



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 19

MEETING DATE: August 20, 2025

SUBJECT: Technology Services

SUBMITTED FOR: X Action Information

RECOMMENDATION

Authorize Chief Executive Officer to execute a contract with Levi, Ray, and Shoup, Inc. (LRS) for technology services in an amount not to exceed \$685,000.

PURPOSE

This item complies with the Strategic Management Plan objective to leverage technology and creative solutions to enhance enterprise performance.

BACKGROUND

In 2016, SCERS initiated a project to procure a Pension Administration System (PAS). Following the issuance of a Request for Proposal (RFP) in 2017, a contract was awarded to Morneau Shepell (now Telus). After six years of project development, SCERS terminated the agreement with Telus in 2023. Litigation related to the project is ongoing.

Despite operating successfully on its legacy systems, the original justification for implementing a modern PAS remains as valid today as it was a decade ago. SCERS currently relies on multiple aging technology platforms hosted and maintained by the Sacramento County Department of Technology. These platforms do not provide SCERS with the necessary level of ownership, support, cost accountability, or operational control.

The existing systems lack modern functionality and are not integrated, resulting in time-consuming manual processes and inefficient workarounds. SCERS's continued reliance on experienced staff is increasingly challenged by the obsolescence of core components such as MBASE. In addition, SCERS does not "own" its systems and must rely on the County to approve any changes or customizations, which limits responsiveness and flexibility.

DISCUSSION

Staff does not recommend issuing a new RFP at this time. The industry landscape for PAS vendors has not changed significantly since the original procurement in 2017, and the foundational requirements outlined in the original RFP remain largely unchanged.

Instead, SCERS has invited one of the finalists from the 2017 RFP process to conduct a pre-engagement review. This initiative will evaluate SCERS's current business processes and technical environment in preparation for a potential implementation of the vendor's PensionGold software. The pre-engagement project is expected to take approximately 6–8 months and would begin in the first quarter of 2026.

LRS is a leading national provider of PAS software and has successfully implemented systems for multiple California public retirement agencies. The firm's familiarity with California pension operations and the County Employees' Retirement Law gives staff confidence in their ability to deliver a tailored and effective solution for SCERS.

The scope of the pre-engagement review includes a detailed analysis of the following areas:

- System interfaces
- Employer reporting formats
- Imaging and document storage systems
- Accounting systems
- Data conversion
- Business and functional requirements

At the conclusion of the review, the vendor will deliver its findings to SCERS, including a cost proposal for implementing the PensionGold system. Any future software procurement and implementation will require separate review and approval by the Board, potentially in late 2026.

This pre-engagement review is a strategic step that would typically be included in the planning phase of a broader IT implementation effort. Conducting this review now allows SCERS to refine system requirements, assess organizational readiness, begin aligning staffing and processes with the PensionGold solution, and mitigate risk—ultimately supporting a more efficient and successful PAS implementation.

LRS has successfully implemented PAS projects in the following California county retirement systems: Alameda County Employees' Retirement System, Mendocino County Employees' Retirement System, San Bernardino County Employees' Retirement System. The firm also operates PAS systems in Los Angeles City Employees' Retirement System, San Luis Obispo County Pension Trust, and is currently implementing its software with East Bay Municipal Utility District (EBMUD).

Funding for this effort has been included in the 2025-26 SCERS operational budget.

ATTACHMENTS

- Board Order

Prepared by:

/S/

Margo Allen
Chief Operations Officer

Reviewed by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

**Before the Board of Retirement
August 20, 2025**

AGENDA ITEM:

Technology Services

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to authorize Chief Executive Officer to execute a contract with Levi, Ray, and Shoup, Inc. (LRS) for technology services in an amount not to exceed \$685,000.

I HEREBY CERTIFY that the above order was passed and adopted on August 20, 2025, by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Board President

Eric Stern
Chief Executive Officer and
Board Secretary