

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, AUGUST 14, 2018  
1:00 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 Mr. Steve Juarez

Mr. Rob Feckner

Mr. Ramon Rubalcava

Ms. Theresa Taylor

BOARD MEMBERS:

Mr. Richard Costigan

Mr. Richard Gillihan

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

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. Al Darby, Retired Public Employees Association

Mr. J.J. Jelincic

Mr. Jason Perez, Corona Police Officers Association

Ms. Donna Snodgrass, Retired Public Employees Association

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## P R O C E E D I N G S

CHAIRPERSON MATHUR: All right. Good afternoon, everyone. I'm going to call the Governance Committee meeting to order. And the first order of business is roll call.

COMMITTEE SECRETARY GARNER: Priya Mathur?

CHAIRPERSON MATHUR: Good afternoon.

COMMITTEE SECRETARY GARNER: Dana Hollinger?

VICE CHAIRPERSON HOLLINGER: Good afternoon.

COMMITTEE SECRETARY GARNER: Margaret Brown?

COMMITTEE MEMBER BROWN: Here.

COMMITTEE SECRETARY GARNER: Steve Juarez for John Chiang?

ACTING COMMITTEE MEMBER JUAREZ: Here.

COMMITTEE SECRETARY GARNER: Rob Feckner?

COMMITTEE MEMBER FECKNER: Here.

COMMITTEE SECRETARY GARNER: Ramon Rubalcava?

COMMITTEE MEMBER RUBALCAVA: Here.

COMMITTEE SECRETARY GARNER: Theresa Taylor?

COMMITTEE MEMBER TAYLOR: Here.

CHAIRPERSON MATHUR: We have a quorum. Please also note for the record that we have Mr. Miller, Mr. Jones, Mr. Lofaso, Mr. Gillihan, and Mr. Costigan in attendance today. And Mr. Slaton all the way at the other side.

1           So the next item on the agenda is the approval of  
2 the Board Governance Committee timed agenda.

3           COMMITTEE MEMBER BROWN: Move approval.

4           CHAIRPERSON MATHUR: Moved by Ms. Brown.

5           VICE CHAIRPERSON HOLLINGER: Second.

6           CHAIRPERSON MATHUR: Seconded by Ms. Hollinger  
7 the.

8           Any discussion on the motion?

9           Seeing none.

10          All those in favor say aye?

11          (Ayes.)

12          CHAIRPERSON MATHUR: All opposed?

13          Motion passes.

14          That brings us to the executive report. Mr.  
15 Jacobs.

16          GENERAL COUNSEL JACOBS: Yes. Good afternoon,  
17 Chair Mathur and Board members. We have one substantive  
18 item on the agenda today. It's the process for handling  
19 allegations against Board members.

20                 There was one other substantive item that was  
21 supposed to be on the agenda, but -- that's the Board  
22 self-evaluation process and update, but that has been  
23 deferred. But I can assure you that Anne Simpson is  
24 working hard on that and related topics.

25                 So that is my report.

1           CHAIRPERSON MATHUR: Thank you. I would also  
2 just note that the other item that we -- that was still --  
3 we're still in process on is the closed session other  
4 confidential materials review process. And that we're  
5 going to fold into a broader data security, data  
6 protection policy. So that's -- that's currently under  
7 development at the moment.

8           GENERAL COUNSEL JACOBS: Right.

9           CHAIRPERSON MATHUR: Okay. Terrific.

10           That brings us to the action consent items,  
11 approval of the May 14th, 2018 Board Governance Committee  
12 meeting minutes. What's the pleasure of the Committee?

13           COMMITTEE MEMBER TAYLOR: Move approval.

14           CHAIRPERSON MATHUR: Motion is made by Taylor.

15           VICE CHAIRPERSON HOLLINGER: Second.

16           CHAIRPERSON MATHUR: All those in -- any  
17 discussion on the motion?

18           Seeing none.

19           All those in favor say aye?

20           (Ayes.)

21           CHAIRPERSON MATHUR: All opposed?

22           Motion passes.

23           And that brings us to the information consent  
24 items. I've had no request to pull anything off consent.

25           So Agenda Item number 6, action agenda items,

1 process for handling harassment allegations against Board  
2 members. Mr. Jacobs.

3 GENERAL COUNSEL JACOBS: Yes. Very good.

4 So this emanated from a request by the Committee  
5 to bring forward -- or actually to begin with to look at  
6 what other agencies have done with respect to policies on  
7 handling allegations of sexual and other types of  
8 misconduct. We did some research on that. Brought back  
9 the only one that we could find, which was the UC Regents  
10 policy that was adopted last year, I believe, March of  
11 2017.

12 And we had a discussion about that at the last  
13 Governance Committee meeting. This Committee was  
14 generally in favor of it, and directed us to go back and  
15 kind of make it applicable to this entity, CalPERS, which  
16 we have done. And essentially, what we did is strip down  
17 the parts that we saw as superfluous, strip down the parts  
18 that don't apply, made a couple of changes to make sure  
19 that it was applicable to CalPERS, took out the part that  
20 made it generally applicable to any kind of misconduct  
21 that occurred whether or not it pertained to the agency's  
22 business, and brought it forward in attachment 1 to the  
23 agenda item.

24 We think it's pretty clean and happy to entertain  
25 any discussion or comments, questions about it.



1 CHAIRPERSON MATHUR: Thank you, Mr. Jacobs.

2 What is the pleasure of the Committee on this?

3 COMMITTEE MEMBER TAYLOR: I would move approval  
4 of the action.

5 CHAIRPERSON MATHUR: Move -- motion made by Ms.  
6 Taylor. Is there a second to the motion?

7 VICE CHAIRPERSON HOLLINGER: Second.

8 CHAIRPERSON MATHUR: Seconded by Ms. Hollinger.  
9 On the motion, Mr. Costigan.

10 BOARD MEMBER COSTIGAN: I just had a question on  
11 the policy, Mr. Jacobs. On the confidentiality aspect of  
12 it, and what I don't see in the Regents' policy or in  
13 ours, can that be waived by either party? Because similar  
14 to our peace officers, it's up to the peace officer in a  
15 personnel matter to make a determination whether they want  
16 it waived or not. So you start with the presumption that  
17 the matter is closed, the proceedings are closed.

