiaries	Total
Jul-18	\$93,817,919	\$1,047,654	\$8,368,838	\$103,234,411	Jul-19	\$95,548,476	\$996,959	\$8,763,441	\$105,308,876
Aug-18	\$93,856,315	\$1,036,266	\$8,383,105	\$103,275,686	Aug-19	\$95,699,115	\$999,560	\$8,780,065	\$105,478,740
Sep-18	\$93,868,347	\$1,026,732	\$8,380,266	\$103,275,345	Sep-19	\$96,036,089	\$1,005,085	\$8,605,850	\$105,647,024
Oct-18	\$94,238,338	\$1,031,994	\$8,408,210	\$103,678,542	Oct-19	\$96,621,994	\$1,008,067	\$8,779,680	\$106,409,741
Nov-18	\$94,150,057	\$1,029,211	\$8,370,250	\$103,549,518	Nov-19	\$96,629,826	\$993,419	\$8,696,785	\$106,320,030
Dec-18	\$93,831,806	\$1,018,525	\$8,520,606	\$103,370,937	Dec-19				\$0
Jan-19	\$94,702,261	\$1,067,652	\$8,671,143	\$104,441,056	Jan-20				\$0
Feb-19	\$95,334,582	\$1,022,272	\$8,634,112	\$104,990,966	Feb-20				\$0
Mar-19	\$95,619,631	\$1,004,948	\$8,592,105	\$105,216,684	Mar-20				\$0
Apr-19	\$95,649,025	\$1,002,678	\$8,606,800	\$105,258,503	Apr-20				\$0
May-19	\$95,876,270	\$1,020,943	\$8,548,704	\$105,445,917	May-20				\$0
Jun-19	\$95,410,364	\$995,747	\$8,605,537	\$105,011,648	Jun-20				\$0



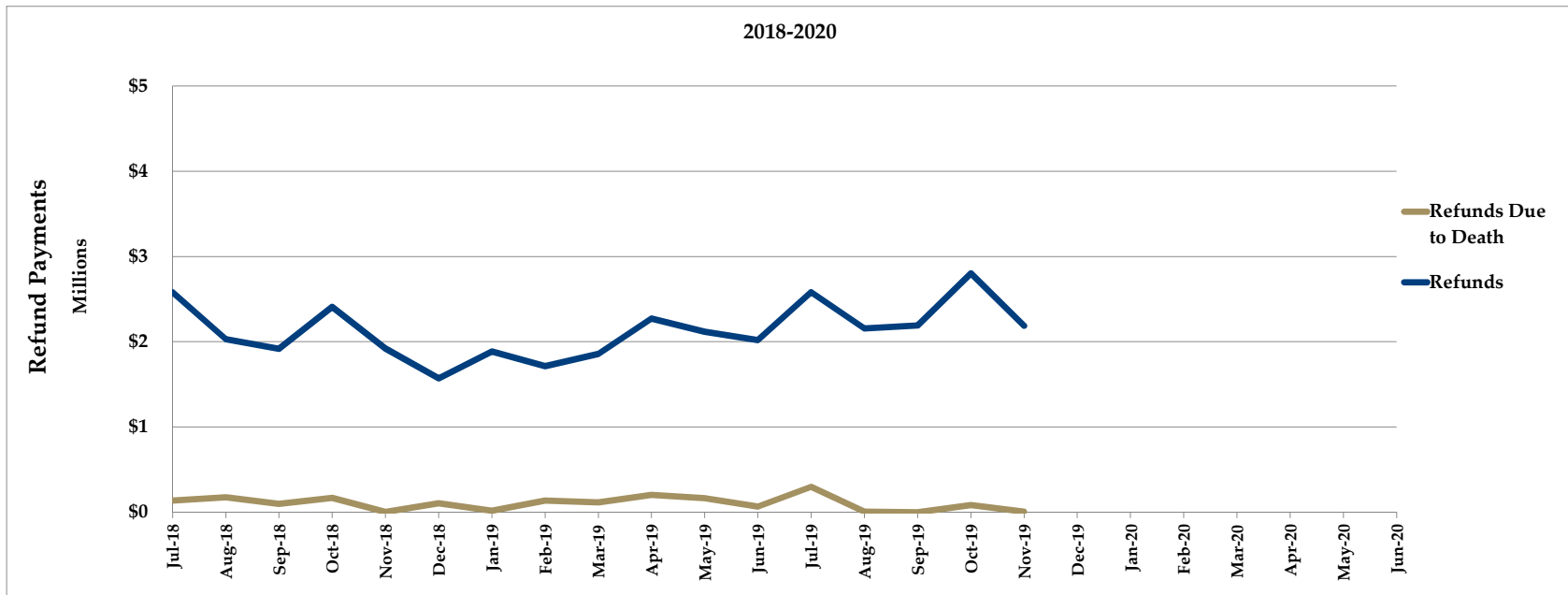
Service/Disability/Survivor/Beneficiary Recipients
Fiscal Years 2018-2019 and 2019-2020 through November 30, 2019

