

MEETING
STATE OF CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
BOARD GOVERNANCE COMMITTEE

ROBERT F. CARLSON AUDITORIUM
LINCOLN PLAZA NORTH
400 P STREET
SACRAMENTO, CALIFORNIA

TUESDAY, MARCH 20, 2018
2:55 P.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

COMMITTEE MEMBERS:

Ms. Priya Mathur, Chairperson
Ms. Dana Hollinger, Vice Chairperson
Ms. Margaret Brown
Mr. John Chiang, represented by Matthew Saha
Mr. Rob Feckner
Mr. Ramon Rubalcava
Ms. Theresa Taylor

BOARD MEMBERS:

Mr. Richard Gillihan, represented by Mr. Danny Brown
Mr. Henry Jones
Mr. David Miller
Mr. Bill Slaton
Ms. Betty Yee, represented by Mr. Alan Lofaso

STAFF:

Ms. Marcie Frost, Chief Executive Officer
Mr. Matt Jacobs, General Counsel
Mr. Brad Pacheco, Deputy Executive Officer
Ms. Kristen Garner, Committee Secretary

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Tim Behrens, California State Retirees

Mr. Jerry Fountain, California State Retirees

Mr. Ron Furtado, Riverside Sheriff's Association

Ms. Cathy Jeppson, California Teachers Association

Mr. Jacki Lee, California Teachers Association

Mr. George Linn, Retired Public Employees Association

Mr. Jim McRitchie, California State Retirees

Ms. Donna Snodgrass, Retired Public Employees Association

Mr. Larry Woodson, California State Retirees

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P R O C E E D I N G S

CHAIRPERSON TAYLOR: All right. I'm calling the Board Governance Committee to order.

And we'll start with roll call, please

COMMITTEE SECRETARY GARNER: Theresa Taylor?

CHAIRPERSON TAYLOR: Here.

COMMITTEE SECRETARY GARNER: Priya Mathur?

VICE CHAIRPERSON MATHUR: Here.

COMMITTEE SECRETARY GARNER: Margaret Brown?

COMMITTEE MEMBER BROWN: Here.

COMMITTEE SECRETARY GARNER: Matthew Saha for John Chiang?

ACTING COMMITTEE MEMBER SAHA: Here.

COMMITTEE SECRETARY GARNER: Rob Feckner?

COMMITTEE MEMBER FECKNER: Good afternoon.

COMMITTEE SECRETARY GARNER: Dana Hollinger?

COMMITTEE MEMBER HOLLINGER: Here.

COMMITTEE SECRETARY GARNER: Ramon Rubalcava?

COMMITTEE MEMBER RUBALCAVA: Here.

CHAIRPERSON TAYLOR: Okay. So I want to note that Henry Jones has joined us, Danny Brown for Richard Gillihan has joined us, and Alan Lofaso for Controller Yee, and Bill Slaton have joined us.

VICE CHAIRPERSON MATHUR: And David Miler.

CHAIRPERSON TAYLOR: Did I miss David?

1 Oh, David IS down here. David Miller. He was
2 hiding from me.

3 All right. So our next order of business is the
4 election of the Board Governance Chair and Vice Chair.
5 And I'd like to entertain a nomina -- the nomination for
6 the Board Governance Committee Chair.

7 COMMITTEE MEMBER RUBALCAVA: I'd like to make a
8 motion.

9 CHAIRPERSON TAYLOR: Certainly.

10 Okay. Ramon.

11 COMMITTEE MEMBER RUBALCAVA: Yes. Thank you, Ms.
12 Chair. I'd like to nominate Priya Mathur for Chair.

13 CHAIRPERSON TAYLOR: Okay. So I have the
14 nomination of Priya Mathur for Chair of the Board
15 Governance Committee.

16 Are there any other nominations?

17 Are there any other nominations?

18 Are there any other nominations?

19 Okay. Seeing no other nominations, Ms. Mathur is
20 nominated by acclamation.

21 Let this be a motion to have her nominated by
22 acclamation.

23 COMMITTEE MEMBER HOLLINGER: Second.

24 CHAIRPERSON TAYLOR: Okay. It's been moved and
25 seconded by Ms. Hollinger.

1 All those in favor?

2 (Ayes.)

3 CHAIRPERSON TAYLOR: All those opposed?

4 All right. Motion carries.

5 And here we go.

6 (Applause.)

7 COMMITTEE MEMBER TAYLOR: Vice Chair.

8 CHAIRPERSON MATHUR: Let's do the Vice Chair and
9 then we'll. Is that okay?

10 MS. HOPPER: Yeah, that's fine.

11 CHAIRPERSON MATHUR: Thank you.

12 Thank you very much. I will now entertain a
13 motion to nominate -- for nominations -- sorry. I will
14 now entertain nominations for the position of Vice Chair
15 of the Board Governance Committee.

16 COMMITTEE MEMBER TAYLOR: Oh, I'm awake.

17 CHAIRPERSON MATHUR: Ms. Taylor.

18 COMMITTEE MEMBER TAYLOR: Yes. I'd like to
19 nominate Ms. Hollinger for Vice Chair of the Board
20 Governance Committee.

21 CHAIRPERSON MATHUR: The name of Ms. Hollinger
22 has been entered into nomination for the Vice Chair of the
23 Board Governance Committee.

24 Are there any other nominations at this time.

25 Any other nominations?

1 Any other nominations?

2 Seeing none. I will entertain a motion to elect
3 Ms. Hollinger by acclamation.

4 COMMITTEE MEMBER FECKNER: So moved.

5 CHAIRPERSON MATHUR: Moved by Mr. Feckner.

6 Seconded by --

7 COMMITTEE MEMBER RUBALCAVA: Second.

8 CHAIRPERSON MATHUR: -- Mr. Rubalcava.

9 Any discussion on the motion?

10 Seeing none.

11 All those in favor say aye?

12 (Ayes.)

13 CHAIRPERSON MATHUR: All opposed?

14 Motion passes. Congratulations Ms. Hollinger.

15 VICE CHAIRPERSON HOLLINGER: Thank you.

16 (Applause.)

17 CHAIRPERSON MATHUR: We will take a five minute
18 recess to shift things around a little bit.

19 Are we all set?

20 MS. HOPPER: Almost.

21 CHAIRPERSON MATHUR: Almost.

22 Okay. We'll reconvene the Board Governance
23 Committee.

24 First -- the next order of business is the
25 Executive Report. Mr. Jacobs.

1 GENERAL COUNSEL JACOBS: Very good. Good
2 afternoon, Chair Mathur, and Vice Chair Hollinger, and
3 Board Members -- or Committee members. Welcome to the
4 highlight of Board week.

5 (Laughter.)

6 GENERAL COUNSEL JACOBS: We have four substantive
7 matters before you today. Item number 6 is an action item
8 whether to revise the Board Governance Policy to add
9 procedures that were discussed and adopted in principle by
10 the Committee at our last Committee meeting in December.

11 Item 7, which is whether to revise the Board
12 Governance Policy to make clear that CalPERS's Policy on
13 Harassment and Discrimination applies to the Board and its
14 members as well, also an action item.

15 Item 8, which is a proposal to discontinue
16 automatically transcribing all Board and Committee
17 meetings. That is also an action item.

18 And then Item 9, which is a discussion item on
19 whether to require what's known as the "Views Expressed"
20 disclaimer when Board members speak at conferences,
21 constituent meetings, and the like.

22 So with that, I will turn it back over to you.

23 CHAIRPERSON MATHUR: Thank you very much.

24 That brings us to Agenda Item number 4, Action
25 consent items, approval of the December 18, 2017 Board

1 Governance Committee minutes, and the review of the Board
2 Governance Committee Delegation.

3 What's the pleasure --

4 COMMITTEE MEMBER TAYLOR: I'll make a motion.

5 CHAIRPERSON MATHUR: Moved by Taylor. Any --
6 Second?

7 VICE CHAIRPERSON HOLLINGER: Second.

8 CHAIRPERSON MATHUR: Seconded by Hollinger.

9 Discussion on the motion?

10 Seeing none.

11 All those in favor say aye?

12 (Ayes.)

13 CHAIRPERSON MATHUR: All opposed?

14 Motion --

15 COMMITTEE MEMBER RUBALCAVA: I'll abstain since I
16 wasn't on the Committee.

17 CHAIRPERSON MATHUR: Please note Mr. Rubalcava's
18 abstention

19 COMMITTEE MEMBER BROWN: I'm abstaining as well.

20 CHAIRPERSON MATHUR: And Ms. Brown's abstention
21 as well.

22 Motion passes.

23 That brings Agenda Item 5. I've had no requests
24 to pull anything off Agenda Item 5.

25 So that will bring us to Agenda Item number 6,

1 Revisions to Board Governance Policy Regarding Meeting
2 Procedures.

3 Mr. Jacobs.

4 GENERAL COUNSEL JACOBS: All right. A brief
5 history on this matter. In July of 2017, at the Board
6 offsite, we heard from a parliamentarian who went through
7 Robert's Rules and other parliamentary procedures. Part
8 of its presentation was on suggestions regarding meeting
9 procedures, and how meetings could be run more efficiently
10 and effectively.

11 We brought those back to the specific suggestions
12 of the parliamentarian back to the Committee in December,
13 and discussed them. I think we had five or six of them
14 identified. The Board -- excuse me, the Committee adopted
15 three of them, put the other two on the parking lot. And
16 so we're now bringing forward language -- proposed
17 language to add those three that the Board chose to adopt
18 to the Governance Policy to formalize that adoption.

19 One note. With respect to the timed agenda
20 proposal, I just wanted to make clear that the -- that the
21 time periods in that, that would be part of those timed
22 agendas would be estimates, and they would be freely
23 variable by the Committee Chair or the Board President, as
24 the case may be. So it would not preclude either
25 extending or decreasing the amount of time spent on any

1 particular item.

2 CHAIRPERSON MATHUR: Thank you.

3 So we have these policy changes before you. Any
4 discussion from the Committee?

5 Mr. Slaton.

6 BOARD MEMBER SLATON: Okay. Thank you, Madam
7 Chair. I think all of these are reasonable. You know, it
8 comes to meeting management and trying to be efficient in
9 what we do. And particularly, the timed agenda, it just
10 sets an area of expectation, so we all can try to take
11 care of the business at hand in a reasonable amount of
12 time.

13 I think not only the Chair has the ability to
14 modify that, but the Committee does as well. You can do
15 it by motion as well, can extend time. And I think
16 it's -- it's really effective to say, well, we've spent 10
17 minutes on this item, do we want to spend more time, and
18 then the group can decide or the Chair can decide we're
19 going to allocate more time to the particular item. So I
20 think it's just good meeting management.

21 I think there is -- I would suggest to the
22 Committee and the Chair, in addition to these things, I
23 think that it's probably a good time to direct staff maybe
24 to bring back for a future Committee to discuss the -- all
25 of the items in the Governance that might not have a

1 procedure or a -- kind of a roadmap for how we actually do
2 certain things. There's a lot of things talked about, but
3 then there's no process or procedure in there.

4 And so I think there's room for improvement in
5 that. In particular, I think because we have three new
6 Board members, the whole process of agenda setting, and
7 how an individual Board member, who wants to put something
8 on a meeting agenda, how do they do that, and what are
9 the -- kind of the rules of the road, so we can all
10 operate from the same basis.

11 So I would make those comments. Thank you.

12 CHAIRPERSON MATHUR: Thank you.

13 That's -- I think that's a good suggestion that
14 we review the Governance Policy broadly to identify any
15 policies where there is not an underlying process or
16 procedure to support it. And so I would direct that to
17 the staff.

18 GENERAL COUNSEL JACOBS: Very well.

19 CHAIRPERSON MATHUR: Ms. Brown.

20 COMMITTEE MEMBER BROWN: Thank you, Madam Chair
21 and congratulations.

22 CHAIRPERSON MATHUR: Thank you.

23 COMMITTEE MEMBER BROWN: I'm just wondering how
24 these changes impact what happened with the Investment
25 Committee yesterday with the fact that we had 30 to 40

1 speakers here about an Investment Committee item about gun
2 retailers and gun violence.

