

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
SYSTEM**

BOARD OF ADMINISTRATION

Rules and Guidelines for the Conduct of Meetings

100. Introduction

The Board of Administration (Board) of the California Public Employees' Retirement System (CalPERS) is subject to the Bagley-Keene Open Meeting Act (the Act). As such, the Board and its committees must conduct their business in meetings that must be pre-noticed, and in which the scope of discussions is limited by a published agenda.

The purpose of these Rules and Guidelines is to establish the manner in which these meetings are to be conducted, respecting the Act, the Public Employees' Retirement Law (PERL), and the overarching fiduciary duties of CalPERS fiduciaries. Nothing within this document should be construed as limiting the Board's ability to determine that, to best meet its fiduciary duties, variance from these Rules and Guidelines is necessary.

200. Rules of Order

201. Rosenberg's Rules of Order

201.1. Unless otherwise indicated in the Act, the PERL or these Rules and Guidelines, the Board and its committees shall operate under Rosenberg's Rules of Order.

202. Definitions

202.1. Abstain means a decision by a member of the body not to vote.

202.2. Board means the Board of Administration.

202.3. Body means, unless otherwise indicated, the Board, a committee, or a subcommittee.

202.4. Committee means every committee, standing or ad hoc, established by the Board for the purpose of considering a defined subject matter.

202.5. Decisions by the body require the presence of a quorum, and unless otherwise indicated in these Rules and Guidelines, require the supportive vote of a majority of those members voting.

202.6. Majority is 50% plus one of the members of a body.

202.7. Meeting is a gathering of a quorum of members of the body, conducted according to a pre-noticed agenda. With a posted and public announcement to the public, a meeting may be recessed and later reconvened as provided for in the Act.

- 202.8. Member** of the Board means a person as described in Government Code section 20090, and includes a person who has been deputized by a Board member who has statutory authority to delegate his/her CalPERS duties and decisions to another. Member also means a member of the Board who has been appointed to a committee or subcommittee.
- 202.9. Presence** means the physical presence of a member in the meeting room. Presence also includes telephonic participation, provided the member can both hear and be heard by the members physically present in the meeting room.
- 202.10. Presiding Officer** means the person pre-designated by the Board to be President or (in his/her absence) Vice President, or by each committee or subcommittee to be Chair or (in his/her absence) Vice Chair. **Presiding Officer** also means the person selected by the body, on an ad hoc basis, to preside over a meeting in which all of the pre-designated officers are absent.
- 202.11. Quorum** is the presence of 50% plus one of the members of a body. If there is a question as to whether a quorum exists, the presiding officer should clarify the issue for the audience and meeting record.
- 202.12. Recusal** means a statement on the record, provided before the substance of an issue begins to be deliberated, that a member of the body will not participate in the body's decision on that issue. Once a member has recused him/herself as to an issue discussed in open session, the member may remain on the dais but must not engage in any deliberative discussions. In closed sessions, the recusing member must leave the meeting room.
- 202.13. Session** is a meeting or series of connected meetings devoted exclusively to a single and specific order of business.
- 202.14. Subcommittee** means a committee, standing or ad hoc, that has been formed jointly by the Board President and related-subject matter committee chair and that reports to the committee rather than the Board.
- 202.15. Vote** means either an "aye" or "nay" (or comparable designations) vote, but does not include abstentions. Members may vote (according to direction from the presiding officer) by voice, raised hands, or roll call. Members must be

present to vote, and only members of the body may vote. Secret ballots are prohibited under the Act.

210. Role of Presiding Officer

In addition to those duties outlined in the Board's Governance Policy and any formal delegation from the body to the presiding officer, it is the duty of the presiding officer to:

- 210.1.** Open the meeting at the appointed time by taking the chair and calling the meeting to order, having first confirmed that a quorum is present.
- 210.2.** Committee Chair may, in the absence of the Board President and Vice President, appoint an advisory sub-committee to conduct the business of the Committee if there is an insufficient number of Committee members in attendance to constitute a quorum.
- 210.3.** Announce in proper sequence the business that comes before the body or becomes in order in accordance with the agenda, or where that sequence has been changed affirmatively or through acquiescence by the body, in accordance with the orders of the day.
- 210.4.** Recognize members, CalPERS staff, and public participants who are entitled to the floor.
- 210.5.** Determine whether each proffered motion is in order and, if not, clearly state the reasons for ruling the motion out of order.
- 210.6.** Clearly state and put to vote all questions that legitimately come before the body and are consistent with the meeting's agenda (as pre-published or as modified in a manner consistent with the Act), except matters that involve the presiding officer him/herself. In the case of matters that involve the presiding officer him/herself, the presiding officer has the duty to turn the gavel over to the Vice President/Chair.
 - 210.6.1.** Roll call votes are required when making a decision in closed session (excluding decisions concerning pending litigation or rate negotiations).
 - 210.6.2.** Roll call votes are also required when one or more Board member is participating in the vote via telephone or teleconference.
- 210.7.** Exercise discretion in voting on a pending question, so as to avoid the appearance of non-neutrality in the conduct of the