18 GENERAL COUNSEL JACOBS: Right.

19 BOARD MEMBER COSTIGAN: But in the event of the  
20 Board member, does this policy prohibit or prevent it from  
21 being disclosed? And then the caveat again, if it's  
22 related to a closed session item, you can't talk about the  
23 closed session item.

24 GENERAL COUNSEL JACOBS: Right. Right.

25 I would say in the normal course, and if it's not

1 in that type of circumstance that, yes, the Board member  
2 could waive it.

3 BOARD MEMBER COSTIGAN: Okay. Thank you. Thank  
4 you, Madam President.

5 CHAIRPERSON MATHUR: Thank you. And that doesn't  
6 need to be explicitly spelled out in the policy?

7 GENERAL COUNSEL JACOBS: No.

8 CHAIRPERSON MATHUR: Okay. I think that there  
9 was a question raised as to whether the composition of the  
10 panel that would review the matter should be dictated here  
11 or whether just the process for determining that panel  
12 should be dictated here. So whether it should be the  
13 Board President would assign a two-member panel or whether  
14 it should be very prescriptive. And I think it might give  
15 us more flexibility in the event that, let's say the Vice  
16 President is not available, if it's a little more general  
17 in that regard, that the Board President will determine  
18 the composition of the panel.

19 GENERAL COUNSEL JACOBS: We could certainly make  
20 that change. It's -- I understand the point.

21 CHAIRPERSON MATHUR: If that would be amenable to  
22 the maker and seconder of the motion.

23 COMMITTEE MEMBER TAYLOR: Sure.

24 VICE CHAIRPERSON HOLLINGER: Yeah, that's fine  
25 with me.

1           CHAIRPERSON MATHUR:   Okay.   Thank you  
2           Mr. Slaton.

3           BOARD MEMBER SLATON:   Thank you, Madam Chair.  
4           Matt, I wanted to ask you about in section 4,  
5   type of sanctions, and number four in particular.   So do  
6   we -- I just -- because we've had this come up in other  
7   issues in the past.   Does the Board have the power to  
8   recuse a Board member from participating in an activity of  
9   this Board or a Committee, so --

10          GENERAL COUNSEL JACOBS:   I believe it does.

11          BOARD MEMBER SLATON:   Okay.

12          GENERAL COUNSEL JACOBS:   There would have to be a  
13   pretty close nexus between the type of activity for which  
14   the Board member has been found to have engaged in  
15   misconduct and the particular matter which he or she  
16   being -- or is up before the Committee or Board.   So you  
17   couldn't have somebody who's made -- who's found to have  
18   made a harassing comment be prevented from participating  
19   in an Investment Committee decision perhaps on an  
20   investment.   But if there's a pretty close nexus, and it's  
21   going to really depend upon the facts and circumstance,  
22   but you could.   That's our best reading of the law.

23          BOARD MEMBER SLATON:   Okay.   So what I hear you  
24   saying is that we may in the future have other things --  
25   this is dealing strictly with harassment.   We might have

1 other situations where we want to create something similar  
2 to this. And again, if that nexus is close, then you're  
3 reading of the law is this Board does have the authority  
4 to recuse a Board member from participating.

5 GENERAL COUNSEL JACOBS: Yes.

6 BOARD MEMBER SLATON: Okay. Thank you very much.

7 CHAIRPERSON MATHUR: Thank you.

8 Ms. Brown.

9 COMMITTEE MEMBER BROWN: Yes. My question goes  
10 to Again Item 4 on page four of four, which is types of  
11 sanctions. So it talks about revocation of Board  
12 member -- Board member privileges. So what's a Board  
13 member privilege? Because they're not identified here and  
14 they're not identified anywhere in our policies or  
15 procedures. So can you give me some examples of a  
16 privilege?

17 GENERAL COUNSEL JACOBS: Well, I would say travel  
18 privi -- travel is a privilege attendance at educational  
19 programs.

20 COMMITTEE MEMBER BROWN: Oh, education is a  
21 privilege? It's required.

22 GENERAL COUNSEL JACOBS: Okay. Well --

23 COMMITTEE MEMBER BROWN: Education is required  
24 under the Board policies.

25 GENERAL COUNSEL JACOBS: Right, but there are

1 different types of educational opportunities, some of  
2 which require travel or more expense than others. We  
3 often provide quite a bit of education in-house, if you  
4 will. So education per se is not a privilege, but types  
5 of educational opportunities would be a privilege.

6 What else?

7 COMMITTEE MEMBER BROWN: So would you say that  
8 travel to meet with constituents groups would be a  
9 privilege that would be denied an elected member?

10 GENERAL COUNSEL JACOBS: Probably not.

11 COMMITTEE MEMBER BROWN: So I'm concerned that  
12 there's not a clear definition of what is or is not  
13 included. And I would really hate to leave it to Board  
14 members who may be I'm in -- out of favor with who could  
15 be deciding this policy for me or another Board member.  
16 So I -- my suggestion is is that we clean this up in terms  
17 of what those actual punishments could be, so I don't  
18 actually find myself or another Board member finding  
19 themselves on the shortened here.

20 And then the other question I have is with  
21 respect to having in-house counsel do the investigation  
22 versus independent counsel do the investigation for the  
23 exact same reason.

24 CHAIRPERSON MATHUR: Okay. Thank you.

25 Ms. Hollinger.

1           VICE CHAIRPERSON HOLLINGER: Yeah. My question  
2 is this, and maybe you'll have to get back to me, maybe  
3 not. In the event of a harassment or certain violations,  
4 is that covered under our D&O, or -- because I know  
5 sometimes certain insurance coverage doesn't cover --  
6 maybe they'll cover negligent acts, but not necessarily  
7 intentional acts.

8           GENERAL COUNSEL JACOBS: Yeah, I will have to beg  
9 off on that one, and get back to you.

10          VICE CHAIRPERSON HOLLINGER: Okay. Yeah, because  
11 I also think it would be worthwhile to know if there's  
12 potential personal liability.

13          GENERAL COUNSEL JACOBS: Personal liability for  
14 what, for the action that would be under investigation?

15          VICE CHAIRPERSON HOLLINGER: Well, I guess in  
16 terms of us having to defend ourselves, like whether it  
17 would be covered under our D&O policy or not.

