Date: October 10, 2019
To: PERA Board of Trustees
From: Doug Anderson, Executive Director
Subject: Request for Chief Information Officer (CIO) Position Approval

The PERA FY20 Operating Budget was approved by the Board at the June 13, 2019 Board of Trustees Meeting. The approved budget included a $1 million “placeholder” authorization in anticipation of moving forward in some capacity on the digital modernization project. The purpose of this memo is to request specific approval for use of a portion of the set aside resources to add a Chief Information Officer (CIO) to the PERA staff.

When the budget was approved in June, the report from the FY19 Accenture study had only recently been issued. The report was very comprehensive and pointed to a variety of technology improvements and changes in the way PERA uses technology to improve the sustainability of plans and to provide valuable services to our members. PERA management evaluated the Accenture report contents and discussed the scope of work before us with other pension systems that have gone through a similar digital modernization process.

The expectation for the digital modernization project is that it will require significant work above and beyond current workloads. The project may require three to five years to complete and will involve at least some level of commitment from the majority of current staff members. Leadership of the project will require not only deep technical expertise, but also the ability to lead both projects and people through significant change and developing strategies beyond the life cycle of the project. PERA management believes progress toward the desired end goals will require the creation of a position specifically accountable for the success of that operation.

The Chief Information Officer would become a member of the PERA Executive Team which currently consists of the Executive Director, Chief Financial Officer, Chief Operations Officer, General Counsel, and Human Resource Director. Our understanding from other agencies is that this position will attract a pool of highly qualified candidates. The estimated total compensation range is $150,000 to $175,000.

**Staff Recommendation**

Staff recommends that the PERA Board of Trustees approve a full-time permanent Chief Information Officer (CIO) position.