

Meeting Agenda | Finance, Administration, Audit and Compliance (FAAC) Committee

Wednesday, February 17, 2016 | 3:15 p.m.

200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

- I. Call to Order
- II. Adoption of Proposed Agenda
- III. Approval of Meeting Minutes- December 2, 2015
- IV. 2016 Bylaw Revisions
- V. Review of Strategic Plan
- VI. Retirement Readiness
- VII. Old Business/Director's Report
- VIII. Executive Session to Receive Legal Advice Concerning Services to be Provided by Mandiant and Statewide Term Contract Number 4400010630 Pursuant to S.C. Code of Laws § 30-4-70 (a)(2).
- IX. Adjournment

Notice of Public Meeting

This notice is given to meet the requirements of the S.C. Freedom of Information Act and the Americans with Disabilities Act. Furthermore, this facility is accessible to individuals with disabilities, and special accommodations will be provided if requested in advance.

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Finance, Administration, Audit and Compliance Committee

Meeting Date: February 17 2016

1. Subject: 2016 Bylaw Revisions

2. Summary: Attached are some proposed Bylaw changes for the FAAC Committee's consideration. To minimize the potential for vacancies on committees and in officer positions in July 2016, language has been included to extend the terms of officers and committee members until successors are elected or appointed, unless that person is no longer a member of the Board.

3. What is Committee asked to do? Approve the revisions

4. Supporting Documents:

(a) Attached: 1. 2016 Bylaw Revisions

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD OF DIRECTORS
BYLAWS**

I. PURPOSE

The South Carolina Public Employee Benefit Authority Board of Directors (“Board”) is the governing body of the South Carolina Public Employee Benefit Authority (“PEBA”), established by Act No. 278 of 2012 of the South Carolina General Assembly, as codified in Title 9 of the Code of Laws, Chapter 11 of Title 1 of the Code of Laws, and Chapter 23 of Title 8 of the Code of Laws, as amended from time to time (“Governing Law”); and the Board has the powers and responsibilities set out in the Governing Law. PEBA is an administrative agency charged by the Governing Law with administering the State’s public employee insurance programs, its retirement programs, and its deferred compensation program.

II. BOARD MEMBERSHIP

A. COMPOSITION

1. The Board shall consist of the number of members selected in the manner set forth in the Governing Law; each member, prior to commencing performance of the member’s duties, must meet the qualifications, comply with the requirements, and take the oath of office set forth therein and elsewhere in the Code of Laws of South Carolina 1976, as amended.
2. Copies of records of appointments and of notarized oaths of all Board members will be maintained by the secretary of the Board.

B. TERM OF OFFICE

1. Board members will serve for the periods determined in accordance with the Governing Law.
2. It shall be the responsibility of the Board secretary to notify the Secretary of State and the relevant appointing authority of any appointment to, resignation from, or vacancy in the membership of the Board and to insure that the requirements of Section II.A.1~~h~~ above are met.

III. GENERAL RESPONSIBILITIES AND DUTIES

The Board will fulfill the responsibilities, perform the duties, and exercise the powers assigned to it by the Governing Law and other relevant provisions of the Code of Laws of South Carolina 1976, as amended.

In discharging his or her duties with respect to PEBA, a Board member is entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other

financial data, if prepared or presented by: (1) one or more officers or employees of the State whom the Board member reasonably believes to be reliable and competent in the matters presented; (2) legal counsel, public accountants, actuaries, the South Carolina Retirement Systems Investment Commission or other persons as to matters the Board member reasonably believes are within the person's professional or expert competence; or (3) a committee of the board of directors of which a Board member is not a member if the Board member reasonably believes the committee merits confidence. A Board member is not acting in good faith under this section if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted.

IV. BOARD MEETINGS

A. REGULAR MEETINGS

1. The Board shall meet at such times and intervals and in such places as it may determine to be necessary to meet its responsibilities, but not less often than may be required by law.
2. At or before its final regular meeting of any calendar year, the Board shall establish the calendar for its regular meetings during the upcoming calendar year.

B. SPECIAL MEETINGS

1. The Chairman of the Board or the Executive Director of PEBA or any two chairmen of the Board's standing committees may call a special meeting of the Board upon not less than forty-eight (48) hours notice, sent to members of the Board via e-mail to the e-mail address provided by the Board members to PEBA for that purpose.
2. The calling authority or the Board secretary may send the notice, which shall state the date, time, place, and purpose of the meeting; and the business to be transacted at such special meeting shall be limited to such purpose.
3. Any member may waive notice of any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the member entitled to the notice, and filed with the minutes or corporate records. The attendance of a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to action taken at the meeting.

C. QUORUM

A majority of the statutorily authorized number of Board members shall constitute a quorum for the transaction of business at any meeting of the Board.

D. MANNER OF ACTING

1. Required Vote. The act of the majority of the members present at a meeting at which a quorum is present when the vote is taken shall be the act of the Board, unless, by law, a supermajority is required.

2. Telephone Meeting. Any or all members may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all members participating may simultaneously hear each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting. A member or invited non-member may participate in Executive Session by telephone provided the participant provides assurance to the Board or Committee, reflected in the minutes of the meeting, that no uninvited person is present and able to listen to the Executive Session portion of the meeting.

3. Failure To Object To Action. A member who is present at a meeting of the Board or a committee of the Board when corporate action is taken is deemed to have assented to the action taken unless: (1) he objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting business at the meeting; or (2) his dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Executive Director immediately after adjournment of the meeting. The right of dissent or abstention is not available to a member who votes in favor of the action taken.