FYE 2018-2019					FYE 2019-2020				
Month	Service Retirement	Disability Retirement	Survivors/Beneficiaries	Total	Month	Service Retirement	Disability Retirement	Survivors/Beneficiaries	Total
Jul-18	42,586	941	5,985	49,512	Jul-19	42,847	903	5,964	49,714
Aug-18	42,585	943	5,995	49,523	Aug-19	42,857	908	6,066	49,831
Sep-18	42,609	935	5,997	49,541	Sep-19	42,892	907	6,003	49,802
Oct-18	42,642	941	6,013	49,596	Oct-19	42,943	904	6,024	49,871
Nov-18	42,640	937	6,001	49,578	Nov-19	42,832	900	6,005	49,737
Dec-18	42,612	936	6,004	49,552	Dec-19				
Jan-19	42,736	927	5,998	49,661	Jan-20				
Feb-19	42,770	927	5,998	49,695	Feb-20				
Mar-19	42,783	917	5,992	49,692	Mar-20				
Apr-19	42,854	912	6,015	49,781	Apr-20				
May-19	42,821	910	6,022	49,753	May-20				
Jun-19	42,393	899	5,977	49,269	Jun-20				



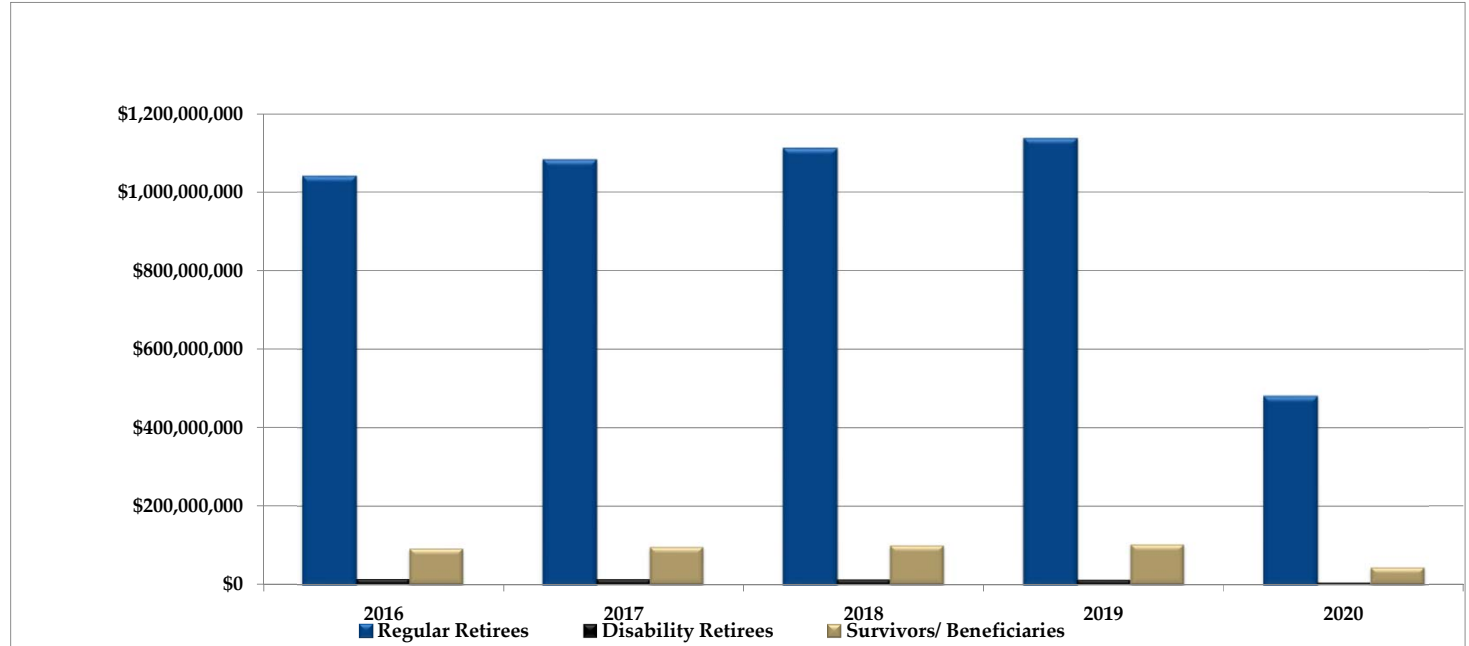
Refund Payments
Fiscal Years 2018-2019 and 2019-2020 through November 30, 2019

