

PLAN GOVERNANCE & ADMINISTRATIVE ISSUES COMMITTEE

COMMITTEE REPORT 10-02

Date: September 23, 2010
To: Plan Governance & Administrative Issues Committee
From: Staff
Subject: Draft Bylaws

Plan Governance Committee

Members

Eugene K. Canzano, Chair
Sangeeta Bhatia
Cliff Cannon
John Mumma
Maggie Whelan

Non-Committee Board Members

Sally Choi
Richard Kraus
Michael Perez

Recommendation:

That the Plan Governance and Administrative Issues Committee continue its discussion/review of the draft Governance Policies/Bylaws of the Board of Deferred Compensation Administration and adopt the revisions that have been made to date.

Discussion:

At its August 19, 2010 meeting, the Plan Governance and Administrative Issues Committee discussed the following in regards to the Board of Deferred Compensation Administration Governance Policies/Bylaws:

- Definitions for key terms as well as a list of duties and responsibilities for support staff;
- Revisions to the "Governance and Administration of Meetings" section;
- Revisions to the "Board Education and Travel Policies"; and
- Clarification of and potential changes to the "Board Election Policy"

Revisions have been incorporated using Track Changes formatting and can be seen in the revised draft. The edits presented at the August 19, 2010 meeting have not yet been adopted by the Committee and therefore remain in the Track Changes format. To manage the process going forward, staff recommends that the Committee review the Bylaw sections in sequential order and move to accept or reject changes at each subsequent meeting. The meeting is scheduled for two hours and it is not expected that the Committee will complete its review of the document, therefore, staff recommends that the Committee continue meeting on an approximately monthly basis until the draft Bylaws are complete and ready to be resubmitted to the Board.

The following is a description of the main revisions made to the Bylaws as well as information requested by the Committee at its August 19, 2010 meeting:

Definitions, Duties & Responsibilities - A "Defined Terms" section has been added to the beginning of the document which includes definitions of the Board's support staff as well as other key terms used throughout the document. In addition, the section titled "Duties and Responsibilities of the Board" has been renamed and now includes sections on Personnel Department staff ("staff") and City Attorney staff ("counsel").

Governance and Administration of Meetings Section– A provision has been included to allow for the Vice-Chairperson and Provisional Chairs to assume the duties of the Chairperson in the event that the acting Chairperson’s term expires. Language has also been added to reflect the date, time, and length of Board meetings.

Education and Travel Policies – A provision regarding reimbursement of travel expenses has been included at the request of the Committee. Staff has not yet completed its study of training options and will propose further revisions to the Board Education and Travel Policies at a future meeting.

Elections Policies and Procedures – At the request of the Committee, staff has confirmed with the City Clerk that due to the potential for write-in candidates, elections must proceed in instances where there is only one valid candidate running for a Board position. The Committee also inquired about the possibility of including a provision in the Election Policy that would allow for elected Board members to be recalled, however, it is our understanding from the City Attorney’s Office that such a provision would require an amendment to the City of Los Angeles Administrative Code and could not be addressed in the Bylaws alone.

In addition to the above, staff contacted the members of CalNet, a network of large defined contribution plans in the State of California, and requested the bylaws of the plans’ respective governing Boards. Of those that responded to the request, there were no comparable bylaw documents. Staff continues to use the Governance Policies of the City’s retirement systems as well as language from other documents to form the basis of the Board’s Bylaws.

Submitted by: _____
Ashley Stracke

Reviewed by: _____
Steven Montagna