

**GOVERNANCE COMMITTEE**

Thursday, May 26, 2011, 8:00 a.m.

William Green Building

30 West Spring Street, 2<sup>nd</sup> Floor (Mezzanine)

Columbus, Ohio 43215

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Members Present: Larry Price, Chair  
Thomas Pitts, Vice-Chair  
Kenneth Haffey  
Mark Palmer  
Nicholas Zuk

Members Absent: None

Other Directors Present: David Caldwell, James Hummel, James Matesich,  
Robert Smith, Stephen Lehecka, Mark Palmer, Dewey  
Stokes

Counsel Present: Janyce Katz, Assistant Attorney General

Staff Present: Stephen Buehrer, Administrator  
Donald Berno, Board Liaison

Scribe: Jill Whitworth

**CALL TO ORDER**

Mr. Price called the meeting to order at 8:00 AM and the roll call was taken.

**MINUTES OF MARCH 24, 2011**

The minutes were approved without changes by unanimous roll call vote on a motion by Mr. Pitts, seconded by Mr. Haffey.

**REVIEW/APPROVE AGENDA**

There were no changes to the agenda. The agenda was approved by unanimous roll call vote on a motion by Mr. Zuk, seconded by Mr. Pitts.

**NEW BUSINESS / ACTION ITEMS**

**1. Review and Approve FY 2011 Board Self-Assessment Materials**

Donald Berno, Board Liaison reviewed the draft Board Self-Assessment materials. Mr. Berno's presentation included references to the memorandum dated May 16,

2011, entitled “Annual Board Self-Assessment Process – FY 2011” and attachments thereto, which are incorporated by reference into the minutes.

Mr. Berno advised that this process is done yearly to make sure the Board is following governance best practices. It is also required by New York Stock Exchange public companies. Mr. Berno discussed the fairly tight timeline for completion of the assessment forms, which are to be returned to Fiduciary Counsel Ron O’Keefe. A discussion will follow in Executive Session at the June 2011 Board meeting, with approval in open session.

One change to the materials is a deletion of the question concerning the Administrator’s review process. No such review was done this year due to the change in administration.

Mr. Matesich asked about question 3 of the self-assessment involving management presentation of BWC business, and whether the question should be a separate inquiry by committee, or addressed in the “Comments” section. Mr. Price stated that in the past, specific committee topics were addressed in the “Comments” section, then compiled and discussed individually in Executive Session. He also stressed that the completed forms be submitted electronically to Mr. O’Keefe. Mr. Zuk asked if there were any suggested additions to the form. No response was forthcoming.

Mr. Zuk moved that the Governance Committee of the Workers’ Compensation Board of Directors recommend to the Board that it approve the Fiscal Year 2011 Board Self-Assessment form and process as discussed here today. The motion was seconded by Mr. Palmer and approved by unanimous roll call vote.

## **2. Revise Governance Guidelines**

Mr. Berno reviewed three changes to the Governance Guidelines where roll call votes will be changed to voice votes. Mr. Berno’s presentation included reference to the document entitled “Ohio Bureau of Workers’ Compensation Board Governance Guidelines” of November 19, 2010, with proposed amendments of May 25, 2011, which is incorporated by reference into the minutes. The proposed changes are as follows:

- Page 9, paragraph 3, the language is revised to read “To adjourn a Board or Committee meeting, a motion shall also be made and voted upon.” The last sentence of the paragraph is deleted.
- Page 10, paragraph 4, the language is revised to read, “In the event a Committee wishes to waive the second reading of a major policy decision or rule change, a motion to waive shall be submitted for consideration and voted upon.”
- Page 19, under “Delegation of Authority”, the language is revised to read, “After a vote by the Board affirming the motion delegating authority, the Board member(s) shall complete the task or duty according to the terms specified in the motion.”

Mr. Berno pointed out that there are no revisions on page 11 with respect to Executive Session. The requirement for a roll call vote to enter Executive Session is statutory.

Per a question from Mr. Caldwell, Mr. Price clarified that a committee chair may request a roll call if the voice vote is unclear. The minutes will reflect any dissenting vote. Mr. Palmer asked if a director may request a roll call. Mr. Price advised that this could be done by a motion, second and voice vote.

Mr. Haffey moved that the Governance Committee of the Workers' Compensation Board of Directors recommend that the Board adopt the amendments to the Governance Guidelines as discussed today. The motion was seconded by Mr. Palmer and approved by unanimous roll call vote.

### **3. Review meeting procedure changes**

Mr. Berno reviewed changes to meeting procedures based on additional review of Robert's Rules of Order. Mr. Berno's presentation included reference to the memorandum entitled "Committee and Board Meeting procedures" of May 16, 2011, which is incorporated by reference into the minutes.