FYE 2018-2019 Refunds Due to				FYE 2019-2020 Refunds Due to			
Month	Refunds	Death	Total	Month	Refunds	Death	Total
Jul-18	\$2,581,102	\$137,294	\$2,718,396	Jul-19	\$2,582,594	\$298,148	\$2,880,742
Aug-18	\$2,031,015	\$176,107	\$2,207,122	Aug-19	\$2,154,839	\$6,973	\$2,161,812
Sep-18	\$1,916,834	\$98,733	\$2,015,567	Sep-19	\$2,189,961	\$0	\$2,189,961
Oct-18	\$2,409,001	\$169,761	\$2,578,762	Oct-19	\$2,803,073	\$85,644	\$2,888,717
Nov-18	\$1,920,568	\$3,330	\$1,923,898	Nov-19	\$2,187,958	\$6,940	\$2,194,898
Dec-18	\$1,570,374	\$106,023	\$1,676,397	Dec-19			
Jan-19	\$1,885,826	\$18,227	\$1,904,053	Jan-20			
Feb-19	\$1,712,708	\$137,754	\$1,850,462	Feb-20			
Mar-19	\$1,856,241	\$114,140	\$1,970,381	Mar-20			
Apr-19	\$2,272,103	\$202,644	\$2,474,747	Apr-20			
May-19	\$2,117,440	\$165,630	\$2,283,070	May-20			
Jun-19	\$2,019,368	\$67,577	\$2,086,945	Jun-20			



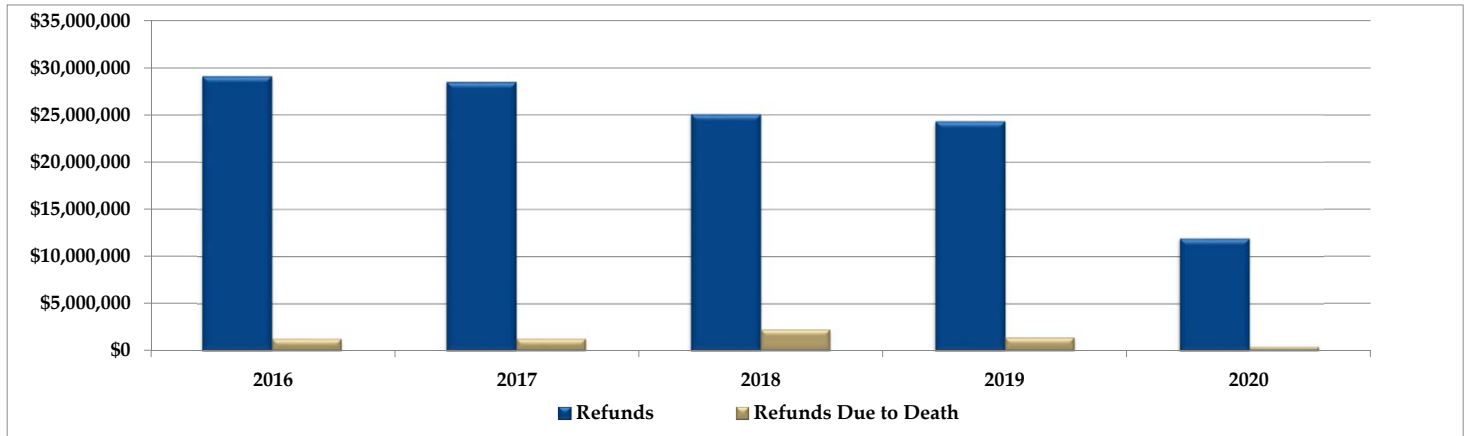
Benefit Payments for 5 years
For Five Years as of November 30, 2019