18          GENERAL COUNSEL JACOBS: Right. But are you  
19 talking defending yourself against an allegation of  
20 misconduct or defending, for example, the Committee or the  
21 Board against the investigative process?

22          VICE CHAIRPERSON HOLLINGER: No. No. Just  
23 potential misconduct.

24          GENERAL COUNSEL JACOBS: Oh, okay.

25          CHAIRPERSON MATHUR: Thank you.

1 Mr. Gillihan.

2 BOARD MEMBER GILLIHAN: Thank you, Madam Chair.

3 The second point Ms. Brown was making I think  
4 warrants some thought here. And that is, if an  
5 investigation can be done by an internal CalPERS staff,  
6 that's probably going to put that staff person in a  
7 potentially awkward situation. And I know within the  
8 administration when allegations are brought against higher  
9 level staff, and this is true at CalHR as well, we often  
10 use the Attorney General's office to conduct those sort of  
11 more sensitive investigations. And I would just offer  
12 that I think that's a more perhaps objective and more  
13 appropriate entity to conduct investigations of Board  
14 members as opposed to internal staff.

15 Thank you.

16 CHAIRPERSON MATHUR: Is that a motion to amend?

17 BOARD MEMBER GILLIHAN: I'm not on the Committee.

18 CHAIRPERSON MATHUR: Oh, you're not on the  
19 Committee. Of course. Okay. Thank you for your  
20 thoughts.

21 Ms. Taylor.

22 COMMITTEE MEMBER TAYLOR: So I will make a motion  
23 to amend. But first, I want to make sure that before I do  
24 so -- hold on one second. I'm wondering if we should for  
25 the first thing Ms. Brown said, which is specify what we

1 are saying that is Board privileges before we go through  
2 with this. I don't know if we -- because it is very.  
3 It's very nebulous right now. So I'm wondering if maybe  
4 we could put a list of things together before we -- you  
5 know, or say that we will upon rewrite. You know, we can  
6 vote on -- I don't know what you want to do.

7 CHAIRPERSON MATHUR: So the Board Governance  
8 policy - and I'm sorry, I don't have it up in front of  
9 me - does list a few things.

10 GENERAL COUNSEL JACOBS: It does.

11 CHAIRPERSON MATHUR: And it says including, but  
12 not limited to. Perhaps we could just copy that language  
13 into here.

14 GENERAL COUNSEL JACOBS: Sure. That's a good  
15 suggestion.

16 CHAIRPERSON MATHUR: But, you know, I think the  
17 types of privileges it might be somewhat fluid. It  
18 might -- something -- something might come up that is not  
19 currently a current practice, but in the future there  
20 might be something that we would wish to include. So I'm  
21 not sure that we want to be completely prescriptive about  
22 it.

23 COMMITTEE MEMBER TAYLOR: So we can say Board  
24 privileges inclusive of...

25 CHAIRPERSON MATHUR: Yeah, including, but not



1 limited to perhaps.

2 COMMITTEE MEMBER TAYLOR: Not limited to, if we  
3 could say that.

4 GENERAL COUNSEL JACOBS: Sure.

5 COMMITTEE MEMBER TAYLOR: And then I would make a  
6 motion to amend to include that as rewritten, as well as  
7 an outside independent counsel.

8 GENERAL COUNSEL JACOBS: Can I make a suggestion  
9 on that?

10 CHAIRPERSON MATHUR: Yes.

11 GENERAL COUNSEL JACOBS: The section b -- III b  
12 on page two talks about and distinguishes between a  
13 preliminary investigation and a formal investigation. And  
14 it says that, "Upon determining that a formal  
15 investigation is warranted, the General Counsel shall,  
16 with the concurrence of the review panel, appoint an  
17 investigator who may or may not be a CalPERS employee".

18 I'm personally completely happy with outsourcing  
19 this, but I'm also concerned about the cost to the agency  
20 of doing that. When if you -- if you farm it out, you can  
21 end up spending a lot of money, because somebody takes it  
22 up. I mean, you've seen some of these special counsels on  
23 a national level just kind of spend millions and millions  
24 of dollars. I'm not suggesting anything on that scale,  
25 but you -- at least for the purposes of the preliminary

1 investigation, there is some value in maintaining that  
2 within CalPERS, not necessarily the Office of the General  
3 Counsel, but within CalPERS.

4           And then as I read this, the way it reads to me  
5 is that at that point if the GC, with the concurrence of  
6 course of the review panel, think that a formal  
7 investigation is warranted, they can assign it to an  
8 investigator. And I think that's the point at which the  
9 determination that Mr. Gillihan was making can be made  
10 about, again with the concurrence, who ought to be doing  
11 this.

12           And I know that I personally, and most GCs, and I  
13 think the Board members are going to have the sensitivity  
14 to know when that ought to be farmed out and when it can  
15 be effectively done in-house.

16           So I throw that out there as one possible reason  
17 why this thing -- this draft is as good as it is, but I'm  
18 agnostic. I just wanted to point out that -- those  
19 factors.

20           CHAIRPERSON MATHUR: Thank you.

21           Ms. Taylor, did you --

22           COMMITTEE MEMBER TAYLOR: Let me read it just  
23 really quickly before --

24           CHAIRPERSON MATHUR: Um-hmm

25           COMMITTEE MEMBER TAYLOR: So you're saying under

1 the formal investigation portion, which is b, is where we  
2 can possibly have that outside investigator or the  
3 Attorney General's office?

4 GENERAL COUNSEL JACOBS: Right. Right. The idea  
5 would be preliminary investigation comes in. --

6 COMMITTEE MEMBER TAYLOR: Oh, appoint an  
7 investigator.

8 GENERAL COUNSEL JACOBS: The GC --

9 COMMITTEE MEMBER TAYLOR: Okay. Yeah, I see it.

10 GENERAL COUNSEL JACOBS: -- and the review panel  
11 takes a look at. Is there any potential here or is it  
12 just outright frivolous, in which case we're going to just  
13 end it. If it's more significant than that, there's  
14 something that needs to be looked at here, the GC and the  
15 review panel says okay part of the inquiry at that point  
16 is who should do it? Who should the investigator be? We  
17 could make that more explicit in the language, if that  
18 would make --

19 COMMITTEE MEMBER TAYLOR: I think we should still  
20 make that more explicit, that it shouldn't be -- I will  
21 say working at a State agency, the State agency themselves  
22 isn't always non-invested.

