



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

GOVERNANCE COMMITTEE MEETING
NOTICE and AGENDA

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

August 15, 2019
1:00 p.m.

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: (510) 628-3000 FAX: (510) 268-9574	ELIZABETH ROGERS, CHAIR	ELECTED GENERAL
	HENRY LEVY, VICE CHAIR	TREASURER
	OPHELIA BASGAL	APPOINTED
	LIZ KOPPENHAVER	ELECTED RETIRED
	TARRELL GAMBLE	APPOINTED

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes are available online at www.acera.org.

Note regarding public comments: Public comments are limited to four (4) minutes per person in total.

Note regarding accommodations: The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

Note regarding Public Records: All writings that are distributed to a majority of members of the ACERA Board of Retirement in connection with a matter subject to discussion at an open meeting of the Board or one of its Committees are public records within the meaning of the California Public Records Act and are available for inspection upon request, unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Please contact ACERA at (510) 628-3000 to request to inspect documents. Documents will be made available at ACERA, 475 14th Street, Oakland, California 94612.

GOVERNANCE COMMITTEE MEETING

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Call to Order: 1:00 p.m.

Public Input:

Action Items: Matters for Discussion and Possible Motion by the Committee

1. Review, discussion and possible motion to update the Board and Committee Operations Policy with or without revisions.

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement to:

1. Adopt the proposed revisions to the Policy, and
2. Find that:
 - This Policy is necessary and continues to address the recurring need for effective operation of the Board and Committees.
 - This Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies.
 - The issues addressed by this Policy continue to be within the Board's responsibility to effectively administer the pension plan and to mitigate risk to ACERA.
 - This Policy continues to be appropriate in meeting the needs of ACERA, and does not overlap with other existing Board policies.

– David Nelsen

2. Review, discussion and possible motion to update the Board Policy Development Process with or without revisions.

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement to:

1. Adopt the proposed revisions to the Policy, and
2. Find that:
 - This Policy is necessary and continues to address the recurring need for Board policy development and review.
 - This Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies.

– David Nelsen

GOVERNANCE COMMITTEE MEETING

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3. Review, discussion and possible motion to update the Board Elections Policy with or without revisions.

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement that:

1. The Policy be affirmed without changes, and
2. That the Committee finds that:
 - This Policy continues to address the recurring need to elect members to the Board.
 - This Policy continues to address the inherent risks involved in not having a Policy in place to manage the elections and ensure a fair and efficient process.
 - The issues addressed by this Policy continue to be within the Board's responsibilities of electing members to the Board.
 - This Policy continues to be necessary and does not overlap with other Board policies.

– David Nelsen

GOVERNANCE COMMITTEE MEETING

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Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

- None

Trustee Input

Future Discussion Items

- Conflict of Interest Policy
- Conflict of Interest Code
- Board Travel Policy
- Board Education Policy

Establishment of Next Meeting Date

TBD



MEMORANDUM TO THE GOVERNANCE COMMITTEE

DATE: August 15, 2019

TO: Members of the Governance Committee

FROM: Kathy E. Mount, Chief Counsel

SUBJECT: Review of the *Board and Committee Operations Policy*

Introduction

The *Board and Committee Operations Policy* ("Policy") addresses how the Board and Committees operate at ACERA.

This Policy was last reviewed and affirmed by the Board in July 2018 and, under the revisions to the Policy review process adopted in December 2018, would not normally be reviewed again until July 2021. However, the regrouping of related policies moved consideration of this Policy to this August 2019 meeting. It will next be reviewed in August 2022 on the standard three year review cycle.

Proposed Revisions

This Policy underwent a major revision and update in July 2018 resulting in the consolidation of two separate policies into the current Policy. Staff does not propose significant substantive changes to the Policy at this time, and proposes only minor changes to the description of the Board's consent calendar contents to be consistent with current practice. These changes include placing Public Input at the beginning of the agenda, approving both Board and Committee minutes on the consent calendar, deleting Old Business and consolidating separate agenda listings for Conference/Oral Reports, and Announcements into Board Input.

Recommendation

Staff recommends that the Committee recommend to the Board to:

1. Adopt the proposed revisions to the Policy, and
2. Find that:
 - This Policy is necessary and continues to address the recurring need for effective operation of the Board and Committees.
 - This Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies.
 - The issues addressed by this Policy continue to be within the Board's responsibility to effectively administer the pension plan and to mitigate risk to ACERA.

- This Policy continues to be appropriate in meeting the needs of ACERA, and does not overlap with other existing Board policies.

Attachments: **Exhibit A:** Proposed Board and Committee Operations Policy (redlined version)
Exhibit B: Proposed Board and Committee Operations Policy (clean version)

EXHIBIT A



Board and Committee Operations Policy

I. Purpose

The ACERA Board and Committee Operations Policy (“Policy”) provides ACERA Trustees and Staff with guidelines for ensuring that Board and Committee meetings will be conducted as efficiently and effectively as possible.

II. Policy Guidelines

A. Governing Law and Rules Of Order

1. The noticing and agendas of all Board and Committee meetings shall conform to the requirements of the Ralph M. Brown Act, Government Code Section 54950, et seq. (the “Brown Act”).
2. Board and Committee meetings shall be guided by the principles embodied in the most current edition of Robert’s Rules of Order, (Robert’s Rules.)
3. In the event of a conflict between the Brown Act and Robert’s Rules, the Brown Act shall prevail.

B. Agendas – Posting

1. A written agenda conforming to of the Brown Act shall be prepared for all Board and Committee meetings and shall normally be distributed to all Trustees at least one week in advance of the meeting.
2. The agenda for all regular Board and Committee meetings shall be posted at least 72 hours in advance in a location at the ACERA offices that is accessible to the public 24 hours per day and posted on ACERA’s website in accordance with the applicable provisions of the Brown Act.

3. Agendas for special meetings shall be posted at least 24 hours in advance of the meeting and special notices shall be provided as required by Section 54956 of the Brown Act.

C. Board Meetings Agenda Content

The Board Meeting Agenda will generally include the following topics as necessary:

- i. Call to Order

- ~~2.~~ Roll Call

~~Public Input~~

~~3.~~

~~4. Review and approval of the minutes of the prior month's regular meeting~~

4. Consent Calendar

- a. Application for Service Retirement
- b. Application for Retirement, Deferred
- c. Application for Deferred Transfer
- d. List of Deceased Members
- e. Requests for 130 Bi-Weekly Payments to Re-Deposit Contributions and Gain Credit
- f. Disabilities, Current, Recommendations
- g. Disabilities Status Report

~~Review and Approval of the minutes of Board and Committee meetings the prior month's regular meeting~~

~~h.~~

~~h.i.~~ Miscellaneous

5. Disability
 - a. Disabilities, Current, Recommendations and Motions
 - b. Disabilities, Continuing, Recommendations and Motions
6. Committee Reports, Recommendations and Motions
- ~~7. Old Business~~
- ~~8.7. New Business~~
- ~~9. Conference/Oral Reports~~
- ~~10. Announcements~~
- ~~11.1. Public Input~~
- ~~12. Board Input~~
- ~~8. _____~~
- ~~13. Establishment of Next Meeting~~
- ~~9. _____~~
- ~~14. Adjournment into Closed Executive Session~~
- ~~10. _____~~
- ~~15. Reconvene into Open Session to Announce any Action Taken in Closed Executive Session~~
- ~~11. _____~~
- ~~16.12. Adjournment~~

The Board Chair may alter the agenda and order of business for Board and Committee meetings to the extent consistent with the Brown Act.

D. Committee Meetings Agenda Content

Committee Meeting will generally include the following topics:

~~1.~~ Call to Order

~~2.~~ Public Input

~~3.~~

~~4.~~ Action Items

~~5.~~ Information Items

~~6.~~ Public Input

5. Trustee Input

6. Establishment of next meeting

7. Adjournment

The Committee Chair may alter the agenda and order of business for Committee meetings to the extent consistent with the Brown Act.

E. Board And Committee Officers

At the first regular meeting in January, the Board shall elect one of its Members Chair, one of its Members Vice Chair, and one of its Members Second Vice Chair. The term shall be for either one year, or until their successors are duly elected and qualified.