Fiscal Year	Regular Retirees	Disability Retirees	Survivors/ Beneficiaries	Total Payments
2016	\$1,040,584,180	\$14,578,820	\$91,330,722	\$1,146,493,722
2017	\$1,082,137,367	\$13,651,348	\$95,582,244	\$1,191,370,959
2018	\$1,111,041,778	\$12,898,071	\$99,820,473	\$1,223,760,322
2019	\$1,136,354,915	\$12,304,622	\$102,089,676	\$1,250,749,213
2020	\$480,535,500	\$5,003,090	\$43,625,821	\$529,164,411



Refund Payments for 5 years
For Five Years as of November 30, 2019

Fiscal Year	Refunds	Refunds Due to Death	Total Payments
2016	\$29,026,584	\$1,270,829	\$30,297,413
2017	\$28,443,202	\$1,266,083	\$29,709,285
2018	\$25,031,640	\$2,245,581	\$27,277,221
2019	\$24,286,619	\$1,397,220	\$25,689,799
2020	\$11,918,425	\$397,705	\$12,316,130





**DROP and ORP Report
As of November 30, 2019**

DROP	Current Month		Quarter Ending 9/30/2019		Quarter Ending 06/30/2019	
	Count	Balance	Count	Balance	Count	Balance
Traditional (At LASERS)						
Accruing HARP	4	\$441,291	4	\$413,222	4	\$371,120
Working After DROP	101	\$20,760,477	104	\$21,191,546	107	\$21,915,874
Retired After DROP	2,728	\$349,341,328	2,755	\$352,342,204	2,786	\$356,313,028
Retired-IBO	158	\$20,428,158	161	\$20,792,287	162	\$20,895,829
Total Traditional	2,991	\$390,971,254	3,024	\$394,739,259	3,059	\$399,495,851
Self-Directed						
Accruing (At LASERS)	1,349	\$65,720,115	1,343	\$64,862,576	1,337	\$65,559,532
Working After DROP, Retired & IBO (Empower)	7,370	\$590,490,192	7,103	\$567,835,135	7,321	\$580,879,357
Total Self-Directed	8,719	\$656,210,307	8,446	\$632,697,711	8,658	\$646,438,889
TOTALS	11,710	\$1,047,181,561	11,470	\$1,027,436,970	11,717	\$1,045,934,740
ORP						
Working & Inactive (Empower)	45	\$5,481,025	45	\$5,292,445	47	\$5,481,602



Board of Trustees
Benefit Payees Added During Period
11/01/2019 - 11/30/2019

Regular

Under Age 55 at Retirement	11
Age 55-59 at Retirement	20
Age 60+ at Retirement	54
Total	85
Minimum Benefit	\$209
Maximum Benefit	\$13,432
Minimum Age	45
Maximum Age	78
Minimum Years Service	6
Maximum Years Service	40
Average Age	61
Average Service	22
Average Gross Benefit	\$2,631

Disability

Total	1
Minimum Benefit	\$2,804
Maximum Benefit	\$2,804
Minimum Age	51
Maximum Age	51
Minimum Years Service	18
Maximum Years Service	18
Average Age	51
Average Service	18
Average Gross Benefit	\$2,804

Survivor

Total	2
Minimum Benefit	\$1,445
Maximum Benefit	\$2,402
Minimum Age	44
Maximum Age	50
Minimum Years Service	10
Maximum Years Service	15
Average Age	47
Average Service	13
Average Gross Benefit	\$1,924

Beneficiary

Total	21
Minimum Benefit	\$194
Maximum Benefit	\$3,445
Minimum Age	44
Maximum Age	71
Minimum Years Service	11
Maximum Years Service	33
Average Age	59
Average Service	22
Average Gross Benefit	\$1,418

Drop Accruals

Total	38
Average Age	56
Average Service	25
Average Gross Benefit	\$3,060



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December 2019 Management Committee Meeting Deputy Director & Chief Operating Officer's Comments

Public Information Division

- Holiday/Year-End Messaging & Benefit Payment Information for January 1 will be placed on the website, social media, and other communication outlets.
- Photos with Santa - PID will photograph the children or grandchildren of staff members on Monday, December 23.
- Current PID Stats:
 - Website Pageviews: 43,098
 - Website Users: 12,657
 - Facebook Followers: 1,974
 - Twitter Followers: 660
 - YouTube Subscribers: 495
 - Paperless Beam Subs: 4,591
 - MINT Email Subscribers: 4,861
 - Member Connection Subs: 60,952
 - Member Connection Subs: 60,689

