



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (FUND RHCTF)
2.1 - GOVERNANCE PRINCIPLES OF THE RHCTF BOARD

Style Definition: Heading 2: Indent: Left: 0", First line: 0", Space After: 0 pt, Line spacing: Exactly 13 pt

- 1) Board members shall carry out their duties with the highest standards of ethics, integrity, and fiduciary duty.
- ~~2) Whether the Board has made prudent decisions will be judge primarily by the decision-making process the Board employed.~~
- ~~3) 2) The Board's approach to governance will be proactive rather than reactive; that is, the Board will attempt to address issues of importance before they become urgent.~~
- ~~4) 3) Board and staff roles must be clear and distinct from one another; the Board's role is to set policy and oversee the trust fund, while staff's role is to manage provide administrative support for the trust fund Board.~~
- ~~5) The Board can influence the trust fund most effectively through the setting, monitoring, and refinement of Board policy.~~
- ~~6) 4) The Board will devote the majority of its attention to items that have the potential to significantly impact the success of the Fund.~~
- ~~7) 5) The Board shall hold itself and its staff members accountable for meeting high standards of fiduciary excellence.~~
- ~~8) 6) To be effective, the Board must work towards developing its own knowledge regarding managing Fund assets.~~
- ~~9) 7) The Board's role extends equally to both investments and Fund administration.~~
- ~~10) 8) The governance of the Fund will be treated as an important duty and distinct function.~~
- ~~11) 9) The Board's governance policies will be modified as needed living documents.~~
- ~~12) 10) With respect to the Fund, Board members do not have power as individuals, but only as part of the Board as a whole.~~
- 11) The role of committees is to perform in-depth discussion and review of Board business, or serve as a forum for education, and to enable the full Board to make informed final decisions in an efficient manner.

Review

The Board shall review these governance principals at least every two (2) years.