E. EXECUTIVE SESSION

The Board and its Committees may enter executive session during a public meeting in the manner and for the purposes authorized under the Code of Laws of South Carolina 1976, as amended.

F. ATTENDANCE

The attendance of members at Board meetings and of Board committee members at committee meetings shall be recorded, and the Board secretary shall transmit each member's attendance record for the preceding six (6) months to that member's appointing authority in each January and July. At the request of a member, the attendance record transmitted to a member's appointing authority may also reflect the reason for an absence from a meeting of the Board or a committee of the Board, provided that the member has also notified the Chairman of the Board or Chairman of the committee, as applicable, of the reason for the absence.

G. AGENDA

1. Proposed meeting agendas will be developed by the Executive Director in consultation with the Chairman of the Board and the chairmen of the Board's standing committees.
2. Any member of the Board may propose an item for the agenda of a Board meeting by submitting the proposed item to the Chairman or Executive Director not less than seven days prior to the date of the meeting or, for a special meeting called with less than seven days' notice, as soon as practicable. Any such requests shall be taken into consideration in developing the proposed meeting agenda.
3. All meeting agendas are subject to final approval by the Chairman of the Board.

H. BOARD ASSESSMENT PROCESS

At least annually, the Board shall engage in a self-assessment process to evaluate the Board's performance. The results of the self-assessment process shall be taken into consideration by the Chairman and Executive Director in developing and recommending training and educational opportunities for Board members.

V. COMMITTEES

A. CREATION OF COMMITTEES

The Board may create one or more committees, and the Chairman shall appoint members of the Board to serve on them. Each committee must have not fewer than two nor more than five Board members. The term of committee members shall be annual and shall run from July 1 through the succeeding June 30, and until their successors are appointed. Each committee shall have a chairman who shall be appointed by the Chairman of the Board, and a vice-chairman who shall be elected by the members of the committee. A committee chairman shall serve a term running from July 1 through the succeeding June 30, and until their successor is appointed. Provided, however, that the term of a committee member or committee chairman ends when the member no longer serves on the Board. Each committee may appoint one or more non-Board members to serve as voting members of a committee if the committee finds that the non-Board members possess expertise, skills or qualifications that would aid the committee in fulfilling its responsibilities. Such non-Board members may vote only on committee matters and may not vote at meetings of the Board as a whole.

The Finance, Administration, Audit and Compliance Committee, the Retirement Policy Committee, and the Health Care Policy Committee shall be standing committees of the Board. The Chairman of the Board shall be a member of each standing committee. The Board may establish ad hoc committees as it deems appropriate to address specific matters or issues.

1. Committee Assignment Process

No later than May 30 of each year, the Chairman shall solicit input from the members of the Board regarding their desired committee assignments for the committee term commencing July 1. In addition, no later than May 30 of each year, the members of each committee shall, by vote at a duly called committee meeting, make a recommendation to the Chairman for the committee chairman for the ensuing committee term commencing July 1. The Chairman shall take these requests and recommendations into consideration in making committee assignments for the committee term commencing July 1. At the first committee meeting after July 1 each year, the committee shall elect a vice-chairman to preside over the committee and oversee committee business in the absence of the committee chairman.

2. Removal of Committee Members

No member shall be removed from a committee or from the chairmanship of a committee during a committee term, except upon request by that committee member or upon a vote of the Board.

B. REQUIRED PROCEDURES

The provisions of these Bylaws that govern meetings, including calling and setting agendas for regular and special meetings, notice and waiver of notice, executive sessions, and voting requirements of the Board apply to committees and their members, mutatis mutandis. A majority of Board members assigned to a committee of Board members constitutes a quorum for that committee to conduct business, and a majority of the Board members present must vote for an item for the committee to take official action on the item.

C. AUTHORITY

The authority of committees of the Board shall be limited to information-gathering and advice and recommendations to, and on behalf of, the Board, and to ministerial acts. Authority delegated to the Board by law may be exercised only by the Board. Committees may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary.

D. FINANCE, ADMINISTRATION, AUDIT AND COMPLIANCE COMMITTEE

The Finance, Administration, Audit and Compliance Committee (FAAC) will gather, analyze, and study information concerning PEBA's governance, financial reporting, audits, budgets, and regulatory compliance and will make recommendations and reports to the Board on those matters.

E. RETIREMENT POLICY COMMITTEE

The Retirement Policy Committee will gather, analyze, and study information concerning issues arising out of PEBA's administration of the retirement plans set out in Title 9 of the Code and the Deferred Compensation Program, and will make recommendations and reports to the Board on those matters.

F. HEALTH CARE POLICY COMMITTEE

The Health Care Policy Committee will gather, analyze, and study information concerning issues arising out of PEBA's administration of the insurance plans set out in Chapter 11 of Title 1 of the Code, and will make recommendations and reports to the Board on those matters.

VI. INDEMNIFICATION OF BOARD MEMBERS

PEBA shall indemnify and hold harmless members of the Board from and against all liabilities, costs, fees, and expenses, incurred as a result of their acts taken in their official capacity or as a result of allegations regarding those acts, to the full extent permitted by law, and shall insure its obligation hereunder from the insurers and in the amounts determined by the Board, if deemed reasonably necessary.

VII. OFFICER SELECTION PROCESS

A. The officers of the Board will be a Chairman, a Vice-Chairman, a secretary of the Board and the Executive Director of PEBA.

