

## BOARD COMMUNICATIONS POLICY

---

### I. PURPOSE AND BACKGROUND

The Board of Retirement recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of MCERA, the Board must establish mechanisms for communicating clearly among Board members, MCERA staff, plan sponsors, plan members and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members and staff with guidelines to facilitate effective communications between MCERA trustees and members, MCERA staff, and other parties.

### II. OBJECTIVES

The objectives of the MCERA Board Communications Policy are to ensure that:

- A. Trustees receive pertinent information in a consistent and uniform manner;
- B. Trustees have equal access to information available to the Board;
- C. Communications are efficient and timely; and
- D. Communications with management and other parties are accurate, consistent, and reflect the provisions of the Plan, pension law and the views or positions of the Board of Retirement as a whole.

### III. ASSUMPTIONS

- A. Trustee communications potentially represent a significant risk to MCERA in areas such as governance, service quality, public relations, plan interpretation and adverse reliance by plan members or their beneficiaries.
- B. In their communications, trustees recognize their fiduciary duty to represent the interest of *all* plan members.
- C. A communications policy must balance the need to mitigate communications risk with the need for open and free discourse.
- D. The Board must speak to its various constituency groups with a single voice to successfully carry out its communications function for the benefit of plan members.

- E. Communications shall be defined broadly to include oral, written and electronic communication, including but not limited to:
1. Issuing press releases;
  2. Delivering speeches or presentations;
  3. Discussions with plan members, trustees or MCERA management;
  4. Interviews with the media; and
  5. Writing articles or letters, including traditional and social media.

#### **IV.POLICY GUIDELINES**

##### **A. Communications among Trustees / Brown Act Compliance**

1. Trustees shall communicate in an open, straightforward and constructive manner during meeting of the Board and committees.
2. The Board shall carry out its activities in the spirit of open governance and adherence to the provisions of the Ralph M Brown Act, California Government Code Section 54950, et seq., which include but are not limited to:
  - a. Properly noticing and posting an agenda (section 54954.2)
  - b. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3);
  - c. Properly describing all items to be considered in a closed session in the Agenda (section 54954.3);
  - d. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly, or through intermediaries or electronic devices, for the purpose of concurring on an action to be taken (i.e. "Serial Meeting," section 54953); and
  - e. Ensuring materials are properly made available to members of the public, upon request, without delay (section 54957.5).
3. Trustees shall disclose information pertinent to the affairs of the Board to the rest of the Board in a timely manner.

4. As a courtesy, trustees shall consider discussing items which may be controversial with the Board Chair and the Retirement Administrator prior to introducing them at the Board meeting.

## **B. Trustee Communications with Plan Members**

1. Trustees shall be aware of the risk of communicating inaccurate information to plan members, and the potential exposure to liability and possible harm to a member that may result from such miscommunications. This risk may be mitigated by refraining from providing specific advice, counsel or education with respect to the rights or benefits a member may be entitled to under the Plan.
2. In cases where a trustee receives a general query from a plan member, and the trustee is certain of the answer, the trustee may provide such an answer to the member. If however, the trustee is uncertain of the answer to a general query, the trustee shall refer the member to the MCERA staff for an answer.
3. In cases where a member query pertains to personal situations or technical matters, trustees shall refer the member directly to the Retirement Administrator.
4. The Retirement Administrator will advise trustees when members' questions or issues have been resolved and of any actions taken in response to such questions or issues.

## **C. Trustee Communication with MCERA Management**

1. Trustees shall direct concerns or questions regarding any aspect of Plan operations to the Retirement Administrator with the exception of issues or questions pertaining to member queries, which are to be addressed in accordance with items 3 and 4 above.
2. Requests for information that require a significant expenditure of staff time or the use of external resources shall:
  - a. Be consistent with the roles and responsibilities of the Board;
  - b. Be directed to the Retirement Administrator; and
  - c. Be formally requested at a Board or Committee meeting.
3. In the spirit of open communication, individual trustees shall share any information pertinent to the Retirement Administrator with the Retirement Administrator in a timely manner. The Retirement Administrator shall similarly share with the Board any information material to the Association with the Board in a timely manner.

4. The Retirement Administrator shall ensure that all trustees have access to information that had been requested by the Board or by individual trustees.
5. Management shall periodically review all reports regularly provided to the Board, and where it is determined that certain information items are no longer needed, shall bring forward a recommendation to the Board to cease providing the items.

