



## Board Governance Committee Agenda Item 6

December 18, 2017

**Item Name:** Board Education Program – Attendance Reporting and 2018 Program Schedule

**Program:** Board Governance

**Item Type:** Information

### **Executive Summary**

The CalPERS Board Member Education Program was implemented in 2015 to assist Board members and their designees in complying with the educational requirements imposed by Government Code section 20100 (section 20100), effective January 1, 2015, and the related CalPERS Board Education Policy (Policy).

This agenda item presents draft Educational Activity Reports to be posted on the CalPERS website, as required by section 20100. It also includes proposed educational topics for the 2018 Program Schedule.

### **Strategic Plan**

This item is not part of the Strategic Plan. However, implementation of and compliance with section 20100 is consistent with sound governance practice and indirectly supports each of our five Strategic Goals by providing Board members educational workshops to support their role in the overall decision-making process.

### **Background**

In July 2014, the Governor signed AB 1163, adding section 20100 to the Public Employees' Retirement Law, effective January 1, 2015. Section 20100 requires:

- CalPERS adopt an education policy for Board members
- All Board members receive 24 hours of education within the first two years of assuming office and for every subsequent two-year period of Board service
- CalPERS keep a record of Board members' compliance with the policy and publicly post the policy and an annual report of completed educational hours

In December 2014, the Board amended its existing Board Member Education Policy to conform to section 20100 and to include Board designees as impacted by the requirement.

Annually, for the upcoming calendar year, the CalPERS Executive Team collaborates to create a proposed program schedule consisting of at least 12 hours of educational activities that will count toward the required hours. Every March, as required by section 20100 and the CalPERS Board Education Policy, an annual report of educational hours attained by each Board member and designee in the prior calendar year is posted on the CalPERS website.

## Analysis

### ***Draft Website Posting***

In March 2018, an annual Educational Activity Report will be posted to the CalPERS website for each Board member and designee, including those who may have left office during the previous year. Reports will include hours of education attained for each person's respective, current two-year period. Attachment 1 contains a draft of each report, which includes hours attended and hours submitted through the Self-Certification Form process as of November 27, 2017.

Board members and designees who would like to report additional hours of education acquired in calendar year 2017 should submit a 2017 Self-Certification Form, which is uploaded to the Board books. These should be submitted through the Board Services Unit no later than January 19, 2018, and reported hours will be included in the March 2018 posting. A final draft report will be presented in a February 2018 Board Governance Committee agenda item.

### ***2018 Program Schedule***

The following workshops are currently proposed for 2018:

- January 2018
  - Fiduciary Training (fulfills mandatory annual requirement *and* counts toward Board Education)
  - UN Sustainable Development Goals
  - Federal Legislative Workshop
- July 2018
  - Reducing Overuse, Underuse, Misuse: Choosing Wisely, Smart Care, and Other Approaches
  - Purchasers' Approaches to High Drug Prices
- Timeframe TBD
  - Health Care Affordability Panel
  - Key Advantages of the CalPERS Health Program

### **Budget and Fiscal Impacts**

In 2017, sessions were delivered by guest speakers and/or CalPERS team members at no direct cost. Two sessions were part of the CalPERS and CalSTRS Diversity Forum. For 2018, the fiduciary counsel contract includes some funding for the fiduciary training; however, additional fees may be charged based on actual time spent to prepare for and present the training. Other direct costs for 2018 are not anticipated, but will depend on the final program schedule and extent to which additional external experts are utilized to deliver sessions. Remaining costs for presentations, staff, AV services, and administration will be absorbed in the existing budget.

### **Benefits and Risks**

This program supports compliance with Government Code section 20100, which is consistent with fiduciary duty and sound governance. Benefits include the enhancement of Board member expertise on topics affecting CalPERS and its beneficiaries. We see no risk associated with delivery of this program.

### **Attachments**

Attachment 1 – Educational Activity Report (one for each Board member and designee)



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