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## **Correspondence Memorandum**

**Date:** March 1, 2024

**To:** Executive Committee

**From:** Shirley Eckes, Deputy Secretary  
 Office of the Secretary

**Subject:** Board Member Meeting Participation Expectations

**This memo is for informational purposes only. No Committee action is required.**

### **Background**

On December 13, 2023, the Executive Committee (Committee) discussed the important role of the Employee Trust Funds (ETF) Board and the impact of the Wisconsin Retirement System (WRS) on members. They discussed ways to enhance ETF Board member engagement and, specifically, expectations for in-person meeting participation. This memo provides an overview of current written board member expectations and practices with options for Committee consideration at the June 19, 2024, meeting.

### **Current Expectations**

Within the *Governance Manual*, under "[Board Policies and Procedures](#)", attendance expectations have been set for all Governing Boards: ETF Board, Wisconsin Retirement (WR) Board, Teachers Retirement (TR) Board, Group Insurance Board (GIB), and Deferred Compensation (DC) Board. These include board meeting attendance, excerpt below:

#### ***Attendance of Meetings***

*Board meetings will be held in person or virtually as determined by ETF staff with guidance from the Board Chair. Board members are encouraged to attend Board meetings in person. While phone and electronic attendance is permitted in special situations, such as a business continuity event, it is not optimal because connectivity can cause issues with the quality of the meeting and with maintaining quorum. In-person attendance also enhances the overall meeting experience through member engagement and communications. Members who desire to attend Board meetings virtually must consult with ETF staff before the meeting to determine how to attend.*

Reviewed and approved by John Voelker, Secretary  
 Electronically Signed 03/01/2024

Board	Mtg Date	Item #
EXC	03.27.24	4A

Specific attendance expectations were approved by the five ETF Boards in fiscal year 2023 to establish the “new normal” for Board meetings post-COVID. During COVID, virtual attendance became technologically available and was the only means for Boards to conduct business.

In the drafting process of the current “Board Policies and Procedures” document, there were discussions of whether to include additional attendance requirements for Board members and to incorporate related enforcement measures including, but not limited to, voting to remove a member. Policies of peers, such as the State Teachers Retirement System of Ohio (STRSO), require:

- In-person attendance for at least 50% of the scheduled calendar meetings.
- At any one Board meeting, at least one-third of the Board members must attend in person.
- Unless an emergency exists, Board members must seek approval from the Board Chair at least 48 hours in advance of attending a meeting remotely.

At the time of drafting ETF’s current policy, ETF staff decided against recommending mandated in-person attendance and related enforcement action, in favor of providing flexibility to individual Board Chairs and individual Board members’ circumstances.

Current practice suggests that in-person attendance varies by Board, and ETF staff have begun to reinforce attendance expectations as part of new board member orientation. Generally, members attend the DC Board meetings in person. The WR and TR Board members tend to participate virtually, unless it aligns with a joint meeting of the ETF, WR, and TR Boards, whereby some members attend in person. The majority of ETF and GIB members attend in person. There are two members who serve on both ETF and GIB, where one traditionally attends virtually while the other attends in person.

### **Options for Consideration for June Committee Meeting**

1. Retain current policy and reinforce it through administrative practices that may include:
  - a. Board Chair reminds members of attendance expectations and the process to seek an exception to participate virtually.
  - b. ETF develops an escalation process, whereby the Board Chair contacts an individual member who has not attended in person X number of times.
  - c. ETF staff emphasizes attendance expectations in board orientation, fiduciary training, or other cyclical board trainings.
2. Revise policy, either specific to ETF Board, applicable to ETF, WR and TR Boards, or for all Boards. Any policy change would require individual Board approval. Policy enhancements could include the following:
  - a. Require member to consult with Board Chair rather than ETF staff.

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- b. Specify the special circumstances to waive in-person attendance, such as for unreasonably long travel time or health reasons.
- c. Require members to attend specific meetings or a specific number of meetings in person.
- d. Revise “Board Policy and Procedures” language within “Board Member Code of Conduct and Personal Ethics” and “Voting to Remove or Censure a Board Member” to provide added enforcement action.

Staff will be at the Committee meeting to answer any questions.