



BOARD OF RETIREMENT

Staff Report

File #: 19-572.1

Agenda Date: 1/9/2020

Agenda #: 19.

FROM: Stacey Barnier, Director of HR and Risk Management

SUBJECT: Recategorize Board Administration Policies

RECOMMENDATION:

Recategorize Administration Policy Nos. 006, 014, 015 and 020 (Comprehensive Annual Financial Report - Available for Public Inspection, Background and Reference Checks Policy, Retirees Returning to Work, Felony Forfeiture of Benefits).

BACKGROUND:

There are a variety of policy documents for SBCERA which include Board Policies, SBCERA By-Laws and Chief Executive Officer Policies and Procedures. Board Policies are categorized as general policies, investments policies, benefits policies, education and training policies, actuary and audit policies, and administration policies. In general, the Board creates policy where there is a need for interpretation of law or regulation. SBCERA By-Laws lay the foundation for the administration of the board and its meetings along with membership criteria, and disability retirement information. Chief Executive Officer Policies and Procedures are more procedural in nature. Board action is required to amend and/or rescind Board Policies and SBCERA By-Laws whereas CEO policies can be modified at the discretion of the CEO. Any policy that impacts the terms and conditions of employment may trigger meet and confer obligations with impacted employee labor unions.

SBCERA General Policy No. 005 involves the periodic review of Board policies, and indicates that the Administrative Committee review Administrative and Benefit policies every three years. As part of the normal review process, several of the current Board Administration Policies are more appropriately categorized as Chief Executive Officer Policies and Procedures. These items are more procedural in nature. Many of these CEO Policies are more appropriately included as part of a consolidated Employee Handbook and others will need to be modified more frequently as process improvement efforts are implemented. Updating the categorization of these policies will help our efforts to establish a streamlined way to communicate regular work procedures to employees.

As such, the policies below are recommended to be recategorized as follows:

- **Board Administration Policy No. 006 (Comprehensive Annual Financial Report - Available for Public Inspection)**
 - This policy should be recategorized to a CEO policy as it is describing the process for which the Comprehensive Annual Financial Report (CAFR) is distributed and where it is posted for public inspection. This is a standard publicly available document across public organizations, and a Board policy to continue to do so is unnecessary.

- **Board Administration Policy No. 014 (Background and Reference Checks Policy)**
 - This policy should be recategorized to a CEO policy. The contents of the CEO policies are planned to be incorporated into a consolidated Employee Handbook.
- **Board Administration Policy No. 015 (Retirees Returning to Work)**
 - This policy should be recategorized as a Board Benefits policy since it is dealing with the ability of a retired member to return to work and how that could potentially impact the member's benefits.
- **Board Administration Policy No. 020 (Felony Forfeiture of Benefits)**
 - This policy should be recategorized as a Board Benefits policy since it is dealing with the potential forfeiture of a member's benefits if the member is convicted of a felony associated with conduct arising out of or in the performance of their official duties, in the pursuit of public office or in connection with obtaining salary, disability retirement, service retirement, other benefits or if they are convicted of a felony involving a child who he or she has contact with as part of his or her official duties.

COMMITTEE REVIEW:

This item was reviewed by the Administrative Committee at its December 19, 2019 meeting, and recommends Board approval, with a 3-1 vote.

BUDGET IMPACT:

None.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Operational Excellence & Efficiency

STAFF CONTACT:

Stacey Barnier

ATTACHMENTS:

- Exhibit A: Proposed CEO Policy No. 006 (Comprehensive Annual Financial Report - Available for Public Inspection) - Redline
- Exhibit B: Proposed CEO Policy No. 014 (Background and Reference Checks Policy) - Redline
- Exhibit C: Proposed Benefits Policy No. 015 (Retirees Returning to Work) - Redline
- Exhibit D: Proposed Benefits Policy No. 020 (Felony Forfeiture of Benefits) - Redline