

AGENDA

A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., THURSDAY, DECEMBER 15, 2016

*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. PLEDGE OF ALLEGIANCE
- III. REPORT ON CLOSED SESSION ITEMS
- IV. OTHER COMMUNICATIONS
 - A. For Information
 1. Awards
 2. October 2016 All Stars
 3. Chief Executive Officer's Report
(Memo dated December 6, 2016)
- V. PUBLIC COMMENT
- VI. NON-CONSENT AGENDA
 - A. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board approve Life Secure as LACERA's Long Term Care insurance program carrier pursuant to the Board of Retirement's authority under and in compliance with Article 8.8 Long-Term Care Group Insurance of the County Employees Retirement Law of 1937, Cal. Gov't Code §§ 31696.1-31696.5.
(Memo dated November 18, 2016)

VI. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Bernie Buenaflor, Division Manager, Benefits Division: That the Board 1) Determine that Terri L. McDonald is not incapacitated for the duties assigned to her in the position of Chief Probation Officer (UC); and 2) Grant the application of Terri L. McDonald for reinstatement to active membership. (Memo dated November 22, 2016)
- C. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board of Retirement adopt the proposed restated Code of Ethical Conduct. (Memo dated December 5, 2016)
- D. Recommendation as submitted by Robert Hill, Assistant Executive Officer; John Nogales, Director of Human Resources; and James Pu, Chief Information Officer: That the Board approve the following:
1. Approve the following new information technology classifications:
 - Chief Technology Officer, LACERA, LS15
 - Chief Information Security Officer, LACERA, LS14
 - Information Technology Manager I, LACERA, LS11
 - Information Technology Manager II, LACERA, LS12
 - Information Technology Specialist I, LACERA, 114A
 - Information Technology Specialist II, LACERA, 119C
 2. Approve revising the following information technology classifications to adjust salaries to market levels:
 - Information Systems Manager, LACERA, from LS13 to LS17
 - Assistant Information Systems Manager, LACERA, from LS11 to LS12
 3. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new and revised information technology classifications by amending the Los Angeles County Salary Code Sections 6.28.050 and 6.127.010, allowable by the County Employees Retirement Law of 1937 Section 31522.1.

(Memo dated December 5, 2016)

December 15, 2016

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VI. NON-CONSENT AGENDA (Continued)

- E. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board review the 2017 meeting calendar and reschedule meeting dates as needed. (Memo dated December 6, 2016)

VII. REPORT ON STAFF ACTION ITEMS

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

IX. EXECUTIVE SESSION

- A. Conference with Legal Counsel - Existing Litigation
(Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

- 1. Maureen McCollough-Hill v. LACERA, etc.
Los Angeles Superior Court Case No. BS 159408

- B. Conference with Labor Negotiators
(Government Code Section 54957.6)

- 1. Agency designated representatives:
John Popowich, Assistant Executive Officer
John Nogales, Director, Human Resources
Draza Mrvichin, LACERA's Contracted Negotiator
Employee Organization: SEIU Local 721

X. ADJOURNMENT

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement 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 Retirement 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.



December 6, 2016

TO: Each Member
Board of Retirement
Board of Investments

FROM: Gregg Rademacher 
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT**

I am pleased to present the Chief Executive Officer's Report that highlights a few of the operational activities that have taken place during the past month, key business metrics to monitor how well we are meeting our performance objectives, and an educational calendar.

The Fiscal Year 2015–2016 Annual Report

It's the end of the year and time to take stock of LACERA's accomplishments and generate our financial statement report. Each year, the Financial & Accounting Services Division (FASD) and Communications Division work diligently to put together and create LACERA's annual report. FASD initiates the process and works with our external auditor partner, Brown Armstrong, to generate the financial statement report. Once complete, the report is shared with the Communications Division, which reformats the financial data and develops a positive message—the LACERA story—through graphics, photos, and text; creating the annual report.

We have three components to our annual report package: Comprehensive Annual Financial Report (CAFR); Popular Annual Financial Report (PAFR); and the Who We Are brochure, which is used by Human Resources for job fairs and sharing a high-level overview of LACERA to our new hires.

Each December, the Communications Division mails the PAFR along with our two professionally written and designed newsletters, *PostScript* and *Spotlight*, to all of our members (currently more than 165,000 people). We also include a handy payday calendar for our retirees that features both direct deposit and check mailing dates. Providing the PAFR to our members gives them a snapshot of LACERA from the previous fiscal year, highlighting the funding ratio, asset allocation percentages, additions and deductions of the pension fund, quick-hit stats of our global accomplishments, and a listing of our board members. Members who would like a copy of the entire CAFR can find the electronic version on lacera.com in mid-January 2017, or they can call the Call Center to request a hard copy be mailed to them.

The CAFR theme for the fiscal year ended June 30, 2016 is “Helping People: That’s What We Do.” It focuses on how helping people with their retirement drives everything we do, from taking members’ calls to offering technology like My LACERA to connect members with their personal retirement accounts. The theme unfolds in each of the CAFR’s four section breaks with quotations from staff throughout LACERA:

- Financial Section—Helping people *help their families*
"Helping all members is satisfying, but it's especially gratifying when I've played a part in ensuring that a member is able to continue providing for his/her family after retirement." –LACERA Benefits Employee
- Investment Section—Helping people *plan for the future*
"Working on disability retirement cases often puts me in touch with members who are going through a difficult or stressful time. Being patient and kind is really important, and it goes a long way in helping people plan for their future." –LACERA Disability Retirement Employee
- Actuarial Section—Helping people *achieve peace of mind*
“I love helping members discover which LACERA retiree healthcare plan works best for them, depending on their circumstances, and giving them peace of mind about their lasting coverage.” –LACERA Retiree Healthcare Employee
- Statistical Section—Helping people *stay connected*
"When members ask me questions, I like to give very detailed answers and take into consideration everything I would want to know if I were in their shoes. It's great to build that rapport with people." –LACERA Member Services Employee

Our message for the fiscal year 2016 Annual Report is that our commitment to helping people is crucial to the fulfillment of our broader mission to Produce, Protect, and Provide the Promised Benefits.

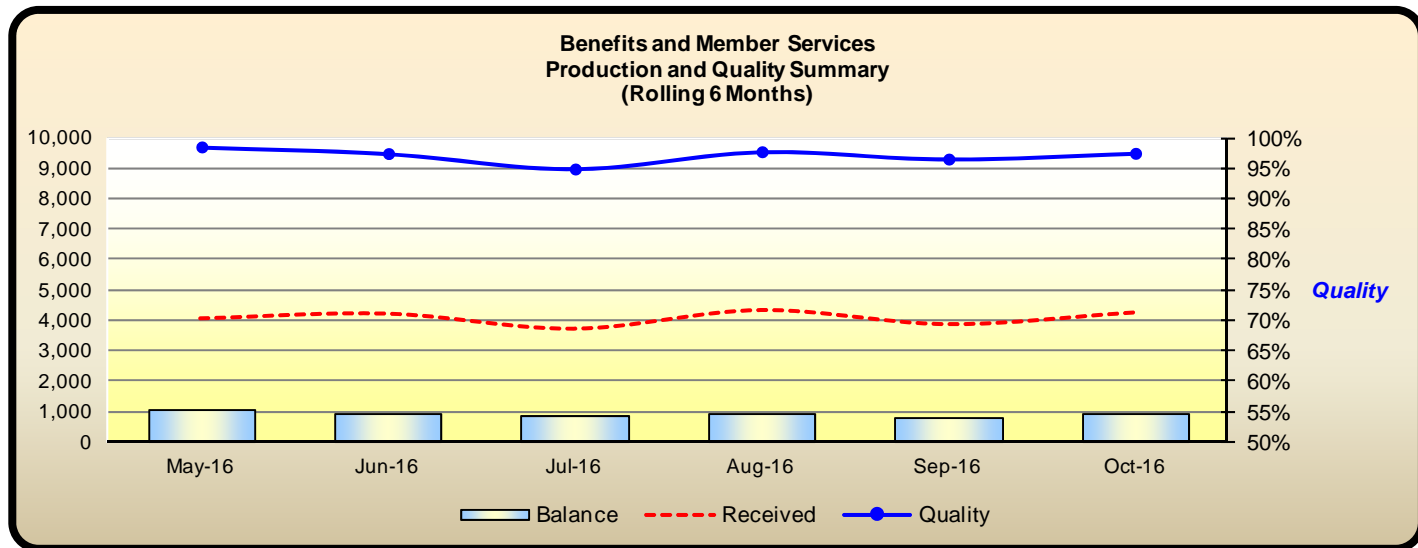
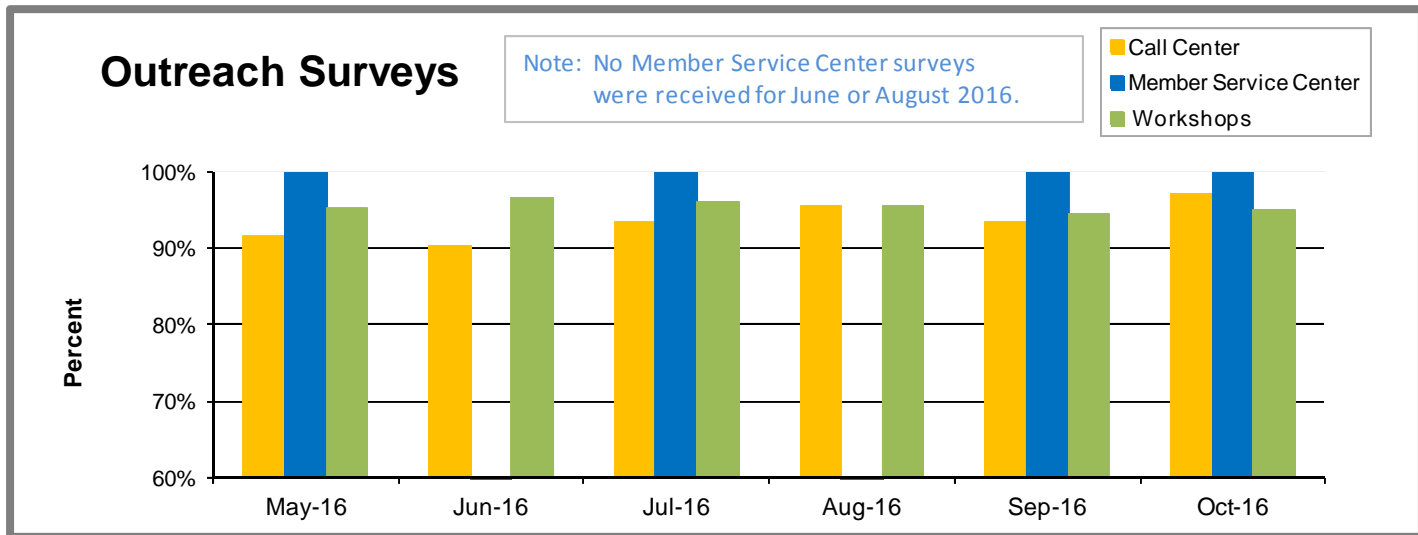
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CEO Report Dec 2016.doc

Attachments

LACERA's KEY BUSINESS METRICS

OUTREACH EVENTS AND ATTENDANCE

Type	# of WORKSHOPS		# of MEMBERS	
	Monthly	YTD	Monthly	YTD
Benefit Information	29	81	1,685	3,273
Mid Career	1	15	25	453
New Member	17	68	361	1,398
Pre-Retirement	8	34	264	811
General Information	3	5	336	381
Retiree Events	1	8	55	497
Member Service Center	Daily	Daily	1,081	4,922
TOTALS	59	211	3,807	11,735



Member Services Contact Center			RHC Call Center	Top Calls
Overall Key Performance Indicator (KPI)			97.35%	
Category	Goal	Rating		
Call Center Monitoring Score	95%	96.37%	97%	<u>Member Services</u>
Grade of Service (80% in 60 seconds)	80%	66%	54%	1) Workshop Info/ Appts.: Inquiry
Call Center Survey Score	90%	97.09%	xxxxx	2) Benefit Payments: Gen. Inquiry/ Payday
Agent Utilization Rate	65%	66%	82%	3) Retirement Counseling: Estimate
Number of Calls	10,084		4,158	<u>Retiree Health Care</u>
Calls Answered	9,329		3,832	1) Medical Benefits - General Inquiries
Calls Abandoned	755		333	2) Dental/Vision Benefits Gen Inquiries
Calls-Average Speed of Answer	0:01:39		02:02	3) Turning Age 65/Part. B Prem Reim.
Number of Emails	372		196	
Emails-Average Response Time	07:02:38		1	Adjusted for weekends

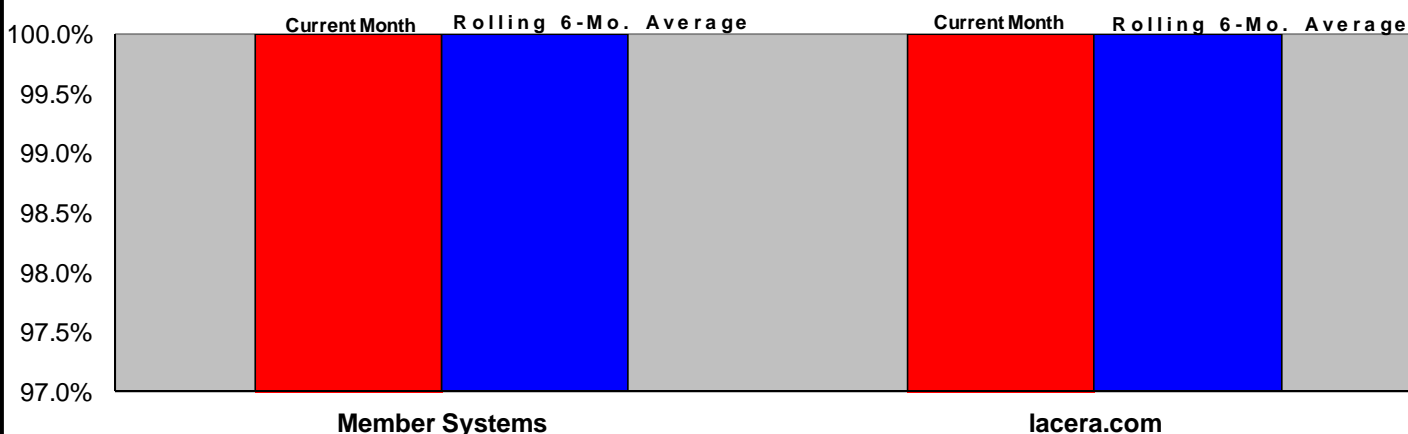
LACERA's KEY BUSINESS METRICS

Fiscal Years	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assets-Market Value	\$40.9	\$38.7	\$30.5	\$33.4	\$39.5	\$41.2	\$43.7	\$51.1	\$51.4	\$50.9
Funding Ratio	93.8%	94.5%	88.9%	83.3%	80.6%	76.8%	75.0%	79.5%	83.3%	n/a
Investment Return	19.1%	-1.4%	-18.2%	11.8%	20.4%	0.3%	12.1%	16.8%	4.3%	1.1%

DISABILITY INVESTIGATIONS

APPLICATIONS	TOTAL	YTD		APPEALS	TOTAL	YTD
On Hand	510	xxxxxxx		On Hand	136	xxxxxxx
Received	39	178		Received	3	10
Re-opened	0	0		Administratively Closed/Rule 32	2	9
To Board – Initial	35	133		Referee Recommendation	2	2
Closed	4	21		Revised/Reconsidered for Granting	1	4
In Process	510	510		In Process	134	134

SYSTEMS AVAILABILITY - OCTOBER 2016



Active Members as of 12/1/16		Retired Members/Survivors as of 12/1/16			Retired Members	
		Retirees	Survivors	Total		
General-Plan A	224	19,025	4,690	23,715	Monthly Payroll	249.79 Million
General-Plan B	85	687	64	751	Payroll YTD	1.00 Billion
General-Plan C	81	425	58	483	Monthly Added	241
General-Plan D	46,329	12,102	1,134	13,236	Seamless %	99.59
General-Plan E	20,464	11,261	940	12,201	YTD Added	1,009
General-Plan G	16,608	5	0	5	Seamless YTD %	99.70
Total General	83,791	43,505	6,886	50,391	Direct Deposit	95.00%
Safety-Plan A	10	5,771	1,581	7,352		
Safety-Plan B	11,180	4,411	232	4,643		
Safety-Plan C	1,538	1	0	1		
Total Safety	12,728	10,183	1,813	11,996		
TOTAL ACTIVE	96,519	TOTAL RETIRED	53,688	8,699	62,387	

Health Care Program (YTD Totals)

	Employer Amount	Member Amount
Medical	150,104,669	13,055,813
Dental	13,482,123	1,427,382
Med Part B	17,440,005	xxxxxxxxxx
Total Amount	\$181,026,797	\$14,483,195

Health Care Program Enrollments

Medical	47,849
Dental	48,882
Med Part B	31,461
Long Term Care (LTC)	741

Funding Metrics as of 6/30/15

Employer Normal Cost	9.28%*
UAAL	8.49%*
Assumed Rate	7.50%*
Star Reserve	\$614 million
Total Assets	\$47.8 billion

Member Contributions as of 6/30/15

Annual Additions	\$458.7 million
% of Payroll	6.18%*

Employer Contributions as of 6/30/15

Annual Addition	\$1,443.1 million
% of Payroll	17.77%*

*Effective July 1, 2016, as of 6/30/15 actuarial valuation.

