



Board Governance Committee Agenda Item 6

September 20, 2016

Item Name: Travel Expense Transparency

Program: Enterprise Compliance

Item Type: Action

Recommendation

Enterprise Compliance (ECOM) recommends the Board Governance Committee direct staff to provide summarized travel expense report as outlined and rescind the Form 700 and Travel Transparency Policy (Attachment 1).

Executive Summary

Staff recommends the development and publishing of a travel expense report that includes all travel expenses for Board Members and executive staff and repealing the Form 700 and Travel Transparency Policy which can be achieved under the language of the Board Governance Policy and CalPERS Travel Policy as part of a larger effort to streamline and effectively organize CalPERS governance and policy structures.

Strategic Plan

This agenda item supports Strategic Plan Goal B: Cultivate a high-performing, risk-intelligent and innovative organization.

Background

At its October 2010 meeting, the CalPERS Board of Administration approved the CalPERS Form 700 and Travel Transparency Policy, which requires CalPERS to post certain Form 700 and travel cost information to the CalPERS webpage. The policy was developed in conformance with the transparency initiatives established by Executive Orders S-08-09 and S-20-09, which were later rescinded in 2012 by Executive Order B-12-11.

Analysis

Effective with Fiscal Year 2016-17, the Financial Office will produce a CalPERS Board Member Quarterly Transparency Report that shows travel expenditures recorded by trip for Board Members and executive staff (Attachment 2). Each trip will be reported under a unique identification number, beginning 30 days after the trip occurs. Trip information will be updated in subsequent reports, should additional expense reports be received after the initial 30-day threshold. The report will include all costs associated with the trip including Airfare, Transportation, Lodging, Meals, and Other Business Expenses (Service Fees, Conference Fees, Registration Fees, and Business Expenses). The report will be produced 45 days after each quarter end with a final summary report of the fiscal year expenditures through June 30.

Retiring the Form 700 and Travel Transparency Policy is administrative in effect by eliminating redundancy and effectively organizing CalPERS governance and policy structures.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

The proposed recommendation to provide full travel expense reporting for Board Members and executive staff will increase transparency. Rescinding the Form 700 and Travel Transparency Policy will also streamline CalPERS' governance structure by capturing under the language of the Board Governance Policy and CalPERS Travel Policy as part of a larger effort to reduce the risk of errors due to potential conflicting requirements streamline and effectively organize CalPERS governance and policy structures. There are no risks associated with this course of action.

Attachments

Attachment 1 – Form 700 and Travel Transparency Policy

Attachment 2 – CalPERS Board Member Quarterly Transparency Report (Mock-Up)

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