

AGENDA

MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE and BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 NORTH LAKE AVENUE, SUITE 810
PASADENA, CA 91101

WEDNESDAY, APRIL 5, 2017 - 9:00 A.M.**

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

COMMITTEE MEMBERS:

Alan Bernstein, Chair
Yves Chery, Vice Chair
Anthony Bravo
Joseph Kelly
Ronald Okum, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of March 3, 2017

II. PUBLIC COMMENT

III. FOR INFORMATION

A. LACERA Operations Briefing
Robert Hill/JJ Popowich

B. Overview of the Advanced CERL Education Courses Action Plan
and Timeline of Pilot Program
Arlene J. Owens

IV. GOOD OF THE ORDER

(For information purposes only)

V. ADJOURNMENT

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

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

Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee 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 Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 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.

MINUTES OF THE MEETING OF THE
OPERATIONS OVERSIGHT COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

FRIDAY, MARCH 3, 2017, 1:10 P.M. – 2:30 P.M.

COMMITTEE MEMBERS

PRESENT: Alan Bernstein, Chair
Yves Chery, Vice Chair
Anthony Bravo
Ronald Okum, Alternate

ABSENT: Joseph Kelly

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Vivian H. Gray
David L. Muir

STAFF, ADVISORS, PARTICIPANTS

Robert Hill	Beulah Auten
JJ Popowich	Ted Granger
Gregg Rademacher	Ervin Wu
James Pu	Cynthia Guider
Steven Rice	Robert Morgan

The meeting was called to order by Chair Bernstein at 1:10 p.m. Due to the absence of Mr. Kelly, the Chair announced that Mr. Okum, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of February 1, 2017

Mr. Chery made a motion, Mr. Bravo seconded, to approve the minutes of the regular meeting of February 1, 2017. The motion passed unanimously.

II. PUBLIC COMMENT

III. FOR INFORMATION

A. LACERA Operations Briefing
Robert Hill/JJ Popowich

Messrs. Hill and Popowich presented the monthly briefing on LACERA's operations. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed
- Hermosa Beach Annexation

B. Ransomware: Everyone's Problem
James Pu

Mr. Pu discussed the background of ransomware, why it is so dangerous and pervasive, how LACERA mitigates this risk, and the importance of the human factor in cybersecurity. Also shared were some practical tips for individual safety.

C. Reciprocity and Disability Retirement
Steven P. Rice

Mr. Rice discussed how LACERA applies the reciprocity provisions of the County Employees Retirement Law of 1937 to members at the time of their retirement for disability from a reciprocal system. Also discussed was a confirmed process for handling reciprocal disability retirements, including an operational change in providing for Board approval. The first disability retirement under the process will appear on the April Board agenda for ratification. Although Board approval is new, the rest of the process is similar, with limited exceptions, to the past handling of these retirements.

III. FOR INFORMATION (Continued)

D. Fiscal Year 2015-16 Financial Review
Beulah Auten

Ms. Auten, and Messrs. Ted Granger and Erwin Wu presented LACERA's financial highlights for the fiscal year ending June 30, 2016. This update included an overview of LACERA's Comprehensive Annual Financial Report (CAFR) and Popular Annual Financial Report (PAFR) preparation, financial analysis and reporting including historical trends, and implementation efforts as related to OPEB/GASB standards.

Some of the highlights included:

- Net Position Restricted for Benefits ended the fiscal year at \$47.8 billion
- Decrease in Net Position of \$1.0 billion
- Total fund returned 1.1% gross of fees and 0.7% net of fees
- Funded ratio increased to 83.3%

E. FY 2016-2017 Semi-Annual Budget Control Report as of December 31, 2016
Cynthia Guider

Cynthia Guider presented the Budget Control Report for fiscal year 2016-2017, based on actual expenditures through December 31, 2016. Total operating expenses for the LACERA Administrative Budget are projected to be \$68.3 million, an underexpenditure of approximately \$8.5 million from LACERA's operating budget.

The Retiree Healthcare Benefits Program Budget's total operating expenses are projected to be \$5.5 million. This represents an underexpenditure of approximately \$1 million from the operating budget.

Total operating expenses for the OPEB Trust Budget are projected to be \$164,000, representing an overexpenditure of approximately \$40,000. Total operating expenses for LACERA's portion of the OPEB Trust Budget are projected to be \$65,000, representing an overexpenditure of approximately \$40,000.

Total operating expenses for the Superior Court OPEB Trust Budget are projected to be \$157,000, with an overexpenditure of \$95,000.

IV. GOOD OF THE ORDER

(For information purposes only)

March 3, 2017

Page 4

V. ADJOURNMENT

The meeting adjourned at 2:30 p.m.

