



Finance and Administration Committee Agenda Item 10b

February 14, 2017

Item Name: CalPERS Board of Administration Election – Voting Options Update

Program: Board of Administration Elections

Item Type: Information

Executive Summary

This agenda item provides the Finance and Administration Committee (FAC) with an update on the new Board of Administration election process.

Strategic Plan

The Agenda Item supports Goal B of the CalPERS 2012-17 Strategic Plan, which is to cultivate a high-performing, risk-intelligent, and innovative organization. Through the proposed changes to the Board of Administration election process, CalPERS can improve upon the current process and deliver superior end-to-end customer service that is adaptive to the voters' needs.

Background

In February 2014, the Board approved changes that allowed new voting options to the Board of Administration elections that could result in higher voter turnout. This included the addition of online and telephone voting options to the current paper ballot method.

Following Board approval, Operations Support Services Division (OSSD) drafted regulations to incorporate these changes and at the March 2016 FAC meeting, the Board approved the amendments to the Board election regulations. The regulations were reviewed and approved by the Office of Administrative Law (OAL) and became effective January 1, 2017. In addition to OAL approval, the Secretary of State's Office agreed to continue to certify the Board election results using the newly approved voting options.

Analysis

In August 2016, CalPERS procured a new Board election vendor, Integrity Voting Systems (IVS) and Everyone Counts (E1C). In preparation for the 2017 Member-at-Large election, OSSD has worked with the Office of Public Affairs (PAOF), Enterprise Solutions Development Division (ESDD), and the new Board election vendor on the design and implementation of the new voting system.

This new system will provide members state-of-the-art options for casting their vote to compliment the traditional mail-in ballot. The telephone and online voting system are designed to be easily accessible, user-friendly, and flexible. Online voters will be able to access the voting system through their personal smart phone, computer or tablet all while protecting the security of our members' personal information, which is our highest priority. Our members will be provided a randomly generated eight digit PIN number, provided by the vendor, and will also

need to provide a unique identifier, which is the last four digits of their Social Security number, in order to successfully access the voting system and cast their vote. Members who have questions regarding the election or need additional support logging into the telephone or online voting system will be able to call into the election vendor's Contact Center, which is open 24-hours a day during the voting period.

In addition to the development and implementation of the voting system, OSSD has partnered with PAOF on rebranding the Candidate Statement Booklet, envelope, and paper ballot. The updated booklet has been redesigned to help educate our members on the type of election that is being held, information about each candidate, new voting options, and a quick reference guide on how to successfully cast their vote.

Marketing efforts have been underway since the Board's approval of the new voting options in March 2016. We have utilized the monthly Stakeholder Engagement Briefings to announce the upcoming voting changes to our member, employer, and retiree groups with the goal of increasing voter participation. The winter edition of the PERSpective included marketing of the new voting options and the Board election team attended the February Sacramento CalPERS Benefits Education Event to provide our members an opportunity to demo the online voting system.

Budget and Fiscal Impacts

The Board of Administration elections is part of the budgetary process and is the regular and ongoing workload of the Operations Support Services Division.

Benefits and Risks

Benefits

- Potential increase in voter participation by allowing a voter to submit their vote in the manner most convenient to them.
- Streamline the Board election process.

Risks

- Member acceptance of the new on-line and telephone voting systems.

Attachments

Attachment 1 – CalPERS Board of Administration Electronic Voting System Presentation

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