1. The Chief Executive Officer shall serve as Secretary to the Board ex officio.

2. The Chair of the Board shall:

a. Appoint Members to all ACERA standing and ad hoc Board Committees and in making such appointments shall whenever possible, appoint both elected and appointed Members to each Committee. The Chair may consider the need to:

1) Maintain continuity in Committee membership,

2) Rotate the composition of Committees to provide Trustees with diversified experience,

- 3) Reflect a Trustee's area of interest and/or skill set, and
 - 4) Minimize conflicts of interest.
 - b. Remove and replace Committee Members so appointed;
 - c. Appoint a Chair for each Committee of the Board;
 - d. ~~Co-ordinate~~Coordinate the preparation of the Board agenda with the Board Secretary/Chief Executive Officer;
 - e. Chair meetings of the Board;
 - f. Communicate with external parties in cooperation with the Chief Executive Officer;
 - g. ~~Co-ordinate~~Coordinate the process for annually evaluating the performance of the Chief Executive Officer as prescribed in the Chief Executive Officer Performance Evaluation Process;
 - h. ~~Co-ordinate~~Coordinate the process in the event that the Board evaluates its own performance;
 - i. Serve as ex officio Member of all Committees and serve to satisfy the quorum requirements.
3. If the Board Chair is unavailable or unable to carry out his or her duties, the First Vice Chair shall assume duties of Board Chair. If the First Vice Chair is unavailable or unable to carry out his/her duties, the Second Vice Chair shall assume the duties of the First Vice Chair. These duties include sitting ex officio on Committees for purpose of a quorum as detailed below.
 4. In the event that an officer of the Board becomes ineligible or unable to complete his or her term, the following action shall be taken:
 - a. If said officer is the Chair, then the Vice Chair shall assume the Chair's position for the balance of the Chair's term, and a new Vice Chair shall be elected at the next regularly scheduled meeting;

- b. If said officer is the Vice Chair, then the Board shall elect a new Vice Chair at the next regularly scheduled meeting; and
 - c. If said officer is the Second Vice Chair, then the Board shall elect a new Second Vice Chair at the next regularly scheduled meeting.
5. Officers may be removed from the Chair, Vice Chair, and Second Vice Chair positions by a two-thirds ($\frac{2}{3}$) vote of the entire Board (i.e., six members).

F. Committee Procedures

1. Standing Committees exist to assist the Board in fulfilling its charter, to more efficiently use Trustee time, and to apply more concentrated attention to specialized topics that impact the Board's effective management of ACERA. All actions taken by standing and ad hoc Committees are deemed to be advisory and must be approved by the Board before becoming effective.
2. The Chief Executive Officer shall assign a staff member to each standing and ad hoc Committee to serve as Staff Liaison and primary contact for the Committee Chair and Committee Members with respect to the work of the Committee.
3. At their first meetings each year, the Retiree, Investment, and Operations Committees shall establish a schedule of meetings for the balance of the year. The Governance, Actuarial, Audit, and Budget Committees shall establish meetings as needed.
4. The Committee Chair may cancel or reschedule a meeting if it is apparent that there will not be a quorum or there are insufficient issues to warrant a meeting. Attempts will be made to provide all Committee Members with at least one week's notice of the cancelled or rescheduled meeting.
5. Each Committee (including ad hoc Committees upon creation) shall, in consultation with its Staff Liaison, adopt a charter outlining its purpose, responsibilities and meeting frequency.
6. Annually following the Board Offsite Retreat, staff liaisons shall prepare a draft work plan for the following year containing proposed monthly agenda items for

their standing Committees and incorporating ACERA's ongoing cyclical workload requirements and any budget and business plan instructions received during the Offsite Retreat. A proposed work plan shall be submitted to each Committee at the first or second scheduled meeting of the New Year for review and modifications. Committee work plans can be modified throughout the year as needed.

7. Each Committee Chair shall be responsible for:
 - a. The efficient operation of the Committee,
 - b. Facilitation of the work outlined in the Committee Charter and prioritized in the Committee work plan,
 - c. Retaining focus primarily on policy and oversight ~~level~~ while allowing management to carry out the day-to-day implementation of Board and Committee policy, and
 - d. Coordinate Committee activities with the Staff Liaison.
8. In the event a Committee Chair is absent or the position is vacant, the Committee Vice Chair shall preside over meetings of the designated Committee. In the event the Committee Chair and Vice Chair are both absent the Board Chair, or a Board Vice Chair will preside over the designated Committee. If the Committee Chair and/or Vice Chair positions are vacant, the Board Chair shall appoint a new permanent Committee Chair and/or Vice Chair.

G. Quorum and Voting

1. The Board is composed of nine (9) Members, plus an Alternate Safety Member, and an Alternate Retired Member¹. A majority of the Members of the Board constitutes a quorum and a quorum of the Board is required to take action.

¹ Board Composition: Ex Officio: County Tax Collector: First Trustee; Elected by ACERA's general members: Second and Third Trustees; Elected by ACERA's safety members: Seventh and Alternate Seventh Trustees; Elected by ACERA's retired members: Eighth and Alternate Eighth Trustees; Appointed: Fourth, Fifth, Sixth, and Ninth Trustees.

2. Committees shall be composed of no more than five (5) Members², except the Investment Committee and the CEO Succession Committee which shall be composed of the full Board. A majority of the Members of a Committee constitutes a quorum of that Committee and a quorum is required for the Committee to take action. The Board Chair or, in the Chair's absence, either Vice Chair (First, then Second) may serve as an Ex Officio Member of a Committee to satisfy the quorum requirements.
3. Any motion passed or business transacted at a Board or Committee meeting must be approved by a majority of the Members present and voting, except as otherwise provided by law. A Member who abstains is not considered present and voting, but remains present for purposes of a quorum.
4. The Alternate Seventh Safety Member shall be counted towards a quorum and may vote only in the event the following Members are absent:
 - a. Second Member, or
 - b. Third Member; or
 - c. Seventh Member; or
 - d. Both the Eighth and the Alternate Eighth Members.
5. The Alternate Eighth Retired Member shall be counted towards a quorum and may vote only in the event the following members are absent:
 - a. Eighth Member; or
 - b. Both the Second and Third Members; or
 - c. Both the Second and Seventh Members; or
 - d. Both the Third and Seventh Members.

² *If a majority of the Board is present at any Committee meeting, the Committee meeting will also constitute a Board meeting and shall be noticed accordingly.*

H. Public Comment

1. Every agenda for a regular Board or Committee meeting shall provide members of the public an opportunity to address the Board or Committee at each meeting during posted public comment sessions on any item under the subject matter jurisdiction of the body.
2. With respect to any agenda item, the public shall be given the opportunity to comment before or during the Board or Committee's consideration of the item, including closed session items prior to adjournment into closed session.
3. Where a member of the public raises an issue not on the agenda, no debate or action may be taken at that meeting. However, Members of the Board or Committee or staff present may
 - a. provide a brief response or ask a question,
 - b. provide a reference to staff or other resources for factual information, or
 - c. direct staff to place the issue on a future agenda.
4. The duration of any public comment shall normally be no longer than four (4) minutes per speaker.

I. Attendance And Participation At Board And Committee Meetings

1. Trustees agree to make every reasonable effort to attend all meetings of the Board and of Committees on which they serve. All Trustees are free, but not obligated, to attend any Board Committee meeting. All Trustees may participate in Committee deliberations, but only Committee Members may vote on matters before the Committee, unless a quorum of the Board is present, and then Board voting rules apply.
2. Should a quorum of the Board attend and participate at a Committee meeting, the meeting shall become a Committee comprised of the full Board. While the Brown Act converts the meeting to a Board meeting, for ACERA's purposes, the following Committee rules will nevertheless continue to operate for those Committee meetings that are converted to Board meetings:

- a. The Committee Chair will continue to run the meeting.
- b. The actions of the Committee will still be subject to approval by the full Board.
3. Alternate Members
 - a. An Alternate Member shall have the same responsibilities and access to a closed session of the Board or a closed session of a Committee, as a Board Member whether or not the Second, Third, Seventh or Eighth Board Members are present.
 - b. Alternate Members who may replace absent Committee Members and participate in Committee meetings and vote on resolutions or motions, in accordance with Board rules on replacing absent members.
 - c. Alternate Members may not hold office on the Board or Committees. An Alternate Member, who replaces an absent Board Member who is also an officer, does not become an officer as a result.
4. Compensation and Reimbursement
 - a. Eligibility for compensation for the Fourth, Fifth, Sixth, Eighth (including Alternate), and Ninth Members (Cal. Gov. Code §§31521, 31520.5) for Committee attendance does not require membership on the Committee.
 - b. Reimbursement to employers of Elected Members. (See Voluntary Elected Member Employer Reimbursement Policy.)

J. Minutes

1. The Secretary is responsible for preparation of the Board minutes and the Staff Liaison assigned by the CEO to each Committee is responsible for Committee minutes.
2. The person responsible for minutes shall record the following in the minutes:
 - a. The time and place of each meeting of the Board or Committee.
 - b. The names of Trustees present.

