

I can no longer keep silent about the “charges” against me. These charges are about control and the comfort level of some Board members and staff. They are not in the best interests of the members.

I have tried to be cooperative, but recent events have shown that my cooperation has been taken as tacit agreement that the charges are legitimate. They are NOT.

At the Board’s January offsite meeting, Bill Slaton publicly called for my resignation. He further requested that if I failed to resign, the Board should take disciplinary action against me. Rob Feckner agreed to put the issue on the agenda even though Slaton refused to identify any specific violation.

It appears that Slaton could not document any violations so he turned to staff to come up with charges that are so weak that they have tried to keep them confidential.

Public demand for resignation. Secret charges. Secret review. No opportunity for a public defense or public exoneration. Looks less like an investigation and more like a witch-hunt.

I was accused of disclosing closed session material by publicly saying at the November Finance and Administration Committee open meeting that we had adopted a new asset allocation. Somehow staff forgot that they had published a September meeting notice that scheduled an ACTION item on a NEW ASSET ALLOCATION. They also overlooked the fact that Ted Eliopoulos, the Chief Investment Officer, said just the day before at the Investment Committee open session that we had adopted a new asset allocation.

I was accused of sending an email that revealed some of the details of what FTI had disclosed in closed session. The detail was that FTI had found no violations of the Limited Partnership Agreements it examined for compliance.

As Bill Staton and the CalPERS staff knows and as FTI has acknowledged, the NY Times had a copy of the FTI draft report even before anything was reported to the Board. It’s hard to believe that anyone would claim that information in the possession of the NY Times is secret.

When it was pointed out to Mr. Slaton that he had been emailed a copy of the draft report, his position changed. He then said that I was in violation because my email confirmed that we had hired FTI. The problem with that is that CalPERS had already published a report showing that FTI had been hired by the Private Equity Unit to review contract compliance.

Mr. Feckner has found that there was no substantial basis for discipline but has directed that I receive “further training” on the Bagley-Keene Act. I have never objected to or rejected training. In fact, attending the California Bar Association 2017 California Public Records & Open Meeting Conference is something I would have requested if I had been aware of it.

The reason I’m coming forward now is that while Mr. Feckner and I were trying unsuccessfully to agree on a statement to be made by Mr. Feckner on this issue, two new issues arose.

I received an email from the Council of Institutional Investors disclosing the publication of a report on how ESG factors were being incorporated into investment decisions. The email had a link to the report and a link to some webinars to discuss the report. I forwarded a copy of the email to a majority of the Board as an FYI. I did not encourage anyone to read the report or participate in the webinars. I also did not discourage anyone from doing so. Yet I am again being charged with wrongdoing—conducting a closed serial meeting.

Next, I asked to see some contracts staff had signed under its delegated authority. Those contracts should be public information. However, was told I by Matt Jacobs, our Chief Counsel, I could see it only with the following conditions:

- I had to read the contracts at headquarters,
- I could read only under the supervision of staff,
- I could take only minimal notes, and
- I could only discuss the contract with law enforcement.

It is clear the charges against me are not about confidentiality or Bagley-Keene. They are NOT about the best interests of the members or the Board's fiduciary responsibility to them. They are all about staff control and the Board's abdication of its responsibility.