B. The Chairman and the Executive Director shall be selected in accordance with the Governing Law. The Board shall, in each regular meeting held in the month of July of even-numbered years, select one of its nonrepresentative members to serve as Chairman for ~~the ensuing twenty-four months~~ a term ending June 30th of the next even-numbered year, and until a successor is elected. Provided, however, that the term as Chairman ends when the member no longer serves on the Board. If there is a vacancy in the Chairman position, the Vice-Chairman shall serve as Chairman until the next regularly scheduled meeting. At its next regularly scheduled meeting, the Board shall select a nonrepresentative member to serve as Chairman until the next election held in July of even-numbered years.

C. The Chairman shall (1) preside and conduct meetings of the Board, (2) convene and adjourn meetings, (3) appoint committee chairmen, and (4) propose agendas for Board meetings.

D. The Executive Director shall be the principal executive officer PEBA and, subject to the control of the Board of directors, shall, in general, perform and fulfill the statutory duties, responsibilities

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and powers conferred upon that office, and supervise and control all of the business and affairs of PEBA and have responsibility for the development and implementation of the strategic direction and initiatives of PEBA. The Board of Directors shall be responsible for selecting, evaluating the performance of, and, subject to the regulations of the Agency Head Salary Commission, setting the compensation of the Executive Director.

E. The Board shall, in each regular meeting held in the month of July of even-numbered years, select a Vice-Chairman from among its nonrepresentative members to serve for ~~the ensuing twenty-four months~~ a term ending June 30th of the next even-numbered year, and until a successor is elected. Provided, however, that the term as Vice-Chairman ends when the member no longer serves on the Board. If there is a vacancy in the Vice Chairman position, at its next regularly scheduled meeting, the Board shall select a nonrepresentative member to serve as Vice Chairman until the next election held in July of even-numbered years. In the absence of the Chairman, the Vice Chairman shall preside at Board meetings.

F. At any meeting of the Board at which neither a Chairman nor Vice-Chairman is in attendance, the meeting shall be called to order by the Executive Director who shall chair the meeting until a quorum elects a Chairman pro tempore as the meeting's first order of business. If the absence of the Chairman and Vice-Chairman is due to the holders of those offices having discontinued service on the Board, then the election shall be for both a Chairman and a Vice Chairman for the remainder of the two-year term rather than pro tempore.

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G. The Board shall, from time to time and with the advice of the Executive Director, select from among the PEBA employees, a person to serve as secretary of the Board, to serve at the pleasure of the Board. The secretary of the Board shall have the responsibilities prescribed herein and such other duties as the Board may from time to time require, including: (a) keep the minutes of the proceedings of the Board; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and (c) be custodian of the records of the Board.

VIII. RULES OF ORDER

- A. Board meetings should proceed in an informal and collegial manner with a design towards reaching consensus when possible.
- B. The Chairman shall call for motions on items. Items presented to the Board for vote shall require a motion by a Board member other than the Chairman and a second of that motion by another Board member other than the Chairman.
- C. The item can then be discussed by the Board. The Chairman shall manage the discussion of the item and may participate in the discussion.
- D. The Chairman shall call for a vote on the item.
- E. Questions of reconsideration, tabling or amendment of motions, etc., are all decided by majority vote.

- F. The Board and its Committees may utilize the rules of order prescribed for small assemblies or similar small bodies in the most recently published revision of Robert's Rules of Order as a guide in conducting its meetings. Robert's Rules of Order shall not be binding on the Board, however. Rather, such rules of order will be construed to promote the orderly and efficient conduct of business and to avoid procedural complexity which may delay or hinder the taking of action required by law or advisable in the prudent exercise of the Board's fiduciary responsibilities.
- G. The order of business will be at the discretion of the Chairman in the absence of instructions from the Board, but will normally be as follows:
 - i. Call to Order
 - ii. Approval of previous Board meeting minutes
 - iii. Committee Reports iv. Executive Director Report v. Other Business
 - vi. Adjournment

IX. MEETING MINUTES

- A. Minutes of the Board's meetings will be taken in accordance with law, and such records are open to public inspection.
- B. The Chairman will cause the minutes of all Board meetings to be prepared, recording therein the time and place of each meeting, the names of the Board members present, and the actions of the Board giving the affirmative and dissenting votes, except where the action is unanimous, and when requested, a Board member's dissent or approval with reasons.
- C. The Chairman will cause the minutes to be presented for approval at the next regular Board meeting. Board minutes will focus on describing any actions that occurred, and will provide sufficient detail to evidence the Board's due diligence in the matter. The minutes of a meeting during which an executive session is held will reflect the topic of the discussion at the executive session.
- D. The minutes as approved by the Board, will be preserved as a part of the public record of the Board, and will be kept open to public inspection in accordance with law.
- E. Board proceedings will be recorded on audio. The audio recordings will be kept at least until official minutes of the meeting are approved, after which time they may be destroyed.

X. REVIEW, HISTORY, AND AMENDMENT

- A. The Board will review the PEBA Bylaws at least every three years to ensure that they remain relevant and appropriate.

B. No provision within these Bylaws shall apply to the extent that it is in conflict with any provision of the Code of Laws of South Carolina, 1976, as amended. In the event of such conflict, the applicable Code provision shall apply in all respects.

C. These Bylaws were adopted by a majority of the Board members at a duly convened meeting of the Board on November 21, 2012. These Bylaws were amended on December 12, 2012, September 18, 2013, December 17, 2014, and on March 28, 2015.

D. These Bylaws may be amended only upon a majority vote of the Board members at a duly convened meeting of the Board upon proper notice pursuant to the South Carolina Freedom of Information Act. For purposes of this provision, majority shall mean a majority of the total membership of the Board, not simply a majority of the Board members present at any meeting convened for the purpose of amending the Bylaws.