3 I know everyone on the Investment Committee
4 spoke, and then I think we spoke again. And then
5 everyone -- a lot of us felt like we had to say something
6 like -- because we were going to vote no, but we wanted to
7 make sure we explained how we felt about gun violence.
8 But again, you -- we all sort of said the same thing. But
9 is there any -- going to be any limit on the speakers?

10 I mean, if everybody gets three minutes and
11 there's 40 or 30, it's, you know, 90 minutes, 120 minutes.
12 So I just want to make sure this policy does not keep
13 speakers from speaking for their three minutes or
14 potentially even five minutes, if that -- if that's
15 necessary.

16 GENERAL COUNSEL JACOBS: Well, this would not
17 affect the policy on -- or the -- it's actually a
18 regulation on time limits. And that regulation says that
19 the standard is three minutes, but it's up to the Board
20 President or the Committee Chair, as the case may be, to
21 either extend or decrease those times in any given case.
22 So this doesn't touch that.

23 COMMITTEE MEMBER BROWN: My concern -- so, excuse
24 me. My concern, to follow up, is that when you have time
25 limits for the Board members, I've seen it go -- then the

1 next step is time limits for the speakers where you say we
2 will only have 20 minutes of speakers.

3 Thank you.

4 CHAIRPERSON MATHUR: No, I don't -- we would not
5 lim -- cut off public comment if there members of the
6 public who still wished to comment. This does not require
7 or even suggest that that should be -- that that should be
8 cutoff.

9 GENERAL COUNSEL JACOBS: Well, yeah. And if the
10 suggestion is that we would prevent people from speaking,
11 we wouldn't be permitted to do that anyway.

12 COMMITTEE MEMBER BROWN: Thank you.

13 CHAIRPERSON MATHUR: Thank you.

14 GENERAL COUNSEL JACOBS: You're welcome.

15 CHAIRPERSON MATHUR: Ms. Taylor.

16 COMMITTEE MEMBER TAYLOR: Yes. Thank you. I
17 just wanted to make sure - I think I've probably asked
18 this before - the adoption of the practice to ensure that
19 all Board members have had a chance to speak before
20 calling on a Board member who has already spoken. So that
21 works for Committee of the whole or the Board of
22 Administration as a whole.

23 But on committees, such as this one, where we
24 have folks that are sitting in on the Committee, are we
25 still going by the standard then that we let those on the

1 Committee speak first, and is it one time speak first, and
2 then we can have our guests of the Committee speak, or
3 should we redefine that maybe? I didn't think of that
4 earlier.

5 CHAIRPERSON MATHUR: I think that is the
6 implication that each Board member would have an
7 opportunity to speak once, before any Board member --
8 whether or not they're on the Committee, would have a
9 chance to speak again.

10 COMMITTEE MEMBER TAYLOR: Okay. So, for
11 example --

12 CHAIRPERSON MATHUR: That's what -- that's what
13 this says. If you want something different, we could
14 consider that, if you think --

15 COMMITTEE MEMBER TAYLOR: I think the only thing
16 I was concerned with is we were letting Board members or
17 Committee members speak, and then if we had, say, Danny or
18 Henry waiting, and a Board member wanted to speak again,
19 we were letting them speak again --

20 CHAIRPERSON MATHUR: A committee member.

21 COMMITTEE MEMBER TAYLOR: -- before Danny or
22 Henry could talk, you know what I mean?

23 So I don't know if we need to clarify that or if
24 we're saying that they only get one time to speak, is that
25 what this means, and then we can call on non-Committee

1 members?

2 CHAIRPERSON MATHUR: That's what this says,
3 but -- yeah, that's what this says. And it doesn't speak
4 to -- I think that has been a practice that some chairs
5 have used, but it hasn't been a policy --

6 COMMITTEE MEMBER TAYLOR: A policy.

7 CHAIRPERSON MATHUR: -- that we've had letting
8 Committee members speak before visiting Board members
9 speak. That could be a policy, or we could -- or it could
10 still remain practice at the discretion of the Chair. Do
11 you --

12 GENERAL COUNSEL JACOBS: Yeah, I agree.

13 COMMITTEE MEMBER TAYLOR: I was just making sure
14 that that was addressed. So, I mean, if we don't -- I --
15 you're saying that it's addressed in this, and I'm feeling
16 like maybe it's not. So maybe we might --

17 CHAIRPERSON MATHUR: No, I'm saying that what
18 this -- what this says is that each member of the Board,
19 any member of the Board, so if it's a member of the
20 Committee or a member of the Board, gets to speak once
21 before any Board member gets to speak a second time,
22 whether the Board member is on the Committee or not on the
23 Committee. If you think it should be some other way, you
24 could propose alternative language.

25 COMMITTEE MEMBER TAYLOR: No. No. No. I

1 just -- it's not clear in this, because it doesn't talk
2 about Committee versus non-Committee members.

3 CHAIRPERSON MATHUR: Right, it doesn't. It just
4 says each member of the Board has an opportunity to speak
5 on an item before any member of the Board is called.

6 COMMITTEE MEMBER TAYLOR: Okay. I see what
7 you're saying. So it does not matter, because it's saying
8 member of the Board.

9 CHAIRPERSON MATHUR: Yes.

10 COMMITTEE MEMBER TAYLOR: Okay. That's what I
11 wanted to make sure of. That was all. And then the timed
12 agenda. I wanted to reiterate that our guest speakers
13 have as much -- you know, their three minutes. And if we
14 have 50, we're going to continue to allow 50 to speak, and
15 that's codified in our regulations, not --

16 GENERAL COUNSEL JACOBS: That's correct.

17 COMMITTEE MEMBER TAYLOR: Yeah. Thank you.

18 CHAIRPERSON MATHUR: Thank you.

19 GENERAL COUNSEL JACOBS: You're welcome.

20 CHAIRPERSON MATHUR: Mr. Miller

21 BOARD MEMBER MILLER: First, to Ms. Taylor's
22 point, as a kind of a guest to this Committee, I actually
23 think it would be not just reasonable, but actually
24 helpful to me to hear what all the Committee members think
25 before I weigh-in on something. So I would have no

1 problem with the priority fundamentally being for the
2 Committee members to have their say before the microphone
3 comes to me.

4 But what I wanted to comment on is as a verbose
5 person, I tend to bristle at timed agendas. But in this
6 case, I think the reassurance that this is an estimate
7 that helps us plan, to help let all of our stakeholders,
8 especially those who are taking time out of their day to
9 come here to have a little better idea when we will
10 actually be coming out, especially at like closed sessions
11 and being able to, you know, have a little better sense,
12 and kind of instigating some discipline on our part to sit
13 down and really think about how much discussion will this
14 take, you know, how much timing will we need to plan,
15 knowing that we may have the need for some flexibility.

16 And finally, just the understanding that, you
17 know, there will be times that we'll need a little more
18 time and the reassurance that we won't let this become
19 sort of an artificial or a limit, as some would say. It's
20 not a limit. And that, you know, there could be motions
21 to extend discussion. But I think more importantly, there
22 could be motions to let's end discussion, tell Miller to
23 shut up now, and let's move on.

24 (Laughter.)

25 CHAIRPERSON MATHUR: I think it is meant to be a

1 guide, and, you know, to help us as a Board and as
2 Committees have discipline around, you know, being
3 thoughtful about what we -- you know, how much time we
4 take when we're making our comments. Not that -- if you
5 have a comment that you think is really important to get
6 out there, it shouldn't be said. Of course, it should be.
7 But it's a guide. It's not a rigid restriction.

8 GENERAL COUNSEL JACOBS: Right, that's the idea.

9 CHAIRPERSON MATHUR: Thank you, Mr. Miller.

10 Mr. Jones.

11 BOARD MEMBER JONES: Thank you, Madam Chair.

12 Thanks for letting me, as a non-Committee member, speak.

13 (Laughter.)

14 CHAIRPERSON MATHUR: You're very welcome.

15 BOARD MEMBER JONES: I think by practice what
16 they refer to has been the case with some of the
17 Committees, because I've known some Chairs to say, well, I
18 want to hear from all the Committee members first, and
19 then they give the other sitting Board members an
20 opportunity to speak, so I think that's a pretty good
21 practice.

22 CHAIRPERSON MATHUR: So are you suggesting that
23 we enshrine that practice in this policy?

24 BOARD MEMBER JONES: Yes.

25 CHAIRPERSON MATHUR: Okay. So what we could do

1 on Item 6 -- Attachment 1, 5d is we could say, "Ensuring
2 that each member of the Committee has an opportunity to
3 speak first, followed by the remaining members of the
4 Board before calling on any additional board member who
5 has already spoken". Something along those lines would
6 that address -- I don't want to just draft it on the fly,
7 but it seems like a simple thing to articulate.

8 GENERAL COUNSEL JACOBS: Right. Why don't I --
9 just so we don't draft it on the fly --

10 CHAIRPERSON MATHUR: Yeah.

11 GENERAL COUNSEL JACOBS: -- and end up with
12 problems. Why don't we draft that up, bring it back as a
13 consent item --

14 CHAIRPERSON MATHUR: Okay.

15 GENERAL COUNSEL JACOBS: -- so that if everybody
16 is good with the language, we just go, but if not, we can
17 discuss it further.

18 CHAIRPERSON MATHUR: Okay. So this is still an
19 action item. We still have a couple of members who wish
20 to speak. This is still an action item. We could approve
21 this today with the proviso that we want this additional
22 language about Committee members speaking before other
23 Board members speak, and then bring that back as a consent
24 item, if this item passes.

25 GENERAL COUNSEL JACOBS: Right.

1 CHAIRPERSON MATHUR: Okay. Thank you.

2 Mr. Slaton.

3 BOARD MEMBER SLATON: Let's see, now I've talked
4 my second time, but we haven't passed this yet, so.

5 (Laughter.)

6 BOARD MEMBER SLATON: You haven't passed it. So
7 I just thought you may want to -- the Committee may want
8 to consider, you know, the only difference between
9 Committee members and the rest of us sitting, Mr. Miller
10 on that side and the rest of on this side is that we do
11 not cast a vote. But if we attend the meeting, we attend
12 the meeting because we want to hear the conversation and
13 be able to address the issues.

14 I think the only problem with having Committee
15 members only, and then the rest be able to talk, is it can
16 artificially interrupt the flow of the conversation.
17 Because if someone, who's on the Committee, says
18 something, and Mr. Jones has a thought about that, then it
19 just creates a better flow of continuity in the
20 conversation. So I think to artificially do that, as a
21 rule, I think we're better served by just going in the
22 order. And then, of course, the vote is only by Committee
23 members, if there's a motion.

24 Thank you.

25 CHAIRPERSON MATHUR: Ms. Hollinger.

1 VICE CHAIRPERSON HOLLINGER: I would like to make
2 a motion to approve the revisions to the Board Governance
3 Policy regarding meeting procedures with the exception of
4 5d.

5 COMMITTEE MEMBER BROWN: Second.

6 CHAIRPERSON MATHUR: A motion was made and
7 seconded.

8 Is there any discussion on the motion?

9 Might I suggest that we would include 5d, but
10 with the proviso that it will come back with additional --

11 VICE CHAIRPERSON HOLLINGER: Language.

12 CHAIRPERSON MATHUR: -- language around the
13 committees?

14 VICE CHAIRPERSON HOLLINGER: Sure.

15 CHAIRPERSON MATHUR: -- as the maker of the
16 motion?

17 VICE CHAIRPERSON HOLLINGER: Yes.

18 CHAIRPERSON MATHUR: And the seconder?

19 COMMITTEE MEMBER BROWN: (Nods head.)

20 VICE CHAIRPERSON HOLLINGER: Okay. Second.
21 Please amend it that 5d will be amended.

22 GENERAL COUNSEL JACOBS: That's fine. Why don't
23 I bring this back at our next meeting before bringing the
24 changes that you've just approved to the Board, so that
25 we're not doing this kind of piecemeal.

