

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
16	12/13/17	Open	Action	11/14/17

Subject: Adopting Amended Policies Related to Pension Administration (ALL). (Weekly)

ISSUE

Authorizing the amendment of Retirement Board Policies to reflect the transition of the pension management function from the Human Resources Department to the Finance Department (ALL). (Weekly)

RECOMMENDED ACTION

Adopt Resolution No.17-12-_____ Authorizing amendments to Retirement Board policies to reflect the transition of the pension management function from the Human Resources Department to the Finance Department.

FISCAL IMPACT

Likely to reduce costs as we have less administrative costs allocated to the pension funds. The Human Resources Director will not charge administrative time to the plans, only direct costs when needed.

DISCUSSION

The transition of the management of the Pension Plans from the Human Resources Department to the Finance Department necessitates update staff titles used in six Board policies to reflect staff's new roles and responsibilities. Rather than bringing each policy to the Board individually, staff has compiled a chart, Exhibit A, outlining the proposed changes to staff titles referenced in the following policies:

1. Policy on Allocation of Staff Costs
2. Policy on Allocation of Vendor Costs
3. Retirement Board Member and Staff Education and Travel Policy
4. Sacramento Regional Transit District Retirement Boards Procurement Policies and Procedures
5. Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans
6. Policy for Correcting Retirement Plan Overpayments and Underpayments

During this transition, staff will streamline efforts but also maintain proper internal controls which are necessary with Pension Administration. This transition also provides cross training opportunities for staff.

If staff identifies other policies that require revision, those will be brought to the Boards at a future retirement board meeting.

Approved:

Presented:

FINAL 12/4/17

Treasury Controller

Pension and Retiree Services Administrator

J:\Retirement Board\2017\IP's\December 13, 2017#\16 Amending Board Policies.doc

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16	12/13/17	Open	Action	11/14/17

Subject: Adopting Amended Policies Related to Pension Administration (ALL). (Weekly)

Staff recommends the Boards authorize staff to amend these policies to reflect the title changes as set forth in Exhibit A.

Approved:

FINAL 12/4/17

Treasury Controller

Presented:

Pension and Retiree Services Administrator

RESOLUTION NO. 17-12-_____

Adopted by the Retirement Board of Directors for the Retirement Plan for Sacramento Regional Transit District Employees Who Are Members of the ATU, Local Union 256 on this date:

December 13, 2017

AUTHORIZE AMENDMENT OF POLICIES TO REFLECT THE TRANSITION OF THE PENSION MANAGEMENT FUNCTION FROM THE HUMAN RESOURCES DEPARTMENT TO THE FINANCE DEPARTMENT

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE ATU, LOCAL UNION 256 AS FOLLOWS:

THAT, the Retirement Board hereby authorizes amendment of the Board Policies consistent to change staff titles as detailed in the attached Exhibit A.

THAT, the Retirement Board hereby directs staff to make all changes to the Board Policies consistent with Exhibit A and to transmit updated versions of the Board Policies to each Member of the Retirement Board upon completion of the ministerial amendment implementation process.

Ralph Niz, Chair

A T T E S T:

Corina De La Torre, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 17-12-_____

Adopted by the AFSCME Retirement Board for the Retirement Plan for RT Employees Who Are Members of AFSCME on this date:

December 13, 2017

AUTHORIZE AMENDMENT OF POLICIES TO REFLECT THE TRANSITION OF THE PENSION MANAGEMENT FUNCTION FROM THE HUMAN RESOURCES DEPARTMENT TO THE FINANCE DEPARTMENT

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF AFSCME AS FOLLOWS:

THAT, the Retirement Board hereby authorizes amendment of the Board Policies consistent to change staff titles as detailed in the attached Exhibit A.

THAT, the Retirement Board hereby directs staff to make all changes to the Board Policies consistent with Exhibit A and to transmit updated versions of the Board Policies to each Member of the Retirement Board upon completion of the ministerial amendment implementation process.

Charles Mallonee, Chair

A T T E S T:

Gary Parks, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 17-12-_____

Adopted by the IBEW Retirement Board for the Retirement Plan for RT Employees Who Are Members of IBEW, Local Union 1245 on this date:

December 13, 2017

AUTHORIZE AMENDMENT OF POLICIES TO REFLECT THE TRANSITION OF THE PENSION MANAGEMENT FUNCTION FROM THE HUMAN RESOURCES DEPARTMENT TO THE FINANCE DEPARTMENT

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF IBEW, LOCAL UNION 1245 AS FOLLOWS:

THAT, the Retirement Board hereby authorizes amendment of the Board Policies consistent to change staff titles as detailed in the attached Exhibit A.