- c. All official acts taken listing the motion and the first and second.
 - d. The individual votes of every Trustee present for all actions taken.
 - e. Describe with sufficient detail any actions taken by the board or Committee including pertinent discussions.
 - f. Limit discussion of ~~non-action~~non-action or information items to brief references; and
 - g. Include direct instructions to Staff by the Chair.
3. Approval of Minutes
- a. The person responsible for the minutes shall cause the minutes to be written and presented for approval at the next regular meeting of the Board.
 - b. The Staff Liaison shall draft the Committee Minutes and provide a copy to the Board or Committee Chair for approval more than one week in advance of the next scheduled Board meeting.
 - c. The Staff Liaison and the Committee Chair will finalize the Board or Committee minutes no later than one week before the next scheduled Board meeting. If the Board or Committee Chair does not respond in a timely manner, the minutes will be distributed as prepared and presented for approval at the next regular Board meeting.
 - d. If a Committee meets in at least a week before a Board meeting, the Staff Liaison and Committee Chair will finalize the Committee minutes in sufficient time to be distributed to the Board on the day of the next scheduled Board meeting.
 - e. If a Committee meets during the same week of the Board meeting, the Committee Chair will provide a summary of the Committee meeting to the Board at the Board meeting that week. The minutes will be presented to the Board for review and adoption on the consent calendar at the next scheduled Board meeting.

K. Pattern And Dates Of Board Meetings

1. Regular meetings of the Board of Retirement shall be held on the third (3rd) Thursday of each month at 2:00 p.m. at ACERA's office in Oakland, California. The Board Chair may approve any revisions to the date, time, or venue.
2. Special meetings of the Board of Retirement may be called at any time by the Chair or a majority of all the Members of the Board subject to the provisions of Government Code Section 54956. Notice of not less than twenty-four (24) hours shall be given to each Board Member, media outlets requesting notice, and provided on the ACERA website.
3. In the fall of each year, ACERA will hold its Board of Retirement Offsite Retreat which may include an evaluation of the budget and Business Plan for the current and following years, discussion with senior management staff and such educational and informational presentations as deemed appropriate.

L. Standing Committees

The Standing Committees of the Board are as follows:

1. Retiree
2. Investment
3. Governance
4. Operations
5. Actuarial
6. Audit
7. Budget
8. CEO Evaluation

M. Ad Hoc Committees

1. The Board may approve the establishment of temporary ad hoc Committees whose responsibilities are unrelated to those of any standing Committees. The Board Chair shall appoint the Chair and Members of ad hoc Committees. Ad hoc Committees shall have no more than four (4) Members and if are otherwise compliant with the Brown Act shall not be required to comply with the agenda requirements of this Policy. Board Members not appointed to an ad hoc Committee are not permitted to attend meetings of the ad hoc Committee in order to maintain compliance with the requirement that ad hoc Committees consist of ~~fewer~~less than a quorum of the Board.
2. At the beginning of each calendar year, the Board shall assess the need for all existing ad hoc Committees and formally dissolve any ad hoc Committees deemed unnecessary.

~~III.~~ N. _____ Policy Review

The Governance Committee shall review the Board and Committee Operations policy at least every three (3) years to ensure that it remains relevant and appropriate.

O. _____ Policy History

~~IV. _____~~ ~~The Board adopted this policy on _____, 2019³.~~

~~A. _____~~ ~~The Board Operations Policy was adopted by the Board of Retirement on November 18, 1999.~~

~~B. _____~~ ~~The Board reviewed and adopted the Board and Committee Operations Policy, with revisions, on June 21, 2018³.~~

³~~The Board Operations Policy was adopted by the Board of Retirement on November 18, 1999.~~
~~The Board reviewed and adopted the Board and Committee Operations Policy, with revisions, on June 21, 2018.~~The Board Operations Policy was adopted on November 18, 1999; and renewed, with revisions, on August 15, 2001; March 8, 2005; November 9, 2006; March 19, 2009; August 18, 2011; April 17, 2014; and November 17, 2016. The Committee Operations Policy was adopted on August 15, 2002; and renewed, with revisions, on November 9, 2006; March 19, 2009; August 18, 2011; and April 17, 2014; and, without revisions, on July 21, 2016. The ACERA Board Officers Policy was renewed, with revisions, on December 6, 2006. The Board Operations Policy, the Committee Operations Policy, and the ACERA Board Officers policy were combined into the

EXHIBIT B



Board and Committee Operations Policy

I. Purpose

The ACERA Board and Committee Operations Policy (“Policy”) provides ACERA Trustees and Staff with guidelines for ensuring that Board and Committee meetings will be conducted as efficiently and effectively as possible.

II. Policy Guidelines

A. Governing Law and Rules Of Order

1. The noticing and agendas of all Board and Committee meetings shall conform to the requirements of the Ralph M. Brown Act, Government Code Section 54950, et seq. (the “Brown Act”).
2. Board and Committee meetings shall be guided by the principles embodied in the most current edition of Robert’s Rules of Order, (Robert’s Rules.)
3. In the event of a conflict between the Brown Act and Robert’s Rules, the Brown Act shall prevail.

B. Agendas – Posting

1. A written agenda conforming to of the Brown Act shall be prepared for all Board and Committee meetings and shall normally be distributed to all Trustees at least one week in advance of the meeting.
2. The agenda for all regular Board and Committee meetings shall be posted at least 72 hours in advance in a location at the ACERA offices that is accessible to the public 24 hours per day and posted on ACERA’s website in accordance with the applicable provisions of the Brown Act.

3. Agendas for special meetings shall be posted at least 24 hours in advance of the meeting and special notices shall be provided as required by Section 54956 of the Brown Act.

C. Board Meetings Agenda Content

The Board Meeting Agenda will generally include the following topics as necessary:

1. Call to Order
2. Roll Call
3. Public Input
4. Consent Calendar
 - a. Application for Service Retirement
 - b. Application for Retirement, Deferred
 - c. Application for Deferred Transfer
 - d. List of Deceased Members
 - e. Requests for 130 Bi-Weekly Payments to Re-Deposit Contributions and Gain Credit
 - f. Disabilities, Current, Recommendations
 - g. Disabilities Status Report
 - h. Approve minutes of Board and Committee meetings
 - i. Miscellaneous
5. Disability
 - a. Disabilities, Current, Recommendations and Motions
 - b. Disabilities, Continuing, Recommendations and Motions

6. Committee Reports, Recommendations and Motions
7. New Business
8. Board Input
9. Establishment of Next Meeting
10. Adjournment into Closed Executive Session
11. Reconvene into Open Session to Announce any Action Taken in Closed Executive Session
12. Adjournment

The Board Chair may alter the agenda and order of business for Board and Committee meetings to the extent consistent with the Brown Act.

D. Committee Meetings Agenda Content

Committee Meeting will generally include the following topics:

1. Call to Order
2. Public Input
3. Action Items
4. Information Items
5. Trustee Input
6. Establishment of next meeting
7. Adjournment

The Committee Chair may alter the agenda and order of business for Committee meetings to the extent consistent with the Brown Act.

E. Board And Committee Officers

At the first regular meeting in January, the Board shall elect one of its Members Chair, one of its Members Vice Chair, and one of its Members Second Vice Chair. The term shall be for either one year, or until their successors are duly elected and qualified.

1. The Chief Executive Officer shall serve as Secretary to the Board ex officio.
2. The Chair of the Board shall:
 - a. Appoint Members to all ACERA standing and ad hoc Board Committees and in making such appointments shall whenever possible, appoint both elected and appointed Members to each Committee. The Chair may consider the need to:
 - 1) Maintain continuity in Committee membership,
 - 2) Rotate the composition of Committees to provide Trustees with diversified experience,
 - 3) Reflect a Trustee's area of interest and/or skill set, and
 - 4) Minimize conflicts of interest.
 - b. Remove and replace Committee Members so appointed;
 - c. Appoint a Chair for each Committee of the Board;
 - d. Coordinate the preparation of the Board agenda with the Board Secretary/Chief Executive Officer;
 - e. Chair meetings of the Board;
 - f. Communicate with external parties in cooperation with the Chief Executive Officer;
 - g. Coordinate the process for annually evaluating the performance of the Chief Executive Officer as prescribed in the Chief Executive Officer Performance Evaluation Process;
 - h. Coordinate the process in the event that the Board evaluates its own performance;

- i. Serve as ex officio Member of all Committees and serve to satisfy the quorum requirements.
 3. If the Board Chair is unavailable or unable to carry out his or her duties, the First Vice Chair shall assume duties of Board Chair. If the First Vice Chair is unavailable or unable to carry out his/her duties, the Second Vice Chair shall assume the duties of the First Vice Chair. These duties include sitting ex officio on Committees for purpose of a quorum as detailed below.
 4. In the event that an officer of the Board becomes ineligible or unable to complete his or her term, the following action shall be taken:
 - a. If said officer is the Chair, then the Vice Chair shall assume the Chair's position for the balance of the Chair's term, and a new Vice Chair shall be elected at the next regularly scheduled meeting;
 - b. If said officer is the Vice Chair, then the Board shall elect a new Vice Chair at the next regularly scheduled meeting; and
 - c. If said officer is the Second Vice Chair, then the Board shall elect a new Second Vice Chair at the next regularly scheduled meeting.
 5. Officers may be removed from the Chair, Vice Chair, and Second Vice Chair positions by a two-thirds ($\frac{2}{3}$) vote of the entire Board (i.e., six members).

