

GOVERNANCE COMMITTEE MEETING (OPEN)

AGENDA ITEM 7

ATTACHMENT 7-I

MINUTES OF MAY 14, 2009 OPEN GOVERNANCE COMMITTEE MEETING

PRESENTED BY: JEANNE CAIN

July 9, 2009

**STATE COMPENSATION INSURANCE FUND
GOVERNANCE COMMITTEE**

MINUTES OF OPEN SESSION MEETING

May 14, 2009

The Governance Committee met on May 14, 2009 in the Auditorium of the Milton Marks Conference Center, State Building, 455 Golden Gate Ave, San Francisco, California.

AGENDA ITEM 1: ROLL CALL

The meeting was called to order at 10:00a.m. and the following Members were present: Jeanne Cain, Chair; Daniel Curtin; Sheryl Chalupa and Alternate Sen. Michael Machado (Ret.)

Also present: President Janet Frank; Chief Risk Officer Doug Stewart; General Counsel and Corporate Secretary Carol Newman and Randall Keen, Esq. of Manatt Phelps & Phillips.

There was a quorum.

AGENDA ITEM 2: PUBLIC COMMENT ON THE APPROPRIATENESS OF CLOSED SESSION ITEMS 3-4.

Ms. Cain requested public comment of which there was none.

The Governance Committee immediately convened into Closed Session.

AGENDA ITEM 3: APPROVAL OF MARCH 12, 2009 CLOSED MEETING MINUTES Closed Session.

AGENDA ITEM 4: STATE FUND 2009 PERFORMANCE PLAN OBJECTIVES Closed Session.

AGENDA ITEM 5: CALL TO ORDER AND ROLL CALL

The meeting was called to order at 12:05 p.m. following the conclusion of the Closed Session and the following Members were present: Jeanne Cain, Chair; Daniel Curtin; Sheryl Chalupa and Alternate Sen. Michael Machado (Ret.)

Also present: President Janet Frank; Chief Risk Officer Doug Stewart; General Counsel and Corporate Secretary Carol Newman and Randall Keen, Esq. of Manatt Phelps & Phillips.

There was a quorum.

AGENDA ITEM 6: APPROVAL OF MARCH 12, 2009 OPEN MEETING MINUTES

MOTION: Ms. Chalupa Second: Mr. Curtin

To approve the minutes of the March 12, 2009 Open meeting of the Governance Committee as presented.

AYES: 3 NOES: 0 Motion carried

AGENDA ITEM 7: REVIEW OF GOVERNANCE CHARTER

Ms. Cain called upon Ms. Linda Platisha, in-house counsel at State Fund who reported the changes requested at the last Committee meeting were made to the Governance Charter. Ms. Cain requested public comment of which there was none.

MOTION: Ms. Chalupa Second: Mr. Curtin

To approve the revised Governance Charter as presented.

AYES: 3 NOES: 0 Motion carried

AGENDA ITEM 8: CONSIDERATION OF NEW COMMITTEES AND MEMBER APPOINTMENTS

Ms. Cain opened discussion for the Committee members regarding the need to consider new committees and placement of Board members once all eleven members of the Board are appointed. The Committee discussed the possibility of creating an IT Committee or a Taskforce of an existing committee because of the significant authorized expenditures. In addition, the Committee discussed the need to determine duplication or gaps by and between the Committees. The Committee recommended that once all the appointments have been made that the Committee revisit this matter. Ms. Cain requested public comment of which there was none.

AGENDA ITEM 9: BOARD OF DIRECTORS TRAINING

Ms. Cain reported on the effectiveness of the April 2009 Board training based on the evaluations of the Board members present. The training was very effective on the topics regarding Board duties and responsibilities for a quasi-public agency. The Board is interested in having all presenters be knowledgeable about State Fund. The Board would like to have a glossary of insurance terms generally and most particularly for the financial statements. The Committee will revisit the training topics and presenters once the new members are appointed. The Governance Committee directed staff to

continue to provide training sessions at the regularly scheduled Board meetings. Ms. Cain requested public comment of which there was none.

AGENDA ITEM 10: BOARD MEMBER SELF-PERFORMANCE REVIEW

Ms. Cain requested that this agenda item be deferred to the next meeting with this topic being the major focus of the meeting. After discussion, the Committee agreed to defer. Ms. Cain requested public comment of which there was none.

AGENDA ITEM 11: COMMITTEE MEMBER PRESENTATIONS

There was no presentation for this standing agenda item and no public comment.

AGENDA ITEM 12: PROPOSALS AND SUGGESTIONS FOR MAY 2009

AGENDA

In addition to the standing Agenda items the Committee directed staff to include a discussion on Self-Performance Review. Ms. Cain requested public comment of which there was none.

AGENDA ITEM 13: PUBLIC COMMENT

Ms. Cain requested public comment of which there was none.

The next Governance Committee meeting is scheduled for July 10, 2009 at 10:00 a.m. in San Francisco, California.

ADJOURNMENT

There being no further business before the Governance Committee, the meeting adjourned at 12:40 p.m.

Respectfully submitted,

Carol R. Newman,
Corporate Secretary