

DRAFT

MINUTES

December 8, 2021

Executive Committee

Employee Trust Funds Board
State of Wisconsin



Location:

Department of Employee Trust Funds
This meeting was held via teleconference.

COMMITTEE MEMBERS PRESENT:

Wayne Koessl, Chair
John David, Vice Chair
William Ford, Secretary

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary:
John Voelker, Secretary
Shirley Eckes, Deputy Secretary
Pam Henning, Assistant Deputy
Secretary

OTHERS PRESENT:

ETF Office of the Secretary:
Cheryllynn Wilkins
Kimberly Schnurr
Kathryn Young

Mr. Koessl, Executive Committee (Committee) Chair, called the meeting to order at 3:33 p.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

Motion: Mr. David moved to accept the open session minutes of the September 15, 2021, Executive Committee meeting, as submitted by the Board Liaison. Mr. Ford seconded the motion, which passed unanimously on a voice vote.

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EXC	3.23.22	1

ANNOUNCEMENTS

Mr. Voelker made the following announcements:

- Diana Felsmann was appointed ETF's General Counsel; she begins her new role November 22.
- Amy Mizialko and Katie Lounsbury were assigned to the ETF Board Audit Committee.
- The first phase of ETF's modernization efforts, the Enterprise Content Management (ECM) system, went live on November 22. ECM replaces the previous vendor workflow system.
- Discussions are occurring between the legislature and the City of Milwaukee and Milwaukee County regarding bringing new hires under the Wisconsin Retirement System (WRS).
- The legislature's Joint Committee on Information Policy and Technology requested all state agencies provide data costs, positions, and systems information by January 2022. This request is being coordinated with the Department of Administration.

GOVERNANCE MATTERS

COVID-19 Update

Ms. Henning provided an update on activities in preparation for ETF staff returning to the office on January 3, 2022, under a new hybrid work model. The state employee mask mandate is still in effect and the Public Health of Madison and Dane County mask mandate was extended to January 3. Unvaccinated and staff not reporting vaccination status are required to conduct weekly COVID testing. Ms. Henning reported that more than 93% of ETF staff are vaccinated.

Construction on the eighth and ninth floors to accommodate space needed for information technology storage, extra conference room space, and moving two work units – Supply and Mail Services and Records Services --will begin in late spring. With this consolidation ETF will decommission its seventh floor workspace, saving money on rent space and other costs.

Board Agenda Review

The Committee reviewed the agenda of the December 9 Joint Meeting of the Retirement Boards (JM) and the Employee Trust Funds (ETF) Board meetings.

Mr. Voelker reviewed the JM agenda. The major discussion will involve Gabriel, Roeder, Smith & Company's (GRS) review of the Wisconsin Retirement System (WRS) three-year experience study, with recommendations to update actuarial assumptions used to value the liabilities of the WRS. Mr. Ford asked clarifying questions on the investment return recommendations by GRS. Other presentations at the JM include Mr. Lamkins, Ms. Hunter, and Ms. Schueller, an overview of the Wisconsin Strong: Your Financial Security program; Mr. Voelker and Mr. Schalow, the annual report by retirement board appointees to the State of Wisconsin Board (SWIB); Ms. Boudreau providing an update on customer service trends; and Ms. Hunter with a legislative update.

The ETF Board agenda will be as follows: Committee reports by Ms. Paul, providing the report as the chair for the Audit Committee; discussion and review of the WRS three-year experience study on recommendations to update the actuarial assumptions; a GRS presentation of the first Accumulated Sick Leave study report; Ms. Slaney with an update on the *Annual Comprehensive Financial Report*; the Secretary's Report by Mr. Voelker; and the Organizational ETF Metrics report by Ms. Henning. In addition, ETF's chief information security officer will provide in closed session ETF's annual IT Security Management report.

OBJECTIVES AND ACCOMPLISHMENTS

Department Quarterly Progress Report

Ms. Eckes discussed the Quarterly Accomplishments Report (Ref. EXC | 12.8.21 | 4A).

ETF achieved many significant accomplishments the past three months -- the direct result of efforts to be organizationally aligned, with emphasis not only on transforming technology but also on changing processes. ETF strives to be a benefit administrator that operates as one agency to provide WRS members with health insurance, pension and deferred compensation benefits.

A few examples of this in the accomplishments report focus on:

- integrating strategic and operational efforts, and holistically prioritizing staff workloads;
- being nimble in planning and execution efforts in order to take advantage of opportunities or address an unexpected change; and
- providing full transparency across the organization so everyone plays a role to transform ETF by being a co-author of ETF's future -- a vision of Secretary Voelker.

The It's Your Choice open enrollment period in September/October is operationally challenging. This year, ETF added a new health plan, Aspirus, to the insurance program and a new technology, Benefit Mentor, for members to determine the best plan options for themselves. In addition, through cross-collaboration, 22 staff were reallocated to the call center, resulting in the average speed of answer improving by 37% over last year.

Enterprise Content Management (ECM) system -- ETF replanned, reprioritized, and redeployed resources to implement the first core system of our modernization promise. ECM is a stronger data and technology infrastructure that went live on November 22, which required configuring 870 document types, migrating more than 20 million documents, and licensing and training more than 200 users across ETF. Users of the new system are witnessing the powerful tools used to capture and analyze data for scorecard reporting and monitoring staff productivity. A presentation of the benefits of ECM is planned for the March meeting.

Insurance Administration System (IAS) -- The next significant modernization effort, IAS, is under way. The resource demand to support this project is significant. ETF has gained added confidence in its organizational ability to deliver on IAS because of the successful implementation of ECM. IAS is a two-year project having widespread impact both internally as well as with our employers, members, and third-party benefit plan administrators.

Resource Management -- Across the agency, ETF is investing significantly in its people, evidenced by extensive training efforts. ETF is building a risk-aware culture through mandatory training, such as cybersecurity and data quality, and financial literacy. Our top leaders have been assigned to be part of ETF's Portfolio Committee, Strategic Council, and Agency Management Council governance groups to keep a pulse of staff talent – ranging from monitoring resource demands relative to capacity, identifying functional and skill gaps, and identifying opportunities for staff to co-author ETF's future.

PERSONNEL MATTERS

Human Resources Report

Ms. Henning provided an update on several recent hires, including the appointment of Diana Felsmann as General Counsel, a new lead security analyst, and the return of a former ETF employee to serve as a quality assurance lead. Ms. Henning mentioned various trainings and activities as part of the agency's Equity and Inclusion Plan. Specifically, the implementation of "stay interviews" to help with the agency's retention goals. In addition, staff have spent numerous hours completing mandatory trainings on security awareness, privacy, respectful workplace, and health and safety. New efforts to reward staff include recognizing data heroes who demonstrate one or more heroic traits related to data literacy. Several employees either completed or were awarded opportunities to participate in leadership certifications including the Certified Public Manager Program, the Enterprise Management Development Academy, and a new leadership coaching program. Lastly, Ms. Henning thanked the co-chairs of this year's Partners in Giving campaign for volunteering to lead charitable events during the pandemic and exceeding the agency's overall donation goals.

FUTURE ITEMS FOR DISCUSSION:

The ETF Board is scheduled to hear an appeal on January 6, 2022.

ADJOURNMENT

Motion: Mr. Ford moved to adjourn the meeting. Mr. David seconded the motion, which passed unanimously on a voice vote.

The Committee adjourned at 4:25 p.m.

Date Approved: _____

Signed: _____

William Ford, Secretary
Executive Committee