Date	Conference
January, 2017	
29-31	NCPERS (National Conference on Public Employee Retirement Systems) Legislative Conference Washington D.C.
31-February 2	IMN (Information Management Network) Annual Beneficial Owners' Intl. Securities Finance & Collateral Mgmt. Conference Fort Lauderdale, FL
February, 2017	
22-24	Pacific Pension Institute (PPI) North American Winter Roundtable Seattle, WA
23-24	PREA (Pension Real Estate Association) Spring Conference New York, NY
27-28	National Institute on Retirement Security (NIRS) 2017 Policy Conference Washington D.C.
27-March 1	Council of Institutional Investors (CII) Spring Conference Washington D.C.
March, 2017	
1-2	International Corporate Governance Network (ICGN) Washington D.C. Event Washington D.C.
4-7	CALAPRS (California Association of Public Retirement Systems) General Assembly Meeting Monterey, CA
8-9	AHIP (America's Health Insurance Plans) National Health Policy Conference Washington D.C.
13-15	IFEBP (International Foundation of Employment Benefit Plans) Investments Institute Phoenix, AZ
29-31	CALAPRS (California Association of Public Retirement Systems) Advanced Principles of Pension Management for Trustees at UCLA Los Angeles, CA
April, 2017	
24-26	CRCEA (California Retired County Employees Association) Spring Conference Ventura, CA
25-26	IFEBP (International Foundation of Employment Benefit Plans) Benefits Conference for Public Employees <i>(back fr. Public Employee Benefits Update)</i> Columbus, OH
30-May 3	World Healthcare Congress Washington D.C.



November 18, 2016

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits & Legislative Committee
Les Robins, Chair
William de la Garza, Vice President
Shawn Kehoe
Vivian Grey
Ronald Okum, Alternate

FOR: December 15, 2016 - Board of Retirement Meeting

SUBJECT: **APPROVE LIFE SECURE AS LACERA's NEW LONG TERM CARE
INSURANCE PROGRAM CARRIER**

RECOMMENDATION

Approve Life Secure as LACERA's Long Term Care insurance program carrier pursuant to the Board of Retirement's authority under and in compliance with Article 8.8 Long-Term Care Group Insurance of the County Employees Retirement Law of 1937 (CERL), Cal. Gov't Code §§ 31696.1-31696.5.

BACKGROUND

The Board of Retirement began LACERA's Long Term Care (LTC) program in March 1996. Staff and LACERA's Retiree Healthcare Program consultant, Foster Higgins, issued a Request for Information (RFI) and received no responses. Subsequently, Transamerica approached LACERA and they agreed to the terms and conditions set forth by LACERA. The LTC program launched in 1996 and enrolled LACERA retirees until Transamerica notified LACERA they would no longer be marketing and selling LTC products effective January 1, 2005. For LACERA retirees who had already enrolled in the program, Transamerica continues to honor their policies. Today there are 675 retirees that continue to have payroll deductions taken from their retirement payment for their Transamerica LTC policy.

As a result of Transamerica's termination notice, staff requested direction from the Insurance, Benefits & Legislative Committee (IBLC or Committee) as to a future for the LTC Program. The options provided were:

1. Issue an RFI in an effort to continue the LTC Program
2. Terminate the Long Term Care Program

The Committee directed staff and LACERA's Retiree Healthcare consultant, Mercer, to continue the program and issue a Request for Proposal (RFP) to select a new LTC program carrier. Staff and Mercer solicited the RFP to nine (9) LTC carriers. Five (5) carriers responded and four (4) declined to quote. Staff and Mercer's due diligence identified MetLife as the most qualified carrier to offer LTC policies to the LACERA retirees. The Board of Retirement approved staff's recommendation selecting MetLife as LACERA's LTC program carrier effective January 1, 2005.

On December 2010, MetLife notified LACERA they would no longer be marketing and selling LTC products effective January 1, 2011. The Committee directed staff to work with the County to issue an RFP to select a new LTC program carrier for both active and retired LACERA members. For LACERA retirees who have already purchased a MetLife policy, MetLife, continues to honor their policies. Today there are 66 retirees that continue to have payroll deductions taken from their retirement payment for their MetLife LTC policy. At the June 2011 IBLC meeting, the committee authorized staff to postpone issuing the RFP until the County provided direction on including the active members in the LTC coverage group.

On October 15, 2012, staff and County representatives met to discuss the LTC program RFP. The working group focused on the enrollment process, plan requirements, and liability exposure. The working group agreed that providing active county employees with an early enrollment opportunity into a LTC program provides substantial benefits, such as lower premiums, increased eligibility, continuity of benefits, and ultimately a healthcare safety net if the need arises. And as such, the active county employees participating in LACERA's LTC program would be part of the "marketable" group along with the LACERA retirees and their beneficiaries. To assist members in understanding LTC, the scope of available coverage, and the various choices provided when making a decision on the level and type of coverage, the working group decided to provide enrollment option choice to include one-on-one counseling, telephonic and online.

At the November 2012 IBLC meeting, the committee approved moving forward with issuing a Request for Information (RFI). Due to the challenging investment market and uncertain healthcare landscape, the RFI process was extended as staff investigated viable LTC carriers. Through the RFI process, staff identified three (3) viable LTC program carriers.

1. Life Secure
2. John Hancock
3. New York Life

At the October 13, 2016, Insurance, Benefits, and Legislative Committee, the Committee voted unanimously to forward this recommendation to the Board of Retirement for final approval.

LTC CARRIER COMPARISON

Staff evaluated each carrier's response against key requirements and determined the most qualified LTC program carrier for our population is Life Secure. Staff's due diligence on both Life Secured and their enrollment processing operation found both to be outstanding. The following is a brief summary of the three (3) firms responding to the RFI.

- **Life Secure** will accept payroll deductions from LACERA retirees as well as direct payments. Life Secure provides online, telephone appointment, and one-on-one enrollment counseling through an enrollment company. In the memo dated October 3, 2016 to the IBLC, it was stated that the maximum age for the Life Secure was 85; however, the correct maximum issue age is 79.

Life Secure's policies include a Guaranteed Future Purchase Option (Inflation Rider) which allows a retiree the opportunity to increase their policy every three (3) years without the evidence of insurability up until age 85, unless the policyholder is on claim. Life Secure is a wholly owned subsidiary of Blue Cross Blue Shield of Michigan. Life Secure is the only plan indicating they have not had a premium increase.

- **John Hancock** indicated in their RFI response that they will not accept payroll deductions; instead, they offer a direct payment option. John Hancock provides online, telephone appointment, and one-on-one enrollment counseling through an enrollment company. John Hancock's maximum issue age is 79.

John Hancock policies include a Guaranteed Future Purchase Options (Inflation Rider) which allows a retiree the opportunity to increase their policy every three (3) years, however, if the member declines the offer twice, the member is no longer eligible to increase their policy. John Hancock is reported to have increased premiums over time.

- **New York Life** will not accept payroll deductions, however, instead will accept direct payments, electric funds transfer (EFT) and credit cards. New York Life will only provide one-on-one enrollment using a local New York Life agent. New York Life maximum issue age is 79.

New York Life policies include a Guaranteed Future Purchase Options (Inflation Rider) which allows a retiree the opportunity to increase their policy every policy anniversary. New York Life did not respond regarding premium increases.

All three (3) companies have an A rating with AM Best.

ACTIVE MEMBER COVERAGE

Since our meeting with the County in 2012, the County has not provided approval to allow the inclusion of the active member population in the LTC Program marketing plan. While preparing this memo, staff reached out to the County at which time, staff was informed that a discussion with upper management would need to occur since there has been a change since our last meeting.

Therefore, should the Board of Retirement select a LTC insurance program carrier, if we have not received approval for the active population to be included and eligible, the initial LTC Program will include Life Secure marketing to LACERA retirees and beneficiaries with the potential to include active member at the later time.

LIABILITY EXPOSURE AND LEGAL AUTHORITY

Our agreement with a LTC insurance carrier will provide the carrier access to LACERA retirees/members and to offer a program per LACERA's requirements; however, the LTC insurance policy is between the member and the LTC carrier with neither LACERA (or the County) having liability for the policies issued. The carrier agreement will contain appropriate confidentiality and privacy protections.

Pursuant County Employees Retirement Law (CERL) Article 8.8 Long-Term Care Group Insurance § 31696.1(a), the Board of Retirement has legal authority to provide a long-term care insurance program for retired members and their spouses, their parents, and their spouses' parents. Additionally, Section 31696.1 provides:

- (b) Subject to Section 31696.5, the board may permit active members and their spouses, their parents, and their spouses' parents to enroll in the long-term care insurance program.
- (c) The long-term care insurance plan shall be made available periodically during open enrollment periods determined by the board.
- (d) The board shall award contracts to carriers who are qualified to provide long-term care benefits.
- (e) The long-term care insurance plan shall include home, community, and institutional care and shall provide substantially equivalent coverage to that required under Chapter 2.6 (commencing with Section 10230) of Part 2 of Division 2 of the Insurance Code and shall meet those requirements set forth in the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 [commencing with Section 1340] of Division 2 of the Health and Safety Code).

However, the Department of Managed Health Care shall have no jurisdiction over the insurance plan authorized by this article.

- (f) Notwithstanding subdivision (a), no person shall be enrolled unless he or she meets the eligibility and underwriting criteria approved by the board.

See CERL 31696.5 for applicability of Subsection (b), which requires that Subsection (b) shall not operative in the County of Los Angeles until the Board of Supervisors votes to make the subdivision applicable. As noted above, this action has not yet been taken.

In addition, the following program requirements are included in CERL Article 8.8 Long-Term Care Group Insurance § 31696.2:

- (a) The full cost of enrollment in a long-term care insurance plan shall be paid by the enrollees.
- (b) The long-term care insurance plan shall not become part of, or subject to, the retirement or health benefits programs administered by the system.

As such, LACERA will serve as a facilitator by connecting the member with the LTC plan carrier and providing retiree payroll deductions as needed. The County, should they agree to have the active members participate in the program, will have no costs associated with the program.

CONCLUSION

MetLife's exit from the LTC market provided an opportunity to partner with the County in developing a LTC program carrier search to include both active and retired LACERA members. The LTC program is designed for the carrier to have access to LACERA members contact information to offer a program per LACERA requirements; however, the agreement for LTC insurance is between the member and carrier with neither LACERA (or the County) having liability for the policies issued. It is expected the initial LTC Program will include policies offered to LACERA retirees and their beneficiaries with the potential to include LACERA active members in the future. Following an extended Request for Information process, the staff indentified Secure Life as the best qualified insurance carrier to provide LTC policies to our members.

IT IS THEREFORE RECOMMENDED THAT YOUR COMMITTEE:


Approve Life Secure as LACERA's Long Term Care insurance program carrier pursuant to the Board of Retirement's authority under and in compliance with Article 8.8 Long-Term Care Group Insurance of the County Employees Retirement Law of 1937 (CERL), Cal. Gov't Code § 31696.1-31696.5.

CS:cs



November 22, 2016

TO: Each Member
Board of Retirement

FROM: Bernie Buenaflor 
Division Manager, Benefits Division

FOR: Meeting of December 15, 2016

SUBJECT: **Application of Terri L. McDonald for Reinstatement to Active Membership Pursuant to Government Code Section 31680.4 and 31680.5**

Government Code Section 31680.4 and 31680.5 permit a retired member to be re-employed by the County and reinstated as an active member of LACERA if the Board of Retirement, based upon medical examination, determines that the member is not incapacitated for the assigned duties. The member's retirement allowance would be suspended immediately upon re-employment. Reinstatement to active membership becomes effective the first day of the month following the date of re-employment. The returning member would only be eligible for a retirement plan that is currently available for the reinstated position, regardless of the member's prior retirement plan.

Terri L. McDonald retired from service April 30, 2016. The County of Los Angeles now wishes to re-employ Terri L. McDonald as a Chief Probation Officer (UC), (Item #8624).

Under CERL 31680.5, all reinstated general members are entitled to a retirement allowance, upon subsequent retirement, "determined as if the member were first entering the system." Thus, this member is only eligible for Retirement Plan G General. Note that the member was in Plan B Safety for her past membership period and will be in Plan G General for her new membership period, if approved for reinstatement.

Attached are copies of documents prepared in support of the member's application for reinstatement:

- The November 9, 2016 statement from the Chief Executive Office confirming the Board of Supervisors' Stamp Approval of the request to re-employ the member. (Attachment 1)

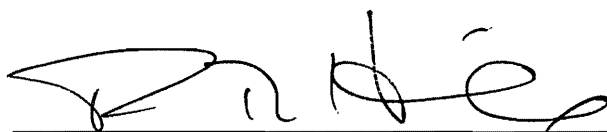


- The Probation Department letter to LACERA dated November 18, 2016 requesting the reinstatement of the member and outlining the job duties for a Chief Probation Officer (UC). (Attachment 2)
- The member's letter to LACERA dated November 14, 2016 requesting reinstatement into active membership as a Chief Probation Officer (UC) with the Los Angeles County Probation Department. (Attachment 3)
- The member's Medical Clearance report signed on November 9, 2016, finding the member not incapacitated for the proposed duties. (Attachment 4)
- A copy of the Class Specification for a Chief Probation Officer (UC). (Attachment 5)

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Determine, based upon medical evaluation conducted November 9, 2016, that Terri L. McDonald is not incapacitated for the duties assigned to her in the position of Chief Probation Officer (UC); and
2. Grant the application of Terri L. McDonald for reinstatement to active membership.

REVIEWED AND APPROVED:



Robert Hill
Assistant Executive Officer

BB:bb
Div\ben\retstaff\Terri L. McDonald.doc

Attachments





SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
HILDA L. SOLIS
First District
MARK RIDLEY-THOMAS
Second District
SHEILA KUEHL
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

November 09, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18 November 9, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**APPOINTMENT, SALARY, AND RELOCATION REIMBURSEMENT
FOR PROBATION OFFICER (UC) AND CHIEF DEPUTY PROBATION OFFICER (UC)
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Recommendation to appoint, set the salary, and approve relocation expenses for Terri McDonald to serve as the Probation Officer (UC), and approve the salary and relocation expenses for Sheila Mitchell to serve as the Chief Deputy Probation Officer (UC) for the County of Los Angeles. In addition, approve Terri McDonald, a currently retired Los Angeles County Employees Retirement Association (LACERA) member, to return to work, thereby suspending her retirement benefits and return her to full-time employment with the County of Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Appoint Terri McDonald to the position of Probation Officer (UC) at an annual salary of \$316,342, effective January 1, 2017. Ms. McDonald, a currently retired employee, would be re-employed January 1, 2017, subject to the approval of LACERA's Board of Retirement.
2. Approve the salary for Sheila Mitchell in the amount of \$250,000 for the position of Chief Deputy Probation Officer (UC), effective January 14, 2017.
3. Approve reimbursement of up to \$25,000 for reasonable actual costs of relocating the family and personal residence and reimbursement for temporary housing costs for each Ms. McDonald and Ms. Mitchell.

4. Instruct the Director of Personnel to execute an at-will employment contract for Ms. McDonald which is approved as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to appoint a Probation Officer (UC) for the County of Los Angeles; to set the salary for Terri McDonald to function as the Probation Officer (UC) and to approve the salary for Sheila Mitchell to function as the Chief Deputy Probation Officer (UC) over Juvenile Services; and to authorize the payment of reasonable actual costs related to moving the family and personal residence of both Ms. McDonald and Ms. Mitchell to the Los Angeles County area and temporary housing rental costs. Consistent with the Board's Policy adopted July 6, 1993, which allows the re-employment of retired County employees on an indefinite basis, this action will also allow re-employment of Terri McDonald to County service as the Probation Officer (UC).

Terri McDonald

Ms. McDonald has 28 years of public safety experience at both the State and local levels of government. Currently, she provides executive level consulting services that focus on complex criminal justice initiatives with emphasis on correctional challenges. Ms. McDonald's prior experience includes working for the Los Angeles County Sheriff Department as Assistant Sheriff over the Custody Division with responsibility for overseeing all Custody operations including leading the implementation of the recommendations from the Citizens' Commission on Jail Violence. Prior to her experience with the County, Ms. McDonald spent 25 years with the California Department of Corrections and Rehabilitation rising to the level of Undersecretary of Operations. Ms. McDonald is a member of the American Correctional Association and the North American Association of Wardens and Superintendents. Ms. McDonald graduated with honors from the University of San Francisco with a Bachelor of Arts degree in Public Administration with an emphasis in Leadership in Law Enforcement.

Given Ms. McDonald's extensive experience, it is recommended that the Board appoint Ms. McDonald as Probation Officer (UC), effective January 1, 2017, with an annual salary of \$316,342, and authorize the payment of actual relocation expenses related to moving the family and personal residence of Ms. McDonald to the Los Angeles County area and temporary housing costs. Upon her return to County employment, Ms. McDonald's retirement allowance will be canceled until termination of her re-employment.

Sheila Mitchell

Ms. Mitchell has over 34 years of management experience with the last 17 years being in State and local government. Currently, Ms. Mitchell is the Chief Operating Officer for Unity Care, which is a community-based, non-profit youth and family development agency that focuses on developing educational and social programs to enrich the lives of at-risk youth. From 2004 to 2013, Ms. Mitchell worked for the County of Santa Clara Probation Department as the Chief Probation Officer (UC); from 2002 to 2004, she was the Assistant Chief Probation Officer (UC) for the Alameda County Probation Department; and from 1999 to 2002, Ms. Mitchell served as a Deputy Commissioner for the State of Georgia Department of Juvenile Justice.

Given Ms. Mitchell's extensive experience, it is recommended that the Board approve the annual salary of \$250,000 for Ms. Mitchell as Chief Deputy Probation Officer (UC) over Juvenile Services, effective January 14, 2017, authorize the payment of actual relocation expenses related to moving the family and personal residence of Ms. Mitchell to the Los Angeles County area and temporary housing costs.

Implementation of Strategic Plan Goals

Approval of these recommendations will further the County of Los Angeles' Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability to maximize the effectiveness of processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services.

