



Wednesday, August 6, 2014

To: Members of the Board of Retirement

From: George Wood, Chair,
Governance Committee

Subject: Summary of the Wednesday, August 6, 2014, Governance Committee Meeting

Governance Committee Chair George Wood called the Wednesday, August 6, 2014 Governance Committee Meeting to order at approximately 12:21 p.m. The Committee Member present was George Wood. Other Board members present were Dale Amaral and Annette Cain-Darnes and alternate members David Safer and Darryl Walker. Committee members excused were Ophelia Basgal, George Dewey, Elizabeth Rogers, and Donald White. Staff Members present were Kathy Foster, Assistant Chief Executive Officer; Harsh Jadhav, Internal Auditor; Marguerite Malloy, Associate Counsel; Lori Schnall, Associate Counsel; Victoria Arruda, Human Resources Officer; Margo Allen, Fiscal Services Officer; Rose Kwong, Benefits Manager; and Latrena Walker, Project and Information Systems Manager.

ACTION ITEMS

1. Review, Discussion and Possible Motion to Adopt Amendments to and renew the *Board of Retirement Charter*

- The Committee reviewed Staff's August 2, 2014, memorandum and its recommendation regarding the *Board of Retirement Charter*. Lori Schnall, Associate Counsel, advised the Committee that the Policy was revised to add language stating that the Board administer the pension plan in accordance California Public Employees' Pension Reform Act of 2012 and other relevant State and Federal law and to replace the term "Plan" with the "ACERA Retirement Plan."
- After discussion, Ms. Cain-Darnes moved and Mr. Amaral seconded that the Governance Committee recommend to the Board of Retirement that it finds the content of the *Board of Retirement Charter* is appropriate and continues to meet the needs of ACERA and should be renewed, with revisions, as recommended by Staff. The motion carried 5 yes (Dale Amaral, Annette Cain-Darnes, David Safer, Darryl Walker, and George Wood), 0 no, and 0 abstentions.

2. Review, Discussion and Possible Motion to Adopt Amendments to and renew the *Securities Litigation Policy*

- The Committee reviewed Staff's August 6, 2014 memo and its recommendation regarding the *Securities Litigation Policy*. Lori Schnall, Associate Counsel, advised the Committee that the Policy was revised to include foreign securities litigation cases and to clarify that the term Staff refers to Legal Staff. Trustees recommending changing the term ACERA to Legal Staff in sections II.A. and II.B. where appropriate.
- Following discussion, Mr. Amaral moved and Mr. Safer seconded a motion that the Governance Committee recommend to the Board of Retirement that it finds the content of the *Securities Litigation Policy* is appropriate and continues to meet the needs of ACERA and should be renewed with revisions, as recommended by Staff and the Committee. The motion carried 5 yes (Dale Amaral, Annette Cain-Darnes, David Safer, Darryl Walker, and George Wood), 0 no, and 0 abstentions.

3. Review, Discussion and Possible Motion to Adopt Amendments to and renew the *Fiduciary Counsel Retention Policy*

- The Committee requested that Staff bring the *Fiduciary Counsel Retention Policy* back to the Governance Committee for review once the issues related to ACERA's fiduciary liability insurance are resolved. No action was taken.

INFORMATION ITEMS

- None

TRUSTEE / PUBLIC INPUT

- None

RECOMMENDATIONS

1. The Committee recommends, and I move, that the full Board renew the *Board of Retirement Charter*, with revisions, as recommended by Staff.
2. The Committee recommends, and I move, that the full Board renew the *Securities Litigation Policy*, with revisions, as recommended by the Committee and Staff.

FUTURE DISCUSSION ITEMS

- *ACERA Electronic Tablet Usage Policy*
- *ACERA Membership Policy*
- *Fiduciary Counsel Retention Policy*
- *Record Retention Policy and Schedule*
- *Retiree Payroll Deduction and Assignment of Benefit Policy*
- *Trustee Communications Policy*

ESTABLISHMENT OF NEXT MEETING DATE

- TBD

ADJOURNMENT

- The meeting adjourned at approximately 12:36 p.m.