23 GENERAL COUNSEL JACOBS: Sure.

24 COMMITTEE MEMBER TAYLOR: So let's --

25 GENERAL COUNSEL JACOBS: Well, let me do this.

1 Let me play with that language with the other suggestions  
2 that have come forward, and I'll bring it back at the next  
3 meeting. And you guys can take another look at it.

4 CHAIRPERSON MATHUR: Yeah. Why don't we bring it  
5 back at the next Board -- just at the Board meeting.

6 GENERAL COUNSEL JACOBS: Sure.

7 CHAIRPERSON MATHUR: We don't necessarily need to  
8 bring it back to the Governance Committee, I think. And  
9 since that's --

10 GENERAL COUNSEL JACOBS: Right.

11 CHAIRPERSON MATHUR: That next Committee meeting  
12 could be quite a --

13 GENERAL COUNSEL JACOBS: It is several months  
14 off, so...

15 CHAIRPERSON MATHUR: -- number of months out.

16 GENERAL COUNSEL JACOBS: Yeah, we'll bring it  
17 back next month --

18 CHAIRPERSON MATHUR: Let's do that.

19 GENERAL COUNSEL JACOBS: -- with some tweaks  
20 and -- yeah --

21 CHAIRPERSON MATHUR: Good.

22 GENERAL COUNSEL JACOBS: -- put it on the regular  
23 Board agenda.

24 COMMITTEE MEMBER TAYLOR: Okay.

25 CHAIRPERSON MATHUR: Terrific. Yes.

1 COMMITTEE MEMBER TAYLOR: So I withdraw my  
2 propo -- my motion.

3 CHAIRPERSON MATHUR: You withdraw your motion.  
4 Okay. Thank you, Ms. Taylor.

5 Mr. Jones.

6 COMMITTEE MEMBER JONES: Yeah. Thank you, Madam  
7 Chair. My question was answered on b of Ms. Brown's  
8 concern about the investigation.

9 And on the other item, I think that my question  
10 was answered also, but you're going to bring back some  
11 language that's reflective in our current policy.

12 And then the third thing on that is that even  
13 though you say including, but not limited to, there may be  
14 situations where it false outside of the realm of both of  
15 those. And in that event, the Committee or the Board will  
16 always have the option of adding or modifying the policy.

17 CHAIRPERSON MATHUR: Exactly. It's our policy.

18 COMMITTEE MEMBER JONES: So we can include it in  
19 the next round. So I think that's a good suggestion made  
20 by Ms. Brown also.

21 CHAIRPERSON MATHUR: Okay. Thank you.

22 Mr. Costigan.

23 BOARD MEMBER COSTIGAN: So just a couple points.  
24 I think the first one what Ms. Hollinger was raising is  
25 once there has been a finding and once the Board has taken

1 action against that member, one of the 13 trustees, if  
2 there is, in fact, a civil matter pursued by the  
3 individual that was harassed, does our insurance cover  
4 that? And that's just something -- I think that's what we  
5 were talking about is once we've made that finding, do we  
6 as the Board, we're relieved of our obligation of having  
7 to defend a pursuit on it.

8           The other is the CalHR Director and I were having  
9 a side-bar discussion. As it relates to Agency  
10 Secretaries and Department Directors, the wheel-off is to  
11 the Attorney General, not for the rank and file. The  
12 question you may want to enter into, not just the Attorney  
13 General, is actually contracting with CalHR with the  
14 exception if it's the SPB or CalHR member that's  
15 accused --

16           (Laughter.)

17           BOARD MEMBER COSTIGAN: -- for the rest of the  
18 Board members, because they have counsel that are  
19 available as a way to control costs. And then you enter  
20 into an agreement where there's already a statutory -- or  
21 there's already a rate involved.

22           But I think this is a good discussion to have,  
23 but we were just clarifying that for Department Directors  
24 Agency Secretaries, and Governor's Office if the  
25 accusation is against one of those, that's why it goes to

1 the AG. Because the question if it's just a standard sex  
2 -- and there is not standard sexual harassment, but if  
3 there is, in fact, an allegation filed, it goes through  
4 the normal process, the Department and Agency, where  
5 there's a finding -- where the in-house folks, the EO  
6 officer or someone else typically does the finding on it.  
7 And then the process works it's way up through the merit  
8 system.

9 We, as appointees, don't have that same  
10 protection. And that's -- I think -- whether it's the AG,  
11 but I do think first look at CalHR, and then there's  
12 always the carve out. So thank you, Madam President.

13 CHAIRPERSON MATHUR: Thank you, Mr. Costigan.  
14 Ms. Brown.

15 COMMITTEE MEMBER BROWN: Thank you. Since we are  
16 going to bring this back after modifications, I'd hope  
17 under type of sanctions, maybe you could look at adding a  
18 statement that says that no sanction shall interfere with  
19 the member's ability to fulfill their fiduciary duties or  
20 legal obligation to perform their duty, something like  
21 that, so that -- so you're not getting into listing  
22 specific, but something that says that no matter what  
23 happens, you would still be able to fulfill your fiduciary  
24 duty, which would get you to training for the educational  
25 purposes or meeting with constituents, things like that.

1 GENERAL COUNSEL JACOBS: Interesting idea.

2 COMMITTEE MEMBER BROWN: But not a good one?

3 (Laughter.)

4 GENERAL COUNSEL JACOBS: Interesting can be good.

5 COMMITTEE MEMBER BROWN: Thank you.

6 CHAIRPERSON MATHUR: Thank you.

7 Mr. Juarez.

8 ACTING COMMITTEE MEMBER JUAREZ: Yeah. Thank  
9 you. I would -- first, to the point that was being raised  
10 I think that I heard a number of people say, I think the  
11 language as it relates to the formal investigation, it  
12 shouldn't be open to another CalPERS employee. And maybe  
13 that's where you're going to go with this. But I think  
14 the sentiment at least that I share with the people that I  
15 heard speak is that it should always be an outside. If  
16 we're going to do a formal investigation of a Board  
17 member, it should be an outside party doing the formal  
18 investigation.