FISCAL IMPACT/FINANCING

The cost of the recommended annual salary will be absorbed within the Probation Department's current budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended salary will provide appropriate compensation to Ms. McDonald to perform the duties of the Probation Officer (UC) and Ms. Mitchell to perform the duties of Chief Deputy Probation Officer (UC).

LACERA is governed by the County Employees Retirement Law of 1937. This action is in compliance with the Government Code Sections 31680.04 and 31680.5, pertaining to retired members returning to active membership.

Prior to 1991, retired County employees were prohibited from returning to County employment, except temporarily and under limited circumstances. Government Code Section 31680.4 now permits retirees to return to work on a permanent basis. The Board's adoption of the policy on July 6, 1993, made this Government Code provision operative in Los Angeles County.

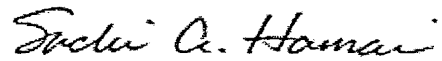
The Board letter has been reviewed and approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Implementation of these recommendations will provide leadership for the Probation Department.

The Honorable Board of Supervisors
11/9/2016
Page 4

Respectfully submitted,



SACHI A. HAMAI
Chief Executive Officer

SAH:JJ:SK:MTK
NV:SO:AP:mst

c: Executive Office, Board of Supervisors
Auditor-Controller
County Counsel
Human Resources
Probation



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

SACHI A. HAMAI
Chief Executive Officer

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

November 18, 2016

Manager, Benefits Division
PO Box 7060
Pasadena, CA 91109

Dear Manager:

Terri McDonald, Employee ID Number 604636, Social Security Number [redacted] retired on April 30, 2016.

The Probation Department would like to re-employ Terri McDonald as a permanent employee, as the Probation Officer in accordance with Government Code Section 31680.4. We have secured the necessary approval from the Board of Supervisors to rehire Terri McDonald. The approved document is enclosed.

Terri McDonald has special knowledge and skills in public safety at both the State and local levels of government. Currently, she provides executive level consulting services focusing on complex criminal justice initiatives with emphasis on correctional challenges. Ms. McDonald's prior experience includes working for the Los Angeles County Sheriff's Department as Assistant Sheriff over the Custody Division with responsibility for overseeing all Custody operations, including leading the implementation of the recommendations from the Citizens' Commission on Jail Violence. Prior to her experience with the County, Ms. McDonald spent 25 years with the California Department of Corrections and Rehabilitation rising to the level of Undersecretary of Operations. Ms. McDonald is a member of the American Correctional Association and the North American Association of Wardens and Superintendents. All of this experience is beneficial to the Probation Department.

I understand the County may re-employ Terri McDonald only upon approval of the submitted document named above, and the approval of the Board of Retirement.

Sincerely,


Sachi A. Hamai
Chief Executive Officer

SAH:JJ:SK
MTK:mst

Attachment #2

Enclosure

N:\BENEFITS & COMP POLICY\MAPP\Salary Placement\Probation\Probation - Terri McDonald - Salary Placement\LACERA - McDonald Letter.docx

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

November 14, 2016

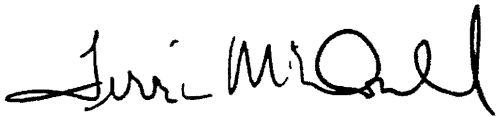
Manager, Benefits Division
PO Box 7060
Pasadena, CA 91109

Dear Manager,

I wish to be re-employed as a permanent employee. This letter is to request that my monthly retirement benefit be suspended and that I be reemployed as the Chief Probation Officer with the Probation Department pursuant to Government Code 31680.4.

Enclosed is a medical evaluation stating that I am not incapacitated for the duties I will be performing.

Sincerely,

A handwritten signature in black ink that reads "Terri McDonald". The signature is written in a cursive style with a large, stylized "T" and "M".

Terri McDonald

Board of Retirement
August 13, 2015

ATTACHMENT 1: 3 PAGES

**REEMPLOYMENT AND REINSTATEMENT TO ACTIVE LACERA
MEMBERSHIP**

SECTION C-MEDICAL AFFIDAVIT PURSUANT TO CERL SECTION 31680.4 or 31680.8

On November 9, 2016, the undersigned, conducted or oversaw the
<date of medical examination>,

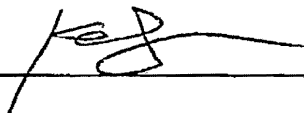
medical examination of Terri McDonald
<Name of Retiree>

pursuant to Section 31680.4 or 31680.8 of the County Employees Retirement Law, in connection with
this Retiree's application to be re-employed as:

Chief Probation Officer
<Prospective Job Title>.

I have also reviewed the Class Specification for this position. Based on this examination, I find that this
individual is not incapacitated for the duties assigned to this position. A copy of the medical
examination report is retained at Los Angeles County's Occupational Health Programs.

Signature of Physician performing or overseeing medical examination:



Print Name and Title of Physician:

Kenneth Carrigan, MD Senior Physician

Date Signed:

11/9/16

**COUNTY OF LOS ANGELES
POSITION DESCRIPTION**

ITEM NUMBER: 8624
APPROVAL DATE: 09/03/2009
TITLE: PROBATION OFFICER (UC)

DEFINITION: This position reports to the Chief Executive Officer and has complete responsibility for directing the Probation Department's programs, facilities, and services necessary for the investigation and supervision of adults convicted of law violations in Superior Court and for the investigation, placement, treatment, and supervision of delinquent youths.

EXAMPLES OF DUTIES:

Formulates departmental policy, directs its execution, and evaluates work accomplished.

Directs the probation services provided by the department including juvenile intake and detention control, adult and juvenile investigation and supervision, special court services, and related programs.

Directs the fiscal, personnel, budget, and other administrative functions of the department.

Directs the provision of probation services through decentralized area offices and assures uniformity of standards and operations.

Directs the development and administration of the department's detention and treatment facilities for the custody, care, and rehabilitation of delinquents.

Coordinates the programs and functions of the Probation Department with other segments of the justice system, such as police departments, the Sheriff's Department, Public Defender, Alternate Public Defender, District Attorney, and the courts.

Works with the Probation Commission in establishing and coordinating services provided to juveniles.

Recommends the adoption, enactment, and amendment of County ordinances, resolutions and regulations and State statutes to provide effective, efficient and economical administration of the department.

Directs the development of changes in organization, staffing, work processing management information systems and the administration of the department's contracting program to increase effectiveness and efficiency and reduce administrative costs.

**POSITION DESCRIPTION
PROBATION OFFICER (UC)**

Page 2

MINIMUM REQUIREMENTS:

A Bachelor's degree from an accredited college or university in criminal justice, human services, public or business administration, or a closely related field - AND - Highly responsible experience managing or assisting in the management of a large and complex organization in fields such as probation (adult and juvenile), corrections, criminal justice, law enforcement or social welfare. Such management experience should include directing or assisting in the direction of budget, personnel, fiscal, supply and other administrative functions of the organization.

LICENSE: A California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

OTHER: U.S. citizenship is required for appointment to this position.

CALIFORNIA STATE LAW REQUIREMENT: California state law requires that the Chief Probation Officer shall have a certificate of completion of a 40-hour introductory training course on the laws of arrest (Penal Code 832) prescribed by the Commission on Peace Officer Standards and Training (POST), or shall get such certificate within 90 days of appointment to the position. Classes are given several times per month at various Southern California locations. Certificates of completion, issued by the training agency certified by POST, are generally received within 2 weeks of class and examination completion.

DESIRABLE QUALIFICATIONS:

1. Extensive management experience in a progressively responsible position planning and directing programs and policies related to probation services, such as delinquency prevention and control, investigation, supervision, and rehabilitation of juveniles and adults, gang supervision and control, and detention and residential treatment of juveniles.
2. A Master's degree or higher from an accredited college or university in criminal justice, human services, public or business administration, or a closely related field.
3. Demonstrated knowledge of and ability to interpret and apply provisions of California legal codes and statutes relating to juvenile and adult offenders.
4. Demonstrated knowledge, skills, and abilities required to work effectively with public officials, agencies, community groups, private organizations, various segments of the justice system, and the communications media.
5. Demonstrated experience and knowledge of computer systems affiliated with probation case management functions, including system design, interfacing and integration with other systems, and long-range systems planning.
6. Demonstrated knowledge of and substantial participation in community-based activities.

POSITION DESCRIPTION

PROBATION OFFICER (UC)

Page 3

DESIRABLE QUALIFICATIONS (Continued):

7. Demonstrated knowledge of current trends and developments in the fields of probation and corrections.

LICENSES:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when need to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light

December 5, 2016

TO: Each Member, Board of Retirement
Each Member, Board of Investments

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: December 14, 2016 Board of Investments Meeting
December 15, 2016 Board of Retirement Meeting

SUBJECT: **Restated Code of Ethical Conduct**

RECOMMENDATION

Staff recommends that the Board of Retirement and Board of Investments adopt the proposed restated Code of Ethical Conduct.

BACKGROUND

At their November meetings, the Boards were presented with the restated Code of Ethical Conduct for a first read. Based on the Boards' comments, input from the County Conflict of Interest/Lobbyist Division, and additional review by LACERA staff, the restated Code has been further revised and is now presented for adoption. A redlined copy of the revised restated Code of Ethical Conduct showing the changes is attached as Attachment 1.

DISCUSSION

The revised Code includes the following changes from the prior version:

1. Section V.A Form 700 Statement of Economic Interests.

The County Conflict of Interest/Lobbying Division suggested that this section include a reference to the separate Conflict of Interest Code for LACERA's wholly-owned title holding corporations (THCs). The THCs are the entities through which LACERA holds many of its real estate assets. These entities have a Conflict of Interest Code that requires LACERA staff who serve as officers and senior officials of those entities to file Form 700s. Based on the County's comment, references to the THCs' Conflict of Interest Code have been added (page 13).

The County also suggested that the language in the gift discussion of this section concerning the cumulative nature of the \$50 gift threshold be clarified. Specifically, the \$50 gift reporting threshold is triggered if the total of all gifts

combined from a single reportable source over the course of a calendar year is equal to or greater than that amount. The changes suggested by the County were made (page 14).

In addition, a request was received from a member of the Board of Retirement that staff prepare a one-page summary of the gift rules. A Summary of Gift Limitations and Restrictions has been included as Appendix A (last page) of the Code. Appendix A will be updated as needed based on changes in the applicable laws and regulations.

2. Section V.C Incompatible Activities/Incompatible Offices.

The statutory reference relating to incompatible offices, which was not included in the prior draft, has been added (page 15).

3. New Information on Political Activities.

A request was made by Board members that staff include information on the rules applicable to political activities by LACERA Board members and staff. A new section (page 22) was added to address this subject.

4. Section XV Resources.

In response to a request from Board members, additional information was added to provide direction for Board members and staff seeking detail on the laws and regulations relating to political activities, campaign rules, and campaign finance (pages 28, 29).

The statutory reference for the incompatible activities/incompatible offices rules was clarified (page 28).

Staff discovered that some of the website addresses for references in the Resources section of the Code recently changed. The revised Code updates the web addresses where necessary (pages 27, 28).

5. Section XVI Review of Code.

A Board member suggested that the review period for the Code be reduced from five years to three years. The revised Code includes this change (page 30).

* * *

At the November Board of Retirement meeting, a question was asked by a Board

Each Member, Board of Retirement and Board of Investments
December 5, 2016
Re: Restated Code of Ethical Conduct
Page 3

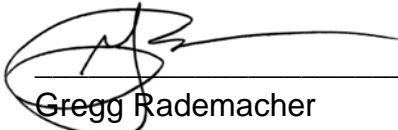
member concerning possible relaxation of the Code's nepotism rules prohibiting employment of related parties of Board members and senior management staff (pages 17-18). After carefully considering this issue, staff did not make any changes. The nepotism rules in the restated Code were first included in the original 2006 Code of Ethical Conduct. These rules have served LACERA well. Other agencies in California and elsewhere around the country without a strong nepotism rule have had well-publicized issues in this area. Staff believes LACERA's Code strikes an appropriate balance that prohibits employment of related parties of Board members and senior staff and permits employment, with safeguards, of related parties of all other LACERA staff. Management is not aware of problems with LACERA's longstanding policy. For these reasons, staff recommends that no changes be made.

CONCLUSION

Staff recommends that the Board of Retirement and Board of Investments adopt the proposed restated Code of Ethical Conduct.

Attachment

Reviewed and Approved:



Gregg Rademacher
Chief Executive Officer

c: Gregg Rademacher
Robert Hill
John Popowich
Division Managers
Johanna Fontenot

ATTACHMENT 1

PROPOSED

RESTATED CODE OF ETHICAL CONDUCT

CODE OF ETHICAL CONDUCT

Restated
and Approved:

Board of Retirement:
Board of Investments:

To LACERA Board Members and Staff:

LACERA holds itself to the highest ethical standards of honesty, integrity, trustworthiness, and fairness.

We must employ these principles every day in fulfilling LACERA's **Mission** to *produce, protect, and provide the promised benefits*. These principles are an important part of our shared **Values** of *Professionalism, Respect, Open Communications, Fairness, Integrity, and Teamwork* (PROFIT) and our collective **Vision** of *Excellence, Commitment, Trust, and Service*.

Ethics extends to all aspects of our business, including our interactions with each other inside the organization, with LACERA's members, with our plan sponsor, with vendors, with the public, and with all others.

The attached Code of Ethical Conduct provides detailed information as to the ethical standards of conduct required at LACERA. The Code addresses specific legal requirements. The Code also includes other standards rooted beyond the law in concepts of what we want to be as an organization. The Code applies equally to everyone at LACERA, including Board members and staff, because ethical lapses by any of us will reflect on all of us.

Please read the Code carefully and familiarize yourself with it. Every ethical situation you may encounter cannot be specifically addressed in such a document, and it is important that you seek additional information when needed. In this regard, the Code has sections on Reporting and Resources, including contacts for specific questions and reporting of ethical concerns.

Ethics is one of the most important criteria by which our colleagues and stakeholders will measure us. Each and every one of us has responsibility for ensuring the excellence of LACERA's ethics. Thank you for following the Code of Ethical Conduct in your work at LACERA.

Very truly yours,

Gregg Rademacher
Chief Executive Officer

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APPENDIX A – SUMMARY OF GIFT LIMITATIONS AND RESTRICTIONS

I. Purpose and Scope

The Los Angeles County Employees Retirement Association (LACERA) is a public pension plan organized under the County Employees Retirement Law of 1937 (CERL) (Cal. Gov't Code §§ 31450 et seq.) and the California Public Employees' Pension Reform Act of 2013 (PEPRA) (Cal. Gov't Code §§ 7522 et seq.). The management and administration of LACERA are vested in the Board of Retirement. All investments of LACERA are the responsibility of the Board of Investments.

The members of the LACERA Boards are mindful of the positions of trust and confidence they hold. The Boards adopt this Code of Ethical Conduct to define standards of ethical conduct required of LACERA Board members and staff. The purpose of the Code is to ensure the proper administration of LACERA and to foster public confidence in LACERA's institutional integrity as a well-managed public pension system.

"Ethics" and "ethical conduct" are defined for purposes of this Code as conduct that complies with principles of honesty, integrity, trust, fairness, and duty in connection with LACERA's business as a public pension fund. This Code looks to three sources for determination of ethical standards:

- First, laws and regulations applicable to LACERA and its business, Board members, and staff, including the California Constitution, CERL, the Political Reform Act and the regulations adopted thereunder, and other statutes, regulations, and case law.
- Second, best practices of ethical conduct. Best practices are drawn from ethical codes and practices of other public pension systems in California and elsewhere, professional associations, and similar sources.
- Third, LACERA's **Mission, Values, and Vision**, historical LACERA practices, and judgment as to the moral principles and behavior that LACERA as an organization strives to follow.

This Code provides ethical standards for LACERA Board members and staff. The Code provides specific guidance for common situations raising ethical issues. However, the Code does not specifically address every issue that Board members and staff will encounter. As to those other situations, the Code should be used and followed as a reference for standards of conduct and the basis for evaluation of facts and circumstances. The Code requires that additional information be requested when a user is unsure as to how the Code should be interpreted or when a user encounters an ethical issue not covered in the Code.

This Code is important:

- To ensure legal compliance with ethics laws and regulations.

- To further best ethical business practices.
- To establish an organization-wide culture and accountability for ethics.
- To foster trust, credibility, and positive relationships between LACERA and all parties necessary for the effective performance of LACERA's **Mission** to *produce, protect and provide the promised benefits*. These parties include others inside the organization, members, the plan sponsor and other participating employers, vendors, the public, and all others with whom LACERA may deal.
- To further LACERA's **Values** and **Vision**, which incorporate ethics, honesty, integrity, fairness, and trust.
- To establish common ethical standards followed by everyone at LACERA, instead of leaving ethics to unguided and possibly inconsistent personal judgment and interpretation.
- To mitigate the legal and business risks associated with ethical issues.
- To further the organization's business goals and objectives.
- To confirm the process for reporting or raising ethical concerns or questions.
- To identify resources for additional information concerning ethics and the applicable laws and regulations.

The Code shall not be construed as the sole source of ethics laws and regulations which must be observed by LACERA Board members and staff. Nothing in this Code shall exempt any person from any other applicable federal, state, or local law or regulation. The standards of ethical conduct in this Code are in addition to any such other laws and regulations.

II. General Ethical Standards

This Code addresses specific ethical requirements in subsequent sections. The application of those specific requirements is summarized in this Section II as General Ethical Standards.