Member Services Division

- The Retirement Education Department (RED) conducted several individual counseling sessions at the Louisiana Department of Agriculture and Forestry to discuss retirement scenarios with firefighters affected by Act 42 of the 2019 Regular Legislative Session. Personalized estimates were created in advance and presented to members who scheduled appointments through their Human Resources office.
- Working with the Executive and Public Information Divisions, a new link was added to the website providing members with an overview of what they should do if their beneficiary passes away. The intent of the page is to inform members of their options in a simple format, leading the member through the process, while understanding they have experienced a loss.
- Recent comments from members:
 - *"This was a wonderful experience. Adrian [Ackermann] was very friendly, professional and knowledgeable."*
 - *"Danielle [Henning] was very knowledgeable and helpful. I do feel that I am prepared to begin my transition."*



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December 2019 Management Committee Meeting Executive Director's Comments

Public Retirement Systems' Actuarial Committee

- PRSAC is scheduled to meet on Wednesday, December 18th at 1:00 to consider LASERS valuation.

Christmas Activities

- The agency Christmas Lunch will be December 20th at 11:30 AM. All board members are invited to join us.
- Santa will be visiting LASERS on December 23rd at 9:30 AM. Feel free to stop by for pictures with Santa.

Out of Office

- I will be out of the office the week of Christmas, December 23rd – 27th.
- Our office will be closed December 24th, 25th, 31st and January 1st.



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NOTICE AND AGENDA
Board Meeting
Thursday, December 12, 2019
Immediately following Management Committee

The Board of Trustees will meet in the fourth floor Board Room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Please silence your cell phone before meeting.

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT (allowed upon request before action items)

IV. REGULAR BUSINESS

1. Approval of the November 21, 2019 Board Meeting Minutes (**Action Item**)
Shannon Templet, Board Chair
2. Report and Recommendations of the Audit Committee (**Action Item**)
Virginia Burton, Audit Committee Chair
3. Report and Recommendations of the Investment Committee (**Action Item**)
Beverly Hodges, Investment Committee Chair
4. Report and Recommendations of the Management Committee (**Action Item**)
Barbara McManus, Management Committee Chair
5. Acknowledgement of Receipt of Administrative Errors Report/Documentation (**Action Item**)
Tina Grant, Executive Counsel

V. NEW BUSINESS

1. Review of Election Process for Board Chair, Vice Chair and Committee Chairs
Trey Boudreaux, Chief Administrative Officer
2. Distribution of Committee Preferences
Trey Boudreaux, Chief Administrative Officer
3. Nominations for the 2020 Board Chair (**Action Item**)
Shannon Templet, Board Chair

4. Nominations for the 2020 Board Vice Chair (**Action Item**)
Shannon Templet, Board Chair

5. Presentation of Plaques
Cindy Rougeou, Executive Director

6. LASERS New Employees
Cindy Rougeou, Executive Director

VI. OTHER BUSINESS

VII. ADJOURNMENT

NOTE: If special accommodations are needed, please contact this office prior to meeting.

**Louisiana State Employees' Retirement System
Regular Board Meeting
November 21, 2019**

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, November 21, 2019, in the fourth floor Board Room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Ms. Shannon Templet, Board Chair, called the meeting to order at 2:29 p.m. Roll call was conducted by Ms. Beth Labello, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Virginia Burton, Ms. Janice Lansing, Ms. Beverly Hodges, Mr. John Broussard (designee of the Treasurer), Ms. Barbara McManus, Ms. Shannon Templet, and Ms. Lorry Trotter

Members Absent: Ms. Lori Pierce, Judge William Kleinpeter, Commissioner Dardenne, Senator Barrow Peacock, and Representative Kevin Pearson

Staff Present: Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director and Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Mr. Artie Fillastre, Chief Fiscal Officer; Mr. Ryan Babin, Audit Director; Ms. Tricia Gibbons, Retirement Benefits Administrator; Mr. Dan Bowden, IT Director; Mr. Osama Amous, IT Tech Support Specialist; Ms. Amanda Celestine, Executive Management Officer; and Ms. Beth Labello, recording secretary

Also Present: Ms. Shelley Johnson, Foster & Foster

A quorum was declared present and the meeting opened for business. Ms. Templet called for public comment. No public comments were made.

REGULAR BUSINESS

Ms. Templet called for approval of the minutes of the October 24, 2019 Board Meeting. **Ms. McManus moved, seconded by Mr. Bickham, to approve the minutes. With no objection or discussion, the motion passed.**

Ms. Hodges reported the Investment Committee met on Thursday, November 21, 2019 and had the following item to report:

The Investment Committee recommended and Ms. Hodges so moved, seconded by Ms. Trotter, to commit \$100 million to Insight Partners XI Fund. With no objection or discussion, the motion passed.

