

**COMPETITOR ANALYSIS**

**FINANCE**

**GOALS**

**TIMELINE**

**BUSINESS PLAN**

**STRATEGY**

**TEAM**

**MARKETING**

**OPERATIONS**

**MPERS' Business Plan**  
Fiscal Years 2021, 2022 and 2023



## Background

MPERS' Board Governance Policy calls for the development of a rolling three-year business plan. Sound business planning should culminate in a plan that presents projects and objectives that promote MPERS' strategic goals and mission, takes into account the economic environment, and maximizes resource utilization. The organization should be stronger, more focused, and more effective when utilizing a sound business plan. The business plan is not a static document but rather one that continues to evolve over time. The Business Plan should help MPERS fulfill its mission which is captured in the following statement:

*"To provide a foundation for financial security to plan participants by delivering quality benefits and exceptional member service through professional plan administration and prudent management of assets, at a reasonable cost to the taxpayers of Missouri."*

Many organizations will spend countless hours and resources to formulate and reformulate a strategic plan. We believe that the legislature has already provided our strategic plan by creating MPERS and memorializing our reason for being in state law. Namely, our strategic plan is to collect payroll contributions, invest those contributions in the market in a reasonable manner, and pay earned benefits. This business plan, because it is specific and not theoretical like many strategic plans, provides real and measurable objectives for staff to follow throughout the course of the year. In order to support the strategic plan, we have summarized three simple strategic goals to guide our efforts. These goals are: provide MPERS' members with exceptional and cost-effective service, protect MPERS' trust fund and resources, and increase MPERS' capability to outperform investment benchmarks.

Because the environment is fluid and MPERS intends that this process will be revisited each year, the Business Plan contains more tasks in the current year compared to successive years. MPERS staff accomplishes many important and urgent tasks that represent core administrative and investment operations throughout the year. These core activities are not represented in the business plan. Instead, this plan focuses on those tasks that are strategic to improving MPERS' performance and consistency, but do not necessarily have the urgency of core functions.

## Core Values

The Business Plan is also reflective and an outgrowth of our Core Values, which are noted below:

- *Our members are our number one focus...we work for them.*
- *Our goal is to provide exceptional service **always** no matter who is on the phone or sitting across from us.*
- *We strive to preserve, protect, and grow our assets.*
- *We are committed to the security and privacy of our members' information.*
- *We make decisions in the best interest of our members based upon statutory guidance.*
- *We conduct business at a reasonable cost to the taxpayers of Missouri.*

## Budgeting

No business plan would be complete without some mention of the budgeting process. As a practical matter, the business plan will be subject to the approved budget. The current budget process is not strictly "zero-based budgeting"; however, staff takes a hard look at each line item to ensure the expenditure is reasonable and not inflated each year to provide a "cushion" for unnecessary expenditures. Staff intends to present the budget committee with our best estimates on the expenditures from the trust fund to administer the pension fund for the current year. It is staff's hope that when unanticipated major expenses are incurred or new ideas come forth that require additional resources that the board will understand and consider budgetary amendments after a thorough explanation from the executive director.

## Business Plan

## Fiscal Years 2021, 2022 and 2023

Listed below are the objectives for the next three fiscal years. The objectives are listed in no particular order; however, there clearly are some items with a higher priority than others. It is the expectation of staff that each of the FY 2021 items will be completed during the upcoming fiscal year. Any exceptions will be explained accordingly. These action items are intended to support the System's strategic goals of providing MPERS' members with exceptional and cost-effective service; protect MPERS' trust fund and resources; and increase MPERS' capability to outperform investment benchmarks.

### FY 2021 Action Plans

Item No.	Action Items
1	Assess the need for early-career educational opportunities and create and implement as necessary. Create "early-career" educational offerings to enhance knowledge and value of benefit and improve retirement planning. (Carryover from FY 2020)
2	Review content and refresh design of member brochures over FYs 2021 and 2022. (Carryover from FY 2020)
3	Convert existing Dynamics GP reports from Management Reporter to Jet Reports. (Carryover from FY 2020)
4	Automate current budget reporting process, transitioning from current Excel format to Jet Reports. (Carryover from FY 2020)
5	Develop implementation manual for investments (risk focus). (Carryover from FY 2020)
6	Develop procedure manual for investments (business continuity focus). (Carryover from FY 2020)
7	Remote test at Midwest Computech.
8	Research technology considerations that would/may enhance remote connectivity.
9	Determine method to import/upload detail benefit check information into Dynamics GP.
10	Produce detailed procedures for fiscal year-end financial closing processes.
11	Develop new customized reports in Jet Reports for accounts payable/vendor queries.
12	Review business continuity plan for money transfers to be sure there are no vulnerabilities: 1) Northern Trust to Central Bank, 2) Central Bank benefits account to operations account, and 3) other transfers.
13	Cross train all aspects of employee payroll: processing semi-monthly payroll, employee set-up/modification/payouts/terminations/etc.
14	Cross train tax filing processes: monthly/quarterly/annually.
15	Review depository bank relationship and utilization of most current functionality.
16	Cross train all aspects of CAFR preparation.
17	Perform a mock event with LRS.
18	Seek bids for the external audit firm. Current contract ends upon completion of the FY 2020 audit. RFP to be awarded Nov 2021.
19	Develop and implement contract tracking to improve oversight, management, and business continuity.
20	Expand ERM Committee to include a business plan focus. The business plan is intended, in part, to address overarching risk management needs. ERM Committee should assess if the business plan is meeting risk management needs and provide input on future business plan development.