The following General Ethical Standards apply to LACERA Board members and staff:

- Recognize and be accountable for all fiduciary responsibilities.
- Comply with all applicable laws and regulations.
- Conduct all LACERA business in a fair manner, and be honest in all business dealings.
- Strive to provide the highest quality of performance and counsel.
- Avoid any activity which constitutes an actual conflict of interest or which could be perceived or interpreted as a conflict of interest by others.
- Avoid exerting improper influence or being improperly influenced, and the appearance of improper influence or being improperly influenced.
- Exercise prudence and integrity in the management of funds.
- Report to an appropriate person actions which may constitute violations of this Code of Ethical Conduct.
- Be responsible for maintaining professional competence.
- Be respectful, professional, and courteous to all LACERA Board members and staff, LACERA members, and all persons and entities with which LACERA does business or may otherwise interact.
- Maintain the confidentiality of all plan member information and all other confidential or privileged information so designated, including but not limited to information provided for or related to closed sessions of the Boards, which is received from or created or maintained by LACERA.
- To the extent not otherwise covered by the preceding bullets, conduct LACERA business in a manner consistent with:
 - LACERA's **Mission** *to produce, protect, and provide the promised benefits.*
 - LACERA's **Values** *of Professionalism, Respect, Open Communications, Fairness, Integrity, and Teamwork.*
 - LACERA's **Vision** *of Excellence, Commitment, Trust, and Service.*

- All other applicable LACERA policies and procedures.
- Report or seek additional information from an appropriate person, when necessary, concerning ethical questions and issues.

III. Prohibited Transactions

The specific ethical requirements in subsequent sections of the Code define and describe certain prohibited conduct. Those prohibitions are summarized in this Section III as Prohibited Transactions.

LACERA Board members and staff shall not engage in the following Prohibited Transactions:

- Utilizing any property, resources, information, or opportunity of LACERA for personal gain.
- Falsifying or failing to record proper entries on any books or records of LACERA.
- Knowingly becoming a party to, or condoning, any illegal activity.
- Authorizing payment of any amount on behalf of LACERA, or for any purpose, other than that explicitly disclosed in the original request for payment.
- Directly or indirectly seeking or accepting gifts, money, property, or other benefit that would influence or appear to influence the conduct of duties.
- Engaging in or conducting outside activities or offices of financial or personal interest that may conflict with the impartial and objective execution of LACERA business activities.
- Selling or providing goods or services to LACERA without disclosure.
- Utilizing the services of relatives or close personal associates for LACERA business without disclosing such relationship prior to execution and obtaining the appropriate approval.
- Engaging in activities involving dishonesty, fraud, deceit or misrepresentation.
- Engaging in outside employment with any providers of supplies or services to LACERA.
- Engaging in outside employment that would interfere with or hamper expected performance at LACERA.
- Engaging in other activities which compromise or appear to compromise one's objectivity in the conduct of one's duties.
- Releasing to any third person plan member information or other confidential or privileged information so designated, including but not limited to information provided for or related to closed sessions of the Boards, which is received from or created or maintained by LACERA.

- Engaging in any other conduct prohibited by this Code of Ethical Conduct or applicable laws and regulations.

IV. Fiduciary Duties

Members of LACERA's Board of Retirement and Board of Investments have fiduciary duties under the California Constitution and other law. LACERA as an organization also has fiduciary duties, which are implemented through LACERA's employees. Finally, certain of LACERA's vendors have a fiduciary duty to LACERA. This Section IV addresses all three categories of fiduciary duty.

A. Fiduciary Duties of Board Members

The California Constitution, Article XVI, Section 17, defines the fiduciary duties of the LACERA Boards, and the Board members:

- The Boards "shall have plenary authority and fiduciary responsibility for investment of moneys and administration of the system."
- The Boards "shall have the sole and exclusive fiduciary responsibility over the assets of the system. The retirement board also has sole and exclusive responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries. The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and defraying reasonable expenses of administering the system."
- The members of the LACERA Boards "shall discharge their duties 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."
- The member of the LACERA Boards "shall discharge their duties with the care, skill, prudence, and diligence under the prevailing circumstances 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."
- As to the Board of Investments, the members of the Board "shall diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so."

These duties are also included in Section 31595 of CERL.

California case law provides that the Boards and the Board members have a trust relationship with LACERA's members and beneficiaries. This trust relationship means that the Boards and the Board members have a fiduciary duty of prudence and loyalty to members and beneficiaries, which must be exercised in good faith. Further, the Boards and the Board members have a duty to deal fairly with the members and beneficiaries,

without the slightest misrepresentation, concealment, threat, or adverse pressure. *Hittle v. Santa Barbara County Employees Retirement Assn.* (1985) 39 Cal.3d 374.

To perform their fiduciary duties, each member of the LACERA Boards shall diligently attend to the business of the Board on which he or she serves, and shall not leave to the other members of the Board control over the administration of the affairs of such Board.

B. Fiduciary Duties of LACERA, and Staff's Role

LACERA as an organization has the same fiduciary duties. LACERA staff supports the organization, the LACERA Boards, and Board members in the fulfillment of their fiduciary duties as described in Section IV(A) of this Code. Accordingly, LACERA staff shall be familiar with the fiduciary duties described in Section IV(A) and conduct themselves at all times in a manner consistent with those duties. LACERA staff shall take no action inconsistent with those duties. LACERA staff shall avoid any conduct which is, or may be perceived to be, detrimental to LACERA and its members and beneficiaries. In dealing with members, LACERA staff shall be honest and forthright. Staff shall ensure that the information provided to members in connection with their rights, questions, choices and decisions, concerns, and issues is complete and accurate.

C. Fiduciary Duties of Certain Vendors

Certain LACERA vendors have a fiduciary duty to the organization under applicable law or under the terms of a contract with LACERA. LACERA Board members and staff shall be aware of those vendors that owe a fiduciary duty and monitor them to ensure that the vendors comply with that duty.

V. Conflicts of Interest

LACERA Board members and staff shall avoid conflicts of interest, including the appearance of conflicts of interest, in all aspects of their work for LACERA and shall comply with applicable laws and regulations relating to conflicts.

A. Form 700 Statement of Economic Interests

Public officials, including LACERA Board members and certain staff, who make or influence governmental decisions are required to submit Form 700 Statements of Economic Interests. Form 700s are an important tool in the identification of actual or potential conflicts of interest by LACERA Board members and staff. Form 700s are public documents. LACERA Board members and designated staff shall file Form 700s when and as required by applicable law and regulations, which are generally summarized here. Additional information can be obtained from LACERA's Legal Office and from Fair Political Practices Commission publications.

Pursuant to California's Political Reform Act, LACERA's Boards have adopted, and the County of Los Angeles Board of Supervisors has approved as code reviewing authority, a Conflict of Interest Code that requires the filing of a Form 700 by positions "which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest," except positions which manage public investments. Cal. Gov't Code § 87302(a). Persons, including members of the Board of Retirement and identified staff, who file under an agency-adopted Conflict of Interest Code are referred to as "Code Filers." LACERA's Conflict of Interest Code sets forth the positions of all Code Filers and describes the specific economic interest Disclosure Categories that apply to each position.

[There is also a separate Conflict of Interest Code for staff who serve as officers or hold other positions in LACERA's wholly-owned title holding entities.](#)

Separate provisions of the Political Reform Act require positions managing public investments to file a Form 700. Cal. Gov't Code § 87200. Persons who file under Section 87200, including members of the Board of Investments and identified staff, are referred to as "87200 Filers." 87200 Filers are required to disclose investments, interests in real property, income (including gifts, loans, and travel payments), and business positions as described in Form 700 and the Political Reform Act. While 87200 Filers are not subject to LACERA's Conflict of Interest Codes, they are listed as a matter of information in the [Appendix to LACERA's Code](#).

Form 700s shall be filed, both by Code Filers and 87200 Filers, upon assuming an applicable position, annually thereafter, and on leaving an applicable position. Form 700s shall be filled out by all required filers in a timely, accurate, and thorough and complete manner.

B. Gifts, Honoraria, Travel & Loans

The Political Reform Act, and Regulations promulgated thereunder by the Fair Political Practices Commission (FPPC), impose limitations on gifts, honoraria, travel, and loans. The legal rules associated with gifts, honoraria, travel, and loans are lengthy and ~~do not lend themselves to a short summary~~detailed. Additional information can be obtained from LACERA's Legal Office and from FPPC publications. A summary of the general standards with respect to these matters is as follows:

Gifts. LACERA Board of Retirement members and staff who are Code Filers are prohibited from receiving gifts totaling more than the legally established gift limit from any single source in a calendar year, if receipts of gifts from that source are required to be disclosed on Form 700 by LACERA's Conflict of Interest Code. LACERA Board of Investments members and staff who are 87200 Filers may not accept gifts totaling more than the legally established limit from any single source in a calendar year. Even if a gift is not subject to Form 700 reporting or the gift limit, a gift may still create a conflict of interest; therefore, LACERA requires Board members and all staff shall make disclosure to the Legal Office of all gifts from a single source with a combined totaling in excess of equal to or greater than \$50 from a single source in a calendar year from any individual or entity ~~as to which LACERA will take any action~~. Gifts to family members are included in the gift rules under certain circumstances. There are also exceptions to the gift rules for certain gifts; questions should be addressed to LACERA's Legal Office or the FPPC. The gift limit is adjusted biennially. The gift limit for 2015-2016 is \$460; the limit for 2017-2018 is ~~expected to be \$470; , although~~ the limit for any date after December 31, 2018~~6~~ should be confirmed with the LACERA Legal Office or the FPPC. Gifts from a single source with a combined totaling less than \$50 from a single source in a calendar year currently are not reportable under FPPC law and regulations; gifts equal to or in excess of this limit are subject to reporting on Form 700, subject to the requirements and limitations described above. A more detailed SUMMARY OF GIFT LIMITATIONS AND RESTRICTIONS is attached as Appendix A.

Honoraria. LACERA Board of Retirement members and staff who are Code Filers are prohibited from receiving honoraria from any source if receipts of gifts from that source are required to be disclosed on Form 700 by LACERA's Conflict of Interest Code. LACERA Board of Investments members and staff who are 87200 Filers may not accept any honoraria payments. There are certain exceptions to the honoraria rules; questions should be addressed to LACERA's Legal Office or the FPPC. Even if an honorarium is not subject to disclosure, Board members and staff shall make disclosure to the Legal Office of such a payment from any individual or entity as to which LACERA will take any action.

Travel. Payments or reimbursement for travel are subject to the reporting requirements for gifts and income. If a travel payment is a gift, it is subject to the gift limit. A travel payment can also be considered an honorarium. Recusal may be required from any decision that will have a materially foreseeable financial effect on the source of a travel payment. There are exceptions to the travel

rules; additional information can be obtained from LACERA's Legal Office or the FPPC.

Loans. 87200 Filers and elected members of the Boards may not receive a personal loan that exceeds \$250 at any given time from an officer, employee, member, or consultant of LACERA or from any individual or entity that has a contract with LACERA. Ordinary retail loans and credit card transactions are excepted if they are offered on the same terms as generally available to the public. Elected members of the Boards may not receive a loan of \$500 or more unless the loan is made in writing and clearly states the terms. There are other limitations and exceptions. A loan can constitute a gift under certain circumstances. Additional information is available from LACERA's Legal Office or the FPPC.

Board members and staff are prohibited from soliciting any gift or any other consideration (including but not limited to money, service, gratuity, favor, entertainment, hospitality, loan, or other thing of value) from anyone who is doing or is seeking to do business of any kind with LACERA.

Board members and staff are prohibited from accepting any gift from anyone who is doing or is seeking to do business of any kind with LACERA, when the gift is offered with a view toward securing favorable treatment in the awarding of any contract or agreement, or the making of any determination.

All rules relating to gifts, honoraria, travel, and loans are subject to change by the FPPC and other authority. Confirmation of the current rules can be obtained from LACERA's Legal Office or the FPPC.

C. Incompatible Activities/Incompatible Offices

LACERA Board members and staff shall not engage in any employment, activity, or enterprise which is inconsistent, incompatible, in conflict with, or inimical to his or her duties for or on behalf of LACERA, or with the duties, functions, or responsibilities of the position he or she occupies for LACERA. LACERA Board members and staff shall not perform any work, service, or counsel outside his or her responsibilities for LACERA where any part of his or her efforts will be subject to approval by the Boards or any employee of LACERA acting in that capacity. Cal. Gov't Code § 1126.

Board members may not simultaneously hold two public offices where the functions of the offices are inconsistent or where there are conflicting interests. Cal. Gov't Code § 1199.

D. Contracts

LACERA Board members and staff shall not be financially interested, directly or indirectly, in any contract made between LACERA and any individual or entity. The making of a contract includes any participation whatsoever, including the development

of the need for the goods or services subject to the contract, issuance of a Request for Proposals (RFP), Request for Information (RFI), purchase order, or other solicitation or contracting process, evaluation of prospective contracting parties, selection of contracting parties, negotiation of the terms of the contract, and performance of the contract. Cal. Gov't Code § 1090 et seq.

E. Investments

LACERA Board members and staff shall not have any personal interest, direct or indirect, in the making of any investment by LACERA, or in the gains or profits from any investment. Board members and staff shall not, directly or indirectly, for himself or herself, or as an agent or partner of others, sell or provide any investment product to LACERA. Cal Gov't Code § 31528 (a), (b).

F. Disclosure and Recusal

LACERA Board members and staff shall disclose actual or potential conflict of interest, or the appearance of an actual or potential conflict of interest, to the Chief Executive Officer and the Legal Office. Board members and staff shall recuse themselves from involvement, consideration, and decision of a matter as to which the member has an actual conflict of interest. Recusal, or disqualification, is mandatory in certain circumstances, and discretionary in others. Board members and staff should consider recusing themselves from consideration and decision of a matter as to which the member has a potential conflict of interest, or the appearance of an actual or potential conflict of interest. Board members and staff shall consult with the Legal Office on any issue of recusal to discuss legal requirements that may apply to the particular circumstances, including whether recusal is required, whether recusal is an effective remedy for a conflict or potential conflict or whether other steps (up to and including disqualification of an individual or the Board) are necessary, and the way in which recusal, if possible, should be documented.

G. Conflicts of Interest by Vendors

LACERA's contracts shall include appropriate provisions to ensure that there are no conflicts of interest during the contracting process and to prevent conflicts of interest during the term of a contract. Board members and staff should be alert to, and take other appropriate steps to prevent, actual or potential conflicts of interest by vendors in connection with the making or performance of contracts.

VI. Employment of Related and Unrelated Persons

To avoid nepotism or the appearance of nepotism, LACERA may not employ a person who is related to:

- A Board member.
- The Chief Executive Officer.
- Persons serving as an Assistant Executive Officer and any other employee reporting directly to the Chief Executive Officer.
- A division manager.

This prohibition does not prevent the continued employment of a person who has already been working for LACERA in a full time and non-probationary capacity for thirty consecutive days prior to the date the Board member or other individual described above acquired their position, or the related party became related. If a related party is retained under these circumstances, any actual or potential conflict of interest must still be corrected or sufficiently mitigated.

Related parties of other LACERA staff may be considered for employment by LACERA provided the applicant possesses all the qualifications for employment. Such a related party may not be hired for or assigned to a position which would either:

1. Create either a direct or indirect supervisor/subordinate relationship with a related party; or
2. Create either an actual conflict of interest or the appearance of a conflict of interest.

These criteria will also be considered when assigning, transferring, or promoting a staff member.

For purposes of this policy, related parties include:

- Spouse, parent or grandparent, child or grandchild, or sibling.
- First degree aunt, uncle, niece, nephew or cousin.
- Any “step” or “in-law” variant of the aforementioned relationships.
- Any member of the employee’s household, whether or not related.

A LACERA Board member or staff may not exercise discretionary authority to hire, evaluate or promote a related party under any circumstances, even when otherwise permitted under the standards above.

Board members and staff may participate in the hiring process for any person, whether related or unrelated, only in accordance with established LACERA policies and procedures and shall not use or attempt to use influence outside of their individual hiring authority to cause the organization to hire any individual as a permanent or temporary LACERA employee. Board members and staff may refer individuals interested in potential employment to LACERA's Human Resources.

VII. Contracting and Vendor Relationships

LACERA Board members and staff shall not have contact with individuals or entities who are seeking engagement by LACERA in response to an RFP, RFI, purchase order, or other solicitation or contracting process, except in accordance with the published terms of the contracting process or except for, and limited to, contact necessary in connection with ongoing LACERA business with an individual or entity.

LACERA's RFPs, RFIs, and other contract solicitations shall include notice that a "quiet period" will be in place from the beginning of the contracting process until the selection of the successful party such that LACERA Board members and staff, as well as potential contracting parties, are instructed that contact between Board members and staff, on the one hand, and all potential contracting parties, on the other hand, shall not occur, except as provided in the preceding paragraph. As part of the contracting process, potential contracting parties shall be required to disclose potential conflicts of interest.

LACERA Board members and staff shall participate in the contracting process only in accordance with established LACERA policies and procedures, and the published terms of the process. Board members and staff shall not use or attempt to use influence, outside of their individual authority to cause the organization to enter into a contract with any individual or entity. Board members and staff may refer individuals or entities for consideration for contracting to the appropriate LACERA staff responsible for the particular procurement or contract process.

VIII. Use of LACERA Position, Resources, and Information

LACERA Board members and staff shall not use their position or status with LACERA, LACERA property, funds, or other resources, or LACERA information, including plan member information, investment information, and other information concerning LACERA's business, for any personal purpose or gain, to secure any special privilege or exemption for himself or herself or any other individual or entity, or to assist or further the interests of any other individual or entity except in the normal course of LACERA's business. LACERA position, resources and information are to be exclusively used for LACERA business.

Board members and staff shall maintain the confidentiality of plan member information. Cal. Gov't Code § 31532.

Disclosures of public LACERA information pursuant to the Public Records Act shall be handled by the Legal Office to ensure compliance with legal requirements, consistency, and proper recordkeeping.

Board members and staff shall not disclose information acquired during a closed session of the Board unless the Board takes action to authorize disclosure. Cal. Gov't Code § 54963.