19 Certainly, leave it to you to do the preliminary  
20 one, but not even make it an option for a CalPERS employee  
21 to be the investigator. I think that's what I'm hearing.  
22 But if not, when you bring it back, we'll see.

23 GENERAL COUNSEL JACOBS: Well --

24 ACTING COMMITTEE MEMBER JUAREZ: And then to the  
25 point being made by Ms. Brown, I think you're going to



1 find some difficult, because if you -- if one of the  
2 sanctions or options is to remove somebody from Committee  
3 activity, that could be construed as to impairing their  
4 ability to carry out their fiduciary duties. And so I  
5 just think giving some protection against that is going to  
6 be very tough if, in fact, you can removed from a  
7 Committee.

8           And so I just -- I would just be cautious and  
9 tread lightly on that point if you're going to try to come  
10 up with a statement that tries to protect someone in  
11 meeting their duties. And yet, we're bringing sanctions  
12 that clearly will impair that ability.

13           CHAIRPERSON MATHUR: Although if someone is  
14 removed from a Committee, they still have the opportunity  
15 to vote as a Board member.

16           ACTING COMMITTEE MEMBER JUAREZ: Voting, but even  
17 part -- I think participation is generally construed to be  
18 part of that activity. And if you're not able to  
19 participate in the Board discussion, I would argue I think  
20 your fiduciary duties are somewhat constrained. So I  
21 would just be very careful.

22           GENERAL COUNSEL JACOBS: I understand what you're  
23 saying, Mr. Juarez. It makes a lot of sense. I would  
24 just point out the Board President can remove a Board  
25 member from a Committee at virtually any time. And that

1 doesn't -- that's not assumed to interfere with the  
2 Committee member's or the Board member's fiduciary duties.

3           ACTING COMMITTEE MEMBER JUAREZ: Well, until  
4 that's -- until it's challenged, until that Board member feels  
5 that, in fact, their ability is impaired. I mean, I'm  
6 saying -- I'm not disputing the fact the President can  
7 remove a member from a Committee. But if that Board  
8 member feels that it's unjust in terms of them carrying  
9 out their duties, I would say that's -- that could be a  
10 subject of a lawsuit.

11           CHAIRPERSON MATHUR: But not a -- no Board member  
12 sits on every committee, so -- in any case, we can  
13 continue having this debate, but -- Mr. Jones.

14           COMMITTEE MEMBER JONES: Yeah. Thank you, Madam  
15 Chair.

16           Matt, my question goes back to the investigation,  
17 do you have a spring-fed pool of attorneys that covers  
18 everything, is that right, that you can go to on a  
19 moment's notice and identify them to conduct an  
20 investigation?

21           GENERAL COUNSEL JACOBS: It's not quite that  
22 broad, but we do have a pool for these types of  
23 investigations. We also try to engage the Attorney  
24 General's office whenever that's possible and appropriate,  
25 and the AG doesn't have a conflict. But the short answer

1 is, yes.

2 COMMITTEE MEMBER JONES: And do they also include  
3 their billable hour rate?

4 GENERAL COUNSEL JACOBS: Yes.

5 COMMITTEE MEMBER JONES: They do. So we would  
6 know right off the bat what the cost would be to make a  
7 quick decision?

8 GENERAL COUNSEL JACOBS: Right. Well, we would  
9 know that their hourly rate is.

10 COMMITTEE MEMBER JONES: Yeah.

11 GENERAL COUNSEL JACOBS: You never know where it  
12 takes us.

13 COMMITTEE MEMBER JONES: Yeah. Oh, right.  
14 Exactly. Okay. Thank you.

15 GENERAL COUNSEL JACOBS: Right, yes.

16 CHAIRPERSON MATHUR: Thank you.

17 We do have several members of the public who wish  
18 to speak on this item. I will call you up in twos, and  
19 you can take these two seats to my left. You will have  
20 four minutes with which to speak.

21 Mr. Behrens, Mr. Jelincic, you are the first two.

22 MR. BEHRENS: Madam Chair, members of the  
23 Committee, Tim Behrens, President of the California State  
24 Retirees.

25 I'm sorry I missed this morning's meeting, where

1 you passed the motion to give merit awards for less than  
2 merital -- anyway.

3           This afternoon, I'm also disappointed in what  
4 I've heard so far. I am glad in agreement with your zero  
5 tolerance for sexual harassment and harassment. But this  
6 seems like an ill-conceived document. I see no due  
7 process in there for the accused, which if you read the  
8 headlines in Sacramento, you see that happens fairly  
9 often. So I would urge this Committee to put more thought  
10 into this language.

11           I did not see -- I have a problem with the formal  
12 investigation part of it. I think I agree with Mr.  
13 Juarez, I think they should always be a third party. It  
14 shall somebody unrelated to CalPERS staff or the Board.  
15 It should be a third party.

16           And I -- I also agree with Ms. Hollinger, what's  
17 the liability for CalPERS? You know, do we have  
18 insurance, do you have insurance that would protect you  
19 from a lawsuit when one person accuses another person of  
20 sexual harassment, and they sue you for that?

21           Those are the kind of questions I hope you will  
22 ask yourselves. I think it should always be an outside  
23 investigator, and I thank you for your time.

24           CHAIRPERSON MATHUR: Thank you very much.

25           Mr. Jelincic.

1 MR. JELINCIC: J.J. Jelincic, member, and thank  
2 you for the extra minute.

3 CHAIRPERSON MATHUR: You're welcome.

4 MR. JELINCIC: This strikes me as the perfect  
5 Mathur-Jacobs policy. Does anyone really believe that Ms.  
6 Mathur, Ms. Brown will be treated equally under this  
7 policy?

8 I know what the public answer is, but I ask you  
9 to look into your heart of hearts. This policy purports  
10 to enforce the CalPERS Harassment, Discrimination, and  
11 Retaliation Prevention Policy. I've been around 30 years.  
12 I've seen policies dealing with all of those subjects, but  
13 I do not remember ever seeing anything called the CalPERS  
14 Harassment, Discrimination, and Retaliation Prevention  
15 Policy.

16 I'm very bothered by the fact that a Board member  
17 may not have the right to a public statement of the  
18 charges and a public hearing. What will happen is there  
19 will be a public finding that the member somehow violated  
20 this non-existent policy, and that the following  
21 discipline has been imposed. The Board member is left to  
22 deny that they are not guilty of this unspecified charge.

