
Minutes

A regular meeting of the Administration and Personnel Committee was held on June 12, 2019 in Richmond, Virginia with the following members present:

Mitchell L. Nason, Chair
Diana F. Cantor, Vice Chair
Wallace G. Harris, Ph.D.
Joseph Montgomery

Board Members present:
Hon. J. Brandon Bell, II
William H. Leighty
O'Kelly E. McWilliams, III
Troilen G. Seward

Also present:

Trish Bishop, Ron Schmitz, Jennifer Schreck, Farley Beaton, Jeanne Chenault, Michael Cooper, Juanita Cribbs, Barry Faison, Robert Irving, LaShaunda King, Curt Mattson, Angela Payne, Andrea Peeks, Matt Priestas, and Cindy Wilkinson of the VRS Staff; and Lauren Axselle of the Joint Legislative Audit and Review Commission.

The meeting convened at 4:05 p.m.

Approval of Minutes

Upon a motion by Mr. Montgomery, with a second by Mr. Harris, the minutes of the November 14, 2018 meeting were approved.

Discussion and Consideration of the FY 2020 Agency Performance Outcomes (APOs) and Operational Measures

Mr. Cooper began his presentation by reviewing the VRS Vision, Mission and Commitment statements and outlined the agency's strategic goals, including:

- Strong financial viability.
- Continuous improvement of effective and efficient operations.
- Superior technological tools that enable excellent delivery of services.
- Exceptional organizational culture and work environment.
- Highly skilled and trained staff.

Mr. Cooper discussed the five (5) proposed Agency Performance Outcomes (APOs) and sixteen (16) Operational Measures for FY 2020. The Committee discussed the goals and methods used to calculate the performance targets of certain operational measures, including the process for calculating the call abandonment rate. Staff will explore and follow-up in the future with additional information for the

Committee regarding various alternative methodologies for calculating the call abandonment rate. Successful attainment of the APOs and Operational Measures is the gainsharing portion of the Performance Management Policy.

Upon a motion by Ms. Cantor, with a second by Mr. Harris, the Committee recommended approval of the following action to the full Board:

RBA: Approve FY 2020 APOs and Operational Measures

Request for Board Action: The VRS Board of Trustees approves the FY 2020 Agency Performance Outcomes (APOs) and Agency Operational Measures.

Mr. Nason thanked Mr. Cooper for his presentation.

Reappointment of Investment Advisory Committee Members

Mr. Schmitz announced the recommendation to appoint Lawrence E. Kochard, Ph.D., as Chairperson of the Investment Advisory Committee for a two-year term ending on May 31, 2021 and the reappointment of Michael Beasley and Rod Smyth to the Investment Advisory Committee, each for a two-year term ending June 20, 2021.

Upon a motion by Ms. Cantor, with a second by Mr. Montgomery, the Committee recommended approval of the following actions to the full Board:

RBA: Appointment of IAC Chairperson

Request for Board Action: The Board approves the appointment of Lawrence E. Kochard, Ph.D., as Chairperson of the Investment Advisory Committee for a two-year term that ends on May 31, 2021.

RBA: Reappointment of IAC Members

Request for Board Action: The Board reappoints to the Investment Advisory Committee: Michael Beasley for a two-year term ending June 20, 2021; and, Rod Smyth, for a two-year term ending June 20, 2021.

Reappointment of Defined Contribution Plans Advisory Committee Members

Ms. Bishop announced the recommendation to reappoint Shannon T. Irvin, Rick Larson and David A. Winter to the Defined Contribution Plans Advisory Committee, each for a two-year term. After discussion, the Committee removed Robert C. Carlson from the proposed RBA pending clarification from the Attorney General's office concerning the prohibition on elected and appointed officials serving on advisory committees.

Upon a motion by Mr. Montgomery, with a second by Ms. Cantor, the Committee recommended approval of the following action to the full Board:

RBA: Reappointment of DCPAC Members

Request for Board Action: The Board reappoints Shannon T. Irvin, Rick Larson and David Winter to the Defined Contribution Plans Advisory Committee (DCPAC), each for a two-year term ending June 20, 2021.

Review and Approve Administrative Pay Plan Updates

Ms. Bishop reviewed the draft of the amended Administrative Pay Plan. The 2019 Appropriation Act requires the Department of Human Resource Management to increase by 5% the minimum and maximum of each of the salary bands in the Commonwealth's Classified Compensation Plan. Generally, the VRS Administrative Pay Plan is adjusted in accordance with the requirements of the Appropriation Act. This increase would be effective June 10, 2019 and is consistent with changes made to the Commonwealth's Classified Compensation Plan. Ms. Bishop noted that the salary ranges for the Investment Operations and Administration Pay Plan and Investment Professionals' Pay Plan will not be adjusted at this time; however, these plans will be reassessed at the conclusion of ongoing classification and compensation studies.

Upon a motion by Mr. Harris, with a second by Mr. Montgomery, the Committee recommended approval of the following action to the full Board:

RBA: Approve Administrative Pay Plan

Request for Board Action: The VRS Board of Trustees approves an amended Administrative Pay Plan.

Budget Update

Ms. Peeks presented a summary of the FY 2019 budget and expenses from July 1, 2018 – May 29, 2019. The report indicated favorable variances for the Administration and Investment departments and all accounts appear to be on track for the fiscal year that ends on June 30, 2019. With many of the Modernization projects completed, the Committee discussed renewing efforts and focusing on additional education and training opportunities for staff in the upcoming fiscal year.

There being no further business, the meeting adjourned at 5:05 p.m.



Mitchell L. Nason, Chair
Administration and Personnel Committee