21	Develop plan to improve online utilization by members of <i>myMPERS</i> . (E.g., as new email addresses are added to PensionGold, initiate batch notifications for those not already registered, that would invite and explain the benefits of setting up a <i>myMPERS</i> account. This is probably only applicable to active employees unless LRS can program a separate group for benefit recipients advising them to contact our office to set up an account.)
22	Review and update the pre-retirement seminar survey to obtain the best information and feedback. This should include a formal approach to acknowledging and implementing agreed upon improvements.
23	Consider the necessity and potential benefits of a post-seminar survey for pre-retirement seminar participants to complete after having more time to reflect on the usefulness of the session.
24	Review seminar practices to determine the role of virtual versus in-person sessions, keeping in mind the potential for opportunities to manage costs and to expand availability.
25	Update indexing for imaging system to minimize risk of filing errors. (E.g., update Doc Types/Names in indexing to eliminate items that are no longer used or to consolidate items that are very too similar. Example: <i>Doc Type: Change &amp; Doc Name: Contact Info</i> should be merged with <i>Doc Type: Change &amp; Doc Name: Personal Info</i> .)
26	Cross train payroll functions (to be determined).
27	Develop staff training using topics that are relevant to organizational growth and development. Designate sessions that are driven by need (for all staff and/or leadership), include questionnaires/surveys to promote awareness, minimum of six training opportunities throughout the year.
28	Develop and promote peer-to-peer recognition program.
29	Transition current investment operation processes from spreadsheets to total reliance on new back office system.

## FY 2022 Action Plans

Item No.	Action Items
30	Conduct board member election for MoDOT active and retired members and Patrol active and retired members.
31	Expand fixed asset information in Dynamics GP for more complete reporting needs.
32	Expand utilization of payroll/HR module in Dynamics GP for employee payroll records. (Eliminate need to keep records in J: drive folder)
33	Review tax reclamation process and assign appropriate staff person to address tax reclamation issues related to investment of assets. Tax reclamation could offer opportunities for financial benefit.
34	Initiate five-year experience study covering 7-1-2017 to 6-30-2022.
35	Initiate RFP for actuarial services. Current contract ends June 30, 2023.
36	Improve staff performance management. Review performance tools and measurement for organizational performance reviews. Parameters include development of metrics, enhance platform for goal discussion (organizational and individual), possible mid-year self-evaluations, and peer-to-peer reviews.
37	Review and evaluate employee work procedures to affirm they are up to date, continue to be effective, and improve efficiencies.
38	Assess cybersecurity training needs.
39	Develop and deliver virtual HR Conference. This HR-related session will facilitate the lines of communication between MPERS and the employers' HR staff, educate and update on all things related to MPERS, look for potential improvements, and generally improve administrative processes.

40	Develop and implement Workplace Possibilities marketing plan in order to enhance awareness and program utilization.
42	Identify member milestones and develop appropriate communication for each to promote awareness and interest in benefits. Will require collaboration with LRS to initiate.
42	Review benefit correspondence to affirm it is up to date, complete and effective.
43	Establish process to survey member calls and emails.
44	Analyze the applicability for template development in PensionGold to facilitate email distributions.
45	Create executive director congratulatory letter for new retiree payday. Purpose is to provide relevant reminders at a time when the process is very fresh.
46	Review the directories and the files in the J: drive to ensure the organization of the folders and files is optimal.
47	Create website communication tracking log to denote where information is listed in multiple places, such that information is updated and consistent.
48	Review media policy for effectiveness.
49	Review existing budget process and current report. Identify and develop (if needed) enhanced reports and processes.

## FY 2023 Action Plans

Item No.	Actions
50	Offer 2011 Tier seminars.
51	Develop customer service and call standards guide.
52	Develop canned responses to common interactions in anticipation of PensionGold contact/event logging tool.
53	Cross train retirement application process.
54	Develop Wharton-like education program in cooperation with MU. (For staff and trustee education, mainly geared toward investments.)
55	Determine if outreach is needed to maintain contact with vested former members.
56	Update and refresh MPERS' main website.
57	Apply document upload feature to secure member access. Requires collaboration with LRS to complete.
58	Review new trustee orientation for updates/improvements.