

LIVE VIRTUAL BOARD MEETING

*

*This meeting will take place following the Committee meeting being held prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing PublicComment@lacera.com. If you would like to remain anonymous at the meeting without stating your name, please let us know.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

AGENDA

A REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CALIFORNIA 91101

9:00 A.M.*, WEDNESDAY, MAY 11, 2022

This meeting will be conducted by teleconference under California Government Code Section 54953(e).

Any person may view the meeting online at
<http://www.lacera.com/leadership/board-meetings>

*The Board may take action on any item on the agenda,
and agenda items may be taken out of order.*

I. CALL TO ORDER

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of April 13, 2022

III. REPORT ON CLOSED SESSION ITEMS

IV. PUBLIC COMMENT

(Written Public Comment - You may submit written public comments by email to PublicComment@lacera.com. Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.

Verbal Public Comment - You may also request to address the Board. A request to speak may be submitted via email to PublicComment@lacera.com before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)

V. CHIEF EXECUTIVE OFFICER'S REPORT (Memo dated April 25, 2022)

VI. CHIEF INVESTMENT OFFICER'S REPORT
(Presentation dated May 11, 2022)

VII. CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approves that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated April 26, 2022)
- B. Recommendation that the Board approve attendance of Trustees at the Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School in Cambridge, Massachusetts on July 17 – July 22, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated April 18, 2022) (Placed on the agenda at the request of Trustee Patrick Jones)
- C. Recommendation that the Board Approve attendance of Trustees at the RFK Compass Summer Investors Conference in Chatham, Massachusetts on June 14 – 15, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated April 22, 2022) (Placed on the agenda at the request of Trustee Santos)
- D. Recommendation as submitted by Herman Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised Education and Travel Policies. (Memo dated April 25, 2022) (Supplemental Memo re Board of Retirement Revisions to JOGC's Proposed Trustee Travel Policy) (Memo dated May 5, 2022)
- E. Recommendation as submitted by Herman Santos, Chair, Equity Public Private Committee: That the Board approve the proposed minimum qualifications, evaluation criteria, and scope of work for a global equity emerging separate account manager(s) advanced by the Equity Committee. (Memo dated April 22, 2022)

VIII. REPORTS

- A. Board Trustees Return to The Boardroom Discussion as Requested by
Trustee Kelly
Santos H. Kreimann, Chief Executive Officer
(Memo dated May 3, 2022)
- B. Board Actions and Opinions on Legislation Found to be Contrary to
LACERA Interests and Values as Requested by Trustee Kelly
Santos H. Kreimann, Chief Executive Officer
(For Information Only) (Memo dated May 3, 2022)
- C. Monthly Status Report on Legislation
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated April 25, 2022)
- D. Legal Projects
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated May 2, 2022)
- E. Monthly Travel & Education Report – March 2022
Ted Granger, Interim Chief Financial Officer
(Public Memo dated April 15, 2022)
(Confidential Memo dated April 15, 2022 – Includes Anticipated Travel)
- F. April 2022 Fiduciary Counsel Contact and Billing Report
Steven P. Rice, Chief Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication/Attorney Work Product)
(For Information Only) (Memo dated April 25, 2022)

IX. ITEMS FOR STAFF REVIEW

- X. GOOD OF THE ORDER
(For information purposes only)

XI. EXECUTIVE SESSION

- A. Conference with Staff and Legal Counsel to Consider the Purchase or
Sale of Particular, Specific Pension Fund Investments
(Pursuant to California Government Code Section 54956.81)

XI. EXECUTIVE SESSION (Continued)

1. DIF Core-Plus Infrastructure Fund III
Jim Rice, Principal Investment Officer
Noah Damsky, Senior Investment Analyst
(Memo dated April 29, 2022)
2. Oaktree Transportation Infrastructure Capital Partners, L.P.
James Rice, Principal Investment Officer
Daniel Joye, Investment Officer
(Memo dated April 27, 2022)
3. Private Equity Investment Update
Cheryl Lu, Investment Officer
Derek Kong, Investment Officer
(For Information Only) (Memo dated April 13, 2022)

XII. ADJOURNMENT

**Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Committee meeting preceding it.*

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Investments that are distributed to members of the Board of Investments less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Investments Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days' notice before the meeting date.

Requests for reasonable modification or accommodation of the telephone public access and procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email PublicComment@lacera.com, but no later than 48 hours prior to the time the meeting is to commence.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CALIFORNIA 91101

9:00 A.M., WEDNESDAY, APRIL 13, 2022

*This meeting was conducted by teleconference under California Government Code
Section 54953(e).*

PRESENT: David Green, Vice Chair

Elizabeth Greenwood

Onyx Jones

Patrick Jones

Joseph Kelly

Keith Knox

Gina Sanchez

ABSENT: Herman Santos, Chair

Shawn Kehoe, Secretary

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

Steven P. Rice, Chief Counsel

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Christine Roseland, Senior Staff Counsel

Christopher Wagner, Principal Investment Officer

James Rice, Principal Investment Officer

Jude Perez, Principal Investment Officer

Esmeralda del Bosque, Acting Principal Investment Officer

Scott Zdrazil, Senior Investment Officer

Pushpam Jain, Investment Officer

Derek Kong, Investment Officer

Meketa Investment Group (General Investment Consultants)

Leandro Festino, Managing Principal

Timothy Filla, Managing Principal/ Portfolio Consultant

Aysun Kilic, Executive Vice President/Consultant and Portfolio Strategist

Albourne (Real Assets ex-Real Estate, Illiquid Credit & Hedge Funds Consultant)

Mark White, Head of Real Assets

James Walsh, Partner

Steven Kennedy, Partner

StepStone Group LP (Real Estate Consultants)

Thomas Hester, Managing Director

Margaret McKnight, Partner

I. CALL TO ORDER

The meeting was called to order virtually by Mr. Green at 9:05 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of March 9, 2022

Mr. Knox made a motion, Ms. Sanchez seconded, to approve the minutes of the regular meeting of March 9, 2022, with certain corrections described by Mr. Kelly. The motion passed (roll call) with Messrs. Green, P. Jones, Kelly, Knox, and Ms. Sanchez, Greenwood and O. Jones voting yes. Messrs. Santos and Kehoe were absent for the vote.

III. REPORT ON CLOSED SESSION ITEM

There was nothing to report.

IV. PUBLIC COMMENT

Jordan Ash addressed the Board regarding ServPro. The Board also received two written comments regarding the same matter.

V. CHIEF EXECUTIVE OFFICER'S REPORT (Memo dated March 21, 2022)

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report.

VI. CHIEF INVESTMENT OFFICER'S REPORT (Presentation dated April 13, 2022)

Mr. Grabel provided a brief presentation on the Chief Investment Officer's Report.

VII. CONSENT ITEMS

Ms. Sanchez made a motion, Ms. Greenwood seconded, to approve the following consent items, VII.A and B. The motion passed (roll call) with Messrs. Green, P. Jones, Kelly, Knox, and Ms. Sanchez, Greenwood and O. Jones voting yes. Messrs. Santos and Kehoe were absent for the vote.

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approves that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated March 25, 2022)
- B. Recommendation that the Board approve attendance of Trustees at the 19th Annual Consortium 2022 Diverse plus Women Managers Conference on June 14 – 15, 2022 in New York, New York and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies and grant an exception to the minimum of five hours per day education requirement given the half day schedule on day one of the conference, the strength of the entirety of the three-day agenda, and the added importance to support diversity, equity and inclusion in all LACERA business practices. (Memo dated March 21, 2022) (Placed on the agenda at the request of Trustee Santos)

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Scott Zdrazil, Senior Investment Officer: That the Board of Investments deliberate whether to nominate a candidate to the International Corporate Governance Network's Board of Governors. (Memo dated March 15, 2022)

Mr. Zdrazil was present and answered question from the Board. This item was received and filed.

IX. REPORTS

- A. Securities Lending Program - 2021 Annual Review
Vache Mahseredjian, Principal Investment Officer
(For Information Only) (Memo dated March 13, 2022)

This item was received and filed.

- B. Council of Institutional Investors Voting Items
Scott Zdrazil, Senior Investment Officer
(For Information Only) (Memo dated March 13, 2022)

This item was received and filed.

- C. Real Estate Recoveries Report
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated March 31, 2022)

This item was received and filed.

- D. Monthly Status Report on Legislation
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated March 24, 2022)

This item was received and filed.

- E. Internal Audit's 2022 Quality Assessment Report
Gina V. Sanchez, Chair, Audit Committee
(For Information Only) (Memo dated March 28, 2022)

This item was received and filed.

- F. Legal Projects
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated April 4, 2022)

This item was received and filed.

- G. Monthly Travel & Education Report – February 2022
Ted Granger, Interim Chief Financial Officer

(Public Memo dated March 16, 2022)

(Confidential Memo dated March 16, 2022– Includes Anticipated Travel)

This item was received and filed.

IX. REPORTS (Continued)

- H. March 2022 Fiduciary Counsel Contact and Billing Report
Steven P. Rice, Chief Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication/Attorney Work Product)
(For Information Only) (Memo dated March 29, 2022)

This item was received and filed.

- I. In Re FirstEnergy Corp. Securities Litigation
Michael D. Herrera, Senior Staff Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication)
(For Information Only) (Memo dated April 4, 2022)

This item was received and filed.

X. ITEMS FOR STAFF REVIEW

The Board requested that the return to the Boardroom for trustees be agendaized for discussion.

XI. GOOD OF THE ORDER
(For information purposes only)

The Board and staff welcomed Onyx Jones to the Board of Investments.

XII. EXECUTIVE SESSION

- A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments
(Pursuant to California Government Code Section 54956.81)
1. Advent International GPE X Limited Partnership
Christopher J. Wagner, Principal Investment Officer
Derek Kong, Investment Officer
(Memo dated March 29, 2022)

Messrs. Wagner and Kong and Ms. Walker of StepStone Group were present and answered questions from the Board.

XII. EXECUTIVE SESSION (Continued)

Mr. Kelly made a motion, Mr. Knox seconded, to approve a commitment of up to \$150 million to Advent International GPE X Limited Partnership, which is a global buyout fund with a sector focus in business and financial services, healthcare, industrials, retail, consumer and leisure, and technology, media, and telecom. The motion passed 5-2 (roll call), with Messrs. Green, Kelly, and Knox and Ms. O. Jones and Greenwood voting yes, and Mr. P. Jones and Ms. Sanchez voting no. Messrs. Kehoe and Santos were absent from the vote.

2. Cibus Fund II, L.P. and Cibus Enterprise Fund II, L.P.
James Rice, Principal Investment Officer
Pushpam Jain, Investment Officer
(Memo dated March 25, 2022)

Messrs. James Rice and Jain and Mr. White of Albourne provided a presentation and answered questions from the Board.

Ms. Greenwood made a motion, Ms. Sanchez seconded, to approve a commitment of up to \$80 million to Cibus Fund II, L.P. and up to \$20 million to Cibus Enterprise Fund II, L.P. These real asset funds pursue a sustainability-driven food and agriculture strategy, with a geographic focus primarily in Europe with some exposure to other OECD and non-OECD countries. Cibus Fund II will make small cap investments, and Enterprise Fund II will make venture capital investments. The motion passed (roll call), with Messrs. Green, P. Jones, Kelly, and Knox and Ms. O. Jones, Greenwood, and Sanchez voting yes. Messrs. Kehoe and Santos were absent from the vote.

XII. EXECUTIVE SESSION (Continued)

3. Global Equity Activist Managers
Esmeralda del Bosque, Acting Principal Investment Officer
(Memo dated March 24, 2022)

Ms. Del Bosque was present and answered questions from the Board. The Board took action, which will be reported out at a future date in accordance with the Brown Act.

4. Private Equity Investment Update - I
Derek Kong, Investment Officer
Didier Acevedo, Investment Officer
(For Information Only) (Memo dated March 29, 2022)

The Board received an information only report providing notice that, on February 1, 2022, LACERA completed a co-investment commitment of \$50 million alongside approved manager CVC Capital Partners. The commitment is compliant with the private equity co-investment guidelines.

5. Private Equity Investment Update - II
Derek Kong, Investment Officer
Didier Acevedo, Investment Officer
(For Information Only) (Memo dated March 29, 2022)

The Board received an information only report providing notice that, on January 21, 2022, LACERA completed a co-investment commitment of \$45 million alongside approved manager Clearlake Capital Partners. The commitment is compliant with the private equity co-investment guidelines.

6. Notice Of Re-Up Commitment of up to \$200 Million to Silver Lake Partners VII, L.P.
Christopher Wagner, Principal Investment Officer
Shelly P. Tilaye, Senior Investment Analyst
(For Information Only) (Memo dated March 30, 2022)

XII. EXECUTIVE SESSION (Continued)

The Board received an information only report providing notice that, in March 2022, the Chief Investment Officer approved a re-up commitment of up to \$200 million to Silver Lake Partners VII, L.P., which is a private equity global buyout fund. The fund has a sector focus in core technology, such as software and IT hardware, and in tech-enabled companies, such as e-commerce, financial, and healthcare technology. The fund has a geographic focus primarily in North America, Europe, and Asia. The commitment is compliant with LACERA's policy regarding re-ups.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:50 a.m.

SHAWN KEHOE, SECRETARY

HERMAN SANTOS, CHAIR

April 25, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Santos H. Kreimann *SHK*
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – MAY 2022**

The following Chief Executive Officer's Report highlights key operational and administrative activities that have taken place during the past month.

Strategic Plan Update

The executive team, in partnership with KH Consulting, held Strategic Planning virtual kick-off meetings with all staff. The focus of the kick-off meetings was to provide the LACERA staff with a framework of the Strategic Planning process and the various organizational activities that will help inform the Strategic Plan. The Strategic Planning Advisory Team is made up of members from the Board of Retirement (BOR) and Board of Investments (BOI), executive management team, and LACERA leaders. The Advisory team will keep staff and members regularly informed of important Strategic Planning information, dates, activities, and status updates throughout the process.

2022 Safety Member Elections

Elections will be held Friday, August 5 through Wednesday, August 31, 2022 for the safety member trustee seats on both boards. The positions are: seventh trustee seat and alternate safety trustee seat on the Board of Retirement and the fourth trustee seat on the Board of Investments. The trustees' three-year terms will run from 2023 through 2025.

Earlier in April we met with the Executive Office of the Board of Supervisors (EO), which oversees the elections, and discussed the upcoming timeline. While the team continues holding meetings to ensure a smooth coordination of efforts with the County and to work out final details, we have established the following:

- Safety members who were active as of April 15, 2022 (hired on or before that date) will be eligible to vote and/or be candidates in the election.
- The EO will provide election notices, including the candidate filing deadline, to safety department heads on or before Monday, May 2, 2022.
- LACERA will email an election notice to safety members regarding the nomination process on or before May 19, 2022, as approved by the EO.

- Candidate filing starts Thursday, May 19 and ends Friday, June 17, 2022. Nomination packets will be available during that time from the Registrar-Recorder/County Clerk, 12400 Imperial Highway, Norwalk, CA 90650, or via email at electionplanning@rrcc.lacounty.
- Voting will be electronic. Members will be mailed and emailed credentials for online and telephonic voting.
- LACERA's boards would like to include paper ballots by request; this request to the County is pending and will be decided at a later date.

In the meantime, LACERA is promoting the elections and the “call for nominations” announcement in the June issue of *PostScript*. *Due to the newsletter schedule, our newsletter will reach members in the middle of the nomination period.* LACERA will also provide election details (reminders, where to find information on how to vote, etc.) to members in coordination with the County's email blasts. The schedule is still being finalized.

Additionally, during our initial meeting with the Executive Office, we requested that this year's election allow an electronic nomination process. In past elections, interested candidates were required to gather “wet signatures” of a specific number of eligible voters in the election on a physical petition. With the use of electronic signatures becoming more prominent, and considering the risks of the pandemic, an electronic process is safer and more efficient. The Executive Office included this in their process and interested candidates will have two options for signature collections – a traditional “wet signature” or an electronic process. Interested candidates can obtain a nomination package form the County Registrar-Recorder/County Clerk.

Return-to-Office

The executive team is excited to officially welcome LACERA staff members back to the office effective Monday, May 2, 2022. Staff will transition back to the office in a hybrid format. LACERA's telework policy (LTP) was released to all staff on April 19, 2022. This marks a significant milestone for LACERA, as we transition our telework program from a pandemic phase to a permanent hybrid flexible work option. The LTP demonstrates LACERA's commitment to provide another flexible work option for our employees.

Recruitment Updates

Vacancies and Hiring

Filling vacant positions continues to be a high priority. Member facing Divisions, Investments Division, Systems Division, and Legal Division are the top priorities. The Executive team, HR, and our Investments Division have met to clearly outline their hiring priorities and develop a recruitment strategy. We plan to take a similar approach with other divisions. The Executive management and HR teams will review the organizational recruitment plan at least quarterly to ensure the priorities are still appropriate given attrition that may have occurred in the prior quarter.

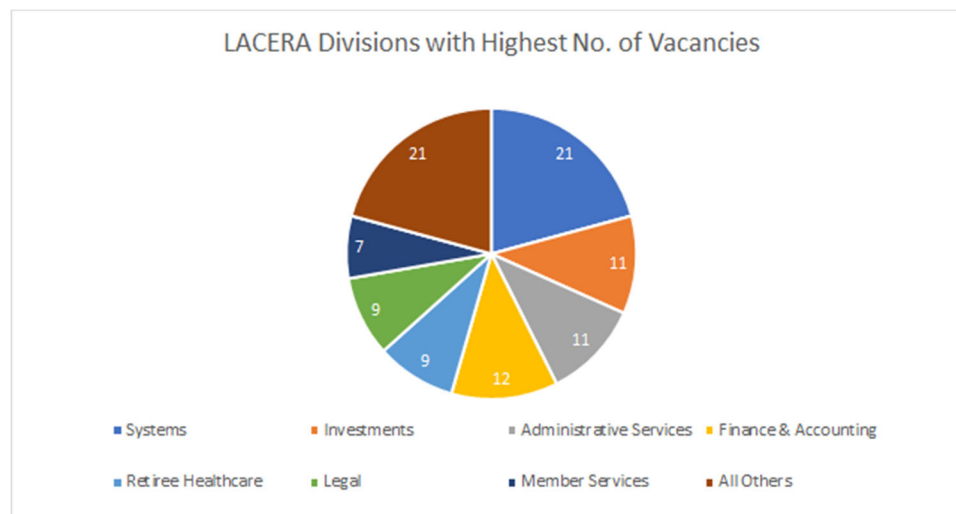
The current hiring priority in the Investments Division recruitment efforts is the Senior Investment Officer. Executive Management, HR and Investments are working on an expedited recruitment plan for Finance Analyst III. There are eleven (11) vacancies in Investments (24% vacancy rate) and below is a summary of the recruitment status of these positions.

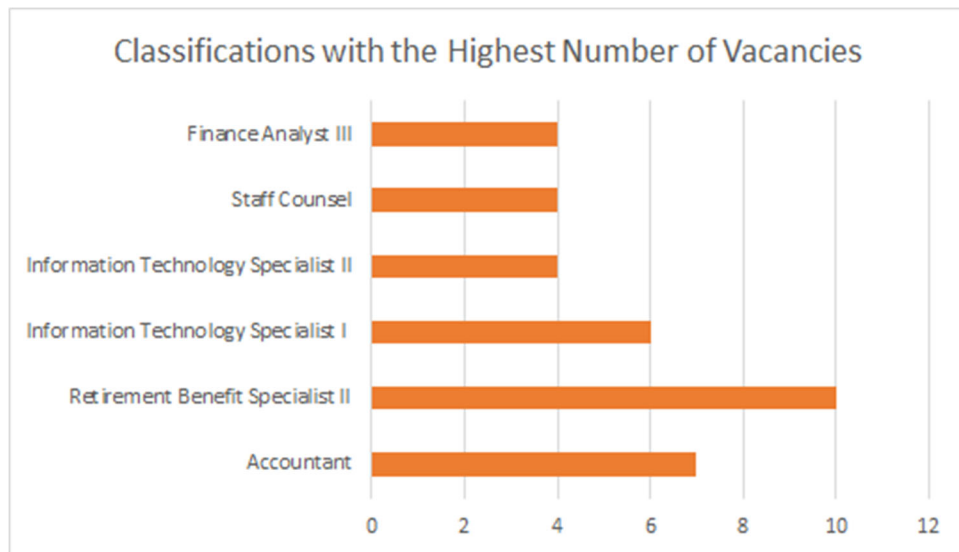
Status of vacant positions in the Investments Division

Classification	# of Vacancies	LACERA Priority	Recruitment Stage
Deputy Chief Investment Officer	1	Tier 2 – December 2022	Outsourced Recruitment
Senior Investment Officer (SIO)	1	Tier 1 – June 2022	4 - Recruitment
Finance Analyst III (FA III)	4	Tier 1 – June 2022	4 – Recruitment
Finance Analyst II (FA II)	2	Tier 2 – December 2022	1 – Exam Requested
Senior Management Secretary	1	Tier 2 – December 2022	n/a
Principal Investment Officer (PIO)	1	Tier 2 – December 2022	n/a
Senior Investment Officer	1	Unassigned	n/a

Recruitment Stages: (1) Exam requested, (2) Classification review, (3) Test development, (4) Resume canvas, (5) Recruitment, (6) Assessment qualification, (7) Assessment review, (8) List promulgated, (9) Division interviews, (10) Background check, (11) Onboarding

LACERA has 508 budgeted positions, of which 101 are vacant (20% vacancy rate). The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.





Development

Human Resources works with the hiring Division to review the classification description, create an ideal candidate profile, and discuss the assessment process. This information is used by HR to create the job bulletin and recruiting brochure (management positions only). The recruitments/assessments are in development for Finance Analyst III, Accountant, and Retirement Systems Specialist.

Recruiting & Assessment

The Human Resources Team opened the recruitment for Senior Investment Officer in Real Estate and Finance Analyst III in Real Estate. The application period for Senior Accountant will reopen to accept additional applications with the intent of filling the remaining vacancy. The application period for Staff Counsel will reopen to accept additional applications with a recruiting emphasis on Investments.

A Request for Proposal to solicit executive recruitment services to fill items such as the Deputy Chief Investment Officer, Chief Financial Officer, Chief Information Technology, and Information Security Officer, Principal Investment Officer, and Senior Investment Officer positions closed on March 22, 2022, the RFPs are currently being reviewed. Human Resources will move forward with a revised timeline.

Hiring

The Eligible List for the Principal Investment Officer was promulgated, and an appointment (promotion) was made. The Data Systems Analyst I Eligible List was promulgated and, so far, one offer (promotion) has been made. The Senior Staff Counsel and Staff Counsel candidates cleared the background process and are expected to start by mid-May. A candidate for the Interdepartmental Transfer opportunity for the accountant position has completed the background process and is expected to start in mid-May.

Retiree Healthcare (RHC) Update

Medicare Will Cover Over-the-Counter COVID-19 Tests

In the March 2022 CEO report, staff reported that the Centers for Medicare & Medicaid Services (CMS) had announced that Medicare would cover up to eight over-the-counter COVID-19 tests per month for Medicare participants by early spring.

As of April 4, 2022, Medicare began covering over-the-counter Covid-19 tests with no upfront cost to participants through a national demonstration program. The decision to provide eight rapid tests per month during the public health emergency (PHE) marks the first time the program is covering an over-the-counter product. Some of the pharmacy chains that are participating include: Albertsons, Costco, CVS, Kroger, Rite Aid, Walgreens, and Walmart. Participants can also check with their local pharmacies or providers to see if they are participating or call 1-800-MEDICARE to find locations. The coverage will last until the public health emergency ends. Medicare will only cover the tests for those who have Medicare Part B (Medical insurance). Medicare will not cover over-the-counter COVID-19 tests if an individual has Part A (Hospital insurance) only.

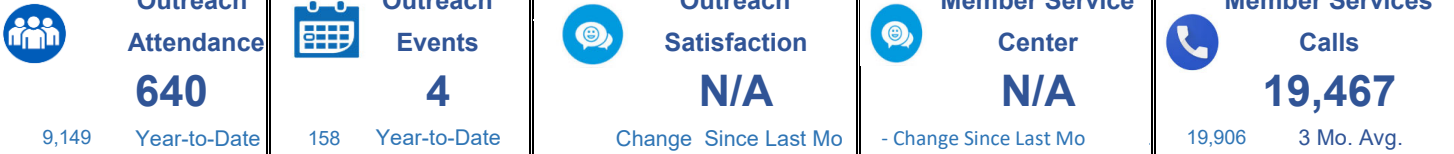
\$1 Million Lifetime Maximum Benefit (LMB) for Non-Medicare Plans - Update

LACERA staff continues to be engaged with the Board of Supervisors and County of Los Angeles CEO's office on the elimination of the \$1 million dollar Lifetime Maximum Benefit (LMB). The LMB applies to over 8,700 County active members and retirees enrolled now (or in the future) in the PPO and indemnity plan options.

The County CEO's office has recently provided LACERA its actuarial analysis on the \$1 million LMB. Staff, in partnership with our Healthcare consultant and actuary, is reviewing the report and will look to schedule a follow-up meeting with County staff to discuss the findings. We will continue to work through the situation and will inform the Board Trustees once the meeting is scheduled between the County, BOS, and LACERA.

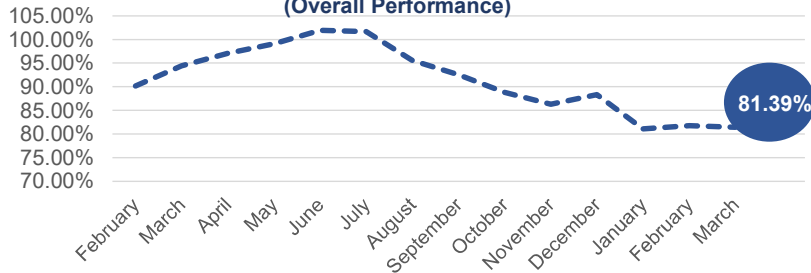
Striving for Excellence in Service

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: March 2022

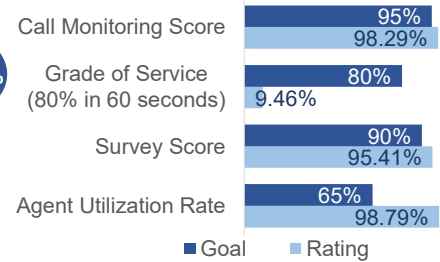


Key Performance Indicator (Overall Performance)

Goal: 100%



Key Performance Indicator (Components)



Member Services



■ Calls Answered ■ Calls Abandoned

Top Calls

1. Retirement Counseling: Process Overview
2. Retirement Counseling: Estimate
3. Retirement Counseling: Plan Overview

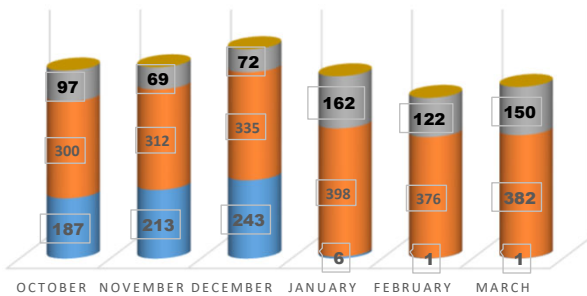
Emails 1,130
24:00 hours
Avg. Response Time (ART)

Secure Messages 1,626

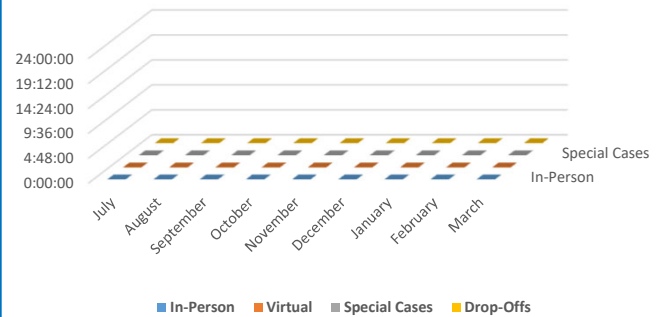


Member Service Center Appointments

■ In-Person ■ Virtual ■ Phone Only ■ Special Cases



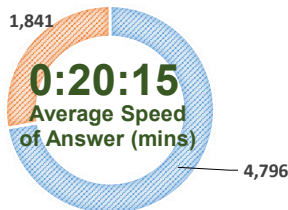
Member Service Center Average Wait Times



*Wait time not currently available - However, minimal for all categories.

Retiree Healthcare

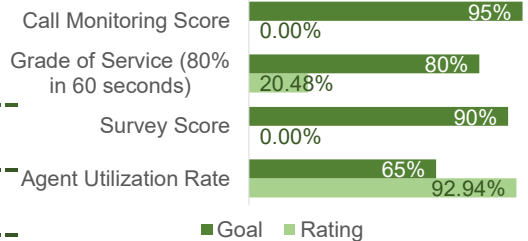
Total RHC Calls: 6,637



■ Calls Answered ■ Calls Abandoned

Top Calls

1. Medical/Dental Enrollments
2. Medicare Part B Inquiries
3. General Inquiries



■ Goal ■ Rating

Emails 427
5 Days
Avg. Response Time (ART)

Secure Messages 535



Striving for Excellence in Service (Continued)

Applications

853

In Process

As Of:

3/31/2022

823 Pending on: 2/28/2022

95 Received

580 Year-to-Date

0 Re-Opened

0 Year-to-Date

60 To Board - Initial

422 Year-to-Date

5 Closed

43 Year-to-Date

Appeals

70

In Process

As Of:

3/31/2022

70 Pending on: 2/28/2022

1 Received

18 Year-to-Date

1 Admin Closed/Rule 32

22 Year-to-Date

0 Referee Recommended

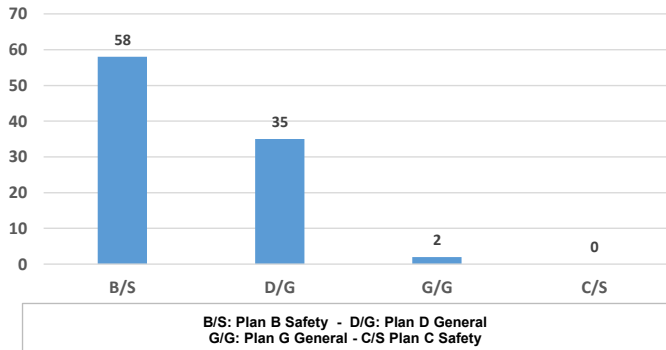
6 Year-to-Date

0 Revised/Reconsidered for Granting

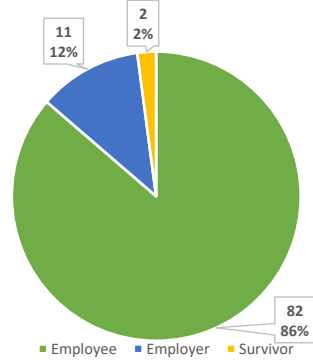
0 Year-to-Date

Disability

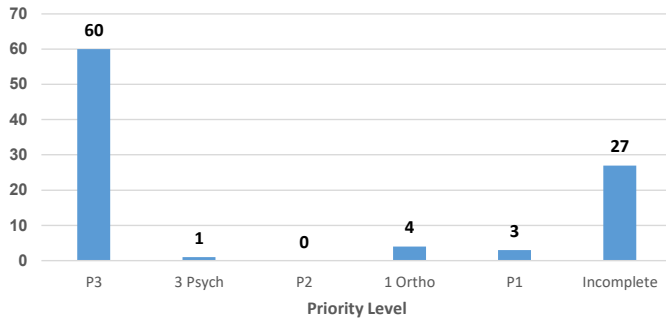
Applications Filed By Plan



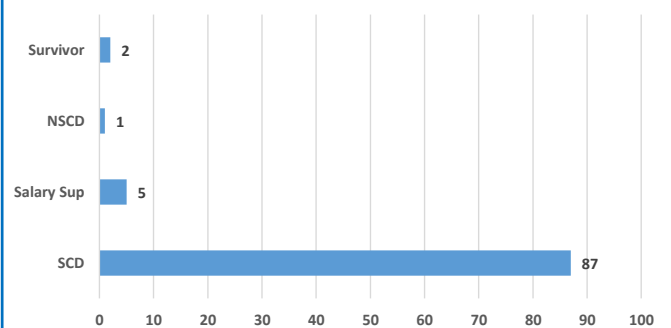
Applications Filed By Source



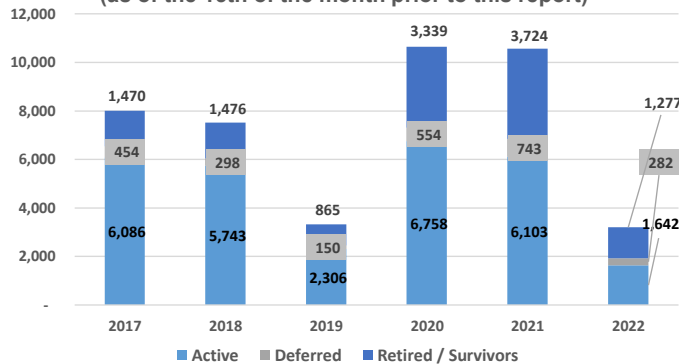
Applications Filed By Priority Level



Applications Filed By Type



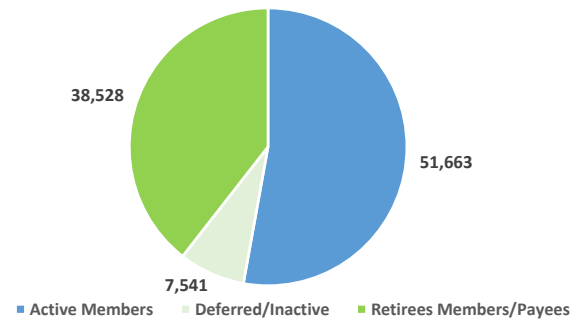
MyLACERA Annual Registration
(as of the 15th of the month prior to this report)



