



Surprise! Some CalPERS Board Members Can Attend Meetings And Vote By Proxy

By Keith Paul Bishop on December 12, 2011

CalPERS' Domestic [Principles of Accountable Corporate Governance](#) (United States) unequivocally assert:

No director can fulfill his or her potential as an effective board member without a personal dedication of time and energy.

The same principle would seem to apply to members of CalPERS' own Board of Administration. Surprisingly, however, state law allows two members of the CalPERS Board to send proxies to meetings. These two members are the elected local government official appointed by the Governor (currently, [Tony Oliveira](#)) and the Director of the [Department of Administration](#) (currently, [Ronald Yank](#)). Government Code Section 20090.1. Under the statute, the deputies may exercise the same powers that the elected official or Director could exercise if he or she were personally present. The designating official or Director are responsible for the acts of the deputy. This special right, conferred on only two of the 13 members of CalPERS' Board reminds one of the right of English peers as related by Sir William Blackstone in his famous *Commentaries on the Laws of England*:

ANOTHER privilege is, that every peer, by license obtained from the king, may make another lord of parliament his proxy, to vote for him in his absence.

(footnote omitted).

Lawyers representing private corporations are occasionally asked whether a director can send a proxy to a board meeting. Under California's General Corporation Law, this is not permitted because directors must be present personally or by conference telephone or other specified means (Section 307). Even if permitted, it wouldn't be a good idea. Directors, like members of the CalPERS Board, are fiduciaries and they should not be delegating these important personal responsibilities to others. As Sir Blackstone noted the privilege of peers to send a proxy did not extend to members of the House of Commons:

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A privilege which a member of the other house can by no means have, as he is himself but a proxy for a multitude of people.

(footnote omitted).

Profecto, Mirabile Dictu!



The Ivy League isn't known as a basketball powerhouse. Thus, it's worth noting that Harvard College has made it into the [AP Top 25](#), a feat not achieved by any school in California. Fight Fiercely!

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