#### **D. Trustee Communication with External Parties**

1. Communications by trustees shall be consistent with their fiduciary duty to represent the interests of *all* Plan members.
2. Trustees shall be respectful of the Board and its decisions in all external communications, even if they disagree with such decisions.
3. Trustees shall not communicate as a spokesperson on behalf of the Board, unless authorized by the Board to do so.
4. In external communications, trustees are expected to disclose when they are not representing an approved position of the Board of Retirement or are not speaking in their Board of Retirement capacity.
5. In situations that call for a spokesperson to communicate on behalf of the Board:
  - a. The Chair and the Retirement Administrator shall jointly determine who shall act as spokesperson on an issue-by-issue basis and trustees shall refer any inquiries they receive concerning such issues to the spokesperson.
  - b. If time permits, the spokesperson shall discuss sensitive, high profile issues with the Board prior to engaging in external communications.
  - c. In situations where Board policy concerning an issue has not been established, the Board or an appropriate committee shall meet to discuss the issue prior to the spokesperson undertaking any external communications.
6. Written press releases concerning the business of MCERA shall be the responsibility of the Retirement Administrator and shall clearly and accurately express the provisions of the Plan and the Board. The Retirement Administrator will provide copies of all press releases to the Board in a timely manner.
7. To ensure that accuracy of material prepared by trustees for publication or general distribution and to ensure that the Plan is not inadvertently placed at risk, trustees agree to

provide such material to the Retirement Administrator for review prior to distribution or publication.

#### **E. Black-out-Periods**

1. Black-out periods limit communication between Board members and specified service providers on matters pertaining to MCERA. The Board will initiate a “black-out” period when:
  - a. The Board is presented with a list of potential candidate firms for consideration in a search process; or
  - b. The Board deems it is in the best interest of MCERA to require that, for a limited period of time, communications between trustees and specified service providers are restricted to Board meetings only.
2. Black-out periods will be instituted at a Board meeting and written notification will be issued to all Board members not present at that meeting. A black-out period may also be instituted between Board meetings at the discretion of the Board or the Retirement Administrator, subject to ratification by the Board at its next meeting. The Retirement Administrator will provide written notification to all Board members of all black-out periods instituted between Board meetings as soon as possible, and board members will comply with the black-out period restrictions upon receipt of the Retirement Administrator’s notification.
3. The initiation of a black-out period, and the service providers to which it applies, will be specified in the Minutes of the Board meeting at which it was approved or ratified by the Board.
4. During black-out periods, Board members and specified service providers shall not communicate on matters pertaining to MCERA, except during Board meetings. Furthermore, during black-out periods, individual Board members or groups of members will not meet with specified service providers for entertainment or social purposes. Exceptions may be made in the case of industry conferences such as SACRS, where MCERA Board members may socialize with specified service providers during open social events that are also attended by trustees or staff of other systems, provided MCERA Board members do not discuss matters pertaining to MCERA business.
5. Board members who need to communicate with such service providers for reason unrelated to MCERA business agree to disclose such need in writing to the Retirement Administrator and the Board prior to undertaking such communications. Disclosure to the Board shall be made in writing at a meeting of the Board. If time does not permit timely disclosure to the

Board, the Board member shall then also provide disclosure of the intended communication to the Chair, or to the Vice-Chair if the Board member in question is the Chair.

6. For the purpose of black-out provisions, communications include telephone conversations, letters, and e-mail.
7. Black-out periods will cease when:
  - a. The Board authorizes staff or the investment consultant to negotiate a contractual arrangement with a successful bidder, or the search process is otherwise ended by the Board, or
  - b. The black-out period is otherwise ended by the Board.
8. All MCERA service providers shall be provided with a copy of the Black-out Policy provisions and shall be asked to agree in writing to comply with its provisions.
9. All Requests for Proposals (RFP) shall include the black-out Policy provisions and require that prospective service providers comply with its provisions during the selection process.

## **V.POLICY REVIEW**

This Policy is subject to change in the exercise of the Board's judgment. The Board shall review this Charter at least every three years to ensure that it remains relevant and appropriate and consistent with state and federal laws and regulations. In the event of legislative changes to the pertinent sections addressed in the Policy, the Board will review the Policy as appropriate.

## **VI.POLICY HISTORY**

The Board adopted this policy on October 16, 2013.

The Board amended this policy on February 15, 2017

The Board reviewed this policy on January 15, 2020.