Board members and staff shall not, directly or indirectly, for himself or herself, or as an agent or partner of others, borrow or use any of the funds or deposits of LACERA, except to make authorized current and necessary payments of the retirement system. Cal. Gov't Code § 31528(a).

IX. Personal Conduct and Communication

LACERA Board members and staff shall adhere to the following standards in their personal conduct in performing their work on behalf of LACERA:

- Board members and staff shall conduct themselves in accordance with this Code of Ethical Conduct.
- Board members and staff shall abide all applicable laws and regulations.
- Board members and staff shall act in a manner consistent with LACERA's **Mission, Values, and Vision** and shall follow all LACERA policies and procedures.
- Board members and staff shall treat similarly situated individuals and entities in a similar way, absent good cause, in the conduct of LACERA's business and decision-making to ensure consistency and fairness.
- Board members and staff shall communicate with, orally and in writing, and otherwise in all respects and at all times treat each other and all others in a respectful, professional, courteous, and civil manner.

A Board member shall not correspond with a non-LACERA person or entity using LACERA letterhead unless the communication is authorized by the Board on which the member serves. Copies of all written communications from a Board member to a current service provider, or person or entity related to a current service provider, relating to LACERA's business (other than purely personal or social correspondence) shall be provided to the Chief Executive Officer for subsequent distribution to all members of the Board on which the member serves. A copy of any written communication (other than purely personal or social correspondence, routine announcements, generally distributed newsletters, and the like) received by a Board member from a current LACERA service provider, or person or entity related to a current service provider, shall be forwarded to the Chief Executive Officer for subsequent distribution to all members of the Board on which the member serves.

Board members and staff shall be aware of the risk of communicating inaccurate information to plan members. Board members and staff shall refrain from providing specific advice or counsel with respect to a plan member's rights, benefits, or obligations, except staff who are authorized to communicate with members on such matters. All others should refer plan member questions and concerns to the Chief Executive Officer or appropriate designee.

X. Political Activities

LACERA Board members and staff may work on individual candidate and ballot campaigns, and attend campaign events, during their personal time. They may make campaign contributions using personal funds, subject to applicable campaign finance laws. No LACERA funds, property, technology, letterhead, logo, or other resources may be used by LACERA Board members and staff to support personal political activities. LACERA Board members and staff may not solicit political contributions to a candidate or ballot campaign from other Board members and staff except (1) as part of a solicitation that is made to a significant segment of the public or (2) with respect to a ballot measure which would affect the rate of pay, hours of work, retirement, civil service, or other working conditions of LACERA employees; solicitations permitted by these two exceptions may only be made on personal time. LACERA Board members and staff may not use their influence or make any threats or promises relating to potential or current employment, promotion, or compensation to secure a vote or financial or other support for a candidate or ballot campaign. Cal. Gov't Code §§ 3201 et seq. LACERA Board members and staff may use their LACERA position to identify themselves when making an endorsement, provided that no statement may be made or action taken directly or indirectly indicating that the person represents LACERA in making the endorsement or that the endorsement is supported by or represents the position of LACERA, except when providing information authorized by the Boards. Nothing in this section is intended to impose any limitation on the personal political activities of LACERA Board members and staff not permitted by California law.

X-XI. Leaving LACERA

A. Prospective Employment

LACERA Board members and all staff shall not make, participate in making, or influence a decision by LACERA that directly relates to a nongovernmental prospective employer while negotiating or after reaching an employment agreement. The foregoing prohibition is triggered by an interview with a nongovernmental prospective employer or a nongovernmental prospective employer's agent, discussing an offer of employment with a nongovernmental prospective employer or a nongovernmental prospective employer's agent, or accepting an offer of employment. The foregoing prohibition does not apply if the Board member or staff is legally required to make or participate in the making of the decision or if the decision affects the nongovernmental prospective employer in substantially the same way as it will affect a significant segment of the public generally. Cal. Gov't Code § 87407.

B. Limitations on Subsequent Activities

LACERA Boards members, the Chief Executive Officer, Assistant Executive Officers, persons next in line to Assistant Executive Officers, Chief Counsel, chief deputy legal officers, the Chief Investment Officer, and persons next in line to the Chief Investment Officer shall not, for two years after leaving that position, for compensation, act as agent or attorney for, or otherwise represent, any person except the County of Los Angeles, by making any formal or informal appearance before, or any oral or written communication to, LACERA, or any Board member or employee of LACERA, for the purpose of influencing action by LACERA, including any action involving the awarding or issuance of a contract or sale or purchase of goods or property. Cal. Gov't Code § 31528(c).

~~XI.XII.~~ Reporting

Reporting of ethical issues is an important element of ensuring compliance with ethical requirements. Any concerns by Board members and staff about possible violations of this Code of Ethical Conduct or other ethical issues shall be reported to the Chief Executive Officer, the Chief Audit Executive, or Chief Counsel. Board members may also report concerns to their Board Chair. Staff may also report ethical issues to their immediate supervisor or division manager.

Concerns may be reported anonymously at the Internal Audit Hotline, which may be reached externally at (626) 564-6000, extension 2040, or internally by dialing extension 2040 directly.

XII.XIII. Enforcement

LACERA's Chief Executive Officer is responsible for communicating, implementing and enforcing the Code of Ethical Conduct with respect to LACERA staff. The Board Chairs will enforce this Code with respect to Board members and the Chief Executive Officer in accordance with Board administrative policies and applicable laws.

Violations of any of the provisions of the Code by staff may result in disciplinary action as the situation may warrant, up to and including termination of employment. Violations by Board members will be handled in accordance with Board Regulations, Bylaws, and policies and applicable law.

Questions on this matter should be referred to LACERA's Director of Human Resources, Internal Audit, or the Legal Office.

XIII.XIV. Training

LACERA management will provide training to new staff on this Code of Ethical Conduct as part of the new employee orientation. Management will provide training to existing staff on this Code at least every two years.

Management will include discussion of this Code in the training for new and incoming Board members. The Code will be circulated to all Board members at least every two years.

XIV.XV. Resources

Board members and staff may refer to the following resources for additional information concerning this Code, questions concerning the application and interpretation of the Code to specific situations, and other issues concerning ethics and ethical conduct relevant to the performance of their duties and work for LACERA and its members and beneficiaries.

A. LACERA's Legal Office

The LACERA Legal Office is familiar with the laws and regulations that form the foundation for this Code. The Legal Office is experienced in applying those laws and regulations to specific situations. The Legal Office is available at any time to provide additional information concerning ethics questions and issues and provide written or oral advice or opinions with respect to specific situations. The Legal Office will respond to information about potential ethical issues, concerns, and violations in the LACERA organization and take appropriate action. Questions for the Legal Office should be directed to LACERA's Chief Counsel.

B. LACERA's Internal Audit Division/Audit Hotline

LACERA's Internal Audit Division will respond to information concerning ethical issues, problems, and concerns regarding acts or omissions in connection with LACERA's operations and will take appropriate action. Questions for the Internal Audit Division should be directed to LACERA's Chief Audit Executive. The Internal Audit Division may also be contacted anonymously on the Internal Audit Hotline, which may be reached externally at (626) 564-6000, extension 2040, or internally by dialing extension 2040 directly.

C. LACERA's Conflict of Interest Code

Board members and staff should refer to LACERA's current Conflict of Interest Code, which is available on LACERA's website, www.lacera.com, with respect to LACERA's requirements for the filing of Form 700 Statements of Economic Interests.

D. California Constitution

The California Constitution, Article XVI, Section 17, which sets forth the fiduciary duties of the Board and Board members and the retirement system, is available on line at https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CONS&division=&title=&part=&chapter=&article=XVI http://www.leginfo.ca.gov/const/article_16.

E. CERL

CERL, California Government Code §§ 31450 et seq., is available online at https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=

[GOV&division=4.&title=3.&part=3.&chapter=3.&article=http://www.leginfo.ca.gov/html/gov_table_of_contents.html](http://www.leginfo.ca.gov/html/gov_table_of_contents.html).

F. California Government Code Section 1090 et seq.

Conflict of interest rules relating to financial interest in the making of contracts, incompatible activities, and incompatible offices are contained in California Government Code Section 1090 et seq., which is available online at https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=4.&title=1.&part=&chapter=1.&article=4. <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=01001-02000&file=1090-1099>.

G. California Government Code Section 3201 et seq.

Rules regarding political activities are contained in California Government Code Section 3201 et seq., which is available on line at [https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=4.&title=1.&part=&chapter=9.5.&article=.](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=4.&title=1.&part=&chapter=9.5.&article=)

G.H. Other California Statutes

Other California statutes relating to ethics issues are available online at <https://leginfo.legislature.ca.gov/faces/codes.xhtml> <http://www.leginfo.ca.gov/calaw.html>.

H.I. Fair Political Practices Commission

The California Fair Political Practices Commission (FPPC) has a large number of resources available concerning ethics issues under the Political Reform Act, FPPC Regulations, and related law. FPPC resources include:

1. Website: www.fppc.ca.gov/.
2. FPPC Publications available on the website:
 - a. Form 700 Statement of Economic Interests, and Form 700 Statement of Economic Interests Reference Pamphlet.
 - b. Limitations and Restrictions on Gifts, Honoraria, Travel and Loans: A Fact Sheet for Local Officials.
 - c. Recognizing Conflicts of Interest: A Guide to the Conflict of Interest Rules of the Political Reform Act.
 - d. Leaving Local Government Employment.
 - e. Political Reform Act, including the full text of the law.
 - f. FPPC Regulations, including the full text of the regulations.

- g. FPPC Letters and Opinions, including a searchable database of letter and opinions issued by the FPPC on ethical issues.

3. Campaign Rules/Finance. <http://www.fppc.ca.gov/learn/campaign-rules.html>.

- ~~3.4.~~ 4. Advice and Enforcement. The FPPC offers informal and formal advice on ethical issues and has procedures for making a complaint. Instructions for seeking advice or making a complaint are on the FPPC website.

I-J. **California Attorney General Conflict of Interest Guide**

The California Attorney General has published a Conflict of Interest Guide which contains information on a wide range of conflict of interest issues. Although the Guide was last updated in 2010, it remains a useful reference. The Guide is available online at <https://oag.ca.gov/sites/all/files/agweb/pdfs/publications/coi.pdf>.

K. **Los Angeles County Registrar-Recorder/County Clerk**

Information concerning Los Angeles County campaign rules and finance can be obtained at <https://lavote.net/home/voting-elections/candidate-measure-information/campaign-finance-prop-b-reporting/campaign-disclosure-information>.

J-L. **Los Angeles County Fraud Hotline**

Ethical concerns may be reported to the Los Angeles County Fraud Hotline, <http://fraud.lacounty.gov/>. The County Fraud Hotline will not generally investigate LACERA issues, but it will forward concerns to LACERA for response.

~~XV.XVI.~~ **Review of Code**

This Code shall be reviewed by the Board of Retirement and Board of Investments every ~~five~~-~~three~~ years. The Legal Office and Internal Audit shall monitor applicable laws, regulations, and best practices on an ongoing basis and shall request amendment of the Code when deemed necessary and appropriate. This Code may be amended by action of both Boards at any time.

APPENDIX A – SUMMARY OF GIFT LIMITATIONS AND RESTRICTIONS

WHAT IS A GIFT? A “gift” is any payment or other benefit that confers a personal benefit for which you do not provide payment or services of equal or greater value. Gifts are valued at fair market value as of the time the gift is received. Gifts include price discounts and rebates, unless generally available to the public. Gifts are income reportable on Form 700, Schedule D or E, subject to applicable rules and exceptions, including those below.

Examples of Gift Exceptions (no reporting/no dollar limit/no conflict of interest):

1. Items returned unused to the donor, or for which you reimburse the donor, within 30 days.
2. Items donated unused, within 30 days of receipt, to (a) a 501(c)(3) non-profit with which you do not hold a position, or (b) a government agency. You cannot claim a tax deduction.
3. Gifts from a family member (spouse or former spouse, child, parent, grandparent, grandchild, sibling, current or former parent-in-law, siblings-in-law, aunt, uncle, niece, nephew, or first cousin, or the spouse of any such person), unless the family member is acting for another person.
4. Informational material provided to assist you in performing your official duties, including books, periodicals, videos, admission or discounts to informational conferences, demonstrations, or tours. This exception does NOT apply to meals, lodging, or (generally) transportation.
5. Tickets that you do not use and do not give to another person.
6. Two tickets, used by you and one guest, to attend a fundraiser for a campaign committee or candidate or a 501(c)(3) non-profit, provided the tickets are received from the organizer.
7. Items provided to LACERA and used by you for official business.
8. Travel payments made to LACERA and used to pay for your official business travel.

Examples of Limited Gift Exceptions:

1. Gifts commonly received from a dating partner, long-time personal friend, existing personal or business relationship unrelated to LACERA, or as an act of human compassion (no reporting or dollar limit, but these exceptions do not apply if person has LACERA business).
2. Wedding gifts received (not subject to dollar limit but reportable on Form 700 if meet gift threshold, with ½ of value reportable by each spouse; disqualification applies if donor has LACERA business).
3. Gifts commonly exchanged on holidays, birthdays, or similar occasions to the extent the gifts exchanged are not disproportionate in value.
4. Reciprocal exchanges with another individual (e.g., rotating lunches) so long as payments are not substantially disproportionate, payments are roughly equal over any calendar year, and no single payment is greater than the gift limit.
5. Travel payments for actual transportation, meals, and lodging the day of, day before, and day after you give a speech for a legitimate LACERA business purpose or on a state/national policy issue. Such payments are reportable on Form 700 and subject to conflict of interest disqualification.

GIFT LIMITS

Gifts with a combined total of under \$50 from a single source for the calendar year need not be disclosed. Gifts greater than the gift limit below in any 12-month period may require disqualification.

Board of Retirement and Staff Identified in LACERA Conflict of Interest Code (“Code Filers”):

For 2016, you may not accept gifts from a single source with a combined total of more than \$460 for the calendar year if the Code requires you to report gifts from that source on your Form 700. For 2017-18, the limit increases to \$470.

Board of Investments and Staff Identified in Appendix to the Conflict of Interest Code (“87200 Filers”):

For 2016, you may not accept gifts from ANY single source with a combined total of more than \$460 for the calendar year. For 2017-18, the limit increases to \$470.


IMPORTANT NOTE: This document is only a summary of applicable law as of December 2016; additional rules apply. Any gift may create the appearance of a conflict of interest. Please contact the LACERA Legal Office with any questions. This summary will be updated as needed.



December 5, 2016

To: Each Member
Board of Retirement

From: Robert Hill 
Assistant Executive Officer

John Nogales 
Director of Human Resources

James Pu 
Chief Information Officer

For: December 15, 2016 Board of Retirement Meeting

SUBJECT: INFORMATION TECHNOLOGY CLASSIFICATIONS

RECOMMENDATION

IT IS RECOMMENDED THAT THE BOARD OF RETIREMENT:

- 1. Approve the following new information technology classifications:**
 - Chief Technology Officer, LACERA, LS15
 - Chief Information Security Officer, LACERA, LS14
 - Information Technology Manager I, LACERA, LS11
 - Information Technology Manager II, LACERA, LS12
 - Information Technology Specialist I, LACERA, 114A
 - Information Technology Specialist II, LACERA, 119C
- 2. Approve revising the following information technology classifications to adjust salaries to market levels:**
 - Information Systems Manager, LACERA, from LS13 to LS17
 - Assistant Information Systems Manager, LACERA, from LS11 to LS12
- 3. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new and revised information technology classifications by amending the Los Angeles County Salary Code Sections 6.28.050 and 6.127.010, allowable by the County Employees Retirement Law of 1937 Section 31522.1 (Attachment A: CERL 31522.1)**

Background

During the FY2016-2017 budget hearing, staff articulated LACERA's significant information technology (IT) hiring and retention challenges. With the intensifying rate of IT growth unmatched by any other operating sector, LACERA's IT compensation levels have not kept pace with market demands. Whereas we prefer to hire qualified permanent employees to fill our needs, the compensation disconnect has substantially prevented any measure of success. At that time, your Board directed staff to prioritize our efforts toward a solution.

To better understand our landscape and as part of our due diligence, we visited the Los Angeles County Treasure Tax Collector, Auditor Controller, Assessor, and spoke with Internal Services Department (ISD) to discuss their IT hiring perspectives. We first learned that most other County departments utilize ISD for IT infrastructure, engineering, and development. The individual Departments' in-house IT staff are mostly tasked for operations. Most importantly, we learned that although these Departments do not employ the full-spectrum of IT professionals as LACERA does, we are all experiencing similar challenges with hiring full-time, well-qualified IT professionals.

As we presented our findings to the Operations Oversight Committee in August 2016, LACERA differentiates from most other County departments because our IT program is fully self-reliant and fully in-house managed. Considering LACERA's uniquely extensive portfolio of IT services and the level of complexity, our staffing needs are accordingly greater both in expertise and head count. The continually advancing IT dependency coupled with the ever-rising security threats have set the stage for fierce competition for qualified talents.

As IT becomes more structured and specialized, LACERA also lacks the competitive classifications to support the broad range of required IT professionals, including management and highly-specialized technical employees. These factors contributed to our current IT staffing condition, which leaves many important positions unfilled. Mounting operational and security risks can be expected unless we quickly take steps to correct our abilities to hire and retain qualified employees. Additionally, similar to other County agencies including ISD, utilizing contract workers is a necessary component of a successful IT program. For LACERA, contract-to-hire is one effective method for us to acquire quality permanent employees. We also noted that, despite the significant technology growth at LACERA, staffing levels have remained mostly static. Although we have managed to adapt to the increasing workloads, additional staffing will be required to sustain our expanding operation. Therefore, in addition to establishing the proper classifications, we anticipate the need to increase staffing levels over the next several years in areas such as information security, development, and system engineering.