E. Committee Procedures

1. Standing Committees exist to assist the Board in fulfilling its charter, to more efficiently use Trustee time, and to apply more concentrated attention to specialized topics that impact the Board's effective management of ACERA. All actions taken by standing and ad hoc Committees are deemed to be advisory and must be approved by the Board before becoming effective.
 2. The Chief Executive Officer shall assign a staff member to each standing and ad hoc Committee to serve as Staff Liaison and primary contact for the Committee Chair and Committee Members with respect to the work of the Committee.

3. At their first meetings each year, the Retiree, Investment, and Operations Committees shall establish a schedule of meetings for the balance of the year. The Governance, Actuarial, Audit, and Budget Committees shall establish meetings as needed.
4. The Committee Chair may cancel or reschedule a meeting if it is apparent that there will not be a quorum or there are insufficient issues to warrant a meeting. Attempts will be made to provide all Committee Members with at least one week's notice of the cancelled or rescheduled meeting.
5. Each Committee (including ad hoc Committees upon creation) shall, in consultation with its Staff Liaison, adopt a charter outlining its purpose, responsibilities and meeting frequency.
6. Annually following the Board Offsite Retreat, staff liaisons shall prepare a draft work plan for the following year containing proposed monthly agenda items for their standing Committees and incorporating ACERA's ongoing cyclical workload requirements and any budget and business plan instructions received during the Offsite Retreat. A proposed work plan shall be submitted to each Committee at the first or second scheduled meeting of the New Year for review and modifications. Committee work plans can be modified throughout the year as needed.
7. Each Committee Chair shall be responsible for:
 - a. The efficient operation of the Committee,
 - b. Facilitation of the work outlined in the Committee Charter and prioritized in the Committee work plan,
 - c. Retaining focus primarily on policy and oversight while allowing management to carry out the day-to-day implementation of Board and Committee policy, and
 - d. Coordinate Committee activities with the Staff Liaison.
8. In the event a Committee Chair is absent or the position is vacant, the Committee Vice Chair shall preside over meetings of the designated Committee. In the event the Committee Chair and Vice Chair are both absent the Board Chair, or a Board

Vice Chair will preside over the designated Committee. If the Committee Chair and/or Vice Chair positions are vacant, the Board Chair shall appoint a new permanent Committee Chair and/or Vice Chair.

G. Quorum and Voting

1. The Board is composed of nine (9) Members, plus an Alternate Safety Member, and an Alternate Retired Member¹. A majority of the Members of the Board constitutes a quorum and a quorum of the Board is required to take action.
2. Committees shall be composed of no more than five (5) Members², except the Investment Committee and the CEO Succession Committee which shall be composed of the full Board. A majority of the Members of a Committee constitutes a quorum of that Committee and a quorum is required for the Committee to take action. The Board Chair or, in the Chair's absence, either Vice Chair (First, then Second) may serve as an Ex Officio Member of a Committee to satisfy the quorum requirements.
3. Any motion passed or business transacted at a Board or Committee meeting must be approved by a majority of the Members present and voting, except as otherwise provided by law. A Member who abstains is not considered present and voting, but remains present for purposes of a quorum.
4. The Alternate Seventh Safety Member shall be counted towards a quorum and may vote only in the event the following Members are absent:
 - a. Second Member, or
 - b. Third Member; or
 - c. Seventh Member; or

¹ Board Composition: Ex Officio: County Tax Collector: First Trustee; Elected by ACERA's general members: Second and Third Trustees; Elected by ACERA's safety members: Seventh and Alternate Seventh Trustees; Elected by ACERA's retired members: Eighth and Alternate Eighth Trustees; Appointed: Fourth, Fifth, Sixth, and Ninth Trustees.

² If a majority of the Board is present at any Committee meeting, the Committee meeting will also constitute a Board meeting and shall be noticed accordingly.

- d. Both the Eighth and the Alternate Eighth Members.
5. The Alternate Eighth Retired Member shall be counted towards a quorum and may vote only in the event the following members are absent:
 - a. Eighth Member; or
 - b. Both the Second and Third Members; or
 - c. Both the Second and Seventh Members; or
 - d. Both the Third and Seventh Members.
- H. Public Comment
 1. Every agenda for a regular Board or Committee meeting shall provide members of the public an opportunity to address the Board or Committee at each meeting during posted public comment sessions on any item under the subject matter jurisdiction of the body.
 2. With respect to any agenda item, the public shall be given the opportunity to comment before or during the Board or Committee's consideration of the item, including closed session items prior to adjournment into closed session.
 3. Where a member of the public raises an issue not on the agenda, no debate or action may be taken at that meeting. However, Members of the Board or Committee or staff present may
 - a. provide a brief response or ask a question,
 - b. provide a reference to staff or other resources for factual information, or
 - c. direct staff to place the issue on a future agenda.
 4. The duration of any public comment shall normally be no longer than four (4) minutes per speaker.
- I. Attendance And Participation At Board And Committee Meetings

1. Trustees agree to make every reasonable effort to attend all meetings of the Board and of Committees on which they serve. All Trustees are free, but not obligated, to attend any Board Committee meeting. All Trustees may participate in Committee deliberations, but only Committee Members may vote on matters before the Committee, unless a quorum of the Board is present, and then Board voting rules apply.
2. Should a quorum of the Board attend and participate at a Committee meeting, the meeting shall become a Committee comprised of the full Board. While the Brown Act converts the meeting to a Board meeting, for ACERA's purposes, the following Committee rules will nevertheless continue to operate for those Committee meetings that are converted to Board meetings:
 - a. The Committee Chair will continue to run the meeting.
 - b. The actions of the Committee will still be subject to approval by the full Board.
3. Alternate Members
 - a. An Alternate Member shall have the same responsibilities and access to a closed session of the Board or a closed session of a Committee, as a Board Member whether or not the Second, Third, Seventh or Eighth Board Members are present.
 - b. Alternate Members who may replace absent Committee Members and participate in Committee meetings and vote on resolutions or motions, in accordance with Board rules on replacing absent members.
 - c. Alternate Members may not hold office on the Board or Committees. An Alternate Member, who replaces an absent Board Member who is also an officer, does not become an officer as a result.
4. Compensation and Reimbursement
 - a. Eligibility for compensation for the Fourth, Fifth, Sixth, Eighth (including Alternate), and Ninth Members (Cal. Gov. Code §§31521, 31520.5) for Committee attendance does not require membership on the Committee.

- b. Reimbursement to employers of Elected Members. (See Voluntary Elected Member Employer Reimbursement Policy.)

J. Minutes

- 1. The Secretary is responsible for preparation of the Board minutes and the Staff Liaison assigned by the CEO to each Committee is responsible for Committee minutes.
- 2. The person responsible for minutes shall record the following in the minutes:
 - a. The time and place of each meeting of the Board or Committee.
 - b. The names of Trustees present.
 - c. All official acts taken listing the motion and the first and second.
 - d. The individual votes of every Trustee present for all actions taken.
 - e. Describe with sufficient detail any actions taken by the board or Committee including pertinent discussions.
 - f. Limit discussion of non-action or information items to brief references; and
 - g. Include direct instructions to Staff by the Chair.
- 3. Approval of Minutes
 - a. The person responsible for the minutes shall cause the minutes to be written and presented for approval at the next regular meeting of the Board.
 - b. The Staff Liaison shall draft the Committee Minutes and provide a copy to the Board or Committee Chair for approval more than one week in advance of the next scheduled Board meeting.
 - c. The Staff Liaison and the Committee Chair will finalize the Board or Committee minutes no later than one week before the next scheduled Board meeting. If the Board or Committee Chair does not respond in a timely manner,

the minutes will be distributed as prepared and presented for approval at the next regular Board meeting.

