



Action Plan and Timeline for TAM & LGS Separation

**TAM Board Meeting
October 26, 2017**



Brief Background

- ❑ LGS/RGS has been functioning as TAM's staffing agency and providing payroll/benefit services over the last 13 years
- ❑ Due to a recent CalPERS audit finding, TAM had no other option but to become an employer of record, hire all LGS/RGS employees directly, and enter into a retirement benefit contract directly with CalPERS
- ❑ TAM Board authorized the CalPERS Contract at this meeting of October 26th
- ❑ TAM/CalPERS contract is expected to be effective as of January 1, 2018. TAM needs to be its own employer of record when the contract becomes effective
- ❑ A retirement benefit contract is only one of a number of actions necessary for TAM to become the employer of record



Summary of Action Items

1. Implement Payroll Services
2. Develop Agency HR Manual and Establish Direct Employment Relationship with all LGS/RGS Employees Currently Assigned to TAM
3. Develop Various Benefit Programs
4. Obtain Required Agency Insurances
5. Create HR Management Capacity
6. Assure Smooth Transfer of Records and Assets from LGS/RGS to TAM



Implement Payroll Services

Process and Timeline:

- ❑ Payroll option study, including in-house vs. outsource, conducted early this year - May – July
- ❑ Decision of bringing payroll service in house – August
- ❑ Engagement of consultant support team for payroll service implementation – October
- ❑ Setup of in-house payroll system – October/November
- ❑ Payroll system ready for testing – December 1st



Develop HR Manual and Hire Employees Directly

Process and Timeline:

- ❑ Research and development of the HR Policies and Procedures Manual – May – August
- ❑ HR Ad Hoc Committee Review of HR Manual – September / October
- ❑ County Counsel legal review of HR Manual – Early October
- ❑ Full TAM Board review and acceptance of HR Manual – October / November
- ❑ Staff acceptance of HR Manual – all policies and procedures contained within – December
- ❑ Preparation of offer letters and official start of TAM employment – January



Develop Various Benefit Programs

Process and Timeline:

- ❑ Research and initial discussions of various options with broker
– started late 2016
- ❑ Review and study of potential medical options – July – October
- ❑ HR Ad Hoc Committee review of Medical Options – November
- ❑ Full TAM Board review of HR Ad Hoc Committee review result and recommendation – November 30th TAM Board meeting
- ❑ Selection of ancillary benefits provider and other benefit setup
– December 11th TAM board meeting/December



Obtain Other Required Agency Insurances

Process and Timeline:

- ❑ Research and initial discussions of workers comp insurance options – started early 2017
- ❑ Work with insurance broker and get quotes for workers comp insurance – September – November
- ❑ Review and potential remarket TAM's other insurances, such as property and general liability – November/December



Create HR Management Capacity

Process and Timeline:

- ❑ CFO/Executive Director have been managing all HR and employer setup tasks with support from HR Ad Hoc Committee, brokers and temporary help – since mid-2016
- ❑ Engagement of on-call HR Support Team – early 2018
- ❑ Recruitment of Senior Accountant/Accounting Management position – early 2018
- ❑ New staff manage most payroll operations
- ❑ CFO manages most of the HR related functions with outside consultant support



Assure Smooth Transfer of Records and Assets

Process and Timeline:

- ❑ Ongoing discussions with LGS/RGS regarding various items that need to be addressed during the separation – since mid-2016
- ❑ Review and Execution of three-way agreements for sick and vacation leave balance transfer – November/December
- ❑ Review and Execution of LGS/RGS/TAM agreement for personnel files and records transfer – November/December
- ❑ Review and Execution of LGS/RGS/TAM agreement for transfer of other benefit accounts, such as 457 plan, health savings account, etc. – November/December



Board Actions Needed

Actions Needed Tonight:

Per Action to be considered under Item 12, resolve that the following occur: that on the next business day after TAM receives a fully executed reallocation agreement from LGS, the TAM Board Chair shall send written notice of termination of the LGS/RGS contracts, notifying LGS/RGS that the final day of contracted service for LGS & RGS employees shall be December 31, 2017.



Board Actions Needed

Actions Needed Tonight:

Per report above, confirm staff actions on other elements of separation from LGS, as overseen by the TAM Human Resources Ad Hoc Subcommittee (Chair Moulton-Peters, Commissioners Fredericks, Kuhl, McInerney, Rodoni)





Transportation Authority of Marin