1 VICE CHAIRPERSON HOLLINGER: Oh, piecemeal.
2 Okay. That's fine.

3 GENERAL COUNSEL JACOBS: Is that okay?

4 VICE CHAIRPERSON HOLLINGER: Yeah.

5 CHAIRPERSON MATHUR: That sounds good.

6 So then we wouldn't -- would we still take --
7 make a motion today? We would still pass it.

8 GENERAL COUNSEL JACOBS: You would make the
9 motion today that you just made, but we wouldn't take it
10 for approval --

11 CHAIRPERSON MATHUR: To the board.

12 GENERAL COUNSEL JACOBS: -- by the Board
13 tomorrow.

14 CHAIRPERSON MATHUR: Okay.

15 VICE CHAIRPERSON HOLLINGER: Oh, perfect.

16 GENERAL COUNSEL JACOBS: We'll take it after we
17 get the language ironed out on 5d.

18 CHAIRPERSON MATHUR: That's a -- that's a fine
19 suggestion. Thank you, Mr. Jacobs.

20 Okay. Any further discussion on the motion?

21 Seeing none.

22 All those in favor say aye?

23 (Ayes.)

24 CHAIRPERSON MATHUR: All opposed?

25 Motion passes. Oh, I'm -- I'm so sorry. We had

1 two members of the public who wished to speak on this
2 item. So forgive me. Mr. Linn and Mr. Behrens, if you
3 still wish to speak. I apologize for moving to the
4 motion.

5 MR. BEHRENS: I feel like I don't have anything
6 to say.

7 (Laughter.)

8 CHAIRPERSON MATHUR: It will still come back
9 before the Board.

10 (Laughter.)

11 CHAIRPERSON MATHUR: Sorry about that.

12 MR. BEHRENS: That's okay. Is somebody else
13 coming down?

14 Yes. George is -- I'll wait for George to get
15 here.

16 MR. LINN: No, go ahead.

17 MR. BEHRENS: Go ahead?

18 CHAIRPERSON MATHUR: If you would like to
19 proceed, Mr. Behrens.

20 MR. BEHRENS: Okay.

21 MR. LINN: For the sake of time, go ahead.

22 MR. BEHRENS: So congratulations, Madam Chair --

23 CHAIRPERSON MATHUR: Thank you.

24 MR. BEHRENS: -- and Co-Chair. And thank you,
25 Committee, for letting me speak on this issue. It seems

1 ironic to me that last week we were celebrating Sunshine
2 Week, and transparency, and everything was wonderful. And
3 I look at this -- these three bullet points here. And it
4 seems like it stifles the Board's ability to do what the
5 second bullet said is, and that is diversity of thought.
6 If Board members -- like I see, well now with your screens
7 in front of you with the little three minute clock on it,
8 and Rob keeping the time - and he will hold you to that
9 three minutes I guarantee you that - if you only have
10 three minutes to speak on an important issue, that might
11 not be enough time to get your point across.

12 If you have to wait until all the Board members
13 have spoken before you can speak again. And if I'm the
14 Chair and I've got the majority vote on that issue, that's
15 going to be the end of that discussion. So now your timed
16 agenda becomes your enemy instead of your friend.

17 I really would like you to give some
18 consideration to not passing language that will stifle
19 this Board from being able to have a diversity of thought,
20 to disagree, because I think that's a healthy board, and I
21 think that's a smart board, and that will give us
22 stakeholders an opportunity to listen to both sides of an
23 issue, as opposed to just a three-minute issue.

24 So I really encourage you -- I know you've
25 already voted on this, but I really encourage you

1 tomorrow, when the full Board meets, to reconsider whether
2 or not this is the direction you want to go.

3 I think that it really holds the Board back in
4 being able to discuss issues. And it puts a lot of power
5 in the person in charge of the Board in whether or not,
6 after 15 minutes, if that's what it says that the agenda
7 item is 15 minutes long, they want to call it after 15
8 minutes, even though the discussion really wasn't over
9 yet, I think that can tie your hands. And I don't think
10 that's the kind of pressure you want to put on the person
11 in charge of the Board.

12 So again, I would -- tomorrow at your Board
13 meeting, I would hope that you will have more discussion
14 about this and talk about the kinds of issues associated
15 with time limiting the Board members and giving them an
16 opportunity to speak more than once.

17 Thank you.

18 CHAIRPERSON MATHUR: Let me just clarify that
19 there is nothing implied in this policy that would limit a
20 Board member to speaking to only three minutes. There's
21 no -- there's no limit embedded here.

22 MR. BEHRENS: I appreciate what you're saying,
23 but I've been around here for a few years, and once the
24 door is open, it scares me as a stakeholder that the Board
25 is not going to have the flexibility the I think you all

1 should have in order to discuss -- cuss and discuss issues
2 related to stakeholders and the outcome for the
3 stakeholders.

4 Thank you.

5 CHAIRPERSON MATHUR: Thank you, Mr. Behrens.

6 Mr. Linn.

7 MR. LINN: Well, congratulations to Ms. Mathur,
8 and Ms. Hollinger on your election to your respective
9 positions on this Committee. And Committee members, my
10 name is George Linn. I'm the President of the Retired
11 Public Employees Association. In addition to that
12 responsibility, over the years, at my 77 years, I've sat
13 on many boards, including I still sit on a national board
14 of directors for a particular organization.

15 We have never, never taken into account that we
16 need to set time because that -- and Tim stole my word.
17 That stifles the opportunity for Board members to
18 completely vet an issue so that they can make an informed
19 decision. That's what your responsibilities are is to sit
20 there and discuss, learn from staff, discuss, and not be
21 stifled by time. Because we all know that if a clock is
22 ticking, whether it is ticking there, or whether it's
23 taking here, we're going to have a situation where the
24 Chair of the Committee will decide that maybe it's time to
25 kind of close things down. And that can be done in a

1 number of ways. It doesn't have to be rude and say, okay,
2 that's all the conversation we're going to have. But just
3 by virtue of how people interact, we could restrict the
4 time.

5 I think that, you know, Board members are elected
6 to represent, in this particular case, we the members.
7 And I think it's important that they have as much time to
8 find out what they need to know to make an informed
9 decision to vote.

10 And frankly, you know, we already have the bare
11 bones of a schedule that's put out every Board meeting for
12 the agendas. And, you know, let's look at Pension and
13 Health, we certainly didn't do Pension and Health
14 according to the schedule. But I think that every attempt
15 is already made to kind of identify what the schedule will
16 be.

17 And so to go into this straightjacket kind of
18 approach I think is not in the best interest of the Board
19 members making an informed decision.

20 CHAIRPERSON MATHUR: Thank you for your comments.

21 Two members of the Board wish to speak.

22 Ms. Brown.

23 COMMITTEE MEMBER BROWN: Thank you, Madam Chair.

24 Now that I've heard the speakers, I believe our -- I would
25 like to change my vote, and I think our vote was

1 premature, so I don't know how we do that now after the
2 fact, but maybe you can --

3 CHAIRPERSON MATHUR: You could make a motion for
4 reconsideration, if you'd like. Since you were on the
5 prevailing side, you can make a motion for
6 reconsideration.

7 COMMITTEE MEMBER BROWN: And a majority of us
8 have to agree to do that.

9 Okay. I'll make a motion for reconsideration, so
10 I can vote no.

11 CHAIRPERSON MATHUR: Is there a second to the
12 motion?

13 Hearing none -- excuse me -- motion fails for
14 lack of a second.

15 Mr. Slaton.

16 BOARD MEMBER SLATON: Thank you, Madam Chair.

17 So I think there's -- you know, it's legitimate
18 concern that we would not have enough dialogue and
19 conversation on an item. Now, my understanding is we
20 already have timed agendas that are estimates that are
21 given to the Committee Chair and Vice Chair, and I think
22 it goes to the entire Committee, is that correct?

23 GENERAL COUNSEL JACOBS: Yes.

24 BOARD MEMBER SLATON: Okay. So what's the
25 difference between that and what we're now -- if we put

1 this into policy, what's the difference between them?

2 GENERAL COUNSEL JACOBS: Well --

3 BOARD MEMBER SLATON: You just announce it. In
4 other words, everybody else has a copy of it.

5 GENERAL COUNSEL JACOBS: Everybody else has a
6 copy.

7 BOARD MEMBER SLATON: Okay. So we've had timed
8 agendas for years, that we each have, and it's a
9 guidepost.

10 GENERAL COUNSEL JACOBS: Well, I think the idea
11 that was put forward by the parliamentarian was at the
12 beginning of each meeting, whether it be a Committee or
13 the Board, you, or the Chair, state, okay, here's the
14 estimate of times. Here's our timed agenda. And I would
15 like to take a vote on that. And then you get Board
16 members weighing in on whether those times are
17 appropriate. And then you adopt it inform -- formally.
18 And then you move on. And then as a -- and then you
19 proceed basically as the way I said at the outset, which
20 was you try and stick to those limits, but sometimes
21 you're going to be shorter and sometimes you're going to
22 be longer.

23 BOARD MEMBER SLATON: So the Chair has the
24 ability to extend and continue the conversation, but also,
25 correct me if I'm wrong, the Committee also has that

1 power --

2 GENERAL COUNSEL JACOBS: Yes.

3 BOARD MEMBER SLATON: -- to say we're not
4 finished yet. So you can't have a Chair kind of
5 railroading through a short time if the Committee still
6 wants to have a conversation, correct?

7 GENERAL COUNSEL JACOBS: That's correct. Yeah,
8 absolutely.

9 BOARD MEMBER SLATON: Okay. Thank you.

10 CHAIRPERSON MATHUR: Thank you.

11 Mr. Jones.

12 BOARD MEMBER JONES: Yeah. Thank you, Madam
13 Chair. I'm kind of -- where after hearing the speakers
14 have a different attitude. I know I can't vote today, but
15 I will ultimately have a vote. And I -- listening to
16 Bill's comment, I think maybe we have enough already. You
17 know, it's time on here, and it's still going to be at the
18 discretion of the Chair. If you come up with a policy
19 that says 10 minutes, versus a sheet that's outlined as a
20 guide for 10 minutes, the Chair still has the authority to
21 extend or cut it off.

22 So perhaps if the parliamentarian was focusing on
23 some of us as Chairs not being efficient, maybe we need to
24 just train the Chairs, and rather than trying to set
25 policy for something that will probably go out the window

1 anyway.

2 CHAIRPERSON MATHUR: Welcome. I think Chair
3 training is something we have done in the past and
4 something we could probab -- we should probably do again.
5 So I'll take that suggestion on board and we will look
6 into -- that will be the direction that we will look into
7 developing a Chair training.

8 Thank you for that suggestion.

9 Okay. That brings us to Agenda Item 7, which is
10 revisions to Board Governance Policy regarding harassment,
11 discrimination, and retaliation policy.

12 GENERAL COUNSEL JACOBS: Yes. And just to set
13 the stage, the Committee asked for language, at our last
14 meeting in December, to make explicit that Board members
15 must abide by CalPERS's harassment and discrimination
16 policy, and so this is -- we've come forward with some
17 proposed language to do that, which is at page 21 of 25 in
18 attachment 1.

19 And it's to the Committee for discussion.

20 CHAIRPERSON MATHUR: This is an -- also an action
21 item. What --

22 COMMITTEE MEMBER BROWN: I'll move approval.

23 COMMITTEE MEMBER TAYLOR: Second.

24 CHAIRPERSON MATHUR: Motion has been made by Ms.
25 Brown, seconded by Ms. Taylor.

1 Any discussion on the motion?

2 Well, I have something I would like to suggest.
3 And I think this is -- this is a very good first step, and
4 certainly embodies the CalPERS-wide policy. I think that,
5 you know, unlike our employees where there's a civil
6 service process that -- for -- if an accusation or a claim
7 is made against an employee, we don't have a similar
8 process for the Board. And I do think in enshrining a
9 process for investigation, determination, and censure of a
10 Board Member who is deemed to have -- where a claim is
11 made, I think that would be helpful. And I think it's
12 something we should review.

13 I know -- I'm not sure how wide spread such
14 policies are in -- for bodies such as CalPERS or
15 legislative bodies, but I think it might be worth some
16 research around and then bringing back options to this
17 committee.

18 So that's my suggestion.

19 Ms. Hollinger.

20 VICE CHAIRPERSON HOLLINGER: Yeah, I agree,
21 because the one -- while I would agree to approve this
22 language, the one thing that I'm not seeing are
23 repercussions. Are we not allowed to have that or do we
24 not have the authority?