- d. If a Committee meets in at least a week before a Board meeting, the Staff Liaison and Committee Chair will finalize the Committee minutes in sufficient time to be distributed to the Board on the day of the next scheduled Board meeting.
- e. If a Committee meets during the same week of the Board meeting, the Committee Chair will provide a summary of the Committee meeting to the Board at the Board meeting that week. The minutes will be presented to the Board for review and adoption on the consent calendar at the next scheduled Board meeting.

K. Pattern And Dates Of Board Meetings

- 1. Regular meetings of the Board of Retirement shall be held on the third (3rd) Thursday of each month at 2:00 p.m. at ACERA's office in Oakland, California. The Board Chair may approve any revisions to the date, time, or venue.
- 2. Special meetings of the Board of Retirement may be called at any time by the Chair or a majority of all the Members of the Board subject to the provisions of Government Code Section 54956. Notice of not less than twenty-four (24) hours shall be given to each Board Member, media outlets requesting notice, and provided on the ACERA website.
- 3. In the fall of each year, ACERA will hold its Board of Retirement Offsite Retreat which may include an evaluation of the budget and Business Plan for the current and following years, discussion with senior management staff and such educational and informational presentations as deemed appropriate.

L. Standing Committees

The Standing Committees of the Board are as follows:

- 1. Retiree
- 2. Investment

3. Governance
4. Operations
5. Actuarial
6. Audit
7. Budget
8. CEO Evaluation

M. Ad Hoc Committees

1. The Board may approve the establishment of temporary ad hoc Committees whose responsibilities are unrelated to those of any standing Committees. The Board Chair shall appoint the Chair and Members of ad hoc Committees. Ad hoc Committees shall have no more than four (4) Members and if are otherwise compliant with the Brown Act shall not be required to comply with the agenda requirements of this Policy. Board Members not appointed to an ad hoc Committee are not permitted to attend meetings of the ad hoc Committee in order to maintain compliance with the requirement that ad hoc Committees consist of less than a quorum of the Board.
2. At the beginning of each calendar year, the Board shall assess the need for all existing ad hoc Committees and formally dissolve any ad hoc Committees deemed unnecessary.

N. Policy Review

The Governance Committee shall review the Board and Committee Operations policy at least every three (3) years to ensure that it remains relevant and appropriate.

O. Policy History

The Board adopted this policy on _____, 2019.³

³The Board Operations Policy was adopted on November 18, 1999; and renewed, with revisions, on August 15, 2001; March 8, 2005; November 9, 2006; March 19, 2009; August 18, 2011; April 17, 2014; and November 17, 2016. The Committee Operations Policy was adopted on August 15, 2002; and renewed, with revisions, on November 9, 2006; March 19, 2009; August 18, 2011; and April 17, 2014; and, without revisions, on July 21, 2016. The ACERA Board Officers Policy was renewed, with revisions, on December 6, 2006. The Board Operations Policy, the Committee Operations Policy, and the ACERA Board Officers policy were combined into the Board and Committee Operations Policy, which was adopted by the Board of Retirement on February 15, 2018. The Board reviewed and affirmed this Policy, with revisions, on June 21, 2018.



MEMORANDUM TO THE GOVERNANCE COMMITTEE

DATE: August 15, 2019

TO: Members of the Governance Committee

FROM: Kathy E. Mount, Chief Counsel

SUBJECT: Board Policy Development Process

Introduction

The Board Policy Development Process (Policy) establishes the process for development, approval, and review of Board policies. The purpose of this regular review¹ is to ensure that the Policy remains relevant and appropriate.

Board governance is the structure, manner, and process by which a board exercises its authority. Board policies provide one of the building blocks of good governance, as they allow a board to create a process for oversight of key governance matters. Effective policies keep actions and decisions in line with the purpose of the retirement fund.

Proposed Revisions

The proposed revisions to the Policy streamline its language and focus without making significant substantive changes to the content. Much of the deleted language is duplicative or overly prescriptive resulting in a more cumbersome and inflexible process for evaluating and reviewing Board policies. The proposed revisions focus on the anticipated result of Policy development rather than detailing administrative steps to getting there.

Recommendation

Staff recommends that the Committee adopt the proposed revisions to the Policy and find that:

- This Policy is necessary and continues to address the recurring need for Board policy development and review.
- This Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies.

¹ This Policy was last reviewed and affirmed by the Board in November 2017 and, under the revisions to the Policy review process adopted in December 2018, would not normally be reviewed again until November 2020. However, the regrouping of related policies moved consideration of this Policy to this August 2019 meeting. It will next be reviewed in August 2022 on the standard three year review cycle.

Memo to Governance Committee re: *Board Policy Development Process*

August 15, 2019

Page 2 of 2

- The issues addressed by this Policy continue to be within the Board's responsibility to effectively administer the pension plan and to mitigate risk to ACERA.
- This Policy continues to be appropriate in meeting the needs of ACERA, and does not overlap with other existing Board policies.

Attachments: **Exhibit A:** Proposed Board Governance and Policy Development Process (redlined version)
Exhibit B: Proposed Board Governance and Policy Development Process (clean version)

EXHIBIT A



Board Policy Development Process

I. Purpose

A fundamental role of the Board is to establish policies guiding critical aspects of Board governance and ACERA's operations. This policy provides a coordinated, consistent and thoughtful process for development, approval and review of board policies, thus reducing the risk of duplication or unnecessary proliferation of board policies. ~~This policy is intended to set out the process by which such policies will be developed and approved. The purpose of this policy is as follows:~~

~~A. To provide a coordinated, consistent and thoughtful board policy development process, thus reducing the risk of duplication of effort or unnecessary proliferation of board policies; and~~

~~B. To demonstrate that board policies are established using a thoughtful and prudent process.~~

~~II. Assumptions~~

~~In preparing the Board Policy Development Process, the following assumptions were made:~~

~~A. The Board established a Governance Committee to focus on and conduct more detailed discussion and analysis of the Board Policy Development Process and provide recommendations to the Board for approval and to periodically review policies~~

~~B. The Governance Committee only makes recommendations to the Board. Allowing the Committee the authority to decide which policies are needed would place an unnecessary degree of power in a small group of individuals.~~

III. Guidelines

~~A. Board policies shall consist of broad, documented directions approved by the Board and provide guidance to either the Board or and senior management in carrying out managerial~~

or governance activities which provide benefit or mitigate significant risks to ACERA, intended to mitigate significant risks faced by ACERA.

~~A. _____~~

~~B. The Board shall establish a~~ Board policies will be developed only if y to address a particular issue if each of the following conditions is met:

- ~~1.~~ The issue in question poses substantial risk or benefit to ACERA ~~(organizational, legal, public perception, etc.);~~
- ~~2.~~ The issue is expected to recur regularly (i.e., it is generic in nature); ~~and~~
- ~~3.~~ The issue is within the Board's ~~area of~~ responsibility to effectively administer the pension plan, including Board governance or. ~~These may include policies that either impact how the Board governs itself or provide high level oversight of n administrative functions within the Boards purview; and.~~
- ~~4.~~ A Chief Executive Officer internal administrative procedure or process would not suffice.

~~C. Board policies shall contain the following elements, where appropriate:~~

- ~~1. Purpose of having the policy (i.e., what risk is the policy meant to address?);~~
- ~~2. The specific objectives/goals to be met;~~
- ~~3. Important underlying assumptions, if necessary;~~
- ~~4. Guidelines (i.e., the core of the Policy);~~
- ~~5. The Process for reviewing/modifying the policy;~~
- ~~6. Authorities/Signatures.~~

~~IV.III~~ Policy Development

~~The process by which the Board will establish Board policies:~~

~~A. At a Board or Committee meeting, trustees or senior managers may identify the need for a potential board policy. The need for a potential board policy may be identified by the Board, Board Committee or Senior ACERA staff.~~

~~A.B. If the topic of the policy falls into the jurisdiction of a committee, that committee will evaluate and develop the policy. If the issue does not clearly fall under the jurisdiction of another standing committee, the Governance Committee will evaluate and develop the policy.~~

~~B. Staff shall prepare a Request for Board Policy with the following information:~~

- ~~1. A brief description of the policy issue;~~
- ~~2. An explanation as to why the trustee or senior manager believes that a board policy is needed (as per Section III.B. above) or whether a CEO administrative policy would suffice;~~
- ~~3. The broad objective or purpose that will be served by such a policy; and~~
- ~~4. Confirmation that no existing board policy already addresses the broad risk(s) posed by the issue under consideration. No other policy addresses the need.~~

~~C. The committee assigned the policy will evaluate the Request for Board Policy and determine whether to create a policy or take an alternative course of action (e.g., defer the issue to senior management or recommend that the issue requires a specific Board resolution rather than a policy).~~

