



November 9, 2017

To: Members of the Board of Retirement

From: George Wood, Chair  
Governance Committee

Subject: **Summary of the November 9, 2017, Governance Committee Meeting**

Governance Committee Chair, George Wood, called the November 9, 2017 meeting to order at 1:05 p.m. Committee Members present were George Wood, Annette Cain-Darnes, Liz Koppenhaver, and Elizabeth Rogers. Other Board members present were Dale Amaral, Tarrell Gamble, Henry Levy and Nancy Reilly. Staff present were Dave Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel; Lori Schnall, Associate Counsel; Vijay Jagar, Chief Technology Officer; Harsh Jadhav, Chief of Internal Audit; Victoria Arruda, Human Resources Officer and Betty Tse, Chief Investment Officer.

**ACTION ITEMS**

**1. Review, Discussion and Possible Motion to Adopt Amendments to and affirm the Governance and Policy Development Process**

The Committee reviewed Staff's November 9, 2017, memo and its recommendation regarding the *Board Governance and Policy Development Process*. Staff advised the Committee that the content of the Policy continues to meet the needs of ACERA and should be affirmed, with revisions. The Policy was last reviewed by the Board on December 19, 2015.

Following discussion on the Policy, the Committee affirmed the Board Governance and Policy Development Process with revisions to streamline the policy to be more effective and reflective of current practice. Staff proposed additional guidance on what constitutes a Board policy and the process for drafting such a policy. The Governance Committee would remain the default committee for adoption of new policies and the review of existing policies (unless the policy falls within the mandate of another committee). Lastly staff recommended the deletion of Policy Exhibits A and B. The exhibits are both obsolete and no longer accurately reflect the process.

It was moved by Trustee Caine-Darnes and seconded by Trustee Amaral that the Governance Committee recommends to the Board of Retirement that the Board affirm the *Board Governance and Policy Development Process*, with revisions as recommended by Staff and the Committee. The motion was approved by a vote of 6 in favor (Amaral, Cain-Darnes, Gamble, Koppenhaver, Levy, and Wood), 0 against, 0 abstaining.

**2. Review, Discussion and Possible Motion to Adopt Amendments to and affirm the *Service Provider Policy***

The Committee reviewed Staff's November 9, 2017, memo and its recommendation regarding the *Service Provider Policy*. Staff advised the Committee that the content of the Policy continues to meet the needs of ACERA and should be renewed, with revisions. The Policy was last reviewed by the Board on December 9, 2015.

Following discussion on the Policy, the Committee affirmed the Service Provider Policy with minor revisions.

It was moved by Trustee Amaral and seconded by Trustee Koppenhaver that the Governance Committee recommends to the Board of Retirement that the Board affirm the *Service Provider Policy*, with revisions as recommended by Staff and the Committee. The motion was approved by a vote of 6 in (Amaral, Cain-Darnes, Gamble, Koppenhaver, Levy, and Wood), 0 against, 0 abstaining.

**3. Review, Discussion and Possible Motion to Adopt Amendments to and affirm the *Senior Manager Contingency Plan***

The Committee reviewed Staff's November 9, 2017, memo and its recommendation regarding the *Senior Manager Contingency Plan*. Staff advised the Committee that the content of the Policy continues to meet the needs of ACERA. The Policy was last reviewed by the Board on December 9, 2015.

Following discussion, the Committee affirmed the Senior Manager Contingency Plan with amendments that streamlined the language of the Policy and removed a number of paragraphs to eliminate redundancy regarding the order of succession.

It was moved by Trustee Cain-Darnes and seconded by Trustee Amaral that the Governance Committee recommends to the Board of Retirement that the Board affirm the Senior Manager Contingency Plan, with revisions by Staff the Committee. The motion was approved by a vote of 7 in favor (Amaral, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers and Wood), 0 against, 0 abstaining.

### **INFORMATION ITEMS**

- None

### **TRUSTEE / PUBLIC INPUT**

- None

### **RECOMMENDATIONS**

1. The Committee recommends, and I move, that the full Board affirm the *Board Governance and Policy Development Process*, with revisions, as recommended by the Committee.
2. The Committee recommends, and I move, that the full Board affirm the *Service Provider Policy*, with revisions, as recommended by the Committee.
3. The Committee recommends, and I move, that the full Board affirm the *Senior Management Contingency Plan*, with revisions as recommended by the Committee.

### **FUTURE DISCUSSION ITEMS**

- *Termination Policy*

### **ESTABLISHMENT OF NEXT MEETING DATE**

- TBD

### **ADJOURNMENT**

- The meeting adjourned at 1:25 p.m.