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Finance, Administration, Audit and Compliance Committee

Meeting Date: February 17 2016

1. Subject: Review of the Committee Strategic Plan

2. Summary: Review the Committee's strategic Plan

3. What is Committee asked to do? Review Strategic Plan and update as needed.

4. Supporting Documents:

Attached:

1. FAAC Committee Charter
2. PEBA Strategic Plan Completed Dec 1-Feb 16
3. PEBA Board Strategic Plan- Staff Action Plans
4. PEBA Board Strategic Plan 2015-2018

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	Status	Responsible Staff Leader	Seq #
FAAC	Audit and Risk	Review written training material to ensure PII and HIPAA information is appropriately protected	12/31/2015	7/1/2015		Helen Everson Sue Sadik	58
FAAC	Board Level / Governance	Code of Conduct policy	12/31/2015	12/21/2015		Stephen Van Camp	122
FAAC	Board Level / Governance	Conduct an annual strategic planning session with a professional facilitator to produce staff action plans appropriately designed to accomplish the PEBA Board's strategic goals. a. Conduct staff strategic planning session		10/15/2014		Sarah Corbett	26
FAAC	Board Level / Governance	Conduct an annual strategic planning session with a professional facilitator to produce staff action plans appropriately designed to accomplish the PEBA Board's strategic goals. a. Distribute action plans to all staff b. Engage all levels of staff in strategic planning	9/30/2015	7/31/2015		Sarah Corbett	3
FAAC	Board Level / Governance	Conduct an annual strategic planning session with a professional facilitator to produce staff action plans appropriately designed to accomplish the PEBA Board's strategic goals. a. Update all staff action plans		3/15/2015		Sarah Corbett	74
FAAC	Board Level / Governance	Consider enhancing the Board Education Policy to: Provide an expanded framework around ethical standards	6/30/2015	6/17/2015		Sarah Corbett Stephen Van Camp	14
FAAC	Board Level / Governance	Consider enhancing the Board Education Policy to: Provide specific topics on which training is needed including fiduciary training	5/31/2016	6/17/2015		Sarah Corbett Stephen Van Camp	15

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Board Level / Governance	Consider enhancing the Board Education Policy to: Require some portion of Trustee training to be provided by outside independent sources (non-vendors)	5/31/2016	6/17/2015		Sarah Corbett Stephen Van Camp	16
FAAC	Board Level / Governance	Create a Board disciplinary policy		3/28/2015		Justin Werner	13
FAAC	Board Level / Governance	Develop a "Powers Reserved" governance framework: Hire an external facilitator to assist with this process	3/31/2015	3/27/2015		Sarah Corbett Stephen Van Camp	10
FAAC	Board Level / Governance	Develop a PEBA Board member orientation manual and process	4/30/2015	3/28/2015		Angela Warren	7
FAAC	Board Level / Governance	Develop position description for Board and Committee Officers	6/30/2015	4/27/2015		Kim Brown Sarah Corbett	12
FAAC	Board Level / Governance	Engage a consultant to facilitate the PEBA Board's self assessment process	7/31/2015	7/15/2015		Sarah Corbett Stephen Van Camp	9
FAAC	Board Level / Governance	Evaluate the results of the fiduciary audit, integrate results into strategic plan and take action on the recommendations as appropriate	3/31/2015	3/1/2015		Sarah Corbett	4
FAAC	Board Level / Governance	Facilitate PEBA Board strategic planning: Provide quarterly updates on strategic planning to the PEBA Board	6/30/2015	3/28/2015		Sarah Corbett Lisa Phipps	2
FAAC	Board Level / Governance	Facilitate PEBA Board strategic planning: Schedule a strategic planning retreat for the PEBA Board	3/31/2015	3/28/2015		Sarah Corbett	1
FAAC	Board Level / Governance	For any major strategic items, we will ask the stakeholders at our stakeholder group to provide feedback.	12/31/2015	1/26/2016		Sarah Corbett	126
FAAC	Board Level / Governance	Go through the Board Orientation at a full board meeting	9/30/2015	9/16/2015		Sarah Corbett	124
FAAC	Board Level / Governance	Identify a method for evaluating vendor solicitations and include a sourcing and disclosure form	12/31/2015	12/31/2015		Georgia Gillens	11

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Board Level / Governance	Improve Bylaws and charters as identified by Funston 1.10	3/31/2015	3/28/2015		Justin Werner	8
FAAC	Board Level / Governance	Prepare a list of suggested external Board training and education programs and update on annual basis	2/28/2015	2/6/2015		Lisa Phipps	5
FAAC	Board Level / Governance	Schedule in-house fiduciary training for FY15 and a rotating program for the future. Topics include the duties of loyalty and impartiality.	9/30/2016	3/27/2015		Stephen Van Camp	6
FAAC	Communications	Collect e-mail addresses for members and develop technical mechanism for communicating mass e-mails: procure system for mass email distribution	12/31/2015	9/21/2015		Megan Lightle Lisa Phipps Doug Hislop	23
FAAC	Communications	Develop a comprehensive communications plan for PEBA including Board of Directors, employers, members, employees, legislators, the public and other stakeholders	9/30/2015	9/8/2015		Megan Lightle	17
FAAC	Communications	Ensure legislative updates are communicated with employers timely		1/2/2015		Megan Lightle Jennifer Dolder	24
FAAC	Communications	Evaluate current state of branding and implement improvements	8/31/2015	6/30/2015		Megan Lightle Heather Young	106