97,732

58%

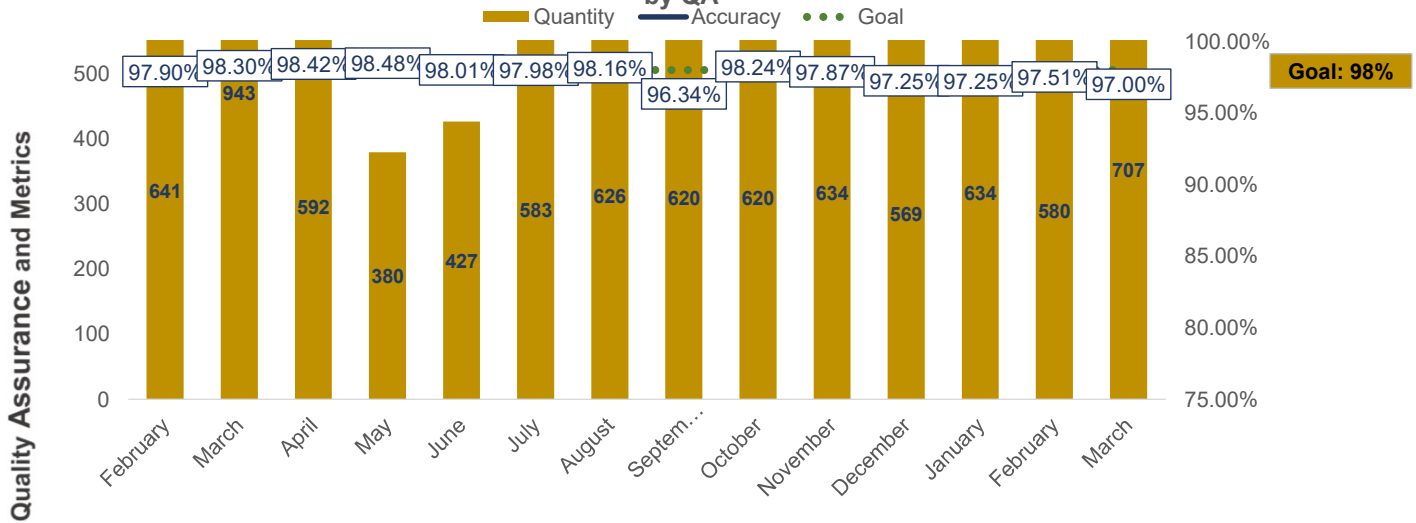
Total Registrations By Member Type



My LACERA

Striving for Excellence in Quality

Audits of Retirement Elections, Payment Contracts, and Data Entry Completed by QA



March 2022



97.00%

Retirement Elections

417

Samples

98.29%

Accuracy

Payment Contracts

213

Samples

93.57%

Accuracy

Data Entry

77

Samples

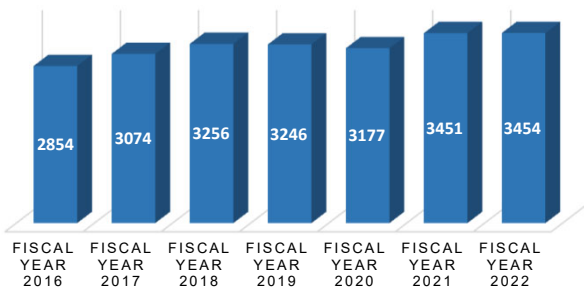
99.14%

Accuracy

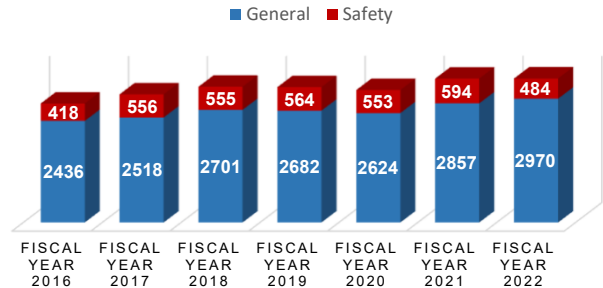
MEMBER SNAPSHOT

Members as of 04/15/2022					
General	Plan	Active	Retired	Survivors	Total
	Plan A	56	14,140	4,186	18,382
	Plan B	15	646	70	731
	Plan C	18	422	65	505
	Plan D	36,150	19,800	1,796	57,746
	Plan E	14,217	14,798	1,488	30,503
	Plan G	32,850	167	14	33,031
	Total General	83,306	49,973	7,619	140,898
Safety	Plan A	1	4,593	1,650	6,244
	Plan B	8,158	7,360	383	15,901
	Plan C	4,737	19	2	4,758
	Total Safety	12,896	11,972	2,035	26,903
TOTAL MEMBERS		96,202	61,945	9,654	167,801
% by Category		57%	37%	6%	100%

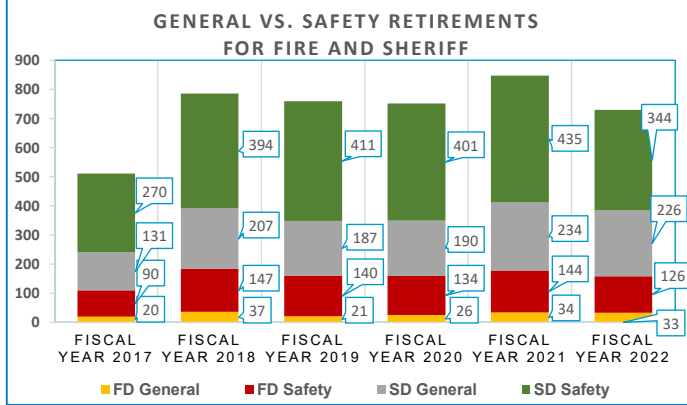
RETIREMENTS BY YEAR



ANNUAL RETIREMENTS BY TYPE



MEMBER SNAPSHOT (Continued)



SPACE AVAILABLE FOR FUTURE EXPANSION

Average Monthly Benefit Allowance Distribution April 22, 2022

	General	Safety	Total	%
\$0 to \$3,999	30,046	1,500	31,546	51.00%
\$4,000 to \$7,999	14,138	3,462	17,600	28.46%
\$8,000 to \$11,999	4,041	4,287	8,328	13.47%
\$12,000 to \$15,999	1,123	2,104	3,227	5.22%
\$16,000 to \$19,999	369	428	797	1.29%
\$20,000 to \$23,999	114	136	250	0.40%
\$24,000 to \$27,999	31	42	73	0.12%
> \$28,000	24	4	28	0.05%
Totals	49,886	11,963	61,849	100%

Average Monthly Benefit Allowance: \$ 4,595.00

Healthcare Program

(Mo. Ending: 3/31/2022)

	Employer	Member
Medical	\$436.4	\$32.4
Dental	\$34.8	\$3.4
Part B	\$60.8	\$0.0
Total	\$532.0	\$35.8

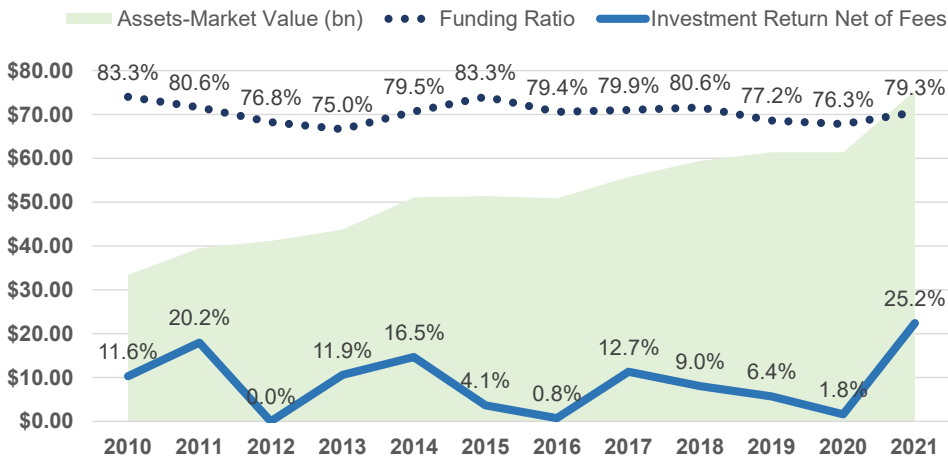
Healthcare Enrollments

(Mo. Ending: 3/31/2022)

Medical	53,378
Dental	55,059
Part B	36,756
LTC	546
Total	145,739

Key Financial Metrics

Fiscal Year End Financial Update (as of 06/30/2021)



Funding Metrics

(as of 6/30/21)

Employer NC	10.88%
UAAL	13.58%
Assumed Rate	7.00%
Star Reserve	\$614m
Total Assets	\$73.0b

Contributions

(as of 6/30/21)

	Employer	Member
Annual Add	\$2.0b	\$761.0m
% of Payroll	24.46%	7.87%

TOTAL FUND RETURN

(Net of Fees)

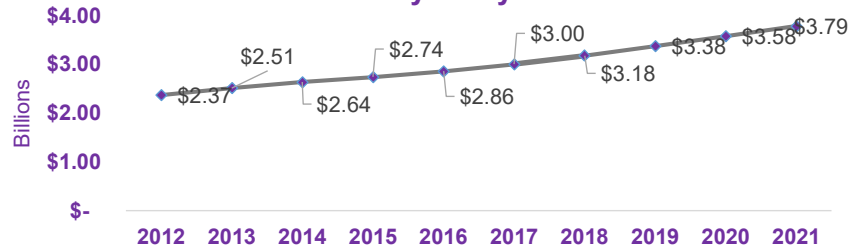
5 YR: 10.8% 10 YR: 8.6%

Retired Members Payroll

(As of 3/31/2022)

Monthly Payroll	\$340.22m
Payroll YTD	\$3.0b
New Retired Payees Added	426
Seamless %	96.48%
New Seamless Payees Added	3,436
Seamless YTD	96.16%
By Check %	2.00%
By Direct Deposit %	98.00%

Retiree Payroll by Year



QUIET PERIOD LIST
Administrative/Operations
 Last Update: 4/20/2022

RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
Search for Classification & Compensation Study Services (HR)	Human Resources	5/24/2021	Bid Review	<ul style="list-style-type: none"> • Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Search for Classification & Compensation Study Services (RHC)	Human Resources	5/24/2021	Bid Review	<ul style="list-style-type: none"> • Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Contract Lifecycle Management Application	Administrative Services/ Systems	3/4/2022	Reviewing Proposals Submitted by RFP Respondents	<ul style="list-style-type: none"> • Agiloft • Cobblestone • DocuSign • Icertis • Ironclad • Pantheon • Periscope • SimpliContract INC • Sysintellecs LLC
Strategic Planning Consultant	Board Offices	8/23/2021	Contract Negotiation	<ul style="list-style-type: none"> • KH Consulting
Case Management Software Solution	Systems Division	10/6/2021	Presenting Recommendation to the BOR on May 4 th .	<ul style="list-style-type: none"> • Eccentex • MERP Systems • RGB Projects •
Insurance Brokerage Services	Administrative Services	1/5/2022	Contract Negotiation	<ul style="list-style-type: none"> • Alliant Insurance Services • Gallagher Risk Management Services • Liberty Company Insurance Brokers • Seeman Holtz/ Kaercher Campbell
Budget Software	Administrative Services/ Systems	3/10/2022	RFP Review	<ul style="list-style-type: none"> • Neubrain • ClearGov • Workday • Vena • Prophix • Questica

RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
				<ul style="list-style-type: none"> • Denovo/Oracle • Board • TruEd/TruGov • IGM/Gravity
Executive Recruitment Services	Human Resources	2/23/2022	Bid Review	<ul style="list-style-type: none"> • Alliance Consulting • David Gomez Partners, Inc • EFL • Ralph Anderson • Spencer Stuart • WBCP

*Subject to change

INVESTMENTS QUIET PERIOD FOR SEARCH RESPONDENTS

Custody Bank Search

- ✓ State Street Bank and Trust Co.

Illiquid Credit Emerging Manager Program Search

- ✓ BlackRock Alternative Advisors
- ✓ Blackstone Alternative Asset Management
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ Stable Asset Management

Date	Conference
May, 2022	
1-3	CRCEA (California Retired County Employees Association) Spring Conference Virtual
1-4	Milken Institute Global Conference Los Angeles, CA
5	Women's Alliance of Saxena White First Annual Diversity Investing Symposium Delray Beach, FL
10-13	SACRS Spring Conference Rancho Mirage, CA
21-22	NCPERS (National Conference on Public Employee Retirement Systems) Trustee Educational Seminar (TEDS) Washington, D.C.
21-22	NCPERS (National Conference on Public Employee Retirement Systems) Program for Advanced Trustee Studies (PATs) Washington, D.C.
21-22	NCPERS (National Conference on Public Employee Retirement Systems) Accredited Fiduciary (NAF) Program Washington, D.C.
22-25	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference & Exhibition (ACE) Washington, D.C.
23-24	IFEBP (International Foundation of Employment Benefit Plans) Washington Legislative Update Washington D.C.
June, 2022	
5-8	Government Finance Officers Association (GFOA) Annual Conference Austin, TX
8-9	2022 PREA (Pension Real Estate Association) Institute Emory University Atlanta, GA
14-15	19 th Annual Consortium 2022 Diverse plus Women Managers Conference New York, NY
21-23	AHIP (America's Health Insurance Plans) Institute Las Vegas, NV
24	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

Chief Investment Officer Monthly Report

Board of Investments

May 11, 2022



Jonathan Grabel 
Chief Investment Officer

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Table of Contents

1. Market Environment
2. Portfolio Performance and Risk Updates
3. Portfolio Structural Updates
4. Key Initiatives and Operational Updates
5. Commentary
6. Appendix
 1. Quiet Period for Search Respondents
 2. Compliance Report

Market Environment

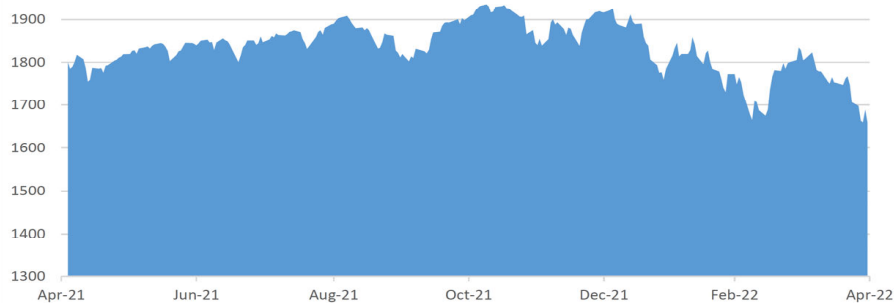


Global Market Performance as of April 30, 2022

MSCI ACWI Index (Global Equity Market)*

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
-7.9	-8.2	-13.0	-6.2	9.2	9.2	9.2

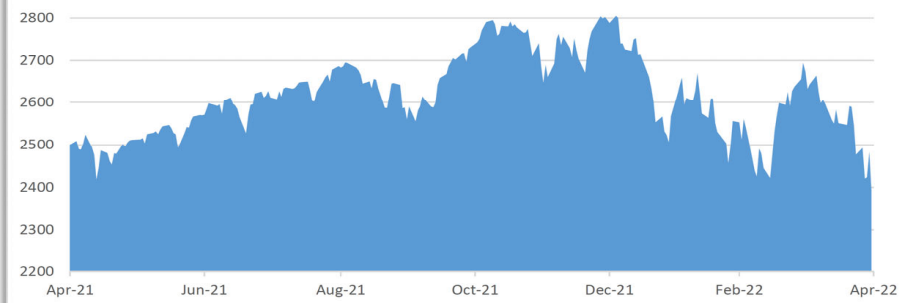
MSCI ACWI IMI Index 1-Year Performance



Russell 3000 Index (U.S. Equity Market)

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
-9.0	-8.4	-13.8	-3.1	13.1	13.0	13.3

Russell 3000 1-Year Performance



MSCI Emerging Market Index

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
-5.6	-10.5	-12.2	-18.3	2.2	4.3	2.9

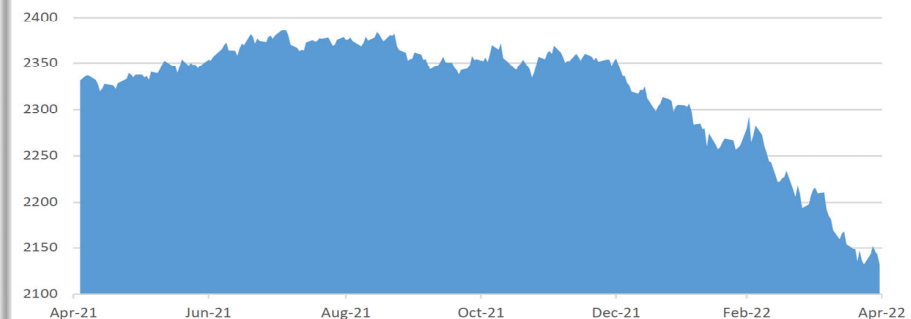
MSCI Emerging Markets 1-Year Performance



Barclays U.S. Aggregate Bond Index**

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
-3.8	-7.5	-9.5	-8.5	0.4	1.2	1.7

Barclays U.S. Aggregate Bond Index 1-Year Performance



*Global Equity Policy Benchmark - MSCI ACWI IMI Index

**Investment Grade Bonds Policy Benchmark - Barclays U.S. Aggregate Bond Index

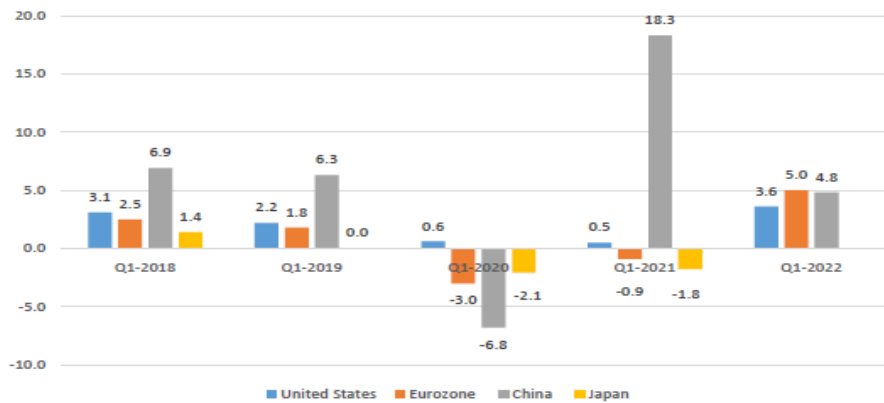
Source: Bloomberg



Key Macro Indicators*

GDP Growth of Major Economies¹

Real GDP Growth YoY (%) - Last Five Years



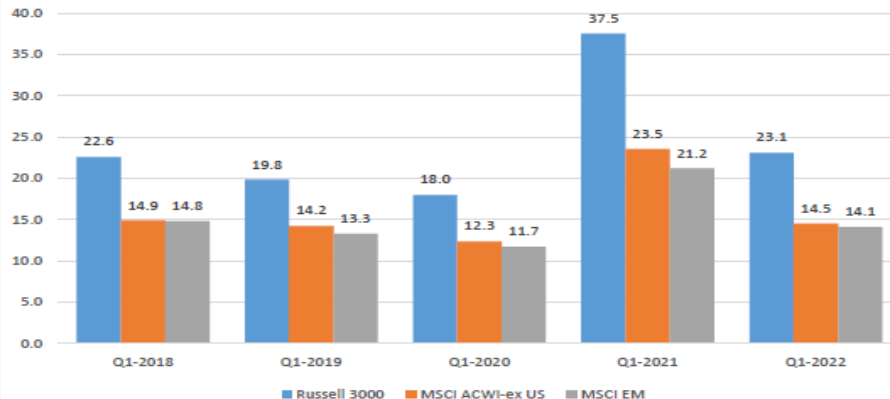
Historical Low for 10-Year Treasury Yield²

Historical 10-Year Treasury Yield



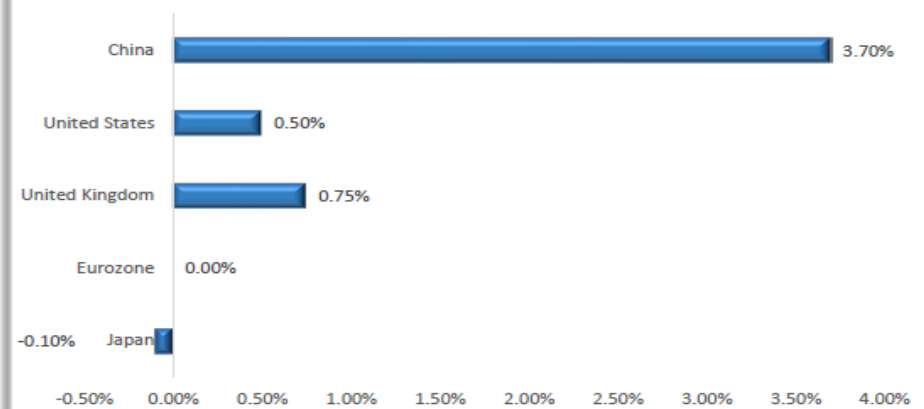
World Equity Valuation³

Price-to-Earnings - Last Five Years



Central Bank Rates⁴ (as of 4/30/2022)

Central Bank Rates



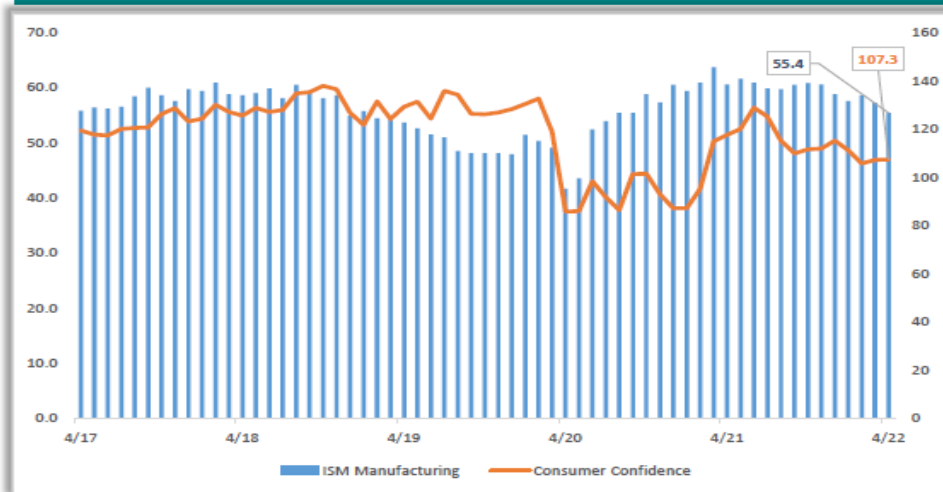
*The information on the "Key Macro Indicators" charts is the best available data as of 4/30/22 and may not reflect the current market and economic environment.

Sources: 1. Bloomberg 3. FactSet
2. St. Louis Federal Reserve 4. FactSet

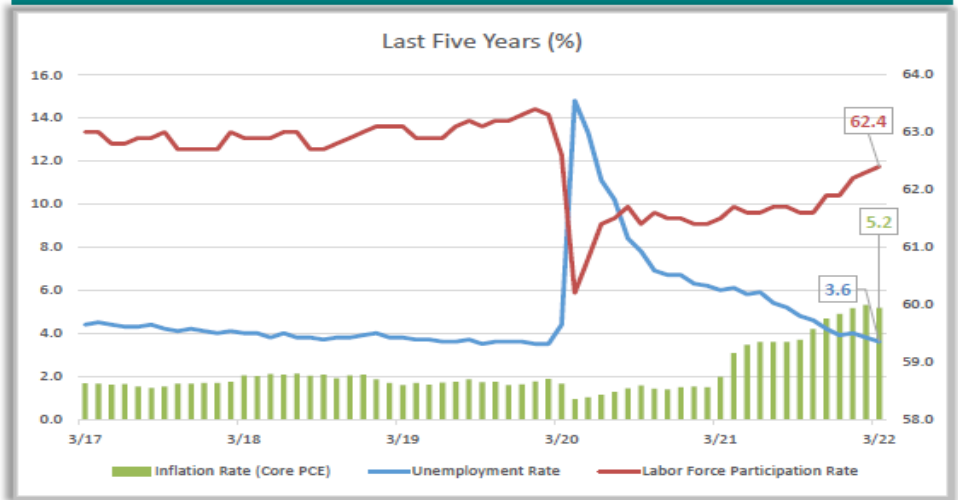


Key Macro Indicators*

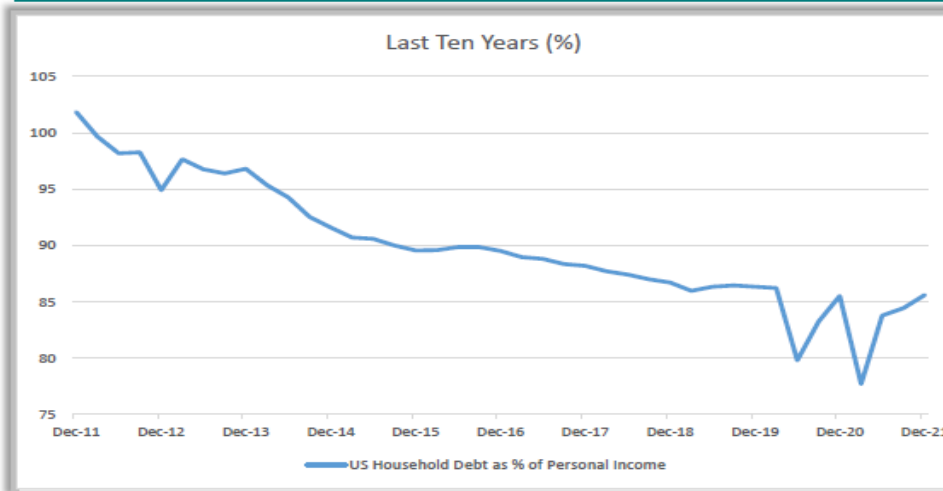
Consumer Confidence & ISM Manufacturing¹



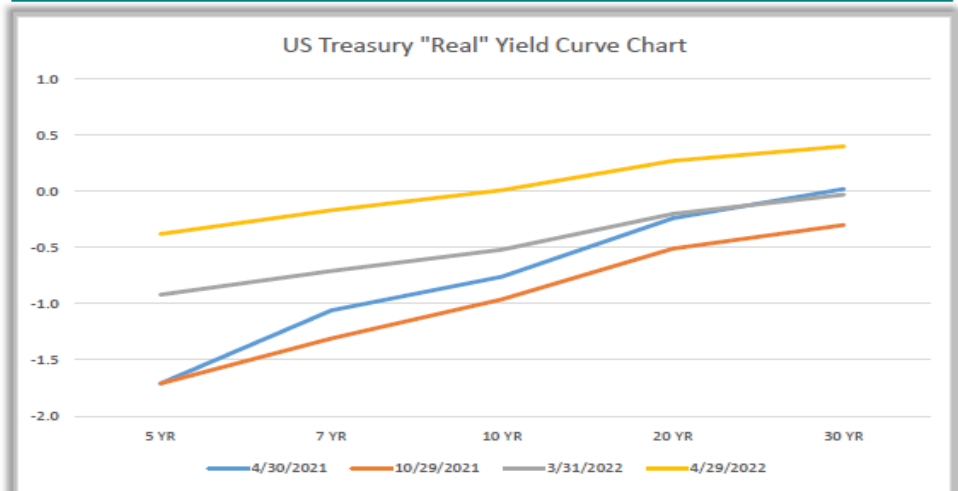
U.S. Inflation, Unemployment, & Labor Force Participation²



U.S. Household Debt as % of Personal Income³



U.S. Treasury "Real" Yield Curve⁴



Sources: 1. Bloomberg 3. Bloomberg
2. Bloomberg 4. U.S. Treasury

*The information on the "Key Macro Indicators" charts is the best available data as of 4/30/22 and may not reflect the current market and economic environment.



Market Themes and Notable Items to Watch

Recent Themes

- Gross domestic product in the U.S. fell at an annualized rate of 1.4% in Q1 2022
 - The first economic decline since Q2 2020
- U.S. mortgage rates hover at their highest levels since 2010, approximately 5.4% for a 30-year fixed rate mortgage at the end of April
- The U.S. 10-year treasury yield ended April at 2.89%, up from 1.52% at the end of 2021 and 0.93% at the end of 2020
- Global equities (MSCI All Country World Investable Market Index) declined 7.9% in April and are now down 13.0% through four months in 2022
- Inflation and rising interest rates continue to put pressure on growth assets across markets
- Russia-Ukraine war
 - Impacting global markets and supply chains
- Covid-19
 - More than 513 million cases, 6.2 million deaths, and 11.3 billion vaccine doses

What to Watch

- Interest rates
- Economic data and trends
 - Inflation, supply chains, and labor developments
- Changing macro conditions
 - Central bank actions and geopolitical risks
- Environmental, social, governance
 - SEC joins China, EU, Japan, and UK on new IFRS International Sustainability Standards Board working group on ESG disclosure compatibility
 - SEC charges Vale for misleading safety disclosures preceding 2019 Brazil dam collapse
- Russia-Ukraine war
 - Continued geopolitical, global commerce, commodities, energy markets/transition impacts
- Covid-19
 - Economic and consumer behavior implications
 - Covid variants, transmission, vaccines



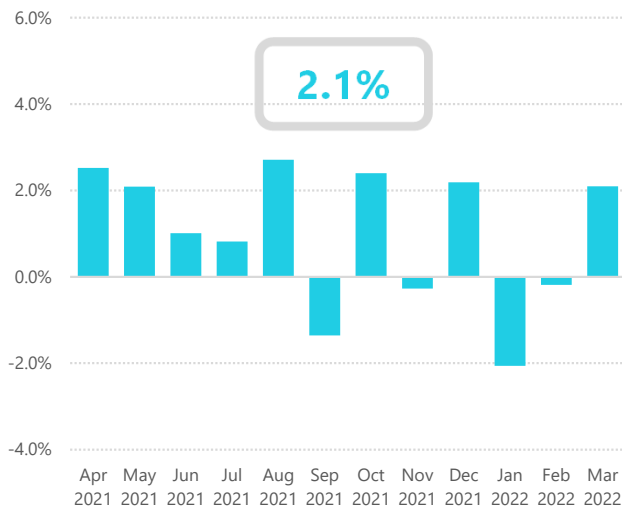
Portfolio Performance & Risk Updates



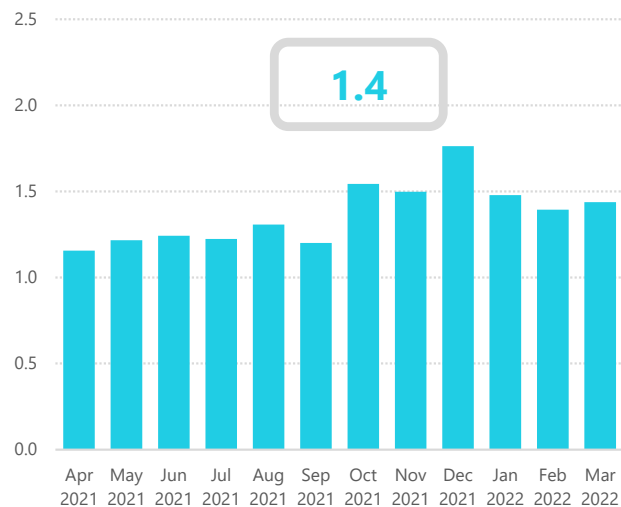
Total Fund Summary

as of March 2022

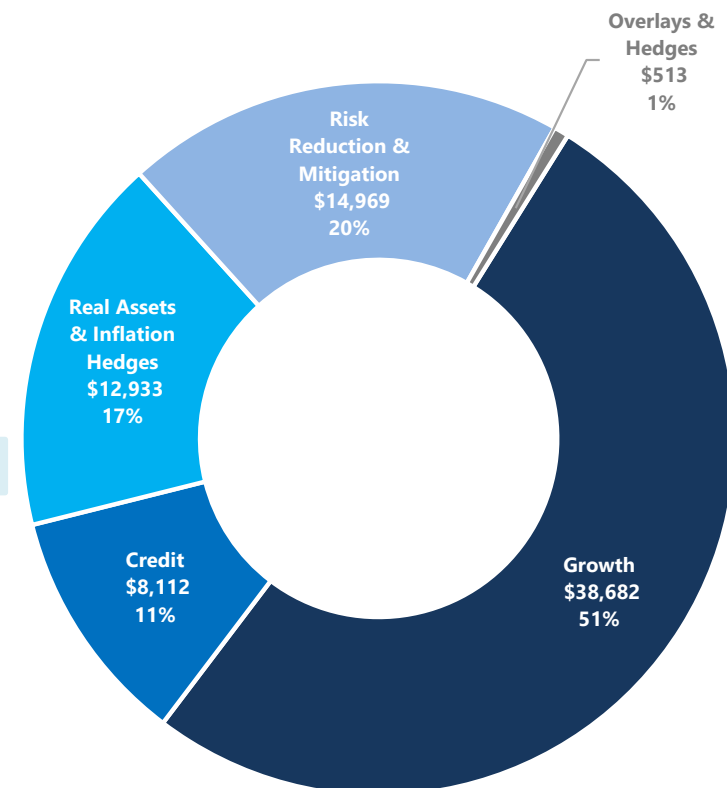
Monthly Return (net)



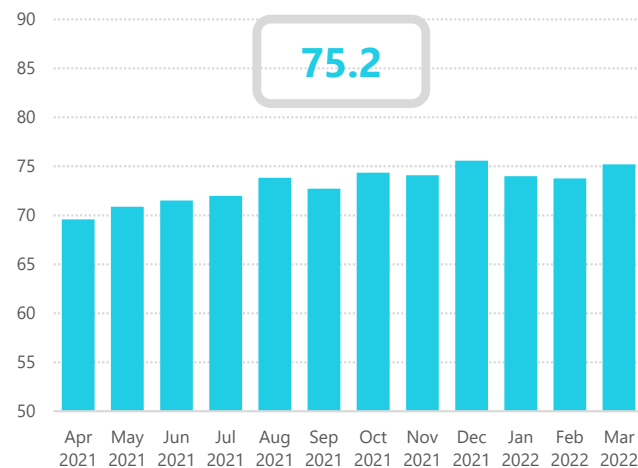
Sharpe Ratio (3-year annualized)