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

FOR INFORMATION ONLY

March 28, 2017

TO: Operations Oversight Committee
Alan Bernstein, Chair
Yves Chery, Vice Chair
Anthony Bravo
Joseph Kelly
Ronald Okum, Alternate

FROM: Robert R. Hill, Assistant Executive Officer *RRH*
JJ Popowich, Assistant Executive Officer *JJ*

FOR: April 5, 2017 Operations Oversight Committee Meeting

SUBJECT: **LACERA OPERATIONS BRIEFING**

The purpose of this briefing is to share insights on staff activities, updates on goals, and discuss opportunities and/or concerns. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed
- Update on Retirement University

RRH:rrh

DATE RECEIVED	REQUESTER	DOCS REQUESTED
02-13-17	R. Pasqua, SEIU Local 721	<p>Union hereby reasserts its request for information that is relevant and necessary to perform its representational duties pertaining to LACERA's possible improper adverse administrative actions and/or disciplinary grievances involving David L. Davidson:</p> <ol style="list-style-type: none"> 1. The names of any FLSA non-exempt employees that received a notice of expectation, warning or discipline for failure to follow work instructions and/or misuse of overtime (OT) within the past 4 years from the above request date, including employees who no longer work for LACERA. 2. In regard to the current and/or past employees listed in response to the above request, please provide: <ol style="list-style-type: none"> a. A copy of any notice of expectation, warning or discipline issued to an employee. The Union will accept a copy of any such notice with the employee number and any restricted medical information redacted. b. A statement as to whether the original penalty was modified, and if so, the final penalty imposed. 3. The names of any FLSA exempt employees that received a notice of expectation, warning or discipline for failure to follow work instructions within the last 4 years from the above request date, and the dates and descriptions of any penalties issued for said violations, including employees who no longer work at LACERA. <p><i>Response sent via email stating that LACERA is not able to produce the record requested. The CPRA provides exemptions to certain records from disclosure. LACERA has determined that the record that you have requested is exempt from disclosure. The records we are withholding are exempted by §6254(c) of the CPRA since they relate to personnel, medical or similar files and §6254(k) because of the privileged nature of the documents. Their disclosure would constitute an unwarranted invasion of personal privacy.</i></p>
02-13-17	A. Jacobius, Pensions & Investments	<p><i>Questions and answers.</i></p> <p><i>Answers in red text submitted via email on February 23, 2017.</i></p> <ol style="list-style-type: none"> 1. Was the search for emerging markets debt managers invitation only or by RFP? 26 managers were invited to participate in the search. <p><i>If the former, which consultant assisted with the search? Initially, Wilshire, and then Meketa.</i></p> <p><i>What was the source of the funding? Contract negotiations haven't concluded, so the managers have not been funded yet. Eventually, funding will come from cash.</i></p> <p><i>Has LACERA invested with Aberdeen or Ashmore in the past? No.</i></p> <ol style="list-style-type: none"> 2. Who is the manager for LAV Biosciences Fund IV? Lilly Asia Ventures. <p><i>Has LACERA invested with that manager in the past? No.</i></p> <ol style="list-style-type: none"> 3. Did the board of investments invite Milliman Inc., Segal Consultants, and Cavanaugh Macdonald Consulting for interviews with your Board to hire one firm for