THAT, the Retirement Board hereby directs staff to make all changes to the Board Policies consistent with Exhibit A and to transmit updated versions of the Board Policies to each Member of the Retirement Board upon completion of the ministerial amendment implementation process.

Eric Ohlson, Chair

A T T E S T:

Constance Bibbs, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 17-12-_____

Adopted by the MCEG Retirement Board for the Retirement Plan for RT Employees Who Are Member of MCEG on this date:

December 13, 2017

AUTHORIZE AMENDMENT OF POLICIES TO REFLECT THE TRANSITION OF THE PENSION MANAGEMENT FUNCTION FROM THE HUMAN RESOURCES DEPARTMENT TO THE FINANCE DEPARTMENT

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF MCEG AS FOLLOWS:

THAT, the Retirement Board hereby authorizes amendment of the Board Policies consistent to change staff titles as detailed in the attached Exhibit A.

THAT, the Retirement Board hereby directs staff to make all changes to the Board Policies consistent with Exhibit A and to transmit updated versions of the Board Policies to each Member of the Retirement Board upon completion of the ministerial amendment implementation process.

Mark Lonergan, Chair

A T T E S T:

Roger Thorn, Secretary

By: _____
Valerie Weekly, Assistant Secretary

RESOLUTION NO. 17-12-_____

Adopted by the AEA Retirement Board for the Retirement Plan for RT Employees Who are Members of AEA on this date:

December 13, 2017

AUTHORIZE AMENDMENT OF POLICIES TO REFLECT THE TRANSITION OF THE PENSION MANAGEMENT FUNCTION FROM THE HUMAN RESOURCES DEPARTMENT TO THE FINANCE DEPARTMENT

BE IT HEREBY RESOLVED BY THE RETIREMENT BOARD FOR THE RETIREMENT PLAN FOR RT EMPLOYEES WHO ARE MEMBERS OF AEA AS FOLLOWS:

THAT, the Retirement Board hereby authorizes amendment of the Board Policies consistent to change staff titles as detailed in the attached Exhibit A.

THAT, the Retirement Board hereby directs staff to make all changes to the Board Policies consistent with Exhibit A and to transmit updated versions of the Board Policies to each Member of the Retirement Board upon completion of the ministerial amendment implementation process.

Russel Devorak, Chair

A T T E S T:

