

April 13, 2011

To: Members of the Governance Committee

From: George Dewey, Chair
Governance Committee

Subject: Summary of the April 13, 2011 Governance Committee Meeting

Governance Committee Chair George Dewey called the April 13, 2011 Governance Committee Meeting to order at 1:05 p.m. Committee members present were Dale Amaral, Ophelia Basgal, Annette Cain-Darnes and George Dewey. Other Board members present were Supervisor Keith Carson, Elizabeth Rogers and alternate members David Safer and Darryl Walker. Staff present were Kathy Foster, Assistant Chief Executive Officer; Robert Gaumer, Chief Counsel; J.P. Singh, Chief Financial Officer; Victoria Arruda, Human Resources Officer; Rose Kwong, Benefits Manager; and Harsh Jadhav, Internal Auditor.

ACTION ITEMS

A. Review, Discussion and Possible Motion to Adopt and Renew the CEO Job Description and Delegation of Authority Policy

1. Policy Review

- a. The Committee reviewed Staff's April 13, 2011, memorandum and its recommendation regarding the CEO Job Description and Delegation of Authority Policy. Staff advised the Committee that the content of the Policy continues to meet the needs of ACERA and should be renewed as recommended by Staff. The Policy was last reviewed by the Board on March 19, 2009.
- b. The Committee suggested the following minor revisions to the policy:
 - (1) On page 1, Section 1.a) revise the policy to read: "...all policy or business matters, ~~including the annual budget,~~ requiring Board approval..."
 - (2) On page 2, Section 1.g) first sentence revise the policy to read: "**Oversee Hireing, terminateing, evaluateing, disciplineing, and provide for the training and promoting of all ACERA employees, including senior management of the Association. The Chief Executive eOfficer shall determine senior...**"
 - (3) On page 2, Section 1.l) revise the policy to read: "Respond and/or delegate to Staff the duty to respond to all correspondence on rights and benefits of members and employer."

- (4) On page 2, Section 1.p) revise the policy to read: “Liaise with legal, medical, actuarial, investment, **auditor** and other professionals as required to carry out the affairs of the Association.”
- (5) On page 3, Section 2.h) revise the policy to read: ~~All o~~**Other significant** matters that may affect the Association...”

2. Motion

It was moved by Dale Amaral, seconded by Ophelia Basgal, that the Committee recommend to the board of Retirement that the Board adopt the Job Description and Delegation of Authority for the Chief Executive Officer Policy as written and as modified. The motion carried.

B. Review, Discussion and Possible Motion to Accept and Develop the Media Policy

1. Policy Review

- a. This item was continued from the September 1, 2010, Governance Committee meeting. The Committee reviewed Staff’s April 13, 2011, memorandum and its recommendation regarding the Media Policy. Staff advised the Committee that the content of the Policy meets the needs of ACERA and should be adopted as recommended by Staff.
- b. The Committee instructed Staff to amend the Policy to state that media requests be directed to the CEO or his/her designee.
- c. The Committee also suggested the following revisions to the policy:
 - (1) On page 2, Section III.B., revise the policy to read: “One informed message will be presented to the media **after review by the Legal Department.** Every effort will be made to ensure...”
 - (2) On page 2, Sections III.D. and III.F., and throughout the Policy, where “Legal Department” replaced or was appended to the phrase “CEO or his/her designee,” to strike the phrase “Legal Department” and, where deleted, return the phrase “CEO or his/her designee” to the Policy.
 - (3) On page 2, Section III.G., strike the entire Section reading: ~~“Neither The CEO nor any other ACERA employee, temporary **employee or independent contractor working at ACERA** is authorized to speculate to the media as to the intent or motivations of a Board or staff member. Personal opinions are to be avoided whenever possible.”~~
 - (4) On page 2, Section III.K. revise the policy to read: “Medical status, condition, and records, including psychiatric records and applications for disability, are also private and **shall** ~~should~~ not be disclosed.”

- d. Staff revised the Policy based upon the suggestions and revisions from the Committee and sent a copy out to the Board for its review prior to bringing it to full Board for discussion at the April 21, 2011 meeting.

C. Review, Discussion and Possible Motion to Adopt Amendments and renew the Board Membership Policy

1. Policy Review

- a. The Committee reviewed April 13, 2011 memorandum regarding the Board Membership Policy for consideration by the Committee.
- b. Staff discussed several substantive changes that it recommended that the Committee consider. Including: 1) delegating the definition of full-time membership to Participating Employers; 2) clarifying that service credit requests from independent contractors be denied; and 3) changing ACERA's approach to plan participation when a member transitions from full-time status to part-time status.
- c. After receiving comment from Participating Employers present at the meeting, Staff was directed by the Committee to address the concerns raised and revise the Policy and bring suggestions back to the next Governance Committee meeting for further review.

D. Review, Discussion and Possible Motion to Adopt the Service Provider Policy

1. Policy Review

- a. This item was continued from the September 1, 2010, Governance Committee meeting. The Committee reviewed April 13, 2011, memorandum and its recommendations regarding the Service Provider Policy.
- b. Staff informed the Committee that the revised Policy included a revised scope from the prior version. The amendments are intended to address the concerns of the Board that the prior version failed to provide the necessary clarity and guidance to oversee the contracting process.
- c. Staff was directed by the Committee to revise the Policy and offer suggestions regarding sole-source contracts and include language clarifying a five year review of general services contracts and bring those suggestions back to the next Governance Committee meeting for further review.

INFORMATION ITEMS

- None

TRUSTEE/PUBLIC INPUT

- None

RECOMMENDATIONS

1. The Committee recommends, and I move that the full Board adopt the Job Description and Delegation of Authority for the Chief Executive Officer Policy, with revisions, as recommended by the Committee and Staff.
2. The Committee recommends, and I move, that the full Board adopt the Media Policy as recommended by the Committee and Staff.

ESTABLISHMENT OF NEXT MEETING DATE

August 2011

MEETING ADJOURNED

The meeting adjourned at approximately 2:08 p.m.