



**GOVERNANCE COMMITTEE MEETING
Wednesday, March 18, 2015**

**Highland Care Pavilion Conference Center
1411 East 31st Street Oakland, CA 94602
Marla Cox, Clerk of the Board
(510) 535-7515**

**LOCATION:
HCP Conference Center**

MINUTES

OPEN SESSION / ROLL CALL: 8:35am

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Valerie D. Lewis, Joe DeVries, and James Potter.

TAB #1 ACTION: Consent Agenda

Approval of the Minutes of the January 14, 2015 Governance Committee Meeting and the February 25, 2015 Special Governance Committee Meeting.

The Committee motioned to approve the January 2015 minutes pending a change in the wording to Tab 6, which will be updated to reflect that the board member search may take place in the South or East County.

Action: The Committee motioned to approve the January 2015 Governance Committee minutes, pending an edit in wording to Tab 6. Trustee DeVries motioned to approve. Trustee Potter seconded the motion.

AYES: Trustees DeVries, Lewis, and Potter.

NAYS: None

Abstention: None

Motion passed.

Action: The Committee motioned to approve the February 2015 Governance Committee minutes. Trustee Potter motioned to approve. Trustee Lewis seconded the motion.

AYES: Trustees Lewis, and Potter.

NAYS: None

Abstention: Trustee DeVries.

Motion passed.

END OF CONSENT AGENDA

TAB #2 DISCUSSION: Board of Supervisors Bylaws Amendment

Valerie Lawrence, Chair, addressed the current status of the Governance Committee's letter in response to the Board of Supervisors proposed amendments to the Board of Trustee Bylaws. Trustee Lawrence summarized that the letter was sent to and reviewed by the Executive Committee, who recommended certain changes that were agreed to, after which the letter should have gone out. It appears certain members of the Board of Supervisors were made aware of the letter or possibly received a copy of the draft letter, and requested that the letter not be sent. Subsequently, the letter was not sent formally. The Committee was not made aware of the request to delay sending the letter and the present staff could not articulate which Supervisor made the request. The Trustees expressed concern that the Governance Committee's directive was not completed, noting in particular that staff failed to apprise the Committee of communication from the Supervisors. The Committee discussed the resulting process and authority breakdown. Trustee DeVries noted that failure to send the letter creates more opportunity for misunderstanding between the two Boards. Trustee Lewis recommended that communication with the Board of Supervisors be handled by the Board of Trustees President to find out if and why a request was made not to send the letter, and to clear up any miscommunication. Trustee DeVries noted that, although the letter was not formally sent out, the Bylaws item was pulled from the Supervisor's agenda for March 3, 2015.

The Committee recommended that the President of the Board of Trustees close the loop with the Board of Supervisors regarding this miscommunication. The Committee also recommended that the Executive Committee follow up in its action regarding letter. The Committee will also look into the process by which this series of miscommunications occurred. Lastly, Trustee Lewis reiterated the concern of the Governance Committee that their directives were not carried out by staff and management, and that the decision was made by someone other than the Board of Trustees. The Committee requested that this discussion be included in the agenda for the full Board of Trustees meeting in March. The Committee requested that staff check weekly and inform the Committee once the Bylaw discussion is put on the Supervisors agenda.

TAB #3 DISCUSSION: Spring 2015 Retreat Planning

CarlaDenise Edwards, Chief Strategy Officer, presented a draft list of agenda items that were developed in conjunction with the Interim CEO. The CSO also provided the Committee with a draft agenda, not yet reviewed by the Interim CEO. The Committee reviewed this document and discussed the proposed topics. Trustee Lewis recommended that the Board have the financial discussion prior to the strategic plan discussion. Trustee Lewis also requested that along with financial and operational data, management should provide relevant changes to healthcare reimbursement and other outside factors that affect the strategic plan. During the San Leandro and Alameda Hospital agenda item, Trustee Potter would like to see a comparison of the initial merger goals and data as compared to our current goals and status.

The Committee recommended that the order of discussion be as follows: the Enabling Legislation and role of the Board, the San Leandro and Alameda Hospital operations and strategy, the financial plan, and finally the organization-wide strategy conversation. In response to concerns from the Committee, the CSO clarified that one of the strategic pillars specifically discusses workforce development and labor relations. The CSO will be revising the proposed draft agenda to reflect the Committee's guidance and requests.