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p><i>the actuarial consulting services and one firm for the actuarial auditing services contracts? Yes.</i></p> <p>4. <i>What is LACERA's current asset size? Approximately \$50.1 Billion.</i></p>
02-17-17	R. Fellner, Transparent California	<p><i>Requested for LACERA's 2016 Pension Benefits Report.</i></p> <p><i>Transmitted 4 documents via email.</i></p> <ol style="list-style-type: none"> 1. <i>PRA Transparent California Retiree Data File Layout;</i> 2. <i>LA Times Data Request Benefit Notes;</i> 3. <i>Transparent California Retirees 2016; and</i> 4. <i>Transparent California Survivors 2016.</i>
02-17-17	A. Jacobius, Pensions & Investments	<p><i>Requested documents and answers, in red text, re February 8, 2017 BOI meeting.</i></p> <p><i>Provided via email the following decisions.</i></p> <p><i>Item VII.B: The item was approved.</i></p> <p><i>Item VII.C: This item was tabled to after Executive Session and then pulled from the agenda</i></p> <p><i>Transmitted 3 documents.</i></p> <p><i>Sent via email:</i></p> <ol style="list-style-type: none"> 1. <i>Selection of LACERA's Actuarial Services Firms-S1</i> 2. <i>Discussion and Possible Action Regarding the Chief Investment Officer Serarch-S1</i> 3. <i>Fund Performance Review as of December 21, 2016-S1</i>
02-20-17	S. Webber, Aurora Advisors	<p><i>Requested full copies of your calendar year 2016 and 2015 PRA logs.</i></p> <p><i>Transmitted via email 24 documents.</i></p> <p><i>Table of Contents for the months of</i></p> <p><i>JAN 2015, VOL 1</i></p> <p><i>FEB 2015, VOL 2</i></p> <p><i>MAR 2015, VOL 3</i></p> <p><i>APR 2015, VOL 4</i></p> <p><i>MAY 2015, VOL 5</i></p> <p><i>JUNE 2015, VOL 6.</i></p> <p><i>JULY 2015, VOL 7</i></p> <p><i>AUG 2015, VOL 8</i></p> <p><i>SEPT 2015, VOL 9</i></p> <p><i>OCT 2015, VOL 10</i></p> <p><i>NOV 2015, VOL 11</i></p> <p><i>DEC 2015, VOL 12</i></p> <p><i>and also Table of Contents for the months of</i></p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p>JAN 2016, VOL 1 FEB 2016, VOL 2 MAR 2016, VOL 3 APR 2016, VOL 4. MAY 2016, VOL 5 JUNE 2016, VOL 6 JULY 2016, VOL 7 AUG 2016, VOL 8 SEPT 2016, VOL 9 OCT 2016, VOL 10 NOV 2016, VOL 11 DEC 2016, VOL 12</p>
02-20-17	S. Webber, Aurora Advisors	<p>Requested complete reply to Public Records Act request by New York Times reporter Gretchen Morgenson, which should include responses to this closed request for proposal: https://www.lacera.com/Opportunities/RFP/private_equity_inv_svcs/index.html</p> <p>Transmitted 8 documents via email.</p> <ol style="list-style-type: none"> 1. PEF Redacted Proposal Full 2. Conifer LACERA RFP Response 3. FTI Proposal 5 10-20-15 Redacted 4. Kreischer-Miller LACERA Proposal 10-09-15 5. LP Capital RFP_Final Redacted10-07-15 6. MaplesFS Response to LAACERA RFP for Private Equity – Redacted 7. Meketa PE Proposal Redacted 8. REFS LACERA PE RFP response 10-09-15 Redacted
02-28-17	J. Rossi, Bloomberg	<p>Requesting alternative portfolio and performance data, specifically for private equity, real estate, and hedge funds.</p> <p>Requesting committed capital, invested capital, distribution, market value, since inception net IRR, and MOIC, etc, \ private equity and real estate funds.</p> <p>Requesting information such as hedge fund share class, returns, exposures (net/ gross/ short/ long), terms (soft lock, hard lock, high water mark, redemption frequency, hurdle rate etc.), net asset value, allocation size, allocation date etc for hedge funds.</p> <p><i>Transmitted 3 documents via email.</i></p> <p><i>Sent via email:</i></p> <ol style="list-style-type: none"> 1. Q3 2016 Hedge Funds Performance Book; 2. PE Portfolio Investment as of 03-31-16. 3. Townsend Group 2 2016 PMR report
02-28-17 (03-01-17 March info)	V. Desikan, Individual	<p>Requested agenda packet for BOI meeting held on, Monday 6, 2017.</p> <p><i>Transmitted information via email.</i></p>
02-28-17 (03-01-17 March info)	D. Kushner, Individual	<p>Requested agenda packet for BOI meeting held on, Monday 6, 2017.</p> <p><i>Transmitted information via email.</i></p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
02-28-17 (03-01-17 March info)	F. Massey, Individual	Requested agenda packet for BOI meeting held on, Monday 6, 2017. <i>Transmitted information via email.</i>
02-28-17 (03-01-17 March info)	S. Moomjean, LA County	Requested agenda packet for BOI meeting held on, Monday 6, 2017. <i>Transmitted information via email.</i>
02-28-17 (03-01-17 March info)	A. Poe, ReedSmith	Requested agenda packet for BOI meeting held on, Monday 6, 2017. <i>Transmitted information via email.</i>
02-28-17 (03-01-17 March info)	R. Rubalcava, SEIU, Local 721	Requested Agenda Item VIII B, Recommendation to Accept the June 30, 2016 Valuation-S1 re BOI Meeting on Monday, March 6, 2017 <i>Transmitted 1 document (noted above). Information via email.</i>
02-28-17 (03-01-17 March info)	L. Nettles, Individual	Requested agenda for BOI meeting held on, Monday 6, 2017 and Private Equity Emerging Manager Program document. <i>Transmitted 2 documents (noted above) via email.</i>
03-01-17	G. Chung, FIN	Requested agenda packet for BOI meeting held on, Monday 6, 2017. <i>Transmitted information via email.</i>
03-01-17	A. Petty LA County	Requested count and breakdown of retirees as of March 1, 2017. <i>Information below submitted via email.</i> <i>Retiree Counts by Plan as of 03/01/2017:</i> B-SAFETY 4,617 B-GENERAL 688 A-SAFETY 5,732 A-GENERAL 18,804 C-GENERAL 425 D-GENERAL 12,494 E-GENERAL 11,478 NONE SPECIFIED 0 C-SAFETY 1 G-GENERA 5 TOTAL 54,244
03-03-17	J. Hammond, RELAC	Transmitted monthly request for Retiree's Benefit Approval List. <i>Transmitted 1 document.</i> <i>Sent via email:</i> <i>Board Agenda Report for March 3, 2017.</i>
03-03-17	LA County Sheriffs' Dept.	Transmitted monthly request regarding 2 documents to LA County Sheriffs' Department: <i>Transmitted 2 documents.</i>


DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p><i>Sent via email:</i> <i>Monthly Fire Department List showing date run February 23, 2017 and Monthly Sheriff List showing date run of February 23, 2017.</i></p>
03-04	T. Wicke, Lewis, Marenstein, et al.	<p>Requested copies of Agenda items – VIII, A & B.</p> <p><i>Transmitted via email 2 documents.</i></p> <p><i>Sent documents titled VIII-B._Pensionable Comp and Comp Earnable and VIII-A._Proposed Expansion of Priority-One Case Processing Criteria.</i></p>
03-06-17 (Verbal Request)	M. Olleman, Individual	<p>Requested copy of Western Asset presentation re Fixed Income Committee meeting.</p> <p><i>Transmitted 1 document.</i></p> <p><i>Sent via email:</i> <i>Western Asset Presentation dated March 6, 2017 via email.</i></p>
03-08-17	D. Gregory, Public Plan IQ	<p>Requested copy of March 6, 2017 Board of Investments: Fixed Income/Hedge Fund/Commodities Committee: All investment related discussion materials and March 6, 2017 Regular Meeting Board of Investments: All investment related discussion materials.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Sent via email:</i> <i>Agenda packet for BOI meeting held on, Monday 6, 2017 and Agenda packet for Hedge Funds/Commodities Committee meeting held on Monday, March 6, 2017.</i></p>
03-14-17	R. Bloom, LA County	<p>Requested copies of the Powers & Duties approved by the Board of Retirement and also the Powers of Duties approved by the Board of Investments.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Sent via email:</i> <i>Powers and Duties of Board of Investments Members February 8, 2017 and Powers and Duties of Retirement Board Members dated February 9, 2017.</i></p>
03-17-17	J. Mercer, LA Court	<p>Requested Durable Power of Attorney form.</p> <p><i>Transmitted 1 document.</i></p> <p><i>Sent via email:</i> <i>LACERA Durable Power of Attorney form.</i></p>
03-20-17	N. Walker, LACERA Member	<p>Requesting information for voluntary and involuntary termination rates, retirement rates, and costs associated with these actions in Los Angeles County for the past 10 years.</p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<p><i>Transmitted 1 document.</i></p> <p><i>Sent via email:</i> <i>Termination Data PRA document.</i></p>
03-21-17	A. Ju, PEI Media	<p>Questions and answers in red text.</p> <p>Requested information about the RFP process conducted in September 2015 for an auditor for private equity fee and carried interest analysis services.</p> <p>1. Which organizations sent proposals for the "ongoing" engagement of the private equity carried interest? (I believe there were 6, according to this file: An audit committee agenda) LP Capital Advisors, Conifer, Maples. Meketa, PEF Services, and Real Estate Fiduciary Services.</p> <p>2. What are the fees associated with Kreischer Miller for the "retrospective" engagement, as contracted in August 2016? Greater than \$75k.</p>
03-22-17	K. Bouteraa, Palico	<p>Request information for Q2 2016 data records concerning alternative investments.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Sent via email:</i> <i>PE Portfolio Investment report as of June 30, 2016 and Townsend 2Q 2016 report.</i></p>
03-22-17	S. Eve, Palico	<p>Request information for Q2 2016 data records concerning alternative investments.</p> <p><i>Transmitted 2 documents.</i></p> <p><i>Sent via email:</i> <i>PE Portfolio Investment report as of June 30, 2016 and Townsend 2Q 2016 report.</i></p>



March 17, 2017

TO: Operations Oversight Committee
Alan Bernstein, Chair
Yves Chery, Vice Chair
Anthony Bravo
Joseph Kelly
Ronald Okum, Alternate

FROM: Arlene J. Owens 
Senior Quality Auditor,
Quality Assurance

DATE: Meeting of April 5, 2017

SUBJECT: **Overview of the Advanced CERL Education Courses Action Plan and
Timeline of Pilot Program**

INTRODUCTION

As part of LACERA's strategic plan, Quality Assurance was tasked with designing and developing the curriculum for the new in-house training program referred to as the Advanced CERL Education Program or ACE.

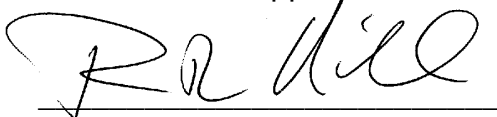
ACE PROGRAM DESIGN & DEVELOPMENT

By the end of 2013 the program design was complete. The ACE Certification Program takes a holistic approach to employee and organizational development. Three aspects of the curriculum will work in consort with one another: technical, leadership & business. In June 2014 we began developing the content for the technical aspects of the curriculum.

PILOT PROGRAM WILL BEGIN IN APRIL 2017

The content, lesson plan, and training materials for module one are complete and ready for testing. Quality Assurance staff and one staff member each from Benefits and Member Services will serve as the pilot group. We anticipate that the pilot program will run until the end of the year.