Sue Robison, Secretary

By: _____
Valerie Weekly, Assistant Secretary

Exhibit A

Policy	Last updated	Roles/Responsibilities	Old Title	New Title
Policy on Allocation of Staff Costs	1/1/2016	RT Director, HR/Pension Plan Administrator is responsible for ensuring that all costs charged to Pension Plans are appropriately allocated and charged.	RT Director, HR/Pension Plan Administrator	Pension and Retiree Services Administrator or Treasury Controller
		RT Director, Finance & Treasury ensures all costs have been approved by the proper individual(s) prior to processing any transfer of funds associated with staff costs.	RT Director, Finance & Treasury	Treasury Controller
		Approval of the coding of staff time related to Pension Plans is completed by RT Director, Human Resources or the Director, Finance & Treasury as the department head who approves staff timesheets.	RT Director, Human Resources or the Director, Finance & Treasury.	Pension and Retiree Services Administrator or Treasury Controller
		In instances where a staff member from another Dept charges time to the Pension Plans, the Director, Human Resources/Pension Plan Administrator receives a report from Payroll notifying them of the time code charge.	Director, Human Resources/Pension Plan Administrator	Pension and Retiree Services Administrator or Treasury Controller
		At the end of each month the Senior Accountant will run an SAP report, by WBS SAXXXX, SAXXXX.PENATIB, and SAXXXX.PENSALA to determine the amount of labor that needs to be charged to each plan.	Senior Account	Accountant
Policy on Allocation of Vendor Costs	6/15/2016	RT Director of Human Resources is responsible for ensuring that all costs charged to the Pension Plans are appropriately allocated and charged. The RT Director of Finance and Treasury ensures that all costs have been approved by the proper individual(s) prior to processing any and all invoices for payment.	Director of Human Resources Director of Finance and Treasury	Pension and Retiree Services Administrator Treasury Controller
		Coding of administrative costs is completed by the RT Director of Human Resources and then sent to RT Accounts Payable for review before payment.	Director of Human Resources	Pension and Retiree Services Administrator
Retirement Board Member and Staff Education and Travel Policy	6/14/2017	Assistant Secretary will approve trainings for Retirement Board Members or Retirement Board Staff that fall within the established procurement authority and under the \$1,500 annual training budget established by resolution on June 6, 2011.	Assistant Secretary	Treasury Controller
Sacramento Regional Transit District Retirement Boards Procurement Policies and Procedures	12/16/2015	Unauthorized Procurement - Notwithstanding the foregoing, a contract for professional or nonprofessional services approved by the retirement boards, Assistant Secretary or GM, as applicable, in accordance with the authority set out in this policy, is not void or voidable by any party to the contract or any third party due to failure to adhere to any solicitation procedure set forth in Article III.	Assistant Secretary	VP Treasury/CFO
		Bid Forms - The execution of the forms by bidders will be subject to procedures formulated by the GM or Director of Human Resources , which must include controls over erasures, corrections, and interlineations.	Director, Human Resources	VP Treasury/CFO
		Approval of Solicitations - For a services procurement expected to be awarded for an amount in excess of \$100,000, a written ITB or RFP must be prepared by the contracting officer and thereafter approved by (a) either the retirement boards, the GM, or his or her designee, or the Assistant Secretary , and (b) the Legal Counsel for the Retirement Boards, prior to its release.	Assistant Secretary	VP Treasury/CFO
		Noncompetitive and Sole Source Procurement - A noncompetitive procurement is permitted if one of the following circumstances exists: The retirement board, GM or Director of HR has determined that the services can be provided only by one firm, and that efforts to seek competition would be futile. The GM and Director of HR may not delegate their authority to make such a determination.	Director of HR	VP Treasury/CFO
		Assistant Secretary's Authority to Award Procurements	Assistant Secretary	VP Treasury/CFO
		Notification of Proposed Contract Award - At least 10 working days before a contract is awarded by the GM or Assistant Secretary , as applicable, or approved by the Retirement Boards, RT staff must send a written notice to all bidders or proposers of its recommendation for award.	Assistant Secretary	VP Treasury/CFO
		Contract Approval Procedure - The form of all contracts must be approved by Legal Counsel for the Retirement Boards before execution by the GM or Assistant Secretary .	Assistant Secretary	VP Treasury/CFO
		Execution of Contracts - To the GM, Assistant Secretary or Chairs of the retirement boards, as designated by the retirement boards, for execution.	Assistant Secretary	VP Treasury/CFO

Exhibit A

Policy	Last updated	Roles/Responsibilities	Old Title	New Title
		<p>Delegation of Authority - Notwithstanding anything to the contrary herein, the retirement boards may by resolution delegate authority to the GM or Assistant Secretary to bind the retirement boards to a contract (including an amendment) for any amount under the terms and conditions set forth in the resolutions delegating such authority.</p> <p>Effect of Protest on Contract Award - When a protest has been properly filed prior to contract award, the retirement boards, GM or Assistant Secretary will not award the contract prior to issuance of a final decision on the protest.</p> <p>Time for Filing a Protest - Protests of a staff recommendation to the Assistant Secretary, GM or the retirement boards pertaining to the award of a contract must be received by the retirement boards no later than 10 working days from the date of the letter providing notice of the staff recommendation.</p> <p>GM's Recommendation or Decision - Following investigation, the GM will distribute to the protestor, and all interested parties requesting such information, either a written decision, if the GM or the Assistant Secretary is the awarding authority... If the GM or the Assistant Secretary is the awarding authority, and the GM has not recommended submission of the protest to the retirement boards for resolution, the GM's written decision is final if not appealed.</p>	Assistant Secretary	VP Treasury/CFO
Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans	6/17/2015	Asset Rebalancing Policy - Therefore, the Boards delegate authority to the Director of Finance/Treasury to manage pension plan assets in accordance with the approved rebalancing policy. The Director of Finance/Treasury shall report to the Boards on asset rebalancing at the quarterly performance review meetings.	Director of Finance/Treasury	Treasury Controller
Policy for Correcting Retirement Plan Overpayments and Underpayments	3/25/2015	<p>Authority to Negotiate - The Retirement Administrator, on the advice of the Board's legal counsel, will have authority to negotiate recovery of overpayments when the amount of the overpayment not including interest, is \$5,000 or less.</p> <p>When determining whether to negotiate a claim, the Retirement Administrator and/or the Board, as applicable, will consider all relevant information, including but not limited to...</p>	Retirement Administrator	Pension and Retiree Services Administrator