



## Board of Administration Agenda Item 5e

September 21, 2016

**Item Name:** Rescind 1991 Board Resolution “Mailing Information Material with Benefit Warrants”

**Program:** Customer Services and Support

**Item Type:** Action Consent

### **Recommendation**

Staff recommends that the Board of Administration rescind the *Resolution on Mailing Informational Material with Benefit Warrants* and direct staff to develop and implement internal guidelines and processes to replace the resolution.

### **Executive Summary**

This agenda item requests the Board to rescind the *Resolution on Mailing Informational Material with Benefit Warrants*. The resolution would be replaced by internal guidelines and processes to respond to third party requests for inclusion of informational materials in member benefit warrants.

### **Strategic Plan**

This agenda item supports strategic plan goal B: Cultivate a high-performing, risk-intelligent and innovative organization.

### **Background**

At its January 16, 1991 meeting, the CalPERS Board of Administration approved procedures governing when it is appropriate to include third-party informational materials in CalPERS benefit warrants. Under the current procedures, CalPERS allows third parties to provide informational inserts to the State Controller’s Office, for inclusion with member benefit warrants, under certain conditions.

Over the last several years, the Board has conducted several governance-related initiatives, to develop practices that support the Board in its role providing strong leadership, strategic decision-making and effective oversight, while delegating most administrative activities to staff. In support of this effort and consistent with best practices, staff has initiated an enterprise-wide review of policies and delegations.

**Analysis**

Staff proposes that the Board retire the *Resolution on Mailing Informational Material with Benefit Warrants* (Attachment 1), allowing staff to develop and administer this process under the direction of the CEO, under the authorities delegated to the CEO by the Board. CalPERS will establish internal guidelines and processes, which will be socialized to internal and external stakeholders prior to implementation.

In addition, the State Controller's Office has its own policy governing when they would allow the inclusion of inserts with the benefit warrants. Allowing staff to develop and administer the process would provide an opportunity to align the inclusion criteria with SCO and collaborate on decisions when inserts are requested.

This approach is consistent with the Board's strategic and oversight responsibilities, the Board Governance Policy and realignment, and the Interim CEO delegation of authority.

**Budget and Fiscal Impacts**

Not applicable.

**Benefits and Risks**

This agenda item would transfer responsibility for administrative activity to staff, allowing the Board to focus on its strategic and oversight responsibilities.

**Attachments**

Attachment 1 – Resolution on Mailing Informational Material with Benefit Warrants

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**CHERYL EASON**

Chief Financial Officer

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**DONNA RAMEL LUM**

Deputy Executive Officer  
Customer Services and Support

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**DOUGLAS HOFFNER**

Interim Chief Executive Officer