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Communications	Evaluate current state of co-branding: Develop a white paper on the pros and cons of co-branding products with our vendors	6/30/2015	6/17/2015		Megan Lightle Heather Young	25
FAAC	Communications	Meet with stakeholders to determine method for improving communications with the Board and PEBA staff.	3/31/2015	3/23/2015		Sarah Corbett Megan Lightle	19
FAAC	Communications	Meet with stakeholders to determine method for improving communications with the Board and PEBA staff: Modify the website to include a place and a method for receiving public feedback on issues before PEBA	7/31/2015	5/8/2015		Sarah Corbett Megan Lightle	21
FAAC	Communications	Redesign website to improve what information is provided and how it is presented for ease of use	1/1/2016	12/31/2015		Megan Lightle	20
FAAC	Communications	Review external vendors marketing and communications plans and contractual responsibilities: Develop marketing plans for key health care products and services identified in the health care policy strategic action plan.	6/30/2015	3/30/2015		Megan Lightle Laura Smoak	28
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Administrative Services Only (SHP) / BlueCross BlueShield	7/31/2015	7/16/2015		Megan Lightle	110

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Companion Benefit Alternatives	12/31/2015	12/18/2015		Megan Lightle	141
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Life Insurance & Accidental Death & Dismemberment / Minnesota Life	9/30/2015	9/14/2015		Megan Lightle	114
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Long Term Disability & Supplemental Long Term Disability / The Standard	1/31/2016	12/31/2015		Megan Lightle	115
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Vision / EyeMed	11/30/2015	11/23/2015		Megan Lightle	118
FAAC	Customer Service	Call management system procurement	12/31/2015	2/12/2016		Sharon Graham Georgia Gillens	51
FAAC	Customer Service	Continue regular participation in CEM Benchmarking services for pension plans and the annual 50-State Survey for public employee health plans	3/1/2015	3/1/2015		John Page Laura Smoak	49
FAAC	Employer Services	Create a formal method for receiving feedback on employer services from employees	5/31/2015	5/31/2015		Jennifer Dolder	54

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Employer Services	Create an Employer Advisory Group with Employers	12/31/2015	10/31/2015		Jennifer Dolder	53
FAAC	Employer Services	Create an internal committee to evaluate employer needs and how employer services are currently provided and how employer services can be enhanced in the future	12/31/2015	12/1/2015		Sarah Corbett Jennifer Dolder	48
FAAC	Employer Services	Hire a Director of Employer Services	3/31/2015	3/4/2015		Sarah Corbett	52
FAAC	Employer Services	Survey other plans to determine benchmarks for employer services	8/31/2015	8/28/2015		Jennifer Dolder	55
FAAC	Facilities	Update signage on highway (277 and Farrow Road) to better identify PEBA for visitors	3/31/2016	2/5/2016		Paulette Redfern Heather Young	123
FAAC	Human Resources / Workforce Development	Create and communicate an agency compensation plan and philosophy to provide transparency and guidance in pay practices.	6/30/2015	6/29/2015		Kim Brown	37
FAAC	Human Resources / Workforce Development	Define and promote an organizational culture of high performance. Develop a set of Characteristics of High Performance. Introduce these to the workforce through a targeted campaign over a two-month period and continue to use as a guide in how we perform as individuals and as an agency.	9/30/2015	6/29/2015		Kim Brown Department Managers	39

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	Status	Responsible Staff Leader	Seq #
FAAC	Human Resources / Workforce Development	Formalize affiliation and track participation in industry associations to ensure core competencies are developed and maintained and best practices are shared.	6/30/2015	5/28/2015		Kim Brown	29
FAAC	Human Resources / Workforce Development	Host 'Getting to know you' events	10/31/2015	9/2/2015		Tiffany Latimer Employee Recognition Committee	130
FAAC	Human Resources / Workforce Development	Member Spotlight video #1	12/31/2015	9/30/2015		Communications	134
FAAC	Human Resources / Workforce Development	Modify hiring practices to ensure effective recruitment and selection of professional level staff with the potential to serve the agency in various capacities. <ul style="list-style-type: none"> • Reevaluate position functions, level, and requirements • Expand recruitment efforts – online job boards, local schools, LinkedIn • Development and HR approval of selection process tools prior to interviewing • Require diverse interview panels – race, gender, and organizational • Comprehensive review of applicant data and HR selection of candidate pool 	6/30/2015	3/25/2015		Kim Brown	36
FAAC	Human Resources / Workforce Development	Provide Customer Satisfaction Results in monthly PEBA newsletter	12/15/2015	9/2/2015		Tiffany Latimer Employee Recognition Committee	133
FAAC	Human Resources / Workforce Development	Spotlight employees in monthly PEBA newsletter	9/15/2015	9/15/2015		Tiffany Latimer Employee Recognition Committee	131
FAAC	Human Resources / Workforce Development	Update pictorial organization chart and display in multiple locations	10/31/2015	10/1/2015		Communications Sharon Hammond	132

Completed Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	Status	Responsible Staff Leader	Seq #
FAAC	Information Technology	Complete a post cyber attack recovery plan: Provide an incident response overview to the Board	3/31/2016	1/25/2016		Sue Sadik	47
FAAC	Information Technology	Complete the conversion of paper documents to electronic submission and self service opportunities via the internet.		3/15/2015		Sharon Graham Doug Hislop	43
FAAC	Information Technology	Evaluate the costs and benefits of cyber insurance: a. Document cyber security risks to the organization, including the financial impact of a potential breach b. Determine scope of cyber insurance c. Determine cost/benefit analysis of purchasing cyber insurance	3/31/2016	2/1/2016		Doug Hislop	46
FAAC	Information Technology	Regularly review and improve upon IT security: Create a security review and practice calendar for internal review	8/31/2015	8/28/2015		Doug Hislop	45
FAAC	Operational Assessment	Operational Assessment: Phase 1 – Jan 2015 – Aug 2015 1. 'As Is': Current Business Flow document 2. SWOT analysis document 3. Current High Level Architectural Design (For all systems in scope) 4. Organizational Assessment Document (Current organizational analysis) 5. Executive Summary Report on Phase 1 completion	8/31/2015	9/15/2015		Lisa Phipps	40

