



**GOVERNANCE COMMITTEE MEETING
WEDNESDAY, April 9, 2014**

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

MINUTES

OPEN SESSION / ROLL CALL – 8:43 AM – Closed Session

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Valerie D. Lewis, J. Bennett Tate, Kirk Miller

Non-voting Guest: Roger Witalis

TAB #1 ACTION: Approval of Minutes

A motion was made and seconded, and the Committee approved the minutes of the March 12, 2014 Governance Committee meeting.

TAB #2 UPDATE / DISCUSSION: Trustee Appointments / Re-appointments / Identification & Development of Future Trustees

Trustee Lewis discussed the number of current openings with Trustees rotating off the Board and the process of identification of Trustee candidates from a class standpoint as well as the need for a succession planning process to prepare for additional openings. The Board has received nominations for Patricia Scates and James Potter. Trustee Lewis asked if we had a third candidate. Wright Lassiter, III, CEO stated would share an additional resume once a question regarding residency is confirmed.

Josie Baltodano, Foundation Board Chair spoke with Mr. Lassiter and Trustee Miller indicating that Eleanor Webb, President of Laney College expressed interest in assisting the organization and as foundation chair spoke with her regarding her interests. Ms. Baltodano felt that Dr. Webb was more interested in a system board role versus a foundation role. Mr. Lassiter's special assistant will reach out to Dr. Webb's office to obtain a copy of her resume so it can formerly be submitted to the Board. Her interest will be confirmed before the next Governance Committee meeting.

A. UPDATE: Identification and Development of Future Trustees

Trustee Tate will keep the committee informed of other candidates

B. ACTION: Trustee Nominations

- *Patricia Scates*
- *James Potter*
- *Other Candidates for Nomination*

Trustee Tate will follow-up and communicate to the Board of Trustees via email. Wright had a conversation with the Immediate Past Chair of Alameda Hospital and she indicated they would be discussing the perimeters around making recommendations to AHS at their board meeting in early May and plan to have formal action and submission of their recommendations soon. Wright Lassiter, III, CEO, was asked to pass a message to the board to let them know that if there is any guidance, advice or counsel that AHS Board wants to provide to them, to do so in advance before the May meeting. He requested a memo detailing Governance guidelines; candidate identification; priority competencies and Board expectations for recruitment. The Clerk of the Board will draft the memo with Trustees Miller and Lewis' signatures to send to the BOS.

Mr. Lassiter updated the Committee on two firms to assist in identifying candidates; recommended by Trustee Boggan; Avon Partners has done a lot of work for the California Endowment; recommended by Trust Miller, Caldwell Partners, a full service search firm has board experience.

TAB #3 DISCUSSION: Executive Succession Planning

No discussion

TAB #4 DISCUSSION: CEO Review Process

Trustee Lewis requested the CEO review process be formalized to include a timeline. The process should begin September/October, with the goal of the Executive Committee meeting by November/December, and the review shared with the CEO in January. Trustee Lewis feels compensation should be included in the process. Trustee Tate agrees that there should be a timeline and asked how the process was done in the past. Mr. Lassiter stated in the past, he gave the assessment of the prior year by September allowing 60 days for the Committee to submit for the fiscal year, and 30 days to draft it. The audit is used as a timeframe, normally in October. The Board does not see the financials until November.

TAB #5 DISCUSSION: New Trustee Orientation Plan

Carladdenise incorporated the Governance Committee and Roger Witalis' feedback. She met with Mr. Lassiter about the flow and how to engage the subject matter experts. The COB is working to establish the first orientation date with the new Trustees. Trustee Lewis would like the strategic goals discussed with new Trustees and suggested a training manual. Carladdenise is in the process of completing the manual and will courier the full binder to Trustees Lewis and Miller for input.

TAB #6 DISCUSSION: Spring 2014 Retreat Planning

Mr. Lassiter covered topics that will be discussed at the Retreat; a revised draft agenda will go out on Monday, April 14, 2014:

- AHS' Evolution to Becoming an Integrated Delivery System
- Integration of Acquisitions: (Financial/Services/Metrics)
- Physician-Hospital Organization
- Safety, Quality & Service Imperatives for US Health Systems and Implication for AHS
- System Functions vs. Campus-based functions
- Financial Landscape for AHS
- MD-Health System Relations

TAB #7 INFORMATION: Annual Governance Committee Work Plan & Issue Tracking

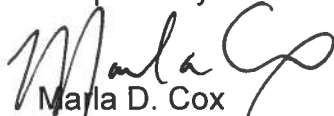
No discussion

Public Comments – No Comment

Board of Trustees Remarks – No Comment

ADJOURNMENT – 10:50am

Respectfully Submitted,


Marla D. Cox
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by:


Douglas Habig, Esq.
General Counsel