In the interest of improving efficiency, there is a revised procedure for the committee chair to call a voice vote and announce the results on the record for the scribe to record in the minutes. This will be the procedure for approving the prior meeting minutes and current agenda.

There will also be a new procedure for use of the consent calendar. This will be used, with an abundance of caution, for approval of routine items, such as a second reading of rules with no changes, or NCCI manual classifications. A director can request an item be moved from the consent calendar to the regular agenda.

Mr. Smith emphasized that the second reading of rules is often very important. Mr. Price responded that this is intended for rules where there are no changes and no discussion would be required. Mr. Caldwell cautioned that new directors may have a different comfort level with respect to committee business that experienced directors may see as routine.

In response to a question from Mr. Pitts, Mr. Berno explained that the consent calendar would be an item under the individual committee report on the Board agenda. The Board will address each item individually and not have a consent calendar.

Mr. Price clarified that the intent of the consent calendar is for a committee to approve several routine items by one consolidated vote. An item can be removed from the consent calendar by request of a director without a vote. That item will then be placed on the regular agenda. Mr. Price reiterated that matters will not be

expedited at the expense of good judgment, and the process can always be adjusted.

## **DISCUSSION ITEMS**

### **1. Committee Calendar**

Mr. Price reviewed the upcoming calendar for June. It will include recommendations for new committee assignments, and review of the FY 2012 Board education plan, which Mr. Berno stated is required by statute.

## **ADJOURNMENT**

Mr. Palmer moved to adjourn the meeting at 8:36 AM, seconded by Mr. Pitts and approved by unanimous roll call vote.

**GOVERNANCE COMMITTEE**

**Wednesday, June 15, 2011, 8:00 a.m.**

**William Green Building**

30 West Spring Street, 2<sup>nd</sup> Floor (Mezzanine)

Columbus, Ohio 43215

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Members Present: Nicholas Zuk  
Kenneth Haffey  
Mark Palmer

Members Absent: None

Other Directors Present: James Matesich, Robert Smith, David Caldwell, Stephen Lehecka, Dewey Stokes, Chan Cochran, Peggy Griffith, David Johnson

Counsel Present: Janyce Katz, Assistant Attorney General

Staff Present: Stephen Buehrer, Administrator  
Ann Shannon, Legal Counsel  
Donald Berno, Board Liaison

Scribe: Jill Whitworth

**CALL TO ORDER**

Mr. Zuk called the meeting to order at 8:00 AM and the roll call was taken. Mr. Zuk noted that due to the changes in director appointments, three members of the Governance Committee remain at present. He then appointed Mr. Haffey to chair the meeting.

**MINUTES OF MAY 26, 2011**

The minutes were approved without changes by unanimous voice vote on a motion by Mr. Palmer, seconded by Mr. Zuk.

**REVIEW/APPROVE AGENDA**

There were no changes to the agenda. The agenda was approved by unanimous voice vote.

**NEW BUSINESS / ACTION ITEMS**

**1. Make Recommendations to Board Chair for Committee Assignments**

Mr. Haffey explained that the Actuarial, Audit and Investment Committees are required by statute. The Board has the authority to create additional committees, and has used such authority to create the Governance Committee, and the Medical Services & Safety Committee. There must be at least three members per committee, but the Board has chosen to utilize five members per committee.

The Governance Committee will be recommending changes to the committee memberships based upon the appointment of new directors, and also a recommendation for the Board Vice- Chair.

Mr. Palmer moved that the Governance Committee of the BWC Board of Directors recommend to the Chairman of the Board of Directors the following new assignments:

For the BOARD VICE- CHAIR: Chan Cochran

For the ACTUARIAL COMMITTEE: Add Peggy Griffith  
Add Dave Johnson

For the INVESTMENT COMMITTEE: Add Chan Cochran

For the GOVERNANCE COMMITTEE: Add Director Palmer as Chair  
Add Chan Cochran as Vice-Chair  
Add Peggy Griffith

For the MEDICAL SERVICES AND SAFETY COMMITTEE:

Add Director Matesich as Chair  
Add Peggy Griffith as Vice-Chair  
Add Dave Johnson

There are no changes to the Audit Committee. In all other respects, the Committee assignments as previously approved by the Board will remain the same.

The motion was seconded by Mr. Zuk and approved by unanimous voice vote.

**ADJOURNMENT**

Mr. Zuk moved to adjourn the meeting at 8:07 AM, seconded by Mr. Palmer and approved by unanimous voice vote.