Open Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Audit and Risk	Review and determine how to implement Enterprise Risk Management for PEBA.	12/31/2017			Risk & Compliance Director - Jan 2016	57
FAAC	Board Level / Governance	In November have a brainstorming session with senior staff and Board members to discuss strategic issues that may arise prior to a crisis situation	4/30/2016			Sarah Corbett	125
FAAC	Business Continuity	Complete a business continuity plan a. Development of 24-48 hour plan b. Training of Staff regarding business continuity plan c. Purchasing of Equipment as needed	4/30/2016			Lisa Phipps	44
FAAC	Communications	Build a survey feature into the PEBA website to solicit feedback from customers regarding use and content. Provide survey results to PEBA executive management.	12/31/2016			Megan Lightle	142
FAAC	Communications	Collect e-mail addresses for members and develop technical mechanism for communicating mass e-mails: modify business processes to incorporate capture and use of email addresses	6/30/2016			Megan Lightle Lisa Phipps Doug Hislop	109
FAAC	Communications	Collect e-mail addresses for members and develop technical mechanism for communicating mass e-mails: modify forms to include email address where applicable	3/31/2016			Megan Lightle Lisa Phipps Doug Hislop	108
FAAC	Communications	Evaluate the use of an external marketing firm and/or market research firm to conduct focus groups of employers, retirees, and active employees to obtain general and specific feedback on PEBA's key informational and educational tools (IBG, newsletter, handbooks, website) and implement recommendations as appropriate.	3/31/2016			Megan Lightle Heather Young	18
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Dental & Dental Plus / BlueCross BlueShield Dental	4/30/2016			Megan Lightle	112

Open Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for MoneyPlus/Cafeteria plan / FBMC	3/31/2017			Megan Lightle	116
FAAC	Communications	Vendor Management: Review marketing plans and expand or enhance plans or contractual responsibilities as needed for Pharmacy Benefit Management Services / Express Scripts	5/31/2016			Megan Lightle	119
FAAC	Customer Service	Call management system implementation	3/31/2016			Sharon Graham	135
FAAC	Customer Service	Customer Service staff will engage customers by soliciting feedback on actionable items and information will be utilized to improve our business processes. This process will be separate from the current satisfaction survey process.	3/31/2016			Sharon Graham	50
FAAC	Employer Services	Evaluate demand for additional regional services and/or offices	12/31/2016			Jennifer Dolder	127
FAAC	Facilities	Develop a long term facilities plan, which includes remedying current issues in the physical property	12/31/2016			Travis Turner	56
FAAC	Facilities	Update signage in and around building to better identify PEBA for visitors	3/31/2016			Paulette Redfern Heather Young	128

Open Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Facilities	Update signage in parking lot to better identify PEBA for visitors	3/31/2016			Paulette Redfern Heather Young	129
FAAC	Human Resources / Workforce Development	Continued consolidation of common retirement and insurance processes. Explore additional organizational changes to provide opportunity for efficiencies and employee exposure.	6/30/2016			Travis Turner	34
FAAC	Human Resources / Workforce Development	Develop orientation videos for new PEBA employees	6/30/2016			Bobby George	32
FAAC	Human Resources / Workforce Development	Ensure each operational area has up-to-date written policies and procedures and department specific training to be used in cross-training and on-the-job training.	7/31/2016			Department Managers	38
FAAC	Human Resources / Workforce Development	Explore the utilization of bonuses for achievement of budget efficiencies and high performance.	12/31/2016			Kim Brown	140
FAAC	Human Resources / Workforce Development	Member Spotlight video #2	6/30/2016			Communications	136
FAAC	Human Resources / Workforce Development	Member Spotlight video #3	12/31/2016			Communications	138

Open Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Human Resources / Workforce Development	Training & Development Program <ul style="list-style-type: none"> • Assess, identify, and deliver employee and organizational training and development opportunities to include: <ul style="list-style-type: none"> o Effective Hiring Practices o Leadership and Supervisory Skills o Performance Management (360° review) o Process Improvement o Change Management o Ethics o Compliance o Fiduciary Responsibility o HIPAA/Cyber Security • Develop and implement a new employee onboarding program • Assist managers in the development of department-specific training to be used in cross-training and on-the-job training 	9/30/2016			Kim Brown	30
FAAC	Human Resources / Workforce Development	Workforce Plan <ul style="list-style-type: none"> • Assess the critical issues, goals and objectives that will drive workforce needs • Determine future workforce needs <ul style="list-style-type: none"> o Structure and staffing levels o Competencies critical to success • Assess current workforce <ul style="list-style-type: none"> o Assess competencies and staffing levels o Chart retirement eligibility o Identify top talent for advancement potential • Determine gaps in the current to future workforce and develop strategies to address the gaps to include: <ul style="list-style-type: none"> o Human Resource Allocation o Succession Planning o Employee Development Plans o Performance Management o Training & Development o Mentoring 	12/31/2016			Kim Brown	35

Open Items

PEBA Board Strategic Plan - Staff Action Plans (FAAC)

