



POLICY DEVELOPMENT

I. PURPOSE

The purpose of this policy is to set out the general process by which SCERA shall establish formal policies of the Board.

II. OBJECTIVES

To ensure that the approach to Board policy development is sound, thorough and yields policies which support the goals of the Association.

III. ASSUMPTIONS

- A. Policy development should be a deliberate and proactive process.
- B. The general role of the Retirement Administrator in the Policy Development Process is to assist the Board in identifying the need for Board policy, and to provide the Board with sound, thorough policy analysis and recommendations.
- C. The general role of the Board in the Policy Development Process is to satisfy itself that the policy recommendations and the underlying analysis thereof originating with the Retirement Administrator have been prepared with the requisite level of skill, diligence and care, and support the mission and goals of SCERA.
- D. Board policies are defined as those policies that deal with issues of relatively high risk and which may significantly impede SCERA in the pursuit of its fundamental mission. These issues are expected to exist or recur indefinitely.
- E. Policies are separate and distinct from Board resolutions or other forms of Board action.

IV. GUIDELINES

- A. The process of developing a Board policy shall generally be initiated by action of the Board or the Retirement Administrator.
- B. The need for a Board policy may be proposed by any of the following parties:
 - 1. A Board member;
 - 2. A Board Committee;
 - 3. The Retirement Administrator;

4. Plan members;
 5. The Plan sponsor;
 6. External advisors.
- C. In determining whether a particular issue warrants a Board policy, the Board shall consider whether the issue satisfies the following criteria:
1. The issue may have a significant impact on the organization and its ability to meet its fundamental mission.
 2. The issue is expected to exist or recur indefinitely.
 3. The issue is not an operational issue, which falls within the discretion of the Retirement Administrator.
- D. Whenever a Board policy is deemed necessary, the Board shall assign responsibility for overseeing its development to one or more of the following, along with a general time frame for completion:
1. The Administrative/Benefits Committee, unless the issue clearly falls under the mandate of another standing Committee;
 2. An ad hoc Committee of the Board; or
 3. The Board.
- E. The Retirement Administrator shall perform the necessary research and analysis and bring forward a recommended policy with supporting analysis to the Board or to a specified Committee of the Board.
- F. The first step in the development of a proposed policy will generally be the preparation of a clear, written description of the purpose of the policy and any general parameters or constraints to be met.
- G. Based upon the description of the purpose and any parameters or constraints, the Retirement Administrator shall undertake to:
1. Identify the policy options that exist;
 2. Obtain input, if necessary, from individual Trustees, external advisors, legal counsel, or other sources the Retirement Administrator believes to be relevant;
 3. Conduct an analysis of the policy options; and
 4. Prepare and submit a proposed policy for consideration by the Board or by the assigned Committee, and if appropriate an explanation of the feasible alternatives that were considered.

- H. Board policies may contain the following elements when appropriate:
 - 1. Background;
 - 2. Purpose of the policy;
 - 3. Specific objectives or goals to be met;
 - 4. Important underlying assumptions;
 - 5. Guidelines to be followed (actual provisions of the policy);
 - 6. Provisions for policy review, including frequency of review; and
 - 7. Board adoption and revision dates.
- I. All SCERA Board policies shall be maintained in up-to-date form in a single volume or series of volumes within SCERA'S office, distributed to all Trustees and SCERA management, and made available to all interested parties.
- J. All policies shall be formally reviewed at a time specified within each policy.
- K. If a Trustee or the Retirement Administrator believes that a particular policy requires review in advance of the time specified in the policy, either may recommend to the Board that such a review be carried out.

V. REVIEW

The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

VI. HISTORY

The Board adopted this policy on 7/15/2004.

Reviewed on 10/19/2006 and 12/17/2009.

Reviewed and revised on 3/21/2013 and 3/24/2016.