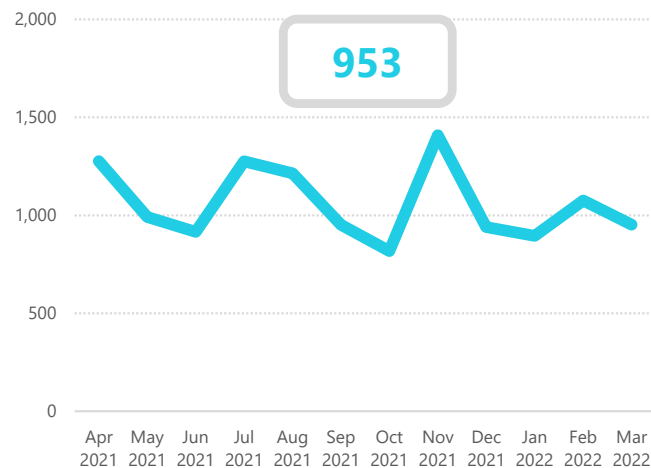
Asset Allocation (\$ millions)



Total Market Value (\$ billions)



Cash (\$ millions)

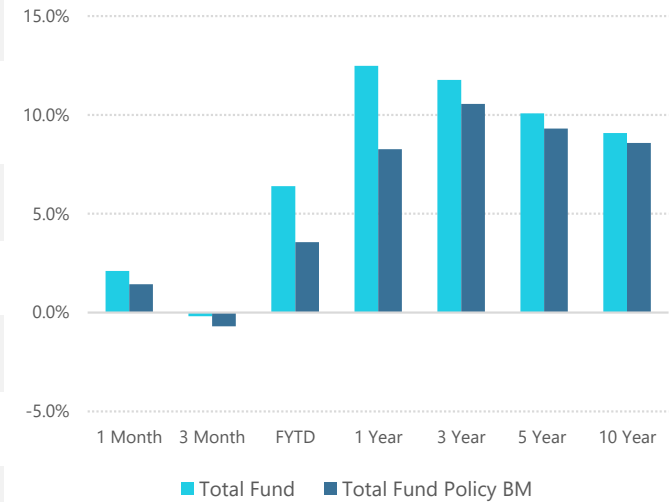


Historical Net Performance

as of March 2022

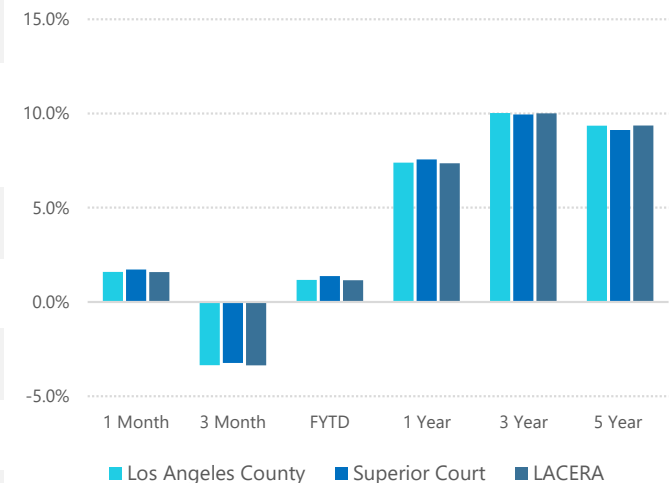
LACERA Pension Fund

	Market Value (\$ millions)	% of Total Fund	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund	75,210	100.0%	100.0%	2.1%	-0.2%	6.4%	12.5%	11.8%	10.1%	9.1%
Total Fund Policy BM				1.4%	-0.7%	3.6%	8.3%	10.6%	9.3%	8.6%
7% Annual Hurdle Rate				0.6%	1.7%	5.2%	7.0%	7.0%	7.0%	7.0%
Growth	38,682	51.4%	51.0%	3.5%	-1.2%	8.2%	17.6%	17.8%		
Growth Policy BM				2.7%	-1.4%	3.9%	10.9%	16.1%		
Credit	8,112	10.8%	11.0%	-0.4%	-1.9%	1.1%	4.0%	5.8%		
Credit Policy BM				-1.1%	-2.7%	-1.9%	0.0%	4.2%		
Real Assets & Inflation Hedges	12,933	17.2%	17.0%	3.7%	7.7%	16.2%	21.3%	9.1%		
Real Assets & Inflation Hedges Policy BM				3.9%	7.7%	16.1%	21.8%	10.5%		
Risk Reduction & Mitigation	14,969	19.9%	21.0%	-1.9%	-4.1%	-3.8%	-2.3%	2.9%		
Risk Reduction & Mitigation Policy BM				-2.2%	-4.6%	-4.0%	-2.5%	2.1%		
Overlays & Hedges	513	0.7%		27.3%	57.6%					



OPEB Master Trust¹

	Market Value (\$ millions)	% of Master Trust	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year
OPEB MASTER TRUST	2,618			1.6%	-3.4%	1.2%	7.4%	10.0%	9.3%
Los Angeles County	2,545	97.2%	—	1.6%	-3.4%	1.2%	7.4%	10.0%	9.4%
Superior Court	63	2.4%	—	1.7%	-3.2%	1.4%	7.6%	9.9%	9.1%
LACERA	10	0.4%	—	1.6%	-3.4%	1.2%	7.4%	10.0%	9.4%
OPEB Growth	1,335	51.0%	50.0%	2.1%	-5.4%	-0.7%	6.5%	13.8%	11.7%
OPEB MT Growth Policy BM				2.0%	-5.5%	-0.8%	6.3%	13.5%	--
OPEB Credit	512	19.6%	20.0%	-0.5%	-2.8%	-2.8%	-0.6%	2.8%	--
OPEB MT Credit Policy BM				-0.6%	-3.3%	-2.7%	-0.5%	3.2%	--
OPEB Real Assets & Inflation Hedges	519	19.8%	20.0%	4.8%	2.5%	14.2%	25.1%	10.8%	--
OPEB MT RA & IH Policy BM				4.5%	2.1%	14.0%	24.8%	10.6%	--
OPEB Risk Reduction & Mitigation	251	9.6%	10.0%	-2.2%	-4.7%	-4.7%	-3.3%	1.6%	2.2%
OPEB MT RR & M Policy BM				-2.2%	-4.8%	-4.7%	-3.3%	1.5%	2.0%
Operational Cash	0	0.0%							

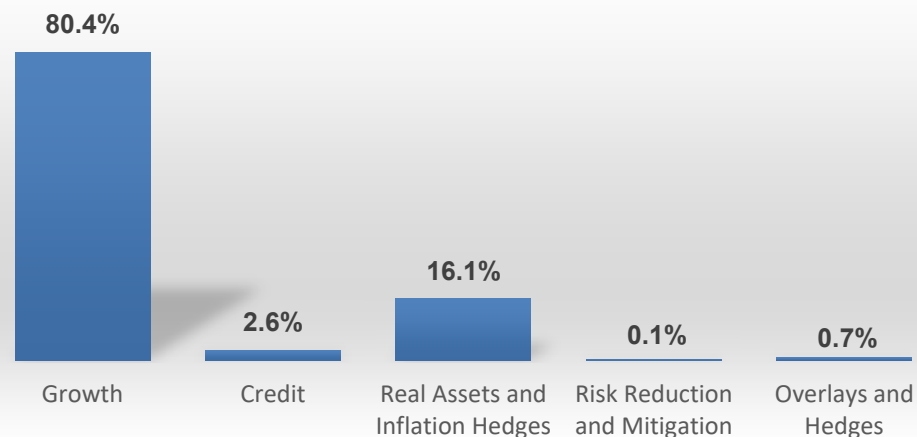


1. Market value differences between the sub-trusts and functional composites are due to operational cash.

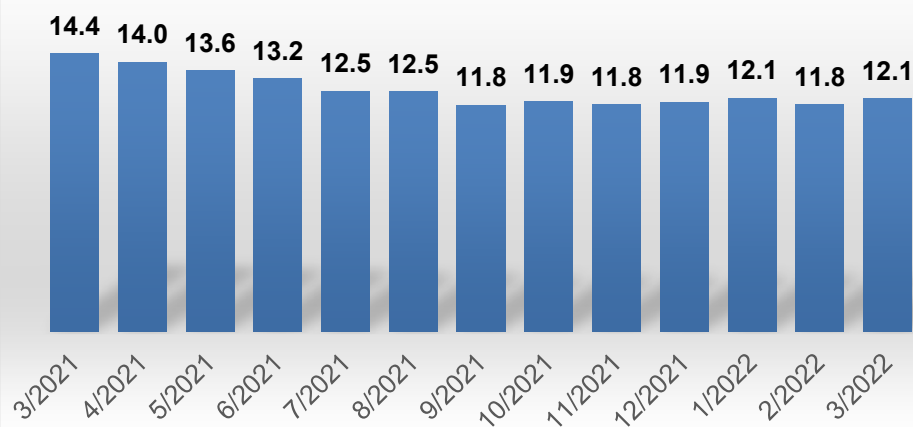
Total Fund Forecast Risk*

as of March 2022 (Preliminary)

%Contribution to Total Risk



Total Risk



	%Weight	% Cont. to Total Risk	Standalone Total Risk	Standalone BMK Risk**
Total Fund			12.1	11.4
Growth	51.3%	80.4%	19.2	18.2
Global Equity	33.9%	47.2%	17.6	17.7
Private Equity	15.9%	29.6%	25.6	24.7
Non-Core Private Real Estate	1.4%	3.7%	45.5	17.8
Credit	10.8%	2.6%	4.0	4.6
Liquid Credit	6.5%	2.0%	4.9	4.6
Illiquid Credit	4.3%	0.6%	4.0	4.6
Real Assets & Inflation Hedges	17.6%	16.1%	12.6	12.7
Core Private Real Estate	5.5%	6.5%	20.4	17.8
Natural Resources & Commodities	5.3%	4.8%	14.6	19.4
Infrastructure	4.0%	4.5%	15.9	16.2
TIPS	2.8%	0.4%	5.3	5.3
Risk Reduction and Mitigation	19.8%	0.1%	4.2	4.0
Investment Grade Bonds	11.6%	-0.1%	4.7	4.7
Diversified Hedge Funds	5.1%	0.5%	4.0	0.1
Long-Term Government Bonds	1.9%	-0.3%	12.2	12.2
Cash	1.3%	0.0%	-	-
Overlays and Hedges	0.6%	0.7%	-	-

*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 9/30/2021

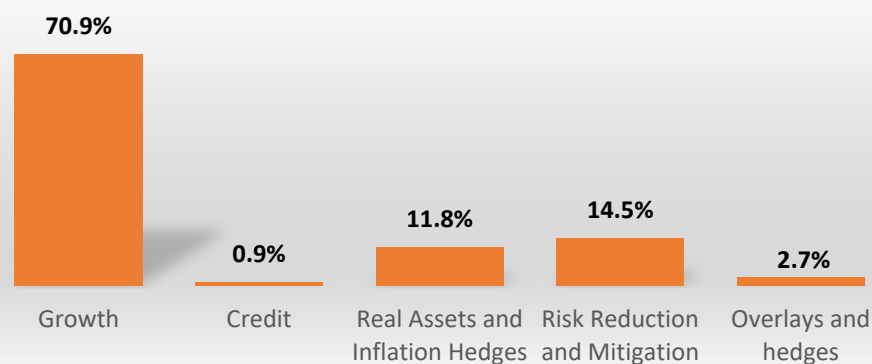
**BMK Risk stands for Benchmark Risk



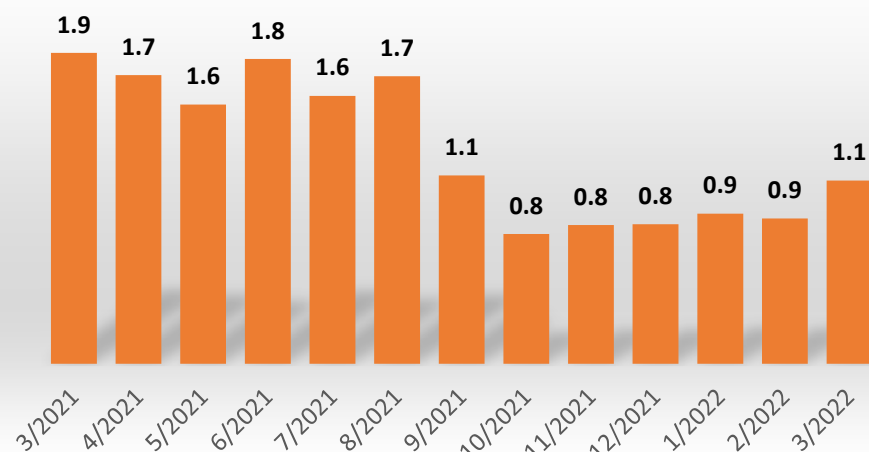
Total Fund Forecast Active Risk*

as of March 2022 (Preliminary)

Active Risk Contribution



Active Risk



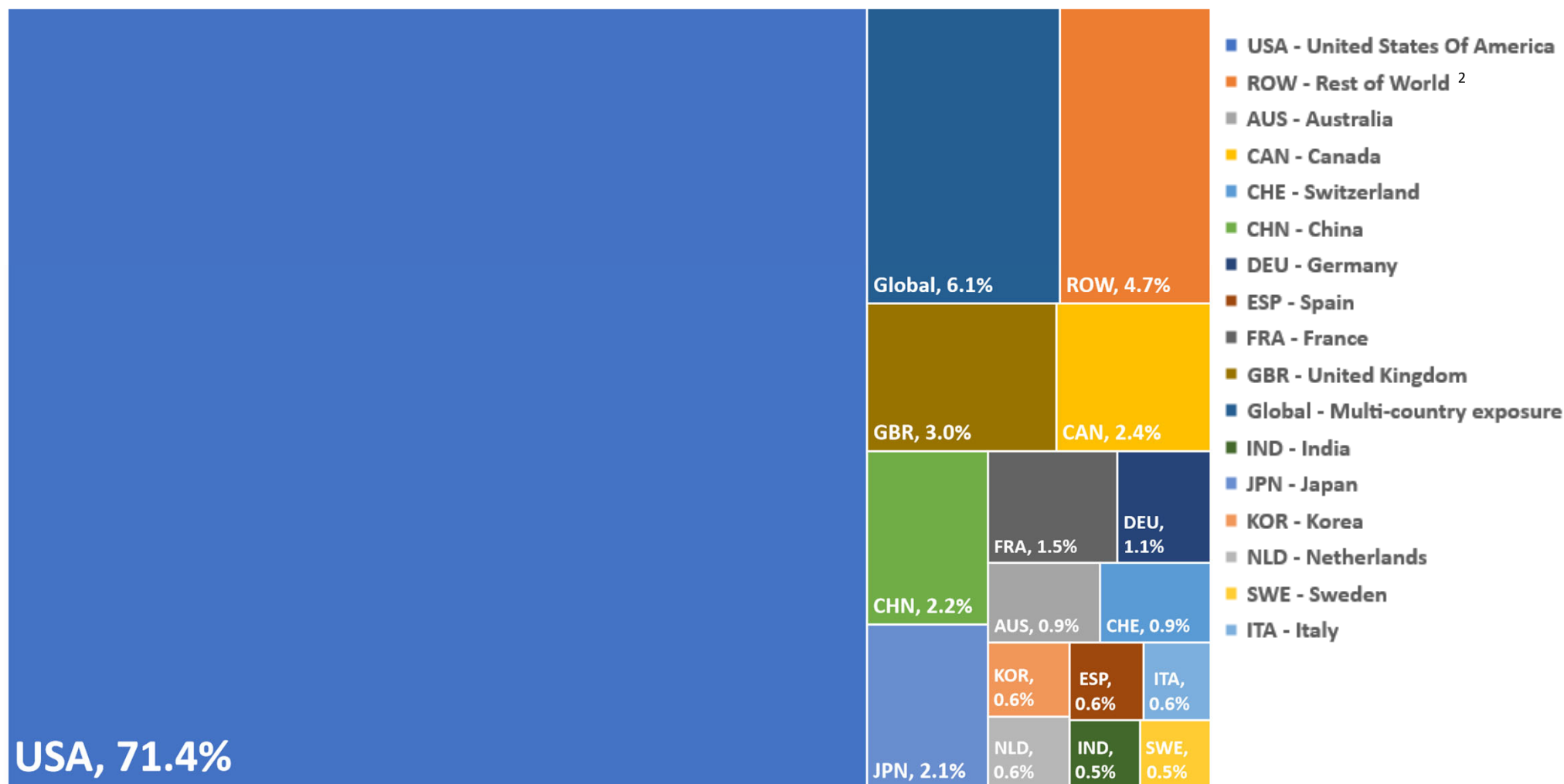
	%Weight	Active Weight%	Active Risk	Active Risk Allocation	Active Risk Selection
Total Fund			1.10	0.13	0.97
Growth	51.3%	0.25%	0.78	0.01	0.76
Global Equity	33.9%				
Private Equity	15.9%				
Non-Core Private Real Estate	1.4%				
Credit	10.8%	-0.22%	0.01	0.01	0.00
Liquid Credit	6.5%				
Illiquid Credit	4.3%				
Real Assets & Inflation Hedges	17.6%	0.55%	0.13	-0.01	0.14
Core Private Real Estate	5.5%				
Natural Resources & Commodities	5.3%				
Infrastructure	4.0%				
TIPS	2.8%				
Risk Reduction and Mitigation	19.8%	-1.18%	0.16	0.09	0.07
Investment Grade Bonds	11.6%				
Diversified Hedge Funds	5.1%				
Long-Term Government Bonds	1.9%				
Cash	1.3%				
Overlays and Hedges	0.6%	0.60%	0.03	0.03	-

*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 9/30/2021



Geographic Exposures by AUM* - Total Fund

as of March 2022 (Preliminary) ex-overlays and hedges



*AUM = assets under management

¹ *Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 9/30/2021

² "ROW - Rest of World" is sum of countries with weight below 0.5%

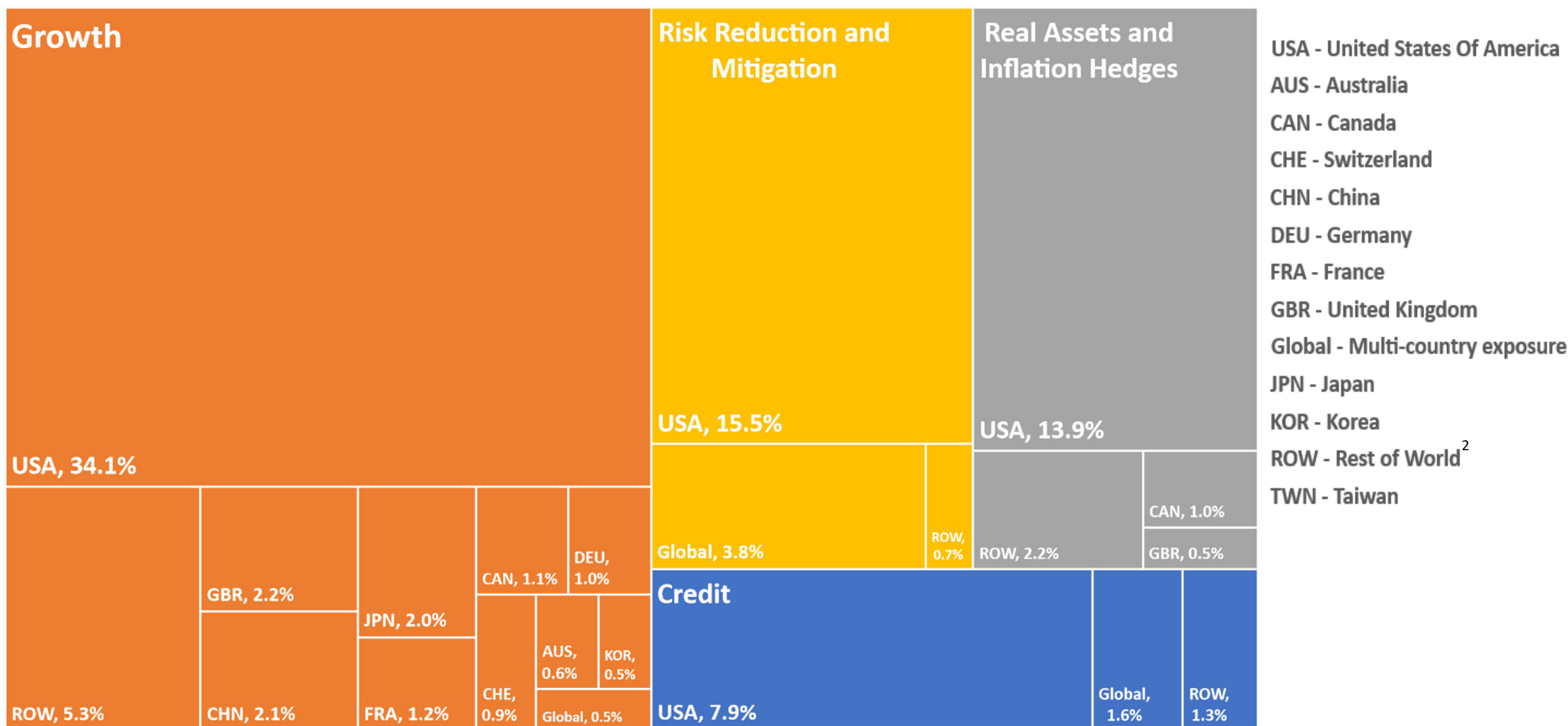
³ Geographic exposure is based on the domicile country of a given security/asset



Geographic Exposures by AUM* - Asset Categories

as of March 2022 (Preliminary) ex-overlays and hedges

■ Credit ■ Growth ■ Real Assets and Inflation Hedges ■ Risk Reduction and Mitigation



*AUM = assets under management

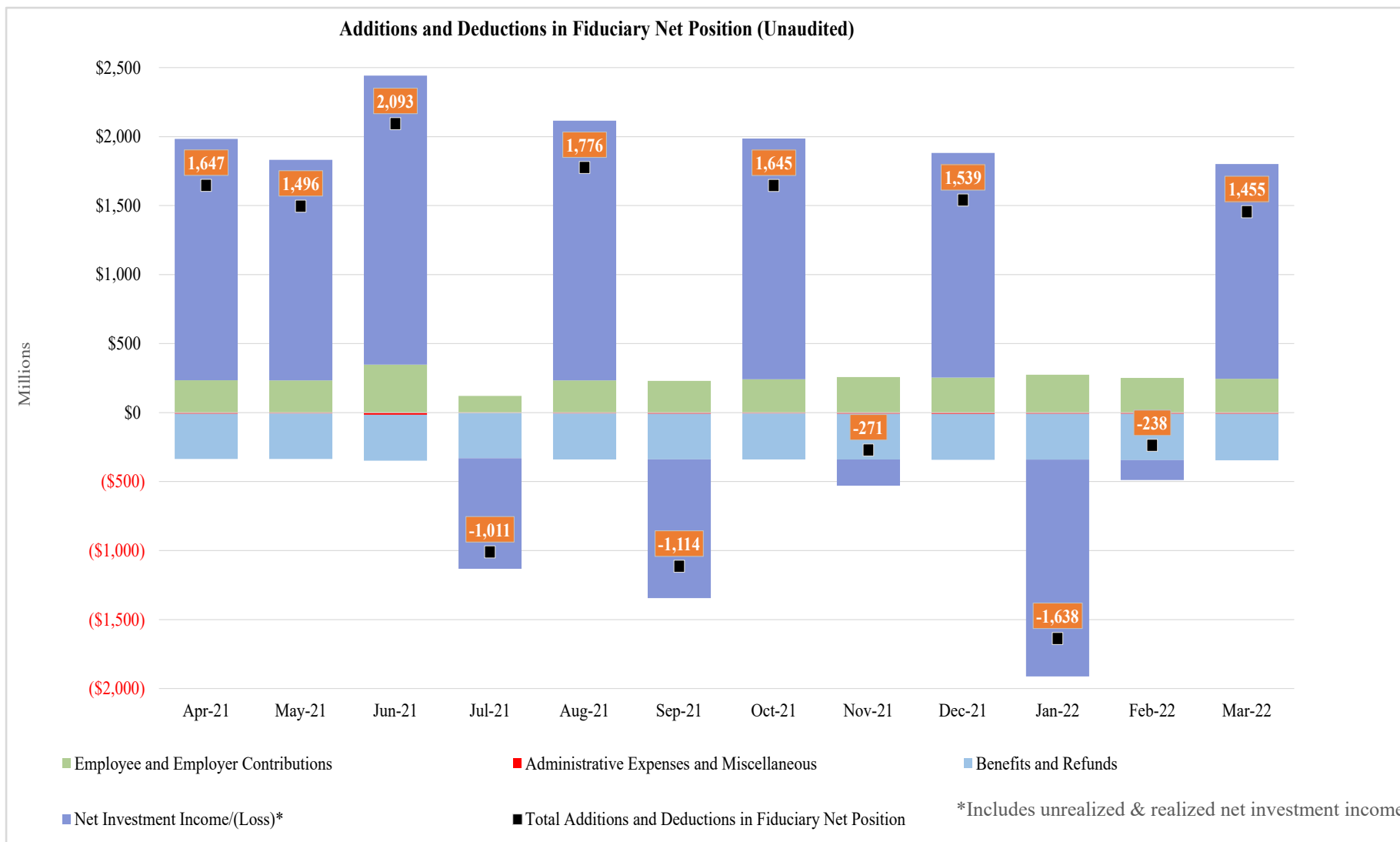
¹ *Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 9/30/2021

² "ROW - Rest of World" is sum of countries with weight below 0.5%

³ Geographic exposure is based on the domicile country of a given security/asset



Change In Fiduciary Net Position



Fiscal Year	Negative Months	Positive Months	Total Net Position Change \$
FY-20	5	7	-
FY-21	2	10	\$13.8 billion
FY-22	5	4	\$2.1 billion



Portfolio Structural Updates



Portfolio Structural Updates

Portfolio Movements

Rebalancing Activity



Hedges and Overlays

Program	March Return	March Gain/Loss	Inception* Gain/Loss
Currency Hedge**	0.6%	\$1.8 Million	\$1.0 Billion
Cash/Rebalance Overlay***	3.8%	\$68.0 Million	\$80.0 Million

*Currency and overlay program inception dates are 8/2010 & 7/2019, respectively.

** LACERA's currency hedge program's 1-month return is calculated monthly whereas the monthly gain/loss amount for the same period is the net realized dollar amount at contract settlement over three monthly tranches.

*** LACERA's overlay program's 1-month return includes interest earned on the cash that supports the futures contracts.

Current Search Activity

Status of Active Searches – Subject to Change

Name	RFP Issued	Due Diligence	BOI Review
Illiquid Credit Emerging Manager Program Search	●	●	Anticipated Mid 2022
Custody Bank Search	●	●	Anticipated Late 2022
OPEB Private Markets Investments Search	●	●	Anticipated Mid 2022

Quiet Period for Search Respondents

Please see the Appendix for this month's list of respondents to active searches



Key Initiatives and Operational Updates



Notable Initiatives and Operational Updates

Key Initiative Updates

- Implementation is ongoing for the new strategic asset allocation interim policy targets and benchmarks
- Preparations for the BOI Offsite in September are underway

Operational Updates

- Annual contract compliance review underway
- Working on the annual budget process

Manager/Consultant Updates

Parametric - Total Fund – Justin Henne, Managing Partner, and Head of the Overlay Services team, will be leaving Parametric effective May 30, 2022. Clint Talmo, Director of Investment Strategy, and Ricky Fong, Director of Investment Strategy, will co-lead the team.

Lazard – Growth – announced that Ashish Bhutani, CEO will retire effective June 1, 2022. Evan Russo, current CFO, will become the new CEO. Mr. Bhutani will remain Chairman of Asset Management and Vice-Chairman.

Acadian – Growth – Harry Gakidis, Senior Vice President and Lead Portfolio Manager for Core Equities will be leaving at the end of April 2022. Mr. Gakidis's responsibilities will be absorbed by Ryan Taliaferro, Director of Equity Strategies, and the remaining equity portfolio management team.

Completed Actions

- Onboarded LACERA's first dedicated managed account

Team Searches and Open Positions

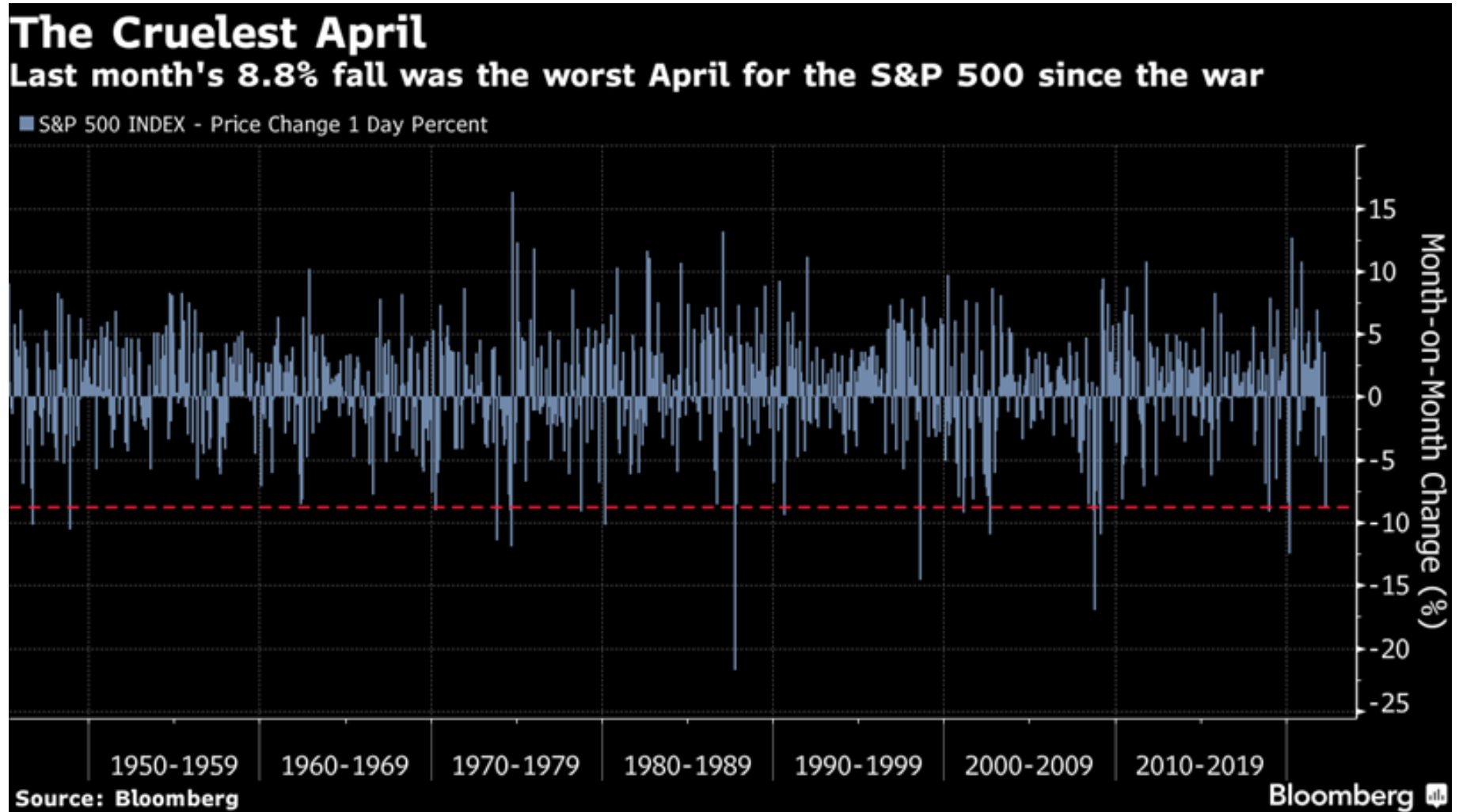
- Working on launching new searches
 - 1 – Deputy Chief Investment Officer
 - 1 – Principal Investment Officer
 - 1 – Senior Investment Officer
 - Search in progress
 - 4 – Financial Analyst-III
 - 2 searches in progress
 - 2 – Financial Analyst-II

Commentary



Staff Chart of the Month*

Worst April for the S&P 500 Index Since World War II



Source: Bloomberg Opinion, April 30, 2022.

Appendix



Quiet Period for Search Respondents

Custody Bank Search

- ✓ State Street Bank and Trust Co.

Illiquid Credit Emerging Manager Program Search

- ✓ BlackRock Alternative Advisors
- ✓ Blackstone Alternative Asset Management
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ Stable Asset Management

OPEB Private Markets Investments Search

- ✓ BlackRock Financial Management Inc.
- ✓ Cambridge Associates LLC
- ✓ Goldman Sachs Asset Management, L.P.
- ✓ Hamilton Lane Advisors, LLC
- ✓ HarbourVest Partners, LLC
- ✓ J.P. Morgan Asset Management
- ✓ Morgan Stanley Investment Management
- ✓ Neuberger Berman Alternatives Advisers, LLC
- ✓ Pathway Capital Management, LP
- ✓ StepStone Group Holdings, LLC

Compliance Monitor

This report highlights operational and compliance metrics monitored by the Investment Division
As of March 2022*

LACERA PENSION FUND

10

GROWTH

Total # of Advisory

GROWTH

Global Equity

Asset Allocation Policy Compliance

✓

Investment Guideline Compliance

✓

1

One manager had guideline violations that resulted from securities breaching maximum individual weights relative to the portfolio's average position size during March. The manager was back within compliance by month-end.