23 I'm very sensitive to this because of my own  
24 experience. Bill Slaton publicly accused me of leaking  
25 confidential information, but refused to disclose what I

1 supposedly disclosed.

2 Roy Cohn -- I'm sorry, Matt Jacobs made up the  
3 charges. I believe that in order to protect his own  
4 incompetence or complicity, he asserted that the charges  
5 were secret and attorney-client privileged. The Board's  
6 fiduciary counsel said that the privilege belonged to the  
7 board. However, Board members who asked were denied  
8 access to the charges. The charges were so secret that  
9 the client couldn't even see the attorney-client  
10 privileged document.

11 Why is this dangerous? Let me make up an  
12 example. And I won't violate the attorney-client  
13 privilege by talking about the specific charge. But let's  
14 the Sacramento Bee wrote about an investigation in January  
15 of 2012. In May of 2015, a Board member mentioned the  
16 investigation. A Board member could be accused and found  
17 guilty of discussing confidential information, but  
18 prevented from ever disclosing the accusation or showing  
19 that it was false or that the information was public and  
20 not confidential.

21 Members of the Board, especially elected members,  
22 deserve a fair and public hearing and defense. Removal  
23 from a Committee or blocking participation in Board  
24 meetings may be more punishment for the CalPERS members  
25 and constituents than the actual public official, although

1 it may make for a more efficient railroad and lead to  
2 shorter meetings.

3 I would encourage greater specificity about the  
4 privileges that would -- could be forfeited. Does that  
5 includes the catered meals behind the stage, ringing the  
6 bell at the London Stock Exchange, meeting with members --  
7 although we've -- Chief Counsel has opined that they  
8 don't -- that doesn't cover -- travel to training seems to  
9 be in doubt.

10 I guess it will depend on who's being punished.  
11 I urge you to just reject this policy.

12 Thank you.

13 CHAIRPERSON MATHUR: Thank you.

14 The next two who I would invite down to speak --  
15 oh, Ms. Taylor, did you want to say something at this  
16 time?

17 COMMITTEE MEMBER TAYLOR: That's fine.

18 CHAIRPERSON MATHUR: Okay -- are Mr. Darby and  
19 Ms. Snodgrass. If you could please take one of these two  
20 seats to my left, you'll have four minutes with which to  
21 speak. Please identify yourself and your affiliation for  
22 the record.

23 MS. SNODGRASS: Do you want to go first?

24 MR. DARBY: Go ahead.

25 MS. SNODGRASS: Good afternoon. Donna Snodgrass,

1 Retired Public Employees Association.

2 As an EEO investigator for the State of  
3 California, I know that if discipline is decided to be  
4 meted out to anyone because of a charge, the case then  
5 becomes public. So documents can be -- the secrecy is  
6 done at that point. This policy concerns me because of  
7 that. Plus, it's specifically written in the language to  
8 avoid the Bagley-Keene Act.

9 Now, you can have a panel to review and determine  
10 to investigate without divulging personal information in  
11 the beginning. I feel this is one more way to remove  
12 transparency of the actions of this Board. But in the  
13 case of the elected seats if someone gets accused,  
14 constituents need to know more than just, oh, David Miller  
15 is on punishment and has been removed from a committee.

16 Sorry, David.

17 (Laughter.)

18 MS. SNODGRASS: We need to know should we reelect  
19 this person or not. And plus, in my view, anybody who's  
20 been accused has a right to due process and should be able  
21 to face their accuser.

22 Thank you.

23 CHAIRPERSON MATHUR: Thank you.

24 Mr. Darby.

25 MR. DARBY: Committee Chair, Committee members,



1 Al Darby, President, Retired Public Employees Association.

2           The issue I want to bring up, I've -- the others  
3 speakers have already mentioned most of the other issues  
4 that need to be addressed. But the issue I want to bring  
5 out is that this policy specifically applies to  
6 harassment. And the cited UC policy applies to  
7 misconduct, so I would expect that perhaps you want to  
8 reword the title of this proposal to misconduct as opposed  
9 to harassment, unless you specifically are looking at  
10 harassment. So there appears to be a bit of a disconnect  
11 there.

12           And secondly, I want to reiterate what the others  
13 have said that there does not seem to be due process in  
14 this procedure. It doesn't appear that the accused can  
15 face the accuser and get a clear understanding of what the  
16 context of the action was that caused the harassment to be  
17 charged or misconduct to be charged.

18           Thank you.

19           CHAIRPERSON MATHUR: Thank you, Mr. Darby.

20           Ms. Taylor.

21           COMMITTEE MEMBER TAYLOR: Yes. Thank you. I  
22 just want to respond and thank our speakers for coming up  
23 and bringing up their concerns about the policy. And I  
24 want to share that, in my view, I feel that this policy is  
25 necessary in the environment that we are currently in.

1 And we have expectations of appropriate behavior in the  
2 workplace and have every right to expect that, and to put  
3 it into policy.

4           And I believe that there is plenty of discussion  
5 on this, and we're bringing back new -- you know, we  
6 haven't decided on the language yet. I will say in answer  
7 to Mr. Darby's about the misconduct, it does say in our  
8 policy the very beginning that we are focusing strictly on  
9 harassment. And this Board has made -- since the exposure  
10 of some of the incidences that have occurred in public, we  
11 take that very seriously, and we do not want this Board or  
12 the reputation of CalPERS tainted by something like sexual  
13 harassment and discrimination.

14           And I think it's really important that we take a  
15 stand, and show that we are not going to tolerate that,  
16 and it's -- it's -- I feel that it -- that is that  
17 important. Not to disregard anybody's due process. And I  
18 think that again, we have discussed that we are going to  
19 rework some of this language, and we can come back again,  
20 if we need to.

21           But again, I think it's very important that we  
22 show that we are standing up for -- against sexual  
23 harassment and discrimination.

24           Thank you.

25           CHAIRPERSON MATHUR: Thank you, Ms. Taylor.

1           We do still have one more member of the public  
2 who wishes to speak. There are two Board members who have  
3 requested to speak. Would you like to wait until after  
4 the public comment or would you like to speak first?

