



Evelyn Minor-Lawrence
Director

2051 Kaen Road | Oregon City, OR 97045

October 15, 2020

Board of County Commissioners
Clackamas County

Members of the Board:

Adoption of the Deferred Compensation Committee Charter

Purpose/Outcomes	To document the responsibilities and functions of the Deferred Compensation Committee
Dollar Amount and Fiscal Impact	\$0.00
Funding Source	N/A
Duration	Implementation 10/01/2020
Previous Board Action	Policy Session 10/1/2019
Strategic Plan Alignment	<i>1. How does this item align with your department's Strategic Business Plan goals? Provide cost-effective, responsive and comprehensive benefit services to County departments, current and retired employees and their family members so they can better serve the residents of Clackamas County.</i> <i>2. How does this item align with the County's Performance Clackamas goals? Build public trust through good government.</i>
Contact Person	Kristi Durham, HR Benefits Manager 503-742-5470
Contract No.	N/A

BACKGROUND:

The Deferred Compensation Committee was established for the purpose of acting on behalf of the County in connection with Plan administration and investments made available under the Plan.

The Deferred Compensation Committee Charter sets forth the responsibilities and functions of the Committee.

RECOMMENDATION:

Staff recommends the Board approve the attached Deferred Compensation Committee Charter document.

Respectfully submitted,

Kristi Durham  Digitally signed by Kristi Durham
Date: 2020.09.30 21:15:41 -07'00'

Kristi Durham, HR Benefits Manager

County of Clackamas, Oregon

Charter of the Deferred Compensation Committee for the Clackamas County Deferred Compensation Plan

Revised effective as of October 1, 2020

The County of Clackamas, Oregon (the “County”), serving as both the “Plan Sponsor” and the Trustee of the Clackamas County Deferred Compensation Plan (the “Plan”), has established the Deferred Compensation Committee for the Plan (the “Committee”) for the purpose of acting on behalf of the County in connection with Plan administration and the investments made available from time to time under the Plan. In this regard, the Committee shall serve as the designated “Plan Administrator,” including with respect to the investment powers described in Section 5.2 of the Plan document. The Committee’s primary responsibilities are to administer the Plan and to exercise oversight as to investment alternatives (the “Investment Options”) made available to participants under the Plan. This Charter of the Committee (the “Charter”) sets forth the responsibilities and functions of the Committee. It is a description of actions the Committee might take in fulfilling its role; it is not a required set of procedures the Committee must follow.

A. Membership

1. The Committee shall be comprised of at least five (5) voting members:
 - a. The Clackamas County Benefits Manager, who shall serve as Chairperson;
 - b. The County Treasurer, who shall serve as Co-Chair;
 - c. One appointee selected by each president of the employee unions that have entered into collective bargaining agreements with the County;
 - d. Other designated persons appointed from time to time by the County Board of Commissioners or its delegate, the Committee Chairperson.
2. A Committee voting member may resign by giving prior written or electronic notice to the Committee Chairperson.
3. A Committee voting member may be removed for cause by their Appointing Authority. “Cause,” as used herein means one or more of the following:

- a. Violation of Oregon Revised Statutes (ORS) Chapter 244, the Government Ethics Act.
- b. Failure to perform the roles and functions outlined in Section B of this Charter.

Any committee member may report alleged violations and failures to perform to the Committee Chairperson. The Committee Chairperson will review and forward the reported information to the Appointing Authority. Alleged violations and failures to perform by the Committee Chairperson and Co-Chair may be reported to the County Board of Commissioners.

- 4. Responsibilities of the Chairperson. The Chairperson's normal duties as used herein means one or more of the following:
 - a. Scheduling Committee meetings and inviting guests, as appropriate;
 - b. Setting the meeting agenda; overseeing distribution of meeting materials;
 - c. Chairing meetings, overseeing discussion, minutes and actions taken; and
 - d. Overseeing the Committee's communication with employees, beneficiaries, regulators, consultants, vendors, and other third parties.
 - e. Communicating committee member violations or failure to perform to their Appointing Authority.