Emerging Manager Program

✓

of Sudan/Iran Holdings Held by Managers

✓

9

9 issuers held, totaling \$20.7 mm in market value

Private Equity - Growth**

Asset Allocation Policy Compliance

✓

Guideline Compliance by Strategy

✓

Guideline Compliance by Geographic Location

✓

Investment Exposure Limit

✓

Non-Core Private Real Estate**

(See Real Assets & Inflation Hedges - Core Private Real Estate section)

0

CREDIT

Total # of Advisory

CREDIT

Liquid Credit, Illiquid Credit**

Asset Allocation Policy Compliance

✓

Investment Guideline Compliance

✓

Emerging Manager Program

✓

of Sudan/Iran Holdings Held by Managers

✓

Compliance Monitor

This report highlights operational and compliance metrics monitored by the Investment Division
As of March 2022*

LACERA PENSION FUND

2

REAL ASSETS & INFLATION HEDGES

Total # of Advisory

REAL ASSETS & INFLATION HEDGES****

Core Private Real Estate**

Quarterly Review Status	# of Advisory	Notes
✓		
✓		
✓		
✓		
✓	1	Core East US region has variance of 0.4%; Outside of +/-10% range
✓	1	One value-add mandate has LTV of 103%, above the 65% LTV limit. The value is \$1.0 mm and makes up less than 0.04% of the total fund

Natural Resources & Commodities***

Asset Allocation Policy Compliance	✓	
Investment Guideline Compliance	✓	
# of Sudan/Iran Holdings Held by Managers	✓	

Infrastructure

Asset Allocation Policy Compliance	✓	
Investment Guideline Compliance	✓	
# of Sudan/Iran Holdings Held by Managers	✓	

TIPS

Asset Allocation Policy Compliance	✓	
Investment Guideline Compliance	✓	
# of Sudan/Iran Holdings Held by Managers	✓	

Compliance Monitor

This report highlights operational and compliance metrics monitored by the Investment Division
As of March 2022*

LACERA PENSION FUND

0

RISK REDUCTION & MITIGATION

Total # of Advisory

RISK REDUCTION & MITIGATION

Investment Grade Bonds

Asset Allocation Policy Compliance

Investment Guideline Compliance

Emerging Manager Program

of Sudan/Iran Holdings Held by Managers

Quarterly Review Status

of Advisory

Notes

Diversified Hedge Funds**

Asset Allocation Policy Compliance

Portfolio Level Compliance

Direct Portfolio Manager Guideline Compliance

Long-term Government Bonds

Asset Allocation Policy Compliance

Investment Guideline Compliance

Emerging Manager Program

of Sudan/Iran Holdings Held by Managers

Cash

Asset Allocation Policy Compliance

Investment Guideline Compliance

of Sudan/Iran Holdings Held by Managers

Compliance Monitor

This report highlights operational and compliance metrics monitored by the Investment Division
As of March 2022*

INVESTMENT OPERATIONS

6
INVESTMENT OPERATIONS
Total # of Advisory

INVESTMENT OPERATIONS	Quarterly Review Status	# Advisory	Notes
Securities Lending			
Investment Guideline Compliance	✓		
\$ Value on Loan	✓	1	State Street \$4,002.1 mm
\$ Value of Cash/Non-Cash Collaterals	✓	1	State Street \$4,286.7 mm
Total Income - Calendar YTD	✓	1	State Street \$2.3 mm
Total Fund Overlays and Hedges			
Investment Guideline Compliance	✓		
Proxy Voting			
Number of Meetings Voted	✓	1	1,088 meetings voted
Tax Reclaims			
Total Paid Reclaims - Calendar YTD	✓	1	\$1,418
Total Pending Reclaims	✓	1	\$23.0 mm
Fee Validation			
Fee Reconciliation Project	✓		
AB 2833	✓		
Investment Manager Meetings*****			
Manager Meeting Requests	✓		

Compliance Monitor

This report highlights operational and compliance metrics monitored by the Investment Division
As of March 2022*

OPEB MASTER TRUST

Functional Asset Categories (Growth, Credit, Inflation Hedges, Risk Reduction & Mitigation)	Quarterly Review Status	# Advisory	Notes
	✓		
	✓		
	✓		
Asset Allocation Policy Compliance			
Investment Guideline Compliance			
# of Sudan/Iran Holdings Held by Managers			

* This list is not exhaustive as various compliance processes are completed throughout the year. Each quarter, different items may appear on the compliance monitor.

** Represents the comprehensive Private Equity (3-month lag), Real Estate (3-month lag), Illiquid Credit (1- and 3-month lags), and Hedge Funds (1-month lag) programs across the total plan.

*** Investment guideline compliance based on public market exposure.

**** Reflects the most recent data available.

***** Advisory noted if the CEO or a Board member recommends staff to meet with a specific manager three or more times in a year. The purpose of notifying the activity is to promote transparency and governance best practices designed to preserve the integrity of the decision-making process.

April 26, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Steven P. Rice, *SPR*
Chief Counsel

FOR: May 5, 2022 Board of Retirement Meeting
May 11, 2022 Board of Investments Meeting

SUBJECT: Approval of Teleconference Meetings Under AB 361 and Government Code
Section 54953(e)

RECOMMENDATION

That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

LEGAL AUTHORITY

Under Article XVI, Section 17 of the California Constitution, the Boards have plenary authority and exclusive fiduciary responsibility for the fund's administration and investments. This authority includes the ability of each Board to manage their own Board and Committee meetings and evaluate legal options for such meetings, such as whether to invoke teleconferencing of meetings under AB 361 and Government Code Section 54953(e) of the Brown Act to protect the health and safety of Trustees, staff, and the public. The Boards previously took this action at their meetings since October 2021. Findings made under this memo will be effective for meetings during the next 30 days, so long as the State of Emergency remains in effect.

DISCUSSION

A. Summary of Law.

On September 16, 2021, the Governor signed AB 361 which enacted new Government Code Section 54953(e) of the Brown Act to put in place, effective immediately and through

December 31, 2023, new teleconferencing rules that may be invoked by local legislative bodies, such as the LACERA Boards, upon making certain findings and following certain agenda and public comment requirements.

Specifically, Section 54953(e)(3) provides that the Boards may hold teleconference meetings without the need to comply with the more stringent procedural requirements of Section 54953(b)(3) if a state of emergency under Section 8625 of the California Emergency Services Act impacts the safety of in person meetings or state or local officials have imposed or recommended social distancing rules, provided that the Board makes the following findings by majority vote:

(A) The Board has considered the circumstances of the state of emergency; and

(B) Any of the following circumstances exist:

- (i) The state of emergency continues to directly impact the ability of the Trustees to meet safely in person; or
- (ii) State or local officials continue to impose or recommend measures to promote social distancing.

If each Board makes the required findings, that Board and its Committees may hold teleconference meetings for the next 30 days without the need to comply with the regular rules of Section 54953(b)(3) provided that: agendas are prepared and posted under the Brown Act; members of the public are allowed to access the meeting via a call-in option or an internet-based service option; and the agenda provides an opportunity for public comment in real time and provides notice of the means of accessing the meeting for public comment.

B. Information Supporting the Required Findings and Process if the Boards Determine to Invoke Section 54953(e).

The Governor's State of Emergency for the COVID-19 pandemic as declared in the Proclamation of a State of Emergency dated March 4, 2020 remains active. The Proclamation was issued under the authority of Section 8625 of the California Emergency Services Act. It is unclear when the State of Emergency will end, although the Governor recently extended certain COVID-19 emergency provisions only to March 31, 2022 and has actively terminated other emergency provisions. See Order No. N-21-21, issued November 10, 2021, Order No. N-04-22, issued February 25, 2022.

The Los Angeles County Department of Public Health maintains guidance to "Keep your distance. Use two arms lengths as your guide (about 6 feet) for social distancing with people outside your household when you are not sure that they are vaccinated." <http://publichealth.lacounty.gov/acd/ncorona2019/reducingrisk/>. The County Public Health Department also maintains guidance that employers should, "Whenever possible,

take steps to reduce crowding indoors and encourage physical distancing: ... Limiting indoor occupancy to increase the physical space between employees at the worksite, between employees and customers, and between customers. For some establishments, telework may be an option to consider.”
<http://publichealth.lacounty.gov/acd/ncorona2019/bestpractices/>.

As further indication of the County’s interpretation of the impact of the State of Emergency on public meetings, at its April 26, 2022 meeting, the Board of Supervisors voted to find that the State of Emergency remains active and “local officials continue to recommend measures to promote social distancing” and that the Board of Supervisors shall continue to hold teleconference meetings under the terms of Assembly Bill 361 and Government Code Section 54953(e)(3).

The City of Pasadena (City), where LACERA’s offices are located and Board and Committee meetings are held, has substantially revised its guidance to give more flexibility. The City still offers guidance that businesses recognize that COVID-19 continues to pose a risk to communities, and it is important for employers to continue to take steps to reduce the risk of COVID-19 transmission among their workers and visitors.
<https://www.cityofpasadena.net/economicdevelopment/covid-19-business-resources/>.

Earlier guidance promoting physical distancing by business also remains posted on the City’s COVID web page as a reference. As of the date of this memo, the City Council continues to hold its meetings by videoconference/teleconference, although some council members have started to attend in person in the council chambers.

The Centers for Disease Control and Prevention (CDC) has recently updated its guidance, but the CDC still advises the public to “Stay 6 feet away from others” and that, “Indoors in public: “If you are not up to date on COVID-19 vaccines, stay at least 6 feet away from other people, especially if you are at higher risk of getting very sick with COVID-19.”
<https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html#stay6ft%20>.

Under these circumstances, the Boards may reasonably conclude and find that teleconferencing under Section 54953(e) is appropriate for Board and Committee meetings during the next 30 days, so long as the State of Emergency remains in effect, because (1) the State of Emergency continues to impact the ability of the Trustees to meet safely in person, and (2) the County and other authorities continue to recommend measures to promote a safe workplace, including physical distancing, as required by the statute.

If each Board makes these findings and directs teleconferencing under Section 54953(e), procedures exist and will be implemented to ensure compliance with the agenda and

public comment requirements of the statute, as stated above.

Finally, while the pandemic continues to present a significant health risk, as the virus presents itself in different variants, LACERA staff will return to the office on May 2, 2022. Staff's return to office will be under hybrid work schedules for most employees, including both on site work and continued teleworking. The return to office for staff is made under COVID safety protocols, including vaccination and testing procedures and encouraging masks and social distancing. When the Boards decide to return to in person meetings, management will develop protocols for the boardroom, which will present separate safety challenges, including, for example, the small size of the room, ingress and egress, and public access and comment requirements.

CONCLUSION

Based on the above information, staff recommends that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

c:	Santos H. Kreimann	Luis Lugo	JJ Popowich
	Jonathan Grabel	Laura Guglielmo	Carly Ntoya

April 18, 2022

TO: Trustees
Board of Investments

FOR: Board of Investments Meeting of May 11, 2022

SUBJECT: Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School in Cambridge, Massachusetts on July 17 – July 22, 2022

The Harvard Kennedy School: Leading in Artificial Intelligence: Exploring Technology and Policy will be held in Cambridge, Massachusetts on July 17 – July 22, 2022. The Leading in Artificial Intelligence is designed for senior-level leaders in corporate, public, and nonprofit sectors involved in Artificial Intelligence (AI) or Machine Learning (ML) product development, service delivery, or policymaking.

The main conference highlights include the following:

- Learn to distinguish between AI and ML and understand their applications and use
- Explore ways to bridge the gap between the technology and policy sectors and forge meaningful collaborations Examine AI and ML governance frameworks with a focus on what is working and what is
- Gain valuable new insights into how AI can be used for public good Grounded in the case-method created at Harvard, the curriculum will include small group discussions, stimulating workshops, lectures, and critical peer-to-peer learning

Following are approximate conference and travel costs:

Registration: \$9,900.00

(The program fee includes tuition, housing, curricular materials, and most meals)

Airfare: \$1,300.00 - \$2,500.00

Ground Transportation: \$60.00 per day

Daily Per Diem & Incidentals: \$79.00 per day (The Registration Fee Includes Most Meals)

Approximate Cost Per Traveler: \$12,250.00 - \$14,500.00

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve attendance of Trustees at the Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School in Cambridge, Massachusetts on July 17 – July 22, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies.

LE

Attachment



Leading in Artificial Intelligence

Exploring Technology and Policy

WWW.HKS.HARVARD.EDU/EE/AI



Harvard John A. Paulson
School of Engineering
and Applied Sciences



HARVARD Kennedy School
Executive Education
YOU'RE HERE TO MAKE A DIFFERENCE.™



“AI is bigger than the Industrial Revolution. Understanding the technologies involved and their implications is a learning opportunity informed professionals and policy leaders cannot afford to miss.”

– STEWIN CAMARGO
TECHNOLOGY & CYBER RISK MANAGEMENT
FINANCIAL SERVICES – GLOBAL BANKING & MARKETS
NEW YORK, NY

LEADING IN AI: EXPLORING TECHNOLOGY AND POLICY

Created jointly by Harvard’s Kennedy School of Government and the John A. Paulson School of Engineering and Applied Sciences

Today, the use of Artificial Intelligence (AI) and Machine Learning (ML) is expanding into nearly every sector of society—from healthcare and finance to transportation and government services. Yet despite the increasing demand, most decision makers do not fully understand how these technologies work, nor fully grasp their unintended consequences. Failure to understand and address questions around fairness, privacy, and bias risks the loss of public trust in AI and ML.

Leaders like you are asking for tools and resources to better navigate this uncharted territory. *Leading in Artificial Intelligence: Exploring Technology and Policy* provides you with such an opportunity. This groundbreaking new executive program lies at the critical intersection of policy and technology. Innovative yet practical, this program will strengthen your capacity to lead in AI, including how to mitigate risk without inhibiting innovation.

Together with your peers and preeminent Harvard faculty, you will be immersed in a state-of-the-art learning experience with both online and residential teaching.



CURRICULUM

This pioneering program will enhance your knowledge of what AI is and isn't, help you determine appropriate technologies for your organization, and sharpen your critical thinking around issues such as privacy, security, and fairness. Specifically, you will:

- » Learn to distinguish between AI and ML and understand their applications and use
- » Explore ways to bridge the gap between the technology and policy sectors and forge meaningful collaborations
- » Examine AI and ML governance frameworks with a focus on what is working and what is not
- » Gain valuable new insights into how AI can be used for public good

Grounded in the case-method created at Harvard, the curriculum will include small group discussions, stimulating workshops, lectures, and critical peer-to-peer learning.

1



Online Learning Module

Prepare for your on-campus experience

2



1-Week On-Campus Experience

Learn in-person with Faculty Chair Jim Waldo and other Harvard professors

3



Live Online Wrap-Up

Reconvene live with Faculty Chair and classmates for program wrap-up

YOU'RE HERE TO MAKE A DIFFERENCE.SM

WHO SHOULD ATTEND

Leading in Artificial Intelligence is designed for senior-level leaders in corporate, public, and nonprofit sectors involved in AI or ML product development, service delivery, or policymaking, such as:

- » Senior leaders in government and the military
- » CTOs, CIOs, CSOs, CISOs, CDOs, and other C-Suite officers
- » Entrepreneurs
- » Product developers and engineers
- » Leaders of civic, social, and political organizations, and elected public officials
- » Professionals in healthcare, financial services, transportation, utilities, education, and criminal justice

The professional experience, broad spectrum of perspectives, and background you bring to this program will be critical to the learning process. You should come prepared to help shape conversations, be challenged, and gain new insights about AI and ML technologies. This is your opportunity to lead in AI with renewed confidence and skill alongside peers from across sectors.



TO APPLY OR LEARN ABOUT PROGRAM DATES, CURRICULUM, TUITION, AND MORE, PLEASE VISIT

WWW.HKS.HARVARD.EDU/EE/AI

Admission is competitive and based on professional achievement and organizational responsibility. There are no formal educational requirements; however, fluency in written and spoken English is a necessity for participation.

This program qualifies for the Public Policy Executive Certificate. Visit www.hks.harvard.edu/ee/certificate to learn more.

FACULTY CHAIR



Jim Waldo is the Gordon McKay Professor of the Practice of Computer Science and the Chief Technology Officer for the Harvard John A. Paulson School of Engineering and Applied Sciences. Jim is also a Professor of Policy at Harvard Kennedy School teaching on topics at the intersection of technology and policy. Prior to Harvard, he designed clouds at VMWare, was a Distinguished Engineer with Sun Microsystems Laboratories, and served as lead architect for Jini, a distributed programming system based on Java.

ADDITIONAL FACULTY

» **Chris Bavitz**

WilmerHale Clinical Professor of Law at Harvard Law School (HLS) and Managing Director of HLS's Cyberlaw Clinic

» **Joe Blitzstein**

Professor of the Practice in Statistics and Co-Director of Undergraduate Studies at Harvard University

» **Finale Doshi-Velez**

Assistant Professor of Computer Science at Harvard School of Engineering and Applied Sciences

» **Edlyn Levine**

Senior Physicist at the MITRE Corporation and Research Associate in the Department of Physics at Harvard University

» **Mathias Risse**

Lucius N. Littauer Professor of Philosophy and Public Administration and Director for the Carr Center for Human Rights Policy at Harvard Kennedy School

» **Milind Tambe**

Gordon McKay Professor of Computer Science and Director of the Center for Research in Computation and Society at Harvard School of Engineering and Applied Sciences

“One of a leader’s main responsibilities is to distinguish between what can and cannot be done, understand what technology can do, and how to use it appropriately to move your business or agency forward. This program will help you do that.”

– PROFESSOR JIM WALDO
FACULTY CHAIR

YOU'RE HERE TO MAKE A DIFFERENCE.SM



HARVARD Kennedy School

Executive Education

WWW.HKS.HARVARD.EDU/EE/AI

79 JFK Street

Cambridge, MA 02138 USA

Phone: +1-617-496-9000

Email: exed@hks.harvard.edu



Leading in Artificial Intelligence: Exploring Technology and Policy
July 17 -22, 2022

Sunday July 17	Monday July 18	Tuesday July 19	Wednesday July 20	Thursday July 21	Friday July 22
	Breakfast: 8:00 - 8:45 am				
	9:00 - 10:30 am Technical Basics Jim Waldo	9:00 - 10:30 am The New Wild, Wild West: Geopolitics in the Cyber Era Simran Maker	9:00 - 10:30 am Encryption Susan Landau	9:00 - 10:30 am Privacy Basics Jim Waldo	8:45 - 10:15 am Is Data Science a Cargo Cult? Edlyn Levine
	Break 10:30 - 11:00 am 11:00 - 12:30 pm	Break: 10:30 - 11:00 am 11:00 - 12:30 pm	Break: 10:30 - 11:00 am 11:00 - 12:30 pm	Break 10:30 - 11:00 am 11:00 - 12:30 pm	Break: 10:15 - 10:45 am 10:45 am - 12:15 pm
	Magnitude of Cybersecurity Problem Melissa Hathaway	The Perfect Weapon: War, Sabotage and Fear in the Cyber Age David Sanger	Securing a World of Physically Capable Computers Bruce Schneier	AI Policy Work in Industry Irene Solaiman	Is Data Science a Cargo Cult? (continued) Edlyn Levine
	12:30 - 1:30 pm Lunch with Study Group <i>Nye AB</i>	12:30 - 1:30 pm Lunch with Study Group & OCA Talk <i>Nye AB</i>	12:30 - 1:30 pm Lunch with Study Group <i>Nye AB</i>	12:30 - 1:30 pm Lunch with Study Group <i>Nye AB</i>	12:15 - 1:00 pm Exercise Debrief <i>Boxed lunches in classroom</i>
4:45 PM <i>Meet in the DoubleTree lobby to take a bus to campus</i>	1:30 - 2:00 pm Class Discussion	1:30 - 2:00 pm Class Discussion	1:30 - 2:00 pm Class Discussion	1:30 - 2:00 pm Class Discussion	1:00 - 1:30 pm
	2:00 - 3:30 pm AI & Ethics Mathias Risse	2:00 - 3:30 pm Strengths & Limitations of Statistical Thinking Joe Blitzstein	2:00 - 3:30 pm Introducing Innovations to Organizations Dutch Leonard	2:00 - 3:30 pm Regulating Algorithms: AI, Law, Policy & Governance Chris Bavitz	Wrap up Jim Waldo
	Group Photo / Break 3:30 - 4:00 pm 4:00 - 5:30 pm	Break 3:30- 4:00 pm 4:00 - 5:30 pm	Break 3:30- 4:00 pm 4:00 - 5:30 pm	Break 3:30- 4:00 pm 4:00 - 5:30 pm	
	AI Technical Basics Jim Waldo	Strengths & Limitations of Statistical Thinking (continued) Joe Blitzstein	Introducing Innovations to Organizations Dutch Leonard	Regulating Algorithms: AI, Law, Policy & Governance Chris Bavitz	
	Free time	Free time	Dinner on your own	6:00 - 8:00 pm Cocktail Reception, Final Dinner & Certificate Ceremony <i>Harvard Faculty Club</i>	
5:15 - 6:45 pm Introduction to the Program Jim Waldo					
7:00 - 8:30 pm Opening Dinner <i>Nye AB</i>	6:00 - 8:00pm Networking Event <i>Adams House</i>	6:00 - 8:00pm Networking Dinner <i>DoubleTree Hotel</i>			

All classes will be held in Wiener Auditorium unless otherwise specified.

April 22, 2022

TO: Trustees
Board of Investments

FOR: Board of Investments Meeting of May 11, 2022

SUBJECT: RFK Compass Summer Investors Conference in Hyannis Port, MA on June 14 – 15, 2022

The 2022 RFK Compass Summer Investors Conference will be held on June 14 – 15, 2022 in Hyannis Port, Massachusetts. The conference will gather some of the country's leading investment decision-makers.

The main conference highlights include the following:

- Interactive Investor Roundtable
- Networking Excursions
- Fireside Chat Sessions

Following are approximate conference and travel costs:

Registration: \$1,000.00

Airfare: \$1,000.00 - \$4,000.00

Hotel: \$560.00 per night plus tax (3 nights)

Ground Transportation: \$100.00
per day (4 days)

Daily Per Diem & Incidentals: \$69.00 per day
(The Registration Fee Includes Most Meals)

Approximate Cost Per Traveler: \$4,700.00 - \$7,700.00

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve attendance of Trustees at the RFK Compass Summer Investors Conference in Chatham, Massachusetts on June 14 – 15, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies.



RFK Compass Summer Investors Conference Preliminary Schedule*

Tuesday, June 14 - Wednesday, June 15, 2022
Chatham Bars Inn | Kennedy Family Compound

We are excited to welcome you back to the beautiful Cape after two years for the annual RFK Compass Summer Investors Conference! Below is a preliminary logistical schedule to assist you in your preparation for the event. A formal conference agenda will be shared in the coming weeks.

----- MONDAY, JUNE 13 -----

- | | |
|-----------------|---|
| 12:00 PM | Conference Registration Open
The program will begin promptly at 8:15 AM on Tuesday morning. We recommend booking travel to arrive at the venue on Monday, June 13 to optimize your conference experience. |
| 1-3 PM | Meeting of the Board of Directors of Robert F. Kennedy Human Rights
<i>At the home of Chris & Sheila Kennedy</i> |
| 6:00 PM | Welcome cocktails and dinner Chatham Bars Inn
<i>Attendee arrivals. Cocktails will be served before a networking dinner.</i> |

----- DAY 1: TUESDAY, JUNE 14 -----

- | | |
|------------------------|---|
| 7:15 AM | Registration and welcome tea/coffee Chatham Bars Inn |
| 8:15 AM | Co-Chairs Welcome
Sancia Dalley , SVP, Investor Engagement, Robert F. Kennedy Human Rights and Marvin Rosen , Shareholder, Greenberg Traurig and Board Member, Robert F. Kennedy Human Rights |
| 8:30 AM | Opening Fireside Chat |
| 9:00 – 11:30 AM | Morning Panels |
| 11:35 AM | Interactive Session on Business & Human Rights |
| 1:00 PM | Lunch Keynote – seating is pre-assigned |
| 2:30 PM | <i>Travel to Kennedy Compound - Shuttles will depart promptly from the main entrance of Chatham Bars Inn (40 mins).</i> |

*This is a working agenda and is subject to change.



3:45-5:45 PM

Afternoon Panels

Kennedy Compound

5:45 PM

Networking Cocktails

Grab a drink and then join Ted Kennedy, Jr. for a fun tour of the Kennedy Family Compound. Rest assured you'll be in for a treat!

6:30 PM

Tour of The Kennedy Compound

7:00 PM

Transition to Dinner – seating is pre-assigned

7:15 PM

Opening Dinner Program

Welcome Remarks – Kerry Kennedy, President, Robert F. Kennedy Human Rights

Fireside Chat – Gary Gensler, Chairman, U.S. Securities and Exchange Commission

Fireside Chat – Valerie Jarret, Interim President, Obama Foundation and former Senior Advisor to the 44th President of the United States of America and **David Grain**, Founder and CEO, Grain Management

9:30 PM

Dinner concludes

10:00 PM

Shuttles depart for Chatham Bars Inn

----- **END OF DAY 1** -----

*This is a working agenda and is subject to change.



RFK Compass Summer Investors Conference

Preliminary Schedule*

Tuesday, June 14 - Wednesday, June 15, 2022
Chatham Bars Inn | Kennedy Family Compound

----- DAY 2: WEDNESDAY, JUNE 15 -----

8:00 AM	Coffee/Tea and Light Breakfast	Chatham Bars Inn
9:00 AM	Chair's Remarks	
9:10-11:15 AM	Morning Panels	
11:30 AM	Interactive Investor Roundtable – Roundtable	
12:30 PM	<i>Transition to Luncheon Keynote – seating is pre-assigned</i>	
12:45 PM	Lunch Keynote – seating is pre-assigned	
2:30 PM	Shuttles Depart for Networking Excursions	
3:00 PM	Networking Excursions Attendees can opt for Sailing with The Kennedys or Tour of the John F. Kennedy Museum – pre-registration required.	
5:00 PM	<i>Shuttles depart for Chatham Bars Inn</i>	
6:30 PM	Networking Cocktails	Chatham Bars Inn
7:00 PM	Closing Dinner and Fireside Chat – seating is pre-assigned	

----- END OF DAY 2 -----

Hotel check-out and departures on Thursday, June 16.

*This is a working agenda and is subject to change.



RFK Compass Summer Investors Conference Preliminary Schedule*

**Tuesday, June 14 - Wednesday, June 15, 2022
Chatham Bars Inn | Kennedy Family Compound**

----- ACCOMMODATIONS & TRANSPORT -----

Chatham Bars Inn | 297 Shore Rd, Chatham, MA 02633

Call the Reservations Department at 1-800-527-4884 before **Friday, April 29, 2022.**

- Identify themselves as guests of the Robert F. Kennedy Human Rights Compass Conference.
- One night's deposit is required at the time of booking. Seven (7) days prior to arrival, the remaining room balance is charged. Reservations may be canceled up to thirty (30) days prior to arrival less at \$25.00 cancellation fee. For cancellations received within twenty-nine (29) days of arrival, payment is non-refundable.

Closest Airport | More information to come in the spring regarding booking a car service from Boston or Barnstable, should you desire their services.

- Barnstable Municipal Airport | 20 miles
- Boston Logan Airport | 75 miles

*This is a working agenda and is subject to change.

April 25, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Elizabeth Greenwood
James P. Harris
Shawn R. Kehoe
William R. Pryor
Antonio Sanchez
Gina V. Sanchez

FOR: May 5, 2022 Board of Retirement Meeting
May 11, 2022 Board of Investments Meeting

SUBJECT: Approval of Revised Trustee Education and Travel Policies

RECOMMENDATION

That the Board of Retirement (BOR) and the Board of Investments (BOI) approve the revised Education and Travel Policies.

LEGAL AUTHORITY

Under Section 7.2 of its Charter, the Joint Organizational Governance Committee (JOGC) has the responsibility to “assist in the development of and make recommendations with respect to all joint policies, such as ... education and travel.” The BOR and BOI in turn have plenary authority and exclusive fiduciary responsibility for the administration of the system and may exercise that authority to approve reasonable policies governing Board operations, such as the Education and Travel Policies. Cal. Const., art. XVI, § 17.

BACKGROUND

At its December 15, 2021 meeting, the JOGC reviewed the Travel Policy and voted to recommend certain changes. At its March 11, 2022 meeting, the JOGC reviewed the Education and Travel Policies based on input from a poll of Trustees on both Boards. At its April 22, 2022 meeting, the JOGC reviewed proposed revisions to both policies and voted to recommend the revised policies to the BOR and BOI for approval. A redlined version of the Trustee Education Policy is attached as Attachment A, and a redlined version of the Trustee Travel Policy is attached as Attachment B.

DISCUSSION

The redlined revisions to the policies are summarized as follows:

A. Trustee Education Policy (Attachment A)

1. Section I – Purpose

Definitions of “Educational Conferences” and “Administrative Meetings” are added to align with the definitions in the Trustee Travel Policy. The definition of Administrative Meetings is revised to include domestic and international Educational Conferences at which a Trustee will make a speech. Other changes are made throughout the Education Policy to further consistency in use of these terms.

2. Section II – Principles, Section A (Performance of Fiduciary Duty)

The descriptions of the Trustees’ fiduciary duties of loyalty and prudence are revised to be consistent with other governing documents, including the Board Charters, the Investment Policy Statement, and the Code of Ethical Conduct, by quoting the Constitution and providing citations to the Constitution and the County Employees Retirement Law of 1937. The same changes are made in the Trustee Travel Policy.

3. Section III – New Trustee Orientation and Support

Section C (Development and Content) is revised to delete the long list of required elements of new Trustee orientation. This list is replaced with language that provides a high-level description of general subject matter.

Section D (Orientation Materials) is revised to provide that materials will be provided to new Trustees electronically or in such format as they prefer, including a binder of materials covering the orientation topics.

Section E (Mentoring) is revised to provide that the Chief Executive Officer will establish a mentoring program to assist interested Trustees.

4. Section IV – Ongoing Trustee Education, Section C (Methods of Education)

Subsection C(1) (In-House Education) is revised to provide that training by fiduciary counsel will be regular, rather than annual, and that the Chief Executive Officer will develop a fiduciary counsel training schedule.

Language is added to clarify the existing provision that Canada and Mexico are

not considered international destinations for Educational Conferences.

The title of Section C(3) is changed to “Virtual Education and Self-Study” to reflect the breadth of remote education options. Language is added clarifying that virtual education and self-study are not limited by cost.

5. Section V – Administrative Meetings

The definition of “Administrative Meetings” is deleted since it was moved to Section I (Purpose), as noted above. The language is also simplified in recognition of the policy that any Administrative Meeting may be approved in advance on such terms as deemed appropriate.

6. Section VII – Gifts and Conflicts

A minor change is made to clarify that gift and conflict issues should be considered in all educational contexts, as in all Trustee activities.

7. Section IX – Other Charters and Policies, Section A (Prevention of Sexual Harassment)

Changes are made to clarify that the training is entitled and addresses Prevention of Sexual Harassment Training.

8. Section X – Policy Provisions and Applicable Law

This is a new section added based on Travel Policy language so that the policies are the same with respect to the Board’s ability to waive policy provisions for good cause presented in writing and with respect to interpretation of the policy under applicable governing law.

9. Appendix B – Approval External Educational Conferences

Educational conferences, meetings, and seminars provided by ColCapital are added to the pre-approved list. As already stated as to all pre-approved conferences, the list only applies to domestic events.

B. Trustee Travel Policy (Attachment B)

1. Section I – Purpose

Changes are made to reflect that a domestic and international Education Conference at which a Trustee gives a speech will be regarded as within the definition of “Administrative Conferences” that the Boards may approve on such

terms as appropriate.

2. Section II – Principles

Section A (Performance of Fiduciary Duty) is modified to describe the Trustees' fiduciary duties of loyalty and prudence consistently with other governing documents, including the Board Charters, the Investment Policy Statement, and the Code of Ethical Conduct, by quoting the Constitution and providing citations to the Constitution and the relevant section of the County Employees Retirement Law of 1937.

Section B (Member-Centric Concentration) is retitled "Focus on Mission" to more accurately reflect its content.

Section C (Transparency) is revised to add the interests of other stakeholders, in addition to members. Language is also added to clarify that Trustees may sign the policy attestation electronically as provided by staff on a calendar year basis.

3. Section III – Trustee Travel

Section B (Cease Travel) is retitled to clarify that the provision also relates to "Other Expenses." The language was also revised to state that travel to Administrative Meetings must cease, as well as Educational Conferences. The language was clarified that appointed Trustees should cease travel when they are told they will not be reappointed and that elected Trustees should also cease travel when they decide not to run for reelection.

Section C (Authorized Expenses) is simplified to state that reimbursement will be made in accordance with the policy and its Appendix A and that reasonable efforts will be made to promptly reimburse Trustees.

Section D (Costs of Administration) is clarified that meals, under FPPC standards, can be considered a gift of travel.

Section E (Claims for Reimbursement) is revised to clarify that reimbursement forms may be obtained from the Executive Board Assistants and to give examples of information that made be redacted from expense records produced under the Public Records Act. Language is added providing for reasonable efforts to promptly reimburse Trustees. This section also includes redlines approved at the December 2021 JOGC meeting that each Board Chair and the CEO may approve expense deviations from policy of less than \$1,000 per trip.

Section F (Cancellation of Travel Arrangements) is revised to make clarifying heading changes and to state that the CEO is responsible to provide notice to Trustees of costs due for untimely cancellation.

Section G (Cash Advances) is revised to provide that airfare and hotel are to be purchased in advance by the Executive Board Assistants and that cash advances may be given, as determined by the CEO for good cause, only for per diem expenses. All cash advances must be accounted for on the trip expense report.

4. Section IV – Administrative Meetings

The language is clarified and simplified to state that Administrative Meetings must be approved by the relevant Board in advance on such terms as deemed appropriate.

5. Section IX – Sustainability

This new provision provides that “Trustees are encouraged to consider sustainability in making education and travel choices, including whether and how to travel, the viability and efficacy of alternative forms of participation (such as geographically closer or virtual meetings), the impact of business class vs. coach, the number of trips taken, and the number of Trustees participating in a single event, avoidance of car transportation when possible, and obtaining an estimate of the carbon footprint of travel and lodging options through available online tools and inclusion of estimates in board recommendation memos.” The Executive Boards Assistants will be familiar with resources that provide sustainability estimates.

6. Policy Appendix A (Reimbursement Schedule)

Section I.A (Airline Travel) is redlined, as approved at the December 2021 JOGC meeting, to provide that business class travel is permitted either when (i) any individual non-stop or connecting travel time from the original airport to the final destination airport is five hours or more, or (ii) total non-stop or connecting roundtrip travel time is ten hours or more. An addition is made to provide that Trustees may not use travel points to pay for LACERA travel and that the use of LACERA points is determined by the CEO

Section II.D (Travel Not Connected with an Established Hotel Venue) is clarified that per diem rates are as set by the General Services Administration, not the Internal Revenue Service.

Section III (Meals) is revised to state that meals paid for by a third-party are not reimbursed except as determined by the CEO.

CONCLUSION

Based on the above information and the attached redlined versions, the JOGC recommends the Board of Retirement (BOR) and the Board of Investments (BOI) approve the revised Education and Travel Policies.