~~D.C. If the Committee determines that the policy is needed, the Committee and staff and the committee shall draft the policy for Committee and Board review and approval.~~

- ~~1. The committee and staff shall prepare a clear, written description of the purpose of the policy including all the sections above in Section III.C and any parameters the committee wishes to establish.~~
- ~~2. Staff shall conduct an analysis of the policy options, obtain input from the committee and independent advisors as needed, and prepare a draft policy for the committee's consideration.~~

~~3. The committee shall review and provide a recommendation to the Board. The recommendation shall include sufficient analysis, reasoning and background analysis (including relevant policy alternatives when appropriate) to enable the Board to discuss the matter in an efficient manner and to make an informed decision.~~

~~E. Alternatively Staff can present a Request for Board Policy and a draft of the policy together at the same committee meeting.~~

IV. Policy Review Process

~~The following guidelines shall apply to the policy review process:~~

~~A. The intention of reviewing the Board policies is to balance the need that the board policies remain relevant, current and purposeful with the need for the policies to provide continuity and stability.~~

~~B.A. Every Board policy should state the frequency with which it shall be reviewed. Policies shall be reviewed triennially every three years unless otherwise provided for in the policy provides otherwise or there is a due to a change in the law or circumstances.~~

~~C. Trustees will attempt to limit any review of policies to the time frames prescribed within the policies themselves. Nevertheless, should a trustee believe that a particular policy should be reviewed at a time sooner than the time specified by the Policy, he or she shall not be precluded from recommending to the committee that such a review be carried out.~~

~~D.B. The Committees assigned to the policy shall consider the following when reviewing the policy for the following reasonsBoard policies:~~

~~1. Does ~~the~~ policies continue to be necessary?~~

~~2. Does the Policy (as per Section III.B. above); that they contain the required elements of a board policy (as per Section III.C. above); and continue to be appropriate in meeting the needs of ACERA?~~

~~3. Does ~~Whether~~ the Policy requires revisions due to changes in to adhere to the law, current practices and or any other relevant reasons?~~

~~E.C.~~ The Committee reviewing the Policy will ~~provide its recommendations~~ recommend to the Board ~~that as to whether the~~ specified policies continue to be necessary ~~and contain the required policy elements (per Section III.B. above) and appropriate, and recommend any revisions as warranted.~~ whether the policy warrants revision.

~~F.D.~~ The Board will consider and ~~may, if appropriate,~~ approve the recommendations of the Committee.

~~VI.V.~~ Policy Modifications

This ~~document~~ Policy shall be reviewed by the Governance Committee at least every three ~~(3)~~ years. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

~~VI.VI.~~ Policy History

~~A.~~ ~~The Board adopted this Policy on August 19, 1999.~~

~~B.A.~~ ~~The Board reviewed and renewed this Policy, with revisions, on November 9, 2017~~ The Board affirmed this policy as revised on _____, 2019¹.

¹ The Board adopted the Board Policy Development Process on August 19, 1999. The Board reviewed and affirmed this Policy, without revisions, on October 19, 2006, and March 19, 2009. The Board reviewed and affirmed this Policy, with revisions, on August 18, 2011; December 19, 2013; December 17, 2015; and November 9, 2017.

EXHIBIT B



Board Policy Development Process

I. Purpose

A fundamental role of the Board is to establish policies guiding critical aspects of Board governance and ACERA's operations. This policy provides a coordinated, consistent and thoughtful process for development, approval and review of board policies, thus reducing the risk of duplication or unnecessary proliferation of board policies.

II. Guidelines

- A. Board policies shall provide guidance to the Board and senior management in carrying out managerial or governance activities which provide benefit or mitigate significant risks to ACERA.
- B. Board policies will be developed only if each of the following conditions is met:
 - 1. The issue in question poses substantial risk or benefit to ACERA;
 - 2. The issue is expected to recur regularly (i.e., it is generic in nature);
 - 3. The issue is within the Board's responsibility to effectively administer the pension plan, including Board governance or high level oversight of administrative functions; and
 - 4. A Chief Executive Officer internal administrative procedure or process would not suffice.

III. Policy Development

- A. The need for a potential board policy may be identified by the Board, Board Committee or Senior ACERA staff.
- B. If the topic of the policy falls into the jurisdiction of a standing committee, that committee will evaluate and develop the policy. If the issue does not clearly fall under the jurisdiction

of another standing committee, the Governance Committee will evaluate and develop the policy.

- C. If a Committee determines that the policy is needed, the Committee and staff shall draft the policy for Committee and Board review and approval.

IV. Policy Review Process

- A. Policies shall be reviewed every three years unless the policy provides otherwise or there is a change in the law or circumstances.
- B. The Committees assigned to the policy shall consider the following when reviewing Board policies:
 - 1. Does the policies continue to be necessary?
 - 2. Does the Policy continue to be appropriate in meeting the needs of ACERA?
 - 3. Does the Policy require revisions due to changes in the law, current practices or any other relevant reasons?
- C. The Committee reviewing the Policy will recommend to the Board that the specified policies continue to be necessary and appropriate, and recommend any revisions as warranted.
- D. The Board will consider and may approve the recommendations of the Committee.

V. Policy Modifications

This Policy shall be reviewed by the Governance Committee at least every three years. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

VI. Policy History

- A. The Board affirmed this policy as revised on _____, 2019¹.

¹ The Board adopted the Board Policy Development Process on August 19, 1999. The Board reviewed and affirmed this Policy, without revisions, on October 19, 2006, and March 19, 2009. The Board reviewed and affirmed this Policy, with revisions, on August 18, 2011; December 19, 2013; December 17, 2015; and November 9, 2017.



MEMORANDUM TO THE GOVERNANCE COMMITTEE

DATE: August 15, 2019

TO: Members of the Governance Committee

FROM: Kathy E. Mount, Chief Counsel

SUBJECT: Review of the *Board Elections Policy*

Introduction

The *Board Elections Policy* ("Policy") addresses election of Board Trustees, and establishes a fair and efficient election process for the elected trustees.

This Policy was last reviewed and affirmed by the Board in July 2017 and, under the revisions to the Policy review process adopted in December 2018, would not normally be reviewed again until July 2020. However, the regrouping of related policies moved consideration of this Policy to this August 2019 meeting. It will next be reviewed in August 2022 on the standard three year review cycle.

Recommendation

Staff does not propose any substantive changes to the Policy at this time, and proposes only minor formatting changes. Staff recommends that the Committee recommend to the Board that:

1. The Policy be affirmed without changes, and
2. That the Committee finds that:
 - This Policy continues to address the recurring need to elect members to the Board.
 - This Policy continues to address the inherent risks involved in not having a Policy in place to manage the elections and ensure a fair and efficient process.
 - The issues addressed by this Policy continue to be within the Board's responsibilities of electing members to the Board.
 - This Policy continues to be necessary and does not overlap with other Board policies.

Enclosure: Exhibit A, DRAFT *Board Elections Policy*, with no revisions

EXHIBIT A



Board Elections Policy

I. PURPOSE

To provide for a fair and efficient process for the nomination and election of the Second, Third, Seventh, Eighth, and Alternate Members of the Board of Retirement.

II. ELECTIONS PROCESS

- A. The Chief Executive Officer shall serve as the elections official charged with the duty of conducting all elections. The Chief Executive Officer may delegate powers and duties to other ACERA staff members and/or to consultants, as appropriate. Any reference to the Chief Executive Officer shall mean the Chief Executive Officer or his/her Designee.¹
- B. Election shall be by secret ballot conducted by the Chief Executive Officer, and canvassed by the Registrar of Voters in the manner outlined by this Policy. State and federal law may be used for guidance in resolving any challenges to elections procedures.
- C. The Chief Executive Officer, shall develop a written election schedule at the beginning of each year in which an election is held that substantially complies with the timeframes set forth in this Policy, with the elections to be held in December of each election year. The election or publication schedule may deviate from the timelines provided in this Policy when the Chief Executive Officer determines that impossibility, impracticability, improved efficiency, unreasonable expense or other circumstances warrant such a deviation. The Chief Executive Officer shall be responsible for publishing a Notice of Election on or before the first Monday in August of election years, which shall include the election schedule and other relevant information.
- D. The Chief Executive Officer shall be responsible for providing Nomination Petitions to qualified candidates, certifying the candidates, creating a list of eligible voters, preparing

¹ Reference, throughout the Policy, to “the Chief Executive Officer” means “the Chief Executive Officer or his/her Designee”. The Chief Executive Office generally designates a Designee to manage the Election Process.

and distributing ballots to eligible voters, providing a canvassing site and machines for tabulating ballots, storage of election materials, transmitting the election results certification provided by the Registrar of Voters to the Board of Supervisors and swearing-in newly elected members of the Board of Retirement. ACERA contracts with the Registrar of Voters to perform many of the aforementioned functions.