B. Committee Responsibilities

- 1. Administrative Duties. Subject to duties assigned to a specific Committee member, another plan fiduciary or a third-party (for whose actions, or failures to act, the Committee may remain subject to fiduciary liability), the Committee may be responsible for the following matters relating to Plan administration:
 - a. Maintaining the Plan document in accordance with legal requirements;
 - b. Interpreting the Plan;
 - c. Maintaining the Plan's Summary Plan Description;
 - d. Providing information to Plan participants upon request;

- e. Determining eligibility to participate and benefits;
 - f. Offering eligible employees the opportunity to enroll in the Plan;
 - g. Monitoring timely transmittal of participant contributions;
 - h. Administering in-service withdrawals and post-employment distributions;
 - i. Determining the rights of Plan participants and beneficiaries and deciding benefit claims and appeals;
 - j. Administering domestic relations orders that purport to be qualified orders;
 - k. Paying Plan expenses, with Plan assets when appropriate;
 - l. Responding to inquiries from regulators;
 - m. Managing the Plan's relations with third-party advisors, consultants and vendors, including reviewing, as appropriate, the performance of advisors, consultants and vendors and soliciting alternate proposals or replacing advisors, consultants and vendors as desired;
 - n. Recommending to the County Plan amendments that might simplify or clarify the Plan or its administration or ensure or facilitate compliance with legal requirements;
 - o. Addressing issues raised by Plan participants and beneficiaries
 - p. Reviewing and updating the Charter as necessary or desirable; and
 - q. Regularly attend committee meetings. Whenever a voting member misses three or more consecutive meetings, that member should consider whether or not to continue participation.
2. Investment Duties. Subject to duties assigned to a specific Committee member, another plan fiduciary or a third-party (for whose actions, or failures to act, the Committee may remain subject to fiduciary liability), the Committee may be responsible for the following matters relating to Plan investments:

- a. Selection, oversight, and evaluation of the Investment Options made available under the Plan, and for making changes to the Investment Options with consultation, as desired, from investment advisors.
 - b. To approve and monitor the Investment Policy Statement (the "Policy") for the Plan;
 - c. To offer Plan Participants a diversified offering of Investment Options to minimize the risk of large losses;
 - d. To receive and review periodic reports about the status of the Investment Options;
 - e. To act on behalf of the County with respect to the appointment and termination of trustees, investment advisors and consultants, named fiduciaries or other positions relating to the investments held under the Plan;
 - f. To review periodically the performance of any third parties engaged in the administration, management or investment of funds of the Plan, including the review and renegotiation of services agreements with such third parties; and
 - g. To delegate certain investment responsibilities to subcommittees, if the Committee determines that such delegation is advisable and is otherwise allowable by law or regulation and is not inconsistent with the terms of the Plan.
3. The Committee shall perform all duties in accordance with the Plan document and in the best interests of Plan participants and beneficiaries, while acting with the care, skill, and diligence that a reasonable person acting in a like capacity familiar with such matters would use in a similar situation.
 4. In fulfilling its responsibilities, the Committee may obtain the advice and assistance of County management, and may select, retain and replace consultants, investment advisors, legal advisors, or other professionals, as is deemed appropriate under County policy.
 5. The Committee shall serve as a designated fiduciary with respect to the investments of Plan assets and for managing and administering the Plan more generally. Nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the members of the Committee, except to the extent otherwise provided in this Charter or under applicable federal or state law.

6. The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent counsel or other independent advisors to provide advice to the Committee or to conduct investigations at the direction of the Committee. Retention of outside legal counsel is subject to the written approval of County Counsel.
7. Members of the Committee shall not be compensated for their services as such, since the performance of such services are deemed to be in partial fulfillment of their responsibilities as employees of the County. However, subject to appropriation of funds by the County Board of Commissioners, and the limits of Article XI, Section 10, of the Oregon Constitution, expenses reasonably incurred by the Committee shall be the responsibility of the County to the extent such expenses are not paid by the Plan.

