

**ADMINISTRATIVE COMMITTEE MINUTES
BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

December 7, 2021

The Administrative Committee meeting convened, via video/audio conference call, beginning at 9:30 a.m.

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Nancy K. Kopp
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Angie Jenkins	Ken Reott
Melody Countess	Van Lewis	David Rongione
Robert Diehl	Megan Myers	Janet Sirkis
Anne Gawthrop	Kim O’Keeffe	Scott Bolander (live stream)
Michael Golden	Chandra Puranam	

Assistant Attorneys General present included: Rachel Cohen and Kathleen Wherthey

Other attendees included: Megan Schutz (Treasurer’s Office)

Call Meeting to Order/Adoption of Agenda Mr. Haines, Chairman of the Administrative Committee, having established that there was a quorum present, called the meeting to order. He asked the Committee if there were any changes to the agenda. Having heard no requests for changes by the Committee, the agenda was adopted, as presented.

Minutes On a motion made by Mr. Norman and seconded by Mr. Nicole, the Administrative Committee approved the October 5, 2021 open session meeting minutes.

Review of the Criteria for the Executive Director’s Evaluation The Administrative Committee reviewed the criteria for the Executive Director’s evaluation for the performance period July 1, 2021 through June 30, 2022.

Director’s Evaluation Mr. Noven reported that the criteria is the same set of criteria as used in previous years.

On a motion made by Mr. Nicole and seconded by Mr. Brandt, the Administrative Committee approved the Executive Director evaluation criteria for recommendation to the Board of Trustees.

Finance Reports – Quarter Ending 09/30/21 Mr. Lewis presented to the Administrative Committee the Administrative Expense Report Dashboard, which provided an overview of the how the Agency expended or encumbered 22.02% of its FY2022 appropriation through the first quarter.

APPROPRIATION EXPENDED/ENCUMBERED	22.02%
REGULAR SALARIES	22.87%
CONTRACTUAL PAYROLL AND TECHNICAL SUPPORT	12.50%
COMMUNICATIONS (INCLUDES POSTAGE)	16.45%
TRAVEL	2.79%
VEHICLE COSTS	32.55%
CONTRACTUAL SERVICES	
(including equipment leasing & building maintenance)	14.22%
SUPPLIES	18.32%

**ADMINISTRATIVE COMMITTEE MINUTES
BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

December 7, 2021

EQUIPMENT PURCHASES	19.44%
RENT AND INSURANCE	40.61%
DUES, SUBSCRIPTIONS AND LICENSES	9.01%

Mr. Lewis reported that the increase over last year's numbers in the rent and insurance line item was driven by October's rent invoice being paid in September. In addition, the increase was impacted by the payment of the fiduciary liability insurance premium, which exceeded the budgetary provision by approximately \$50k.

Mr. Lewis reported that the first quarter expense schedule projects a year-end surplus of approximately \$161k. Unexpended medical service support and per diem payments, as well as unexpended contractual employee personnel costs attribute to the anticipated year-end surplus.

Mr. Lewis presented the MBE Performance Report for the quarter ending September 30, 2021. The report showed that the MBE performance was 34.22%.

Mr. Lewis reported that the agency processed seventeen (17) purchase and two (2) blanket purchase orders totaling \$490,449 during the first quarter. Ten (10) of those purchase orders derived from the statewide contracts managed by the Department of Information Technology, yielding \$12,280 in MBE participation dollars. Three (3) other purchase orders, not related to statewide contracts, contributed an additional \$168,950 in MBE participation, bringing the total to \$181,230 for the quarter.

Mr. Lewis reported that a data entry contract, which usually renews at the end of the year was switched and is now reported in the first quarter, helps contribute to the participation percentage.

Mr. Brandt expressed his concerns regarding the MBE participation numbers being too low for an Agency this size, especially with the report of those awarded to African American businesses. He commented that he while he did not have a remedy, he would be available to collaborate with staff on this matter.

Mr. Lewis responded that in the past Treasurer Kopp and other Trustees have raised concerns regarding the participation rate, as well. Mr. Lewis indicated that the rules and regulations pertaining to procurements contribute to the issues with MBE awards, specifically regarding dollar amounts and master contracts. Some contracts are put out because MBEs are not on the list of providers for specific products or services, such as actuarial services.