Reviewed and Approved:



Robert Hill

Assistant Executive Officer

ACE Certification Program

ACE Course Descriptions

Introduction

The ACE Certification Program takes a holistic approach to employee and organizational development. Three Concepts will work in concert with one another:

CERL Technical Modules

The technical curriculum is an advanced CERL course, which facilitates an in-depth study of many of the CERL laws that govern LACERA's processes and procedures. The program emphasizes application of the law for thinking critically about complex member scenarios. It will provide the participant with an orientation to the law that will empower them with a compliance-based decision-making perspective. The participant will gain from this program an advanced knowledge of the CERL 1937 Act and its articles and sections that govern LACERA policy and operating procedures.

Leadership Workshops

The leadership workshops, facilitated by outside vendors, will accompany the CERL technical courses. The leadership segment will focus on LACERA values and ethics, team-building, emotional intelligence, self-awareness, and resolving conflict.

Business Skills Workshops

In the business workshops, also facilitated by outside vendors, the participants will learn valuable business skills and will be provided with a platform in which they will be challenged to apply them.

Rationale

The rationale for this three-pronged approach is that the participant will emerge with a well-rounded, holistic orientation and the ability to approach organizational issues from a technical, as well as an ethical perspective. This will provide the participant with the qualities needed to think critically, ethically, and strategically.

Contents

Topic	See Page
Overview of CERL Modules	2
Sample Scenario	4
Overview of Leadership Modules	8
Overview of Business Modules	9
Schedule of Pilot Courses	10

Overview of CERL Modules

Introduction

Description of Modules & Scenarios

Module

The CERL technical curriculum is comprised of five to seven modules (still in development). Each CERL module addresses several processes and the CERL sections that govern those processes.

Scenarios

Each scenario is designed with a problem that to solve the participant will need to bring to bear his or her knowledge of CERL, business acumen, problem-solving, critical-thinking, and decision-making skills.

Resources

The ACE Program will use the following resources:

- Retirement Law Book
 - Knowledge Base (KBASE)
 - Member Services Operating Instructions (MSOI)
 - Quality Assurance (QA) Online Resources
 - Benefits Wiki
-

Module I

Module I Related Processes

- New and Returning Members
 - Reciprocity
 - Temporary Time
 - Purchase of SWOP
 - Redeposit
 - General to Safety Conversion
-

Module II

Module II Related Processes

- Membership
 - Open Window Plan Transfer and Prospective Plan transfer
 - 30 Year Cancellation
 - Military Time/Other Public Agency (OPA)
 - Final Average Compensation
 - Plan E Elective COLA
-

Continued on next page

Overview of CERL Modules, Continued

Module III

Module III Related Processes

- Retirement Estimates
 - Agenda Process
 - First Payment
 - Disability Retirement
 - Disability Reversals
-

Module IV

Module IV Related Processes

- Death Process
 - Legal Split
-

Module V

Module V Related Processes

- PEPRA
 - Felony Conviction
 - Reciprocal PEPRA
-

Module VI

Module VI

- Data Validation
 - Account Analysis Certification
-

Module I Sample Scenario

Sample Scenario

Instructions

Step	Action
1	Read the scenario and membership stream.
2	Read the relevant sections of the Law.
3	Answer the discussion questions.
4	Propose a solution.

Purchase of County Temporary Time

John Jones became a permanent County employee on 08/11/08 and elected Plan D. His LACERA membership began on 9/1/2008. On 04/01/10, as a result of being laid off, Mr. Jones terminated (non-vested) with 1 yr 7 1/2 months of service credit.

Mr. Jones was rehired in a temporary "O" item from 6/14/10-1/12/11. During the temporary position the member was not allowed to retain membership because of his non-vested status.

On 01/13/11 Mr. Jones became permanent and transferred to an "A" item and requested to purchase his temporary service.

Membership Stream



Related Concepts

Continuity of Membership
 Previous Service vs. Membership
 Returning Membership
 Temporary County Service

Continued on next page

Sample Scenario, Continued

Related
Concepts,
continued

Section 31629.5 discusses the right to elect to leave accumulated contributions on deposit in retirement fund; revocation of election; service credit as employee of reciprocal system:

(a) Notwithstanding Sections 31628 and 31629, on and after January 1, 2003, a member who is credited with less than the number of years of service required for vesting shall have the right to elect to leave accumulated contributions on deposit in the retirement fund. Failure to make an election to withdraw accumulated contributions shall be deemed an election to leave accumulated contributions on deposit in the retirement fund.

(b) An election to allow accumulated contributions to remain in the retirement fund may be revoked by the member at any time except: (1) while the member is employed in county service in a position in which the member is not excluded from membership in this system with respect to that service; (2) while the member is in service as a member of a public retirement system supported, in whole or in part, by state funds; or (3) while the member is in service, entered within six months after discontinuing county service, as a member of a reciprocal retirement system. All accumulated contributions contributed up to the time of revocation may then be withdrawn.

