

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
BOARD GOVERNANCE COMMITTEE**

MEETING MINUTES

August 20, 2019

The Board Governance Committee met on August 20, 2019, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 3:35 p.m. and the following members were present:

Henry Jones, Chair
Mona Pasquil Rogers, Vice Chair
Rob Feckner
Lisa Middleton
Stacie Olivares
Jason Perez
Ramon Rubalcava

Other Board Member(s) present:

Margaret Brown
Fiona Ma, represented by Frank Ruffino
David Miller
Eraina Ortega
Theresa Taylor
Betty Yee

AGENDA ITEM 2 – APPROVAL OF THE AUGUST 20, 2019 BOARD GOVERNANCE COMMITTEE TIMED AGENDA

On MOTION by Mr. Perez, SECONDED by Mr. Feckner, and CARRIED, the Committee approved the August 20, 2019 Board Governance Committee timed agenda.

AGENDA ITEM 3 – EXECUTIVE REPORT

There was no report.

AGENDA ITEM 4 – ACTION CONSENT ITEMS

On MOTION by Ms. Middleton, SECONDED by Mr. Rubalcava, and CARRIED, the Committee approved the following action consent item:

- a. Approval of the June 19, 2019 Board Governance Committee Meeting Minutes

AGENDA ITEM 5 – INFORMATION CONSENT ITEMS

The Committee accepted the following Information Consent Item:

- a. Annual Calendar Review

Public Comment was heard from:

Tim Behrens

AGENDA ITEM 6a – OVERVIEW OF SELF-EVALUATION AND WORKSTREAM PROGRESS

Anne Simpson, Investment Director, provided an overview of the Board Self-Evaluation process, updates previously presented to the Board, and an overview of the updated workstream recommendations following the discussion at the July 2019 Board Offsite.

AGENDA ITEM 7a – RECOMMENDATIONS OF WORKSTREAM 1: BOARD CURRICULUM

On MOTION by Mr. Feckner, SECONDED by Mr. Rubalcava, and CARRIED, the Committee approved the recommendations of Workstream 1 asking management to:

- Enrich the onboarding program for new board members and designees, and
- Develop education modules for each committee by partnering with specific organizations.

AGENDA ITEM 7b – RECOMMENDATIONS OF WORKSTREAM 2: ROLES AND RESPONSIBILITIES

On MOTION by Mr. Feckner, SECONDED by Ms. Pasquil Rogers, and CARRIED, with one NO vote from Mr. Perez, the Committee approved the recommendations of Workstream 2 asking management to:

- Bring back revisions to the Board's Rules and Guidelines for the Conduct of Meetings and Board Governance Policy to replace Robert's Rules of Order with Rosenberg's Rules of Order as the Board's parliamentary authority, and
- Review Board policies and documents with an eye toward streamlining and simplifying them.

Public comment was heard from:

Cathy Jeppson
Al Darby
Jerry Fountain

AGENDA ITEM 7c – RECOMMENDATIONS OF WORKSTREAM 3: MEETING MATERIALS

On MOTION by Mr. Rubalcava, SECONDED by Ms. Middleton, and CARRIED, the Committee approved the recommendation to consolidate the current two strategy offsites into one.

On MOTION by Mr. Rubalcava, SECONDED by Ms. Middleton, and CARRIED, the Committee approved the recommendation to institute an annual stakeholder forum.

On MOTION by Mr. Rubalcava, SECONDED by Mr. Feckner, and CARRIED, with one NO vote from Mr. Perez, the Committee approved the recommendations to consolidate the schedule of monthly Board and committee meetings as follows:

- Board meetings: retain the current schedule
- Investment Committee: six meetings per year
- Other committees: at least quarterly

On MOTION by Mr. Rubalcava, SECONDED by Ms. Pasquil Rogers, and CARRIED, with one NO vote from Mr. Perez, the Committee approved the recommendation to establish a consistent structure for Board committees, meaning the Investment Committee will no longer be a committee of the whole.

Public comment was heard from:

JJ Jelincic
Dane Hutchings
Larry Woodson
Derick Lennox
Cathy Jeppson
Geoff Neill

AGENDA ITEM 7d – RECOMMENDATIONS OF WORKSTREAM 4: CODE OF CONDUCT

On MOTION by Ms. Pasquil Rogers, SECONDED by Mr. Feckner, and CARRIED, the Committee approved the recommendations of Workstream 4 to develop and adopt a Board Code of Conduct.

AGENDA ITEM 7e – RECOMMENDATIONS OF WORKSTREAM 5: INSIGHT TOOL

On MOTION by Ms. Pasquil Rogers, SECONDED by Mr. Perez, and CARRIED, the Committee approved the recommendation of Workstream 5 to build out the technology platform “Insight.”

AGENDA ITEM 8a – WORKSTREAM 4: CODE OF CONDUCT – FIRST READING

Anne Simpson, Investment Director, presented a draft Code of Conduct for the Committee to review and provide feedback. The Committee asked the CalPERS Legal Office to work with the members of Workstream 4 (Rob Feckner and Jason Perez), Anne Simpson, and Ashley Dunning on another draft.

Public Comment was heard from:

Martha Penry
Dane Hutchings
JJ Jelincic

AGENDA ITEM 8b – SUMMARY OF COMMITTEE DIRECTION

Mr. Jacobs summarized the Committee's direction from the meeting.

AGENDA ITEM 8c – PUBLIC COMMENT

There was no additional public comment.

The meeting of the Board Governance Committee was adjourned at 7:35 p.m.

Prepared by: KRISTEN GARNER
Committee Secretary

Matthew G. Jacobs
General Counsel