meeting. The presiding officer, as a member of the body, may vote on any matter before the body, and particularly should vote when his/her view of fiduciary responsibility calls for a vote to change what would otherwise be the outcome of a vote.

- 210.8.** Announce the result of each vote.
- 210.9.** Protect the assembly from obviously frivolous or dilatory motions by refusing to recognize them.
- 210.10.** Enforce the rules relating to debate and to order and civility in an unbiased and fair manner.
- 210.11.** Refrain from being an advocate on a pending question while at the same time acting as presiding officer. Should the presiding officer wish to engage in debate, s/he should pass the gavel to the vice chair/president for the remainder of the body's consideration of the question. Once the vote has been taken, the presiding officer may again take up the gavel.
- 210.12.** Expedite business in every way compatible with the rights of the members and public participants.
- 210.13.** Decide all questions of order, subject to appeal. When in doubt, the presiding officer may submit such a question to the body for decision.
- 210.14.** Respond to inquiries of members relating to CalPERS' Rules of Order, or factual information bearing on the business of the body.
- 210.15.** Authenticate by his or her signature, when necessary, all acts, orders and proceedings of the body.
- 210.16.** Declare the meeting adjourned when the body so votes or the business of the day is otherwise concluded.

220. Motions

- 220.1.** In general, a motion must receive the affirmative vote of a majority of the members of the body voting to pass. The following motions require the affirmative vote of two-thirds of the members of the body voting: limit debate, object to consideration of the question, and suspend the rules. Except as provided in the Act or 220.2 below, neither the Board nor any of its committees may impose any other super-majority vote requirements.
- 220.2.** Decisions by the Board to (a) authorize a specific or specific type of investment, or (b) establish the parameters for a delegated decision by another to make an investment on

behalf of CalPERS, must be approved by the affirmative vote of seven members.

- 220.3.** Up to three motions can be on the floor at the same time. Attachment 1 contains an adapted excerpt from Rosenberg's Rules describing the procedural requirements for specific types of motions. CalPERS incorporates these requirements into these Rules of Order. Except as provided in these Rules of Order, Rosenberg's Rules regarding motions shall operate as CalPERS' Rules.
- 220.4.** The members that made and seconded a motion that the presiding officer has ruled in order may agree to amend that motion, on their own or at the request of another member. This is known as a "friendly amendment." The ability to make a "friendly amendment," however, does not diminish the presiding officer's responsibility to determine whether the motion as amended is in order.
- 220.5.** Reports or recommendations from a committee may, but are not required to be, seconded. When a committee chair offers a committee report or recommendation, s/he is acting on behalf of the committee and is not necessarily presenting his/her own personal views.
- 220.6.** A non-procedural motion that is made but defeated at the committee level, and for which a separate motion on the same subject is not passed at the same committee meeting, must be included in the committee's report to the Board. This report enables the Board to determine whether it will accept the committee's recommended "no action" on the matter.
 - 220.6.1.** However, if the committee fails to take any action on a topic (e.g., a motion is made but not seconded, no motion is made), whether procedural or substantive, the committee chair has the discretion to determine whether the matter warrants inclusion in the committee's report to the Board.

230. Reconsideration

- 230.1. Reconsideration** enables the majority of a body, within a limited time, to bring back for further consideration a motion that has already been voted on. The purpose of reconsidering a vote is to permit correction of hasty, ill-advised, or erroneous action, or to take into account added information or a changed situation that has developed since the taking of the vote.

