



EMPLOYEE BENEFIT PLANS STATEMENT OF GOVERNANCE (SoG) UPDATE

INTRODUCTION BY:

Delores Lenzy-Jones

Chief Financial Officer & Treasurer (CFO)

PRESENTED BY:

Paul S. Barham, P.E.

Chairman, Administrative Committee

July 29, 2019

Approval Requested

OBJECTIVES & TAKEAWAYS



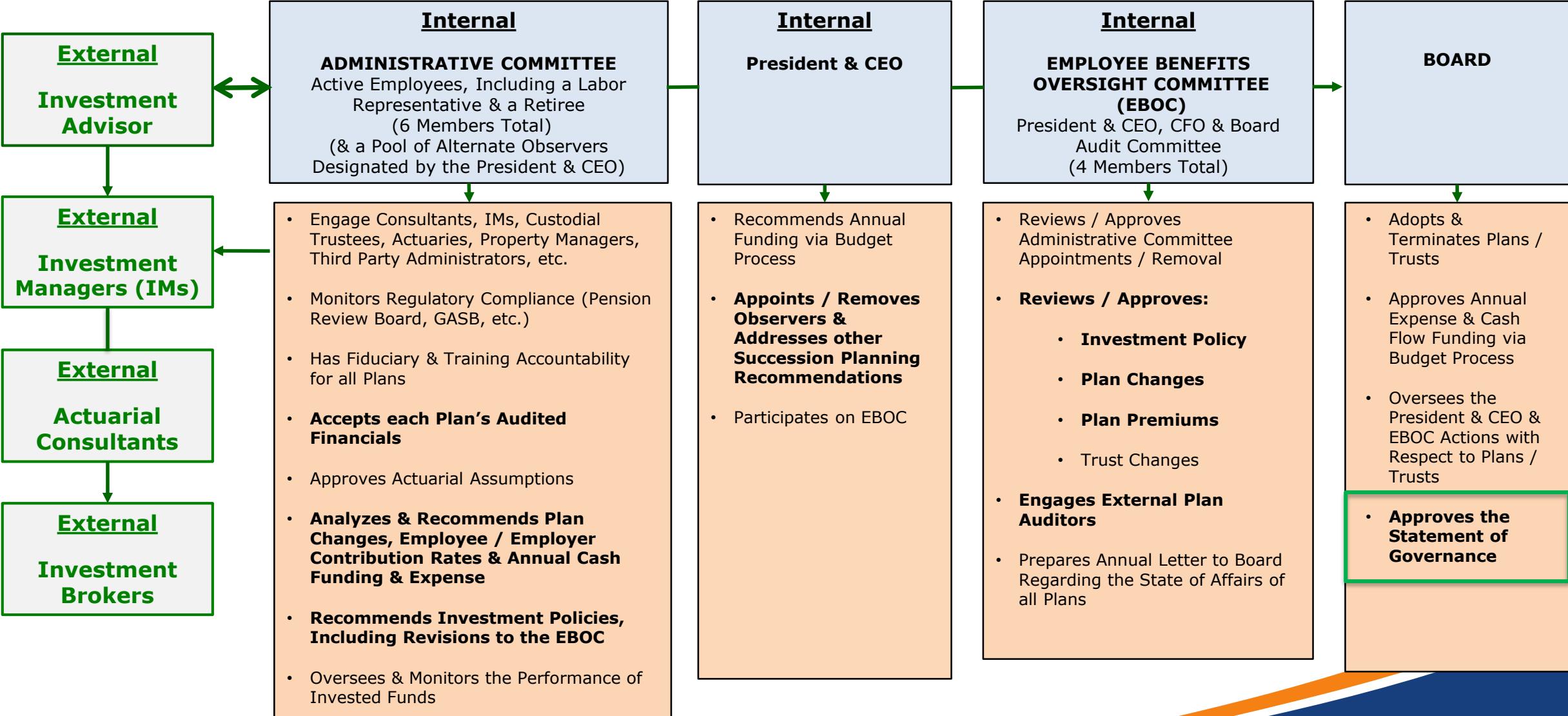
- **BRIEF THE BOARD ON RECOMMENDED REVISIONS TO THE STATEMENT OF GOVERNANCE & SEEK BOARD APPROVAL**

AGENDA



- **GOVERNANCE OVERVIEW**
- **STATEMENT OF GOVERNANCE PROPOSED REVISIONS**

GOVERNANCE OVERVIEW



STATEMENT OF GOVERNANCE PROPOSED REVISIONS



Administrative (A)	Organizational (O)	Procedural (P)	Substantive (S)
✓	✓	✓	✓
Reviewed by the EBOC on 07/15/19			

- Statement of Governance (SoG) reviewed annually
- Administrative Committee supports the proposed revisions
- EBOC recommends SoG revisions for Board approval

STATEMENT OF GOVERNANCE PROPOSED REVISIONS (cont.)




Administrative (A)	Organizational (O)	Procedural (P)	Substantive (S)
✓	✓	✓	✓

	Type of Change	Proposed Change	Reason for Proposed Change	Redlined Reference
1	A	Change Board Committee name to Board Audit & Finance Committee	Administrative update	Page 3
2	A	Address responsibilities regarding SoG revisions	Clarify governing party responsibilities relative to the SoG	Pages 3, 6 & 12
3	A	Clarify the authority for appointing Labor Organization Administrative Committee member	Align with historical practice & intent	Page 6

STATEMENT OF GOVERNANCE PROPOSED REVISIONS (cont.)



Administrative (A)	Organizational (O)	Procedural (P)	Substantive (S)
✓	✓	✓	✓

	Type of Change	Proposed Change	Reason for Proposed Change	Redlined Reference
4	O / S	Add 7 th member to the Administrative Committee	To reduce the possibility of a tie vote 	Page 7
5	O / S	Add CFO as an additional Ex-Officio non-voting Administrative Committee member	To serve as a liaison between the Administrative Committee & the EBOC, encouraging good communication	Page 7
6	P / S	Add 6-year terms (no limits) for Administrative Committee members	To encourage good governance, while focusing on membership continuity 	Page 8

STATEMENT OF GOVERNANCE PROPOSED REVISIONS (cont.)



Administrative (A)	Organizational (O)	Procedural (P)	Substantive (S)
✓	✓	✓	✓

	Type of Change	Proposed Change	Reason for Proposed Change	Redlined Reference
7	P / S	Clarify the authority to address attendance & participation	Clarify procedure for addressing Administrative Committee member attendance / participation (currently no concerns)	Page 8
8	S	Clarify standard of care for Administrative Committee - Fiduciary vs. Reasonable	Responsive to external counsel's recommendation to delineate the standard of care relative to Administrative Committee roles for clarity of governance (currently no concerns)	Page 9

Board approval is requested on consent agenda.



Thank You