- E. The Chief Executive Officer shall review any written preliminary challenges to election procedures. If a written contest statement is filed, the Chief Executive Officer shall notify the superior court, assure service of the contest statement is made on the defendant(s) and other all relevant parties, issue subpoenas (if requested) and pay clerical assistants necessary for any recount from the amount advanced by the contestant. (Elec. Code §13313.)
- F. The Registrar of Voters shall be responsible for preparing and mailing ballots and voter pamphlets to eligible voters, providing a canvassing site and machines for tabulating ballots, canvassing the election, including receiving voted ballots, comparing voted ballots with the list of eligible voters, setting aside questionable ballots, repairing or transferring damaged ballots, certifying the accuracy of all ballot counting machines and certifying the results of all elections.
- G. The Chief Executive Officer and the Registrar of Voters shall be jointly responsible for determining the disposition of all questionable ballots that are set aside by the Registrar of Voters.

III. ELIGIBILITY TO VOTE

A member is eligible to vote for a candidate designated as a safety, general or retired member, only if the member belongs to the same category of membership during the entire pay period immediately preceding the month in which the election is held.

IV. NOTICE OF ELECTION PERIOD

The Notice of Election period is specified in the election schedule and continues for an interval of twenty (20) business day excluding County holidays. The Notice of Election shall include the election schedule and other relevant information. The Notice shall be posted on ACERA's website, www.ACERA.org, and in the lobby of ACERA's office during this period.

V. NOMINATION PERIOD

The Nomination Period is specified in the election schedule and continues for an interval of twenty (20) business days excluding County holidays. The Nomination Period immediately follows the Notice of Election Period. Qualified applicants may obtain a Board Election Information Packet containing the nomination documents from the ACERA Election Coordinator beginning on the first date of the Nomination Period and through the last date of the Nomination Period.

VI. NOMINATION DOCUMENTS

During the Nomination Period specified in the elections schedule, qualified applicants must submit all the following required nomination documents, with an original signature, to the Chief Executive Officer to be considered for certification as a candidate. The last day for filing nomination documents is no later than 5:00 p.m. on the deadline stated in the elections schedule. An applicant cannot submit any required nomination document after the deadline.

- Nomination Petition,
- Ballot Designation,
- Candidate's Statement of Qualifications,
- Statement of Intent to Serve, and
- California Form 700 Statement of Economic Interests

A. Nomination Petition

Each Nomination Petition filed by or on behalf of an eligible candidate shall contain:

1. The name and address of the candidate;
2. The designation of the seat on the Board of Retirement to which the candidate seeks election;
3. Nomination Petitions shall be signed by not less than twenty-five (25) members of the Association. Only signatures of members eligible to vote for the seat designated in the Nomination Petition at the time of signing said petition shall be counted.

4. Candidates shall file Nomination Petitions with the Chief Executive Officer no later than 5:00 p.m. on the deadline stated in the elections schedule. Candidates who file Nomination Petitions after the deadline will be disqualified.
5. If a candidate is nominated for more than one seat on the Board of Retirement, the candidate must designate the seat to which the candidate seeks election when filing nomination papers. Elections for the Seventh Member and the Alternate Seventh Member are considered elections for the same seat. Elections for the Eighth Member and the Alternate Eighth Member are considered elections for separate seats. A candidate may not be certified for more than one seat on the Board of Retirement.

B. Ballot Designation

A Ballot Designation shall include the candidate's name as it is to appear on the ballot, and, at the option of the candidate, one of the following designations to be printed immediately after or below his/her name on the ballot:

1. Words designating the elected government office which the candidate holds at the time of filing the nomination documents to which he or she was elected by vote of the people;
2. The word "incumbent" or "incumbent alternate" if the candidate is a candidate for the same office which his/her holds at the time of filing the nomination papers, and was elected to that office by a vote of the people;
3. No more than three words designating either the current principal professions, vocations, or occupations of the candidate, or the principal professions, vocations, or occupations of the candidate during the calendar year immediately preceding the filing of nomination documents.
4. The phrase "appointed incumbent" if the candidate holds an office by virtue of appointment, and the candidate is a candidate for election to the same office.

The Chief Executive Officer shall not accept a Ballot Designation that violates the restrictions set forth above. If the Chief Executive Officer finds the designation to be in violation, the Chief Executive Officer shall notify the candidate by email or registered or certified mail return receipt requested, addressed to the mailing address provided on the

candidate's nomination petition. The candidate shall be notified within three (3) working days from the date of submission of any violations. The candidate shall, within three (3) working days from the date of notice of the violation, provide a designation that complies with the above requirements. However, if the violation is discovered less than six (6) days from the end of the nomination period, the candidate shall have only the time from the date of notice through the end of the nomination period to remedy the violations. In the event the candidate fails to provide a Ballot Designation that complies with the above requirements within the three-day period or before the end of the nomination period if the violation was discovered with less than six days to the end of the period, no designation shall appear after the candidate's name.

C. Candidate's Statement of Qualifications

A Candidate's Statement of Qualifications ("Candidate Statement") shall be included in the voter pamphlet that is distributed with the ballot. (Elec. Code §13307.) The Candidate Statement shall be submitted in an appropriate format provided by the Chief Executive Officer as follows:

1. The Candidate Statement shall include no more than 400 words starting with the candidate's name. For purposes of counting the 400 words, ACERA uses the word count as calculated by Microsoft Word.
2. The Candidate Statement may also include the age and occupation of the candidate and a brief description of the candidate's education and qualifications.
3. The Candidate Statement shall not include the party affiliation of the candidate, or membership or activity in partisan political organizations.
4. The Candidate Statement shall be limited to a recitation of the candidate's own personal background and qualifications, and shall not in any way make reference to other candidates for that office or to another candidate's qualifications, character, or activities.
5. The Chief Executive Officer shall not cause to be printed or circulated any Candidate Statement that the Chief Executive Officer determines is not so limited or that includes any prohibited reference.

6. Such statement of qualifications shall be included in a voter's pamphlet, in type of uniform size, font and darkness and with uniform spacing, and distributed with ballots at no charge to the candidate.
7. Information contained in the Candidate Statement is the responsibility of the candidate and ACERA accepts no responsibility for the validity of the statement or the contents thereof.
8. The voter's pamphlet shall contain the following statement: "This handout may not contain a complete list of candidates. A complete list of candidates appears on the ballot. Each candidate's statement is volunteered by the candidate and is printed as submitted."
9. The candidate must provide a hard copy of the Candidate Statement with the candidate's signature and an electronic copy in a format compatible with Microsoft Word to the ACERA Election Coordinator.
10. Candidate statements may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period, as specified in the election schedule. Candidate statements shall remain confidential until the expiration of the filing deadline.

D. Statement of Intent to Serve

The Statement of Intent to Serve ("The Statement") sets out the oath of office. The Statement states that if elected to the position for which the candidate was nominated, the candidate intends to serve on the Board of Retirement. The Statement shall be signed and dated by the candidate.

E. California Form 700 Statement of Economic Interests

California Government Code §§87200 and 87201 requires that candidates for an elected office who manage public investments file a Form 700, unless a candidate is a current trustee and has already filed a Statement of Economic Interests with ACERA for the election year. If the candidate cannot be certified by the last date of eligibility, ACERA will return the Form 700 to the candidate unfiled.

VII. CERTIFICATION

A. In order for a candidate to be certified the following documents must be submitted and must meet the requirements as outlined in the Board of Retirement Election Information Packet and Board Elections Policy:

- Nomination Petition
- Ballot Designation
- Candidate's Statement of Qualifications
- Statement of Intent to Serve
- California Form 700 Statement of Economic Interests

The documents are due no later than the last date of the Nomination Period at 5:00 p.m. as stated in the election schedule, and there is no opportunity to amend the documents after that time.

B. With respect to the nomination petition, within five (5) working days after the filing of a nomination petition (or as revised pursuant to the election schedule), the Chief Executive Officer shall validate that the petition is complete and bears at least twenty-five (25) valid signatures.

Candidates may resubmit their nomination petitions, if necessary, until the last date of the Nomination Period at 5:00 p.m. Candidates are encouraged to obtain more than the minimum number of required signatures, or file petitions early so that they have ample opportunity to obtain additional signatures, in the event a petition is insufficient.

C. If only one candidate is certified for any designated seat, the Board of Supervisors shall order that no election be held and shall direct the Clerk of the Board of Supervisors to cast a unanimous ballot in favor of such nominated member. (Gov. Code §31523.)