- 230.1.1.** A motion to reconsider may only be made by a member who voted with the prevailing side. This requirement does not apply to one who seconds such a motion. When making such a motion, the mover should state for the record that s/he previously voted on the prevailing side.
- 230.1.2.** A motion to reconsider must be made at the same meeting where the item was first voted on.
- 230.1.3.** The making of a motion to reconsider suspends action on all other pending matters.
- 230.1.4.** In accordance with these rules and guidelines, a committee may reconsider its decision to make a recommendation to the Board, or its decision to decline to make such a recommendation, provided that the Board has not yet taken action on the original recommendation of the committee.

240. Debate

- 240.1.** As a general matter, CalPERS does not impose time limitations on debate, or on the number or length of time accorded to speakers.¹ Reasonable limitations may be imposed on an ad hoc basis, by the presiding officer (without objection from the members) or by the body through a motion to limit debate.
- 240.2.** All parties participating in debate – the members, CalPERS staff, and public participants – are expected to conduct themselves with courtesy, respect and civility at all times. The presiding officer shall enforce this rule of decorum. Any person who repeatedly refuses to abide by the presiding officer’s directions in this regard, and whose behavior is so disruptive as to prevent the body from conducting its business may be removed from the meeting room until his/her behavior is under control.
- 240.3.** Members should generally direct their comments to the presiding officer, or to the body as a whole.
- 240.4.** Members should confine their comments to the merits of the pending question, and refrain from questioning another member’s motives.

¹ The Board has adopted regulations limiting public comment (Cal. Code Regs. tit. 2, § 552.1) and has adopted speaker limits as part of its rules governing the conduct of hearings held under the Administrative Procedures Act.

- 240.5.** Members should refrain from criticizing previous decisions by the body that are not then pending.
- 240.6.** The presiding officer may participate in debate, according to the limits described in section 210.10, above.

250. Records & Minutes

- 250.1.** Meetings of CalPERS Board and its committees are generally recorded by audio and/or video equipment. Exceptions include closed sessions for other than consideration of investment matters, some workshops, some offsite sessions, and meetings away from CalPERS headquarters where such recording cannot reasonably be obtained.
- 250.2.** These same types of meetings are also generally transcribed by a retained court reporter. Audio and/or video tapes of transcribed meetings are only retained so long as necessary to ensure accuracy of the transcript and meeting minutes. Transcripts shall be retained for a minimum of 10 years.
- 250.3.** A record of every meeting of the CalPERS Board or its committees, whether open or closed to the public, and whether conducted at CalPERS headquarters or another location, shall be permanently maintained. This record shall consist of:
- (a) the pre-notice and pre-published agenda for the meeting;
 - (b) any amendments to the notice or agenda;
 - (c) any opinion from legal counsel accompanying a closed session for pending litigation;
 - (d) copies of the written materials considered by the body during the meeting; and
 - (e) minutes of the meeting.
- 250.4.** Meeting minutes shall minimally include:
- (a) the location of the meeting; the members present (in person or telephonically);
 - (b) CalPERS staff members and public participants present and speaking;
 - (c) the time at which the meeting was called to order and adjourned; the matters taken up by the body;
 - (d) the general issues discussed during deliberations, and significant procedural motions; and

(e) actions taken by the body, with votes recorded as directed by the presiding officer.

300. Guidelines For Presiding Officers In Facilitating Effective & Productive Debate

301. Purpose

These Guidelines are intended to provide presiding officers during CalPERS Board and committee meetings with general advice as to the most effective means of facilitating productive debate by the body, while also assuring openness to the views of the public. These Guidelines do not constitute formal Rules of Order (see section 200, et seq., above), but instead provide informal suggestions and support.

- 310.** When CalPERS staff (or third party making a recommendation before the Board or its committees) concludes the initial presentation, the presiding officer should ask any questions necessary to ensure members understand the nature and scope of the recommendation. The presiding officer should not engage in the debate until all members have had at least one opportunity to speak. If the presiding officer wishes to be more active in the debate, s/he should give up the gavel for the duration of consideration of the question.
- 320.** For items that may involve significant audience input, the presiding officer should, on his/her own initiative or at the request of any member of the body, direct members at the beginning of the item to follow this sequence. Reserving debate until after questions from all parties helps members maintain open minds. A sequence of decision-making for particularly controversial items could be:
- Staff/third party presentation
 - Questions from members (but not debate)
 - Comments/questions from audience
 - Motion (sometimes stated earlier)
 - Statement of member positions/debate
 - Vote
- 321.** If members are repeating their arguments, the presiding officer should gently ask the members to refrain from repeating themselves. This is particularly relevant when an item is controversial and the discussion is expected to be lengthy.

