

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (FCERA)
POLICY DEVELOPMENT PROCESS**

I. Background and Objectives

- 1) A fundamental role of the Board is to establish policies guiding critical aspects of FCERA's operations and this policy is intended to set out the process by which such policies will be developed and approved.
- 2) FCERA defines board policy as general guidelines established by the Board to manage significant critical risks inherent in the governance and management of the FCERA. Board policies are intended to be specific enough to provide staff and service providers with sufficient direction on how to carry out specific tasks or activities, yet general enough to enable staff and service providers to apply their expertise and exercise their discretion under the circumstances so that the best interests of the FCERA and its members and beneficiaries will be served.

II. Roles and Responsibilities

- 1) The 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 for the Board's consideration.
- 2) The general role of the Board in the policy development process is to satisfy itself that the Administrator's policy recommendations and underlying analysis thereof have been prepared with the requisite level of skill, diligence, and care and effectively support the mission and goals of the FCERA, and will effectively mitigate any risks they were intended to address.
- 3) Where a committee of the Board has been assigned responsibility for developing a board policy, its role shall be to review, assess and, as appropriate, revise the Retirement Administrator's proposed policy, and provide a recommendation to the Board for approval.

III. Guidelines

- 1) Policy Development
 - a) The Board wishes to establish the most efficient and effective policy development process possible. Accordingly, FCERA will operate in accordance with the following guidelines:
 - i. Any party may identify the need for a board policy, but the Board expects that the Retirement Administrator will take a leading role in bringing to the Board's attention the need for specific board policies;

- ii. Primary responsibility for developing and recommending policies and performing the necessary policy analysis and research will rest with staff. Staff will seek input as needed from the Board, its committees, individual board members, advisors, or other parties.
 - iii. When recommending a policy to the Board or a committee of the Board, the Retirement Administrator will provide sufficient analysis and background information (including relevant policy alternatives when appropriate) to enable the Board or committee to discuss the policy in an efficient manner and to make informed decisions.
 - iv. The Board and its committees will refrain from engaging in abstract or unfocused discussions of policy, but rather will strive to provide direction to staff or advisors that will enable them to develop concrete, written policy recommendations that the Board can subsequently discuss and evaluate.
 - v. Should the Board or a committee disagree with staff's recommended policy, it will communicate its concerns to staff and direct staff to revise the policy. The Board and its committees are generally discouraged from attempting to redraft staff's or advisors' policy recommendations during meetings.
- 2) New Policy Adoption
- a) The Board shall conduct a minimum of two public hearings within three months of each other, with a new policy either listed as a discussion or consent item, prior to adoption.
- 3) Policy Maintenance
- a) Board policies may take various forms including, but not limited to:
 - i. Board by-laws and regulations;
 - ii. Board resolutions;
 - iii. Written policy statements; and
 - iv. Decisions contained in the minutes of board meetings.
 - b) It is the desire of the Board that, for ease of reference, board minutes not constitute the sole record of significant board policies, but rather that such policies be recorded in the form of a rule, regulation, by-law, resolution, or written policy statement and maintained in a Policy Manual.
 - c) To the extent possible, all FCERA Board policies shall be maintained in up-to-date form on FCERA's public website, and shall be accessible to the public, board members, and staff.

- d) All board policies shall be periodically reviewed; for significant board policies, the frequency of review should be specified within the policy document itself.
- e) If a board member or the Administrator believes that a particular policy requires review in advance of the time specified, they may recommend to the Board that such a review be undertaken.

4) Policy Review

- a) The Board shall review the Board Policy Development Process at least once every three (3) years to ensure that it remains relevant and appropriate.

5) Policy History

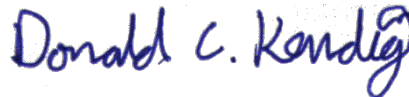
- a) This policy was adopted by the Board on April 4, 2007.
- b) The Board of Retirement reviewed this policy on August 4, 2010, March 16, 2016, January 18, 2017, and February 19, 2020.

IV. Secretary's Certificate

I, Donald Kendig, the duly appointed Secretary of the Fresno County Employees' Retirement Association, hereby certify the adoption of this Policy.

February 19, 2020

Date of Action:



By: Retirement Administrator