Committee	Strategic Category	Actions	Target Completion Date	Implementation Date	S t a t u	Responsible Staff Leader	Seq #
FAAC	Information Technology	Consider ISO certification				Doug Hislop	120
FAAC	Information Technology	Regularly review and improve upon IT security: Comply with State issued information security policies	6/30/2016			Sarah Corbett Doug Hislop	121
FAAC	Information Technology	Regularly review and improve upon IT security: Purchase and implement additional security hardware and software	3/31/2016			Doug Hislop	105
FAAC	Operational Assessment	Operational Assessment: Phase 2 – Aug 2015 – April 2016 1. 'To Be': Future Business Flow document 2. High Level Architectural Design (For all Future Systems in PEBA) 3. Organizational Assessment Document (Future organizational analysis) 4. Alternative Proposal Solution 5. Executive Summary Report on Phase 2 completion	4/15/2016			Lisa Phipps	41
FAAC	Operational Assessment	Operational Assessment: Phase 3 – April 2016 – June 2016 1. High Level Roadmap 2. Cost Benefit Analysis 3. Findings & Recommendations for Implementation Projects 4. Executive Summary Report on Phase 3 completion 5. Final Assessment Report	6/30/2016			Lisa Phipps	42

South Carolina Public Employee Benefit Authority

Strategic Plan: 2015-2018

[As approved by the PEBA Board on 8.21.2013]

[Technical Change on 10.16.13 by Board]

[Adopted by PEBA Board 12.17.14]

PART I – BASIC PRINCIPLES

Mission/Vision Statement

PEBA's mission is to recommend, offer and administer competitive programs of retirement and insurance benefits for SC public employers, employees and retirees. In establishing or recommending the design of benefits to be offered, the Public Employee Benefit Authority seeks to provide the retirement and insurance components of an overall compensation package for public employees that will allow South Carolina governmental employers to compete, on a cost-effective basis, for the excellent employees needed to provide high-quality government services to the citizens of the State of South Carolina. In administering these benefits, the Public Employee Benefit Authority seeks to effectively and efficiently operate sustainable retirement and insurance plans in accordance with the terms of those plans and its fiduciary duties to the beneficiaries of those plans.

Core Values

- **Quality Customer Services and Products** – We consistently provide outstanding products and excellent customer services, as defined by our customers, and we strive for continuous improvement. Our interaction with customers is fair, fast, accurate, and understandable.
- **Innovation** – We are receptive to and flexible with the changing environment and the evolving world of technology. We welcome challenges, embrace innovation, and encourage creativity.
- **Professionalism** – We perform our work with honesty, integrity, and loyalty. We are committed to performance that is credible, thorough, competent, and worthy of customer confidence.
- **Strong Workforce** – We are committed to having a strong workforce, with our employees placed in the right positions, well-trained, and motivated to consistently achieve high performance.

Key Strategic Objectives

At the broadest level, PEBA's strategic objectives are to:

- Create an organization driven by the pursuit of excellence in all areas.
- Design and implement an updated health care plan that focuses on improving health outcomes and reducing costs.
- Provide for the efficient and cost effective administration of the retirement systems for active and retired members of the systems.
- Ensure the highest fiduciary, legal and ethical standards are known and applied across the organization.

Expected Results

PEBA expects that, by pursuing the goals and objectives set out in this and future strategic plans, it will achieve the following results:

- Satisfied members, beneficiaries and stakeholders
- Engaged employees
- Improved fiscal and financial positions of the plans and programs administered by PEBA
- Long-term success for South Carolina's governmental employee insurance and retirement plans

PART II – SPECIFIC INITIATIVES

I. STRATEGIC PLANNING

Goal

- a) Annually in December, PEBA will conduct an organized process to create and update a

comprehensive strategic plan.

II. LEADERSHIP AND GOVERNANCE

Goals

- a) The fiduciary responsibilities of the Board and its committees are clearly defined and they are able to satisfy them.
- b) The PEBA Board is provided with education regarding its role as a Board of Trustees, and the Board focuses on policy-level activities under their authority.
- c) The PEBA Board anticipates and develops creative solutions to challenges faced by public employee insurance and retirement plans.
- d) PEBA maintains an engaged and open relationship with the South Carolina Retirement System Investment Commission, the Budget and Control Board, and the South Carolina Executive and Legislative Branches of government.

III. Customer Focus

Goals

- a) The opinions and concerns of stakeholders are actively solicited and actions are appropriately taken to improve processes maximize benefits within available resources.
- b) Stakeholders understand the rationale behind policy decisions regarding PEBA products and services.
- c) Members are educated on the nature of their benefits in order to make sound decisions regarding their benefit plans and service choices.
- d) Internal staff is informed of policy decisions and understand the impact on their work.
- e) Members and benefits administrators are able to receive services through a “one-stop shop.”
- f) PEBA services are rated both cost effective and of high quality.

IV. PLAN MEASUREMENT AND ANALYSIS

Goals

- a) Provide the maximum competitively-necessary benefit within the available resources on the most cost-efficient basis.
- b) Plans are equitable.
- c) Funding mechanisms established for the plans are fiscally sound.
- d) There is progress toward eliminating unfunded liability.
- e) Contributions are predictable and reasonable.
- f) All participants are retirement-ready.

V. WORKFORCE PLANNING

Goals

- a) PEBA has the ability to recruit and maintain a stable, sufficient, and proficient workforce to carry out the strategic goals of the agency.
- b) Integrate EIP and Retirement staffs’ functions and responsibilities as appropriate.

VI. OPERATIONS MANAGEMENT

Goals

- a) PEBA will have a new, integrated system that improves efficiency in operations and effectiveness in service delivery.
- b) PEBA will, at all times, ensure that its information technology resources are deployed in the most safe and secure manner feasible.