25 GENERAL COUNSEL JACOBS: Well, there's already a

1 provision that pertains to discipline of Board members for
2 violating the Board Governance Policy.

3 VICE CHAIRPERSON HOLLINGER: Oh, I see, it as a
4 policy -- as the Board Governance Policy as a whole.

5 GENERAL COUNSEL JACOBS: Right.

6 VICE CHAIRPERSON HOLLINGER: Got it. Oh, okay.

7 CHAIRPERSON MATHUR: Okay. Mr. Saha.

8 ACTING COMMITTEE MEMBER SAHA: I was actually
9 going to -- thank you. I was actually going to ask sort
10 of follow up with the same question that Dana had. But
11 are there particular changes that are needed in order to
12 remove a member now?

13 GENERAL COUNSEL JACOBS: There's no provision for
14 removing a member.

15 ACTING COMMITTEE MEMBER SAHA: Okay. Thank you.

16 CHAIRPERSON MATHUR: So --

17 GENERAL COUNSEL JACOBS: Just to be clear,
18 removing a member from the Board?

19 ACTING COMMITTEE MEMBER SAHA: Yes.

20 GENERAL COUNSEL JACOBS: Yeah, there's no
21 provision for that.

22 CHAIRPERSON MATHUR: So I have made a suggestion.
23 I'm not hearing a resounding desire from this Committee to
24 move forward with something more -- to do more research on
25 this. Is that -- am I the lone person --

1 Ms. Hollinger.

2 VICE CHAIRPERSON HOLLINGER: I agree. I would
3 like -- if I -- if I were going to elaborate, I would want
4 to know two things. I would want to see maybe -- maybe we
5 need to change our policy to have different repercussions
6 today, based on what we're seeing going on, you know, with
7 Weinstein and -- with different boards now, because times
8 have changed. And so whether our Governance Policy is
9 current in terms of its -- the consequences or the cens --
10 you know, so, yeah, I would like to see some options. And
11 also if that disqualifies you?

12 CHAIRPERSON MATHUR: Disqualifies?

13 VICE CHAIRPERSON HOLLINGER: Well, I have to
14 think about it.

15 CHAIRPERSON MATHUR: Okay. Thank you.

16 Ms. Taylor.

17 COMMITTEE MEMBER TAYLOR: Yes. Thank, you Ms.
18 Mathur. So I want to clarify. Are we talking about
19 research into what similar governing bodies have done
20 around this issue?

21 CHAIRPERSON MATHUR: Yes, and what could be done.

22 COMMITTEE MEMBER TAYLOR: And what could be done?

23 CHAIRPERSON MATHUR: And bring back some
24 options -- so common sense options about what we could
25 incorporate.

1 COMMITTEE MEMBER TAYLOR: In terms of
2 enforcement.

3 CHAIRPERSON MATHUR: In terms of -- well, of
4 process perhaps --

5 COMMITTEE MEMBER TAYLOR: Process and
6 enforcement.

7 CHAIRPERSON MATHUR: -- around the -- you know, a
8 claim can be made, but how do you determine whether, you
9 know, to come to a determination about that claim.

10 COMMITTEE MEMBER TAYLOR: Gotcha.

11 CHAIRPERSON MATHUR: And then once a
12 determination is made --

13 COMMITTEE MEMBER TAYLOR: No, I agree. I think
14 we do need that because we don't know. We do know that
15 with elected members, just like the legislature, I think
16 it's peer pressure that ends up -- or not even peer
17 pressure, but public pressure that ends up having those
18 elected members step down, so -- because you they're
19 elected, so we -- I don't know what our recourse would be
20 on elected members or appointed members. But I would love
21 to see what similar governing bodies have in place. And,
22 you know, ultimately it's completely different than the
23 State of California as a State employee. You know, there
24 are several levels of discipline that that goes under,
25 so...

1 CHAIRPERSON MATHUR: Okay. Well, I think then
2 that will be the direction that we will do a little bit
3 more research into this topic, and how elected boards, or
4 boards such as CalPERS, might handle these types of
5 cases -- claims that are made against board members, in
6 this regard.

7 But meanwhile -- oh, sorry, Mr. Lofaso.

8 ACTING BOARD MEMBER LOFASO: Thank you, Madam
9 Chair. Just on this same subject, just to educate us a
10 little bit, Mr. Jacobs. So there's got to be some
11 external process where, say, if a board member engaged in
12 conduct which was deemed sexually harassing toward a --
13 say, for example, a member of the CalPERS staff. Is there
14 any existing legal exposure through any existing process
15 like say, you know, the Department of Fair Employment and
16 Housing. And does this policy, even as it is, create some
17 additional legal exposure to a board member because now
18 there's some explicit thing that one can be deemed to have
19 violated? I realize, of course, all of this assumes that
20 that CalPERS staff member in my hypothetical feels
21 comfortable bringing that matter forward, knows who to
22 tell, all that kind of stuff. But can you just draw me a
23 picture, if you have a clean answer, as to sort of what
24 the exposure is now, given that, you know, sexual
25 harassment is a pretty serious offense?

1 GENERAL COUNSEL JACOBS: Well, if your question
2 is does the proposed language alter the potential
3 liability, then the answer is no, because board members
4 are already subject to the State of California's rules,
5 regulations, policies, laws, et cetera, regarding sexual
6 harassment.

7 The question about enforcement really depends
8 upon what type of board member you are. So for you, for
9 example, Mr. Lofaso, you're a California State employee.
10 You'd be subject to the rules of your agency, and the SPB,
11 and the like.

12 Mr. Slaton, however, not an employee of the State
13 of California would be subject, presumably, to the
14 procedures at SMUD that pertain to employees and board
15 members of SMUD, since he sits on the SMUD Board, but
16 would not currently be under any jurisdiction of any
17 administrative agency of the State, except insofar as DFEH
18 can proceed against non-State actors.

19 ACTING BOARD MEMBER LOFASO: So I understand, the
20 bottom line is that unless you're a State employee,
21 there's really no -- there's no practical enforcement
22 process.

23 GENERAL COUNSEL JACOBS: Right.

24 ACTING BOARD MEMBER LOFASO: Okay. Thank you.

25 CHAIRPERSON MATHUR: Okay. So I think I've --

1 the direction is clear.

2 GENERAL COUNSEL JACOBS: Yes, I have one question
3 for you, though --

4 CHAIRPERSON MATHUR: Yes.

5 GENERAL COUNSEL JACOBS: -- which is we have some
6 proposed language here. Do you want to adopt this today
7 with the idea that we'll come back to try to add something
8 or provide you --

9 CHAIRPERSON MATHUR: Yes.

10 GENERAL COUNSEL JACOBS: Or do you want to just
11 hold off and we'll do it all when we come back?

12 CHAIRPERSON MATHUR: I think we should adopt it
13 today, that's my view, and then come back with enhanced
14 language. It might take us a little time --

15 GENERAL COUNSEL JACOBS: Right.

16 CHAIRPERSON MATHUR: -- to do the research and
17 consider. And I think this is a -- this is something we
18 should have embedded in our Governance Policy.

19 Ms. Brown.

20 COMMITTEE MEMBER BROWN: So that was my motion.

21 CHAIRPERSON MATHUR: Yes.

22 COMMITTEE MEMBER BROWN: So I will amend my
23 motion. I just want to be sure that we do the research
24 and see maybe what other boards are doing around the
25 state. Maybe CalSTRS, take a look at our sister across

1 the river here, and see what they're doing, so we don't
2 have you reinvent the wheel. We just borrow it from
3 somebody else.

4 Thank you.

5 GENERAL COUNSEL JACOBS: Yeah. No, that's a good
6 idea. It's really hard to reinvent this wheel.

7 (Laughter.)

8 GENERAL COUNSEL JACOBS: I've tried to do it
9 before, but -- okay.

10 (Laughter.)

11 CHAIRPERSON MATHUR: All right. So the motion
12 before you is to adopt the language as written. I have
13 given separate direction to do some more research. And I
14 see no further requests from the Committee or Board to
15 speak.

16 So all those in favor say aye?

17 (Ayes.)

18 CHAIRPERSON MATHUR: All those opposed?

19 Motion passes.

20 That brings us to Agenda Item number 8, which is
21 proposal to discontinue transcription of Board and
22 Committee meetings.

23 Mr. Jacobs.

24 GENERAL COUNSEL JACOBS: Yes. So this is an item
25 that's for Committee discussion and decision, but let me

1 set the stage.

2 Several years ago, CalPERS started videotaping
3 and livestreaming its meetings. And also, it had closed
4 captioning, or it still has closed captioning. It also
5 maintains those videos on the CalPERS YouTube channel.

6 When we made that change -- when CalPERS made
7 that change was probably the time to be having this
8 discussion, but we didn't, so here we are today. We do
9 now have multiple ways to go back and look at past Board
10 meetings. We have -- we audiotape all meetings. We video
11 and livestream all open session meetings, except a couple
12 of off-site sessions. We do also provide simultaneous
13 closed captioning transcripts, which we preserve. And
14 that is a different contract from the one that we are
15 talking about today, and that would continue in place.

16 So some would contend that video is actually the
17 best record of what happened, because it captures things
18 like facial expressions, tones of voice, and inflection
19 that you don't get with a dry piece of paper, a dry
20 transcript. So we have a pretty transparent way -- a
21 pretty transparent record of prior meetings.

22 So the question for the Committee -- or one way
23 to look at it anyway is whether it is a reasonable
24 administrative expense to continue automatically
25 transcribing all meetings?

1 As it laid out in the agenda item, it would not
2 preclude CalPERS from going back and transcribing previous
3 meetings or ordering a court reporter for a future
4 meeting.

5 And on that note, the -- we understand -- I
6 understand from Mr. Pacheco that media primarily use the
7 closed caption transcript to write their stories. And as
8 I said, that is not going away. We did hear originally,
9 or soon after the agenda item went was uploaded, from
10 Bloomberg that they were concerned about it, but they
11 changed their position when they found out that we were
12 not dispensing with the closed caption transcripts.

13 And if you look to the current court model, it
14 almost always requires that the parties who want the
15 transcript pay for the transcriptions.

16 So the question, or a way of bringing forward the
17 question is who should pay? Should CalPERS pay for it
18 when there are already various ways of going back and
19 seeing what happened that we preserve or should the person
20 who wants the transcript, the requester of the transcript,
21 require -- pay for that transcription?

22 So with that, I'll turn it over to the Committee
23 for discussion.

24 CHAIRPERSON MATHUR: And just to clarify, the
25 closed captioning transcripts are written transcripts?

1 GENERAL COUNSEL JACOBS: Correct.

2 CHAIRPERSON MATHUR: So they are -- and they are
3 available -- as I understand it, they're available
4 immediately, whereas the other transcriptions are
5 available two weeks hence?

6 GENERAL COUNSEL JACOBS: Correct. Yeah, they're
7 simultaneous.

8 CHAIRPERSON MATHUR: Thank you.

9 GENERAL COUNSEL JACOBS: Pretty amazing actually.
10 Ms. Taylor.

11 COMMITTEE MEMBER TAYLOR: Yeah, I was going to
12 ask that question. I did know not that. So the closed
13 caption transcripts are available immediately, thereafter.

14 GENERAL COUNSEL JACOBS: They're simultaneous.

15 COMMITTEE MEMBER TAYLOR: Oh, they're
16 simultaneous. And they're separate from the video. So
17 the closed captions can be -- or at least the video closed
18 caption can be sent out as a -- as if it were a
19 transcript?

20 GENERAL COUNSEL JACOBS: The closed caption
21 transcript?

22 COMMITTEE MEMBER TAYLOR: Yeah.

23 GENERAL COUNSEL JACOBS: Yes.

24 COMMITTEE MEMBER TAYLOR: Okay. My other
25 question was, and I have had this question before, I just

1 want to make sure --

2 GENERAL COUNSEL JACOBS: Just a moment. Mr.
3 Pacheco is coming up to clarify.

4 COMMITTEE MEMBER TAYLOR: Uh-oh.

5 DEPUTY EXECUTIVE OFFICER PACHECO: Brad Pacheco,
6 CalPERS team.

7 Ms. Taylor, the -- so the closed caption runs
8 below the video --

9 COMMITTEE MEMBER TAYLOR: Right.

10 DEPUTY EXECUTIVE OFFICER PACHECO:
11 -- simultaneously. It's live. It's an
12 individual that's transcribing it. And at the end of the
13 meeting, you can -- an individual can cut and paste that
14 entire transcript. They can contact us, and we can
15 provide that transcript.

