



California Public Employees' Retirement System
Legal Office
P.O. Box 942707
Sacramento, CA 94229-2707
TTY: (877) 249-7442
(916) 795-3675 phone • (916) 795-3659 fax
www.calpers.ca.gov

Agenda Item 3a

November 15, 2011

TO: MEMBERS OF THE BOARD GOVERNANCE COMMITTEE

- I. **SUBJECT:** Board Governance Project – Agenda Guidelines and Templates (First Reading)
- II. **PROGRAM:** Board Governance
- III. **RECOMMENDATION:** Approve the Board and Committee meeting agenda templates and agenda item template
- IV. **ANALYSIS:**

As a result of the comprehensive Board Governance Project, staff put together an implementation plan that includes work streams and timelines to implement the recommendations. This item outlines the work stream to improve the meeting agenda format and the agenda item template for use by the Board and Committees.

In developing the revised materials, staff incorporated feedback from the Board Governance Project final report as well as researched best practice concepts from other public boards. The materials are being presented as a first reading with the intention of implementing the new format and templates for the February 2012 meetings.

The improvements associated with this work stream are intended to:

- Streamline the meeting agenda format to allow the Board and Committees to focus on the most strategic and relevant topics;
- Improve the content and layout of agenda items to better understand the topics and implications;
- Enhance the agenda setting process between staff and the Board/Committee chairs.

The new meeting agenda format includes the use of consent agendas. Consent agendas consist of items that are routine, non-controversial, and do not require discussion. Consent items are categorized into Action and Information items and are bundled together and voted on as a package. Items that need additional discussion can be pulled from the consent agenda and added to the regular agenda. This increases meeting efficiency and allows the Board to focus their time on important strategic and policy related items.

Below is a brief summary of the proposed templates which are attached for the Committee's consideration and input.

Attachment 1 – Proposed new *Board Meeting Agenda Template*

Summary of proposed changes:

- Agenda format has been reorganized into a consent agenda.
- A facilitator's version of the agenda will be provided to the President and Vice President that lists approximate agenda item times and speakers.

Attachment 2 – Proposed new *Committee Meeting Agenda Template*

Summary of proposed changes:

- Agenda format has been reorganized into a consent agenda.
- A facilitator's version of the agenda will be provided to the Committee Chair and Vice Chair that lists approximate agenda item times and speakers.

Attachment 3 – Proposed new *Agenda Item Template*

Summary of proposed changes:

- The agenda item provides a high-level overview of the topic, relevant points on interest, analysis, cost/savings based upon the decision made, issues/risks, and benefits. The entire item should sufficiently balance summary and details to enable a well informed decision to be made.
- The format added an *Executive Summary* section and eliminated the *Strategic Planning* and *Cost* sections by incorporating that information into the *Analysis* and *Benefits/Risk* sections, respectively, as needed.
- No more than two signature blocks are recommended; however additional signature blocks can be added as necessary.

Staff recommends the Committee approve the proposed Board and Committee meeting agenda templates and the agenda item template as a first reading. Once materials are finalized, training will be offered to Committee Secretaries and staff in preparation for February 2012 Board and Committee meetings.

V. RISKS:

If approved, Board and Committee agenda will include consent action items that will be voted on as a package without discussion. The most substantial risk is that a significant policy agenda item goes before the Board or Committee as a consent item and is voted on without discussion. To mitigate this risk, a Board or Committee member can request that a consent item be moved to a regular action or information item on the agenda.

VI. STRATEGIC PLAN:

Goal #1: Exercise global leadership to ensure the sustainability of CalPERS pension and health benefit systems.

VII. RESULTS/COSTS:

Adding consent items to the Board and Committee agendas allows the Board Members to shift its time to strategic and oversight efforts. The revised the agenda item templates allow more relevant and concise information to be brought before the Board and Committees for review and consideration. The costs associated with the implementation of this item are absorbed by existing staff resources.

Kami Niebank
Division Chief
Investment Policy and Business Services

Peter H. Mixon
General Counsel