Attachments

c:	Santos H. Kreimann	Laura Guglielmo	Ted Granger
	Jonathan Grabel	JJ Popowich	Leisha Collins
	Luis A. Lugo	Richard Bendall	Christina Logan
			Ervin Wu

ATTACHMENT A

Revised and Redlined Trustee Education Policy



TRUSTEE EDUCATION POLICY

LACERA Board of Retirement & Board of Investments

Adopted ~~December 16, 2020~~ _____, 2022

TRUSTEE EDUCATION POLICY

I. PURPOSE

The purpose of this policy is to align the elements of LACERA's Trustee education program with the Mission, Vision, Values, and work culture of the organization. More specifically, the program is intended to assist all Trustees to obtain knowledge and receive relevant information that will enhance their understanding of the issues facing LACERA and equip the Trustees to discharge and further their fiduciary duties for the sole benefit of active members, retirees, and their beneficiaries under a framework compliant with applicable law and policy, including the 24-hour biennial education requirement of Government Code Section 31522.8 and the beliefs set forth in LACERA's Investment Policy Statement. The program will be administered in a manner that can be overseen by the Board of Retirement and Board of Investments and understood by LACERA's members and other stakeholders as reasonable and cost-effective in fulfilling LACERA's Mission to Produce, Protect, and Provide the Promised Benefits. This policy applies to LACERA Trustees only.

"Educational Conferences" are those conferences, seminars, and meetings that have an educational purpose. "Administrative Meetings" are meetings attended by Trustees in their LACERA capacity and furthers LACERA's interests, including legislative advocacy, speaking engagements, including a domestic and international Educational Conference at which a Trustee gives a speech, positions in the administration of pension related organizations, and similar events.

II. PRINCIPLES

The following principles shall govern what, why, when, where, and how Trustee education is obtained and the interpretation of this policy.

A. *Performance of Fiduciary Duty.* Education is necessary and should be encouraged and undertaken in order that Trustees may obtain knowledge relevant to the proper performance of their fiduciary duty under the California Constitution, the County Employees Retirement Law of 1937 (CERL), and other applicable laws by a reasonable method and at reasonable cost for the value received, and further LACERA's interests. Specifically:

1. Duty of Loyalty. Education must assist the Trustees to perform their fiduciary duty of loyalty to "discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty." Cal. Const., art. XVI, § 17(b); see Cal. Gov't Code § 31595(a). ~~act solely in the interest of providing benefits to members and their beneficiaries, minimizing employer contributions, and defraying reasonable expenses of administering the system, with the duty to members and their beneficiaries being paramount.~~

2. Duty of Prudence. Education must assist the Trustees to perform their fiduciary duty of prudence to “discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise with a like character and like aims.” Const., art. XVI, § 17(c); see Cal. Gov’t Code § 31595(b). ~~to act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would use in the conduct of a public pension system.~~

B. Further a Common Foundation of Knowledge. A foundation of common knowledge, or Trustee Competencies, relevant to LACERA and its Mission is necessary among all Trustees to fulfill their fiduciary duty.

C. Opportunities for Enrichment. The fiduciary value of education includes alternatives and choices for individual Trustees to pursue enrichment in areas of interest and specialization related to LACERA and its Mission, and to stay abreast of current developments.

D. Sharing of Information. Because education ~~is~~ a group effort as well as an individual endeavor, Trustees are encouraged to share information and perspectives concerning the education they separately pursue with fellow Trustees. For this reason, education should also include the flexibility and opportunities for Trustees to network with and obtain relevant knowledge from others in the public pension and investment communities.

E. Leverage LACERA Resources. A concerted effort should be made to present educational presentations in the boardroom to take advantage of the expertise of LACERA staff, LACERA consultants, and other outside experts to create a shared educational environment for all Trustees to interact, question, and receive common benefit.

F. Annual Review of Education and Needs. The fiduciary value of Trustee education is enhanced by each Trustee, on an individual basis, reviewing their past education each year and planning in advance when possible for how to meet their educational goals in the coming year. An annual review process recognizes that Trustees and their individual educational needs evolve over time, and no single method of educating Trustees is optimal. Instead, the ability of Trustees to develop flexible education plans for themselves and to employ a variety of methods is necessary and appropriate and will assist staff to source and provide appropriate choices and opportunities that meet Trustee needs.

G. Transparency and Monitoring. Trustee education and its fiduciary value and cost should be transparent to LACERA’s members and other stakeholders. The Boards should be provided with information on a periodic and consistent basis to enable effective oversight of the Trustee education program.

III. NEW TRUSTEE ORIENTATION AND SUPPORT

- A. Attendance.** Each new Trustee and alternate, including the Treasurer and Tax Collector's Chief Deputy, shall attend orientation.
- B. Timing for Orientation.** Orientation should occur before a new Trustee attends their first Board meeting.
- C. Development and Content.** Orientation will be developed and overseen by the Chief Executive Officer. Orientation and will, at a minimum, include an overview of LACERA's independence, Mission, organizational structure, and key functions, Board and Trustee responsibilities and fiduciary duty, pension benefits and member services, retiree healthcare and the OPEB Trust, investments, legal issues, conflicts of interest and ethics, strategic planning, budget, and accounting, actuarial matters and contribution-setting, internal audit, Trustee education, and Trustee technology, resources, and support. the following topics:
- ~~1. Overview and importance of LACERA's Mission, Vision, and Values.~~
 - ~~2. The California Constitution (Proposition 162), CERL, and the other primary laws, with an emphasis on the fiduciary duty of Trustees.~~
 - ~~3. LACERA's status as an independent public agency under the law, including the role of the plan sponsors.~~
 - ~~4. The regulations, charters, policies, procedures, and rules governing LACERA and its Boards.~~
 - ~~5. Transparency, including the Ralph M. Brown Act regarding open meetings, Robert's Rules of Order, and the Public Records Act.~~
 - ~~6. LACERA's benefit structure and processes, including membership, service retirement, and disability retirement, including the relationship with the County-offered 457(b) and 401(k) plans.~~
 - ~~7. Pension funding and processes, including actuarial valuations and experience studies, employer and employee contributions, investment earnings, and the Boards' funding policy.~~
 - ~~8. LACERA's strategic plan and strategic planning process.~~
 - ~~9. System expenses, budgeting, and accounting protocols.~~
 - ~~10. The Investment Policy Statement, strategic asset allocation, and investment processes.~~
 - ~~11. The retiree healthcare program (including governing healthcare agreements), and the role of LACERA and the participating employers in the administration of the program.~~
 - ~~12. Retiree healthcare program funding, including current payments and the OPEB Trust.~~
 - ~~13. The Internal Audit function, including the independent role of the Audit Committee.~~
 - ~~14. Principal fund consultants and their role, including consulting and reviewing actuaries, financial auditor, investment consultants, healthcare consultant, and fiduciary counsel. Meetings with the consultants will be arranged, if possible.~~
 - ~~15. Conflicts of interest and ethics, including Form 700, Political Reform Act, and LACERA's Code of Ethical Conduct.~~

- ~~16. Board composition, including the committees and their purposes, and best practices for Board governance.~~
- ~~17. Trustee education and travel.~~
- ~~18. Current and emerging issues before the Board.~~
- ~~19. LACERA's Executive Management team, division managers, and other staff, including the organizational chart, roles and responsibilities, and communication protocols.~~
- ~~20. Media and public relations, including lacera.com and member and stakeholder communications.~~
- ~~21. Technology, including equipment and support.~~
- ~~22. A tour of the LACERA offices, if practicable.~~

D. Orientation Materials. At or before orientation, the following materials shall be made available to new Trustees in electronic format or such other format as a Trustee request:

1. A confidential roster of names, addresses, and contact information for the Board Trustees.
2. A confidential roster of names, addresses, and contact information for the Executive Management team.
3. Board agendas, minutes, policies and procedures, the strategic plan, applicable law, and other available resources, and how to access them.
4. Other relevant material requested by the new Trustee or deemed appropriate by the Chief Executive Officer, including a binder of materials covering the orientation topics listed in Section III(C).

E. Mentoring. The Chief Executive Officer will establish a formal mentorship program to assist interested Trustees. Any new Trustee may request a mentor to assist them in becoming familiar with their responsibilities on the Board. If a request is made, the Board Chair(s) will designate one experienced Trustee to be a mentor to the new Trustee for a period of one year.

F. Returning Trustees. Trustees who have previously served non-consecutive terms on the Boards shall attend orientation to refamiliarize themselves with the content described in Section III.C and changes to the system during their absence. The content of returning Trustee orientation will be developed by the Chief Executive Officer in collaboration with each returning Trustee.

IV. ONGOING TRUSTEE EDUCATION

A. Required Education. CERL requires that all Trustees receive a minimum of 24 hours of Trustee education within the first two years of assuming office and for every subsequent two-year period the Trustee continues to serve on the Board. This requirement sets a minimum standard. Trustees may obtain additional education consistent with the provisions of this policy.

B. Appropriate Subject Matter. All education must be relevant to the duties and responsibilities of Trustees. In accordance with CERL, the Boards identify knowledge in the matters and areas set forth in the Trustee Competencies

stated in Appendix A as appropriate for required education. All Trustees must seek education in and should strive to have knowledge in these areas to assist in the performance of their fiduciary duty and delivering on LACERA's Mission. In addition to these areas, Trustees may obtain education in other areas relevant to their fiduciary responsibilities. Members of Board committees are encouraged to focus a portion of their education on the subject matter of their committee.

C. *Methods of Education.* Since no one method of education is optimal, a Trustee's annual education should include various methods. In considering the various methods, Trustees should weigh the costs and benefits of each method. Trustee education may be obtained through the following:

1. In-House Education. The Chief Executive Officer will obtain annual Board approval for a program of in-house education for Trustees during regularly scheduled Board meetings, offsites, and other settings as may be permissible under the Brown Act. Such education will be provided by staff, LACERA consultants, and outside experts, except that the Chief Investment Officer will be responsible to plan and oversee investment-related education. LACERA consultants will be required in their contracts to provide Trustee education.

In addition to such other in-house education as may be provided, the Trustees shall ~~annually~~ receive regular training from fiduciary counsel in (1) fiduciary duty, (2) ethics and conflicts of interest, (3) governance, and (4) the Brown Act and Public Records Act. The Chief Executive Officer will develop a fiduciary counsel training schedule.

2. In-Person External Educational Conferences. Trustees may pursue in-person external education as provided in this policy, including conferences, seminars, and meetings. The Chief Executive Officer will obtain annual Board approval, maintain, and update on a current basis, a list of external educational options, organized by subject matter, appropriate for Trustees. The conferences listed in Appendix B are pre-approved. Trustees may attend external education that meets the criteria of this policy without additional approval, subject to the Boards' Trustee Travel Policy, provided that all international education must be approved by the applicable Board. For purposes of this policy Mexico and Canada are not considered international locations.

Every Trustee is authorized to attend up to 4 in-person external education opportunities per fiscal year (of which no more than 1 may be international), and up to 6 if the Trustee is serving simultaneously on both Boards at any time during the fiscal year (of which no more than 1 may be international), except that a Board may approve education in excess of these limits upon good cause. External education must have at least 5 hours of educational content per day. "International" education is all education that takes place outside the United States, except Mexico and Canada. Two conferences

separated by no more than one day, with no additional travel, count as one conference.

Conferences located in California are not subject to the hour and number limits stated in the preceding paragraph.

The Chief Executive Officer will maintain Domestic and International Education Priority Lists for each Board for use when attendance at an event is limited. Trustees will be offered the opportunity to attend based on their place on the appropriate priority list. Trustees on each Board initially will be placed on applicable lists in order of the start date of their earliest term of continuous service on the Board (for appointed Trustees, a gap of 18 months or less will not break continuity of service). Trustees with the same priority date will be given priority in alphabetical order. A Trustee who attends an event based on their priority will be placed at the bottom of the list. New Trustees with no prior Board service or a gap of more than 18 months will be placed at the top of the list to facilitate their education.

Prior to attending an international benefits conference, a Trustee is required to attend an American Health Insurance Plans (AHIP) National Policy Forum or World Health Care Congress. Prior to attending an international investment conference, a Trustee is required to attend the State Association of County Retirement Systems (SACRS) Public Pension Investment Management Program or the University of Pennsylvania Wharton School of Business Portfolio Concepts and Management course. These courses are within the limits described above in this Section IV.C.2.

3. Virtual Education and Self-Study. Trustees are encouraged to attend webinars and other forms of virtual education, self-study, and other forms of education that do not require travel relating to LACERA and the performance of a Trustee's duties, including the conferences described in Section IV.C.2 above and Appendix B when offered virtually. If attendance is limited at a ~~virtual-such education event~~, the same priority list as described in Section IV.C.2 will be used. Attendance at ~~virtual-such~~ education is exempt from the limits stated in Section IV.C.2 as to the number of in-person educational opportunities that may be attended. Virtual education and self-study are not limited by cost.
4. Periodicals. Trustees are encouraged to read periodicals related to the performance of their fiduciary duties as a valuable method of keeping current on relevant news and pension and investment trends, including but not limited to those selected from a list of pension and investment-related periodicals maintained by the Chief Executive Officer. All subscriptions must be arranged through the Executive Office, and LACERA will bear the expense. The Chief Executive Officer will annually review and update the periodical list with input from Trustees.
5. Evaluation. Trustees may complete and submit to the Chief Executive Officer for distribution to all Trustees, an evaluation or syllabus of all in-

person external conferences and virtual education attended. A suggested sample evaluation form is attached as Appendix C. Trustees are also encouraged to share knowledge from education at Board meetings during a Report on Trustee Education agenda item or when relevant during specific agenda items.

D. Assessment and Planning. Trustees are encouraged to assess their educational status and needs against the Trustee Competencies in Appendix A at the beginning of each calendar year and to use such information as the basis for establishing the Trustee's own self-development goals and education plan for the year. A suggested sample education plan format is attached as Appendix D.

E. Reporting and Monitoring. All Trustee education will be reported to the Chief Executive Officer. The Chief Executive Officer shall provide the Boards quarterly reports concerning the amount and type of Trustee education and post them on lacera.com. In addition, in compliance with CERL, the Chief Executive Officer will annually provide the Boards and post on lacera.com a report of each Trustee's compliance with the education requirement described in Section IV.A of this policy.

V. ADMINISTRATIVE MEETINGS

~~"Administrative Meetings" are meetings attended by Trustees in their LACERA capacity and that have a non-educational purpose in furtherance of LACERA's interests, including legislative advocacy, speaking engagements, positions in the administration of pension-related organizations, and similar events.~~ The relevant Board will be informed of a Trustee's need to attend Administrative Meetings and provide advance approval on such terms as deemed appropriate. ~~Attendance at Administrative Meetings is exempt from the limits stated in Section IV.C.2 as to the number of in-person educational opportunities that may be attended.~~

VI. BROWN ACT COMPLIANCE

Attendance at external education and Administrative Meetings by more than four members of a Board is not a violation of this provision, provided that the members may not discuss any item of LACERA business.

VII. GIFTS AND CONFLICTS

The Boards desire to avoid even the appearance of impropriety in connection with education, and related expenses. The Boards acknowledge that acceptance of gifts of education and related expenses, such as registration, transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages "pay to play" and may, unwittingly, create opportunities for undue influence on Trustees. This policy therefore does not permit LACERA as an entity to accept gifts of education, and related expenses. This policy does not prohibit certain payments for education and/or related expenses as part of the negotiated consideration under agreements with vendors, consultants, and

managers, although all such payments should be reviewed in advance with the Legal Division to ensure compliance with applicable law, regulations, and reporting.

Items provided during education may constitute reportable gifts.

Trustees should be familiar with the provisions of LACERA's Code of Ethical Conduct as it may apply to ~~certain~~ education and interaction with and items received from the sponsors or other attendees.

VIII. TRAVEL POLICY AND PROCEDURES

This policy is subject to and will be read and interpreted in conjunction with the Trustee Travel Policy.

IX. OTHER CHARTERS AND POLICIES

To reconcile this policy with the Board Charters and other Board policies:

- A. Prevention of Sexual Harassment.** ~~Sexual harassment~~ training will be obtained by Trustees as provided in the Boards' Policy on Sexual Harassment Prevention Training for Board Members.
- B. *Board Charters.*** This policy constitutes the development policy and addresses Trustee education programs, as referenced in Section 6.1.4 of the Board of Retirement Charter and Reserve Power 5 of the Board of Investments Powers Reserved and Delegated Authorities and Powers Reserved Defined.
- C. *Prior Board Educational Requirements Policies.*** This policy supersedes and replaces the LACERA Board of Retirement Board Member Educational Requirements Policy and LACERA Board of Investments Board Member Educational Requirements Policy, which are of no further force or effect.

X. POLICY PROVISIONS AND APPLICABLE LAW

- A. Waiver of Policy Provisions.** For good cause presented in writing, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this policy when in the best interest of LACERA.
- B. Applicable Law.** This policy is to be implemented in compliance with the relevant provisions of the California Government Code and other applicable law, and in harmony with existing philosophy, objectives, policies and guidelines previously approved by the Board of Retirement and the Board of Investments.

X-XI. REVIEW

This policy shall be reviewed by the Joint Organizational Governance Committee, the Board of Retirement, and the Board of Investments every three years or as needed and may be amended by both Boards at any time.

Policy History:

Restated and Approved by the Board of Retirement and Board of Investments on December 16, 2020, and updated and approved by the Board of Retirement and Board of Investments on _____, 2022. Prior versions are superseded and of no effect as of the stated approval date.



APPENDIX A TRUSTEE COMPETENCIES

- ***Governance***

- Understanding Board function, processes, committee structure, exercise of discretion, delegation of responsibilities and oversight role.
- Understanding the organizational structure and roles of staff and consultants, including the actuary, auditors, healthcare consultant, investment consultants, and fiduciary counsel,
- Understanding the laws and rules governing the system.
- Understanding the Boards' governing documents.
- Understanding the system's independence under applicable laws.
- Understanding best practices for public pension board governance.
- Understanding information technology and data security.
- Understanding the meaning and role of diversity, equity, and inclusion.
- Understanding Robert's Rules of Order.

- ***Fiduciary Duties and Responsibilities***

- Understanding the duty of loyalty.
- Understanding the duty of prudence.
- Understanding the paramount fiduciary duty to members and beneficiaries.
- Understanding the fiduciary duty to minimize employer contributions.
- Understanding the fiduciary duty to defray the reasonable costs of administering the system.
- Understanding how to delegate authority while retaining appropriate oversight.

- ***Benefits Administration***

- Service Retirement
 - Understanding the different plans available to employees and retirees.
 - Understanding how the system communicates with members.
 - Understanding the difference between the responsibility for plan design (plan sponsor) and plan administration (LACERA).
 - Understanding the administrative appeal process.
- Disability Retirement
 - Understanding the qualifications for a disability retirement and the benefits that are provided.
 - Understanding the process that is followed in disability applications, from intake through determination of eligibility.
 - Understand the medical and legal issues that are discussed during consideration of disability matters.
 - Understanding the disability hearing and appeal process.
 - Understanding fair hearings and decision-making standards.
- Retiree Healthcare
 - Understanding the healthcare program structure.

- Understanding the history, agreements, and relationship with the County and other participating employers in connection with the funding and administration of the program.
- ***Ethics, Conflicts of Interest, and Disclosures***
 - Understanding the Form 700 process, and Conflict of Interest Code.
 - Understanding applicable conflict of interest laws and the duty to avoid participating in a decision that affects a Trustee's economic interests.
 - Understanding the LACERA Code of Ethical Conduct.
 - Understanding the RFP quiet period and Trustee disclosure obligations.
- ***Open Meeting and Public Records***
 - Understanding the importance of transparency to stakeholders.
 - Understanding the notice requirement for meetings, including teleconference meetings under the Brown Act.
 - Understanding the limitations on discussing matters that have not been noticed on the agenda.
 - Understanding the circumstances under which communications outside of noticed meetings can be deemed to be a prohibited meeting under the law.
 - Understanding what may and may not be discussed during a closed session.
 - Understanding what constitutes a “public record” under the law and circumstances under which records must be disclosed or withheld.
- ***Financial Controls and Audits***
 - Understanding the role of LACERA staff, Internal Audit, the outside financial auditor, and the Audit Committee.
 - Understanding the Comprehensive Annual Financial Report (CAFR).
 - Understanding the concepts of “risk assessment” and developing internal controls to address those risks.
 - Understanding the responsibility for maintaining the security of confidential information kept by the system, including privacy rights.
 - Understanding vendor selection policy and practices.
- ***Pension Funding and Actuarial Process***
 - Understanding of how assets and liabilities of the system are calculated on an actuarial basis, and the role of actuarial consultants.
 - Understanding the difference and relationship between the actuarial value of assets and the market value of assets and the asset smoothing process.
 - Understanding how changes in actuarial assumptions have an impact on system assets and liabilities.
 - Understanding the nature of the plan sponsors’ funding obligations and the responsibility of the Board of Investments to determine the annual required contribution and employee contributions and provide oversight of the actuarial process.
 - Understanding OPEB pay-as-you-go and trust funding mechanisms for retiree healthcare, and the Board of Retirement’s oversight role.

- ***Investments***

- Understanding the comprehensive nature of the investment process.
- Understanding portfolio construction.
- Understanding different asset categories and portfolio complexity.
- Understanding responsible stewardship of LACERA's investments in a manner that promotes and safeguards the economic interests of LACERA and its members, including robust investor rights, strong corporate governance practices and policies at the firms in which LACERA invests, and sound public policies governing financial markets help generate long-term economic performance.



APPENDIX B

APPROVED EXTERNAL EDUCATIONAL CONFERENCES

The following list of approved external Eeducational Conferences is provided under Section IV.C.2 of the Trustee Education Policy as a resource to Trustees in selecting pre-approved education that will support required education, Trustee Competencies, and educational assessment and planning. Education is organized by primary subject matter, although some events may provide education in multiple areas. All conferences on this list are intended only to refer to domestic U.S. events.

Governance

National Association of Corporate Directors (NACD) conferences, seminars, and meetings

Pension Benefits and System Administration

California Association of Public Employee Retirement Systems (CALAPRS) conference, seminars, and meetings, including Principles of Pension Management Course

Government Finance Officers Association (GFOA) conferences, seminars, and meetings

Harvard Law School Labor and Worklife Program conferences, seminars, and programs

Koried conferences, seminars, and programs

National Conference on Public Employees Retirement Systems (NCPERS) conferences, seminars, and meetings

National Institute on Retirement Security (NIRS) conferences, seminars, and meetings

Public Retirement Journal conferences, seminars, and meetings

State Association of County Retirement Systems (SACRS) conferences, seminars, and meetings

Retiree Healthcare

America's Health Insurance Plans (AHIP) conferences, seminars, and meetings, including Annual Institute, Annual Medicare Conference, and Annual National Policy Forum

California Retired County Employees Association (CRCEA) semi-annual conferences

Federal and state legislative hearings on pension and retirement health care issues

International Foundation of Employee Benefit Plans (IFEBC) conferences, seminars, and meetings, including Annual Employee Benefits Conference, Annual Benefits Conference for Public Employees, Annual Health Care Cost Management Conference, Annual Investments Institute, and Annual Washington Legislative Update Conference

Investments

Association of Asian American Investment Managers conferences, seminars, and meetings

Association for Private Capital Investment in Latin America (LAVCA) conferences, seminars, and meetings

ColCapital educational conferences, seminars, and meetings

Council of Institutional Investors (CII) conferences, seminars, and meetings

Harvard Kennedy School, Trustee Leadership Forum for Retirement Security and Initiative for Responsible Investment

Harvard Law School Forum on Corporate Governance

Information Management Network (IMN) Beneficial Owners' International Securities Lending Summit Annual Conference

International Corporate Governance Network (ICGN) conferences, seminars, meetings

Institutional Limited Partners Association (ILPA) conferences, seminars, and meetings

Milken Institute conferences, seminars, and meetings

National Association of Investment Companies conferences, seminars, and meetings

National Association of Securities Professionals (NASP) conferences, seminars, and meetings, including Annual Pension and Financial Services Conference

New America Alliance conferences, seminars, and meetings

Pacific Pension & Investment Institute (PPI) conferences, seminars, and meetings

Pension Bridge conferences, seminars, and meetings

Pension Real Estate Association (PREA) annual spring and fall conferences and institute

United Nations Principals of Responsible Investing (UNPRI) conferences, seminars, and meetings

University of Pennsylvania Wharton School's Pension Fund and Investment Management and the Portfolio Concepts and Management courses

Women in Institutional Investments Network conferences, seminars, and meetings

APPENDIX C
SUGGESTED SAMPLE CONFERENCE EVALUATION FORM

Under Section IV.C.5 of the Trustee Education Policy, Trustees are encouraged to complete an evaluation form or provide a syllabus for all in-person external conferences and virtual education attended.

TRUSTEE NAME:

CONFERENCE NAME:

CONFERENCE DATE:

RANKING 1-10:

1 (lowest) 2 3 4 5 6 7 8 9 10 (highest)

DO YOU RECOMMEND THE COURSE TO OTHER TRUSTEES? Yes No

WHY?

DESCRIPTION OF SUBJECT MATTER (attach syllabus if available):

HIGHLIGHTS:

WEAKNESSES:

Return to:

Board Offices

BoardOffices@lacera.com

APPENDIX D
SUGGESTED TRUSTEE EDUCATION PLAN

Under Section IV.D of the policy, Trustees are encouraged to assess their personal educational status and needs as against the Trustee Competencies in Appendix A at the beginning of each calendar year and to use such information as the basis for establishing the Trustee's own self-development goals and education for the year.

TRUSTEE NAME:

PLAN FOR YEAR: 20____

HAVE I COMPLETED MY 24 HOURS OF CERL-REQUIRED EDUCATION EVERY TWO YEARS? Yes No

FIVE AREAS WHERE I WOULD LIKE TO GET ADDITIONAL EDUCATION THIS YEAR TO HELP IN THE PERFORMANCE OF FIDUCIARY DUTY:

- 1.
- 2.
- 3.
- 4.
- 5.

SUGGESTIONS FOR INTERNAL EDUCATION I WOULD LIKE TO SEE THIS YEAR
(you may email them to the CEO, skreimann@lacera.com):

IDEAS FOR EXTERNAL EDUCATION I WOULD LIKE TO PURSUE THIS YEAR:

ARE THERE ANY ADDITIONAL EDUCATIONAL RESOURCES I NEED FROM THE EXECUTIVE OFFICE THIS YEAR (you may email them to the CEO, skreimann@lacera.com):

ATTACHMENT B

Revised and Redlined Trustee Travel Policy



TRUSTEE TRAVEL POLICY

LACERA Board of Retirement & Board of Investments

Adopted ~~December 16, 2020~~ _____, 2022



TRUSTEE TRAVEL POLICY

I. PURPOSE

The purpose of this policy is to align travel by Trustees in connection with educational conferences and administrative meetings on LACERA's behalf with the Mission, Vision, Values, and work culture of the organization. The Board of Retirement and Board of Investments recognize that travel associated with education and administrative meetings on LACERA's behalf is a component of building the knowledge base and operational understanding of Trustees given their fiduciary responsibilities and will equip them to discharge their fiduciary duties for the sole benefit of active members, retirees, and their beneficiaries. To ensure reimbursement for incurring and paying travel is expenses are allowed for only those expenses deemed reasonable and necessary for the proper administration of the system, the policy will be administered in a manner that can be overseen by the Boards and understood by LACERA members and other stakeholders as reasonable, cost effective, value-driven, and necessary to fulfill LACERA's Mission to Produce, Protect, and Provide the Promised Benefits.

This policy applies to travel in connection with Educational Conferences and Administrative Meetings. "Educational Conferences" are those conferences, seminars, and meetings that have an educational purpose. "Administrative Meetings" are meetings attended by Trustees in their LACERA capacity and that have a non-educational purpose in furtherance of LACERA's interests, including legislative advocacy, speaking engagements, including a domestic and international Educational Conference at which a Trustee gives a speech, positions in the administration of pension related organizations, and similar events. This policy applies to LACERA Trustees only.

II. PRINCIPLES

The following principles shall govern Trustee travel in connection with Educational Conferences and Administrative Meetings on LACERA's behalf and the interpretation of this policy.

A. Performance of Fiduciary Duty. Travel for educational conferences and administrative meetings in furtherance of LACERA's interests is necessary and should be encouraged and undertaken in order that Trustees may obtain and share knowledge relevant to the proper performance of their fiduciary duty under the California Constitution, the County Employees Retirement Law of 1937 (CERL), and other applicable laws by a reasonable method and at reasonable cost for the value received. Specifically:

1. Duty of Loyalty. Education and travel must assist the Trustees to perform their fiduciary duty of loyalty to "discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty." Cal. Const., art. XVI, § 17(b); see Cal. Gov't Code § 31595(a). Education

TRUSTEE TRAVEL POLICY

~~and attendance at administrative meetings must assist the Trustees to perform their fiduciary duty of loyalty to act solely in the interest of providing benefits to members and their beneficiaries, minimizing employer contributions, and defraying reasonable expenses of administering the system, with the duty to members and their beneficiaries being paramount.~~

2. Duty of Prudence. ~~Education and travel must assist the Trustees to perform their fiduciary duty of prudence to “discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise with a like character and like aims.” Const., art. XVI, § 17(c); see Cal. Gov’t Code § 31595(b).~~ ~~Education and attendance at administrative meetings must assist the Trustees to perform their fiduciary duty to act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would use in the conduct of a public pension system.~~

- B. ~~Focus on Mission~~Member-Centric Concentration.** Trustees have a fiduciary duty to make policy decisions consistent with applicable law, including constraints imposed by the Fund’s budget. At the same time, travel may be necessary to support and enhance LACERA’s Mission to Produce, Protect and Provide the Promised Benefits on behalf of LACERA members.

Trustees are expected to be and believed to be mindful and financially prudent in all travel and trip-related expenditures that consume resources funded by LACERA members.

- i. All monies held in the Fund by LACERA are ultimately due and payable in the form of pension benefits to active and retired members. Therefore, all administrative, operational and travel expenditures should be able to withstand the scrutiny of our members, stakeholders, plan sponsors and the public at large, thereby minimizing any reputational risk to LACERA.
- ii. Trustees are accountable for their actions and responsible for appropriate use of organizational resources and establishing policy creating limits and constraining expenditures. Travel policies for staff can be more restrictive depending on circumstances and financial constraints.

- C. Transparency.** Travel administrative procedures and guidelines are established and carried out in a manner that is easy for members and all other stakeholders to identify actions taken by Trustees.

- i. Expenses incurred for travel and trips are clearly identifiable as business-related expenses only, not for personal expenses of the Trustee or any traveling companions.
- ii. Travel expenses and trip information are reported to LACERA members and stakeholders via a public forum.

TRUSTEE TRAVEL POLICY

- iii. Trustees recognize and accept their accountability and responsibility to LACERA members for travel and trip expenditures which are charged to LACERA.
- iv. All Trustees electronically acknowledge and sign a travel attestation document (Appendix B) provided by staff annually on a calendar year basis, confirming their commitment to act responsibly and prudently and in the best interest of LACERA members.

D. Simplicity, Uniformity and Consistency. Travel administrative procedures and guidelines for claiming and reimbursing expenses are designed to be simple, uniform, and consistent, and should not be overly onerous so as to negatively affect Trustees.

- i. Travel procedures should be a guide with simple, unambiguous rules for making and approving travel arrangements, and for the timely processing and accounting of trip related expenditures and reimbursements.
- ii. Travel expenditures are documented on expense claims that are clear and concise.
- iii. Travel expense reimbursement processes should be clear, consistent, transparent, convenient, efficient, and compliant with the Trustee Travel Policy.
- iv. Travel expense methods are simple and universally applied so the reimbursement claim process is streamlined (e.g., all meals are claimed under the Per Diem Method).
- v. Travel procedures, including administrative expense guidelines and reimbursement process, are maintained under the direction of the Chief Executive Officer (CEO) or their designee.

E. Ease of Execution. Travel administrative procedures and guidelines are established with administrative ease and designed to reduce the manual processes and the considerable effort required of staff. Processes related to travel reimbursements and processing expense claims should not be cumbersome and complicated for staff and Trustees.

- i. Travel accommodations and Trustee conveniences are streamlined and provide a group of appropriate choices instead a vast menu of options.
- ii. The process itself of conducting travel bookings and expense processing are considered a priority.
- iii. Expense categories, reimbursement process, and claim forms are periodically reviewed and updated by staff.
- iv. Trustees, not proxies, are responsible for obtaining, gathering, and submitting the appropriate documentation justifying expenditures in a timely manner.
- v. External providers including travel agents and other travel-related industry services are to be considered and integrated into the process for Trustees and administrative ease.
- vi. Technological tools for capturing and recording trip documentation are employed where reasonable and necessary considering cost implications.

TRUSTEE TRAVEL POLICY

- vii. Practices will periodically be reviewed to ensure best practices and industry norms are included within the Trustee Travel Policy.

III. TRUSTEE TRAVEL

A. *Approval.* All travel requires approval of that Trustee's Board, except that Educational Conferences and Administrative Meetings in California where the total cost of attendance is no more than \$~~23~~,000 are pre-approved for attendance and reimbursement, provided that a Trustee may not incur over \$~~40~~15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year without Board approval.

B. *Cease Travel and Other Expenses.* Trustees shall cease arranging future travel and expenses for Educational Conferences and Administrative Meetings once they become aware their term of service will end. For appointed Trustees, this occurs in the final year of their appointment and after the Board of Supervisors votes on the next appointment, or when an appointed Trustee has been told they will not be reappointed. For elected Trustees this occurs if when an elected Trustee decides not to run for reelection or when, as a candidate, is replaced once election results are certified by the Board of Supervisors. For the Ex-Officio Trustee, this occurs once a retirement is announced.

C. *Authorized Expenses.* Authorized travel expenses shall be determined by the Boards as set forth in Appendix A. LACERA shall use reasonable efforts to promptly reimburse trustees in accordance with this policy and Appendix A. ~~LACERA Trustees shall be reimbursed for reasonable and necessary expenses incurred, and documented, in connection with LACERA business.~~

D. *Costs of Administration.* Travel expenses for Trustees shall be administrative costs of the Fund and may not be paid through third party contracts. It is LACERA's policy that ~~LACERA, as an agency, and its~~ Trustees shall not accept gifts of travel. Gifts of travel, including transportation, lodging, and meals, may be reportable as gifts to individual Trustees if not paid by LACERA.