5           COMMITTEE MEMBER BROWN: No, I just wanted --

6           CHAIRPERSON MATHUR: Well, wait, wait, but I'll

7           COMMITTEE MEMBER BROWN: Speak first.

8           CHAIRPERSON MATHUR: Okay. Thank you. Ms.

9 Brown.

10           COMMITTEE MEMBER BROWN: Based on all the  
11 comments we've heard, and I think it's going to be a lot  
12 of changes to the policy, I think it needs to come back to  
13 Board Governance, not just back to the full Board. Thank  
14 you.

15           CHAIRPERSON MATHUR: Thank you.

16           Mr. Juarez, would you like to wait or would you  
17 like to --

18           ACTING COMMITTEE MEMBER JUAREZ: Yeah, if I  
19 could, just real quick.

20           CHAIRPERSON MATHUR: Okay.

21           ACTING COMMITTEE MEMBER JUAREZ: Just ask Mr.  
22 Jacobs, we really haven't proposed any changes with regard  
23 to what was raised in terms of due process. And I'm  
24 wondering what your reaction is to the points being made  
25 by the public speakers relative to the lack of apparent

1 due process in the document. Do you agree with that, or  
2 do you think that it's necessary, or are we likely to see  
3 think changes with regard to that?

4           GENERAL COUNSEL JACOBS: Due process is  
5 absolutely important and necessary. There are due process  
6 protections in here. For example, at the bottom of page  
7 two, there's an opportunity to respond to the  
8 investigator's findings, and there is a process that's  
9 laid out there for doing that.

10           There are other due process aspects in here, so  
11 there are some that already exist. The question of what  
12 is the appropriate due process is always a fact-specific  
13 determination. And it depends largely on what it is --  
14 what the sanction is that you may be talking about. So,  
15 for example, when we're talking about the criminal law and  
16 taking away somebody's liberty, that's where you get the  
17 utmost in due process.

18           When you're talking about some of the potential  
19 sanctions here that are less significant, the due process  
20 that is required is less. And so I would say there is  
21 definitely due process already in here that complies with  
22 the required due process. If the Board members are  
23 inclined to add some, that -- I'm -- again, I'm agnostic  
24 on this. I'm fine.

25           ACTING COMMITTEE MEMBER JUAREZ: Yeah. I may

1 have missed it. Just the one that I'm thinking of is just  
2 the right of appeal. Is there any possibility that a  
3 person who is so accused and who then has a sanction  
4 levied against them could come and say to the full Board  
5 say, you know, I think this is truly unjust, and I want to  
6 appeal it to the full Board?

7           GENERAL COUNSEL JACOBS: Well, let me look at  
8 that. Again, the section d on page three says that the --  
9 the General Counsel with the review panel will recommend  
10 an appropriate sanction and then Board action. The Board  
11 takes it up. So it's not an automatic determination of a  
12 sanction by either the General Counsel, or the review  
13 panel, or the combination thereof. It's just a forwarding  
14 to the Board of the finding. And then it's for the Board.  
15 So I think that may encompass what you're talking about.

16           ACTING COMMITTEE MEMBER JUAREZ: Okay. So the  
17 full Board will act on the specific recommended sanction  
18 that's being proposed?

19           GENERAL COUNSEL JACOBS: That's correct.

20           ACTING COMMITTEE MEMBER JUAREZ: And I think  
21 that's wholly appropriate and gives me greater comfort  
22 about the fact that the person so accused has an  
23 opportunity at least to make their case. And I assume  
24 that would be in public?

25           GENERAL COUNSEL JACOBS: Right.

1           ACTING COMMITTEE MEMBER JUAREZ:   Okay.

2           CHAIRPERSON MATHUR:   Thank you, Mr. Juarez.

3           ACTING COMMITTEE MEMBER JUAREZ:   Thank you.

4           CHAIRPERSON MATHUR:   Okay.   We -- did you --  
5   sorry, for some reason you came on again.

6           Okay.   We do have -- is there anyone else who  
7   wishes to speak from the Board or the Committee?

8           We do have one last member of the public who  
9   wishes to speak.   Mr. Perez, if you would come up and  
10   identify yourself and your affiliation for the record.  
11   You'll have four minutes with which to speak.

12           MR. PEREZ:   Good afternoon.   Jason Perez of the  
13   Corona Police Officers Association.   I had planned on not  
14   speaking this whole week, but this is kind of a big deal.

15           I think the Board and maybe everyone is kind of  
16   missing the mark, except for Ms. Taylor.   We do need to  
17   protect people absolutely.   And this drawn-out process  
18   doesn't talk about how we're going to protect the victim  
19   against the suspect at all.

20           CHAIRPERSON MATHUR:   That's a good point.

21           MR. PEREZ:   So we need to worry about that.

22           And then another question is the discipline or  
23   the sanctions that you guys are recommending, is that the  
24   change of behavior or are we -- are you going to  
25   discipline like spank.   Are you changing behaviors or are

1 you getting mad and disciplining? Because it always  
2 should be changing behavior, right?

3           And with any kind of sexual harassment, there's  
4 likely to be a criminal allegation along with it. So  
5 going with an outside agency is just a no-brainer. I'm  
6 kind of surprised that it's this sloppy coming to the  
7 table to you guys, but I applaud you all for giving  
8 push-back on it.

9           Thank you.

10           CHAIRPERSON MATHUR: Thank you.

11           Mr. Lofaso.

12           ACTING BOARD MEMBER LOFASO: Thank you, Madam  
13 Chair. Just a suggestion and a question for Mr. Jacobs.  
14 The suggestion is I don't know the last time the Sexual  
15 Harassment Policy has been circulated. But perhaps  
16 circulating that to the Board members might make sense.

17           Apropos to that, Mr. Jacobs, I wonder if you can  
18 clarify, does that policy contain proscriptions against  
19 retaliation against anyone who makes an accusation against  
20 anyone to whom the policy is subject?

21           GENERAL COUNSEL JACOBS: Yes.

22           ACTING BOARD MEMBER LOFASO: Thank you.

23           GENERAL COUNSEL JACOBS: I would also, in answer  
24 to your first comment, although it wasn't a question, the  
25 policy was circulated late last year, and all members of

1 the Board signed it and returned it.

2 ACTING BOARD MEMBER LOFASO: Thank you.

3 CHAIRPERSON MATHUR: And we're also obligated to  
4 undergo training, I believe, it's every other year?  
5 Sexual harassment training.