(c) A member whose membership continues under this section is subject to the same age, service, and disability requirements that apply to other members for service or disability retirement. After the qualification of the member for retirement by reason of age, which shall be the lowest age applicable to any membership category in which the member has credited service, or disability, the member shall be entitled to receive a retirement allowance based upon the amount of the member's accumulated contributions and service standing to the member's credit at the time of retirement and on the employer contributions held for the member and calculated in the same manner as for other members.

(d) Service, solely for purposes of meeting minimum service qualifications for service or disability retirement, shall also include service credited as an employee of a reciprocal system when the member retires concurrently from all reciprocal retirement systems. A member whose combined service from all reciprocal retirement systems does not meet the minimum service qualifications may not receive a service or disability retirement from this system.

(e) Notwithstanding Section 31467, for purposes of this section, "accumulated contributions" means the sum of all member contributions standing to the credit of a member's individual account, and interest thereon

Continued on next page

Sample Scenario, Continued

Article 7

Article 7 Section 31642 discusses continuity of service; designation of matters not breaking continuity

The following shall not be considered as breaking the continuity of service:

- (a) A temporary layoff because of illness or for purposes of economy, suspension, or dismissal, followed by reinstatement or re-employment within one year.
- (b) A leave of absence followed by reinstatement or re-employment within one year after the termination of the leave of absence.
- (c) A resignation to enter, followed by entrance into, the armed forces of the United States, followed by re-employment by the county or district within six months after the termination of such service.
- (d) Resignation of a member who has elected in writing to come within the provisions of Article 9 followed by re-employment before withdrawal of any accumulated contributions.

The withdrawal of accumulated contributions followed by redeposit of the contributions upon re-entrance into service does not constitute a break in the continuity of service.

Board of Retirement Regulations

Article 3 Section 4 Outlines the provisions for employees who return to membership:

- (a) Any member of the Retirement Association who has elected to take deferred retirement and who by reinstatement, rehire, or transfer, is appointed to a position in which membership in the Retirement Association is compulsory, shall immediately return to active membership in the Retirement Association with a contribution rate based on the member's retirement plan in effect at the time of the member's most recent election to take a deferred retirement.
 - (b) Any member of the Retirement Association who has elected to take deferred retirement and who by reinstatement, rehire, or transfer, is appointed to a position in which membership in the Retirement Association is not compulsory may file, at any time, a written election to terminate such deferred retirement and return to active membership with a contribution rate based on the member's retirement plan in effect at the time of the member's most recent election to take a deferred retirement. Such written election shall specify whether the member also elects to receive credit for any County service not previously credited up to the date of the election. Contributions for such creditable service may be made at any time prior to the effective date of retirement and shall be calculated upon actual earnings, not including overtime, plus the interest which would have been credited to the member's account had contributions been made on the earnings.
-

Continued on next page

Sample Scenario, Continued

Discussion Questions

Review the CERL provisions, Board of Retirement Regulations, and the above scenario, and then answer the following questions.

1. Based on CERL Article 6 Section 31625.9 what are Mr. Jones' rights with regard to this specific scenario? Please explain in detail.
2. What provisions does CERL Article 7, Section 31642 provide for this specific scenario?
3. What provisions does Board of Retirement Regulation Article III provide a deferred member who is reinstated?
4. Please identify the problem in the above scenario and explain in detail why it is a problem.

Considerations

According to the provisions of the Law please discuss the alternatives regarding how the period of "O" item temporary time should be treated.

Proposed Solution

Please discuss how the temporary time should be calculated. Please provide a rationale for your decision.

Overview of Leadership Modules

ACE Foundations of Leadership Workshops

The ACE Foundations of Leadership is a series of workshops that will focus on very critical aspects of leadership such as, self-awareness, emotional intelligence, and conflict resolution. These modules will be facilitated by outside vendors and accompany the CERL technical modules.

Sample Leadership Workshops

Emotional Intelligence

This team-building workshop focuses on one very critical aspect of leadership: Emotional Intelligence (EQ). It will contain exercises designed to help the participants gain a deeper understanding of their emotional intelligence. Studies show that emotional intelligence is a better predictor of success than IQ or technical skills.

Conflict Resolution

This team-building workshop focuses on conflict resolution style and preference. During this workshop participants will learn about several different ways to approach conflict. They will gain understanding of how different conflict-handling styles affect interpersonal and group dynamics. They will gain an understanding of their own preferred conflict style and what it uniquely means about them. They will be empowered with ability to choose the appropriate conflict style for any situation in the workplace as well as every other aspect of life.

Continued on next page

Overview of Business Modules

ACE Business Modules

In the business segment the participants will learn valuable business skills and will be provided with a platform in which they will be challenged to apply them. Like the leadership segment, these courses will be facilitated by outside vendors and complement the CERL technical modules.