E. *Claims for Reimbursement.*

- i. Submission. A travel expense reimbursement shall be claimed by completing an expense voucher form available on the LACERA intranet website from the Executive Board Assistants and submitting it to the appropriate authorizing person. Trustees may submit their expense reimbursements to their respective Executive Board Assistant. All expense reimbursement requests shall be accompanied by receipts and/or other reasonable documentation. Expense reimbursement records are subject to disclosure under the Public Records Act, with redaction of confidential information, such as personal addresses, telephone numbers, and credit

TRUSTEE TRAVEL POLICY

card information. The deadline for submitting an education and travel reimbursement claim is 90 days after completing the education, or 30 days after the fiscal year-end, whichever comes first. Extensions to this deadline may be granted by the Board Chair.

- ii. Approval. The Executive Board Assistants will receive and review, for compliance with this policy, all expense reimbursement requests prior to submission. The Financial and Accounting Services Division (FASD) will review expense reimbursement requests for compliance with this policy and shall only process and use reasonable efforts to promptly pay those that are in compliance and approved by the CEO or their designee. FASD will notify the CEO or their designee of all deficiencies in a submission by a Trustee, and the CEO or their designee will in turn notify the respective Trustee. LACERA will not reimburse a Trustee for expenses that are not authorized under this policy unless specifically exempted and approved by that Trustee's Board, except that, without Board approval, each Board Chair or the Chief Executive Officer may authorize deviations of less than \$1,000 per trip from the expense limits in this policy and subject to subsequent review of all expenses for compliance with this policy.

F. Cancellation of Travel Arrangements.

- i. Responsibility for Timely Cancellation. Trustees are responsible for timely canceling travel arrangements made on behalf of the Trustee which will not be used so that no costs will be incurred by LACERA.
- ii. Responsibility for ~~Untimely Cancellation~~ Costs Resulting from Untimely Cancellation. Trustees are responsible for all costs LACERA incurs as a result of the Trustee's failure to cancel travel arrangements before cancellation charges accrue, unless the failure to cancel was due to facts or circumstances beyond the Trustee's control. The Trustee must reimburse LACERA within 30 days after notification of the amount due. Notice will be provided by the Chief Executive Officer. If reimbursement is not made within such 30-day period, and payment is still due, the amount shall be deducted from any payment due the Trustee from LACERA. If a Trustee is enrolled for an Educational Conference or Administrative Meeting but fails to attend or timely cancel and LACERA incurs an expense as a result (e.g., conference registration, travel and lodging cancellation fees), that conference or meeting counts toward the limit under Section IV.C.2. of the Trustee Education Policy until the Trustee reimburses LACERA for all expenses incurred or cancellation is excused under Section III. F. iii. of this Trustee Travel Policy.
- iii. Approval of Cancellation Costs with Good Cause. If the Trustee believes the failure to cancel was due to facts or circumstances beyond their control, they must submit written justification to the Board Chair within 30 days after

TRUSTEE TRAVEL POLICY

receiving notification of the cancelation expenses due. For Trustees, the Board Chair will approve or disapprove the excuse in writing to the Trustee, with a copy to the Executive Board Assistant. If the individual is a Board Chair, then the written excuse must be submitted to that Board's Vice Chair who will then approve or disapprove the excuse. If the individual is a Vice Chair simultaneously serving as the acting Chair, then the Vice Chair's written excuse must be submitted to that Board's Secretary who will then approve or disapprove the excuse. Should a Trustee disagree with the Board Officer's determination, the Trustee may request the Executive Board Assistant to agendize the matter for consideration by the full Board.

G. Cash Advances. Hotel and airfare shall be purchased in advance by the Executive Board Assistants, and no cash advances will be allowed for such expenses. Cash advances for permitted per diem expenses in accordance with this policy may will not be allowed unless specifically approved for Trustees by the appropriate Board Chief Executive Officer for good cause. Trustees will account for any per diem cash advance on their trip expense report upon completion of the travel.

H. Expenses for Traveling Companions. Travel expenses for family members and/or traveling companions are not reimbursable by LACERA.

I. Additional Travel Days to Minimize Overall Travel Cost. Travel resulting in arrival one day prior to and/or one day after an Educational Conference or Administrative Meeting will be reimbursed if reasonably necessary because of time constraints. Travel resulting in arrival two days prior to and/or one day after international travel will be reimbursed as reasonably necessary based on the location of the Educational Conference or Administrative Meeting. In addition, lodging and per diem for extra days prior to or after an Educational Conference or Administrative Meeting will be reimbursed if such extension results in lower overall trip costs. If a Trustee adds personal travel before or after a trip, the extra personal days outside of the above restrictions shall not be reimbursed. Written justification for travel expenses incurred prior to or after an Educational Conference or Administrative Meeting shall be submitted with the claim for reimbursement.

J. Ground Transportation. Trustees will be expected to use taxis or ride sharing services to and from domestic destinations. Limousine or executive car services shall not be used in domestic locations unless the cost for such services is comparable to that of taxi services and/or airport parking; they may be used without restriction in international locations. Reimbursement of rental vehicles require justification and prior approval from the Chief Executive Officer. When renting a vehicle, purchase of optional insurance is not necessary as LACERA's insurance will cover the same risks.

TRUSTEE TRAVEL POLICY

K. *International Travel Insurance.* LACERA will purchase travel insurance covering Trustees while traveling internationally on LACERA business. The insurance will include accident, medical, security assistance and evacuation, travel assistance, trip cancelation, interruption or delay, and baggage loss or delay coverage.

L. *Travel Reports.*

- i. Monthly. A monthly Travel Report shall be submitted to both Boards listing the current fiscal year's completed, anticipated, and canceled Education Conferences and Administrative Meetings (including whether excused under Section III. F. iii) for all Trustees on both Boards.
- ii. Quarterly. A quarterly Travel Report shall be submitted to both Boards listing education and administrative travel expenses paid/reimbursed by LACERA for all Trustee on both Boards. Such report shall identify whether each item of travel was for an Educational Conference or Administrative Meeting, the purpose, location, cost by expense category, and whether excused under Section III. F. iii.
- iii. Availability. The monthly and quarterly reports shall be agendized as reports for the Boards in the first month after they are available (and for privacy and personal security reasons, after travel has been completed) and shall be posted on lacera.com.

IV. ADMINISTRATIVE MEETINGS

~~The relevant Board will be informed of a Trustee's need to attend Administrative Meetings and provide advance approval of the cost on such terms as deemed appropriate. For attendance at an Administrative Meeting, as defined above, the Trustee will notify the relevant Board of a Trustee's need to attend and the Board will provide approval on such terms as deemed appropriate.~~

~~Due to the unique nature of Administrative Meetings, this travel does not have number limits, subject to the cost limits of Section III. A., and does not count towards the maximum approved number limits for travel unless in conjunction with an Educational Conference.~~

V. BROWN ACT COMPLIANCE

Attendance at external Education Conferences and Administrative Meetings by more than four Trustees of a Board is not a violation of this provision, provided that the Trustees may not discuss any item of LACERA business.

VI. GIFTS AND CONFLICTS

TRUSTEE TRAVEL POLICY

The Boards desire to avoid even the appearance of impropriety in connection with education, and related expenses. The Boards acknowledge that acceptance of gifts of education and related expenses, such as registration, transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages “pay to play” and may, unwittingly, create opportunities for undue influence on Trustees. This policy therefore does not permit LACERA as an entity to accept gifts of education, and related expenses. This policy does not prohibit certain payments for education and/or related expenses as part of the negotiated consideration under agreements with vendors, consultants, and managers, although all such payments should be reviewed in advance with the Legal Division to ensure compliance with applicable law, regulations, and reporting.

Items provided during Educational Conferences and Administrative Meetings may constitute reportable gifts.

Trustees should be familiar with the provisions of LACERA’s Code of Ethical Conduct as it may apply to certain education and administrative meeting interaction with and items received from the sponsors or other attendees.

The Boards acknowledge that international travel, though expensive, is increasingly necessary in light of today’s global economy and LACERA’s ongoing prudent investment of a substantial portion of its assets outside the United States.

VII. EDUCATION POLICY AND PROCEDURES

This policy is subject to and will be read and interpreted in conjunction with the Trustee Education Policy.

VIII. POLICY PROVISIONS AND APPLICABLE LAW

- A. Waiver of Policy Provisions.** For good cause presented in writing, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this policy when in the best interest of LACERA.
- B. Applicable Law.** This policy is to be implemented in compliance with the relevant provisions of the California Government Code and other applicable law, and in harmony with existing philosophy, objectives, policies and guidelines previously approved by the Board of Retirement and the Board of Investments.

IX. SUSTAINABILITY

Trustees are encouraged to consider sustainability in making education and travel choices, including whether and how to travel, the viability and efficacy of alternative forms of participation (such as geographically closer or virtual meetings), the impact of business class vs. coach, the number of trips taken, and the number of Trustees participating in a

TRUSTEE TRAVEL POLICY

single event, avoidance of car transportation when possible, and obtaining an estimate of the carbon footprint of travel and lodging options through available online tools and inclusion of estimates in board recommendation memos.

IX.X. REVIEW

This policy shall be reviewed by the Joint Organizational Governance Committee, the Board of Retirement, and the Board of Investments every three years or as needed and may be amended by both Boards at such time.

Policy History: Restated and Approved by the Board of Retirement and Board of Investments on December 16, 2020, and updated and approved by the Board of Retirement and Board of Investments on _____, 2022. Prior versions are superseded and of no effect as of the stated approval date.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Amounts which can be reimbursed for transportation, lodging, meals, and other covered items are indicated as follows:

I. TRANSPORTATION:

A. Airline Travel

1. Trustees will travel in coach/economy class except that they may travel in business class or its equivalent for:
 - a. Flights having (i) a scheduled non-stop flight time or total connecting travel time from original departing airport to the final destination airport of five hours or more, or (ii) a scheduled non-stop roundtrip flight time or total connecting roundtrip travel time of ten hours or more.
 - b. Red-eye flights. "Red-eye flights" are defined as flights in which a majority of the flight time occurs between 10:00 PM and 6:00 AM.
 - c. Flights arriving or departing at an international location, including Canada and Mexico.
2. LACERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room regardless of flight time.
3. Air travel will only be reimbursed at the lowest available non-refundable fare at the time of purchase (for class travel authorized under this Policy). Trustee may elect to fly on United, American, Delta, JetBlue, or Southwest Airlines for the dates and times of travel. Other carriers are authorized, but reimbursement shall not exceed the lowest non-refundable fare offered either amongst the five major airlines carriers mentioned above or three other major carriers who fly to selected destination.
4. Recognizing air carriers have begun charging for incidental items historically included in the ticket price (for example, checking luggage, providing pillows, blankets, and non-alcoholic beverages during flights, etc.), LACERA also will reimburse carrier charges for such incidental items upon submission of an itemized receipt. Alcoholic beverages will not be reimbursed.
5. Substantiation of airline travel shall include a copy of the ticket or E-mail confirmation showing the cost of the air travel.
6. Trustees traveling by air to conduct LACERA business may use only regularly scheduled airline services operating by an air carrier certified by the Federal

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Aviation Administration or comparable foreign authority. Trustees are prohibited from traveling on LACERA business via private aircraft, including but not limited to aircraft owned, leased, or rented by the individual Trustee. Persons traveling on LACERA business via private aircraft will be deemed to be acting outside the scope of their responsibilities and employment. They will not be covered by LACERA's liability insurance. Trustees may not use travel points to pay for LACERA travel. Any points earned on LACERA's credit card will be used at the Chief Executive Officer's discretion.

B. Other Common Carrier Travel

1. Travel permitted under this policy should be accomplished in the most cost-effective and efficient manner practicable, considering the costs of the mode of transportation, travel time, accommodations, and per diem.
2. Generally, air travel is the most cost-effective and efficient means for long distance travel, with "long distance travel" defined as a travel to a site more than 300 miles from LACERA's headquarters.
3. Where a traveler has special travel needs or concerns such that travel by air for long distance travel is not practicable, then the traveler may use an alternate common carrier (e.g., train or bus) and incur such reasonable expenses associated with that mode of travel (e.g., sleeper car, additional days of per diem).
4. Substantiation of other common carrier travel shall include a copy of the ticket or E-mail confirmation showing the cost of the travel.

II. LODGING:

A. Room Cost

Reimbursement is limited to a standard class single room rate, including mandatory taxes and hotel fees. Actual expenses for lodging will be reimbursed upon submittal of receipts. For example, room upgrades, and bed and breakfast additions will be at the expense of the Trustee, unless for good cause such as the unavailability of standard rooms and/or international destinations.

B. Government Rates

Trustees traveling on LACERA business should always request government rates when making reservations and/or checking in. LACERA recognizes that the governmental rate offered for local governmental entities like LACERA may be higher

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

than the federal government rate, or may not be available at all, especially in connection with international travel.

C. Attendance at Educational Conferences and Administrative Meetings.

LACERA acknowledges that the cost of a standard room at an event hotel may exceed the standard lodging reimbursement rate. Nevertheless, Trustees attending events may stay at the designated hotel to promote convenient access, networking, and safety. Reimbursement for lodging at an event is limited to the standard room rate charged by the event hotel unless for good cause such as the unavailability of standard rooms and/or international destinations. When lodging at the event hotel is unavailable, reimbursement is limited to the best available rate for a standard room at a nearby hotel of comparable quality. The Trustee will be responsible for any excess cost.

D. Travel Not Connected With An Established Hotel Venue

The maximum lodging amounts are intended to cover the cost of lodging at adequate, suitable and moderately-priced facilities located near the destination city's airport or the specific area in the destination city where LACERA's business will be conducted without association with an established hotel venue. Reimbursement for lodging connected with such travel is limited to:

1. Domestic: Not more than three times the regular per diem rate for the location as established from time to time by the ~~Internal Revenue Service~~U.S. General Services Administration, found at www.gsa.gov (click on "per diem rates").
2. International: Not more than three times the rate for the location as established from time to time by the United States Department of State, found at: www.state.gov/m/a/als/prdm.

III. MEALS:

It is the policy's intent for the Trustee to be reimbursed for meals not pre-paid for by LACERA. As such, LACERA will not reimburse the Trustee for a meal which has been pre-paid for by LACERA (e.g., when conference registration includes meals), whether or not the Trustee consumed the meal, except where the Trustee could not consume the pre-paid meal because:

1. The Trustee has special dietary or medical concerns, or
2. It was reasonably necessary for the Trustee to conduct LACERA business while the pre-paid meal was being served.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Written justification as to which of the above two exceptions applies will be provided with the reimbursement request. However, written justification for any dietary restrictions or medical concerns need only be provided once annually by the Trustee.

Likewise, LACERA will not reimburse the Trustee for a meal paid for by a third party unless approved by the Chief Executive Officer.

Meal Reimbursement

Reimbursement for meals shall be based on the "Per Diem Method" only as defined below.

A. The Per Diem Method

1. Under the Per Diem Method, the Trustee agrees to accept a flat rate for meals. Trustees are not required to submit receipts.
2. The per diem allowance will be computed using the Meals & Incidental Expenses rate (the "M&IE Rate") published by the Internal Revenue Service and in effect on the date of travel for the locality of travel.
3. The per diem allowance shall be claimed in accordance with the Meals & Incidental Expenses Breakdown ("M&IE Breakdown") per the IRS, based on the M&IE Rate. The portion of the per diem the Trustee receives depends upon when the travel occurs. For example, if the travel occurs during normal breakfast and lunch times, the Trustee receives the per diem for breakfast and lunch; if the travel occurs during normal lunch and dinner times, the Trustee receives the per diem for lunch and dinner, etc.

IV. PORTERAGE:

Porterage may not be claimed using the Per Diem Method, as the Per Diem Method's IRS tables already factor in porterage reimbursement.

V. PARKING:

Parking, including airport parking, will be reimbursed at actual rate (receipt required).

VI. MILEAGE:

Use of a personal vehicle will be reimbursed on a per mile basis at the rate approved by the Internal Revenue Service as of the date of travel.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

VII. OTHER BUSINESS EXPENSES:

Other covered business expenses reasonably incurred in connection with LACERA business, such as registration fees, business and personal telephone, fax, internet access, gym access (including the standard gym fee charged by the Trustee's hotel or, if hotel gym access is not available, the reasonable cost of daily access to a local gym or health facility), dry cleaning, and similar business expenses, shall be reimbursed upon submittal of receipts. The cost of membership in TSA Pre, Global Entry, NEXUS, SENTRI, or other expedited security and border processing programs shall be reimbursed upon submittal of receipts. Technology needs, for both international and domestic travel, may be discussed with the LACERA Systems Division in advance to develop appropriate solutions for the Trustee's needs and to manage cost.

Reimbursement for lost or damaged property is subject to a separate policy to be developed.

TRUSTEE TRAVEL POLICY

APPENDIX B TRAVEL ATTESTATION

As a LACERA Board Trustee, I acknowledge:

- a. I have received, read, and understand all of the provisions within the Trustee Travel Policy; and
- b. I attest my commitment to act responsibly and prudently in the best interest of LACERA members, in all travel-related matters.

LACERA Board

Name

Signature

Date

May 5, 2022

TO: Each Trustee,
Board of Investments

FROM: Steven P. Rice, *SPR*
Chief Counsel

FOR: May 11, 2022 Board of Investments Meeting

SUBJECT: Supplemental Memo re Board of Retirement Revisions to JOGC's
Proposed Trustee Travel Policy

RECOMMENDATION

That the Board of Investments (BOI) approve the revised Trustee Travel Policy as recommended by the Joint Organizational Governance Committee, including two additional revisions approved by the Board of Retirement at its May 5, 2022 meeting.

DISCUSSION

At its May 5, 2022 meeting, the Board of Retirement considered and approved the revised Trustee Education Policy as recommended by the Joint Organizational Governance Committee (JOGC). However, the Board of Retirement also approved two additional revisions to the Trustee Travel Policy. In order for the revised Travel Policy to be effective, both Boards must approve the same version.

The Board of Retirement's additional approved changes are highlighted in yellow on pages 4 and 14 of the attached copy of the Trustee Travel Policy. The attachment also includes the same JOGC redlines shown in the copy of the Policy attached to the original memo for this agenda item.

The Board of Retirement's two changes to the Policy are specifically described as follows:

1. Section III – Trustee Travel, Section B (Cease Travel) (page 4)

The Board of Retirement voted that this provision should be aspirational in addressing the issue of when a trustee's travel should cease as their term ends, rather than imposing a mandate. Therefore, the "shall" language in this section has been removed and replaced with language that trustees "may consider" when their travel should cease.

2. Policy Appendix A (Reimbursement Schedule), Section VII (page 14)

This section addresses various business expenses associated with travel that are reimbursable upon submission of receipts. The Board of Retirement voted

to add vaccinations and tests (such as the PCR rapid test for COVID-19) when necessary to travel or attend approved educational and administrative conferences, meetings, and seminars as explicitly reimbursable.

CONCLUSION

Based on the above information and the attached redlined version, staff recommends that the Board of Investments approve the revised version of the Trustee Travel Policy recommended by the JOGC, including the two additional changes approved by the Board of Retirement.

Attachment

c:	Santos H. Kreimann	Laura Guglielmo	Ted Granger
	Jonathan Grabel	JJ Popowich	Leisha Collins
	Luis A. Lugo	Richard Bendall	Christina Logan
			Ervin Wu



TRUSTEE TRAVEL POLICY

LACERA Board of Retirement & Board of Investments

Adopted ~~December 16, 2020~~ _____, 2022



TRUSTEE TRAVEL POLICY

I. PURPOSE

The purpose of this policy is to align travel by Trustees in connection with educational conferences and administrative meetings on LACERA's behalf with the Mission, Vision, Values, and work culture of the organization. The Board of Retirement and Board of Investments recognize that travel associated with education and administrative meetings on LACERA's behalf is a component of building the knowledge base and operational understanding of Trustees given their fiduciary responsibilities and will equip them to discharge their fiduciary duties for the sole benefit of active members, retirees, and their beneficiaries. To ensure reimbursement for incurring and paying travel is expenses are allowed for only those expenses deemed reasonable and necessary for the proper administration of the system, the policy will be administered in a manner that can be overseen by the Boards and understood by LACERA members and other stakeholders as reasonable, cost effective, value-driven, and necessary to fulfill LACERA's Mission to Produce, Protect, and Provide the Promised Benefits.

This policy applies to travel in connection with Educational Conferences and Administrative Meetings. "Educational Conferences" are those conferences, seminars, and meetings that have an educational purpose. "Administrative Meetings" are meetings attended by Trustees in their LACERA capacity and that have a non-educational purpose in furtherance of LACERA's interests, including legislative advocacy, speaking engagements, including a domestic and international Educational Conference at which a Trustee gives a speech, positions in the administration of pension related organizations, and similar events. This policy applies to LACERA Trustees only.

II. PRINCIPLES

The following principles shall govern Trustee travel in connection with Educational Conferences and Administrative Meetings on LACERA's behalf and the interpretation of this policy.

A. Performance of Fiduciary Duty. Travel for educational conferences and administrative meetings in furtherance of LACERA's interests is necessary and should be encouraged and undertaken in order that Trustees may obtain and share knowledge relevant to the proper performance of their fiduciary duty under the California Constitution, the County Employees Retirement Law of 1937 (CERL), and other applicable laws by a reasonable method and at reasonable cost for the value received. Specifically:

1. Duty of Loyalty. Education and travel must assist the Trustees to perform their fiduciary duty of loyalty to "discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty." Cal. Const., art. XVI, § 17(b); see Cal. Gov't Code § 31595(a). Education

TRUSTEE TRAVEL POLICY

~~and attendance at administrative meetings must assist the Trustees to perform their fiduciary duty of loyalty to act solely in the interest of providing benefits to members and their beneficiaries, minimizing employer contributions, and defraying reasonable expenses of administering the system, with the duty to members and their beneficiaries being paramount.~~

2. Duty of Prudence. ~~Education and travel must assist the Trustees to perform their fiduciary duty of prudence to “discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise with a like character and like aims.” Const., art. XVI, § 17(c); see Cal. Gov’t Code § 31595(b).~~ ~~Education and attendance at administrative meetings must assist the Trustees to perform their fiduciary duty to act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would use in the conduct of a public pension system.~~

- B. ~~Focus on Mission~~Member-Centric Concentration.** Trustees have a fiduciary duty to make policy decisions consistent with applicable law, including constraints imposed by the Fund’s budget. At the same time, travel may be necessary to support and enhance LACERA’s Mission to Produce, Protect and Provide the Promised Benefits on behalf of LACERA members.

Trustees are expected to be and believed to be mindful and financially prudent in all travel and trip-related expenditures that consume resources funded by LACERA members.

- i. All monies held in the Fund by LACERA are ultimately due and payable in the form of pension benefits to active and retired members. Therefore, all administrative, operational and travel expenditures should be able to withstand the scrutiny of our members, stakeholders, plan sponsors and the public at large, thereby minimizing any reputational risk to LACERA.
- ii. Trustees are accountable for their actions and responsible for appropriate use of organizational resources and establishing policy creating limits and constraining expenditures. Travel policies for staff can be more restrictive depending on circumstances and financial constraints.

- C. Transparency.** Travel administrative procedures and guidelines are established and carried out in a manner that is easy for members and all other stakeholders to identify actions taken by Trustees.

- i. Expenses incurred for travel and trips are clearly identifiable as business-related expenses only, not for personal expenses of the Trustee or any traveling companions.
- ii. Travel expenses and trip information are reported to LACERA members and stakeholders via a public forum.

TRUSTEE TRAVEL POLICY

- iii. Trustees recognize and accept their accountability and responsibility to LACERA members for travel and trip expenditures which are charged to LACERA.
- iv. All Trustees electronically acknowledge and sign a travel attestation document (Appendix B) provided by staff annually on a calendar year basis, confirming their commitment to act responsibly and prudently and in the best interest of LACERA members.

D. Simplicity, Uniformity and Consistency. Travel administrative procedures and guidelines for claiming and reimbursing expenses are designed to be simple, uniform, and consistent, and should not be overly onerous so as to negatively affect Trustees.

- i. Travel procedures should be a guide with simple, unambiguous rules for making and approving travel arrangements, and for the timely processing and accounting of trip related expenditures and reimbursements.
- ii. Travel expenditures are documented on expense claims that are clear and concise.
- iii. Travel expense reimbursement processes should be clear, consistent, transparent, convenient, efficient, and compliant with the Trustee Travel Policy.
- iv. Travel expense methods are simple and universally applied so the reimbursement claim process is streamlined (e.g., all meals are claimed under the Per Diem Method).
- v. Travel procedures, including administrative expense guidelines and reimbursement process, are maintained under the direction of the Chief Executive Officer (CEO) or their designee.

E. Ease of Execution. Travel administrative procedures and guidelines are established with administrative ease and designed to reduce the manual processes and the considerable effort required of staff. Processes related to travel reimbursements and processing expense claims should not be cumbersome and complicated for staff and Trustees.

- i. Travel accommodations and Trustee conveniences are streamlined and provide a group of appropriate choices instead a vast menu of options.
- ii. The process itself of conducting travel bookings and expense processing are considered a priority.
- iii. Expense categories, reimbursement process, and claim forms are periodically reviewed and updated by staff.
- iv. Trustees, not proxies, are responsible for obtaining, gathering, and submitting the appropriate documentation justifying expenditures in a timely manner.
- v. External providers including travel agents and other travel-related industry services are to be considered and integrated into the process for Trustees and administrative ease.
- vi. Technological tools for capturing and recording trip documentation are employed where reasonable and necessary considering cost implications.

TRUSTEE TRAVEL POLICY

- vii. Practices will periodically be reviewed to ensure best practices and industry norms are included within the Trustee Travel Policy.

III. TRUSTEE TRAVEL

A. Approval. All travel requires approval of that Trustee's Board, except that Educational Conferences and Administrative Meetings in California where the total cost of attendance is no more than \$~~23~~,000 are pre-approved for attendance and reimbursement, provided that a Trustee may not incur over \$~~40~~15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year without Board approval.

B. Cease Travel and Other Expenses. Trustees ~~shall~~ may consider whether and when to cease arranging future travel and expenses for Educational Conferences and Administrative Meetings once they become aware their term of service will end. In considering this issue, Trustees may consider the following factors: For appointed Trustees, this awareness may occurs in the final year of their appointment and after the Board of Supervisors votes on the next appointment, or when an appointed Trustee has been told they will not be reappointed. For elected Trustees, this awareness may occurs if when an elected Trustee decides not to run for reelection or when, as a candidate, is replaced once election results are certified by the Board of Supervisors. For the Ex-Officio Trustee, this occurs once a retirement is announced.

C. Authorized Expenses. Authorized travel expenses shall be determined by the Boards as set forth in Appendix A. LACERA shall use reasonable efforts to promptly reimburse trustees in accordance with this policy and Appendix A. ~~LACERA Trustees shall be reimbursed for reasonable and necessary expenses incurred, and documented, in connection with LACERA business.~~

D. Costs of Administration. Travel expenses for Trustees shall be administrative costs of the Fund and may not be paid through third party contracts. It is LACERA's policy that ~~LACERA, as an agency, and its~~ Trustees shall not accept gifts of travel. Gifts of travel, including transportation, lodging, and meals, may be reportable as gifts to individual Trustees if not paid by LACERA.

E. Claims for Reimbursement.

- i. Submission. A travel expense reimbursement shall be claimed by completing an expense voucher form available ~~on the LACERA intranet website from the Executive Board Assistants~~ and submitting it to the appropriate authorizing person. Trustees may submit their expense reimbursements to their respective Executive Board Assistant. All expense reimbursement requests shall be accompanied by receipts and/or other reasonable documentation. Expense reimbursement records are subject to

TRUSTEE TRAVEL POLICY

disclosure under the Public Records Act, with redaction of confidential information, such as personal addresses, telephone numbers, and credit card information. The deadline for submitting an education and travel reimbursement claim is 90 days after completing the education, or 30 days after the fiscal year-end, whichever comes first. Extensions to this deadline may be granted by the Board Chair.

- ii. Approval. The Executive Board Assistants will receive and review, for compliance with this policy, all expense reimbursement requests prior to submission. The Financial and Accounting Services Division (FASD) will review expense reimbursement requests for compliance with this policy and shall only process and use reasonable efforts to promptly pay those that are in compliance and approved by the CEO or their designee. FASD will notify the CEO or their designee of all deficiencies in a submission by a Trustee, and the CEO or their designee will in turn notify the respective Trustee. LACERA will not reimburse a Trustee for expenses that are not authorized under this policy unless specifically exempted and approved by that Trustee's Board, except that, without Board approval, each Board Chair or the Chief Executive Officer may authorize deviations of less than \$1,000 per trip from the expense limits in this policy and subject to subsequent review of all expenses for compliance with this policy.

F. Cancellation of Travel Arrangements.

- i. Responsibility for Timely Cancellation. Trustees are responsible for timely canceling travel arrangements made on behalf of the Trustee which will not be used so that no costs will be incurred by LACERA.
- ii. Responsibility for ~~Untimely Cancellation~~ Costs Resulting from Untimely Cancellation. Trustees are responsible for all costs LACERA incurs as a result of the Trustee's failure to cancel travel arrangements before cancellation charges accrue, unless the failure to cancel was due to facts or circumstances beyond the Trustee's control. The Trustee must reimburse LACERA within 30 days after notification of the amount due. Notice will be provided by the Chief Executive Officer. If reimbursement is not made within such 30-day period, and payment is still due, the amount shall be deducted from any payment due the Trustee from LACERA. If a Trustee is enrolled for an Educational Conference or Administrative Meeting but fails to attend or timely cancel and LACERA incurs an expense as a result (e.g., conference registration, travel and lodging cancellation fees), that conference or meeting counts toward the limit under Section IV.C.2. of the Trustee Education Policy until the Trustee reimburses LACERA for all expenses incurred or cancellation is excused under Section III. F. iii. of this Trustee Travel Policy.

TRUSTEE TRAVEL POLICY

- iii. Approval of Cancellation Costs with Good Cause. If the Trustee believes the failure to cancel was due to facts or circumstances beyond their control, they must submit written justification to the Board Chair within 30 days after receiving notification of the cancellation expenses due. For Trustees, the Board Chair will approve or disapprove the excuse in writing to the Trustee, with a copy to the Executive Board Assistant. If the individual is a Board Chair, then the written excuse must be submitted to that Board's Vice Chair who will then approve or disapprove the excuse. If the individual is a Vice Chair simultaneously serving as the acting Chair, then the Vice Chair's written excuse must be submitted to that Board's Secretary who will then approve or disapprove the excuse. Should a Trustee disagree with the Board Officer's determination, the Trustee may request the Executive Board Assistant to agendaize the matter for consideration by the full Board.

G. Cash Advances. Hotel and airfare shall be purchased in advance by the Executive Board Assistants, and no cash advances will be allowed for such expenses. Cash advances for permitted per diem expenses in accordance with this policy may will not be allowed unless specifically approved for Trustees by the appropriate Board Chief Executive Officer for good cause. Trustees will account for any per diem cash advance on their trip expense report upon completion of the travel.

H. Expenses for Traveling Companions. Travel expenses for family members and/or traveling companions are not reimbursable by LACERA.

I. Additional Travel Days to Minimize Overall Travel Cost. Travel resulting in arrival one day prior to and/or one day after an Educational Conference or Administrative Meeting will be reimbursed if reasonably necessary because of time constraints. Travel resulting in arrival two days prior to and/or one day after international travel will be reimbursed as reasonably necessary based on the location of the Educational Conference or Administrative Meeting. In addition, lodging and per diem for extra days prior to or after an Educational Conference or Administrative Meeting will be reimbursed if such extension results in lower overall trip costs. If a Trustee adds personal travel before or after a trip, the extra personal days outside of the above restrictions shall not be reimbursed. Written justification for travel expenses incurred prior to or after an Educational Conference or Administrative Meeting shall be submitted with the claim for reimbursement.

J. Ground Transportation. Trustees will be expected to use taxis or ride sharing services to and from domestic destinations. Limousine or executive car services shall not be used in domestic locations unless the cost for such services is comparable to that of taxi services and/or airport parking; they may be used without restriction in international locations. Reimbursement of rental vehicles require justification and prior approval from the Chief Executive

TRUSTEE TRAVEL POLICY

Officer. When renting a vehicle, purchase of optional insurance is not necessary as LACERA's insurance will cover the same risks.

K. *International Travel Insurance.* LACERA will purchase travel insurance covering Trustees while traveling internationally on LACERA business. The insurance will include accident, medical, security assistance and evacuation, travel assistance, trip cancelation, interruption or delay, and baggage loss or delay coverage.

L. *Travel Reports.*

- i. Monthly. A monthly Travel Report shall be submitted to both Boards listing the current fiscal year's completed, anticipated, and canceled Education Conferences and Administrative Meetings (including whether excused under Section III. F. iii) for all Trustees on both Boards.
- ii. Quarterly. A quarterly Travel Report shall be submitted to both Boards listing education and administrative travel expenses paid/reimbursed by LACERA for all Trustee on both Boards. Such report shall identify whether each item of travel was for an Educational Conference or Administrative Meeting, the purpose, location, cost by expense category, and whether excused under Section III. F. iii.
- iii. Availability. The monthly and quarterly reports shall be agendized as reports for the Boards in the first month after they are available (and for privacy and personal security reasons, after travel has been completed) and shall be posted on lacera.com.

IV. ADMINISTRATIVE MEETINGS

~~The relevant Board will be informed of a Trustee's need to attend Administrative Meetings and provide advance approval of the cost on such terms as deemed appropriate. For attendance at an Administrative Meeting, as defined above, the Trustee will notify the relevant Board of a Trustee's need to attend and the Board will provide approval on such terms as deemed appropriate.~~

~~Due to the unique nature of Administrative Meetings, this travel does not have number limits, subject to the cost limits of Section III. A., and does not count towards the maximum approved number limits for travel unless in conjunction with an Educational Conference.~~

V. BROWN ACT COMPLIANCE

Attendance at external Education Conferences and Administrative Meetings by more than four Trustees of a Board is not a violation of this provision, provided that the Trustees may not discuss any item of LACERA business.

TRUSTEE TRAVEL POLICY

VI. GIFTS AND CONFLICTS

The Boards desire to avoid even the appearance of impropriety in connection with education, and related expenses. The Boards acknowledge that acceptance of gifts of education and related expenses, such as registration, transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages “pay to play” and may, unwittingly, create opportunities for undue influence on Trustees. This policy therefore does not permit LACERA as an entity to accept gifts of education, and related expenses. This policy does not prohibit certain payments for education and/or related expenses as part of the negotiated consideration under agreements with vendors, consultants, and managers, although all such payments should be reviewed in advance with the Legal Division to ensure compliance with applicable law, regulations, and reporting.