6 GENERAL COUNSEL JACOBS: Yes.

7 CHAIRPERSON MATHUR: And that I believe all Board  
8 members are in compliance with that as well.

9 GENERAL COUNSEL JACOBS: Yes.

10 CHAIRPERSON MATHUR: But it might make sense -- I  
11 take Mr. Perez's points that it might make sense that, you  
12 know, something -- some language, to the extent of during  
13 an investigation the har -- you know, the alleged harasser  
14 will not communicate or, in any way, contact the person  
15 making the allegations or, I don't know, some language to  
16 that effect.

17 GENERAL COUNSEL JACOBS: Yeah. It's hard to  
18 draft language that's going to apply to every situation.

19 CHAIRPERSON MATHUR: Yeah.

20 GENERAL COUNSEL JACOBS: But let me give that  
21 some thought.

22 CHAIRPERSON MATHUR: Okay.

23 GENERAL COUNSEL JACOBS: And when I bring it  
24 back, we'll see if we can't address that in some fashion.

25 CHAIRPERSON MATHUR: Thank you very much.



1           We do have a couple more questions. Ms. Taylor.

2           COMMITTEE MEMBER TAYLOR: Sure. So two things.  
3 I think that you just brought up, I think, that can be  
4 brought up in the investigatory hearing. I don't know  
5 that we need to state it directly in our policy. I think  
6 based on the circumstance of each person, we're request --  
7 you know, whoever does the initial investigation can  
8 request that, hey, we need you to not contact this person.

9           But then my other concern is if it comes to the  
10 full Board for final dispensation, what about the victim,  
11 and how embarrassing is that for the victim is my concern.  
12 I get that we want to have it in public. I get we want to  
13 have due process. I just want to make sure the victim has  
14 been protected. I don't know how we do that.

15           CHAIRPERSON MATHUR: I think with any criminal or  
16 civil action, it would -- those types of things require a  
17 public process. I don't know we can think.

18           GENERAL COUNSEL JACOBS: Yeah, I mean, a lot --

19           CHAIRPERSON MATHUR: I don't know what else --

20           GENERAL COUNSEL JACOBS: -- of this requires on  
21 judgment as you go along. And I think maybe a statement  
22 about proceeding with the utmost sensitivity to the  
23 alleged -- to the complainant, something of that nature,  
24 to underscore the importance of this concern.

25           COMMITTEE MEMBER TAYLOR: Sure, I think that

1 might work, yeah.

2 CHAIRPERSON MATHUR: Okay.

3 GENERAL COUNSEL JACOBS: Okay.

4 CHAIRPERSON MATHUR: Thank you.

5 Mr. Feckner.

6 COMMITTEE MEMBER FECKNER: Thank you, Madam  
7 Chair.

8 As long as you're going to go back and go through  
9 this, Matt, and come up with other language, I do also  
10 want to throw out the caveat that if it's a frivolous  
11 suit, the victim now changes. The victim is the person  
12 that was then reported on. And I think we need to be  
13 mindful of that as well. That, you know, as we're talking  
14 about protecting the -- which individual --

15 GENERAL COUNSEL JACOBS: Absolutely.

16 COMMITTEE MEMBER FECKNER: -- we have to look at  
17 the other side. If it's frivolous, then that victim, who  
18 could very well be harmed as well, because of a frivolous  
19 action.

20 GENERAL COUNSEL JACOBS: Yeah.

21 CHAIRPERSON MATHUR: Mr. Gillihan.

22 BOARD MEMBER GILLIHAN: Thank you, Madam Chair.

23 I just -- some of us deal with these things on a  
24 fairly regular basis. And so I -- and perhaps I could  
25 shed some light on this. And one of the concerns was if

1 somebody is accused of something, you know, protecting the  
2 accuser. That's sort of a standard approach when -- and  
3 we all have an obligation, by the way, to protect anybody  
4 that's a victim of sexual harassment, or discrimination,  
5 or any other workplace behavior that's not acceptable.

6 But it's generally part of the process that when  
7 an accusation is made and the person that's accused is  
8 noticed that an accusation has been made against them, and  
9 that there's going to be some sort of a process to  
10 investigate that, they're always admonished on the front  
11 end about anything appearing to be retaliation, and that  
12 there's a zero tolerance policy for retaliation in the  
13 State of California. So that -- and if it's done  
14 properly, that's very effective, because anything that  
15 appears to be retaliation can be acted on very swiftly and  
16 very definitively.

17 CHAIRPERSON MATHUR: Thank you for that.

18 Okay. I see no further requests to speak, so I  
19 think you have your direction. And that actually brings  
20 to us -- so we're not doing Agenda Item 7a today, is that  
21 right? So agenda Item 7b is a summary of committee  
22 direction.

23 GENERAL COUNSEL JACOBS: Right. And I think it's  
24 pretty clear that we -- I will go back and review the  
25 transcript and collect all the comments and reflect them

1 as best I can, and we'll bring it back next month to the  
2 full Board for further review.

3 CHAIRPERSON MATHUR: Okay. Thank you very --  
4 yeah, including the insurance question?

5 GENERAL COUNSEL JACOBS: Yes.

6 CHAIRPERSON MATHUR: Yes. He's going to review  
7 the transcript and so -- but all of the comments with  
8 respect to the policy that have been made, you will  
9 reflect in some fashion or respond to in some fashion.

10 GENERAL COUNSEL JACOBS: Right, or explain why --

11 CHAIRPERSON MATHUR: Or explain why it cannot be.

12 GENERAL COUNSEL JACOBS: Right.

13 CHAIRPERSON MATHUR: Okay. Terrific. That  
14 brings us to Agenda Item 7c, public comment. I have no  
15 requests before me. Are there any members of the public  
16 who wish to speak at this time?

17 Okay. That brings us to the end of the agenda.  
18 We are adjourned. Thank you.

19 (Thereupon California Public Employees'  
20 Retirement System, Board Governance Committee  
21 meeting adjourned at 1:47 p.m.)

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

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

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

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

14 IN WITNESS WHEREOF, I have hereunto set my hand  
15 this 19th day of August, 2018.

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17  
18  
19  
20  
21  


22 JAMES F. PETERS, CSR  
23 Certified Shorthand Reporter  
24 License No. 10063  
25