Mr. Bickham reported the Legislative Committee met on Thursday, November 21, 2019 and had the following item to report:

The Legislative Committee recommended and Mr. Bickham so moved, seconded by Ms. Lansing, to authorize the Executive Director and counsel to pursue efforts to be annexed into the City of Baton Rouge. With no objection or discussion, the motion passed.

Ms. McManus reported the Management Committee met on Thursday, November 21, 2019, and had the following items to report:

The Management Committee recommended and Ms. McManus so moved, seconded by Mr. Bickham, to approve the November 2019 Retirement Disability Report. With no objection or discussion, the motion carried.

Ms. Grant presented the administrative errors report. **Ms. McManus moved, seconded by Ms. Lansing, to acknowledge receipt of the administrative errors report and documentation. With no objection or discussion, the motion carried.**

New Business

Ms. Rougeou presented the 2019 board election results. **Ms. McManus moved, seconded by Ms. Lansing, to accept and certify the election results, as presented. With no objection or discussion, the motion carried.**

Ms. Rougeou announced there were no new employees to introduce this month.

Other Business

Ms. Rougeou introduced and congratulated Dr. Osama Amous to the Board. Dr. Amous recently earned his Ph.D. in Engineering Science through Louisiana State University.

Adjournment

With no other business to discuss the meeting adjourned at 2:34 p.m.



Cindy Rougeou, Executive Director

Administrative Error Report

December 12, 2019

Member's Name: Claudia Davis
Agency: LDH – Office of Behavioral Health
Reason for Administrative Error: Retirement Application Submitted Late
Accepted Application Received on 10/28/2019
Using a DROP Start Date of 10/17/2019

Member's Name: Regina Ellison
Agency: Lallie Kemp Charity Hospital
Reason for Administrative Error: Incorrect Termination Date
Changed from 7/15/2019 to 7/14/2019

Member's Name: Rebecca Mercer
Agency: Delgado College
Reason for Administrative Error: Incorrect Termination Date
Changed from 8/9/2019 to 8/11/2019

Member's Name: Douglas Ireland
Agency: Northwestern State University
Reason for Administrative Error: Incorrect Retirement Application Submitted
Accepted Application for Retirement With
Initial Benefit Option Received on 10/7/2019

Member's Name: Kay Harper-Hayes
Agency: Louisiana Delta Community College
Reason for Administrative Error: Incorrect Termination Date
Changed from 5/15/2015 to 5/14/2015

LASERS

Louisiana State Employees'
Retirement System

Date: November 15, 2019

To: Cindy Rougeou
Maris LeBlanc
Tina V. Grant

From: Tricia Gibbons

Subject: Administrative Error – Application for Retirement Submitted Late

Member Information:

Name: Claudia Davis

SSN: xxx-xx-7158

This request for administrative error is for an employee with LDH – Office of Behavioral Health (00096). We received an application for DROP on 10/28/2019 listing a DROP start date of 10/17/2019. On 10/28/2019, LASERS received an administrative error letter stating the retirement application was not submitted timely due to agency error.

The agency has requested that the member be allowed to retire using a DROP start date of 10/17/2019 since this was due to agency error.

I recommend that this request be approved.

Recommendation of Executive Counsel


Tina V. Grant

☒ Agree

☐ Disagree

11/19/19
date

Recommendation of Deputy Director

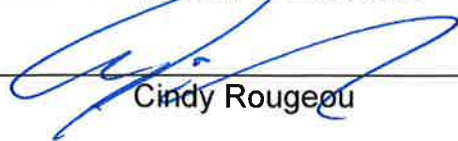

Maris LeBlanc

☒ Agree

☐ Disagree

11/19/2019
date

Recommendation of Executive Director


Cindy Rougeou

☒ Agree

☐ Disagree

11-20-19
date

LASERS Benefits Louisiana.

John Bel Edwards
GOVERNOR



Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of Behavioral Health

October 28, 2019

To Whom It May Concern:

Ms. Claudia Davis (**7158) came in my office on October 17, 2019 and filled out her application for DROP. I mistakenly placed it in the wrong folder awaiting submission to your office. This was an error on my part. I am requesting reconsideration for Ms. Claudia Davis' Application for Drop be accepted with a Start Date of 10/17/2019.