TAB #4 DISCUSSION: Board Succession Planning

Trustee Lewis reiterated the Governance Committee's previous recommendation that the Board of Trustees continue 2015 with the current slate of officers, Kirk Miller, Valerie Lewis, and Patricia Scates. The 2015 slate is currently still pending Board approval. Trustee Lewis also noted that no names or recommendations have been received for the current vacancy on the Board of Trustees. The Committee discussed the need for succession planning for the 2016 Board officers and chairs after Trustees Kirk Miller and Valerie Lewis complete their terms. The Trustees discussed the need for staggered terms in order to prepare the Board's leadership bench as members continue to term out. This would allow the Board to ensure that vacancies fulfill any necessary gaps in expertise.

The Governance Committee agreed to recommend that the AHS Board of Trustees recommend to the Alameda County Board of Supervisors that the current vacancy be filled for a specific term that allows the Trustees to maintain a cohort structure.

TAB #5 DISCUSSION: Conflict of Interest Policy – Review of Positions Designated to File Form 700

Mike Moye, Interim General Counsel, explained to the Committee that there is a biennial requirement to fulfill the Conflict of Interest code. The General Counsel pointed out that the Board holds discretion over the specific schedules required to be filed by the organization's designated positions. The organization currently requires schedules A2, C, B, and E, which are typical of organizations similar to this one. The General Counsel advised the Committee that the list of positions designated to file Form 700 must be updated to reflect positions that are no longer required to file and updated to include new positions that should be designated to file. The basic criteria for designated positions is that the filer makes or participates in governmental decision making for the organization, such as signing contracts, etc. The Governance Committee requested that the Chief Human Resources Officer provide continual updates to the Governance Committee chair of any updates to the list of designated positions. Trustee Potter requested that the Director of Contracts position be included in the designated list and that staff bring the updated list for all future reviews of the designated positions.

The Governance Committee requested that the CEO or CHRO provide additional reminders to physicians and other designated positions regarding the acceptance of gifts.

Action: The Committee motioned to approve the list of designated positions required to file Conflict of Interest forms pending the addition of the Director of Contracts and the requested administrative corrections. Trustee Potter motioned to approve. Trustee DeVries seconded the motion.

AYES: Trustees DeVries, Lewis, and Potter.

NAYS: None

Abstention: None

Motion passed.

TAB #6 REPORT: Board Governance Item – Serial Meetings

Trustee Lewis clarified that the as part of their Board Report and as part of an effort to assist the organization, the Governance Committee would like to offer educational training. The Interim General Counsel should be available for questions during the report, but is not required to provide the presentations for the Committee. The General Counsel quickly reviewed a draft presentation of the level of detail the Committee might expect to present to the Board. Trustee Potter requested that presentations be posted on Board Effects for reference after each report to the Board.

The Committee discussed the requirement, effective 2015, for the capturing of individual votes during a motion. Trustee Lewis also noted that until a Committee or Board has voted to approve the minutes, they are not able to be posted online and for the public; this makes it difficult to address requests for minutes and review.

TAB #7 UPDATE: Community Events and Community Advisory Council

CarlaDenise Edwards, Chief Strategy Officer, noted that the Committee was provided with the dates and times for previous and upcoming community events. The CSO noted that the Committee had at one point requested that staff postpone efforts around the Community Advisory Council until after the CEO search was completed. Trustee Lewis noted that the Trustees had requested that David Cox, Chief Financial Officer, create a few slides explaining how the organization got to the present financial situation in anticipating of this question coming up at future staff and community events.

Trustee Lewis repeated the Committee's frustration with lack of process regarding communication between management and the Board of Supervisors. The Governance Committee had previously directed staff to move forward with the Community Advisory Council. However, it appears that work on the Advisory Council was stalled due to some concern expressed by a Supervisor. The Committee also clarified to staff that they had previously reminded staff that they must work with the Board and Governance Committee on efforts surrounding the Community Advisory Council.

Terri Lightfoot, Director of Government and Community Relations, noted that about a dozen respondents have expressed interest for consideration to be on the council. Trustee Lewis clarified that all communication to the public and applications to the Advisory Council should be brought back to this Committee for review. The Committee directed staff to include a presentation slide and a sign-up sheet at all upcoming Community Meetings to increase interest and candidate pool for the Advisory Council. Trustee Lewis clarified that 2 presentation slides be created with a description of the Advisory Council and application instructions.

TAB #8 INFORMATION: Annual Governance Committee Work Plan & Issue Tracking

A. Issue Tracking

Trustee Lewis noted that she had also requested that closed items be included in the tracking document.

B. 2015 Governance Committee Work Plan

The Committee requested that current items be updated and that the retreat should be reflected on the tracking document.

Public Comments – None


Board of Trustees Remarks – None

ADJOURNMENT - 10:37AM

Respectfully Submitted by:


Maria D. Cox
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: 
Mike Moye
Interim General Counsel