



Finance and Administration Committee Agenda Item 5b

August 16, 2016

Item Name: Board of Administration Contract Activity Reporting Policy

Program: Operations Support Services Division

Item Type: Action

Recommendation

Approve the revised Board of Administration Contract Activity Reporting Policy (Attachment 1).

Executive Summary

The Policy, which was approved in April 2012 and defines the process for the Semi-Annual Contracting Prospective Report, has been revised and updated into the new standardized CalPERS policy template. References to two additional reports have also been deleted as the reports are either outdated or are reported to another committee and are not part of this policy and subsequent Prospective Report.

Strategic Plan

This item is not a specific product of the CalPERS Strategic Plan, however, the Policy assists the Board in managing the effectiveness and integrity of the Board's processes, including oversight, accountability, transparency, efficiency and decision-making.

Background

To provide transparency and ensure Board awareness of significant contracts, the Finance and Administration Committee approved the Board Contract Activity Reporting Policy on April 17, 2012 (Attachment 2), for all activity that will meet or exceed a \$1 million threshold. This policy defines the process and information to be included in the Contracting Prospective Report that is submitted to the Committee for approval semiannually in December and April.

At the time of approval in 2012, other contract related reports were also regularly provided to the Board and were referenced as additional reports at the bottom of the policy.

Analysis

- The 2012 policy has been altered to fit the new CalPERS policy template.
- Verbiage related to two additional reports has been removed (Attachment 3) as those reports are either not part of this policy and the subsequent Prospective Report or are no longer provided.
- One sentence related to authority to approve up to \$1 million over the amount set forth in the report was also removed (Attachment 3) as this sentence is duplicative to other language within the Policy.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Benefits if approved:

- Language will be updated into the new CalPERS policy template.
- Removes outdated language that is not applicable to the Policy and subsequent Prospective Report.

Risks if not approved:

- The language will remain in the outdated format and not the new CalPERS standardized policy template.
- The Policy will include outdated and inconsistent verbiage.

Attachments

Attachment 1 – Board of Administration Contract Activity Reporting Policy (2016 version)

Attachment 2 – Board of Administration Contract Activity Reporting Policy (2012 version)

Attachment 3 – Board of Administration Contract Activity Reporting Policy (2012 track changes)

KIMBERLY A. MALM

Chief, Operations Support Services Division

DOUGLAS HOFFNER

Interim Chief Executive Officer