

Richard A. White, Jr.
Retirement Administrator



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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: December 4, 2013
To: Board of Retirement
From: Richard White, Retirement Administrator *RAW*
Subject: Discussion and Possible Action Regarding Recruitment for the Retirement Administrator Position

Introduction

On November 21, 2013, I submitted to the Board my notice of intent to step down from the Retirement Administrator position effective February 28, 2014. The notice is attached. I selected that date, in part, to provide the Board with sufficient time to recruit and select a successor.

Discussion

The Board of Retirement can choose a couple of methods to recruit and select a Retirement Administrator. I will, of course, be available to assist the Board in articulating the current duties, responsibilities and projects that the incoming administrator will want to understand, but the responsibility of the recruitment should reside in the Board of Retirement.

In the past, the Board appointed an ad hoc committee of three (3) members selected by the Board to direct the recruitment and selection process and used the services of the Human Resources Department to conduct the search and assist in evaluating candidates.

The Board of Retirement will have the opportunity to discuss and decide on the steps to be taken in this recruitment process at this meeting.

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November 21, 2013

Board of Retirement
Mendocino County Employees' Retirement Association
625-B Kings Court
Ukiah, Ca. 95482

To the members of the Board of Retirement:

After careful thought and consideration, I have decided to resign from my position as Retirement Administrator effective February 28, 2014.

I appreciate the opportunities I have been given at MCERA and your professional guidance and support. I'd like to thank you for providing me with an opportunity to develop my skill set while gaining a new work experience. I wish you and the Association success in the future.

If I can be of assistance during this transition, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Richard A. White, Jr.".

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Retirement Administrator

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Date: December 4, 2013
To: Board of Retirement
From: Richard White, Retirement Administrator
Subject: Accounting position

A handwritten signature in black ink, appearing to read "RW", is written over the "From:" line of the header.

SUMMARY: The recruitment for the accounting position, which was approved by the Board of Retirement for Fiscal Year 2013-14, was recently completed without a qualified candidate identified.

STAFF RECOMMENDATION: Provide direction to staff on the next steps to provide accounting services for MCERA.

BACKGROUND:

Over two years ago, the Board of Retirement identified the need to separate accounting and certain fiscal tasks out of the administrator's job and place those responsibilities onto a dedicated staff member with an accounting background, as summarized below:

July, 2011. Entered into a one-year trial Memorandum of Understanding (MOU) for services with the Assessor/Clerk-Recorder office that provided 24 hours per week of accounting services for MCERA through a job share arrangement.

March/April, 2012. With the MOU for services with the Assessor/Clerk/Recorder set to end on June, 2012, the Board of Retirement approved moving forward with the development of a full-time fiscal officer and directed the Retirement Administrator to prepare a report on the reorganization of the Association staffing with the additional of a full-time fiscal officer.

May, 2012. The Board of Retirement approved the addition of the full-time financial/investment officer position and directed that the position and re-organization plan be presented to the County CEO.

June, 2012. I started as the Administrator. This month, the Board approved the Fiscal Year 2012/2013 budget which included the full-time accounting position.

June, 2012 - August, 2012. The position description and salary for full-time accounting position description and salary was prepared with the assistance of County Human Resources. The position was approved by the Civil Service Commission but was turned down by the County Board of Supervisors who voted not to add the position to the County Master Position Allocation Table, which is a required step under the CERL necessary for the position to be filled.

July 2012 to September, 2012. Job share MOU with Assessor office extended for three months with the hours reduced to twenty-four per month.

October, 2012 to present. The Board of Retirement approved the hiring of a contractual agreement for provide accounting services to MCERA which comprised of twenty-four hours per month.

October, 2012. Strategic Plan. The Board's discussion on accounting services is provided for in Strategic Plan Objective 2-K, "Decide the most cost-effective way of handling accounting functions."

June, 2013. The Board of Retirement approved the Fiscal Year 2013-14 budget which included an accountant position that would be an entry-level position and staffed at 36 hours per week. The Board of Supervisors approved the addition of the position to the Position Allocation Table at their June meeting. I then worked with County Human Resources to revise the position description for the accountant that was needed so that Retirement could recruit for the position. This change was approved by the Civil Service Commission and recruitment began in August.