Items provided during Educational Conferences and Administrative Meetings may constitute reportable gifts.

Trustees should be familiar with the provisions of LACERA’s Code of Ethical Conduct as it may apply to certain education and administrative meeting interaction with and items received from the sponsors or other attendees.

The Boards acknowledge that international travel, though expensive, is increasingly necessary in light of today’s global economy and LACERA’s ongoing prudent investment of a substantial portion of its assets outside the United States.

VII. EDUCATION POLICY AND PROCEDURES

This policy is subject to and will be read and interpreted in conjunction with the Trustee Education Policy.

VIII. POLICY PROVISIONS AND APPLICABLE LAW

- A. Waiver of Policy Provisions.** For good cause presented in writing, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this policy when in the best interest of LACERA.
- B. Applicable Law.** This policy is to be implemented in compliance with the relevant provisions of the California Government Code and other applicable law, and in harmony with existing philosophy, objectives, policies and guidelines previously approved by the Board of Retirement and the Board of Investments.

IX. SUSTAINABILITY

Trustees are encouraged to consider sustainability in making education and travel choices, including whether and how to travel, the viability and efficacy of alternative forms

TRUSTEE TRAVEL POLICY

of participation (such as geographically closer or virtual meetings), the impact of business class vs. coach, the number of trips taken, and the number of Trustees participating in a single event, avoidance of car transportation when possible, and obtaining an estimate of the carbon footprint of travel and lodging options through available online tools and inclusion of estimates in board recommendation memos.

IX.X. REVIEW

This policy shall be reviewed by the Joint Organizational Governance Committee, the Board of Retirement, and the Board of Investments every three years or as needed and may be amended by both Boards at such time.

Policy History: Restated and Approved by the Board of Retirement and Board of Investments on December 16, 2020, and updated and approved by the Board of Retirement and Board of Investments on _____, 2022. Prior versions are superseded and of no effect as of the stated approval date.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Amounts which can be reimbursed for transportation, lodging, meals, and other covered items are indicated as follows:

I. TRANSPORTATION:

A. Airline Travel

1. Trustees will travel in coach/economy class except that they may travel in business class or its equivalent for:
 - a. Flights having (i) a scheduled non-stop flight time or total connecting travel time from original departing airport to the final destination airport of five hours or more, or (ii) a scheduled non-stop roundtrip flight time or total connecting roundtrip travel time of ten hours or more.
 - b. Red-eye flights. "Red-eye flights" are defined as flights in which a majority of the flight time occurs between 10:00 PM and 6:00 AM.
 - c. Flights arriving or departing at an international location, including Canada and Mexico.
2. LACERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room regardless of flight time.
3. Air travel will only be reimbursed at the lowest available non-refundable fare at the time of purchase (for class travel authorized under this Policy). Trustee may elect to fly on United, American, Delta, JetBlue, or Southwest Airlines for the dates and times of travel. Other carriers are authorized, but reimbursement shall not exceed the lowest non-refundable fare offered either amongst the five major airlines carriers mentioned above or three other major carriers who fly to selected destination.
4. Recognizing air carriers have begun charging for incidental items historically included in the ticket price (for example, checking luggage, providing pillows, blankets, and non-alcoholic beverages during flights, etc.), LACERA also will reimburse carrier charges for such incidental items upon submission of an itemized receipt. Alcoholic beverages will not be reimbursed.
5. Substantiation of airline travel shall include a copy of the ticket or E-mail confirmation showing the cost of the air travel.
6. Trustees traveling by air to conduct LACERA business may use only regularly scheduled airline services operating by an air carrier certified by the Federal

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Aviation Administration or comparable foreign authority. Trustees are prohibited from traveling on LACERA business via private aircraft, including but not limited to aircraft owned, leased, or rented by the individual Trustee. Persons traveling on LACERA business via private aircraft will be deemed to be acting outside the scope of their responsibilities and employment. They will not be covered by LACERA's liability insurance. Trustees may not use travel points to pay for LACERA travel. Any points earned on LACERA's credit card will be used at the Chief Executive Officer's discretion.

B. Other Common Carrier Travel

1. Travel permitted under this policy should be accomplished in the most cost-effective and efficient manner practicable, considering the costs of the mode of transportation, travel time, accommodations, and per diem.
2. Generally, air travel is the most cost-effective and efficient means for long distance travel, with "long distance travel" defined as a travel to a site more than 300 miles from LACERA's headquarters.
3. Where a traveler has special travel needs or concerns such that travel by air for long distance travel is not practicable, then the traveler may use an alternate common carrier (e.g., train or bus) and incur such reasonable expenses associated with that mode of travel (e.g., sleeper car, additional days of per diem).
4. Substantiation of other common carrier travel shall include a copy of the ticket or E-mail confirmation showing the cost of the travel.

II. LODGING:

A. Room Cost

Reimbursement is limited to a standard class single room rate, including mandatory taxes and hotel fees. Actual expenses for lodging will be reimbursed upon submittal of receipts. For example, room upgrades, and bed and breakfast additions will be at the expense of the Trustee, unless for good cause such as the unavailability of standard rooms and/or international destinations.

B. Government Rates

Trustees traveling on LACERA business should always request government rates when making reservations and/or checking in. LACERA recognizes that the governmental rate offered for local governmental entities like LACERA may be higher

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

than the federal government rate, or may not be available at all, especially in connection with international travel.

C. Attendance at Educational Conferences and Administrative Meetings.

LACERA acknowledges that the cost of a standard room at an event hotel may exceed the standard lodging reimbursement rate. Nevertheless, Trustees attending events may stay at the designated hotel to promote convenient access, networking, and safety. Reimbursement for lodging at an event is limited to the standard room rate charged by the event hotel unless for good cause such as the unavailability of standard rooms and/or international destinations. When lodging at the event hotel is unavailable, reimbursement is limited to the best available rate for a standard room at a nearby hotel of comparable quality. The Trustee will be responsible for any excess cost.

D. Travel Not Connected With An Established Hotel Venue

The maximum lodging amounts are intended to cover the cost of lodging at adequate, suitable and moderately-priced facilities located near the destination city's airport or the specific area in the destination city where LACERA's business will be conducted without association with an established hotel venue. Reimbursement for lodging connected with such travel is limited to:

1. Domestic: Not more than three times the regular per diem rate for the location as established from time to time by the ~~Internal Revenue Service~~U.S. General Services Administration, found at www.gsa.gov (click on "per diem rates").
2. International: Not more than three times the rate for the location as established from time to time by the United States Department of State, found at: www.state.gov/m/a/als/prdm.

III. MEALS:

It is the policy's intent for the Trustee to be reimbursed for meals not pre-paid for by LACERA. As such, LACERA will not reimburse the Trustee for a meal which has been pre-paid for by LACERA (e.g., when conference registration includes meals), whether or not the Trustee consumed the meal, except where the Trustee could not consume the pre-paid meal because:

1. The Trustee has special dietary or medical concerns, or
2. It was reasonably necessary for the Trustee to conduct LACERA business while the pre-paid meal was being served.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

Written justification as to which of the above two exceptions applies will be provided with the reimbursement request. However, written justification for any dietary restrictions or medical concerns need only be provided once annually by the Trustee.

Likewise, LACERA will not reimburse the Trustee for a meal paid for by a third party unless approved by the Chief Executive Officer.

Meal Reimbursement

Reimbursement for meals shall be based on the "Per Diem Method" only as defined below.

A. The Per Diem Method

1. Under the Per Diem Method, the Trustee agrees to accept a flat rate for meals. Trustees are not required to submit receipts.
2. The per diem allowance will be computed using the Meals & Incidental Expenses rate (the "M&IE Rate") published by the Internal Revenue Service and in effect on the date of travel for the locality of travel.
3. The per diem allowance shall be claimed in accordance with the Meals & Incidental Expenses Breakdown ("M&IE Breakdown") per the IRS, based on the M&IE Rate. The portion of the per diem the Trustee receives depends upon when the travel occurs. For example, if the travel occurs during normal breakfast and lunch times, the Trustee receives the per diem for breakfast and lunch; if the travel occurs during normal lunch and dinner times, the Trustee receives the per diem for lunch and dinner, etc.

IV. PORTERAGE:

Porterage may not be claimed using the Per Diem Method, as the Per Diem Method's IRS tables already factor in porterage reimbursement.

V. PARKING:

Parking, including airport parking, will be reimbursed at actual rate (receipt required).

VI. MILEAGE:

Use of a personal vehicle will be reimbursed on a per mile basis at the rate approved by the Internal Revenue Service as of the date of travel.

TRUSTEE TRAVEL POLICY

APPENDIX A REIMBURSEMENT SCHEDULE

VII. OTHER BUSINESS EXPENSES:

Other covered business expenses reasonably incurred in connection with LACERA business, such as registration fees, business and personal telephone, fax, internet access, gym access (including the standard gym fee charged by the Trustee's hotel or, if hotel gym access is not available, the reasonable cost of daily access to a local gym or health facility), dry cleaning, and similar business expenses, shall be reimbursed upon submittal of receipts. Required vaccinations and required tests (such as PCR rapid tests for COVID-19) to enter or exit the origin or destination of travel or to comply with other requirements necessary to travel to or attend approved educational and administrative conferences, seminars, or meetings shall be reimbursed upon submittal of receipts. The cost of membership in TSA Pre, Global Entry, NEXUS, SENTRI, or other expedited security and border processing programs shall be reimbursed upon submittal of receipts. Technology needs, for both international and domestic travel, may be discussed with the LACERA Systems Division in advance to develop appropriate solutions for the Trustee's needs and to manage cost.

Reimbursement for lost or damaged property is subject to a separate policy to be developed.

TRUSTEE TRAVEL POLICY

APPENDIX B TRAVEL ATTESTATION

As a LACERA Board Trustee, I acknowledge:

- a. I have received, read, and understand all of the provisions within the Trustee Travel Policy; and
- b. I attest my commitment to act responsibly and prudently in the best interest of LACERA members, in all travel-related matters.

LACERA Board

Name

Signature

Date

April 22, 2022

TO: Trustees – Board of Investments

FROM: Equity: Public/Private Committee

Esmeralda del Bosque 
Acting Principal Investment Officer

FOR: May 11, 2022 Board of Investments Meeting

SUBJECT: **GLOBAL EQUITY EMERGING MANAGER PROGRAM ASSESSMENT
AND REQUEST FOR PROPOSAL MINIMUM QUALIFICATIONS**

RECOMMENDATION

Approve the proposed minimum qualifications, evaluation criteria, and scope of work for a global equity emerging separate account manager(s) advanced by the Equity Committee.

BACKGROUND

In June 2021, the Board of Investments (“Board”) authorized staff to initiate a request for proposal (“RFP” or “Search”) for global equity emerging managers. The global equity team (“Team”) concluded the Search in January 2022 with no manager hire recommendation. The Team, along with LACERA’s general consultant, Meketa Investment Group (“Meketa”), notified the Board that they would assess the global equity emerging manager program (“EMP”) and present findings to the Equity Committee in April 2022 (**Attachment**).

At the April Equity Committee meeting, the Team provided a two-part presentation (**Attachment A**). Part I discussed an assessment of the global equity EMP and the rationale for a separate account manager approach. Part II contained the search recommendation and proposed minimum qualifications (“MQs”) for a global equity emerging separate account manager(s) RFP.

The Committee voted unanimously to advance the search recommendation and MQs to the Board for approval. Note that the Team made a minor edit to item four of the MQs. The word “advisement” was revised to “management.” The revision has been incorporated on page 18 of the attached PowerPoint slide deck. Also included is a concurrence memo from Meketa (**Attachment B**).

OPTIONS AVAILABLE TO THE BOARD

The Board may wish to approve, modify, or reject the recommendation.

DELIBERATIONS AND OPINIONS EXPRESSED BY THE COMMITTEE

A Trustee asked staff to provide the rationale for the sample manager parameter that mentions a preference for newer firms, typically less than 10 years, and how that is advantageous.

Response: Historically, the global equity EMP had firms that had existed for twenty to thirty years. This was largely due to the legacy emerging manager criteria that was based on AUM alone. The preference for newer firms is according to our latest EMP Policy and focuses gaining access to newer firms and strategies.

RISKS OF ACTION AND INACTION

If the Board approves the recommendation, LACERA will issue an RFP to conduct a search for global equity emerging separate account manager(s).

If the Board rejects the recommendation, the EMP will remain in its current form, and additional discussions would need to occur to determine LACERA's global equity EMP.

CONCLUSION

The Committee voted unanimously to advance the MQs for a global equity emerging separate account manager(s) to the Board for approval. If the Board approves, LACERA will issue an RFP using the proposed MQs and present a recommendation to the Board with a target timeline of Q4 2022.

Attachment

Noted and Reviewed:




Jonathan Grabel
Chief Investment Officer




March 24, 2022

TO: Equity: Public/Private Committee

FROM: Esmeralda del Bosque 
Acting Principal Investment Officer

Ron Senkandwa 
Investment Officer

Jeff Jia, CFA 
Senior Investment Analyst

Magdalia Armstrong, CFA, CAIA 
Senior Investment Analyst

FOR: April 13, 2022 Equity: Public/Private Committee Meeting

SUBJECT: **GLOBAL EQUITY EMERGING MANAGER PROGRAM ASSESSMENT AND
REQUEST FOR PROPOSAL MINIMUM QUALIFICATIONS**

RECOMMENDATION

Advance the proposed minimum qualifications, evaluation criteria, and scope of work to the Board of Investments for approval.

DISCUSSION

At the June 2021 Board of Investments meeting, Trustees authorized staff to initiate a request for proposal (“Search”) for global equity emerging managers.

At the January 2022 meeting, the global equity team provided a Search update to the Board and made no manager hire recommendation. Staff, along with Meketa informed the Board that they would assess the global equity emerging manager program and present their findings to the Equity Committee in April 2022.

The prepared presentation for discussion with the Equity Committee is attached (**Attachment A**). The presentation includes two parts: Part I discusses an assessment of the emerging manager program and the rationale for a separate account manager approach. Part II contains the recommendation, evaluation process, proposed timeline, minimum qualifications, evaluation criteria, and scope of work.

Meketa has provided a memo that concurs with the analysis and recommendation (**Attachment B**).

Attachments

Noted and Reviewed:



Jonathan Grabel
Chief Investment Officer

EDB:rs

Global Equity Emerging Manager Program Assessment and Request for Proposal Minimum Qualifications

Equity: Public/Private Committee Meeting

April 13, 2022

Esmeralda del Bosque – Acting Principal Investment Officer

Ron Senkandwa – Investment Officer

Jeff Jia, CFA – Senior Investment Analyst

Magdalia Armstrong, CFA, CAIA – Senior Investment Analyst



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Table of Contents

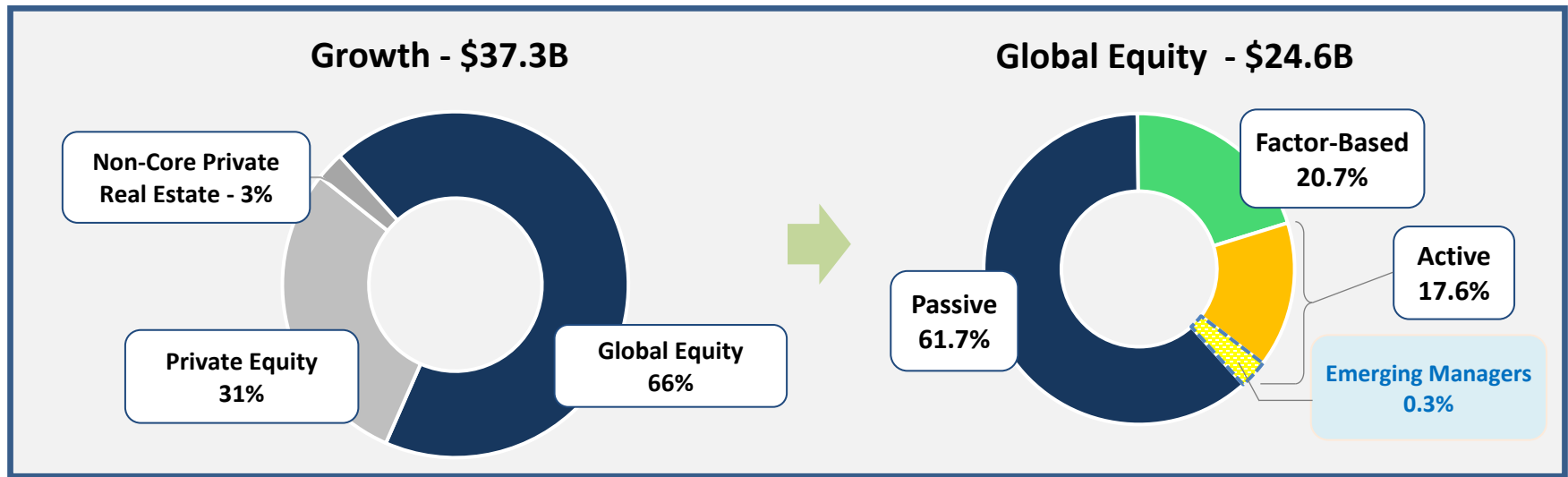
Title	Slide No.	Title	Slide No.
Part I: Assessment of Emerging Manager Program		Part II: Search Recommendation and Minimum Qualifications	
Role of Global Equity and Structure	4	Recommendation	14
Objective and Background	5	Search Overview	15
Emerging Manager Program Experience and Timeline	6	Evaluation Process	16
Emerging Manager Program Path Forward – Proposed Version 3.0	7	Proposed Search Timeline	17
Objective	8	Minimum Qualifications	18
Preferred Manager Competencies	9	Evaluation Criteria	19
Program Implementation	10	Scope of Work Summary	20
Observations and Considerations	11		
In Summary	12		



Part I:

Assessment of Emerging Manager Program

Role of Global Equity and Structure



Global Equity Objective

Provide global market beta exposure with alpha (excess return) as a secondary consideration

Subcategory	Policy Range	Allocation as of Feb-2022
Passive	40-80%	61.7%
Factor-Based	0-30%	20.7%
Active	10-40%	17.6%
Emerging Managers	0-5%	0.3%

Current program consists of one manager, with a market value of \$84.5 million or 0.3% global equity

Objective and Background

Objective

Reassess the approach to the global equity emerging manager program (“EMP” or “Program”) as well as provide a path forward

Background

- In June 2021, Trustees authorized staff to initiate a request for proposal (“RFP”) for global equity emerging managers
- Emerging manager search update presented at January 2022 Board of Investments (“BOI”) meeting; no manager hire recommendations
 - Staff along with Meketa would evaluate emerging manager experience and present to the Equity Committee at April meeting

Over time, LACERA has made many attempts to enhance the Program by modifying program parameters and guidelines

EMP Experience & Timeline



¹Program included two managers: Northern Trust and FIS Group, with inception dates of May 1995 and September 2004, respectively.

EMP Path Forward - Proposed Version 3.0

Observing past experience and acknowledging LACERA's strategic initiatives...

- LACERA has made attempts to enhance the Program by modifying parameters and guidelines
- Each iteration has informed the subsequent search

..a viable path forward for the EMP is a separate account manager approach

The approach more closely aligns with LACERA's initiative: "Optimize Investment Model" and may increase the chance of a successful global equity EMP

1. Collaborate with manager(s) to design a custom solution with Program objectives to enhance the overall risk/return profile of global equity
 - Differentiated sources of alpha with diversification benefits
2. Robust sourcing and pipeline of emerging managers
3. Operational due diligence expertise and resources to develop and mentor emerging firms
 - To aid in increasing graduation opportunities



Optimize Investment Model

- Risk measurement and monitoring across the portfolio
- Evaluate most advantageous investment structures
- *To leverage our competitive advantage through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns*

Objective

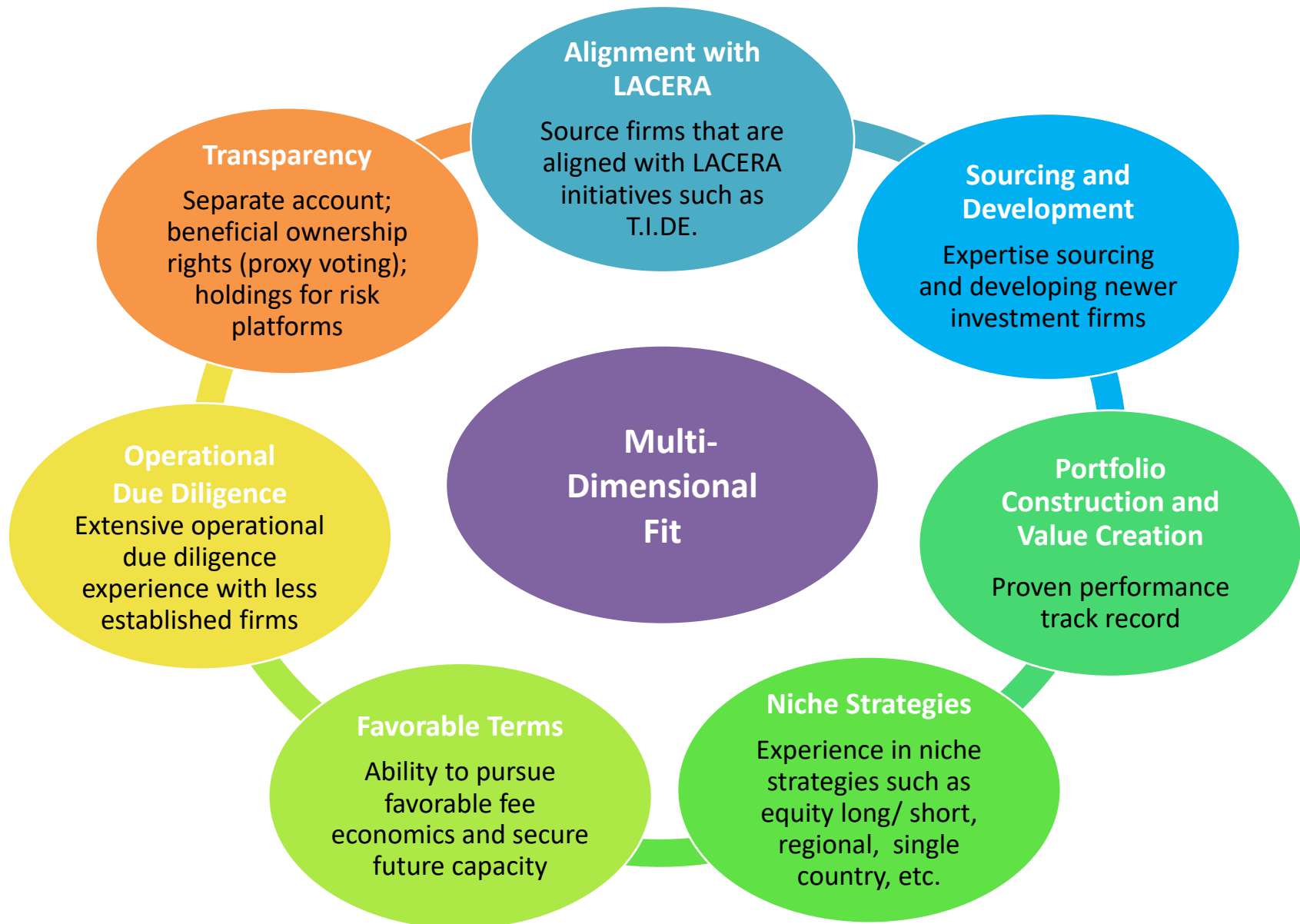
Utilize custom separate account manager(s) to source and invest in emerging manager mandates with differentiated sources of alpha

Sample global equity strategy opportunity set:

-  Equity long/short
-  Regional
-  Single country
-  Style
-  Equity options
-  Single sector/Thematic



Preferred Manager Competencies



Anticipated Emerging Manager Program Structure

- Allocation to the separate account manager may be up to 5% of the global equity portfolio
- Expected number of managers: 5- 10 managers; dependent upon the types of strategies proposed/received
- Sample Manager Parameters:
 - Firm ownership to be at least 51%
 - Managers less than \$5 billion in total firm AUM
 - Preference for newer firms, typically less than 10 years and/or early-stage mandates

Observations and Considerations

OBSERVATIONS

1. Firm resources (EMP universe/robust pipeline, dedicated research, manager development)
2. Operational due diligence, ongoing monitoring, manager development
3. Manager can ramp up the program faster
4. Maintain beneficial rights and holdings look-through with separate account
5. LACERA maintains oversight through program parameters

CONSIDERATIONS

1. Portfolio risk exposure
2. Program benchmark
3. Terms, fees, and capacity rights
4. Manager progression/graduation



PAST EXPERIENCE

- LACERA has made multiple attempts to enhance the global equity EMP
 - Modifications to the EMP policy, program parameters and MQs in attempts to broaden the universe of managers and make searches more inclusive
 - The last two searches produced similar mandates already in the global equity portfolio



PATH FORWARD

- A custom separate account manager(s) program
 - Designed to align with EMP and total Fund initiatives
 - Tailored to provide unique sources of alpha and diversification to enhance the risk/return profile of global equity
 - Robust pipeline of emerging managers
 - Operational due diligence expertise and mentorship to help institutionalize emerging firms which may increase the likelihood for graduation. Select SAMs can be a consultant resource to help institutionalize an emerging firm

Meketa concurs with staff's recommendation and their memo is attached



Part II: Search Recommendation and Minimum Qualifications

Recommendation

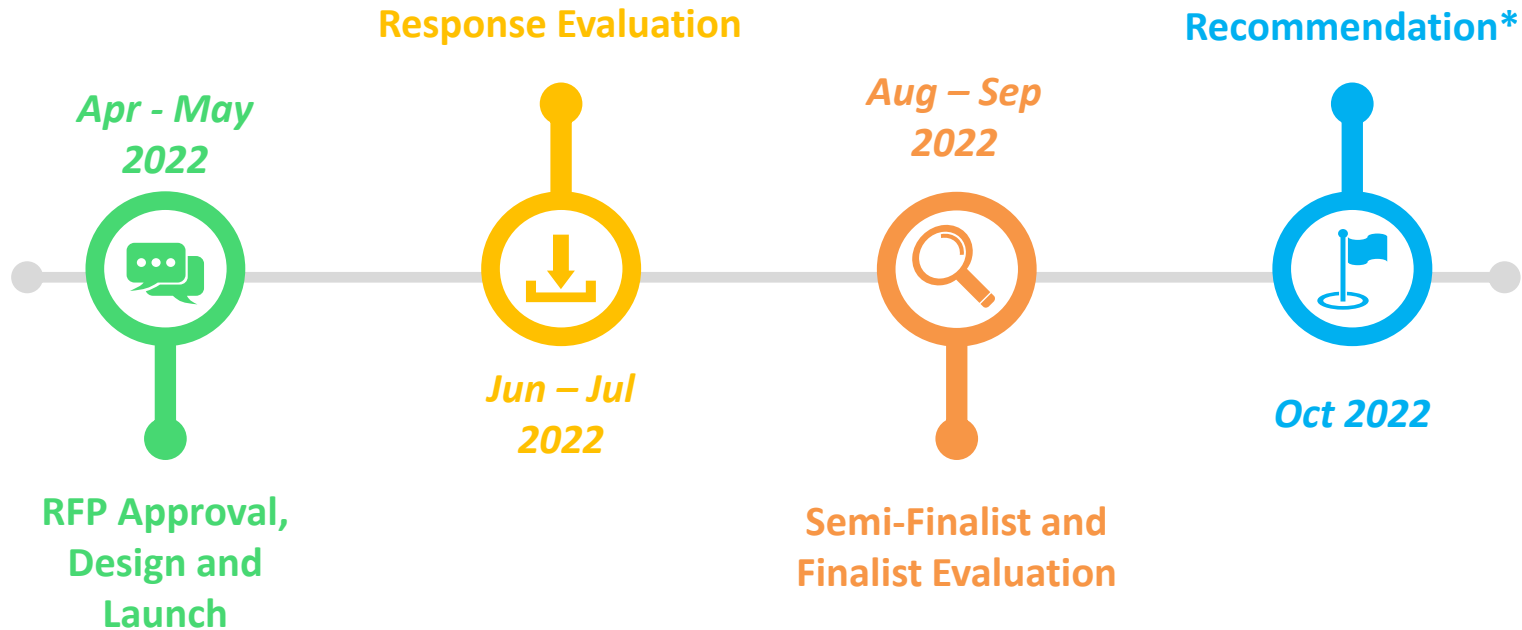
Advance the proposed minimum qualifications, evaluation criteria, and scope of work to the Board of Investments for approval

- Staff will conduct a Request for Proposal for a separate account manager for LACERA's global equity emerging manager program
- Funding of separate account manager(s) may be up to 5% of the global equity portfolio
- Manager(s) to provide unique sources of alpha and diversification to global equity portfolio
- LACERA expects manager(s) to align with LACERA's policies and initiatives including T.I.D.E. (Towards Inclusion Diversity & Equity)

Evaluation Process

- Proposed Evaluation Team:
 - Acting Principal Investment Officer, Investment Officer, Senior Investment Analysts
- Evaluation Team will conduct the Request for Proposal process in two phases:
 - Phase One: Evaluation of written RFP responses
 - Phase Two: Candidate interviews
- Final scores, evaluation review, and recommendation will be advanced to the Board
- Selection authority for this RFP will be the Board

Proposed Search Timeline



*Recommendation may include more than one manager

Minimum Qualifications

1. The organization must agree to be a fiduciary to LACERA under California and other applicable laws.
2. The organization must be registered with the U.S. Securities and Exchange Commission as an investment adviser, unless the organization is exempt from registration.
3. The organization must be in good standing with regulatory authorities.
4. The organization must have at least \$2 billion of assets under management in emerging manager mandates as of March 31, 2022.
5. The organization must have at least 2 institutional emerging manager program clients and at least one client that has a plan size of at least \$5 billion as of March 31, 2022.
6. The organization must have a performance track record of at least 3 years for an emerging manager program of March 31, 2022.
7. Composite performance calculations must adhere to the Global Investment Performance Standards of the CFA Institute.

All responses received shall be subject to evaluations on the following categories:

1. Organization and Professional staff
2. Experience with EMP, Sourcing Managers, Portfolio Construction
3. Investment Process
4. Operations and Operational Due Diligence
5. Performance and Risk Management
6. Fees

Scope of Work Summary

Separate Account Manager(s) would source, conduct due diligence, and manage an EMP that adheres to LACERA's policies

1. Source, diligence, and select high-quality investments
2. Construct portfolios adhering to LACERA's program guidelines and objectives
3. Strong operational due diligence capabilities and experience providing feedback and guidance to emerging firms
4. Provide reporting on investments including detailed written recommendations, investment and operational due diligence summaries, and performance reports
5. Provide research on emerging managers including best practices, trends, and events

MEMORANDUM

TO: Private/Public Equity Committee, LACERA
FROM: Tim Filla, Aysun Kilic, Leo Festino, and Imran Zahid
CC: Jon Grabel, CIO - LACERA
DATE: March 25, 2022
RE: Customized Separate Account Manager Emerging Manager Program

The purpose of this memo is for Meketa Investment Group to formalize its support for staff's recommendation to establish a customized Emerging Manager separate account manager program.

We agree with the conclusion reached by staff to proceed in this direction after a thoughtful review of the organizational, operational and investment related challenges faced not only while conducting the Global Equity Emerging Manager search in June 2021 but also through the valuable insights gained by running a direct Emerging Manager Program since 2017.

We also agree with staff assessment that the Emerging Manager landscape is ever evolving, and in this spirit, utilizing a program which incorporates alternative strategies may aid in accomplishing the overall goal of LACERA's Global Equity allocation of providing market beta, and excess returns (as a secondary objective) while also providing diversification benefits and differentiated sources of alpha.

Furthermore, in our view the challenges related to operational due diligence are somewhat mitigated through the use of a separate account manager given the greater amount of diversification among strategies and through the additional resources and expertise in creating similar programs for institutional investors.

Lastly, we are in agreement with staff in recognizing that there are some ancillary benefits in forming a customized separate account manager program, such as consultancy and mentorship and through collaboration in such a partnership, the probability of success in LACERA's Emerging Manager Program may increase.

If you have any questions, please feel free to reach us at 760-795-3450. We thank you for your continued trust in Meketa. We look forward to speaking with you soon.

TF/AK/LF/IZ/sf

May 3, 2022

TO: Trustees,
Board of Investments

FROM: Santos H. Kreimann *SHK*
Chief Executive Officer

FOR: May 11, 2022, Board of Investments Meeting

SUBJECT: BOARD TRUSTEES RETURN TO THE BOARDROOM DISCUSSION

At its April 13, 2022 Board of Investments (BOI) meeting, Trustee Kelly requested that the topic of Trustees returning to the Boardroom be further discussed by the BOI.

BACKGROUND

Since March 2020, California has been under a state of emergency due to the COVID-19 pandemic. As a result, the Board of Retirement (BOR) and the Board of Investment (BOI) have held virtual board meetings utilizing certain Executive Orders by the Governor that are no longer in effect, and later the enactment of Government Code Section 54953(e), which provides continued authority to hold virtual meetings so long as the state of emergency is in effect and certain findings are made by each Board as to the impact of the emergency on that Board's ability to safely hold meetings.

The Executive Team recently met with the Board of Retirement (BOR) and Board of Investment (BOI) Board Chairs and Vice Chairs to discuss preparations for the return-to-the boardroom, should the state of emergency be lifted by Governor Newsom. It was determined that the BOR and BOI Chairs and Vice Chairs would revisit return-to-boardroom discussions once the state of emergency is lifted, or changes are made that effect the Boards' authority to hold virtual Board meetings. Both the BOR and BOI continue to meet virtually, provided the Boards make the required findings every 30 days.

On May 2, 2022, LACERA welcomed staff back to the office using a hybrid work schedule that markedly restricts the number of staff in the office on any given day. Safety protocols have been established as defined by Los Angeles County's Department of Public Health (DPH), the City of Pasadena Public Health Agency, and the Centers for Disease Control and Prevention (CDC).

Some of these protocols include, but are not limited to, the following:

- Masks or face coverings are encouraged but not required for staff while in the office. LACERA will continue to provide N95 and surgical masks to staff while onsite, upon request.
- Updated guidelines on vaccination and testing requirements.

- Updated isolation and quarantine requirements when exposed or infected with the virus.
- Social distancing is encouraged but not required.

