

Overview of Board Self-Evaluation and Workstream Progress

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August 20, 2019

What We Plan to Cover

- Background on CalPERS biennial Board Self-Evaluation, findings and opportunities
- Board workstream recommendations

Why We Embarked on This Path

- Board governance impacts performance – [“Does Public Pension Board Composition Impact Returns?”](#)
- Empirical studies have concluded a positive correlation between good governance and performance measured in financial and non-financial metrics
- Some key variables of good governance include:
 - Transparency
 - Accountability
 - Oversight
 - Diversity
 - Structure
 - Participation
 - Vision
 - Conduct
- We must practice what we preach

How Did We Get Here?

- Biennial [CalPERS' Board Self-Evaluation](#) in October 2018
- Goal: to assess strengths and identify opportunities for the board to collectively and individually enhance governance, effectiveness and performance as a governing body
- Partnered with National Association of Corporate Directors for expertise, guidance and best practices
- Three online surveys and individual interviews, including briefings for new board members
- 100% board member participation

How Did We Get Here? (cont.)

- Key findings from CalPERS' Board Self-Evaluation presented in [January 2019](#)
- CalPERS Board President appointed workstream leads
- Progress reports to the board and opportunities for stakeholder input in January, [March](#) and [June](#) with initial workstream recommendations discussed at [July](#) offsite
- Input from NACD on best practices throughout the process

What The Board's Self Evaluation Found

- Strengths
 - Commitment to CalPERS' mission
 - Support for transparency and accountability
 - Pride in the diversity of the board's composition
 - Recognition of the importance of stakeholder engagement
 - Desire for continuous improvement

What The CalPERS Board Self-Evaluation Found (cont.)

- Opportunities
 - Clarify roles and responsibilities at each level of governance
 - Establish a richer and ongoing board orientation program
 - Develop board curriculum to further strengthen skills and expertise
 - Explore equitable allocation of remunerated board time
 - Refine meeting materials to prioritize areas for deliberation
 - Review calendar and format for board meetings
 - Revisit committee structure, composition
 - Review role of board consultants
 - Develop a board code of conduct

Where We Are Today

- Recommendations from 5 board workstreams to enhance:
 - Board education and onboarding of new members and designees
 - Rules and guidelines for conduct of meetings
 - Clarity around board policies
 - Meeting materials and meeting frequency
 - Structure of board committees
 - Opportunities for stakeholder dialogue
 - Conduct of the board collectively and individually
 - 24/7 access and push communication on vital signs and reporting via Insight Tool

Overview