September, 2013. Recruitment for the position closed. Approximately 400 views of the position recruitment flier were recorded on the website. Nineteen applications were filed with County Human Resources of which fourteen passed the minimum qualifications review.

November, 2013. Interviews of the candidates were conducted by a panel of subject matter experts who asked questions of them in order to assess their qualifications for the accountant position. Four candidates of the fourteen that passed the minimum qualifications review were present for this assessment examination. None of them passed this examination.

December, 2013. The contract with the accounting service provider is set for termination at the end of the month.

DISCUSSION:

The Board of Retirement may want to consider options available to fill the accounting needs at MCERA that range from a having a full-time employee to a service contract provider, as summarized below:

FULL-TIME POSITIONS: The Board of Retirement could consider adding a full-time equivalent (FTE) position to the Association staff. There are a couple of options available to the Board which all come with certain advantages and disadvantages, which I have tried to list for your consideration:

ACCOUNTANT [Step One Cost: \$70,966]

Advantages

- MCERA now has this job classification available for use.
- Expertise in accounting.
- Dedicated full-time employee to the accounting function.

Disadvantages

- Competition with other County departments for an accountant position may create challenges in filling the position.
- May not get an experienced accountant and training costs and lack of experience may add to the cost and effectiveness of the position.
- May not be a long-term employee of MCERA once the position adds experience.

FINANCIAL/INVESTMENT OFFICER [Step One Cost: \$92,911]

Advantages

- Tailored position to meet MCERA needs which has already been developed and approved by the Civil Service Commission. Would still need to be adopted by the Board of Supervisors.
- Potential to provide succession planning and managerial support to MCERA.
- Allows opportunity to hire a position with accounting experience.

Disadvantages

- Must be added to County Master Position Allocation Table which means another visit in front of the Board of Supervisors.
- Cost of position is higher than accountant position.
- Uncharted territory for MCERA and unknowns include ability to hire the right person for the job.

ADMINISTRATIVE SERVICES MANAGER II [Step One Cost: \$95,134]

Advantages

- MCERA piggy-backs upon a job classification that currently exists in County government, but would still need to be processed through the Civil Service Commission and the Board of Supervisors (similar process with the Accountant position).
- Expertise in accounting.
- Managerial experience is a part of the position
- Potential to provide succession planning and managerial support to MCERA

Disadvantages

- Competition with other County departments for an accountant position may result in a difficulty to hire the position
- Retention - may not be a long-term employee of MCERA
- Cost of a dedicated accounting position is the highest.

PART-TIME POSITIONS

JOB SHARE WITHIN COUNTY OF MENDOCINO [Cost: Variable]

Advantages

- Efficient use of staffing for Association
- Expertise of position generally higher

Disadvantages

- Short-term solution.
- Volatility of the position which includes loss of control over position and the personnel filing the position, as well as the needs of the host department may conflict with the needs of the Association.
- County departments may not be interested or may not have the available personnel to share services.

JOB SHARE OUTSIDE COUNTY OF MENDOCINO [Cost: Variable]

Advantages

- Efficient use of staffing for Association.
- Expertise of position generally higher.
- Experience with sharing legal services with Sonoma County has been favorable for Association.

Disadvantages

- Lack of interest by the host County or agency.
- Short-term solution.
- Volatility of the position which includes loss of control over position and the personnel filing the position, as well as the needs of the host department may conflict with the needs of the Association

MCERA PART-TIME POSITION [Cost: Variable]

Advantages

- Reduces salary cost.

Disadvantages

- Untested territory.
- Temporary solution.
- Challenges to hire the right person are potentially magnified due to the reduction in hours.
- Potential higher turnover.
- Lessens continuity.

RETIREMENT ADMINISTRATOR [Cost: \$183,302]

Advantages

- Included in class specifications for Administrator position.
- Salary savings and reduction in number of positions needed when using the Administrator to perform accounting functions.
- Familiar feel to the Board of Retirement.

Disadvantages

- May not be best use of administrator's time by diverting time from other operational, legal and managerial functions.
- Accounting duties consume the lion's share of time leaving other Administrator responsibilities at a lower priority.
- Expertise in accounting is necessary.
- Challenges an existing small staff and limited resources.