

## **Draft Board Operating Policies**

### **1. MEETINGS**

The LEOFF Plan 2 Retirement Board will typically meet once each month during the year. Additional meetings may be scheduled by the Board or called by the Chair or Administrative Committee as deemed necessary.

SCPP RULE 2. Meetings. The Select Committee on Pension Policy (SCPP) will typically meet once each month during the Legislative Interim. Additional meetings may be called by the Chair of the SCPP or Executive Committee as deemed necessary.

### **2. RULES OF ORDER**

All meetings of the Board, or any subcommittee created by the Board, shall be governed by Reed's Parliamentary Rules, except as specified by applicable law or Board operating policies.

SCPP RULE 3. Rules of Order. All meetings of the SCPP, its Executive Committee, or any subcommittee created by the SCPP shall be governed by Reed's Parliamentary Rules, except as specified by applicable law or these Rules of Procedure.

### **3. QUORUM**

A majority of the 11 Board members shall constitute a quorum of the Board (6 members). A majority of the members appointed to a subcommittee shall constitute a quorum of the subcommittee.

SCPP RULE 4. Quorum. A majority of the 20 committee members shall constitute a quorum of the Full Committee (11 members). A majority of the members appointed to a subcommittee shall constitute a quorum of the subcommittee.

### **4. VOTING**

A majority of the 11 Board members (6 members) must vote in the affirmative for an official action of the Board to be valid. A majority of those Board members present must vote in the affirmative on procedural matters (at least 4 members), unless provided otherwise in statute or Board operating policies. A majority of the members appointed to a subcommittee must vote in the affirmative for an official action of a subcommittee to be valid; a majority of those subcommittee members present must vote in the affirmative on procedural matters, unless provided otherwise in statute or Board operating policies.

SCPP RULE 5. Voting. A majority of the 20 committee members must vote in the affirmative for an official action of the SCPP to be valid (11 members), a majority of those committee members present must vote in the affirmative on procedural matters (at least 6 members), unless provided otherwise in statute or these Rules of Procedure. A majority of the members appointed to a subcommittee must vote in the affirmative for an official action of a subcommittee to be valid; a majority of those subcommittee members present must vote in the affirmative on procedural matters, unless provided otherwise in statute or these Rules of Procedure.

## **5. MINUTES**

Minutes summarizing the proceedings of each Board meeting and subcommittee meeting shall be kept. These minutes will include member attendance, official actions taken at each meeting, and persons testifying.

SCPP RULE 6. Minutes. Minutes summarizing the proceedings of each SCPP meeting and subcommittee shall be kept. These minutes will include member attendance, official actions taken at each meeting, and persons testifying.

## **6. DUTIES OF OFFICERS**

- A. The Chair shall preside at all meetings of the Board and Administrative Committee, except that the Vice Chair shall preside when the Chair is not present. In their absence, an Administrative Committee member may preside.
- B. Board staff shall prepare and maintain a record of the proceedings of all meetings of the Board and subcommittees of the Board.
- C. The Administrative Committee shall perform all duties delegated by the Board.
- D. Board members shall consult with the Executive Director before referring issues to the Assistant Attorney General so that any budget constraints may be taken into consideration. Advice from the Attorney General's Office to the Board may be subject to the attorney client privilege. When subject to the privilege, Board members are advised to maintain the advice as confidential. The privilege may be waived only by vote of the Board.
- E. The Executive Director may refer requests for information or services by Board members that are directly related to current Board projects or proposals and/or require a significant use of staff resources to either the Chair or the Administrative Committee. Such requests will be approved by either the Chair or by a majority vote of the Administrative Committee prior to action by staff. The Chair or Administrative Committee will consider priorities of all current projects and budget constraints in making this decision.

SCPP RULE 8. Duties of Officers.

- A. The Chair shall preside at all meetings of the SCPP and Executive Committee, except that the Vice Chair shall preside when the Chair is not present. In their absence, an Executive Committee member may preside.
- B. The State Actuary shall prepare and maintain a record of the proceedings of all meetings of the SCPP Committee, Executive Committee, and SCPP Subcommittees.
- C. The Executive Committee shall perform all duties assigned to it by these Rules of Procedure, such other duties delegated to it by the SCPP, and shall set meeting agendas and recommend actions to be taken by the SCPP.
- D. A recommendation to refer an issue to the Assistant Attorney General will be approved by the Chair or by a majority vote of the Executive Committee. The Chair or the Committee will consider priorities of the SCPP of all legal issues and budget constraints in making this decision.  
Advice from the Attorney General's Office to the Chair or the Committee may be subject to the attorney client privilege. When subject to the privilege, Committee members are advised to maintain the advice as confidential. The privilege may be waived only by vote of the Committee.
- E. The State Actuary may refer requests for information or services by Select Committee on Pension Policy members that are directly related to current Committee projects or proposals and/or require a significant use of OSA resources to either the Chair of the SCPP or the Executive Committee. Such requests will be approved by either the Chair or by a majority vote of the Executive Committee prior to initiation and completion by the OSA. The Executive Committee will consider priorities of all current OSA projects and budget constraints in making this decision.

**7. EXPENSES**

Legislators' travel expenses shall be paid by the member's legislative body; state employees' expenses shall be paid by their employing agency; other Board members' travel expenses shall be reimbursed by the Board in accordance with RCW 43.03.050 and 43.03.060.

SCPP RULE 9. Expenses. Legislators' travel expenses shall be paid by the member's legislative body; state employees' expenses shall be paid by their employing agency; other SCPP members' travel expenses shall be reimbursed by the Office of the State Actuary in accordance with RCW 43.03.050 and 43.03.060.

## **Process for Considering New Benefit Proposals**

The Board will maintain a register of all proposals for benefit changes sorting them into the following groups:

1. Potential technical corrections identified by staff, Department of Retirement Systems or other agencies.
2. Proposals by board members.
3. Proposals by plan members, employers and the public.

Proposal shall remain on the register for two years unless withdrawn by the sponsor or acted on by the board.

In order to provide stakeholders and the public with ample opportunity to comment on proposed changes and to understand their potential impact on plan members, beneficiaries and on rates, the board will consider proposed benefit changes from the register in the following manner:

Every proposal submitted to the board will start as an "initial proposal". Initial proposals will have a brief description of the proposal prepared by staff.

In order for a proposal to move to the next step, a majority of the board need to agree to move the proposal to the "preliminary stage"

When a proposal moves to the preliminary stage, the staff will develop a detailed summary of the proposal and identify key issues the board must decide to prepare an actuarial estimate on the proposal. At this stage the board may invite public and stake hold comment.

The next stage would be "full consideration". In order to give a proposal full consideration, the board staff must prepare or obtain:

1. Statutory or regulatory language describing the benefit.
2. Legal review by counsel.
3. An analysis by the board's actuary of the impact of the change.
4. Supporting analysis and descriptive information to permit plan members, employers and the public to provide comment on the proposal.

In a public hearing at the full consideration stage, the board shall review the materials above and take public testimony before acting on the proposal.