16 COMMITTEE MEMBER TAYLOR: Okay.

17 DEPUTY EXECUTIVE OFFICER PACHECO: So it happens
18 in both matters.

19 COMMITTEE MEMBER TAYLOR: Got you. So -- okay.
20 And it's actually on the video then, and then we would
21 have to cut and paste it to put it together as a full
22 transcript?

23 DEPUTY EXECUTIVE OFFICER PACHECO: Well, it runs
24 live the entire time.

25 COMMITTEE MEMBER TAYLOR: Right.

1 DEPUTY EXECUTIVE OFFICER PACHECO: And it's in a
2 screen below the video, if you watch our webcasting. So
3 some people rely on that. You can go in there and you can
4 copy and cut and paste whatever portion of the proceeding
5 that you want. Sometimes someone might miss a meeting,
6 they'll contact us, and we'll provide that. I think the
7 only difference between that transcript and the transcript
8 from a court reporter is that you're not necessarily
9 identifying every single individual. It's just the
10 words -- that spoken word.

11 COMMITTEE MEMBER TAYLOR: Underneath, right,
12 because there's an assumption you can see who's talking.

13 DEPUTY EXECUTIVE OFFICER PACHECO: Correct.

14 COMMITTEE MEMBER TAYLOR: Okay.

15 GENERAL COUNSEL JACOBS: I might also add to
16 that, that transcripts are -- from court reporters are
17 probably more accurate than the ones that you get from
18 closed captioning.

19 COMMITTEE MEMBER TAYLOR: Okay. So then my other
20 question was on closed session. For example, I have
21 requested transcripts myself for closed session of the
22 Pension and Health Benefits Committee. I would hate to be
23 charged for that, but -- so what we're saying is that you
24 can provide closed -- transcripts, any transcripts, but I
25 had asked specifically if we could make sure we had

1 some -- because we don't record closed session, I don't
2 think, or do we -- if we're transcribing --

3 GENERAL COUNSEL JACOBS: Well, we audiotape.

4 COMMITTEE MEMBER TAYLOR: -- them, do we?

5 GENERAL COUNSEL JACOBS: We audiotape them. But
6 let me be clear, I think the idea here is that if a
7 CalPERS Board Member wants a transcript, we're going to
8 get the transcript, and CalPERS is going to pay for that.

9 COMMITTEE MEMBER TAYLOR: Okay.

10 GENERAL COUNSEL JACOBS: It's -- yeah, we're
11 talking about third-party payers.

12 COMMITTEE MEMBER TAYLOR: Okay.

13 GENERAL COUNSEL JACOBS: Third-party requestors.

14 COMMITTEE MEMBER TAYLOR: One of our
15 stakeholders.

16 GENERAL COUNSEL JACOBS: Right.

17 COMMITTEE MEMBER TAYLOR: Okay. I have a problem
18 with that.

19 GENERAL COUNSEL JACOBS: Or media, which I don't
20 consider a stakeholder but --

21 COMMITTEE MEMBER TAYLOR: Right. Right.

22 So -- okay. So I can, for example, because it's
23 only an audio recording. We're not seeing the person. I
24 can request a transcript from closed session and/or if I
25 needed to, I could request a transcript for open session,

1 if I absolutely just -- I know that person said something
2 else, and that's what I'm hearing on the audio, let's see
3 what the transcript says?

4 GENERAL COUNSEL JACOBS: Yes.

5 COMMITTEE MEMBER TAYLOR: Okay. I don't know
6 that I'm entirely for this, but it sounds like we've made
7 some -- you know, it's hard to change, guys.

8 I get why we want to do this. I do get why we
9 want to do this. It is all out there on video. I have
10 not taken the time to look at our video to see how easily
11 accessible it is. And I apologize for that. I should
12 have done that before the meeting.

13 And so I agree that this makes sense. I have
14 some -- I still have some questions, and I'm not sure that
15 I'm in total agreement yet. Thank you.

16 CHAIRPERSON MATHUR: Ms. Brown.

17 COMMITTEE MEMBER BROWN: Thank you. I agree that
18 CalPERS needs to save money on its operations, but this is
19 not the way to do it. I think this is a terrible idea,
20 and we are reducing transparency. As somebody who watched
21 two years worth of videos, it takes an awful long time to
22 sit there and watch those videos, and then basically, wake
23 back up, and rewind, and go back to where you were, and to
24 figure out what's been going on here at CalPERS.

25 Once I found out there was transcripts, it was

1 much faster to read the professional transcript and find
2 out exactly who said what specifically. The problem with
3 the closed caption is it doesn't identify who's speaking.
4 And so in order to do that, you've got to go back and
5 watch the videotape too. You're making it much more
6 difficult for people who want to hold CalPERS accountable,
7 or people who just want to be informed, like our
8 stakeholders.

9 I just think it's a terrible idea. The closed
10 caption transcript is not good. And if you haven't sat
11 and watched the videos, you know, you should try it. It's
12 a lot. You cannot get informed like you can with a
13 transcript.

14 Thank you.

15 CHAIRPERSON MATHUR: Thank you.

16 Mr. Saha.

17 ACTING COMMITTEE MEMBER SAHA: I wanted to ask
18 and find out how many requests for transcripts, either
19 with closed caption or non-closed caption that CalPERS
20 gets per month or year?

21 DEPUTY EXECUTIVE OFFICER PACHECO: So again, Brad
22 Pacheco, CalPERS team. For the closed caption, very
23 little. We usually have a couple stakeholders that attend
24 these meetings that may have missed portions of it, and
25 we're more than happy to accommodate them, but the

1 requests for any closed caption transcripts is minimal.

2 CHAIRPERSON MATHUR: And for the regular
3 transcripts?

4 DEPUTY EXECUTIVE OFFICER PACHECO: For the
5 regular transcripts, as far as public records requests,
6 which we oversee, I would have to say maybe we get a
7 couple of public records requests a month for transcripts.
8 There are certainly other ways to get the transcripts,
9 other than through public records requests. So if we do
10 get a media outlet that wants one, we provide it. But
11 again, overall, there's not much demand for the
12 transcripts, either closed caption or public -- or court
13 reporter.

14 ACTING COMMITTEE MEMBER SAHA: Thank you.

15 GENERAL COUNSEL JACOBS: I think to be --

16 CHAIRPERSON MATHUR: Thank you. And it is
17 possible to produce a transcript -- a professional
18 transcript after the fact from the video, if a request
19 required it?

20 DEPUTY EXECUTIVE OFFICER PACHECO: That's
21 correct.

22 GENERAL COUNSEL JACOBS: Yes. I just wanted to
23 add that we -- in addition to what Mr. Pacheco said about
24 getting requests for the written transcripts, we will
25 get -- and I say we, I mean, either the Legal Office or

1 the Board Services Unit will get, you know, one or two --
2 maybe on average one a month from a Board Member or a
3 delegate.

4 CHAIRPERSON MATHUR: Okay. Thank you. That's
5 help --

6 ACTING COMMITTEE MEMBER SAHA: Madam Chair, could
7 I follow up really quick.

8 CHAIRPERSON MATHUR: Yes, please, of course, Mr.
9 Saha.

10 ACTING COMMITTEE MEMBER SAHA: Do you have an
11 estimate of the public that makes a formal request, were
12 this to pass, like what CalPERS would charge this -- a
13 third-party.

14 GENERAL COUNSEL JACOBS: I mean it would depend
15 on length of the transcript. As -- in my prior life as a
16 litigator, you could order a full transcript of the entire
17 matter, you could order the two pages that had the
18 critical part that you wanted in there. And that would
19 really be between the third-party and the court reporter,
20 rather than CalPERS. I don't think CalPERS would get in
21 the middle of that.

22 ACTING COMMITTEE MEMBER SAHA: Okay. Thank you.

23 CHAIRPERSON MATHUR: Mr. Jones.

24 BOARD MEMBER JONES: Yeah. Thank you, Madam
25 Chair. The court reporter -- recorder will be recording

1 the meetings anyway, is that correct?

2 GENERAL COUNSEL JACOBS: It's not the court
3 reporter. It's -- Colliers actually records all of the
4 meetings.

5 BOARD MEMBER JONES: The transcript?

6 GENERAL COUNSEL JACOBS: No, the closed caption
7 is done by somebody else.

8 BOARD MEMBER JONES: No, I'm not talking about
9 the closed caption. I'm talking about the hard copy
10 document, the written.

11 GENERAL COUNSEL JACOBS: Okay. So I'm --

12 BOARD MEMBER JONES: Because he's taking notes
13 over there now.

14 CHAIRPERSON MATHUR: Yeah.

15 GENERAL COUNSEL JACOBS: Right.

16 BOARD MEMBER JONES: And that's going to be done
17 regardless of whether anyone requests it, no?

18 BOARD MEMBER JONES: No.

19 CHAIRPERSON MATHUR: No.

20 BOARD MEMBER JONES: No?

21 CHAIRPERSON MATHUR: That's what this item is
22 to end that practice.

23 GENERAL COUNSEL JACOBS: Right.

24 BOARD MEMBER JONES: So we would no longer have
25 that person --

1 CHAIRPERSON MATHUR: Jim.

2 GENERAL COUNSEL JACOBS: Jim.

3 (Laughter.)

4 BOARD MEMBER JONES: -- the recorder taking notes
5 of this meeting if this was adopted?

6 GENERAL COUNSEL JACOBS: Right. But that's not
7 personal reflection on Jim.

8 BOARD MEMBER JONES: No, no.

9 CHAIRPERSON MATHUR: Certainly not.

10 (Laughter.)

11 GENERAL COUNSEL JACOBS: We love him dearly.

12 BOARD MEMBER JONES: Yeah. And I know we -- and
13 he does good work for us, I know --

14 CHAIRPERSON-MATHUR: He does.

15 GENERAL COUNSEL JACOBS: He does.

16 BOARD MEMBER JONES: -- because I've asked for
17 copies of the transcripts that he has produced. And I'm
18 with Ms. Brown on this, because I've asked -- and I know
19 you said that Board Members would get it, if they ask for
20 it. And I have asked for a number of transcripts, because
21 the video is just -- it's too time-consuming. And
22 particularly when there's a deep discussion on an item at
23 the Investment Committee, and I'm trying to run the
24 meeting, and sometimes I forget who said what, and
25 sometimes what was the emphasis of it, and I go back and I

1 read the -- I ask for a copy, so I know how to plan going
2 forward.

3 And so I know that we have stakeholders that
4 monitor our meetings very closely. And so if this is a --
5 I mean \$85,000 is -- seemed to be a small amount for the
6 goodwill that we will continue to receive from our
7 stakeholders to have this available since it's being
8 recorded anyway.

9 So I would say that, you know, I would not
10 support eliminating this provision.

11 CHAIRPERSON MATHUR: Thank you.

12 Mr. Miller.

13 BOARD MEMBER MILLER: Yeah, I'm -- I have a lot
14 of questions, and I think just about all of them have been
15 answered. And my real concern coming in was, you know,
16 what would be the alternative? How would we meet the
17 needs of stakeholders, Board members, et cetera?

18 What intrigues me about the transcripts from
19 video and the ability to turn them into a document that we
20 could share or even put on our website, is that, you know,
21 versus \$80,000, which isn't much, but do it for 10 years,
22 and, you know, it starts to add up.

23 So I guess the question I would have before I
24 would really feel comfortable just, you know, moving this
25 would be what would it take, in terms of time and effort

1 and cost, to take that -- the closed caption document, the
2 summary of the close caption, and make it useful to
3 stakeholders, make it so you could scroll through it, or
4 search it, or identify people where it wasn't obvious from
5 the context of a Chair saying, now, it's time for your
6 comments you know, Mr. Miller, to make that useful? And
7 would that be -- I would think that would be a lot less
8 expensive than the \$80,000 a year we spend now. And it
9 might not take much more than, you know, a couple hours of
10 work to have that up within a few days of a meeting.

