



Board Governance Committee

Item Number 2 – Open Session

Subject: Approval of Minutes of the November 5, 2021, Board Governance Committee – Open Session

Presenter(s): Chairperson

Item Type: Consent Action

Date & Time: January 27, 2021 – 0 minutes

Attachment(s): None

PowerPoint(s): None

PROPOSED MINUTES

Teachers' Retirement Board – Board Governance Committee Meeting

November 5, 2021

OPEN SESSION

LOCATION: Web Conference

COMMITTEE MEMBERS PRESENT

William Prezant, Chairperson

Jennifer Urdan, Vice Chairperson

Denise Bradford

Karen Yamamoto

Gayle Miller, representing the Director of Finance, Keely Bosler

Frank Ruffino, representing the State Treasurer, Fiona Ma

Blake Johnson, representing the State Superintendent of Public Instruction, Tony Thurmond

Lynn Paquin, representing the State Controller, Betty Yee

COMMITTEE MEMBERS NOT PRESENT

Sharon Hendricks

OTHER BOARD MEMBERS PRESENT

Joy Higa

Harry Keiley

STAFF PRESENT

Cassandra Lichnock, Chief Executive Officer
Christopher Ailman, Chief Investment Officer
Brian J. Bartow, General Counsel
Lisa Blatnick, Chief Operating Officer
Ashish Jain, Chief Technology Officer
Melissa Norcia, Chief Administrative Officer
Bill Perez, Chief Benefits Officer
Teresa Schilling, Chief Public Affairs Officer
Julie Underwood, Chief Financial Officer
Jennifer Miszkewycz, Senior Counsel
Kati A. Franck, Senior Counsel

OTHERS PRESENT

Amy McDuffee, Mosaic Governance Advisors LLC (Consultant to the Board Governance Committee)
David Walrath, CalRTA
Dana Dillon, CTA/NEA Retired
Richard Hansen, California Community College Independents (CCCI)
MaryKay Scheid, CTA
Susie Chow, UTLA-Retired
Leonard Goldberg, UTLA
Doug Orr, CFT
Sandy Keaton, Individual
Pat Geyer, CalRTA
Lisa Sherman-Colt, Oakland School for the Arts

A quorum being present, Chairperson Prezant called the Open Session meeting of the Board Governance Committee to order at 10:16 a.m.

I. APPROVAL OF COMMITTEE AGENDA (Item 1)

MOTION duly made by Ms. Miller, seconded by Ms. Urdan, and carried to approve the Committee Agenda.

Members Voting	Aye	Nay	Abstain
Ms. Bradford	X		
Ms. Urdan	X		
Ms. Yamamoto	X		
Ms. Miller, for the Director of Finance	X		
Mr. Ruffino, for the State Treasurer	X		
Mr. Johnson, for the Superintendent of Public Instruction	X		
Ms. Paquin, for the State Controller	X		
Chairperson Prezant	X		

II. APPROVAL OF MINUTES FOR THE JUNE 11, 2021, BOARD GOVERNANCE COMMITTEE MEETING – OPEN SESSION (Item 2)

Ms. Yamamoto noted an edit to the Minutes.

MOTION duly made by Ms. Bradford, seconded by Ms. Miller, and carried to approve the minutes for the June 11, 2021 Board Governance Committee Meeting – Open Session, as amended.

Members Voting	Aye	Nay	Abstain
Ms. Bradford	X		
Ms. Urdan	X		
Ms. Yamamoto	X		
Ms. Miller, for the Director of Finance	X		
Mr. Ruffino, for the State Treasurer	X		
Mr. Johnson, for the Superintendent of Public Instruction	X		
Ms. Paquin, for the State Controller	X		
Chairperson Prezant	X		

III. REVISED BOARD GOVERNANCE COMMITTEE WORKPLAN (Item 3)

The committee received a presentation from Ms. McDuffee summarizing the two items the board had raised for further study at its October 2021 offsite meeting which included: (1) optimizing the use of a hybrid meeting format in the future, and (2) enhancing board meeting materials to continue to support the delivery of consistent, decision-useful information to the board and its committees. The committee also received a refreshed committee workplan for the remainder of the 2021-22 fiscal year. The committee engaged in a discussion regarding ways to improve the use of the board's time, effectively and efficiently, during future meetings.

MOTION duly made by Ms. Miller, seconded by Ms. Bradford, and carried to recommend adoption of the revised 2021-22 fiscal year Board Governance Committee Workplan.

Members Voting	Aye	Nay	Abstain
Ms. Bradford	X		
Ms. Urdan	X		
Ms. Yamamoto	X		
Ms. Miller, for the Director of Finance	X		
Mr. Ruffino, for the State Treasurer	X		
Mr. Johnson, for the Superintendent of Public Instruction	X		
Ms. Paquin, for the State Controller	X		
Chairperson Prezant	X		

IV. REVISION TO THE BOARD GOVERNANCE MANUAL FORM 600H COMPLIANCE (SECTION 4, SUBSECTION G (7)) (Item 4)

The committee received an overview from Ms. Miskewycz regarding the current and proposed revised sanctions available to CalSTRS for entities that are not in compliance with the Third Party Economic Interest Disclosure Policy. The committee engaged in a discussion regarding the procedural aspect of how the proposed sanctions would be implemented, if needed. Following the discussion, Ms. McDuffee recommended a minor change to the last sentence of the proposed revised language.

MOTION duly made by Ms. Miller, seconded by Ms. Bradford, and carried to recommend adoption of the modified revisions to Section 4, subsection G (7) of the Board Governance Manual concerning the Third-Party Economic Disclosure Policy.

Members Voting	Aye	Nay	Abstain
Ms. Bradford	X		
Ms. Urdan	X		
Ms. Yamamoto	X		
Ms. Miller, for the Director of Finance	X		
Mr. Ruffino, for the State Treasurer	X		
Mr. Johnson, for the Superintendent of Public Instruction	X		
Ms. Paquin, for the State Controller	X		
Chairperson Prezant	X		

V. REVIEW INFORMATION REQUESTS (Item 5)

There were no information requests.

VI. OPPORTUNITY FOR ADDITIONAL STATEMENTS FROM THE PUBLIC (Item 7)

The committee called for and heard agenda item 7 before item 6.

Ms. Sherman-Colt, the Executive Director for Oakland School for the Arts, explained the charter school has incurred 1.2 million dollars in penalties and interest as a result of a CalSTRS audit conducted years ago. Ms. Sherman-Colt requested CalSTRS forgive the penalties and interest due to CalSTRS because it is a financial burden for the charter school.

VII. DRAFT AGENDA FOR NEXT COMMITTEE MEETING (Item 6)

Ms. McDuffee noted that there would be minor changes to the agenda based on the recommended adoption of the revised 2021-22 fiscal year committee workplan.

VIII. ADJOURNMENT

There being no further business to conduct, Chairperson Prezant adjourned the Board Governance Committee meeting at 11:00 a.m.

Cassandra Lichnock, Chief Executive Officer
And Secretary to the Teachers' Retirement Board

William Prezant, Chairperson

Prepared by: Kati A. Franck, Senior Counsel