Recognizing that, if remain unresolved, these issues can place LACERA at serious risk, the Committee tasked staff to quickly develop remedies. The Committee also directed staff to look ahead and construct an organization that can undergird our operation for years to come. During the meeting, staff presented a multi-tiered plan to position LACERA as a competitive technology employer with the required growth in mind. Coupled with the Committee's directives, our objectives were to 1) develop a comprehensive solution that will provide LACERA with the required spectrum of IT staffing, 2) ensure the solution can weather the foreseeable increasing market demands and 3) structure an implementation timeline that can quickly provide the needed relief to our current situation.

Our plan included the following deliverables and components:

1. Revise and update existing classifications and create new classifications
 - o Revise and update existing classifications to market-competitive compensation levels
 - o Create new classifications at market-competitive compensation levels to support specialization and new technology areas
2. Create a competitive technical career track
 - o Create a compensation-competitive technical track for non-supervisory, highly-technical employees
3. Formalize contractor utilization
 - o Standardize contracting agency relationships and formalize contracting budgets

We have presently reached several key milestones and are seeking approval from your Board in order to advance our plan. Below are details on the progress, timelines, budget impacts, requested positions, and operational logistics for implementation.

Progress

Revise and update existing classifications and create new classifications as needed

LACERA's previous IT compensation study was in 2002. A current study was necessary to determine the current and prevailing market demands. LACERA Human Resources engaged Aon Hewitt-Radford (Radford), a consultant specializing in IT compensation, to study the salary levels based upon LACERA's staffing requirements. Responding to the Committee's directive, we developed a functional IT organizational chart (Attachment B:

Organizational Chart) that manifests both today's needs and the anticipated growth. Not intended to represent today's operational structures, this Organizational Chart instead provides a scope of our desired functional structure and a roadmap for us to evolve our operational framework. Accordingly, the Organizational Chart contains our existing positions and the required new positions. The highlighted boxes represent our current focus areas. Radford used this Organizational Chart to determine the prevailing compensation levels using comparative market data from Northern California, Southern California, and other appropriate industry segments. The resulting report is the basis for us to revise the existing classifications, salary levels, and create new classifications.

Recognizing the criticality of LACERA's IT obligations, our foremost desire is to utilize well-qualified permanent employees. The intent of this exercise is therefore to update the IT compensation for current and future classifications to competitive levels, thereby positioning LACERA to effectively compete in the marketplace. The Radford Memorandum (Attachment C: Radford Memorandum) is a summary of Radford's Study. The Peer Group report (Attachment D: Peer Groups) is a report correlating our proposed classifications with both the Radford data and the comparable County classifications. Radford's Study revealed that private sector employers often offer equity, bonuses, and other incentives as additional leverage. Although LACERA offers a defined benefit plan and other benefits, we found that dollar-for-dollar, the County Plan often did not rise to the private sector's value propositions. This suggested that, in some cases, LACERA's compensation strategy must be particularly salary-competitive. During this meeting, Radford will be making a presentation to your Board.

Create a competitive technical career track

The Radford Study and the Organizational Chart provided a framework for creating the necessary technical career track classifications. As discreet technology areas broaden and become increasingly complex, a technical career track is required to recruit and retain those with expert skills but do not wish to be in a leadership role. In some cases, compensation commanded by technical experts can be equal to or greater than management classifications. A technical career track will allow individuals to select their preferred career path and receive fair compensation without having to accept a leadership position.

Formalize contractor utilization

We are in the process of developing a standardized contract language to be used with IT contracting agencies. We plan to leverage ISD's established IT contracting framework and pre-approved vendors where appropriate. Staff will return to your Board in the near future to seek approval to advance this objective.

Timeline and Planning

To position ourselves to take action during the Fiscal Year 2017-2018 Budget Cycle and expedite the implementation, this matter is being brought directly to your Board under the approval of the Chair of the Board of Retirement and Chair of the Operations Oversight Committee.

Inasmuch as the Committee asked us to look ahead and ensure that we deliver a long-lasting solution, we are balancing that objective with efficiency to further reduce delay risk and streamline the implementation with the following key operators:

- Utilize existing County classifications for LACERA adoption wherever possible
- **Phased, multi-year implementation—year one (FY2017-2018) provides priorities to the classifications for specialized, security, and key management personnel**
- **Return to the Boards in future years for additional classifications as needed**
- Plan for regular IT compensation studies, at five-year intervals or as market demands
- Upon your Board’s approval of these classifications, staff will utilize the classifications to request new positions during the FY 2017-2018 Budget Cycle

Any new staffing positions will be approved by the Boards as part of the currently established budget approval process, described in the section immediately following.

Proposed Classifications

To meet our near-term imperatives, we are requesting the following new classifications to be added to the County Code

New classifications

LA County Payroll Title	LACERA Functional Title	Range & Max Salary
Chief Information Security Officer (CIO), LACERA	Chief Information Security Officer	LS14, \$16,332
Chief Deputy Director, Chief Information Officer, LACERA	Chief Technology Officer	LS15, \$17,558
Information Technology Manager I, LACERA	Various *	LS11, \$13,147
Information Technology Manager II, LACERA	Various *	LS12, \$13,717
Information Technology Specialist I, LACERA	Various * Technical career track	114A, \$12,089

Information Technology Classifications

December 5, 2016

Page 6

Information Technology Specialist II, LACERA	Various * Technical career track	119C, \$13,915
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* Classifications applicable to various positions

Revisions to existing classifications to adjust salary to market levels

LACERA Payroll Title	Current Range & Max Salary	Revised Range & Max Salary
Information Systems Manager, LACERA	LS13, \$14,746	LS17, \$19,692
Assistant Information Systems Manager, LACERA	LS11, \$12,760	LS12, \$13,717

The above classifications provide for the following:

- The creation of a dedicated IT security operation and a Chief Information Security Officer (CISO)
- The creation of a technical career track with compensation levels to support expert level employees
- Revised key management compensation levels to hire and retain qualified staff

Procedure for Establishing New and Revised Classifications

LACERA's Human Resources (HR) has drafted new classification specifications (Attachment E: Classifications) with the consideration of salary recommendations obtained from Radford's Information Technology Compensation Study and in alignment with existing Los Angeles County comparable positions. The salary recommendations were based on Radford's 50th percentile market data.

Upon approval from the Board of Retirement and Board of Investments, HR will prepare a memorandum to the Los Angeles County's Chief Executive Office (CEO) which will include the classification specifications, salary schedule(s) and physical class requirement forms to the CEO Classification and Compensation Team to inform them of the new classifications, salary schedule, and physical class. The CEO Class and Compensation Team will review the submitted documents to assure all necessary information is provided in order to add the classifications to the County's Payroll System and will then issue LACERA item numbers for the new classifications. Once the item numbers are received, HR Staff, with LACERA Legal Division's oversight, will prepare and submit an ordinance amending Sections 6.28.050 and 6.127.010 of LACERA's Salary Code to Los Angeles County Counsel for their approval. Upon County Counsel's approval, LACERA's HR will submit the Ordinance Amendment to the Board of Supervisors for adoption.

Impact to Budget

It is important to emphasize that the herein recommended **Board actions for new classifications, upon approval, solely makes those classifications available to LACERA.** It **does not** automatically turn those classifications into open positions for hiring. Your Board retains the oversight to approve ***any*** new positions during the normal budget approval process. Further, new classifications will be subject to the established Civil Service Process.

If your Board approves adding the proposed classifications to LACERA's Ordinance as outlined in the next section **and approves the anticipated position requests as a part of the normal FY2017-2018 budget approval process,** the estimated increase in Salary and Employee Benefits (S&EB) will be \$794,412, which is an 8.0% increase over the FY2016-2017 IT budget, or a 1.3% increase of LACERA's organizational S&EB budget. The table below provides the budgetary comparisons:

	<u>FY2016-2017 S&EB¹</u>	<u>FY2017-2018 S&EB (Estimated²)</u>	<u>Delta</u>
IT only	\$9,986,009	\$10,780,421	8.0%
LACERA	\$60,522,284	\$61,316,696	1.3%

¹ Based on FY2016-2017 budget request

² Based on anticipated FY2017-2018 new position requests and anticipated hiring plans

The above table resolves to the following positions (FTE = Full Time Employee):

- 1.0 FTE Information Systems Manager (existing, revised salary)
- 1.0 FTE Assistant Information Systems Manager (existing, revised salary)
- 0.5 FTE Chief Information Security Officer (new, mid-year hire)
- 0.5 FTE Information Technology Manager I (new, quantity 2, mid-year hire)
- 0.5 FTE Information Technology Manager II (new, mid-year hire)
- 0.5 Information Technology Specialist I (new, quantity 2, mid-year hire)
- 0.5 Information Technology Specialist II (new, quantity 2, mid-year hire)
- 0.0 Chief Technology Officer (future need, not included in FY2017-2018)

For consideration, it is important to point out that over the past ten years, the net IT S&EB/staff count growth has notably lagged in comparison to the substantial growth in our IT operations. This will be our first step to realign our classifications with operational demands.

RECOMMENDATION

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

- 1. Approve the following new information technology classifications:**
 - Chief Technology Officer, LACERA, LS15
 - Chief Information Security Officer, LACERA, LS14
 - Information Technology Manager I, LACERA, LS11
 - Information Technology Manager II, LACERA, LS12
 - Information Technology Specialist I, LACERA, 114A
 - Information Technology Specialist II, LACERA, 119C

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- 3. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new and revised information technology classifications by amending the Los Angeles County Salary Code Sections 6.28.050 and 6.127.010, allowable by the County Employees Retirement Law of 1937 Section 31522.1 (Attachment A: CERL 31522.1)**

Attachments

- A: CERL 31522.1
- B: Organizational Chart
- C: Radford Memorandum
- D: Peer Groups
- E: Classifications

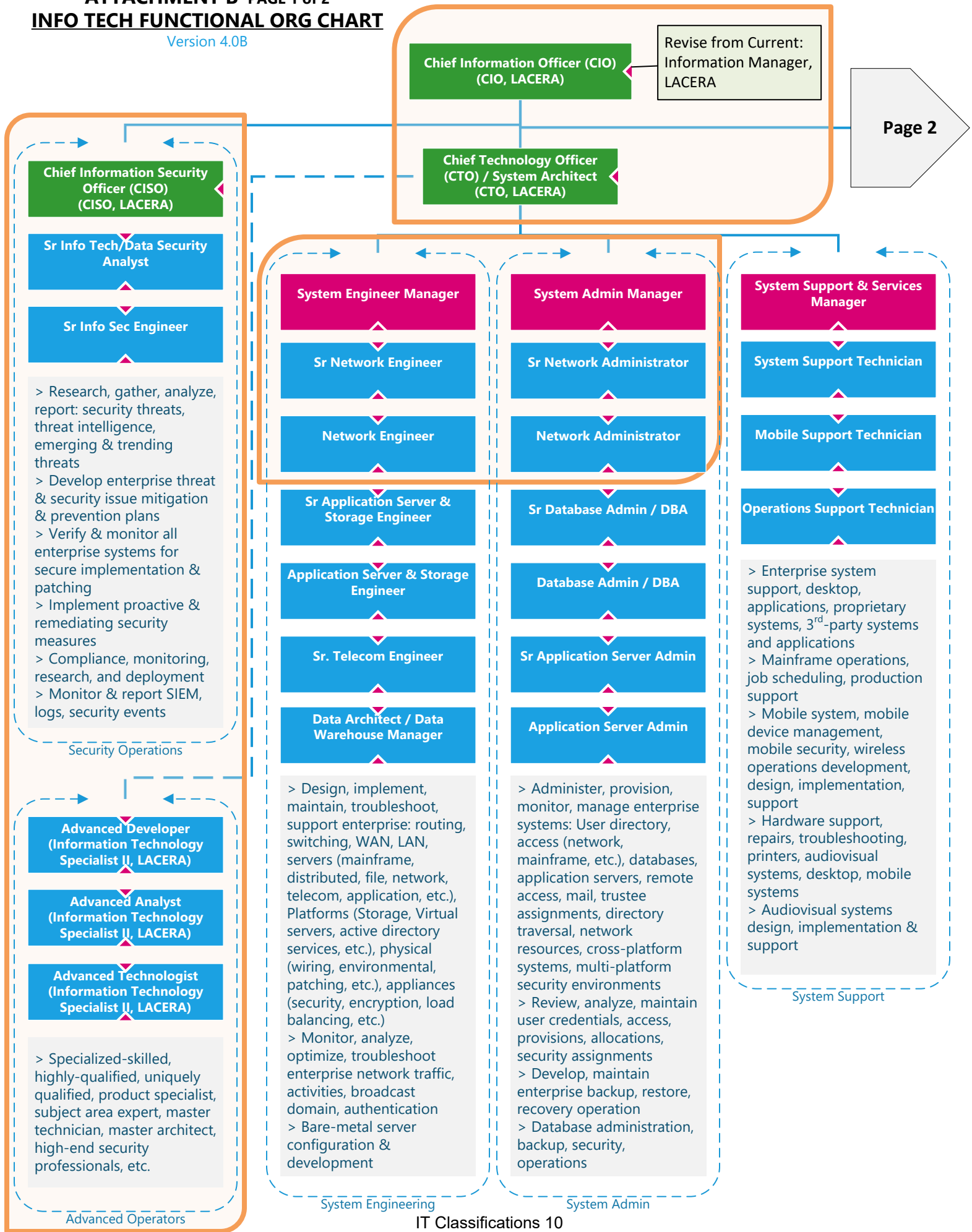
ATTACHMENT A

CERL SECTIONS PROVIDING RETIREMENT BOARD AUTHORITY OVER PERSONNEL

31522.1. The board of retirement and both the board of retirement and the board of investment may appoint such administrative, technical, and clerical staff personnel as are required to accomplish the necessary work of the boards. The appointments shall be made from eligible lists created in accordance with the civil service or merit system rules of the county in which the retirement system governed by the boards is situated. The personnel shall be county employees and shall be subject to the county civil service or merit system rules and shall be included in the salary ordinance or resolution adopted by the board of supervisors for the compensation of county officers and employees.

ATTACHMENT B PAGE 1 of 2
INFO TECH FUNCTIONAL ORG CHART

Version 4.0B

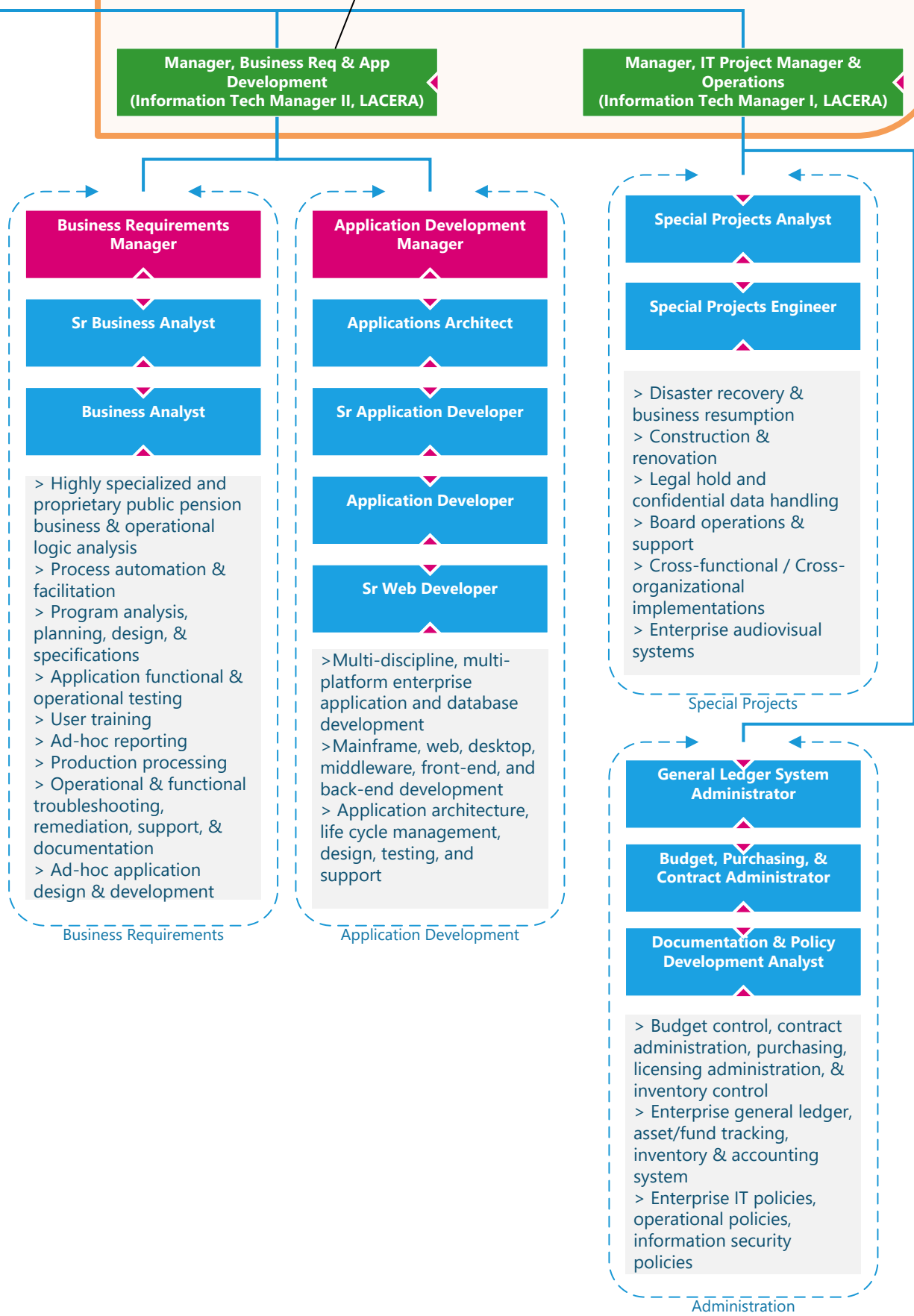


ATTACHMENT B PAGE 2 of 2
INFO TECH FUNCTIONAL ORG CHART

Version 4.0B

Page 1

Revise from current: Assistant Information Manager, LACERA



ATTACHMENT C RADFORD MEMORANDUM

November 29, 2016

John Nogales
LACERA

Dear John,

Radford was first engaged by LACERA to provide market data and intelligence concerning expected roles in the technology industry. This included the following points:

- Matching of LACERA's job roles
 - Based on descriptions provided by LACERA of anticipated job duties, skills and responsibilities, Radford matched LACERA's roles to existing Radford survey job families
 - Radford provided leveling criteria for LACERA to use in evaluating and establishing Radford job category and level within job family
 - Radford combined the family match provided by Radford with the job category and level match provided by LACERA to create survey job matches for each expected LACERA position

- Market data
 - Based on feedback and insight from LACERA, Radford created four market data sets ("peer groups") for comparison to LACERA data.
 - Los Angeles Broader Technology
 - All technology companies reporting employee data for roles in the Los Angeles area
 - Los Angeles Software
 - All software products and services companies reporting employee data for roles in the Los Angeles area
 - Tier 1 Technology Peer Companies - San Francisco Bay Area
 - A group of companies selected by LACERA reporting employee data for the San Francisco Bay Area
 - Tier 1 Technology Peer Companies - Adjusted
 - This group used the Technology Peer Companies in the San Francisco Bay Area data, but adjusted base salary amounts downward by 10% (90% of San Francisco Bay Area rate) to reflect typical difference between the San Francisco Bay Area and Southern California as reflected in Radford data

Data on base salary, incentive payments, and equity grants for each job matched in each peer group were provided to LACERA for internal evaluation of competitive position.