11 DEPUTY EXECUTIVE OFFICER PACHECO: Yeah, Mr.
12 Miller. I think -- I don't know that I have a complete
13 answer for you. We'd have to really talk to the vendor
14 that does the closed captioning for us. As been noted
15 here, it doesn't identify the person that's speaking.
16 It's just the spoken word. So we'd have to see what it
17 would take to go back in and actually add that, and ensure
18 that the document itself is correct, because -- because it
19 is simultaneously, and it's live, mistakes can be made.
20 And you see that even on closed caption with your own
21 television.

22 So today, we pay about \$2,800 a month to do the
23 close caption for these meetings. So it would be
24 something on top of that cost to kind of give you a figure
25 and comparison to what Mr. Jacobs has provided.

1 BOARD MEMBER MILLER: Yeah, because it seems like
2 that would be, you know, a valuable addition to our
3 website, in terms of an engagement and people being able
4 to look at that and search through it, rather than having
5 to go through the whole video, you know, in lieu of making
6 a request for a transcript, or a PRA, or a media request,
7 and then potentially getting stuck with a substantial bill
8 as well, which would not endear us to our stakeholders.

9 CHAIRPERSON MATHUR: So given that comment, which
10 I think is a reasonable request to -- for a little bit
11 additional information before making this decision, maybe
12 I would suggest that we defer this item -- that we go
13 back -- I direct the team to go back and figure that out
14 whether the closes -- how the closed captioning can be
15 converted to a useful transcript, if, and what the cost
16 might be, and -- because right now we have sort of three
17 redundant -- three supporting or redundant services. And
18 it might be -- so -- but perhaps we can -- if that closed
19 captioning transcript can be converted to a useful proper
20 transcript, then maybe that would address -- address a lot
21 of the concerns that have been raised here -- legitimate
22 concerns that have been raised here today.

23 DEPUTY EXECUTIVE OFFICER PACHECO: Yeah, we'd be
24 happy to work with Mr. Jacobs and look at some solutions.

25 CHAIRPERSON MATHUR: Okay. And do you think that

1 that's something that's doable by -- I don't know. I
2 don't know what the timing is, because I know there's
3 a. --

4 GENERAL COUNSEL JACOBS: I don't think we have a
5 meeting next month, but I don't see why we couldn't do it
6 by May.

7 CHAIRPERSON MATHUR: Okay. All right. Terrific.
8 Thank you.

9 CHAIRPERSON MATHUR: We do still have a few
10 comments.

11 Ms. Brown.

12 COMMITTEE MEMBER BROWN: Thank you.

13 Mr. Pacheco actually made my point for me, which
14 is those -- the spoken word there are mistakes in there.
15 It's not as bad as my texting, or it's not as bad as my
16 iPhone when you talk into it, but there are some issues
17 with that. And I don't know that closed captioning can go
18 back in and fix all that without actually watching the
19 video, which is very time-consuming.

20 And I agree, we could probably sit there and try
21 and figure out -- you know, you might be able to figure
22 out what they meant by that, but sometimes you can't,
23 so -- but I do appreciate you bringing up that point.

24 And then I hope -- I see, you do have -- we'll
25 get to the speakers.

1 CHAIRPERSON MATHUR: We will.

2 COMMITTEE MEMBER BROWN Okay. For sure.

3 CHAIRPERSON MATHUR: Yes. Thank you.

4 Mr. Slaton.

5 BOARD MEMBER SLATON: Thank you, Madam Chair.

6 You know, this is an organization which is always
7 under significant amount of scrutiny. And some of us
8 chafe at that, but the fact is it's true. And in almost
9 all cases, it's appropriate.

10 So I just want to remind the Committee, this is
11 one two millionth of our budget for this item, that
12 \$85,000. So I would just encourage the Committee to put
13 that in perspective. And if this is something that our
14 stakeholders feel is necessary for them to do their proper
15 oversight, then if we look at all the other money that we
16 spend in stakeholder relations, and having events, and all
17 of those things, this is a pretty minor expense. So I
18 would encourage us to just keep it like it is.

19 Thank you.

20 CHAIRPERSON MATHUR: Thank you, Mr. Slaton.

21 Well, that brings us to the end of the Committee
22 and the Board Members requests to speak. But we do have
23 several members of the public who've requested to speak.

24 I -- we will have these two chairs here on the
25 left with the mics on. So if you could come down -- when

1 I call you name, please come down, take a seat, identify
2 yourself and your affiliation for the record and you'll
3 have three minutes with which to speak.

4 Cathy Jeppson and Jim McRitchie are the first two
5 on the list. And following them will be George Linn and
6 Donna Snodgrass, and then we have a few more after that.

7 MR. McRITCHIE: Cathy has deferred to me to go
8 first.

9 CHAIRPERSON MATHUR: Thank you. Okay. Please --

10 MR. McRITCHIE: So I'm Jim McRitchie. Please
11 consider amending Governance Committee Agenda Item 8 to
12 continue transcripts. As a long-term member of this
13 system and a candidate for the Board on multiple
14 occasions, former editor of PERS Watch, a member of RPEA
15 and CSR, I've frequently found transcripts valuable in my
16 efforts to ensure CalPERS is responsible -- responsive to
17 our members.

18 Reducing unnecessary expenses is a positive goal.
19 Agree with that. However, it takes much longer for
20 stakeholders to review recordings than transcripts, as has
21 been pointed out. Eliminating transcripts may save
22 \$85,000, but it sure could end up costing stakeholders a
23 lot more money than that.

24 The internet publication Naked Capitalism has
25 announced its intent to launch a transcription portal. If

1 they can do it, I would think that CalPERS could do it,
2 and I would think that you would prefer to read a
3 transcript from CalPERS.

4 I wrote my -- these draft comments, which I
5 supplied to the members of the Committee here by speaking
6 to my computer, and only had to make a few minor
7 corrections. I would think that CalPERS could use a
8 similar process. I like Mr. Miller's idea. However, in
9 the end, I think -- I think it was Mr. Slaton pointed out
10 that \$85,000 is relatively minor.

11 I mean you could go in and have the people that
12 do the captions rewatch the video, get the speaker's names
13 down, make corrections, but that seems like that would be
14 very time-consuming.

15 So I've used transcripts when I appeal violations
16 of law by CalPERS to the Office of Administrative Law,
17 I've used it in preparing testimony to the California
18 Senate on ethics violations. I used it in appealing
19 violation of the election code by the former CalPERS Board
20 Chair and the General Counsel. I've used it in
21 investigating regulations and challenging various
22 regulations.

23 So I can't imagine that CalPERS wants to go back
24 to -- wants to risk creating a legacy that makes it more
25 difficult to hold current and future Board members

1 accountable. We don't want to go back to the era of Fred
2 Buenrostro or Alfred Villalobos. Please continue
3 generating transcripts for all CalPERS Board meetings.

4 Thank you.

5 CHAIRPERSON MATHUR: Thank you, Mr. McRitchie.
6 Mrs. Jeppson.

7 MS. JEPPSON: Thank you. Congratulations to the
8 Chair and the Vice Chair.

9 CHAIRPERSON MATHUR: Thank you.

10 MS. JEPPSON: My name is Cathy Jeppson. I am
11 here, have been representing California Teachers
12 Association for the last 12 years of Board meetings. I am
13 retired Emeritus Professor from Cal State University,
14 Northridge.

15 When I come to the Board meetings, when the Board
16 meetings are over, I prepare a approximately six to eight
17 page memo about what transpired during the Board meetings.
18 Before we had the video and we had the transcriptions, I
19 would get the -- you would send them out to the house.
20 You would send the agenda for all of the meetings. And
21 then on the Wednesday Board meeting, I would get the
22 Committee reports, so that I could compare and see what
23 the Board approved versus what had happened in the first
24 place.

25 What the problem is now is that the Wednesday

1 Committee reports they're a lot less robust than they used
2 to be in the past. And so in the past where they would
3 explain the salient points, now what I get is something
4 that says committee requests approval of 7a with
5 amendments. Now, that doesn't really help me in preparing
6 this extensive report to go to CTA.

7 Right now, I have in the back, my computer is
8 running the Colliers transcription. They don't have the
9 ability to go back and make changes as a final court
10 reporter would do. And in most cases, I can use that
11 transcription and get 90 percent of what I need for the
12 report. But I can't make mistakes on that report, because
13 it goes out 326,000 members of CTA.

14 I would -- and I know that like one time I was up
15 here, I got food poisoning and couldn't attend --
16 physically attend the meeting, but I was able to look at
17 that transcript and do what I needed to do in my hotel
18 room. And my understanding is that that is not going to
19 change.

20 But there are many cases -- and I don't think
21 that the Board realizes how many people that are back in
22 in L.A., or Weed, or wherever in California are actually
23 looking at those transactions -- transcriptions as we
24 speak.

25 I would suggest that we continue the court

1 reporter, because I -- every once in awhile I need those
2 to make sure that what actually transpired, transpired.
3 So thank you very much.

4 CHAIRPERSON MATHUR: Thank you, Ms. Jeppson.

5 MR. JEPPSON: Um-hmm.

6 CHAIRPERSON MATHUR: Now, Mr. Linn and Ms.
7 Snodgrass followed by Mr. Behrens and Mr. Furtado.

8 MS. SNODGRASS: Good afternoon. Donna Snodgrass,
9 Retired Public Employees Association.

10 Just a side comment, I wonder how Jim feels about
11 discussion about losing his job.

12 (Laughter.)

13 MS. SNODGRASS: The last 16 years of my State
14 service was as a telecommunications system analyst. This
15 is what I did for 16 years. And I can tell you from
16 experience, electronic equipment fails, video is nice, but
17 it cannot be depended on.

18 The most stable platform in digital
19 communications today are phone systems. What happened
20 here a couple days ago? The most stable system that this
21 building should have, failed. So, video is even more
22 fragile than the phone system.

23 Not too long ago, CalPERS made a policy to
24 restrict public comment to three minutes. And now today,
25 we heard talk about doing time limits on agendas and

1 agenda items, which is another restriction, in my view.

2 And now you're talking about doing away with a
3 court reporter, which is a solid transcript, and much more
4 accurate than anything else that's been discussed today.

5 You know, individually, each of these actions may
6 be brushed aside and said, oh, let's move forward, let's
7 think forward. But when I step back and look at the whole
8 picture, I get the impression that public comment is not
9 viewed favorably. And there's an effort to try and stop a
10 little more input than what's been going on.

11 And with these discussions that's happened today,
12 it doesn't surprise me at all that the members of CalPERS
13 are losing confidence in the system for more than one
14 reason.

15 Thank you.

16 CHAIRPERSON MATHUR: Thank you, Ms. Snodgrass.

17 Ms. Linn.

18 MR. LINN: Committee Chair, committee members,
19 other Board members, I'm going to speak a little different
20 than what you've heard before.

21 Last week was Sunshine Week. This week we seem
22 to have shut that door. I am confused. I think that we
23 need to keep what we have because it is a valuable tool,
24 not only for we stakeholders, but for you members of the
25 Board who may need to go back and look and see what

1 happened three months ago on a particular item.

2 The ability to do word search on the
3 transcriptions is something you cannot do adequately on
4 the closed caption. The close caption, you'll be lucky if
5 you hit 25 percent of the words correctly. I don't know
6 how many of you pick up the phone and call one of your
7 credit card companies, or those kinds of things that are
8 doing the voice recognition, and then you're trying to get
9 into where you want to get to, and the voice doesn't
10 understand you. The same thing is true on closed caption.

11 So I think that we're going down a road that, you
12 know, for \$85,000, I don't know who's budget this \$85,000
13 comes out of. If it comes out of the legal department's
14 budget, it would be interesting to do a budget review --
15 zero based budgeting. You know, that's what I used to do
16 thousands of years ago, because I'm an old man. And I
17 think that, you know, \$85,000, I could find \$85,000 many
18 times in the budget at CalPERS. I think it is not the
19 thing to do is to eliminate something that we
20 stakeholders, and you Board members have as a benefit to
21 provide you with the information, so that you can come and
22 make informed decisions, and we, as stakeholders, can come
23 and speak intelligently.

