

TEACHERS' RETIREMENT BOARD
BOARD GOVERNANCE COMMITTEE

SUBJECT: Approval of Minutes of December 7, 2005

ITEM NUMBER: 1

CONSENT:

ATTACHMENT(S): 1

ACTION: X

DATE OF MEETING: February 2, 2006

INFORMATION:

PRESENTER(S): Chairperson

Please see the attached minutes of the December 7, 2005, Board Governance Committee meeting.

Proposed Minutes Open Session	Board Governance Committee Teachers' Retirement Board	December 7, 2005
LOCATION: Board Room, 7667 Folsom Blvd., Sacramento, CA		

COMMITTEE MEMBERS PRESENT

Dana Dillon, Chair
 Kathy Brugger
 Dennis Trujillo, representing the State Treasurer, Philip Angelides
 Nick Smith, representing the State Controller, Steve Westly

OTHER BOARD MEMBERS AND REPRESENTATIVES PRESENT

Gary Lynes
 Gavin Payne, representing the Superintendent of Public Instruction, Jack O'Connell

STAFF PRESENT

Chris Waddell, General Counsel
 Robert Van Der Volgen Jr., Staff Counsel

I. CALL TO ORDER AND ROLL CALL

A quorum of the committee members being present, Ms. Dillon convened the meeting at 8:30 a.m.

II. APPROVAL OF THE MINUTES OF JUNE 1, 2005

The minutes of June 1, 2005 were adopted by consensus.

III. REVIEW AND UPDATE OF BOARD DELEGATION TO CEO

Mr. Waddell discussed the background and purpose of the Board delegation to the CEO. He noted the delegation serves as the fundamental document by which the Board memorializes any duties, responsibilities and authorities delegated to the CEO. The CEO, in turn then, may delegate these duties, responsibilities and authorities in his discretion to CalSTRS staff. Mr. Waddell noted the document had been reformatted and reorganized to a certain extent, mainly reflecting the current organizational structure regarding the role of the Chief Investment Officer. There was also some streamlining of the document to remove sections that were no longer necessary due to current governance practices. In general, however, Mr. Waddell noted there were no substantive changes to the delegation except with regard to the addition of an attachment reflecting the levels of contract and investment delegation.

MOTION made by Ms. Brugger, duly seconded by Mr. Trujillo, and passed, adopting the proposed delegation to the CEO.

IV. POTENTIAL ISSUES FOR LEGISLATIVE OR REGULATORY ACTION

Chairperson Dillon prefaced the discussion by announcing a statutory change that will allow the retiree member of the Board to receive daily reimbursement.

Mr. Waddell discussed the plans for updating and revising the Board Policy Manual, Section 600. Due to time constraints, the Board was unable to hold an introductory discussion on revisions to Section 600 at its November offsite meeting. Mr. Waddell and members of the committee discussed possible ways of scheduling, and possible forums for, an education/pre policy development component. Ms. Brugger noted she will not be able to attend the February Board meeting due to a prior obligation predating her appointment to the Board.

Mr. Smith joined the meeting at 8:35.

Mr. Waddell indicated he would come up with some options for doing a Board education component in February, with subsequent policy discussions in the Governance committee, with appropriate follow up at a future committee meeting.

V. DRAFT AGENDA FOR NEXT COMMITTEE MEETING

Mr. Waddell stated he would prepare an agenda, and work with Chairperson Dillon on finalizing it.

VI. OPPORTUNITY FOR THE PUBLIC

The being no comments from the public, Chairperson Dillon adjourned the meeting at 8:40 a.m.

Jack Ehnes, Chief Executive Officer
and Secretary to the Teachers' Retirement Board

Dana Dillon, Chairperson

Prepared by Robert Van Der Volgen, Jr., Staff Counsel