Finance, Administration, Audit and Compliance Committee Charter

[As adopted by the PEBA Board on 7.16.14]

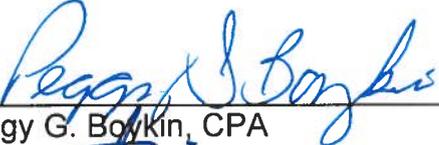
- (A) Purpose:** To preserve and improve the operational integrity of PEBA by making recommendations and reports to the PEBA Board concerning matters of PEBA's governance, administration and operations; financial reporting, audits and budgets; regulatory compliance; and technology platforms, privacy and data security.
- (B) Authority:** The authority of the Finance, Administration, Audit and Compliance (FAAC) Committee includes information-gathering and advice and recommendations to the Board. The Committee may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary. PEBA Board of Directors Bylaws, Section V(C).
- (C) Composition:** The FAAC Committee shall be established pursuant to the process defined in the PEBA Board of Directors bylaws.
- (D) Meetings:**
- (1) The FAAC Committee will meet as circumstances require upon the call of the Committee Chair.
 - (2) FAAC Committee meetings shall adhere to the rules outlined in the PEBA Board of Directors Bylaws and with applicable law.
- (E) Responsibilities:** The FAAC Committee will carry out the following responsibilities:
- (1) Develop a strategic plan for PEBA governance, administration, financial reporting, auditing and regulatory compliance and make recommendations to the PEBA Board;
 - (2) Monitor PEBA's financial reporting efforts to assess the status of financial reporting, to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
 - (3) Develop the Internal Auditor's reporting and unit structure, responsibilities and job description;
 - (4) Monitor PEBA's auditing function through the PEBA internal and external auditors to assess the status of auditing efforts, to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
 - (5) Monitor PEBA's regulatory compliance status to determine progress toward strategic objectives, and make recommendations to the PEBA Board;
 - (6) Review any proposed changes to the governance of PEBA and make recommendations to the PEBA Board;
 - (7) At least annually, review PEBA governance documents to determine compliance with the documents, to determine whether any changes to the governing documents are required and to make recommendations to the PEBA Board;

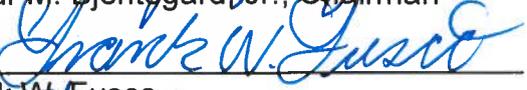
- (8) Develop, review and oversee any legislative and executive branch initiatives (including budgeting) of the PEBA Board and make recommendations to the PEBA Board;
- (9) Periodically review status of property and equipment
- (10) Monitor status of PEBA's data security, HIPAA and other privacy compliance;
- (11) Oversee development of Board member training and handbook;
- (12) Create and maintain a calendar of events for PEBA;
- (13) Develop a travel and education policy for PEBA Board members;
- (14) Oversight of litigation involving and/or affecting PEBA;
- (15) Oversight of Human Resource policies and procedures;
- (16) Oversee agency communications involving areas of FAAC responsibilities.

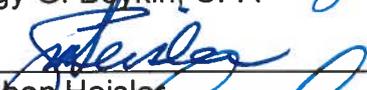
As approved and adopted:

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT
AUTHORITY BOARD OF DIRECTORS**

By: 
Arthur M. Bjontegard Jr., Chairman

By: 
Peggy G. Boykin, CPA

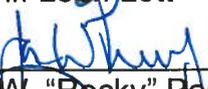
By: 
Frank W. Fusco

By: 
Stephen Heisler

By: 
Stacy Kubu

By: 
Sheriff Leon Lott

By: 
Steve A. Matthews

By: 
Joe W. "Rocky" Pearce, Jr.

By: 
Audie Penn

By: 
John A. Sowards

By: 
David J. Tigges

Dated: 7/16/14

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Finance, Administration, Audit and Compliance Committee

Meeting Date: February 17 2016

1. Subject: Retirement Readiness

2. Summary: Jennifer Dolder, Employer Services Director, will discuss how employees can prepare for retirement at any point in their career.

3. What is Committee asked to do? Receive as information

4. Supporting Documents:

(a) Attached: 1. Retirement Readiness



Serving those who serve South Carolina

Retirement readiness

FAAC Committee

February 17, 2016



Retirement readiness

- Be aware and prepare
- Generational targeting
- Field Services seminars
- Employer support
- Promotion and tracking



Be aware and prepare

- Provide general education on planning, saving and investing
- Present resources in a variety of formats
- Increase retirement awareness
- Engage members in retirement preparation



Generational targeting

Support members at any stage in their career

1. Early- and mid-career employees
 - Address the gap and connect with this group
2. Approaching retirement or ready to retire
 - Focus on preparation and decision-making
3. Retirees
 - Introduce topics on enjoying retirement



Field Services seminars

Pre-retirement

- Supported by regional employer locations
- Attendees register online

Early- and mid-career

- Identify potential sources of retirement income
- Understand PEBA retirement plan benefits



Employer support

- Concern for their employees
- Be aware and prepare flier and announcement at annual Benefits at Work conference
- Employer advisory group conversations
- Enthusiastic about resources



Promotion and tracking

- 2016 Field Services focus
- Customer Contact Center initiatives
- Views on PEBA TV (YouTube channel)
- Attendance at early- and mid-career seminars
- Retirement readiness web page hits
- New SCDCP accounts

Questions?



Jennifer Dolder
Employer Services Director
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Disclaimer

This presentation does not constitute a comprehensive or binding representation regarding the employee benefits offered by the South Carolina Public Employee Benefit Authority (PEBA). The terms and conditions of the retirement and insurance benefit plans offered by PEBA are set out in the applicable statutes and plan documents and are subject to change. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.