24 Thank you.

25 CHAIRPERSON MATHUR: Thank you.

1 Tim Behrens and Mr. Furtado, please. And then
2 followed that by Jerry Fountain and Jacki Lee.

3 MR. BEHRENS: Madam Chair, Committee members, Tim
4 Behrens, California State Retirees.

5 I'll keep this short, because it's late in the
6 day, and I want to go have a glass of wine.

7 (Laughter.)

8 MR. BEHRENS: Bad idea. \$85,000 is a sneeze for
9 this organization. There have to be -- as the last
10 speaker stated, there has to be other operational expenses
11 at CalPERS that would come way before this idea.

12 When one of the board members asked the staff can
13 I continue to get a transcript, the answer was yes, no
14 problem at all. Well, I want to hear the same thing for
15 stakeholders. Okay. I want to hear the staff say, okay,
16 Tim, you want to keep on getting that transcript, not a
17 problem. And guess what, we're not even going to charge
18 you for it.

19 Because it sounded like that's -- was one of the
20 things that was indicated by one of the speakers earlier,
21 that we were going to be charged for the transcript. So I
22 would urge this Committee to kill this idea. If you don't
23 do it today, do it tomorrow. Let's get on with the
24 business of looking out for the stakeholders, which is
25 your job, making sure that our pensions continue to come

1 in every month, and don't rob us from the information that
2 we need in order to hold you accountable.

3 Thank you.

4 CHAIRPERSON MATHUR: Thank you very much.

5 Mr. Furtado.

6 MR. FURTADO: Good afternoon, Madam Chair, Madam
7 Vice Chair. Congratulations on your appointment.

8 CHAIRPERSON MATHUR: Thank you.

9 MR. FURTADO: Good afternoon the rest of you,
10 Committee.

11 I'm Rob Furtado. I represent the Riverside
12 Sheriffs Association, and I represent over 4,000 brave men
13 and women in law enforcement.

14 As an elected rep, much like yourself, I
15 understand the importance of transparency and
16 accountability. In addition, I also work for a
17 prosecutor's office. I understand that the transcripts
18 are the gold standard in accountability and transparency.
19 It clearly indicates a record of who said it and why they
20 said it. It memorializes that record indefinitely. It's
21 also used for any appeals or any scrutiny that takes
22 place.

23 The optics of the discontinuing of the
24 transcripts is horrible. It's a bad idea. I've heard
25 over the last day and almost two days, about CalPERS being

1 the leadership. Leadership role in everything. Let's
2 continue to be a leadership role in accountability and
3 transparency, and continue the use of the gold standard of
4 transcripts.

5 Thank you.

6 CHAIRPERSON MATHUR: Thank you.

7 Mr. Fountain -- Jerry Fountain and Jacki Lee,
8 you're up next.

9 Please proceed when you're ready, Mr. Fountain.

10 Go ahead.

11 MR. FOUNTAIN: I'm Jerry Fountain. I'm the Chief
12 Financial Officer for CSR. So numbers are my forté. We
13 looked at the numbers here and talked about the 80, 85
14 thousand dollars, but there's also a statement in there
15 that indicates it's probably less. So let's say
16 hypothetical let's say \$60,000.

17 Now, the proposal that Mr. Miller suggested,
18 which was a sound proposal. But in order to put that into
19 play, it's going to cost money. And we're looking, I
20 would say respectfully, at least \$20,000. So there goes
21 another \$20,000 in your savings. Now, we're down to
22 \$40,000

23 It mentioned also that the Board for some special
24 occasions could request a transcript. There's a cost
25 there. So now our savings could be down to \$15,000. For

1 the \$15,000 savings, you've heard from previous speakers
2 talk about the unreliability of the system, the
3 difficulties in getting accurate information off of the
4 videos and things of that nature, it's not worth the
5 savings of that small amount of money. So I strongly
6 recommend that you keep in place what you have.

7 On a previous agenda item, it was discussed that
8 let's not reinvent the wheel. The suggestion made by Mr.
9 Miller was reinventing the wheel for something you already
10 have, and at a very small cost. So I would suggest --
11 recommend that you keep the transcripts in place.

12 Thank you.

13 CHAIRPERSON MATHUR: Thank you very much.

14 Ms. Lee.

15 MR. LEE: Hello. My name is Jack Lee, and I'm a
16 CTA liaison here at CalPERS. And I'm also a classified
17 employee of Culver City Unified School District.

18 I'm an administrative assistant, and I know the
19 value of having your documentation. Although, we're
20 always going towards paperless, I have to tell you, how
21 many times it has come down to having something,
22 pre-recorded and then something.

23 So I just wanted to mention that closed
24 captioning is not always accurate. You've heard that
25 before. Sometimes the name of a person becomes garbled.

1 And what I understood -- Brad Pacheco and his staff have
2 been very helpful to me on many occasions when I needed
3 something.

4 One of the things about closed captioning, when
5 it is recorded, it's done simultaneously with the video.
6 The moment this is off, when you -- your meeting is over,
7 it disappears it. If I have not captured it, because
8 there is a delay in WiFi or something like that, then I
9 have to call. And although I like to be independent, so
10 you know, I would like to go ahead and do it on my own.

11 But again, you know, your staff is gracious. And
12 so it's not available after the meeting. Transcript
13 accuracy, you know, do not give you the name of the Board
14 Member. And if you are new to this place, you know, you
15 really need to go ahead and know who the players are.

16 If you rewind the video and you watch it, it does
17 not have closed captioning at that time either. And so,
18 you know, it's not helpful.

19 It might not be requested often. But as I said
20 before, documentation is very important. And when you
21 have someone who has done this for years and knows the
22 players, it's really important that, you know, you get
23 this information.

24 From Colliers, it says that -- I've been told
25 that it's basically the data is raw. And because it's

1 basically a voice-to-text automatic function, it just
2 doesn't do the work that is needed.

3 Ms. Jeppson, who has spoken earlier, has stated
4 that the transcript on the Colliers did not pick up most
5 of her things, perhaps because she's soft spoken, but it
6 did not do the things. And I just basically believe that
7 it does not meet the requirements -- the transcript
8 requirements. And I do believe that, you know, keeping
9 this position would be beneficial for recording purposes,
10 and also for -- as Mr. Furtado spoke for legal
11 documentation as well.

12 Thank you for hearing me.

13 CHAIRPERSON MATHUR: Thank you very much, Ms.
14 Lee.

15 Well, that brings us to the end of the list of
16 public speakers.

17 Mr. Woodson, you're not my list, but please.

18 MR. WOODS: I submitted a speaker's card back
19 there.

20 CHAIRPERSON MATHUR: Sorry. Please. Please come
21 forward.

22 Thank you for standing up.

23 MR. WOODSON: Thank you, Madam Chair. Larry
24 Woodson, California State Retirees. I appreciate very
25 much now the opportunity to comment. I've been making

1 notes, and so I've revised my comments. So I'm trying not
2 to repeat things that other people have said.

3 But I'll start out by saying in the spirit of
4 sunshine and transparency, I, too, urge the Board to
5 reject elimination of the transcripts. I think it's
6 noteworthy that the staff analysis solely addressed the
7 Board and staff use of transcripts, and nowhere mentioned
8 stakeholder use of transcripts, and you've since heard the
9 importance of them to us.

10 Also, regarding questions from the Board to Mr.
11 Pacheco about how many requests per month you get, I'd
12 also like to remind him, and -- that his very proactive
13 Stakeholder Relations Group monthly sends copies of the
14 transcripts by E-link to California State Retirees and
15 many of the other stakeholder groups. And I imagine
16 dozens of individuals. So that's already in place, and we
17 very much appreciate it.

18 I, of course, don't read everyone, but I do, when
19 I need to. And that's a very simple transmission to a lot
20 of people at no cost, really -- I mean at very little
21 cost. And so it is very useful time saving for us to use
22 transcripts over the -- over the videos. Although, the
23 videos are very important in their own right.

24 I -- many State agencies and departments are
25 legally required to provide written transcripts of their

1 public hearings, verbatim. And legislators obviously
2 recognize the importance of transcripts for public
3 agencies.

4 I used to work for a public agency, and was a
5 contract administrator for a court reporter contract. So
6 I have some personal experience with this. And one of the
7 things we found is that there were some occasions where we
8 did an audio recording and tried to get our staff to
9 transcribe. It was nowhere near the same quality. Court
10 reporters are professionals, and they do a good job.

11 These closed caption transcripts are nowhere near
12 the equivalent. So, in closing, I would ask you to
13 continue using -- or doing the transcripts as they are,
14 and I thank you for your time.

15 CHAIRPERSON MATHUR: Thank you, Mr. Woodson, and
16 thank you to all the commenters.

17 Ms. Taylor, back to you.

18 COMMITTEE MEMBER TAYLOR: Just a quick question.
19 I wasn't -- well, a quick question and perhaps a motion.
20 You had asked to send it back for more information, the,
21 item, the agenda item?

22 CHAIRPERSON MATHUR: Yes, that was the -- yes, to
23 defer the item and do a little more research.

24 COMMITTEE MEMBER TAYLOR: On what exactly? I'm
25 sorry, I didn't write it down.

1 CHAIRPERSON MATHUR: The direction was to look
2 into how -- to how can we use the closed captioning
3 transcripts and convert those to useful transcripts to be
4 provided to anyone who wished -- who would so request
5 them.

6 COMMITTEE MEMBER TAYLOR: So I'm not -- I think
7 we heard a lot of people on this. And so I would like to
8 make a motion to reject the staff's recommendation.

9 COMMITTEE MEMBER BROWN: I'll second.

10 CHAIRPERSON MATHUR: Motion has been made and --

11 GENERAL COUNSEL JACOBS: Can I speak to this?

12 CHAIRPERSON MATHUR: Yes, please.

13 GENERAL COUNSEL JACOBS: Just to be clear, this
14 is not a staff recommendation. This was brought to us.
15 We were asked to bring it forward, which we did, and
16 that's fine.

17 COMMITTEE MEMBER TAYLOR: I'm sorry. I can
18 restate the motion.

19 GENERAL COUNSEL JACOBS: Well, no, I just wanted
20 to be clear that -- I mean, this is a good example of the
21 way the process is supposed to work. We brought a concept
22 forward, and we researched it, and it was debated, and we
23 heard from the stakeholders which is all great. And it's
24 to the Committee to decide whether to go forward or not.

25 COMMITTEE MEMBER TAYLOR: So -- okay. I will

1 make a motion to term -- to reject the termination of the
2 current practice of engage a court reporter for and
3 ordering transcriptions of all Board and Committee
4 meetings

5 COMMITTEE MEMBER BROWN: And I will second that
6 motion.

7 CHAIRPERSON MATHUR: Okay. That motion has been
8 made and seconded.

9 Any discussion on the motion?

10 Mr. Slaton.

11 BOARD MEMBER SLATON: Yeah, I would just ask the
12 maker of the motion and the second just to turn it into a
13 positive motion.

14 COMMITTEE MEMBER TAYLOR: I was just reading it.

15 BOARD MEMBER SLATON: Yeah, that the motion would
16 be to retain the current process of court reporting.

17 COMMITTEE MEMBER TAYLOR: Friendly amendment.

18 (Laughter.)

19 BOARD MEMBER SLATON: I'm not a Committee member.

20 COMMITTEE MEMBER BROWN: I agree.

21 CHAIRPERSON MATHUR: So -- so the -- so just to
22 restate the motion, if I may, Ms. Taylor.

23 COMMITTEE MEMBER TAYLOR: Sure.

24 CHAIRPERSON MATHUR: To continue -- the motion is
25 to continue the current practice of engaging a court

1 reporter for and ordering transcriptions of all Board and
2 Committee meetings. That is the motion.

3 Okay. Thank you. Any discussion on the motion?

4 Seeing none.

5 All those in favor say aye?

6 (Ayes.)

7 CHAIRPERSON MATHUR: All those opposed?

8 Motion passes.

9 Thank you.

10 I think somebody thought he was on the Committee.

11 (Laughter.)