D. If no candidate is certified, the Chief Executive Officer shall notify the Board of Retirement, which shall reschedule the election.

VIII. PUBLIC REVIEW PERIOD OF CANDIDATE STATEMENTS

After all nomination documents are received and eligible candidates are certified, the Chief Executive Officer shall make a copy of the Candidate Statements available for public examination in the Retirement Association's Office for a period of ten (10) calendar days.

The Chief Executive Officer shall also distribute all Candidate Statements to each candidate in the respective contest. During the ten (10) day public examination period, any voter or the Chief Executive Officer may seek a writ of mandate or an injunction requiring any or all of the material in the Candidate Statements to be amended or deleted.

IX. CAMPAIGNING

A. Campaign Guidelines

1. Candidates shall comply with all Participating Employer rules and regulations concerning the use of equipment and resources (i.e., e-mail, inter-office mail, etc.) in the course of their campaign. Violations of this section may result in disqualification.
2. The provisions of the Civil Code relating to libel and slander are fully applicable to any campaign advertising or communication.
3. Candidates may voluntarily subscribe to the Code of Fair Campaign Practices found at Elections Code §20440. A copy of the Code of Fair Campaign Practices shall be distributed by ACERA to all persons requesting an Election Information Packet for each election. In no event shall any candidate be required to subscribe to or endorse the Code of Fair Campaign Practices.

B. *What's Up Newsletter*

1. ACERA will produce and distribute a *What's Up Newsletter – Election Edition* as close in time as possible to the distribution of the ballots. The purpose of this special *What's Up Newsletter – Election Edition* is to provide an opportunity to a candidate for an elected position on the Board of Retirement to communicate with his/her constituency, free of charge.
2. ACERA will inform each candidate that he/she may submit campaign materials to ACERA and that ACERA will include the material in the *What's Up Newsletter – Election Edition* publication. The Election Information Packet and the election schedule will include the deadline for submission of campaign material for the *What's Up Newsletter*. A candidate shall not make any changes to campaign material after the deadline nor submit campaign material after the deadline.

3. All submissions will be limited to no more than 500 words starting with the candidate's name. For purposes of counting the 500 words, ACERA uses the word count as calculated by Microsoft Word. Candidates will be informed that ACERA will assume no liability for the contents of the submitted materials and candidates will be required to sign a waiver of liability and indemnification agreement prior to acceptance of any materials.
4. While ACERA does not intend to censor the contents of the submitted materials, at no time will ACERA include materials that it deems to be inappropriate for distribution to ACERA members. Any dispute that arises regarding the content of submitted materials will be decided by the Elections Official and his/her decision will be final. Any additional communications, other than the information included in this publication, by the candidates to their constituency will be the responsibility of the candidates.
5. The *What's Up Newsletter – Election Edition* shall include the following disclaimer with respect to the campaign material: “This statement solely presents the views of the Candidate and does not represent an official statement of ACERA or its Board of Trustees. ACERA has neither approved nor confirmed the accuracy or the contents of this statement.”

X. BALLOTS

- A. The Registrar of Voters with guidance from the Chief Executive Officer shall prepare the ballots for the election. Ballots shall state that it is illegal to reproduce the ballot in any manner whatsoever. Any reproduction or distribution of ballots other than as allowed for by this Policy is expressly forbidden and shall render the ballots void.
- B. The ballot for the Retiree Board Member position shall also contain the names of candidates certified for the Retiree Alternate Board Member position under a separate heading.
- C. Except as expressly authorized herein, no other designation may be printed on the ballot.

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- D. The Chief Executive Officer shall determine the order in which the names of the candidates are printed on the ballot by drawing lots after the deadline for filing Nomination Petitions.
- E. The Registrar of Voters shall mail a ballot, voter's pamphlet and self-addressed identification/return envelope first class to each eligible member no less than thirty-five (35) calendar days prior to the date established in the election schedule as the end of the election (or as revised pursuant to the elections schedule) to his/her last-known mailing address as it appears on the retirement record or other official record.
- F. The Registrar of Voters shall make replacement ballots (stamped with the word "reissue") available on an individual basis to members claiming under penalty of perjury the loss or non-receipt of a ballot.
- G. Each voter shall sign the identification/return envelope and place his/her voted ballot in the secrecy envelope and then into the identification/return envelope, which shall be mailed or delivered to the Registrar of Voters.
- H. The Registrar of Voters must receive all ballots no later than 5:00 p.m. on the third Wednesday in December (or as revised pursuant to the elections schedule), except as otherwise provided by law, or this Policy.
- I. Ballots shall be void if:
1. Received after Election Day;
 2. A duplicate ballot is cast;
 3. The signature of the voter is not on the return envelope underneath the pull tab.
 4. The signature or initials of the voter is on the ballot itself;
 5. It is not possible to determine who submitted the ballot;
 6. It was submitted in the same envelope with other ballots; and/or
 7. The voter's intent cannot be determined.

- J. Ballots determined to be void under section X.I., above, shall be marked as such and shall not be counted by the Registrar of Voters in the canvassing process. The Registrar of Voters will deliver ballots marked as void to the Chief Executive Officer on the day designated for counting ballots.

XI. COUNTING OF BALLOTS

- A. Upon receipt of the voted ballots, the Registrar of Voters or his/her designated representative(s) shall verify the names on the identification/return envelopes by checking the names against the Association's list of eligible members.
- B. The Registrar of Voters shall count the ballots substantially in accordance with applicable statutes and procedures. The Registrar of Voters shall certify the results of the election no later than the day following the canvassing of the ballots (or as revised pursuant to the elections schedule) and deliver the certified results to the Chief Executive Officer who shall transmit said certification to the Board of Supervisors.
- C. The candidate receiving the highest number of votes for the seat designated on the ballot shall be declared elected to that seat, except for the seat of the Alternate Seventh (Safety) Member.

The Alternate Seventh Member must be a safety member from a group other than a group represented by the Seventh Member. The Alternate Safety shall be that candidate, if any, from the group as described in §§31740.2 and 31740.4, and any other eligible safety member if there is no eligible candidate from the groups under §§31470.2 and 31470.4. If there is no eligible candidate there may not be an alternate member. (Gov. Code §31520.1(b).)

The duly elected candidate shall serve for a term of three (3) years from and after January 1st of the year following the election.

XII. RECOUNT

Within five (5) calendar days of certification of the election results by the Registrar of Voters (or as revised pursuant to the elections schedule), a candidate may upon written application to ACERA, which ACERA will submit to the Registrar of Voters, request a recount of all ballots to be conducted by the Registrar of Voters. Prior to the requested recount, the Registrar of Voters shall determine the cost for conducting such a recount.

The candidate requesting the recount shall deposit this amount with the Registrar of Voters prior to the recount. Money so deposited shall only be returned to the depositor if, upon the completion of the recount, the candidate requesting the recount is found to have received a plurality of all votes cast. The recount shall be conducted in the same manner as the original count.

XIII. OATH OF ALLEGIANCE AND SWEARING IN ELECTED MEMBERS

- A. Newly elected members of the Board of Retirement shall sign the Oath or Affirmation of Allegiance in the presence of a notary public at ACERA's office prior to serving on any Committee and/or Board meeting in January. Alternatively, the Oath can be signed at the Alameda County Clerk of the Board of Supervisors office.
- B. Newly elected members of the Board of Retirement shall be sworn in by the Alameda County Clerk of the Board of Supervisors or his/her representative, a notary public, Judge or Commissioner no later than the first regularly scheduled Board meeting in January or at a Special Session duly noticed for the purpose of swearing in new members and conducting such other business as the Board of Retirement determines.

XIV. FILLING VACANCIES

If a vacancy in an elective seat on the Board of Retirement occurs, a successor shall be elected in the same manner as his/her predecessor. Upon official notification of a vacancy, the Board of Retirement shall adopt a resolution calling for an election. Nominations and voting shall be substantially in the manner prescribed for a regular election. The candidate receiving the highest number of votes for the vacated seat shall be declared elected to that seat. Such candidate shall serve for the remainder of the unexpired term from and after the first day of the first month following the declaration of his/her election.

XV. POLICY REVIEW

The Governance Committee, or other committee designated by the Board, shall review this Policy at least every three (3) years. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

XVI. POLICY HISTORY

- A. The Board reviewed and adopted this Policy, with revisions, on July 20, 2017.²

² The Board adopted this Policy on July 17, 2003. Previous amendment dates all with revisions: October 19, 2006; August 16, 2007; August 21, 2008; August 20, 2009; December 15, 2011; March 21, 2013; April 17, 2014; June 18, 2015; July 20, 2017.