

State Fund Project Governance

Governance Committee Item 7

March 17, 2011

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Project Governance

(Current State and Future State)

Current State *Issues*

Inefficiencies:

- Overlapping responsibilities and members
- Excessive meetings and number of committees

Structure and process:

- Authority not defined
- Project starts without approval
- Governance not well enforced

Future State *Recommendations*

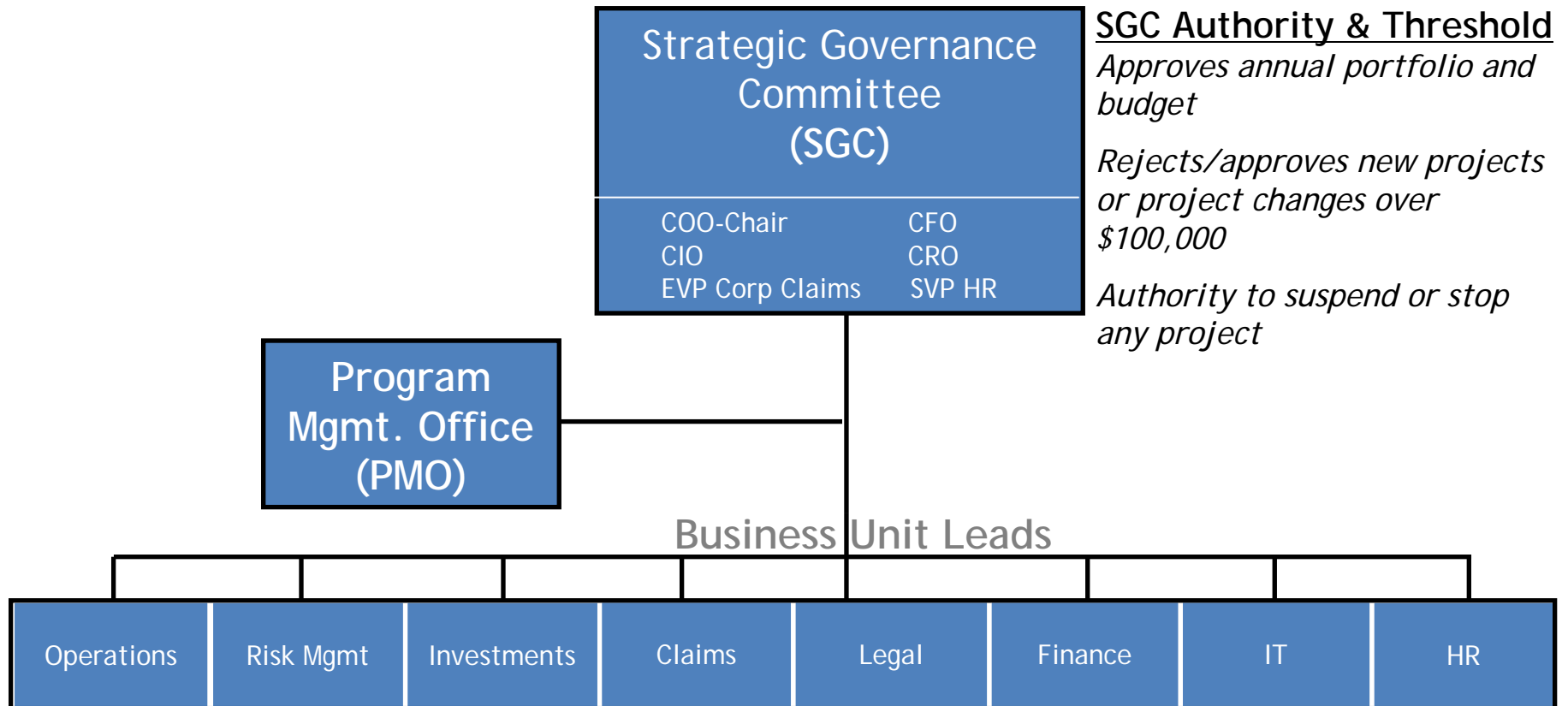
Combine committees:

- Combine EGC with Strategic Operations Committee
- Committee focused on governing key strategic initiatives
- Members include COO (Chair), CFO, CIO, CRO, EVP Corp Claims, SVP HR

Eliminate functional steering committees

Enforce governance and manage thresholds

New Governance Structure



Business Unit Authority & Threshold

Rejects/approves new projects or project changes within business unit less than \$100,000
Authority to suspend or stop projects within business unit