

**SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
BOARD POLICY ON PUBLIC MEMBERS OF THE AUDIT COMMITTEE**

**I. PURPOSE**

This Policy sets forth the rights and duties of and the selection process for Public Members of the Audit Committee (Committee).

This Policy augments sections of the *Board Operations Policy* and is intended to be consistent with the Ralph M. Brown Act, Government Code §54950, et. seq. (Ralph M. Brown Act). Where there is a conflict between the provisions of this Policy and the Ralph M. Brown Act, the latter will prevail.

**II. POLICY GUIDELINES**

**A. Public Member**

A Public Member is defined as a person appointed by the Board to serve on the Committee who is not a Board Member and who is independent from the Board and SDCERA.

**B. Rights and Duties of Public Members**

1. With respect to Committee business, the Public Members shall each have the same rights, privileges, fiduciary duties and responsibilities as the Committee Board Members.
2. The Public Members shall enjoy the protections afforded to Board Members in the *Policy on Defense and Indemnification of Board of Retirement Members*.
3. Public Members shall possess the following qualifications:
  - a) Experience in management, finance, accounting, auditing, law, or any other relevant experience as determined by the Board.
  - b) Public Members shall be independent from SDCERA and the Board. They shall not be associated with any SDCERA plan sponsor in any capacity, or be Members of an SDCERA retirement or health plan.

4. The two Public Members shall be appointed for staggered terms of three years each. The inaugural appointments in 2016 shall have one Public Member serving a two-year term and one Public Member serving a three-year term. The Board may re-appoint any Public Member to serve a second consecutive term. Public Members will be limited to a maximum of six consecutive years on the Committee and an interval of one year must pass before such persons can be reappointed as Public Members of the Committee.

**C. Selection Process for Public Members**

1. Public Members will be selected by the following process:
  - a) Board Members and the Chief Executive Officer may recommend candidates for the position.
  - b) Candidates must provide a letter of interest, a resume and a statement of relevant professional and governance experience to the Chief Executive Officer, who will present the list of all candidates and their supporting materials to the Committee.
  - c) The Committee will review candidate information and interview selected candidates.
  - d) The Committee will make a recommendation to appoint one person for each open Public Member position to the Board.
  - e) The Board will make the final selection to appoint a Public Member to the Committee.
2. If a Public Member resigns, dies or otherwise permanently vacates their position, a replacement will be selected in accordance with this Policy to serve for the balance of the term.

**REVIEW**

This Policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

**HISTORY**

January 21, 2016	Adopted, effective immediately
August 17, 2017	Revised, effective immediately