

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

December 6, 2022

The Administrative Committee meeting convened, via WebEx conference call, beginning at 9:35 a.m.

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jonathan Martin
Linda Allen	Marc Nicole
Thomas Brandt	Robert Sandlass
Jamaal Craddock	

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

Melody Countess	Harris Kaplan	Kim O’Keeffe
Robert Diehl	Van Lewis	Ken Reott
Patricia Fitzhugh	Tom Montanye	Ben Robb
Anne Gawthrop	Megan Myers	David Rongione
Michael Golden	Andy Palmer	Janet Sirkis
Angie Jenkins	Chandra Puranam	

Assistant Attorneys General present included: Emily Spiering

Other attendees included: Laura Atas and Megan Schutz (Treasurer’s Office); Kate Kemmerer and Michael Rubenstein

Call Meeting to Order	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, on a motion made by Mr. Brandt and seconded by Mr. Sandlass, the agenda was adopted as presented.
Minutes	On a motion made by Mr. Brandt and seconded by Mr. Sandlass, the Administrative Committee approved the October 4, 2022 open session meeting minutes.
Review of the Criteria for the Executive Director’s Evaluation	<p>The Administrative Committee reviewed the criteria for the Executive Director’s evaluation for the performance period July 1, 2021 through December 31, 2022.</p> <p>Mr. Noven reported that the criteria is the same set of criteria as used in previous years.</p> <p>Ms. Jenkins reminded the Committee that the form includes the extension of the review period, which will be from July 1, 2021 through December 31, 2022, as approved by the Committee at its August meeting.</p> <p>On a motion made by Mr. Brandt and seconded by Mr. Craddock, the Administrative Committee approved the Executive Director evaluation criteria for recommendation to the Board of Trustees.</p>
Review of Proposed Amendments to the Charter for the CIO	<p>The Committee was provided with a red-lined version of proposed amendments to the Charter for the Chief Investment Officer.</p> <p>Ms. Gawthrop commented that the proposed amendments would require the Chief Investment Officer to annually and confidentially report all investment fees by manager to the Board of Trustees.</p>

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Mr. Haines asked how staff handles requests by stakeholders who believe they have the right to review this information.

Ms. Gawthrop explained that while the investment division reports private equity fees in the aggregate, they are contractually prohibited from publicly disclosing those fees broken down by manager.

On a motion made by Mr. Sandlass and seconded by Mr. Craddock, the Administrative Committee approved the amendments to the Charter for the Chief Investment Officer, as presented, for recommendation to the Board of Trustees.

Finance  
Reports –  
Quarter Ending  
09/30/22

Mr. Lewis presented to the Committee the Administrative Expense Report Dashboard, which provided an overview of the how the Agency expended or encumbered 22.04% of its FY2023 appropriation through the first quarter.

APPROPRIATION EXPENDED/ENCUMBERED	22.04%
REGULAR SALARIES	21.46%
CONTRACTUAL PAYROLL AND TECHNICAL SUPPORT	12.58%
COMMUNICATIONS (INCLUDES POSTAGE)	56.18%
TRAVEL	14.37%
VEHICLE COSTS	18.13%
CONTRACTUAL SERVICES	
(including equipment leasing & building maintenance)	14.07%
SUPPLIES	79.13%
EQUIPMENT PURCHASES	5.39%
RENT AND INSURANCE	41.49%
DUES, SUBSCRIPTIONS AND LICENSES	7.64%

Mr. Lewis reported that the first quarter expense schedule projects a year-end surplus of approximately \$186k; however, the current year salary forecast suggests a year-end healthcare reversion amount that will reduce the above by \$133k. In addition, there is a pending unknown budget amendment amount anticipated to happen in January, which represents a 4.5% pay raise for regular State employees granted by the outgoing Administration.

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Mr. Lewis presented the MBE Performance Report for the quarter ending September 30, 2022. The report showed that the MBE performance was 60.92%.

Mr. Lewis reported that the agency processed six (6) purchase orders totaling \$311,022 during the first quarter. Two (2) of those purchase orders contributed \$203,280 in MBE participation dollars for the quarter. Mr. Lewis reported that a data entry contract, which is now reported in the first quarter, helped contribute to the participation percentage.

Employee  
Engagement

Mr. Noven shared a copy of the 2022 MSRA Employee Engagement Survey that is scheduled for release on December 9<sup>th</sup>.

Mr. Noven explained that a similar survey was released last year to set a baseline for the Agency and enable staff to evaluate the effectiveness of the Agency's efforts to

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improve employee engagement. Mr. Noven summarized the feedback that staff received from the first survey and the efforts that have been made to address that feedback. Mr. Noven reported that the results of this year's survey will be shared with the Committee.

Member  
Services Update

Mr. Reott provided a Member Services performance update as of October, 2022 to the Committee.

Mr. Reott reported that the FY23 average call abandonment rate is 14.30% and an average call wait time of 320 seconds.

Mr. Reott reported that the call summary section of the report reflects that the unit was offered 45,798 calls fiscal-year-to-date, which is a 4.5% increase in calls over the same period last year. The topic driving the increase in calls is refunds. Mr. Reott reminded the Committee that the new IRS tax withholding forms go into effect January 31, 2023. He commented that this topic will also generate an increase in call volume.

Mr. Reott reported that the correspondence section of the report reflects that the unit received 8,378 pieces of correspondence since the beginning of the fiscal year, with more correspondence being generated electronically than by regular mail.

Mr. Reott reported that the staffing section of the report shows one vacancy and two positions in training, one with a "graduation" that was completed in November and the other with an expected "graduation" date in January. Mr. Reott reported that interviews are in process for the vacancy.

**CLOSED SESSION**

On a motion made by Mr. Brandt and seconded by Mr. Craddock, the Administrative Committee voted to meet in a closed session, via WebEx conference call, beginning at 10:21 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  
Linda Allen  
Thomas Brandt

Jamaal Craddock  
Jonathan Martin  
Marc Nicole

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

Angie Jenkins  
Megan Myers

Kim O'Keeffe  
Ken Reott

David Rongione  
Janet Sirkis

Assistant Attorneys General present included: Emily Spiering

Other attendees included: Laura Atas (Treasurer's Office)

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On a motion made by Mr. Brandt and seconded by Mr. Nicole, the Administrative Committee returned to open session, via WebEx conference call, beginning at 10:25 a.m.

**OPEN SESSION**

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Linda Allen	Jonathan Martin
Thomas Brandt	Marc Nicole

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

Melody Countess	Harris Kaplan	Kim O’Keeffe
Robert Diehl	Van Lewis	Ken Reott
Patricia Fitzhugh	Tom Montanye	Ben Robb
Anne Gawthrop	Megan Myers	David Rongione
Michael Golden	Andy Palmer	Janet Sirkis
Angie Jenkins	Chandra Puranam	

Assistant Attorneys General present included: Emily Spiering

During closed session, the Administrative Committee discussed the matters identified in the motion to meet in closed session, and acted on the following matters 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.
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Adjournment	There being no further business before the Committee, on a motion made by Mr. Brandt and seconded by Ms. Allen, the meeting adjourned at 10:25 a.m.
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Respectfully submitted,



Martin Noven,  
Secretary to the Board