Respectfully,

A handwritten signature in black ink, appearing to read "Damita A. Hitchens", with a long horizontal line extending to the right.

Damita A. Hitchens, HR Analyst

Attachments

P.O. Box 498 • Jackson, Louisiana 70748
Phone #: 225/634-0100 • Fax #: 225/634-0345 • WWW.DHH.LA.GOV
"An Equal Opportunity Employer"

LASERS

Louisiana State Employees'
Retirement System

Date: November 18, 2019

To: Cindy Rougeou
Maris LeBlanc
Tina V. Grant

From: Tricia Gibbons

Subject: Administrative Error – Incorrect Termination Date

Member Information:

Name: Regina Ellison

SSN: xxx-xx-5581

This request for administrative error is for an employee with Lallie Kemp Charity Hospital (00043). We received an application for retirement on 3/11/2019 listing an incorrect termination date of 7/15/2019.

The agency has requested that the member be allowed to retire using a termination date of 7/14/2019 and a retirement date of 7/15/2019 since this was due to agency error.

I recommend that this request be approved.

Recommendation of Executive Counsel


Tina V. Grant

☒ Agree ☐ Disagree
11/19/19
date

Recommendation of Deputy Director


Maris LeBlanc

☒ Agree ☐ Disagree
11/19/2019
date

Recommendation of Executive Director


Cindy Rougeou

☒ Agree ☐ Disagree
11-20-19
date

LASERS Benefits Louisiana.



Lallie Kemp Medical Center

August 13, 2019

LASERS

Attn: Cindy Rougeou
Executive Director of LASERS
8401 United Plaza Blvd.
Baton Rouge, LA 70804

RE: Regina Ellison

Dear LASERS,

Ms. Regina Ellison retired on July 15, 2019, from Lallie Kemp Medical Center (LKMC). Ms. Ellison's application for retirement inadvertently states the termination date as 7/15/2019. However, the last day paid at Lallie Kemp Medical Center was actually 7/14/2019.

An administrative error was made and Ms. Tanasha Brown has requested that LKMC correct this error. The retirement application was corrected and forwarded by email to Tanasha Brown, Retirement Benefits Analyst. Ms. Brown has uploaded the new page 3 of the retirement application.

Please consider this an administrative error and accept Ms. Ellison's new termination date as 7/14/2019.

If there are any further clarifications required, please contact me at (985) 878-1307.

Sincerely,

A handwritten signature in cursive script that reads "Lori Arceneaux Burns".

Lori Arceneaux Burns
Human Resources Specialist
Lallie Kemp Medical Center

Cc: Personnel file



Louisiana State Employees'
Retirement System

Date: November 18, 2019

To: Cindy Rougeou
Maris LeBlanc
Tina V. Grant

From: Tricia Gibbons

Subject: Administrative Error – Incorrect Termination Date

Member Information:

Name: Rebecca Mercer

SSN: xxx-xx-4821

This request for administrative error is for an employee with Delgado College (00236). We received an application for retirement on 8/2/2019 listing an incorrect termination date of 8/9/2019.

The agency has requested that the member be allowed to retire using a termination date of 8/11/2019 and a retirement date of 8/12/2019 since this was due to agency error.

I recommend that this request be approved.

Recommendation of Executive Counsel


Tina V. Grant

✓ Agree _____ Disagree
11/19/19
date

Recommendation of Deputy Director


Maris LeBlanc

✓ Agree _____ Disagree
11/19/2019
date

Recommendation of Executive Director


Cindy Rougeou

✓ Agree _____ Disagree
11-20-19
date



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www.dcc.edu

To whom it may concern:

Rebecca Mercer was informed that her current position would no longer fall under LASERS retirement plan. Also, the position would be changing from CLASSIFIED to UNCLASSIFIED. When Rebecca went to apply for retirement with LASERS, she was given a retirement date. Unfortunately, the employment department did not create a new position in a timely manner and the date she was provided was not the correct date.

Please change the termination/ retirement date to 8/11/2019.