C. Meetings

1. The Committee shall meet on an annual (or more frequent) schedule to provide for the orderly and timely administration of the business with a goal of meeting at least quarterly. The Chairperson, or any two Committee voting members, may call meetings of the Committee. Any meeting shall be called upon at least three (3) days' electronic or at least seven (7) days' written notice to all Committee voting members. This notice shall specify the date, time and place of such meeting and specify the purpose thereof and any action proposed to be taken. The meeting shall comply with the Oregon Public Meetings Law, Oregon Revised Statutes Chapter 192.
2. Such County officers and other employees of the County, and outside consultants or counsel, as the Committee may designate, may attend the meetings. At its discretion, the Committee may meet in executive session, subject to the requirements of applicable law.
3. Prior to each meeting, the Committee Chairperson shall send Committee members an agenda of topics for the meeting and, if completed, the minutes for the prior meeting. Written reports may accompany the agenda or be sent separately for review by the Committee voting members prior to the meeting. Any topic not on the agenda may be introduced at any meeting at the request of a Committee voting member, but any voting on this topic must be delayed until the next meeting.
4. A quorum shall be present at a meeting in order for the Committee to transact business. A quorum consists of a majority of all members of the Committee, not just those present. A vacancy on the board does not affect the quorum requirements. Any voting Member

present in person or by telephonic or similar communication arrangement for any part of any meeting shall be deemed to be present for the entirety of such meeting for the purpose of determining the presence of a quorum. The Committee can take official action only with the affirmative vote of a majority of all members. The voting on all questions coming before the Committee shall be by voice vote, where each member clearly states their name and vote. The Committee shall comply with applicable law, including ORS 192.650, in the recordation of any Committee meeting and minutes kept as part of the same.

5. Any and all actions taken by the Committee at any meeting shall be by a majority vote of all voting members in attendance at such meeting, including any voting member present but not voting on a particular matter. A voting member shall not vote or act upon any matter that relates solely to him or herself as a Plan participant.
6. The Committee voting member may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. A Committee voting member's participation in a meeting by such means shall constitute that member's presence in person at the meeting.
7. The Chairperson, and another Committee voting member if authorized by the Committee, shall have signing authority to execute any notice, certificate or other written instrument relating to the investments of the Plan in accordance with the direction of the Committee.
8. The Committee shall maintain written minutes of its meetings subject to Oregon Public Meetings Law and Public Records Law. The Committee may designate an individual to take the minutes, and the individual need not be a voting member of the Committee.

D. Hearing Process And Procedure

The principles of parliamentary rules of procedures such as Robert's Rules of Order shall govern proceedings at any meeting of the Committee. The Chairperson shall be guided by these principles in deciding any procedural questions. The Chairperson's decision on procedural matters may be overruled by a majority of the members voting on the question. The Committee may establish a more detailed hearing procedure to provide for an orderly process for holding a public hearing. All meetings shall comply with the Oregon Public Meetings Law.

E. Amendments

This Charter may be amended. Proposed amendments shall be submitted to the County Counsel for approval. Upon approval of the County Counsel, the proposed amendments shall be approved by the members of the Committee. However, the amendments shall not be in effect until approved by the Board of County Commissioners and that approval has been communicated back to the Chairperson.

F. Records

All records of the Committee shall be subject to disclosure except as allowed by exemptions of the Oregon Public Records Law

G. Dissolution

The Committee shall be considered inactive if it fails to meet the requirements of this Charter. An inactive Committee shall be dissolved and will no longer be recognized by the Board of County Commissioners. Should the Committee be dissolved, disbursement of the Committee funds, if any, shall be returned to the County upon dissolution of the Committee.

IN WITNESS WHEREOF, the Employer has caused this Committee Charter to be signed and attested by its duly authorized officers on the _____ day of _____, 2020.

Board of County Commissioners:

Chair

Recording Secretary

Deferred Compensation Committee:

Committee Chairperson