

### FAAC Committee Members Present:

Mr. Steve Matthews, Chairman  
Ms. Peggy Boykin  
Mr. Art Bjontegard

### Committee Members Not Present:

Mr. Leon Lott

### Other Members Present:

Mr. Frank Fusco

### Others present for all or a portion of the meeting:

Robbie Bell, Kim Brown, Lil Hayes, Travis Turner, Stephen Van Camp, Justin Werner, and Virginia Wetzel from the South Carolina Public Employee Benefit Authority (PEBA); and Donald Tudor with the State Retirees Association of South Carolina.

#### 1. Call to Order

Mr. Steve Matthews called the FAAC Committee meeting to order at 2:00 p.m. Ms. Lil Hayes confirmed meeting notice compliance with the Freedom of Information Act.

#### 2. Adopt Agenda

Ms. Peggy Boykin moved to adopt the proposed agenda. Mr. Art Bjontegard seconded the motion, which was approved unanimously.

#### 3. Adopt Minutes

Mr. Matthews asked if there were amendments to the March 4, 2014, Committee meeting minutes. There being no amendments, Mr. Matthews asked for a motion for approval. Mr. Bjontegard moved to approve the March 4, 2014 Committee meeting minutes, which was seconded by Ms. Boykin, and approved unanimously.

#### 4. Legislative Update [in notebook materials]

Interim Director, Mr. Travis Turner, summarized PEBA's legislative report for the week of March 24–28, 2014. He also announced that PEBA's legislative liaison presence has been expanded with the addition of Ms. Tiffany Latimer to support Ms. Gwen Bynoe in monitoring legislation pertaining to PEBA. For all future PEBA Legislative Reports, the Committee requested staff to condense the summary/description of each legislative bill into one sentence and to provide the following information for each bill: pros and cons; supporters and opponents; fiduciary related concerns; and the fiscal impact effects on the SC Retirement Systems, State Health Plan, and other relevant parties.

## **5. PEBA Human Resource Report [in notebook materials]**

During the March 4, 2014, FAAC Committee Meeting, the Committee directed PEBA professionals to research the development of a PEBA employee bonus program and a compensation study. Ms. Kim Brown, PEBA's Human Resources Director, presented an overview of the process and results surrounding her internal compensation study which incorporates SC human resources laws and regulations. The Committee directed PEBA professionals to research comparable public sector employee bonus programs and to formulate a draft PEBA employee bonus program based upon defined performance measures to be presented in the June 3, 2014, FAAC Committee meeting.

## **6. Operating Policy Development**

Mr. Matthews advised that the Inspector General will be conducting a fiduciary audit on the agency within the next twelve months. In preparation for this audit, he would like PEBA professionals to review the recently completed fiduciary audit of the South Carolina Retirement Systems Investment Commission in order to determine what PEBA related policies should be memorialized in preparation for PEBA's fiduciary audit. Specifically, he would like the Committee to review their Charter and a draft Conflict of Interest Policy during their June Committee meeting. Ms. Boykin suggested referencing Teachers Retirement Systems of Texas and Wisconsin Retirement Systems policies when drafting PEBA's Conflict of Interest Policy.

## **7. Old Business**

There was no old business discussed.

## **8. New Business**

There was no new business discussed.

## **9. Executive Session Pursuant to S.C. Code of Laws § 30-4-70 (a)(2)**

At 3:45 p.m., upon a motion by Mr. Bjontegard and a second by Ms. Boykin, the Committee voted unanimously to enter into executive session pursuant to S.C. Code of Law 30-4-70 (a) (2) for legal advice. Open meeting resumed at 4:00 p.m. It was noted that no action was taken by the Committee while in executive session.

## **10. Adjourn**

There being nothing further to discuss, the Committee meeting adjourned at 4:05 p.m.