Aiesha M. Carter 10/8/2019

Aiesha M. Carter

Benefits & Retirement Specialist

Delgado Community College
Office of Human Resources
City Park Campus, Building 37
615 City Park Avenue, New Orleans, LA 70119

Delgado Community College is a member of the Louisiana Community and Technical College System
AN EQUAL OPPORTUNITY EMPLOYER

LASERS

Louisiana State Employees'
Retirement System

Date: November 18, 2019

To: Cindy Rougeou
Maris LeBlanc
Tina V. Grant

From: Tricia Gibbons

Subject: Administrative Error – Incorrect Application Submitted

Member Information:

Name: Douglas Ireland

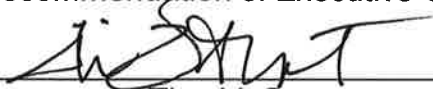
SSN: xxx-xx-4589

This request for administrative error is for an employee with Northwestern State University (00083). On 8/2/2019, we received Form 6-01, Application for Retirement. The preliminary calculation was completed on 9/9/2019. On 10/7/2019, we received Form 6-01A, Application for Retirement with Initial Benefit Option (IBO).

The agency has requested that the member be allowed to retire with an IBO since the incorrect application was submitted due to agency error.

I recommend that this request be approved.

Recommendation of Executive Counsel


Tina V. Grant

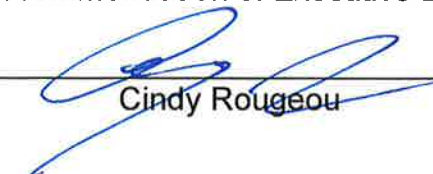
☒ Agree ☐ Disagree
11/19/19
date

Recommendation of Deputy Director


Maris LeBlanc

☒ Agree ☐ Disagree
11/19/2019
date

Recommendation of Executive Director


Cindy Rougeou

☒ Agree ☐ Disagree
11-20-19
date

LASERS Benefits Louisiana.



NORTHWESTERN STATE

Office of Institutional Effectiveness and Human Resources

P O Box 5656, Natchitoches, LA 71497

Phone: 318.357.6152 Fax: 318.357.6157

September 19, 2019

To Whom It May Concern:

From: Debbie Adair
HR Analyst

Re: Douglas Vane Ireland
Retirement 08/31/2019

An Administrative error was made on processing the correct retirement form for Mr. Doug Ireland. Form 06-01 was processed instead of form 6-1A.

Please allow us to send in the correct form and for Mr. Ireland to switch to retirement with Initial Benefit Option (IBO).

Thanking you in advance for your help in this matter and our apologies for any inconvenience.



Louisiana State Employees'
Retirement System

Date: November 18, 2019

To: Cindy Rougeou
Maris LeBlanc
Tina V. Grant

From: Tricia Gibbons

Subject: Administrative Error – Incorrect Termination Date

Member Information:

Name: Kay Harper-Hayes SSN: xxx-xx-4944

This request for administrative error is for an employee with Louisiana Delta Community College (00619). The member retired on 5/16/2015. On 4/12/2019, we received an updated Certification of Unused Leave form listing a corrected termination date of 5/14/2015. This error was found during an internal audit by the agency.

The agency has requested that the member be allowed to retire using a termination date of 5/14/2015 and a retirement date of 5/15/2015 since this was due to agency error.

I recommend that this request be approved.

Recommendation of Executive Counsel


Tina V. Grant

☒ Agree ☐ Disagree
11/20/19
date

Recommendation of Deputy Director


Maris LeBlanc

☒ Agree ☐ Disagree
11/20/2019
date

Recommendation of Executive Director


Cindy Rougeou

☒ Agree ☐ Disagree
11-20-19
date

RECEIVED 7/2/2019



LOUISIANA DELTA
COMMUNITY COLLEGE

OFFICE OF HUMAN RESOURCES

May 1, 2019

Louisiana State Employees' Retirement System
Attention: Ms. Ginna Aker
Retirement Benefits Analyst
8401 United Plaza Boulevard, 1st Floor
Baton Rouge, LA 70809

Dear Ms. Aker:

RE: Agency 00619 Administrative Error
Retirement Date for Dorothy Harper-Hayes SSN 4944

A Form 06-01 Application for Retirement was certified for Dorothy Harper-Hayes, SSN 4944, and was submitted with an incorrect termination date of May 15, 2015. The correct date of termination for Ms. Harper-Hayes was May 14, 2015.

We have made the correction to page 3 of the form (see attached copy). We regret any inconvenience this error has caused our retiree or your agency.

Respectfully,

Kendra Clement
Executive Director of Human Resources
Louisiana Delta Community College
Phone: 318.345.9187
Email: kclement@ladelta.edu

Attachment

C O U R A G E . A T T I T U D E . K N O W L E D G E .

PHONE: 318.397.6137 A 318.397.6139 \ FAX: 318.345.9018
609 VOCATIONAL PARKWAY LADELTA.EDU
WEST MONROE, LA 71292



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