

SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION
POLICY ON STRATEGIC PLANNING PROCESS

I. PURPOSE

The purpose of the Strategic Planning Process is threefold:

- A. To facilitate discussion and agreement by the Board and staff on the strategic goals and objectives of SDCERA.
- B. Ensure that SDCERA actively and systematically plans for the medium and long-term needs of SDCERA in order to meet the strategic goals and objectives; and
- C. To facilitate the communication of SDCERA's strategic goals, objectives and initiatives throughout the organization and to interested external parties.

II. PRINCIPLES

- A. Planning is a continuous process. While a retirement association's strategic goals and objectives should be relatively stable, its strategic initiatives should be revisited and updated annually.
- B. A planning process can be effective without consuming inordinate amounts of time and effort on the part of the Board and staff.
- C. Effective organizations are those that, through their planning efforts, focus their resources and energy on those business priorities that are most critical to the success of the organization.

III. GUIDELINES

A. Roles and Responsibilities

- 1. Staff will be responsible for:
 - a) Identifying business risks, opportunities, and needs;
 - b) Identifying and prioritizing strategic initiatives; and
 - c) Recommending to the Board the strategic goals, objectives and initiatives.
- 2. The Board will be responsible for:
 - a) Providing staff with input on the strategic goals, objectives and initiatives;
 - b) Approving the strategic goals, objectives and initiatives and ensuring adequate resources are in place to support them; and
 - c) Monitoring the implementation of the strategic initiatives.

B. The Planning Process

- 1. In the third quarter of each year the Chief Executive Officer will complete a business planning analysis of SDCERA, which will include, at a minimum:

- a) An analysis of the continued appropriateness of the strategic goals and objectives, which will include, at a minimum, a consideration of the following issues:
 - (1) SDCERA's constituents and their relative priority;
 - (2) The alignment between SDCERA's current operations and capabilities and potential changes in benefit design;
 - (3) The level of service excellence SDCERA aims to provide to participants; and
 - (4) The role SDCERA will play in influencing the sponsor in plan design matters.
 - b) A review of the progress made in implementing the previous year's strategic initiatives;
 - c) An assessment as to whether SDCERA is well positioned to achieve its strategic goals and objectives, including consideration of the following functions within SDCERA:
 - (1) Investments and funding;
 - (2) Member services and administration;
 - (3) Human resources;
 - (4) Systems and operations; and
 - (5) Governance and public relations.
 - d) Confirmation of the need to continue addressing existing strategic plan initiatives and identification of any new strategic plan initiatives to be undertaken.
2. At least every three (3) years, the Board will perform a comprehensive review of the entire strategic plan.

C. Strategic Plan Update

1. In the fourth quarter of each year, the Chief Executive Officer will prepare and present to the Board the annual strategic plan update. This strategic plan update will contain a summary of the business planning analysis (see 7):
 - a) All business initiatives contained in the business plan analysis will include necessary supporting information and planning parameters, which may include:
 - (1) Rationale for undertaking the initiative;
 - (2) Timelines for completion;
 - (3) Assignment of responsibilities for implementation;
 - (4) Budget implications;
 - (5) Criteria for assessing the success of the initiative; and
 - (6) Provisions for reporting to the Board.
2. In approving the strategic plan initiatives, the Board will satisfy itself that the initiatives are reasonable and support the strategic goals and objectives of SDCERA.

3. Once the strategic initiatives are approved, the Board will refrain from adding additional strategic initiatives, unless the necessary additional staff time and budget requirements can be made available.
4. Should staff determine that changing circumstances will not allow it to meet a particular parameter, the Board will be informed in a timely manner and the strategic initiatives will be adjusted accordingly.

D. Communications

1. Once approved by the Board, the strategic initiatives will be made available to all staff members of SDCERA and to interested external parties upon request.

REVIEW

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

HISTORY

April 1, 2004	Adopted, effective July 1, 2004
November 1, 2007	Revised, effective immediately
April 5, 2012	Revised, effective immediately
June 4, 2015	Reviewed, no changes