BOARDROOM PREPARATION

In preparation for the Boards eventual return to LACERA, staff has proactively made upgrades to the Boardroom and plans on implementing the operational protocols detailed below. These infrastructure and operational enhancements are intended to provide a higher level of protection to Trustees, staff, consultants, stakeholders, and members that may participate in public meetings in-person.

Board Room Audio/Visual Enhancements

The audio and visual equipment in LACERA's boardroom has been upgraded to a modernized system to support hybrid and onsite board and committee meetings. The enhancements will allow for remote and onsite participation, all while maintaining the current look, feel, and functionality of the current Zoom meetings.

Visual enhancements include new 24" touchscreen monitors, dedicated, fixed cameras, and LED/touch switch microphones at each seated position. The touchscreen monitors will display video feeds from the fixed cameras as well as from participants attending remotely while enabling users to control all onscreen functions via touch. The microphone touch switches allow users to individually mute their microphone.

Cleaning Protocols & Signage

The desktops, chairs, and common areas will be sanitized before and at the end of each Board/Committee meeting. Disinfecting wipes and hand sanitizer will be provided at each Board Trustee's station and in high traffic areas. A sanitation station in the audience area with gloves, masks, disinfectant wipes, and hand sanitizer will also be available for members of the public and staff.

Directional floor decals have been placed to direct the flow of traffic into and out of the Boardroom, and indicate which door is to be used as the entrance and exit from the Boardroom. A touchless digital thermometer station and hand sanitizing station have been placed at the main entrance to the Boardroom. Signage encouraging the use of face coverings, social distancing, hand washing, and noting the maximum occupancy for the room are posted at the entrance and in various locations within the Boardroom. Two HEPA air purifiers have also been placed in the Boardroom.

Audience Seating

To support physical distancing, seats will be spaced six (6) feet from each other in the audience seating area of the boardroom. Extra seating will also be made available in the first-floor workshop where audience members will be able to view the meeting live on a large screen and address the BOI during public comment.

Presenters

Staff and consultants who are presenting may continue to do so remotely using Zoom. This includes disability applicants and their attorneys; or, if the Trustees choose, we may offer them the same options as those making public comments.

Public Comment

Those who would like to make a public comment at the Board/Committee meetings continue to be encouraged to do so virtually. There are three (3) options that may be implemented to manage public comments. It may be done with the public accessing the meeting through Zoom outside of LACERA as they do now, they may come to LACERA and make their comments in the first-floor workshop (workshop) via Zoom, or they may be escorted to the Boardroom and queue outside of the Boardroom and then be invited in one at a time to address the Board/Committee in person. If public comment is conducted in the Boardroom, the individual will be directed to the podium, which will be placed in the back corner of the room near the large screen and near the window bench.

CONCLUSION

While the Executive Order by the Governor continues to authorize virtual meetings, staff are prepared to conduct in-person public meetings at the direction of the BOI Trustees.

We look forward to the discussion at the Board of Investments meeting on May 11, 2022.

FOR INFORMATION ONLY

April 28, 2022

TO: Each Trustee
Board of Investments

FROM: Santos H. Kreimann *SHK*
Chief Executive Officer

FOR: May 11, 2022 Board of Investments Meeting

SUBJECT: **Board Actions and Opinions on Legislation Found to be Contrary to
LACERA Interests and Values**

BACKGROUND*Request for Staff Report*

At the Board of Investments meeting on April 13, 2022, Trustee Joseph Kelly requested a report from the Chief Executive Officer on whether LACERA has any history on board actions that expressed opinions on legislation enacted in the United States that it may find contrary to LACERA's interests and values. The context of this request relates to legislation recently passed in the State of Florida (HB 1557 – Parental Rights in Education) about the subjects of sexual orientation and gender identity in school curriculums and a letter sent by Texas Governor Greg Abbott to the Texas Department of Family and Protective Services providing direction on the investigation of gender-transitioning procedures.

Action by Board of Supervisors

On April 5, 2022, the Board of Supervisors of the County of Los Angeles approved a motion to direct the Chief Executive Officer of the County of Los Angeles to suspend all travel to the States of Texas and Florida for the conduct of County business unless the County CEO determines that failing to authorize such travel would seriously harm the County's interests because of the legislation described above. The County's travel ban would be lifted upon the suspension of the Florida bill or Texas directive.

HISTORY*Legislative Advocacy*

LACERA historically has monitored and taken positions on California legislation related to the County Employees Retirement Law of 1937, the California Public Employees' Pension Reform Act of 2013, and other California and federal legislation related to pension benefits and Social Security. LACERA has retained California-state and federal

legislative advocates that advocate on behalf of LACERA based on positions adopted by the Board of Retirement or Board of Investments.

Arizona Senate Bill 1070

To ascertain whether LACERA has historically taken positions on legislation enacted in states other than California would require research into board archives and would entail a predominantly manual search process. Although these archived board materials are accessible through a software application that was developed in-house, it is primarily a repository of documents rather than an application that provides for optimized search and query capabilities.

However, institutional memory recalls that on December 14, 2011, the Board of Investments did not approve attendance by trustees and staff at the *18th Annual International Beneficial Owners' Securities Lending Summit*, which was held in Phoenix, Arizona. The Board's action was in relation to the passage of Arizona Senate Bill 1070, known as the *Support Our Law Enforcement and Safe Neighborhoods Act*. The law made it a misdemeanor for an individual who possesses a Permanent Resident Card not to always possess it and contained other measures related to immigration enforcement.

The Board of Investments directed staff to report back with additional information on whether the Board should take a position on travel to Arizona. At the Board of Investments meeting on January 11, 2012, staff provided a memorandum with a summary of the law, actions by the Board of Supervisors of the County of Los Angeles, Investment Policy restrictions, and the law on fiduciary duty. The Board of Investments postponed taking a position on travel to the State of Arizona until the Supreme Court of the United States rendered a decision on SB 1070.

At the Board of Investments meeting on July 11, 2012, staff agendaized the matter for Board discussion and possible action and provided the Board with an update of the Supreme Court's decision. The Board of Investments approved a motion to take a position to restrict travel to Arizona by LACERA staff and trustees except for those circumstances determined to be in the best interest of the fund as determined by the CEO and to monitor and protect LACERA's investments in Arizona. This highlights the difference in types or purposes of travel such as educational conferences versus due diligence or other business travel needs.

CONSIDERATIONS

Fiduciary Duty

The California Constitution, Article XVI, Sec. 17, provides that the retirement board of a public pension or retirement system shall have plenary authority and fiduciary

responsibility for investment of moneys and administration of the system, subject to, in part:

- (a) ...[T]he assets of the...retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the...retirement system and their beneficiaries and defraying reasonable expenses of administering the system.
- (b) The members of the retirement board...shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to the system's participants and their beneficiaries shall take precedence over any other duty.
- (c) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

Action taken by the Board must further the Board's fiduciary duties of prudence and loyalty. The way in which a proposed action furthers fiduciary duty should be expressly explained in connection with the action.

Types of Travel

Trustees and staff engage in travel that encompasses plan administration, investment management, and education. The Trustee Travel Policy distinguishes between "Educational Conferences" and "Administrative Meetings." The former includes conferences, seminars, and other meetings with an educational purpose. The latter is for the purpose of furthering LACERA's interests, which include legislative advocacy, speaking engagements, participation in pension-related and investment-related organizations, annual shareholder meetings, and due diligence. Under the Travel Policy, a guiding Principle is that it furthers the fiduciary duties of loyalty and prudence.

The action by the Board of Supervisors on April 5, 2022, recognizes weighing the necessity for travel since it provides the County CEO with authority to determine whether failure to authorize certain travel for County business would seriously harm the County's interests.

CONCLUSION


This memorandum is presented to provide prior history on this topic and to assist the Board of Investments in further discussions on this topic.

cc: Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Grabel
Scott Zdrazil

FOR INFORMATION ONLY

April 25, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: May 5, 2022 Board of Retirement Meeting
May 11, 2022 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring or on which LACERA has adopted a position.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachments

LACERA Legislative Report Index
LACERA Legislative Report

cc:	Santos H. Kreimann	Jon Grabel
	Luis Lugo	Scott Zdrazil
	JJ Popowich	Tony Roda, Williams & Jensen
	Laura Guglielmo	Shari McHugh, McHugh Koepke & Associates
	Steven P. Rice	Naomi Padron, McHugh Koepke & Associates

LACERA Legislative Report
2021-22 Legislative Session
Status as of April 25, 2022

PUBLIC RETIREMENT	AUTHOR	TITLE	PAGE
AB 498	Quirk-Silva (D).....	County Employees Retirement Compensation Earnable.....	1
AB 551	Rodriguez (D).....	Teachers' Retirement System: Individual Plans.....	1
AB 826	Irwin (D).....	Compensation and Compensation Earnable.....	1
AB 1667	Cooper (D).....	State Teachers' Retirement System: Administration.....	1
AB 1722	Cooper (D).....	Public Employees' Retirement: Safety Members.....	2
AB 1824	Public Employment and Retirement Cmt.....	Public Employees' Retirement.....	2
AB 1971	Cooper (D).....	County Employees Retirement Law of 1937.....	2
AB 2443	Cooley (D).....	Public Employees' Retirement: Federal Law: Limitation.....	3
HR 2954	Neal (D).....	Strong Retirement.....	3
HR 6241	Thompson M (D).....	Use of Retirement Funds.....	3
S 1703	Grassley (R).....	Retirement Plan Administration.....	3
S 1770	Cardin (D).....	Retirement Provisions.....	3
 PUBLIC INVESTMENT			
SB 457	Portantino (D).....	Public Employee Retirement Systems: Investments.....	4
SB 1173	Gonzalez (D).....	Public Retirement Systems: Fossil Fuels: Divestment.....	4
SB 1328	McGuire (D).....	Investments and Contracts: Russia and Belarus.....	4
 WORKERS COMPENSATION			
AB 334	Mullin (D).....	Workers Compensation: Skin Cancer.....	5
AB 1751	Daly (D).....	Workers' Compensation: COVID-19: Critical Workers.....	5
SB 213	Cortese (D).....	Workers Compensation: Hospital Employees.....	5
SB 284	Stern (D).....	Workers' Compensation: Firefighters and Peace Officers.....	5
SB 335	Cortese (D).....	Workers' Compensation: Liability.....	6
 BROWN ACT			
AB 1944	Lee (D).....	Local Government: Open and Public Meetings.....	6
AB 2449	Rubio (D).....	Open Meetings: Local Agencies: Teleconferences.....	6
AB 2647	Levine (D).....	Local Government: Open Meetings.....	6
SB 1100	Cortese (D).....	Open Meetings: Orderly Conduct.....	7
 PUBLIC RECORDS ACT			
AB 343	Fong (R).....	California Public Records Act Ombudsperson.....	7
AB 386	Cooper (D).....	Public Employees Retirement: Investments: Confidential.....	7
 SOCIAL SECURITY			
HR 82	Davis R (R).....	Government Pension Offset Repeal.....	8
HR 2337	Neal (D).....	Noncovered Employment.....	8
HR 5723	Larson (D).....	Social Security System Benefits.....	8
S 1302	Brown S (D).....	Pension Offset.....	8
 HEALTHCARE			
HR 4148	Malinowski (D).....	First Responders Medicare Option.....	9
S 2236	Brown S (D).....	Medicare Buy In Option for First Responders.....	9

LACERA Legislative Report
2021-22 Legislative Session
Status as of April 25, 2022

PUBLIC RETIREMENT		
CA AB 498	AUTHOR: Quirk-Silva [D] TITLE: County Employees Retirement Compensation Earnable INTRODUCED: 02/09/2021 LAST AMEND: 09/10/2021 SUMMARY: <p>Relates to the County Employees Retirement Law of 1937, which authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and other benefits to county and district employees. Replaces the term "grade" with "group" for purposes of the definition of compensation earnable under the this law. Defines group or class of positions.</p> STATUS: 09/10/2021 In SENATE. Senate Rules suspended. 09/10/2021 From SENATE Committee on APPROPRIATIONS with author's amendments. 09/10/2021 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.	
CA AB 551	AUTHOR: Rodriguez [D] TITLE: Teachers' Retirement System: Individual Plans INTRODUCED: 02/10/2021 SUMMARY: <p>Authorizes the State Teachers' Retirement System to administer an individual retirement plan as described in Section 408 of Title 26 of the United States Code. Eliminates the requirement that the administration of these plans be for the purpose of accepting a rollover from an annuity contract or custodial account offered by the system.</p> STATUS: 01/27/2022 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. (54-13)	
CA AB 826	AUTHOR: Irwin [D] TITLE: Compensation and Compensation Earnable INTRODUCED: 02/16/2021 LAST AMEND: 08/31/2021 SUMMARY: <p>Relates to the bill, which would apply only in Ventura County. Provides that compensation and compensation earnable include flexible benefits plan allowances paid by a county or a district on behalf of its employees as part of a cafeteria plan, as specified, if certain requirements are met.</p> STATUS: 09/08/2021 In SENATE. From third reading. To Inactive File. BOR_Position: Watch 09/01/2021 IBLC_Recommendation: Watch 08/12/2021 Staff_Recommendation: Watch	
CA AB 1667	AUTHOR: Cooper [D] TITLE: State Teachers' Retirement System: Administration INTRODUCED: 01/19/2022 LAST AMEND: 03/24/2022	

SUMMARY:

Prescribes various requirements and duties in connection with audits of public agencies by the Teachers' Retirement Board. Requires the board to provide written notice of an intended audit to the affected public agency and to the exclusive representative of the members affected by the audit. Requires this notice to apprise the public agency and the exclusive representative of the purpose and scope of the intended audit.

STATUS:

04/20/2022 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (6-0)

CA AB 1722

AUTHOR: Cooper [D]
TITLE: Public Employees' Retirement: Safety Members
INTRODUCED: 01/27/2022
SUMMARY:

Relates to the Public Employees' Retirement Law which, until January 1, 2023, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. Deletes the termination of these provisions on January 1, 2023, thereby making them operative in perpetuity.

STATUS:

04/06/2022 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

CA AB 1824

AUTHOR: Public Employment and Retirement Cmt
TITLE: Public Employees' Retirement
INTRODUCED: 02/07/2022
LAST AMEND: 03/07/2022
SUMMARY:

Revises the description of trustee service under the State Teachers' Retirement Law to link it to the definition of this service, which means duties performed by a member of the governing body of an employer. Specifies that termination of services does not include retired member activities, as defined, or retired participant activities, as defined. Makes Cash Balance Benefit Program.

STATUS:

04/07/2022 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. (65-0)

Comments:

Omnibus bill containing SACRS 2022 legislative proposals.

CA AB 1971

AUTHOR: Cooper [D]
TITLE: County Employees Retirement Law of 1937
INTRODUCED: 02/10/2022
LAST AMEND: 04/18/2022
SUMMARY:

Authorizes a person who is retired and receiving a retirement benefit from a county system to serve without reinstatement for service on a part-time board or commission operating under a participating agency of the same county retirement system. Prohibits a retired person acting in this capacity from acquiring benefits, service credit, or retirement rights with respect to the service and would prescribe limits on the salary or stipend for service with the board or commission.

	STATUS:	
	04/21/2022	In ASSEMBLY. Read second time. To third reading.
	Comments:	
		Omnibus bill containing SACRS 2022 legislative proposals.
CA AB 2443	AUTHOR:	Cooley [D]
	TITLE:	Public Employees' Retirement: Federal Law: Limitation
	INTRODUCED:	02/17/2022
	LAST AMEND:	03/17/2022
	SUMMARY:	
		Prescribes the method by which benefits are to be reduced when federal law requires aggregation of benefits from different plans maintained by the same employer and federal limits on benefits are reached.
	STATUS:	
	03/30/2022	From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (6-0)
US HR 2954	SPONSOR:	Neal [D]
	TITLE:	Strong Retirement
	INTRODUCED:	05/04/2021
	LAST AMEND:	03/29/2022
	SUMMARY:	
		Secures a Strong Retirement Act of 2021.
	STATUS:	
	03/30/2022	In SENATE. Read second time.
	03/30/2022	To SENATE Committee on FINANCE.
	Comments:	
		Would gradually raise the age for mandatory distributions to age 75 by 2032.
US HR 6241	SPONSOR:	Thompson M [D]
	TITLE:	Use of Retirement Funds
	INTRODUCED:	12/09/2021
	SUMMARY:	
		Amends the Internal Revenue Code of 1986 to provide for rules for the use of retirement funds in connection with federally declared disasters.
	STATUS:	
	12/09/2021	INTRODUCED.
	12/09/2021	To HOUSE Committee on WAYS AND MEANS.
US S 1703	SPONSOR:	Grassley [R]
	TITLE:	Retirement Plan Administration
	INTRODUCED:	05/19/2021
	SUMMARY:	
		Amends the Internal Revenue Code of 1986 to increase retirement savings, to improve retirement plan administration.
	STATUS:	
	05/19/2021	INTRODUCED.
	05/19/2021	In SENATE. Read second time.
	05/19/2021	To SENATE Committee on FINANCE.
US S 1770	SPONSOR:	Cardin [D]
	TITLE:	Retirement Provisions

INTRODUCED: 05/20/2021

SUMMARY:

Amends the Internal Revenue Code of 1986 to reform retirement provisions.

STATUS:

05/20/2021 INTRODUCED.

05/20/2021 In SENATE. Read second time.

05/20/2021 To SENATE Committee on FINANCE.

PUBLIC INVESTMENT

CA SB 457

AUTHOR: Portantino [D]

TITLE: Public Employee Retirement Systems: Investments

INTRODUCED: 02/16/2021

SUMMARY:

Requires the boards of administration of the Public Employees Retirement System and the State Teachers Retirement System to provide employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey.

STATUS:

05/28/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 1173

AUTHOR: Gonzalez [D]

TITLE: Public Retirement Systems: Fossil Fuels: Divestment

INTRODUCED: 02/17/2022

LAST AMEND: 04/21/2022

SUMMARY:

Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Suspends the above described liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.

STATUS:

04/21/2022 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.

CA SB 1328

AUTHOR: McGuire [D]

TITLE: Investments and Contracts: Russia and Belarus

INTRODUCED: 02/18/2022

LAST AMEND: 04/19/2022

SUMMARY:

Prohibits the Treasurer from making additional or new investments or renewing existing investments of state moneys in any investment vehicle in the government of Russia or the government of Belarus that meets certain conditions, or in or from a Russian or Belarusian financial institution currently under sanctions imposed by the United States.

STATUS:

04/19/2022 From SENATE Committee on APPROPRIATIONS with author's amendments.

04/19/2022 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.

WORKERS COMPENSATION

CA AB 334	AUTHOR: TITLE: INTRODUCED: SUMMARY:	Mullin [D] Workers Compensation: Skin Cancer 01/27/2021 Relates to existing law which provides that skin cancer developing in active lifeguards, for purposes of workers' compensation, is presumed to arise out of and in the course of employment, unless the presumption is rebutted. Expands the scope of this provision to certain peace officers of the Department of Fish and Wildlife and the Department of Parks and Recreation.
	STATUS:	09/10/2021 In SENATE. From third reading. To Inactive File.
CA AB 1751	AUTHOR: TITLE: INTRODUCED: SUMMARY:	Daly [D] Workers' Compensation: COVID-19: Critical Workers 02/01/2022 Extends specified workers' compensation provisions relating to COVID-19 until January 1, 2025.
	STATUS:	03/30/2022 From ASSEMBLY Committee on INSURANCE: Do pass to Committee on APPROPRIATIONS. (10-1)
CA SB 213	AUTHOR: TITLE: INTRODUCED: LAST AMEND: SUMMARY:	Cortese [D] Workers Compensation: Hospital Employees 01/12/2021 01/25/2022 Defines injury for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post traumatic stress disorder, and respiratory diseases. Includes the novel coronavirus 2019, among other conditions, in the definitions of infectious and respiratory diseases. Creates rebuttable presumptions that these injuries that develop or manifest in a hospital employee who provides direct patient care in an acute care hospital.
	STATUS:	01/31/2022 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (21-9)
CA SB 284	AUTHOR: TITLE: INTRODUCED: LAST AMEND: SUMMARY:	Stern [D] Workers' Compensation: Firefighters and Peace Officers 02/01/2021 08/30/2021 Relates to existing Law which provides that injury includes post-traumatic stress that develops during a period in which the injured person is in the service of the department or unit. Makes that provision applicable to active firefighting members of the State Department of State Hospitals, the State Department of Developmental Services, and the Military Department, and the Department of Veterans Affairs, including security officers of the Department of Justice when performing assigned duties.
	STATUS:	08/30/2021 In ASSEMBLY. Read second time and amended. To

	08/30/2021	second reading. In ASSEMBLY. To Inactive File.
CA SB 335	AUTHOR: TITLE: INTRODUCED: LAST AMEND: SUMMARY:	Cortese [D] Workers' Compensation: Liability 02/08/2021 03/10/2021 Reduces the time periods after the date the claim form is filed with an employer in which the injury is presumed compensable and the presumption is rebuttable only by evidence discovered subsequent to the time period for certain injuries or illnesses, including hernia, heart trouble, pneumonia, or tuberculosis, among others, sustained in the course of employment of a specified member of law enforcement or a specified first responder.
	07/13/2021	In ASSEMBLY Committee on INSURANCE: Failed passage.
<hr/> BROWN ACT <hr/>		
CA AB 1944	AUTHOR: TITLE: INTRODUCED: LAST AMEND: SUMMARY:	Lee [D] Local Government: Open and Public Meetings 02/10/2022 04/18/2022 Requires an updated agenda reflecting all of the members participating in the meeting remotely to be posted, if a member of the legislative body elects to participate in the meeting remotely after the agenda is posted. Authorizes a member to be exempt from identifying the address of the member's teleconference location in the notice and agenda or having the location be accessible to the public.
	04/18/2022	From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.
	04/18/2022	In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
CA AB 2449	AUTHOR: TITLE: INTRODUCED: SUMMARY:	Rubio [D] Open Meetings: Local Agencies: Teleconferences 02/17/2022 Authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions.
	03/03/2022	To ASSEMBLY Committee on LOCAL GOVERNMENT.
CA AB 2647	AUTHOR: TITLE: INTRODUCED: LAST AMEND:	Levine [D] Local Government: Open Meetings 02/18/2022 04/19/2022

SUMMARY:

Requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear.

STATUS:

04/19/2022 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.

04/19/2022 In ASSEMBLY. Read second time and amended.
Re-referred to Committee on LOCAL GOVERNMENT.

CA SB 1100

AUTHOR: Cortese [D]**TITLE:** Open Meetings: Orderly Conduct**INTRODUCED:** 02/16/2022**LAST AMEND:** 04/21/2022**SUMMARY:**

Authorizes the presiding member of the legislative body conducting a meeting to remove an individual for disrupting the meeting. Requires removal to be preceded by a warning by the presiding member of the legislative body that the individual is disrupting the proceedings, a request that the individual curtail their disruptive behavior or be subject to removal, and a reasonable opportunity to curtail their disruptive behavior.

STATUS:

04/21/2022 In SENATE. Read second time and amended. To third reading.

PUBLIC RECORDS ACT

CA AB 343

AUTHOR: Fong [R]**TITLE:** California Public Records Act Ombudsperson**INTRODUCED:** 01/28/2021**LAST AMEND:** 05/24/2021**SUMMARY:**

Establishes, within the California State Auditor's Office, the California Public Records Act Ombudsperson. Requires the California State Auditor to appoint the Ombudsperson subject to certain requirements. Requires the Ombudsperson to receive and investigate requests for review, determine whether the denials of original requests complied with the California Public Records Act, and issue written opinions of its determination.

STATUS:

06/09/2021 To SENATE Committees on JUDICIARY and GOVERNMENTAL ORGANIZATION.

CA AB 386

AUTHOR: Cooper [D]**TITLE:** Public Employees Retirement: Investments: Confidential**INTRODUCED:** 02/02/2021**LAST AMEND:** 06/29/2021**SUMMARY:**

Exempts from disclosure under the California Public Records Act specified records regarding an internally managed private loan made directly by the Public Employees' Retirement Fund. Provides that these records would include

quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Prescribes specified exceptions to this exemption from disclosure.

STATUS:

07/13/2021 In SENATE Committee on JUDICIARY: Failed passage.
07/13/2021 In SENATE Committee on JUDICIARY: Reconsideration granted.

SOCIAL SECURITY

US HR 82	<p>SPONSOR: Davis R [R] TITLE: Government Pension Offset Repeal INTRODUCED: 01/04/2021 SUMMARY: Amends the Social Security Act; repeals the Government pension offset and windfall elimination provisions. STATUS: 01/04/2021 INTRODUCED. 01/04/2021 To HOUSE Committee on WAYS AND MEANS. BOR_Position: Support 05/05/2021 IBLC_Recommendation: Support 04/15/2021 Staff_Recommendation: Support</p>
US HR 2337	<p>SPONSOR: Neal [D] TITLE: Noncovered Employment INTRODUCED: 04/01/2021 SUMMARY: Amends Title II of the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision. STATUS: 04/01/2021 INTRODUCED. 04/01/2021 To HOUSE Committee on WAYS AND MEANS. BOR_Position: Support 09/01/2021 IBLC_Recommendation: Support 08/12/2021 Staff_Recommendation: Support</p>
US HR 5723	<p>SPONSOR: Larson [D] TITLE: Social Security System Benefits INTRODUCED: 10/26/2021 SUMMARY: Protects our Social Security system and improve benefits for current and future generations. STATUS: 10/26/2021 In HOUSE Committee on WAYS AND MEANS: Referred to Subcommittee on SOCIAL SECURITY.</p>
US S 1302	<p>SPONSOR: Brown S [D] TITLE: Pension Offset INTRODUCED: 04/22/2021 SUMMARY: Amends Title II of the Social Security Act to repeal the government pension offset and windfall elimination provisions.</p>

STATUS:

04/22/2021 INTRODUCED.
 04/22/2021 In SENATE. Read second time.
 04/22/2021 To SENATE Committee on FINANCE.
BOR_Position: Support 09/01/2021
IBLC_Recommendation: Support 08/12/2021
Staff_Recommendation: Support

HEALTHCARE

US HR 4148

SPONSOR: Malinowski [D]
TITLE: First Responders Medicare Option
INTRODUCED: 06/24/2021
SUMMARY:

Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.

STATUS:

06/24/2021 INTRODUCED.
 06/24/2021 To HOUSE Committee on WAYS AND MEANS.
 06/24/2021 To HOUSE Committee on ENERGY AND COMMERCE.
 06/25/2021 In HOUSE Committee on ENERGY AND COMMERCE:
 Referred to Subcommittee on HEALTH.

US S 2236

SPONSOR: Brown S [D]
TITLE: Medicare Buy In Option for First Responders
INTRODUCED: 06/24/2021
SUMMARY:

Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.

STATUS:

06/24/2021 INTRODUCED.
 06/24/2021 In SENATE. Read second time.
 06/24/2021 To SENATE Committee on FINANCE.

FOR INFORMATION ONLY

May 2, 2022

TO: Trustees,
Board of Investments

FROM: Christine Roseland 
Senior Staff Counsel

FOR: May 11, 2022 Board of Investments Meeting

SUBJECT: **Legal Projects**

Attached is the monthly report on the status of Board-directed investment-related projects handled by the Legal Division as of May 2, 2022.

Attachment

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Grabel
Esmeralda Del Bosque
Vache Mahseredjian
Jude Perez
Jim Rice
Christopher Wagner
Steven Rice
John Harrington
Earl Buehner
Margo McCabe
Lisa Garcia



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of May 2, 2022



	Project/ Investment	Description	Amount	Board Approval Date	Completion Status	% Complete	Notes
OTHER	Meketa Investment Group	Amendment to Investment Consulting Services Agreement	\$575,000	February 9, 2022	Completed	100%	Completed.
EQUITIES/ FIXED INCOME	BlackRock Institutional Trust Company, N.A.	Amendment to Investment Management Agreement - US Long Treasury Contract Amendment	\$3,750,000,000	March 9, 2022	In Progress	50%	Legal negotiations in process.
HEDGE FUNDS	Varde Global Illiquid Credit Strategy	Subscription	\$775,000,000	February 9, 2022	In Progress	50%	Legal negotiations in process.
PRIVATE EQUITY	Hamilton Lane	Investment Management Agreement	\$400,000,000	February 9, 2022	In Progress	50%	Legal negotiations in process.
	Thoma Bravo Fund XV, L.P.	Subscription	\$100,000,000	February 9, 2022	In Progress	90%	Legal negotiations in process.
	Thoma Bravo Discover Fund IV, L.P.	Subscription	\$50,000,000	February 9, 2022	In Progress	90%	Legal negotiations in process.
	AE Industrial Partners III, L.P	Subscription - Re-Up	\$100,000,000	March 9, 2022	Completed	100%	Completed.
	Advent International GPE X, L.P.	Subscription	\$150,000,000	April 13, 2022	In Progress	95%	Legal negotiations in process.



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of May 2, 2022



	Project/ Investment	Description	Amount	Board Approval Date	Completion Status	% Complete	Notes
PRIVATE EQUITY	Silver Lake Partners VII, L.P.	Subscription - Re-Up	\$200,000,000	April 13, 2022	In Progress	<div><div></div></div> 30%	Legal negotiations in process.
	Smart Infrastructure Capital Partners Fund, L.P.	Subscription	\$100,000,000	July 14, 2021	In Progress	<div><div></div></div> 20%	Legal negotiations in process.
REAL ASSETS	Cibus Fund II, L.P. and Cibus Enterprise Fund II, L.P.	Subscription	\$80,000,000 \$20,000,000	April 13, 2022	In Progress	<div><div></div></div> 10%	Legal negotiations in process.

FOR INFORMATION ONLY

April 15, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger 
Interim Chief Financial Officer

FOR: May 5, 2022 Board of Retirement Meeting
May 11, 2022 Board of Investments Meeting

SUBJECT: **MONTHLY TRAVEL & EDUCATION REPORT – MARCH 2022**

Attached for your review is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through March 2022. Staff travel and education has been omitted from this document and reported to the Chief Executive Officer separately.

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer

TG/EW/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Van Nortrick

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
MARCH 2022

Attendee Purpose of Travel - Location			Event Dates	Travel Status
Alan Bernstein				
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2	Edu - 2021 SuperReturn North America - Boston MA	10/04/2021 - 10/05/2021	Attended
	3	Edu - Latin America US Real Estate Meeting - South Beach FL	11/29/2021 - 11/30/2021	Attended
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
X	-	Edu - SuperReturn International Berlin - Berlin, Germany	11/09/2021 - 11/12/2021	Canceled
Vivian Gray				
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
B	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	-	Admin - SACRS Board of Directors and Program Committee Meeting - Berkeley CA	01/24/2022 - 01/25/2022	Attended
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	-	Edu - NASP-Southern California "Day of Education in Private Equity Conference - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
	-	Edu - Congressional Black Caucus Foundation - VIRTUAL	09/12/2021 - 09/17/2021	Attended
V	-	Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	-	Edu - NASP 32nd Annual Financial Services Virtual Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	-	Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	-	Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
	-	Edu - NASP Women's Forum - VIRTUAL	03/30/2022 - 03/31/2022	Attended
	-	Edu - NASP Women's Forum - VIRTUAL	03/30/2022 - 03/31/2022	Attended
David Green				
B	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
X	-	Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled
Elizabeth Greenwood				
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
James Harris				
B	-	Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
MARCH 2022

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Patrick Jones			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	- Edu - NASP-Southern California "Day of Education in Private Equity Conference - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	- Edu -SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	- Edu - Harvard Kennedy School Executive Education: Leading Smart Policy Design: A Multisectoral Approach to Economic Decisions - VIRTUAL	09/21/2021 - 10/12/2021	Attended
	- Edu - Duke University Executive Education Program - Corporate Social Responsibility - VIRTUAL	12/06/2021 - 12/14/2021	Attended
	- Edu - Harvard Kennedy School Executive Education: Behavioral Insights and Public Policy Program - VIRTUAL	01/31/2022 - 02/16/2022	Attended
	- Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
Shawn Kehoe			
V	- Edu - Morgan Stanley Virtual Global Insights Day - VIRTUAL	02/09/2022 - 02/09/2022	Attended
X	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Canceled
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Canceled
Joseph Kelly			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
V	- Edu -SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	- Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	- Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	- Edu - 2021 Institute of Internal Auditors Los Angeles Conference: Governance, Grit and Gravitas - VIRTUAL	10/04/2021 - 10/06/2021	Attended
	- Edu - NACD Pacific Southwest / USC Marshall Corporate Directors Symposium - November 2021 - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	- Edu – 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
	- Edu - NACD Pacific Southwest / USC Marshall Corporate Directors - March 2022 - VIRTUAL	03/24/2022 - 03/24/2022	Attended
X	- Edu - Global Investors Annual Meeting - New York NY	12/13/2021 - 12/14/2021	Canceled
Keith Knox			
V	- Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL	07/21/2021 - 07/23/2021	Attended
	- Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	- Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
MARCH 2022

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Wayne Moore			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - NASP-Southern California "Day of Education in Private Equity Conference - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
William Pryor			
B	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
V	- Edu – 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
Les Robbins			
B	- Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended
V	- Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
Gina Sanchez			
A	1 Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	- Edu - NASP-Southern California "Day of Education in Private Equity Conference - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	- Edu - 2021 CII Fall Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	- Edu - 2021 Virtual NACD Summit - VIRTUAL	10/04/2021 - 10/08/2021	Attended
	- Edu - PRI Roundtable: The Road to Net-Zero with Ophir Bruck - VIRTUAL	10/12/2021 - 10/12/2021	Attended
	- Edu - PRI Roundtable: Equity, Diversity & Inclusion with Ophir Bruck - VIRTUAL	10/14/2021 - 10/14/2021	Attended
	- Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
X	- Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled
Herman Santos			
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2 Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - PPI Asia Pacific Roundtable - Pasadena CA	10/27/2021 - 10/29/2021	Attended
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	- Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
V	- Edu - PPI Roundtable - July 2021 - VIRTUAL	07/13/2021 - 07/15/2021	Attended
	- Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
X	- Edu - Global Investors Annual Meeting - New York NY	12/13/2021 - 12/14/2021	Canceled
	- Edu - NASP-Southern California "Day of Education in Private Equity Conference - Los Angeles CA	03/23/2022 - 03/24/2022	Canceled

Category Legend:

A - Pre-Approved/Board Approved

B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A

C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.

V – Virtual Event

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**