12 CHAIRPERSON MATHUR: Well, that was a good robust
13 discussion.

14 Okay. That brings us to Agenda Item number 9,
15 which is the policy to require Board member use of a
16 "Views expressed" disclaimer.

17 Mr. Jacobs.

18 GENERAL COUNSEL JACOBS: Yes. And this is an
19 information item. And it's just as the Chair stated, it's
20 a discussion on whether to add a requirement to the Board
21 Governance Policy that when speaking at conferences and
22 the like, Board members expressly disclaim that they're
23 speaking on behalf of CalPERS. This is the sort of thing
24 that's commonly used as stated in the report with the SEC
25 and other government agencies.

1 So again, it's for the Committee's discussion.

2 CHAIRPERSON MATHUR: So this is an item that I
3 raised when I was a member of the Committee, and not the
4 Chair of the Committee. And I -- I think this is common
5 practice for commissions, federal entities, state
6 entities, that when someone representing that entity is
7 speaking outside of the entity, then they express that the
8 views expressed are their own and not necessarily those of
9 their organization.

10 And I think that is a good common practice,
11 because sometimes anyone of us who's speaking might mix
12 both sort of the formal policies and strategies of the
13 organization with our own views about certain aspects of
14 the organization.

15 With that, I will turn it over to Mr. Slaton.
16 You had a comment.

17 BOARD MEMBER SLATON: Thank you, Madam Chair. I
18 think this is appropriate to do, to follow the guidelines
19 that other agencies use. So I think it's very
20 appropriate.

21 I would just suggest that the Committee consider,
22 and some people may feel differently about this, but I
23 think there's a difference between speaking to stakeholder
24 groups and when Board members are speaking before a
25 national or an international audience where press is

1 there. And right now, we have no procedure for approving
2 that to occur. And I think that's missing from our
3 Governance Policy, so I would ask the Chair to consider,
4 the Committee to consider, discussing that maybe at a
5 future meeting. It doesn't have to be today, but consider
6 should there be some kind of approval process for speaking
7 to a national or international audience.

8 Because even though you can give a disclaimer,
9 the fact is the reason you're there is because you're a
10 CalPERS Board member. And so people will tend to kind of
11 pass by that and 20 minutes into the presentation, they've
12 forgotten that you did the disclaimer, and you're being
13 quoted. So I would add that suggestion.

14 Thank you.

15 CHAIRPERSON MATHUR: Thank you.

16 Ms. Hollinger.

17 VICE CHAIRPERSON HOLLINGER: Yeah. Maybe I'm
18 mistaken, but I thought when we do speak, I know at least
19 for myself, I go through Karen or the -- the Board office,
20 and I have the content of -- I submit to them what I've
21 been asked to speak about, and then get the content
22 basically from Board staff or whatever resources they're
23 using. I thought I was following a procedure. If that's
24 not --

25 CHAIRPERSON MATHUR: No, that is. That is. That

1 is a --

2 VICE CHAIRPERSON HOLLINGER: Yeah, so I thought
3 we do have a procedure. Am I mistaken?

4 CHAIRPERSON MATHUR: So -- so. Okay.

5 VICE CHAIRPERSON HOLLINGER: Just clarification
6 I'm asking.

7 CHAIRPERSON MATHUR: Did you want to --

8 GENERAL COUNSEL JACOBS: Well, I think the
9 distinction is that there's a process -- there is the
10 process that Ms. Mathur just spoke of for getting help on
11 your talking points. But what I think Mr. Slaton is
12 saying is that there should be an approval process before
13 you go to that step of seeking team help for that talk.
14 Did I get that right?

15 CHAIRPERSON MATHUR: So I think that's something
16 we could put on the parking lot.

17 GENERAL COUNSEL JACOBS: Sure.

18 CHAIRPERSON MATHUR: Ms. Taylor.

19 COMMITTEE MEMBER TAYLOR: Sure. I'd like to make
20 a motion to accept that the Committee members basically
21 the agenda item that we have a -- what do you call it?

22 A --

23 GENERAL COUNSEL JACOBS: A "Views Expressed",
24 disclaimer.

25 COMMITTEE MEMBER TAYLOR: "Views Expressed"

1 disclaimer on behalf of CalPERS.

2 CHAIRPERSON MATHUR: So the language of that
3 "Views Expressed" disclaimer would be, "The views
4 expressed are my own and do not necessarily represent the
5 views of CalPERS"?

6 COMMITTEE MEMBER TAYLOR: Yes.

7 CHAIRPERSON MATHUR: And that Board members when
8 they're speaking publicly would use that disclaimer?

9 COMMITTEE MEMBER TAYLOR: Will use that
10 disclaimer. And that's the motion that I'd like to make.

11 CHAIRPERSON MATHUR: That's the policy. Okay
12 Thank you. Is there a second to the motion?

13 VICE CHAIRPERSON HOLLINGER: Second.

14 CHAIRPERSON MATHUR: Motion has been made and
15 seconded.

16 On the motion. Anything else on the motion?

17 Mr. Lofaso.

18 ACTING BOARD MEMBER LOFASO: Not exactly to the
19 motion. Just to clarify. I just want to say that when we
20 talk about approval thing -- an approval policy, I know
21 that's sort of not today's motion or action, but, I mean,
22 it is a fact that if the Controller appears at an event
23 with a national or international audience, the Controller
24 is there because she's the elected State Controller of
25 California, not necessarily because she's there as a

1 member of the CalPERS Board.

2 I don't see any problem if her comments or her
3 statements aren't adopted as CalPERS Board Policy to
4 disclaim, but as it relates to, you know, why somebody is
5 where they are, I just wanted to put that on the record.
6 Thank you.

7 CHAIRPERSON MATHUR: Thank you.

8 So that --

9 GENERAL COUNSEL JACOBS: Okay. So -- I'm sorry,
10 where were we?

11 CHAIRPERSON MATHUR: So there's a motion before
12 us to adopt a policy requiring Board members to use the
13 "Views Expressed" disclaimer in any remarks that they make
14 publicly, outside -- obviously outside of the Board room.

15 VICE CHAIRPERSON HOLLINGER: And I seconded that.

16 CHAIRPERSON MATHUR: And tho motion was made by
17 Taylor and seconded by Ms. Hollinger.

18 Is there any further discussion on the motion?

19 Seeing none.

20 GENERAL COUNSEL JACOBS: This just for
21 clarification would be -- since it's an information item,
22 it could be acted on. But what I would suggest is that
23 the -- you direct me to bring back the precise language
24 that we would insert into the Board Governance Policy to
25 reflect Ms. Taylor's motion.

1 And again, just as we did with the other item, we
2 can put it on the consent calendar. If somebody wants to
3 pull it off, because they don't like the language, we
4 can -- we can do that.

5 CHAIRPERSON MATHUR: Thank you.

6 Ms. Taylor.

7 COMMITTEE MEMBER TAYLOR: So does that mean we
8 still vote on the motion as is right now, and then you
9 bring the language back, or do we change the motion?

10 CHAIRPERSON MATHUR: Or do we just --

11 GENERAL COUNSEL JACOBS: You can do that. I
12 think you changed the motion to be more of an intent
13 motion. It is the intent of the Committee, to -- to
14 insert or to adopt a "Views Expressed" requirement for
15 members --

16 COMMITTEE MEMBER TAYLOR: A views ex -- okay.

17 GENERAL COUNSEL JACOBS: -- when speaking at
18 conferences, et cetera.

19 COMMITTEE MEMBER TAYLOR: Okay.

20 GENERAL COUNSEL JACOBS: And that staff bring
21 back the precise language.

22 COMMITTEE MEMBER TAYLOR: Okay. So I'll make a
23 motion -- I'll rescind my previous motion.

24 I will make a motion to have the staff bring back
25 language that will reflect our views expressed disclaimer

1 language that we can consider at a future Board Governance
2 meeting.

3 CHAIRPERSON MATHUR: To incorporate into the
4 Board Governance Policy?

5 VICE CHAIRPERSON HOLLINGER: Second.

6 COMMITTEE MEMBER TAYLOR: Yeah.

7 CHAIRPERSON MATHUR: Okay. Terrific.

8 So a motion has been made and seconded.

9 Is the motion clear to everyone?

10 Yes. Okay.

11 Seeing no further requests to speak.

12 All those in favor please say aye?

13 (Ayes.)

14 CHAIRPERSON MATHUR: All those opposed?

15 Motion passes.

16 Thank you very much.

17 That brings us to Agenda Item -- and I had no
18 requests from the public to speak on that item.

19 That brings us to Agenda Item number 10, Summary
20 of Committee Direction. Mr. Jacobs.

21 GENERAL COUNSEL JACOBS: Okay. Bear with me on
22 this one.

23 CHAIRPERSON MATHUR: I know there was a lot
24 today.

25 GENERAL COUNSEL JACOBS: On Agenda Item 6,

1 there's two things to do. One is to bring it back with
2 the precise language to reflect the comments that were
3 made on 5d on page 13 of 25 of attachment 1 regarding
4 adding -- well, there was some specific proposed language
5 that we'll bring back along with c & e.

6 CHAIRPERSON MATHUR: Right. That Committee --
7 that the Committee Members would speak -- speak before
8 other Board members present.

9 GENERAL COUNSEL JACOBS: Correct.

10 CHAIRPERSON MATHUR: Yep.

11 Oh, yes. Thank you.

12 Yes. There -- sorry, we also -- yes. Thank you.
13 We also -- sorry, there was also the direction around
14 review of the Governance Policy --

15 GENERAL COUNSEL JACOBS: Right.

16 CHAIRPERSON MATHUR: -- and any policy where
17 there was not already an existing process or procedure
18 supporting that policy.

19 GENERAL COUNSEL JACOBS: Right. Thank you. Yes.

20 And then with respect to Agenda Item 7, we are
21 going to further look at enshrining in the Board
22 Governance Policy a process for investigating allegations
23 of sexual harassment, et cetera, making a determination
24 and potential censures.

25 CHAIRPERSON MATHUR: Yes. And I think the

1 direction -- oh, yes. There was direction about Chair
2 training that we would work to get -- that I -- you know,
3 we would work on developing a Chair train -- Chair
4 training.

5 GENERAL COUNSEL JACOBS: Chair training.

6 CHAIRPERSON MATHUR: Thank you for capturing all
7 of that, Ms. Hollinger.

8 GENERAL COUNSEL JACOBS: And then Item 9, we're
9 going to bring back the precise language to insert into
10 the Board Governance Policy that would require Board
11 members to disclaim that the views -- that they're not
12 speaking --

13 CHAIRPERSON MATHUR: Views expressed disclaimer.

14 GENERAL COUNSEL JACOBS: -- on behalf of CalPERS,
15 when they speak --

16 CHAIRPERSON MATHUR: Yes.

17 GENERAL COUNSEL JACOBS: -- at conferences and
18 the like.

19 CHAIRPERSON MATHUR: Okay. So that was --

20 GENERAL COUNSEL JACOBS: I think that's it.

21 CHAIRPERSON MATHUR: I think that -- and then we
22 put it on the --

23 GENERAL COUNSEL JACOBS: The parking lot.

24 CHAIRPERSON JACOBS: Then we put on the parking
25 lot the approval -- the item around approval of requests

1 to speak at --

2 GENERAL COUNSEL JACOBS: Right.

3 CHAIRPERSON MATHUR: -- external events.

4 GENERAL COUNSEL JACOBS: I better get a
5 transcript of all this.

6 (Laughter.)

7 CHAIRPERSON MATHUR: I know, right?

8 (Laughter.)

9 CHAIRPERSON MATHUR: Okay. I think we have
10 captured now all the summary of Committee direction.

11 Is there anything else that the Committee members
12 can recall that I -- we did not capture?

13 Okay. Then that brings us to Agenda Item number
14 11, which is public comment. I have no further requests
15 to speak, but is there any member of the public who wishes
16 to speak at this time?

17 Seeing none.

18 We are adjourned.

19 (Thereupon California Public Employees'
20 Retirement System, Board Governance Committee
21 meeting adjourned at 4:37 p.m.)

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C E R T I F I C A T E O F R E P O R T E R

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Public Employees' Retirement System, Board of Administration, Board Governance Committee meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of March, 2018.

JAMES F. PETERS, CSR
Certified Shorthand Reporter
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