Sample Business Modules

LACERA Business Communications

The purpose of this course is to add value and quality to LACERA employee interactions by preparing the participant to communicate effectively and successfully in an organizational setting. This course will provide the participant with oral and written business communication skills vital to personal success and business operations. It will provide the participant with best practices for writing emails, memos, and leaving voice mail messages. It will provide best practices for having more productive meetings and conversations.

Critical Thinking & Decision-making

The purpose of this course is to enhance the participant's ability to think critically. This course is designed to introduce participants to the critical-thinking process. It will facilitate their ability to open their minds to all of the factors involved in determining what is right or wrong, or the best course of action. It will emphasize the important factors including ethics, logic, CERL, LACERA policy; and the LACERA mission, vision, and values, in the critical thinking and decision-making process.

Schedule of Pilot Courses

This schedule is subject to change.

Date	Pilot Class of 2017/2018	Days
March 2017	Completion of CERL Module I	2
March 2017	Train the Trainer for CERL Module One	4 days
Implementation of ACE Pilot Program (QA Staff)		
March 2017	Pilot of ACE 100 Introduction to Online Resources	2 days
April 2017	CERL Module One	6
May 2017	Leadership Ethics Living the Mission, Vision, & Values	TBD
June 2017	CERL Module Two	6 days
July 2017	Understanding Emotional Intelligence	TBD
Aug 2017	Pilot of ACE Module Three	TBD
Aug 2017	Business Communications	TBD
Sept 2017	Strategic Thinking	TBD
Oct 2017	Pilot of ACE Module Four	TBD
Oct 2017	Conflict Resolution	TBD
Nov 2017	Root Cause Analysis	TBD
Dec 2017	Pilot of ACE Module Five	TBD
Jan 2018	Pilot of ACE 105 CERL Module Six	TBD
Jan 2018	Completion of Pilot Program	TBD

LACERA

Advanced CERL Education

By
Arlene Owens

Inspiration for Quality

Preparation for Excellence



Comparing ACE to Core

Core Benefits New Hire

- Basic Core Benefits/Processes
- Classroom Lecture
- Emphasis on How to Process
- One Dimensional Curriculum
- Develops Ability to Process Work

