

Senate Budget and Fiscal Review Subcommittee 5

May 21, 2014

Addendum Item

7920 California State Teachers' Retirement System (CalSTRS)

Issue 1: BusinessRenew Reappropriation

Governor's Proposal. A Spring Finance Letter proposes to reappropriate \$2.8 million to support the BusinessRenew information technology project.

Background. The subcommittee heard details of this project at our April 3rd hearing. The BusinessRenew project is intended to implement multiple projects to transform CalSTRS technology infrastructure. It will implement changes in how CalSTRS operates in order to become more efficient, effective, and nimble. Expected outcomes include a reduction in operational risk by ensuring CalSTRS has an adequate system for administering benefits and the fiscal management system required to support business processes so that CalSTRS can provide accurate and timely payments to members, and staff have the tools necessary to perform. The project has been delayed due to issues with data conversion.

Staff Recommendation: Approve as proposed.