

**GOVERNANCE COMMITTEE/SPECIAL MEETING
OF THE
RETIREMENT BOARD OF ADMINISTRATION
WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

MINUTES

September 9, 2009

Board Members Present:

Barry Poole, Chair
Cindy Coffin
Michael Moore
Javier Romero
Jeff Peltola

Staff Present:

Sangeeta Bhatia, Retirement Plan Manager
Monette Carranceja, Assistant Retirement Plan Manager
Mary C. Higgins, Assistant Retirement Plan Manager
Jeremy Wolfson, Chief Investment Officer
Julie Escudero, Utility Executive Secretary

Others Present:

Mike Wilkinson, Deputy City Attorney

Mr. Poole called the meeting to order at 11:13 a.m.

Ms. Bhatia indicated a quorum of the Board was present.

Public Comments

There were no public comments.

1. Continuation of Discussion of IFS Management Audit Recommendations

Mr. Poole reported the Board ended its review and prioritization at the previous meeting held on August 12, 2009, with Recommendation 2a/22. The Board Members and Staff continued their prioritization of the recommendations, and the following table identifies those items addressed by the Board and the priority assigned to each:

IFS MANAGEMENT AUDIT RECOMMENDATIONS – PRIORITY LISTING

Rec	Description	Priority
2a/23	City Attorney to clarify which circumstances a Board member may accept reimbursement for travel from a third party. The Board should have a travel policy with specific criteria associated with third party payments (reimbursement) to Board members and Staff.	Low
2a/24	Education and Travel Policy should require investment professionals to participate in internal and external education and training relevant to their particular area. Staff is encouraged to share information through brown bag lunch sessions.	Medium
2a/25	Education and Training Policy should clarify what educational opportunities are available to Staff and the reimbursement policy.	Medium
2a/26	The Board should review the Staff Education and Travel Policy	Medium
2a/27	The Board should adopt a formal Ethics Policy and ensure that Board and Staff receive ethics training. The Policy should clarify the legal and regulatory framework with respect to conflict of interest, define and clarify terms, clearly delineate prohibited activities, include annual reporting and disclosure, and include an oversight and monitoring committee.	Medium
2a/28	The Board with the assistance of the City Attorney should develop a comprehensive conflict of interest and disclosure policy for its service providers and incorporate an annual certification requirement.	Medium

Rec	Description	Priority
2a/29	Conflict of Interest and Disclosure Policy should require consultants to disclose personal or business relationships with Board members, Retirement staff, fund managers, or consultants. The Policy should also require disclosure in the RFP or other solicitation any payments for placement services to any person, firm, or entity.	Medium
2a/30	The Board should establish a formal written securities litigation policy that includes procedures for filing proofs of claims, monitoring claims, and manages and audits the claims collections process.	Low
2b/01	Benefits Management should identify roles and assign responsibility for establishing appropriate procedures for protecting privacy and security of member records and data.	N/A On-going
2b/02	Benefits Management should assign responsibility for monitoring and ensuring compliance with regulations and laws that apply to the Plan.	N/A
2b/03	Benefits Management should identify assign responsibility for the development, regular revision, and maintenance of a business continuity plan for the Plan.	High
2b/04	Benefits Management should consider using a Call Center as a single point of contact for members.	Low
2b/05	Benefits Management should ensure the consultant revising workflows reviews the organization structure and work distribution in order to maximize efficiency post Penfax.	Medium
2a/06	Benefits Management should continue to evolve the website as a source of benefit, counseling, and self-service resources.	High
2c/01	Management should develop an assessment tool for measuring effectiveness of group, individual, and self-service counseling tools.	Medium
2c/02	Management should consider developing "Important Facts" checklist for counseling sessions to alert members in writing of the potential impact of specific decisions regarding their benefits.	N/A
2c/03	Management should clarify status of Penfax implementation, including who will be responsible for end user training, support responsibilities, and communicate project to the organization.	Medium

The attendees agreed to continue with the audit review at a future meeting.


The meeting adjourned at 12:03 p.m.

 3/28/2012

 BARRY POOLE Date
 Governance Committee Chair

 3/28/12

 SANGEETA BHATIA Date
 Retirement Plan Manager

 3-28-12

 JULIE ESCUDERO Date
 Utility Executive Secretary