Mr. Haines asked if this is an issue that could be corrected with legislation.

Treasurer Kopp responded that this matter has been a big problem for a long time and suggested that a committee be set up to address this issue. Treasurer Kopp suggested that Mr. Lewis, Ms. Gawthrop, staff from the legal office, Mr. Brandt and the new Treasurer be included.

**ADMINISTRATIVE COMMITTEE MINUTES
BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

December 7, 2021

Mr. Haines agreed that an Ad Hoc Committee be set-up to discuss this matter further.

Member
Services Update

Mr. Reott provided a Member Services update, reporting that the performance rates were improving and favorable over last year's number with an abandonment rate of 11.68% and average call wait time of 204 seconds. Mr. Reott commented that he believes the real driver is that the Agency is starting to see the long-term benefit of the *mySRPS* member portal. Members and retirees are starting to use the portal as staff had hoped they would. Mr. Reott reported that staff will begin mailing *mySRPS* registration letters to approximately 32,000 vested former members.

Mr. Norman asked if the Agency was still double-pinning positions.

Mr. Reott responded that the agency is not double-pinning positions. However, two PINs were moved from another unit within the division and reclassified as Retirement Benefit Specialists positions. Mr. Reott further responded that staff at the Department of Budget and Management have assisted the Agency by giving staff a better understanding of the process in order to speed up the hiring of vacant positions.

Mr. Brandt, in following up to comments made at the October meeting, commented that coordination between the Retirement Agency and the Maryland Supplemental Retirement Plan (MSRP) needs to be tighter. He suggested that tools to look ahead be provided to employees and that the Agency should be proactive with depth of resources.

Treasurer Kopp commented that material from both agencies are very helpful, especially the online tools from MSRP and asked if it would be helpful to hold a briefing of the two Boards or at least the Chairs of the Boards, to go over aspects of the systems.

CLOSED SESSION

On a motion made by Mr. Norman and duly seconded, the Administrative Committee voted to meet in a closed session, via video/audio conference call, beginning at 10:19 a.m., for the purposes of:

- a) discussing the offset of an individual participant's retirement benefits under State Personnel and Pensions Art., § 21-113, pursuant to General Provisions Art., § 3-305(b)(13), to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosure about a particular proceeding or matter, namely, General Provisions Art., § 4-312 regarding the prohibition on disclosing retirement records.

The Committee Members present included:

Kenneth Haines, Chairman, Presiding
Richard Norman, Vice Chairman
Linda Allen
Thomas Brandt

Jamaal Craddock
Nancy K. Kopp
Marc Nicole

**ADMINISTRATIVE COMMITTEE MINUTES
BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

December 7, 2021

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Angie Jenkins	Ken Reott
Melody Countess	Van Lewis	David Rongione
Robert Diehl	Megan Myers	Janet Sirkis
Anne Gawthrop	Kim O'Keeffe	
Michael Golden	Chandra Puranam	

Assistant Attorneys General present included: Rachel Cohen and Kathleen Wherthey

Other attendees included: Megan Schutz (Treasurer's Office)

On a motion made by Mr. Norman and seconded by Mr. Brandt, the Administrative Committee returned to open session, via video/audio conference call, beginning at 10:19 a.m.

OPEN SESSION

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Nancy K. Kopp
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Angie Jenkins	Ken Reott
Melody Countess	Van Lewis	David Rongione
Robert Diehl	Megan Myers	Janet Sirkis
Anne Gawthrop	Kim O'Keeffe	Scott Bolander (live stream)
Michael Golden	Chandra Puranam	

Assistant Attorneys General present included: Rachel Cohen and Kathleen Wherthey

Other attendees included: Megan Schutz (Treasurer's Office)

The Administrative Committee, during the closed session, acted upon the following items:

Correction of Errors – Offset of Retirement Benefits	The Committee reviewed and approved the offset of retirement benefits scheduled, as presented.
Adjournment	There being no further business before the Committee, on a motion made by Treasurer Kopp and seconded by Mr. Norman, the meeting adjourned at 10:21 a.m.

Respectfully submitted,



Martin Noven,
Secretary to the Board