- 340.** As discussed in the Rules of Order, above, presiding officers may engage in debate, but should do so only after all other members wishing to speak have done so. Presiding officers should not be both advocate and presiding officer at the same time.
- 350.** Presiding officers should not use the power of the chair to interrupt other speakers, unless necessary to maintain order.
- 360.** Presiding officers should not use the power of the chair to serially comment upon other speakers, unless necessary to resolve an obvious misunderstanding among speakers. Again, presiding officers should save their comments/debate until after all other members have had the opportunity to speak.
- 370.** If debate is becoming heated or emotional, the presiding officer should consider calling for a recess (being careful not to do so if it would interfere with the tactical flow of one line of argument).
- 380.** If further debate appears unlikely to alter positions or clarify the record, the presiding officer should indicate that s/he will entertain a motion (if not already made) or call for the question. The latter is not effective as a formal motion to cut off debate, but is instead a suggestion to the members that debate is no longer productive.
- 390.** Breach of Order
- a. In the event of a breach of order on the part of a Board member, the presiding officer should call the Board member to order, point out the fault, and advise the Board member to avoid the conduct.
 - b. If a Board member continues to be out of order, or commits a serious breach of order, the presiding officer normally should warn the Board member, but the presiding officer (or any other Board member) may, with or without advance warning, call the member to order. In this event, the presiding officer states the member is out of order and shall yield the floor (cease speaking). If the offending member had the floor, the presiding officer shall state the breach of order and put the following question, in the form of a motion, to the committee: "Shall the member be allowed to continue speaking?" The motion is not debatable.
 - c. In cases of obstinate or grave breaches of order, the presiding officer shall, after warning the Board member, "name" the offender.
 - i. The presiding officer will ask the committee secretary to take down the objectionable or disorderly words used by the offender and then make a declaration to the member, clearly stating the nature of the abuse.

- ii. If the member withdraws the offensive remarks or offers an apology, the matter may be dropped, if the Committee so chooses.
- iii. In any event, a member may move, or the presiding officer may ask, that a penalty be imposed. The penalties may include requiring an apology, imposing a reprimand, or censure. Any penalty must be approved by motion.

TABLE OF RULES RELATING TO MOTIONS

(Adapted from Rosenberg's Rules of Order)

Motion	<i>In order when another has the floor?</i>	<i>Must be seconded?¹</i>	<i>Debatable?</i>	<i>Amendable?</i>	<i>Can be reconsidered?</i>	<i>Sample language</i>
Basic motion	No	Yes	Yes	Yes	Yes	<p><i>"I move that ..."</i></p> <p><i>"I move the staff's recommendation..."</i></p> <p>When intending to make a motion of something that was just said: <i>"I so move."</i></p>
Amend	No	Yes	Yes	Yes	No	<p>"I move to amend by adding..."</p> <p>"I move to amend by striking out [specific language, e.g., the second paragraph]."</p>
Appeal	Yes	Yes	Yes	No	No	"I appeal from the decision of the chair." ²

¹ Motions listed as requiring a second do not need to be seconded when made by recommendation of a committee.

² The appropriate question for the body is then: "Should the decision of the chair be sustained?" An "aye" vote approves the chair's decision.

<i>Motion</i>	<i>In order when another has the floor?</i>	<i>Must be seconded?¹</i>	<i>Debatable?</i>	<i>Amendable?</i>	<i>Can be reconsidered?</i>	<i>Sample language</i>
Friendly Amendment	No	No ³	No	No	No	“I have a friendly amendment to the motion if the maker of the motion and second are amenable...”
Limit Debate ⁴	No	Yes	No	No	No	“I move that we limit debate.” “I move the previous question.”
Object to Consideration of the Question ⁵	No	Yes	No	No	Yes	“I object to consideration of the question.”
Reconsider	No	Yes	Yes	No	No	“I move to reconsider the vote on the motion relating to.... I voted on the prevailing side of that motion.”
Substitute	No	Yes	Yes	Yes	Yes	“I move a substitute motion that...”
Suspend the Rules ⁶	No	Yes	Yes	No	No	“I move that we suspend the rules, which interfere with...”
Table	No	Yes	No	No	No	“I move that we table this item.”

³ A friendly amendment only requires the agreement of the maker and seconder in order to replace the original motion.

⁴ Requires a 2/3 vote.

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