- Market data insight and explanation
 - Radford held an on-site meeting with LACERA Human Resources and Information Technology to confirm job matches, communicate market compensation data, and provide insight on technology company compensation and talent practices

For the second portion of the engagement, Radford was asked to provide insight into current talent and compensation trends in the technology industry. These are as follows:

- **Intense competition -- and the resulting significant rise in compensation cost** -- for certain types and levels of technical talent has left companies somewhat “exhausted” and looking for an alternative to simply offering more and more cash to attract and retain talent
 - This has resulted in companies starting to emphasize the employment “brand” and value proposition – that is, moving to identify and leverage the external perception, workplace strengths and career opportunities provided by a company above and beyond compensation value
 - Common areas included in evaluating and developing the employee value proposition are benefits, career opportunity, employee development opportunities and working environment
 - Companies have further expanded on this concept by focusing their staffing and talent approaches on those prospects and employees for whom the company’s brand and value proposition will most strongly resonate

- From a compensation standpoint, US technology companies appear to be following some common practices
 - Merit increases of approximately 3 to 3.2% of base salary in most cases, with relatively little variation across employees
 - Participation for most technical employees in a formal bonus plan with targets set as a percent of base salary and a relatively high receipt rate
 - An increase in the amount of new-hire equity given – often to offset or “buy out” the equity received from the previous employer
 - A reduction in the use of broad equity grants for individual contributor technical talent, but with an increase in particularly large and differentiated equity grants for key performers (“lightning strikes”)

- The constant pace of change and improvement in the technology industry has resulted in changes in talent needs
 - To meet demands for technology improvements while maintaining service levels, companies need to attract and develop both talent with broad and strategic knowledge across multiple areas (“floodlight talent”) and highly-specialized deep technical knowledge in focused areas (“flashlight talent”)
 - Continued career advancement has historically required moving from an individual contributor to a manager role; however, direct research and empirical evaluation have demonstrated that technical skill and capability does not necessarily equate to success as a manager, and many technologists would prefer to continue developing their technical skills and leadership as opposed to managing people
 - Perceived lack of career opportunities have been found to be one of the leading causes of employee disengagement and leaving the organization

- To accommodate these changes in talent needs, companies are employing the following strategies
 - **Job structures that provide dual career paths, providing advancement opportunities for both those who wish and are suited to manage people and those who wish to develop as technical leaders**
 - Renewed focus on building and maintaining engagement through career pathing, development opportunities, recognition and other signs of investment in employees
 - Establishing evaluation and planning processes to anticipate hiring needs and quantify types of talent required for future growth and change

- One workforce strategy that companies are beginning to employ more extensively is the use of contingent talent
 - The push toward contingent talent is driven by the need for organizations to be able to quickly upsize and downsize both on a headcount and technical skills basis in response to business needs without unnecessarily increasing long-term costs or creating talent issues
 - For example, companies will “augment” or bring in highly-specialized expertise that is needed on a short-term basis for systems upgrades or implementations. Through planned knowledge transfer, provides growth opportunities for current employees to learn and take over responsibility for the new technology and avoids “over-hiring” for high-cost roles that may not necessarily be required in the long term talent plan

Thank you for the opportunity to work with your team. Please let me know if you or your technology leadership would like to discuss these further or suggest additional feedback.

Sincerely,



Dan Weber

Director, Radford

Cc: Octavio Cardenas

Jessica Shoss

**ATTACHMENT D
IT Compensation Study
Peer Groups**

SUMMARY OF COMPARABLES

LACERA Functional Title	Radford	LA County Matches	LACERA Current
Chief Information Officer	\$ 21,240	\$ 20,290	\$ 14,746
Chief Information Security Officer	\$ 19,412	\$ 16,333	
Chief Tech Officer/Network Architect	\$ 19,507	\$ 17,558	
Mgr, IT Project Mgmt and Operations	\$ 14,455	\$ 13,147	
Mgr, Business Req and App Dev	\$ 13,684	\$ 14,133	\$ 12,760
Advanced Developer	\$ 13,129	\$ 13,915	
Advanced Analyst			
Advanced Technologist			

LA COUNTY COMPARABLES

LACERA Functional Title	LA County Matches	Salary Schedule	Range Max
Chief Information Officer	Administrative Manager XVII,ISD (UC) ¹	S17	\$20,290
Chief Information Security Officer	Chief Information Security Officer (UC) ¹	R14	\$16,333
Chief Tech Officer/Network Architect	Chief, Deputy Director, CIO (UC) ¹	R15	\$17,558
Mgr, IT Project Mgmt and Operations	Information Technology Manager I	S11	\$13,147
Mgr, Business Req and App Dev	Information Technology Manager II	S12	\$14,133
Advanced Developer	Information Technology Specialist II	119C	\$13,915
Advanced Analyst			
Advanced Technologist			
	Information Technology Specialist I ²	114A	\$12,089

Notes:

1. CERL section 31522.4 only permits specific classifications, including those reporting directly to the CEO to be unclassified. Section 31522.1 provides that our proposed positions to be under Civil Service.

2. In addition to the above, utilize this classification as part of a technical career path and for flexibility in hiring.

RADFORD MARKET DATA

LACERA Functional Title	RADFORD Matches	LA Broader Tech 50th	LA Broader Tech 75th	LA Software 50th	LA Software 75th	Tier 1 LA 50th	Tier 1 LA 75th	US Software Co <\$100M 50th	US Software Co <\$100M 75th	US Software Co <\$200M 50th	US Software Co <\$200M 75th
Chief Information Officer	CIO/Top Information Systems Exec - Global							\$ 21,240	\$22,519	\$ 19,940	\$22,384
Chief Information Security Officer	Development Engineering Executive 7							\$ 19,412	\$20,807	\$ 19,211	\$20,807
Chief Tech Officer/Network Architect	Information Systems Executive 7									\$ 19,507	\$20,258
Mgr, IT Project Mgmt and Operations	Information Systems Management 5	\$ 14,455	\$16,166	\$ 13,789	\$ 16,070	\$ 15,182	\$16,527				
Mgr, Business Req and App Dev	Business Systems Analysis Mgmt 6	\$ 13,684	\$13,989	\$ 17,460	\$ 17,898	\$ 17,095	\$18,764				
Advanced Developer	Information Systems Architect 6	\$ 13,129	\$14,288	\$ 13,569	\$ 14,790	\$ 14,190	\$16,343				
Advanced Analyst											
Advanced Technologist											

Attachment E: Classifications

- **Chief Technology Officer, LACERA**
- **Chief Information Security Officer, LACERA**
- **Information Technology Manager I, LACERA**
- **Information Technology Manager II, LACERA**
- **Information Technology Specialist I, LACERA**
- **Information Technology Specialist II, LACERA**

CLASS SPECIFICATION: CHIEF TECHNOLOGY OFFICER, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION: Assists the Chief Information Officer, LACERA (CIO), in the overall administration and coordination of LACERA's technology and telecommunications projects and programs.

CLASSIFICATION STANDARDS: This position is distinguished by its executive, administrative, project management, organizational, and technical responsibility for assisting the CIO in the overall coordination of information technology (IT) and telecommunications projects and programs addressing organizational systems requirements, as well as the service needs of individual divisions.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Assists in the planning, organizing, and directing of all operations including formulating policy, directing its execution, and evaluating work accomplished.

Serves as an Assistant to the CIO and acts as liaison to vendors, information technology advisory bodies, LACERA user divisions, and other stakeholders.

Assists in directing the preparation of the LACERA's IT Strategic Plan, and monitors accomplishments to ensure plan objectives are achieved.

Assists in directing the preparation, dissemination, and monitoring of policies, guidelines, standards, and metrics for IT.

Assists in directing the review of proposed new major IT projects and programs; and makes recommendations to management and LACERA's Boards on projects and implementation for divisions.

Assists in directing the development and maintenance of an inventory of IT systems, technological oversight systems, and related resources.

Assists in directing the Division's fiscal and administrative functions.

Assists in providing oversight to ensure compliance with State and Federal regulations on implementation of privacy and security requirements.

Assists in long-range and strategic planning of LACERA's IT program.

Assists in directing the preparation of periodic reports to Management and the Boards on LACERA accomplishments.

Perform other related duties as assigned.

MINIMUM REQUIREMENTS:

OPTION A: A Bachelor's Degree from an accredited college in Computer Science, Business, or a related field from an accredited college or university -AND- Five (5) years of experience at the level of Information Technology Manager II, LACERA, responsible for developing, implementing or monitoring a large and complex information systems security and/or privacy program for a diverse multi-service public or private sector organization.

OPTION B: Seven (7) years of senior level information technology management experience implementing administrative or information systems, or managing/assisting in the management of an information technology organization. Four (4) years of experience (within the last five [5] years) must have been managing an enterprise information technology program for a diverse multi-service or private sector organization.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential duties.

PHYSICAL CLASS: 2 - Light

CLASS TITLE: CHIEF INFORMATION SECURITY OFFICER, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION:

Directs organizational information security programs that are designed to provide the protection and confidentiality of data, along with other information assets of the Los Angeles County Employees Retirement Employees Association (LACERA)

CLASSIFICATION STANDARDS:

The one (1) position allocable to this class reports to the Chief Information Officer, LACERA (CIO), and has primary responsibility for formulating and promulgating policy, and developing, managing, monitoring, evaluating, and integrating LACERA's information security and privacy related programs designed to protect all LACERA's Information Technology(IT) systems and data. The Chief Information Security Officer (CISO) directs information security and related privacy efforts for LACERA. The incumbent must exercise strong organizational and team leadership skills to facilitate organizational compliance and to ensure that LACERA IT staff fully integrates appropriate security and privacy practices.

The position requires extensive, expert-level, up-to-date technical knowledge in information systems security, detailed knowledge of security and privacy technologies and best practices, and use of appropriate security controls, tools, and methods. This position also requires an extensive knowledge of LACERA information system resources, architecture, organizational priorities, risk areas, and applications and IT security and privacy legislation and related policy issues; and must possess the ability to develop and maintain effective interpersonal relationships with internal and external managers, IT technical staff, legal staff, vendors, consultants, and related industry experts.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Oversees the development and implementation of department-wide IT security policies, comprehensive organizational information security programs, and procedures to protect LACERA from internal and external IT threats and vulnerabilities.

Represents LACERA on information technology advisory bodies, and other committees or agencies involving LACERA policies, plans, methodologies and programs related to security, privacy and confidentiality of data and information technology assets.

Develops and maintains short and long term strategies for optimizing LACERA's Information Security Plan, and formulates and recommends organization-wide policies for detecting, deterring and mitigating information security threats.

Directs and participates in the identification of security risks, research, development and implementation of security management practices, and the measurement and monitoring of security protection measures.

Directs the handling of IT security breaches and related incidents, including overseeing the activation of the incident response teams, investigations, and reporting.

Through the CIO, serves as a subject matter expert and internal consultant on the data security implications of proposed new major information technology projects and programs, and makes recommendations as appropriate.

Reviews and recommends the professional development curriculum for LACERA IT security and privacy staff to ensure adequate and appropriate training standards in security and protection measures, and coordinates related training and awareness programs.

Directs the development and promotion of security and privacy awareness training and education for all levels of LACERA's organization on an ongoing basis.

Participates in the development and implementation of disaster recovery and business continuity plans, to ensure that appropriate IT security measures are addressed.

Participates in the development, implementation and compliance monitoring of IT security agreements, business associate agreements, chain-of-trust agreements, and other agreements or requirements.

Leads vendor activities, writes and evaluates proposals, and negotiates contracts for organizational security related programs.

Maintains current knowledge of applicable Federal and State IT security laws, regulations, best-practices, and standards to facilitate organizational adaptation and compliance.

Researches, gathers, analyzes, and reports on security threats, threat intelligence, emerging and trending threats.

Develops and maintains enterprise threat mitigation and prevention plans.

Verifies and monitors all enterprise systems for secure implementation and patching.

Implements proactive and remediating security measures.

Monitors and reports System Information and Event Management (SIEM) system, logs, and security events.

Perform other related duties as assigned.

MINIMUM REQUIREMENTS:

OPTION A: A Bachelor's Degree from an accredited college in Computer Science, Business, or a related field -AND- Four (4) years of experience at the level of Information Technology Manager II, LACERA, or Information Specialist II, LACERA, responsible for developing, implementing and monitoring a large and complex information systems security and program for a diverse multi-service public or private sector organization.

Chief Information Security Officer

Page 3

OPTION B: Six (6) years of senior level information security professional experience implementing information security programs, systems, or managing/assisting in the management of an information security program. Three (3) years of experience (within the last five [5] years) must have been directly managing an information security program for a diverse multi-service, public, or private sector organization.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

CLASS SPECIFICATION: INFORMATION TECHNOLOGY MANAGER I, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION:

Under direction, plans, organizes and directs the activities of a major information systems section providing services to support achievement of LACERA's mission and objectives.

CLASSIFICATION STANDARDS:

Positions allocable to this class are allocated to LACERA's Retirement Systems Division and are responsible for managing the staff and resources of a large section providing information technology (IT) services to business users. Information Technology Managers must possess a high degree of professional information technology knowledge as well as a broad range of management skills including organizational design, strategic planning, budgeting, and personnel management.

This classification is distinguished from Information Technology Specialists in that their work focus is on effective management and integration of customer, staff and project relationships and results.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Plans, organizes, manages, integrates and evaluates the work of a section with subordinate supervisors and/or staff.

Provides full administrative and technical supervision of staff including approving time off, evaluation of performance and takes or recommends disciplinary action, up to and including termination.

Develops and directs the implementation of operational plans to support the department's business goals.

Works with department/ business managers to evaluate current and anticipated IT requirements.

Develops and negotiates service level agreements and manages to ensure their attainment.

Coordinates information systems activities with other divisions/sections or County departments to optimize use of existing hardware and software and leverage design of new systems.

Manages and/or supervises and participates in the assessment and analysis of business requirements and development and maintenance of applications.

Drafts or reviews draft Requests for Proposals or Information (RFPs, RFIs) and evaluates responses and recommends vendor selection.

Administers vendor contracts, reviews and acts on contract change request and approves deliverable developed by vendors or contract staff.

Directs and/or participates in managing development, infrastructure and/or hardware/software migration projects.

Manages, directs and evaluates the work of staff providing data center operations and support of hardware, software and other technology support functions.

Coordinates problem solving, conflict resolution, escalations, restart and recovery.

Meets and consults with customers and vendors regarding service delivery needs.

Establishes performance requirements and personal development targets for assigned staff and monitors and evaluates performance. Provides coaching for performance improvement and development.

Assess skill gaps and provides training to ensure skills stay current with the technology requirements for current and future work assignments.

Promotes efficient, cost effective uses of advanced technologies and manages the migration to next-generation technologies.

Conducts or oversees research and special studies and implements recommended organizational, procedural and other changes and benchmarks internal operations against best practices of other agencies and organizations.

Manages and/or participates in department disaster recovery planning and systems security administration.

Coordinates the development, implementation and administration of technical training program for business users.

Manages enterprise, organizational, cross-functional, or large-scale projects

Performs other related duties as assigned.

MINIMUM REQUIREMENTS:

OPTION A: A Bachelor's Degree from an accredited college in Computer Science, Information Systems, or a closely related field, and four (4) years of progressively responsible, full-time, paid experience in a centralized Information Technology organization performing information systems analysis and design, application development, network administration or operating systems analysis; one (1) year must have been in a supervisory capacity.

OPTION B: Two (2) year of experience at the level of Information Technology Specialist I, LACERA, or Information Systems Manager I, LACERA.

OPTION C: Three (3) years at the level of Data Systems Coordinator, LACERA, or Data Systems Supervisor I, LACERA .

OPTION D: Six (6) years of progressively responsible, full-time, paid experience in a centralized Information Technology organization with at least two (2) years functioning in a supervisory capacity.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS: 2 - Light.