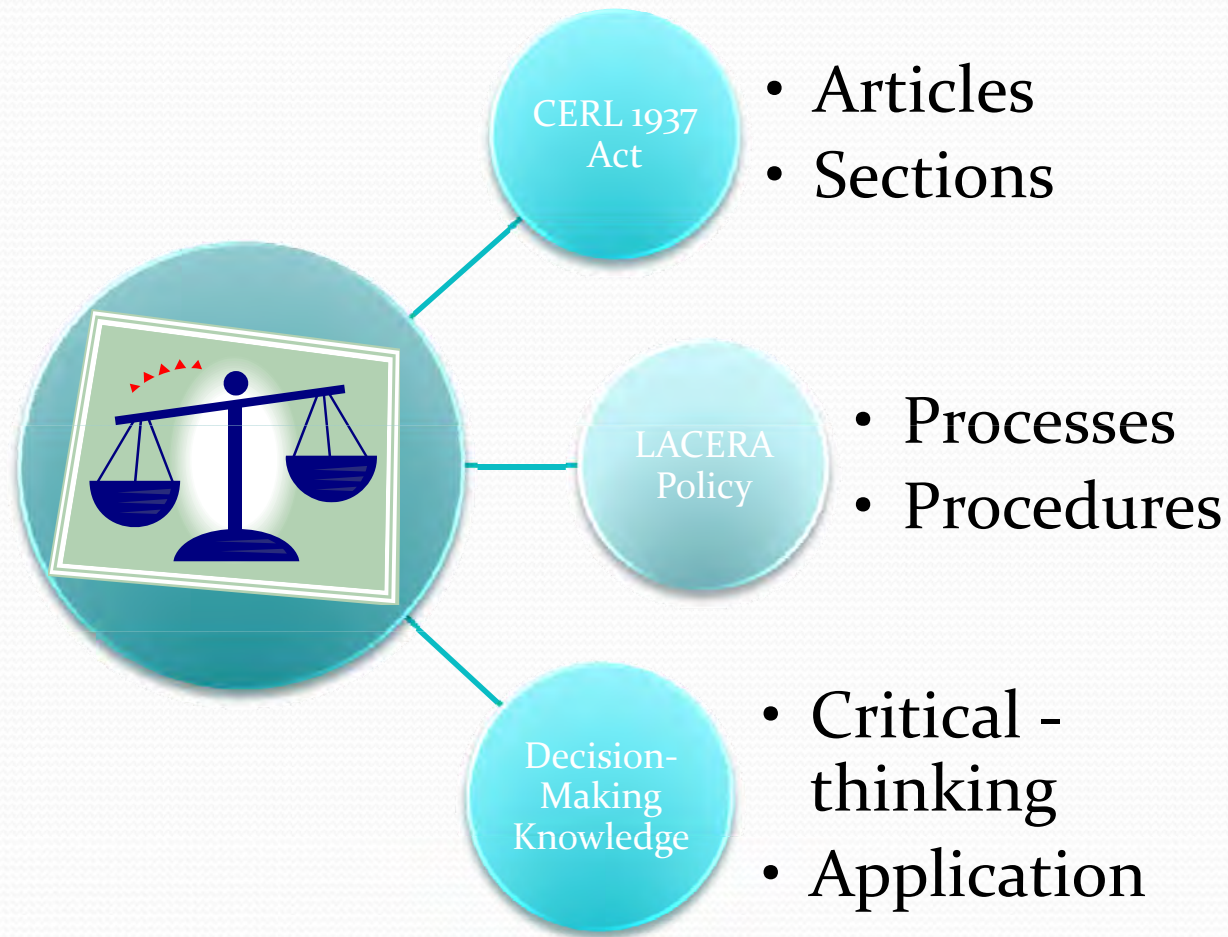
Advanced CERL Curriculum

- More Complex Scenarios
- Classroom Discussion Combined with Self-Paced Learning
- Emphasis on CERL/Law
- Emphasis on Compliance
- Three Dimensional Curriculum
- Develops Ability to Think Critically & Strategically about Benefit Administration

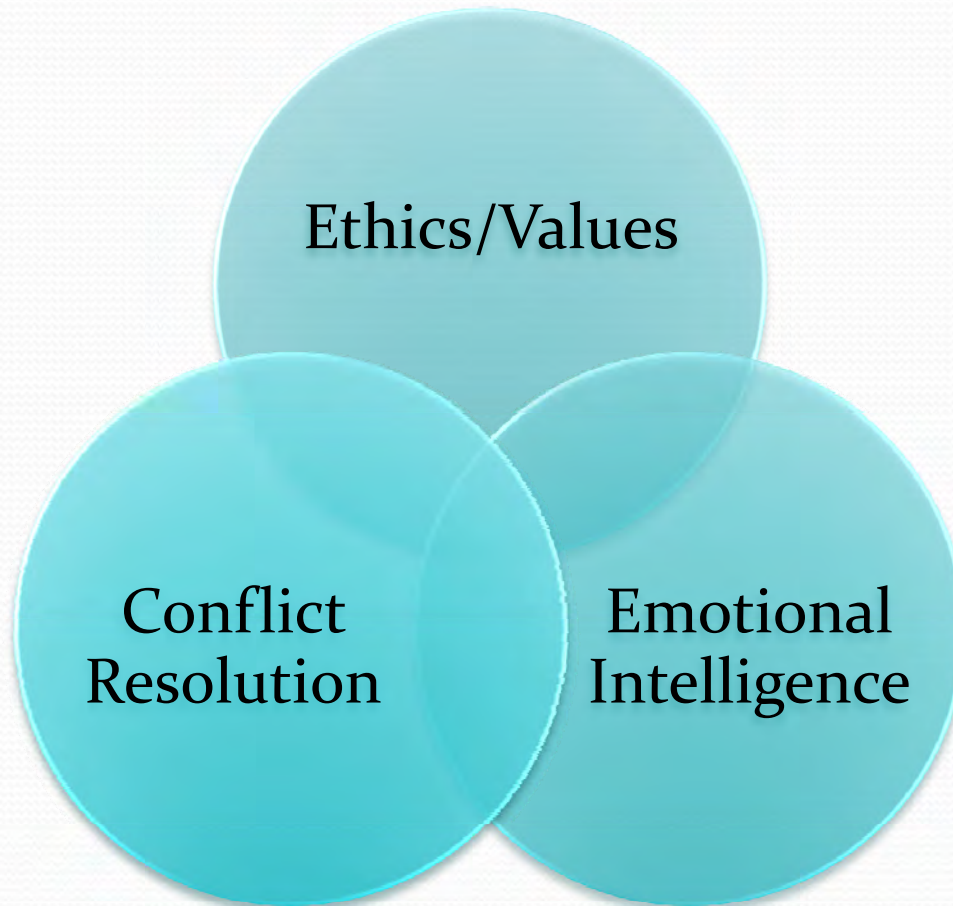
ACE Certification Program Curriculum Model



CERL Technical Segment



Leadership Segment



Business Skills Segment

Root Cause
Analysis

Strategic Thinking

Critical
Thinking/Decision-
Making

Business
Communication



Rationale

- Well-rounded Advanced Staff
 - Advanced Business Acumen
 - Compliance
 - Critical Thinking
 - Ethical Perspective
 - Leadership Development



ACE Pilot Program

- Participants
 - All Quality Assurance Staff
 - One Benefits Staff Member
 - One Member Services Staff Member
- Material for Pilot Testing
 - ACE Scenarios
 - Facilitator's Guide / Lesson Plan
 - Participant Material / Workbook



Action Plan Timeline

- March 2017
 - CERL Overview
 - Overview of Online Resources
 - Train the Trainer
- April 2017
 - Pilot Module One
 - Focus Group & Feedback
 - Revisions
- May 2017 - Jan 2018
 - Pilot Modules Two through Six



Questions?