OTHER REQUIREMENTS:

SPECIALTY REQUIREMENTS:

COMMENTS:

CLASS TITLE: INFORMATION SYSTEMS MANAGER II, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION:

Under direction, plans, organizes and directs the activities of a major information systems section providing effective technology programs and services to support achievement of LACERA's mission and objectives.

CLASSIFICATION STANDARDS:

Positions allocable to this class are allocated to LACERA's Retirement Systems Division and are responsible for managing staff and resources of a large section providing comprehensive information technology (IT) programs and services for business users. Information Technology Managers must possess a high degree of professional IT knowledge as well as a broad range of management skills including organizational design, strategic planning, budgeting and personnel management. This classification differs from the Information Technology Manager I, LACERA, in that the incumbent possesses deeper and broader experiences in the areas of scope.

Incumbents in this series are distinguished from Information Technology Specialists in that their work focus is on effective management and integration of customer, staff and project relationships and results.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Plans, organizes, manages, integrates and evaluates the work of a section with subordinate supervisors and/or staff.

Develops and directs the implementation of operational plans to support LACERA's business goals.

Works with department/business managers to evaluate current and anticipated IT requirements.

Develops and negotiates service level agreements and manages to ensure their attainment.

Coordinates information systems activities with other divisions/sections to optimize use of existing hardware and software and leverage design of new systems.

Supervises and participates in the assessment and analysis of business requirements and development and maintenance of applications.

Drafts or reviews draft Requests for Proposals or Information (RFPs, RFIs) and evaluates responses and recommends vendor selection.

Information Systems Manager II, LACERA

Page 2

Administers vendor contracts; reviews and acts on contract change request and approves deliverable developed by vendors or contract staff.

Directs and/or participates in managing development, infrastructure and/or hardware/software migration projects.

Manages, directs and evaluates the work of subordinate supervisors whose staff provide data center operations and support of hardware, software and other technology support functions.

Coordinates problem solving, conflict resolution, escalations, restart and recovery.

Meets and consults with customers and vendors regarding service delivery needs.

Establishes performance requirements and personal development targets for assigned staff and monitors and evaluates performance. Provides coaching for performance improvement and development.

Assesses skill gaps and provides training to ensure skills stay current with the technology requirements for current and future work assignments.

Promotes efficient, cost effective uses of advanced technologies and manages the migration to next-generation technologies.

Conducts or oversees research and special studies and implements recommended organizational, procedural and other changes and benchmarks internal operations against best practices of other agencies and organizations.

Manages and/or participates in department disaster recovery planning and systems security administration.

Manages the development, implementation and administration of technical training program for business users.

Manages enterprise, organizational, cross-functional, or large-scale projects

May perform other related duties as assigned.

MINIMUM REQUIREMENTS:

OPTION A: A Bachelor's Degree from an accredited college in Computer Science, Information Systems, or a closely related field, -AND- five (5) years of progressively responsible, full-time, paid experience in a centralized Information Technology organization, performing information systems analysis and design, application development, network administration or operating systems analysis; of which two (2) years must be in a management capacity.

OPTION B: Three (3) years of experience at the level of Information Technology Manager I, LACERA, or Information Technology Specialist I, LACERA.

OPTION C: Five (5) years of progressively responsible, full-time, paid experience in managing the design, development, implementation, operation and maintenance of a large complex

Information Systems Manager II, LACERA

Page 3

information systems program in a large, multi-service public or private sector organization.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS: 2 - Light.

OTHER REQUIREMENTS:

SPECIALTY REQUIREMENTS:

COMMENTS:

CLASS SPECIFICATION: INFORMATION TECHNOLOGY SPECIALIST I, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION:

Acts as a consultant, technical expert, systems architect, or a project manager in the Information Technology (IT) organization of the Los Angeles County Employees Retirement Association (LACERA).

CLASSIFICATION STANDARDS:

Positions allocable to this class act as a consultant to LACERA management, an information technology project manager, or a specialist in a particular area of applications development, database administration, operating systems, information system analysis, or network systems. Incumbents possess extensive knowledge in a specialized field of IT and apply advanced methodologies, principles, and concepts to coordinate major projects, analyze new or existing system issues, evaluate and recommend new products and technologies, and identify and resolve complex problems. Incumbents also utilize excellent written and oral communication skills to coordinate projects and activities among agency staff, outside vendors/contractors, and LACERA managers.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Provides systems development or software consulting to departmental project teams and user management in a highly specialized field of information systems design and development. Develops and documents enterprise system architecture for LACERA.

Reviews systems proposals for conformance to standards and integration with the documented enterprise systems architecture.

Develops systems for large scale, complex applications ensuring compatibility with long-range departmental strategies.

Reviews proposed systems designs to ensure that design criteria are compatible with long-range development plans and methodology and provide the flexibility required by foreseeable future changes in systems requirements.

Implements and maintains complex databases which may include multiple platforms, technologies and computing environments.

Provides consultation on database design.

Performs database administration tasks and may provide technical direction and oversight to Database Administrators.

Solves complex system software, hardware, and performance problems for operating systems, networks, or telecommunications systems.

Analyzes system performance data and projects computer workloads for purposes of capacity planning and management.

Develops requirements and specifications for specialized and complex programs and systems. Performs feasibility studies to determine whether to re-engineer existing applications, develop new applications, or to purchase commercial software applications.

Evaluates server and peripheral hardware for adequacy in meeting projected utilization requirements.

Reviews the work of consultants and vendors to ensure that contract work meets departmental technical requirements and is compatible with enterprise architecture.

Develops strategic and long-range information systems plans.

May supervise or lead other information technology staff as required.

Perform other related duties as assigned.

MINIMUM REQUIREMENTS:

Two (2) years of experience, within the last three (3) years, at the level of Data Systems Coordinator, LACERA, or Data Systems Supervisor I, LACERA.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

SPECIALTY REQUIREMENTS:

Specialized examinations may include:

Specialty / *Add

Application Development:

Two (2) years of the required experience must have been in application development using standard systems development methodology and techniques for resolving business problems. Experience must include systems design, database management, development of online data entry and data inquiry capability, and defining techniques to be used for backup, restart, recovery, data security, file structuring, and optimum processing techniques; and communications network analysis, design, planning, and performance tuning.

Database Administration:

Two (2) years of the required experience must have been administering and maintaining

complex databases. Responsibilities include backup, recovery, capacity planning; installation and configuration of database management software, including upgrades, patches and third party tools; establishing policies; implementation of database security for applications, including creating database users, designing and assigning roles, and granting and denying database privileges.

Operating Systems:

Two (2) years of the required experience must have been in a large IT organization providing technical leadership for complex operating systems and associated software and hardware on high-end servers (ex. Wintel clusters, midrange servers or mainframes) hosting critical applications in a high-availability environment. These environments use formal change management and problem resolution procedures and include comprehensive backup and recovery solutions.

Project Management:

Two (2) years of the required experience must have been acquired as a project manager responsible for the acquisition or development and/or implementation of large business computer systems. Such experience must include management of application specification and design, data base design, and applications programming or management of application specification, system selection and acquisition, systems implementation, systems and acceptance testing, user training, customer relations, future phase planning, project administration, review and evaluation of work products and resolution of technical data processing problems arising in connection with such project management.

Network:

Two (2) years of the required experience must have been performing highly specialized and complex network design and analysis. Such experience must include providing leadership for complex network and associated software and hardware in a high-availability environment, including planning, designing, analysis, and overall project management of network related issues.

Information Systems Analysis:

Two (2) years of the required experience must have been performing highly specialized and complex information systems analysis and design tasks. These include acting as a consultant or specialist in IT strategic planning, business automation planning, business process improvement, and/or application development, and providing leadership and overall project management for systems development projects.

CLASS SPECIFICATION: INFORMATION TECHNOLOGY SPECIALIST II, LACERA

ITEM NUMBER:

APPROVAL DATE:

DEFINITION:

Under managerial review, acts as a consultant, technical expert, system architect, or senior project manager or may manage a very large and complex database environment.

CLASSIFICATION STANDARDS:

Positions allocable to this class provide expert technology consultation to senior management, serve as the enterprise architect, or manage large, complex enterprise or Information Technology (IT) projects. In the technology consultant role, incumbents provide expert technical consultation across a broad range of IT disciplines and advise management on the application of IT to the organization's goals and strategies. In the enterprise architect role, incumbents are responsible for establishing and updating the overall systems architecture for the department, including interfaces with external entities and reviewing system plans to ensure that projects conform to the established architecture. In the project management role, incumbents manage highly complex strategic enterprise IT projects. Incumbents must possess expert knowledge of the IT field and apply advanced methodologies, principles, and concepts. Positions may also be assigned to manage or engineer the organizational IT systems.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Provides expert consultant support to Executive Management and Division Managers, and makes recommendations for the solution of problems in various disciplines of IT.

Develops technology goals, standards, strategies, and plans.

Develops and documents enterprise system architecture for LACERA.

Reviews systems proposals for conformance to standards and integration with the documented enterprise systems architecture.

Manages the design, development, engineering, administration, implementation, troubleshooting, and maintenance of LACERA's enterprise systems

Establishes standards for and reviews technical specifications in requests for proposal or requests for quote on contracts for outside vendor purchases.

Leads large IT projects and applies appropriate solutions to highly complex systems, hardware, software, networking, programming and/or applications problems.

Develops enterprise information systems plans.

Makes decisions on major upgrades and architectural changes to support changing capacity requirements.

Reviews proposed systems designs to ensure that design criteria are compatible with enterprise development plans and provide the flexibility required by foreseeable future developments in systems requirements.

Consults with senior management and project development teams and advises them of alternatives available in system design.

May supervise or lead other IT staff as required.

Perform other related duties as assigned.

MINIMUM REQUIREMENTS:

Two (2) years of experience, within the last three (3) years, at the level of Information Technology Specialist I, LACERA, or Data Systems Supervisor II, LACERA.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

OTHER REQUIREMENTS:

SPECIALTY REQUIREMENTS:

Specialty / *Add

Application Development:

Two (2) years of the required experience must have been in application development using standard systems development methodology and techniques for resolving business problems. Experience must include systems design, database management, development of online data entry and data inquiry capability, and defining techniques to be used for backup, restart, recovery, data security, file structuring, and optimum processing techniques; and communications network analysis, design, planning, and performance tuning.

Database Administration:

Two (2) years of the required experience must have been administering and maintaining complex databases. Responsibilities include backup, recovery, capacity planning; installation and configuration of database management software, including upgrades, patches and third party tools; establishing policies; implementation of database security for applications, including

creating database users, designing and assigning roles, and granting and denying database privileges.

Operating Systems:

Two (2) years of the required experience must have been in a large IT organization providing technical leadership for complex operating systems and associated software and hardware on high-end servers (ex. Wintel clusters, midrange servers or mainframes) hosting critical applications in a high-availability environment. These environments use formal change management and problem resolution procedures and include comprehensive backup and recovery solutions.

Project Management:

Two (2) years of the required experience must have been acquired as a project manager responsible for the acquisition or development and/or implementation of large business computer systems. Such experience must include management of application specification and design, data base design, and applications programming or management of application specification, system selection and acquisition, systems implementation, systems and acceptance testing, user training, customer relations, future phase planning, project administration, review and evaluation of work products and resolution of technical data processing problems arising in connection with such project management.

Network:

Two (2) years of the required experience must have been performing highly specialized and complex network design and analysis. Such experience must include providing leadership for complex network and associated software and hardware in a high-availability environment, including planning, designing, analysis, and overall project management of network related issues.

Information Systems Analysis:

Two (2) years of the required experience must have been performing highly specialized and complex information systems analysis and design tasks. These include acting as a consultant or specialist in IT strategic planning, business automation planning, business process improvement, and/or application development, and providing leadership and overall project management for systems development projects.



December 6, 2016

TO: Each Member
Board of Retirement

FROM: Gregg Rademacher 
Chief Executive Officer

FOR: December 15, 2016 Board of Retirement Meeting

SUBJECT: **2017 BOARD OF RETIREMENT MEETING CALENDAR**

RECOMMENDATION

It is recommended the Board of Retirement review the 2017 meeting calendar and reschedule meeting dates as needed.

BACKGROUND

Each year your Board reviews their yearly meeting calendar for potential conflicts and considers possible rescheduling dates.

Specifically, the following meetings were identified as potential dates to be rescheduled:

Meeting	Date
BOR Disability & Committees	Wednesday, March 1
BOR Administrative & Committees	Thursday, March 9
BOR Disability & Committees	Wednesday, May 3
BOR Disability & Committees	Wednesday, June 7
BOR Administrative & Committees	Thursday, September 14

Attachment

GR:nm
Board Calendar 2017.doc

January 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 New Year's Day	2 New Year's Day HOLIDAY	3	4 BOR (Disability/OOC Committees)	5	6	7
8	9	10	11 BOI (Committees)	12 BOR (IBL Committee)	13	14
15	16 M L King Day	17	18	19	20	21
22	23	24 Board Offsite (Los Angeles, CA)	25 Board Offsite (Los Angeles, CA)	26 Board Offsite (Los Angeles, CA)	27 Board Offsite (Los Angeles, CA)	28
29	30	31				
NCPERS Legislative Conference, Washington D.C.						
		IMN Annual Beneficial Conference, Fort Lauderdale, FL				

February 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 BOR (Disability/OOC Committees)	2	3 CALAPRS Trustees Round Table, San Jose, CA	4
		IMN Annual Beneficial Conference, Fort Lauderdale, FL				
5	6	7	8 BOI (Committees)	9 BOR (IBL Committee)	10	11
12	13	14	15	16	17	18
19	20 Presidents Day	21	22	23	24	25
			PPI, Seattle, WA			
				PREA, New York, NY		
26	27	28				
	NIRS, Washington, D.C.					
	CII, Washington, D.C.					

March 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			BOR 1 (Disability/OOC Committees)	2	3	4 CALAPRS General Assembly, Monterey, CA
	CII, Washington, D.C.		ICGN, Washington, D.C.			
5	6	7	8	9	10	11
CALAPRS General Assembly, Monterey, CA			BOI (Committees)	BOR (IBL Committee)		
			AHIP, Washington, D.C.		Women's Private Equity Summit, Half Moon Bay, CA	
12	13	14	15	16	17	18
	IFEBP, Investments Institute, Phoenix, AZ		Audit Committee			
19	20	21	22	23	24	25
26	27 Cesar Chavez Day	28	29	30	31	
			CALAPRS Advanced Principles of Pension, Los Angeles, CA			

April 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 BOR (Disability/OOC Committees)	6	7	8
9	10	11	12 BOI (Committees)	13 BOR (IBL Committee)	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
	CRCEA, Ventura, CA					
		IFEBP, Benefits, Columbus, OH				
30						
World Healthcare Congress, Washington, D.C.						
Milken Institute Global Conf., Los Angeles, CA						

May 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	BOR 3 (Disability/OOC Committees)	4	5	6
World Healthcare Congress. Washington. D.C.						
Milken Institute Global Conf., Los Angeles, CA						
	IFEBP. Health Care. New Orleans. LA					
	Portfolio Concepts & Management, Wharton School, PA					
7	8	9	BOI 10 (Committees)	BOR 11 (IBL Committee)	12	13
	Investment Strategies & Portfolio Management, Wharton School, PA					
14	15	16	17	18	19	20
	SACRS, Napa, CA					
21	22	23	24	25	26	27
NCPERS, Hollywood, FL						
GFOA, Denver, CO						
	IFEBP, Legislative, Washington, D.C.					
28	29 Memorial Day	30	31			

June 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7 BOR (Disability/OOC Committees)	8	9	10
			AHIP, Austin, TX			
11	12	13	14 BOI (Committees)	15 BOR (IBL Committee)	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
	NASP, Los Angeles, CA					

July 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4 Independence Day	5 BOR (Disability/OOC Committees)	6	7	8
9	10	11	12 BOI (Committees)	13 BOR (IBL Committee)	14	15
		ICGN. Kuala Lumpur				
16	17	18	19 Audit Committee	20	21	22
23	24	25	26	27	28	29
			PPI, Toronto, Canada			
30	31					

August 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
		1	2 BOR (Disability/OOC Committees)	3	4	5	
6	7	8	9 BOI (Committees)	10 BOR (IBL Committee)	11	12	
13	14	15	16	17	18	19	
20	21	22	23	24	25	26	
27	28	29	30	31			
	CALAPRS, Principles of Pension Management, Pepperdine University						

September 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 Labor Day	5	6 BOR (Disability/OOC Committees)	7	8	9
10	11	12	13 BOI (Committees)	14 BOR (IBL Committee)	15	16
CII, San Diego, CA						
17	18	19	20	21	22	23
24	25	26	27	28	29	30
UNPRI, Berlin, Germany						

October 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 BOR (Disability/OOC Committees)	5	6	7
8	9 Columbus Day	10	11 BOI (Committees)	12 BOR (IBL Committee)	13	14
15	16	17	18	19	20	21
	PREA, Chicago, IL					
22	23	24	25	26	27	28
	IFEBP, Benefits, Las Vegas, NV					
29	30	31				
	NCPERS, San Antonio, TX					

November 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 BOR (Disability/OOC Committees)	2	3	4
NCPERS, San Antonio, TX						
5	6	7	8 BOI (Committees)	9 BOR (IBL Committee)	10 Veterans' Day Holiday	11 Veterans' Day
PPI Executive Seminar, New Delhi, India			PPI Asia Roundtable, Mumbai, India			
12	13	14	15	16	17	18
		SACRS, Burlingame, CA				
19	20	21	22	23 Thanksgiving	24 Thanksgiving Holiday	25
26	27	28	29	30		

December 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6 BOR (Disability/OOC Committees)	7 Audit Committee	8	9
			ICGN, Paris, England			
10	11	12	13 BOI (Committees)	14 BOR (IBL Committee)	15	16
17	18	19	20	21	22	23
24	25 Christmas Day	26	27	28	29	30
31						



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**