

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.,* WEDNESDAY, NOVEMBER 6, 2019

*Although the meeting is scheduled for 9:00 a.m., the meeting will start at the conclusion of the Joint Board of Retirement and Board of Investments meeting scheduled prior to this meeting.

*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. APPROVAL OF MINUTES
 - A. Approval of the Minutes of the Regular Meeting of October 2, 2019
- IV. OTHER COMMUNICATIONS
 - A. For Information
 - 1. September 2019 All Stars
 - 2. Chief Counsel's Report
(Memo dated October 31, 2019)
- V. PUBLIC COMMENT
- VI. CONSENT ITEMS
 - A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated October 28, 2019)
 - B. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board approve the revised policy for Purchasing Goods and Services. (Memo dated October 28, 2019)

VI. CONSENT ITEMS (Continued)

- C. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of “Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs” as proposed by the Los Angeles County Employees Retirement Association for the SACRS 2020 legislative platform. (Memo dated October 23, 2019)

- D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board 1) Approve a visit to Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of January 26, 2020 in Washington, D.C.; 2) Approve the visit as an Administrative Meeting; and 3) Approve reimbursement of all travel costs incurred in accordance with LACERA’s Education and Travel Policy. (Memo dated October 24, 2019)

- E. Recommendation as submitted by Fern M. Billingsy, Senior Staff Counsel: That the Board 1) Adopt Resolutions, Nos. 2019-BR014 and No. 2019-BR015, specifying pay items as “compensation earnable” and “pensionable compensation;” and 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation. (Memo dated October 24, 2019)

VII. EXCLUDED CONSENT ITEMS

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board authorize staff to 1) Sign a separate contract with the new Kaiser Permanente Washington service; and 2) Allow a temporary waiver of the 6-month waiting period for eligible members electing to transfer into the new Kaiser Permanente Washington service area plan. (Memo date October 21, 2019)

- B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 783 for the SACRS 2020 legislative platform. (Memo dated October 24, 2019)

VIII. NON-CONSENT ITEMS (Continued)

- C. Recommendation as submitted by Johanna M. Fontenot, Senior Staff Counsel: That the Board approve the Chief Counsel Reporting Structure. (Memo dated October 31, 2019)

IX. REPORTS

- A. For Information Only as submitted by Richard Bendall, Chief Audit Executive; Leisha Collins, Principal Internal Auditor, Kathryn Ton, Senior Internal Auditor; and Perla Gonzalez, Senior Secretary regarding the New Ethics Hotline and Web Intake Site Presentation. (Presentation Memo dated October 28, 2019)
- B. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation. (Memo dated October 24, 2019)
- C. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the Monthly Board and Staff Education and Travel Report for September. (Public Memo dated October 31, 2019) (Confidential Memo dated October 31, 2019 – Includes Anticipated Travel)
- D. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the October 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated November 1, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

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

XII. EXECUTIVE SESSION

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

- 1. Robert Morgan: Los Angeles County Civil Service Commission
No. 18-251 and DFEH #201903-05340905

XIII. 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 the Board Offices at (626) 564-6000, Ext. 4401/4402 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 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., WEDNESDAY, OCTOBER 2, 2019

PRESENT: Alan Bernstein, Chair
Les Robbins, Vice Chair
Vivian H. Gray (Arrived at 9:06 a.m.)
JP Harris (Alternate Retired)
Shawn R. Kehoe
Keith Knox
Ronald Okum
William Pryor (Alternate Safety)
Herman Santos
Thomas Walsh

ABSENT: Gina Zapanta-Murphy, Secretary

STAFF ADVISORS AND PARTICIPANTS

Steven P. Rice, Chief Counsel
John Popowich, Assistant Executive Officer
Michael Herrera, Senior Staff Counsel
Fern M. Billingsy, Senior Staff Counsel
Barry W. Lew, Legislative Affairs Officer
Felicite Fort, Member

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 9:05 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Robbins led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of September 4, 2019

Mr. Santos made a motion, Mr. Okum seconded, to approve the minutes of the regular meeting of September 4, 2019. The motion passed unanimously by all members present.

IV. OTHER COMMUNICATIONS

A. For Information

1. August 2019 All Stars

Mr. Popowich announced the eight winners for the month of August: Penelope Rodriguez, Mei Zhang, Michael Sanchez, Giselle Jaimes, Katie Horning, Lucci Moreira, Maria Manlutac, and Roxana Castillo for the Employee Recognition Program and David Bayha for Web Watcher. Amy Lim, Clarence Malone, Brittany Moyer, and Victor Tafolla were the winners of LACERA's RideShare Program.

2. Chief Counsel's Report
(Memo dated September 25, 2019)

Mr. Rice provided a brief overview of the Chief Counsel's Report. In addition, Mr. Rice shared that the Board of Supervisors officially approved the results of the safety

IV. OTHER COMMUNICATIONS (Continued)

election declaring Mr. Kehoe as safety member to the Board of Retirement and Board of Investments and Mr. Pryor as alternate safety member to the Board of Retirement.

Furthermore, Mr. Rice provided an update to the Los Angeles County audit, as well as an update regarding the Chief Executive Officer search.

V. PUBLIC COMMENT

(This Item was held out of order following Item VIII. A.)

LACERA member, Felicite Fort, addressed the Board regarding her administrative appeal.

VI. CONSENT ITEMS

Mr. Kehoe made a motion, Mr. Knox seconded, to approve the following items. The motion passed unanimously by all members present.

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated September 23, 2019)
- B. Recommendation as submitted by Fern M. Billings, Senior Staff Counsel: That the Board 1) Adopt Resolutions, Nos. 2019-BR012 and No. 2019-BR013, specifying pay items as “compensation earnable” and “pensionable compensation;” and 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation. (Memo dated September 18, 2019)
- C. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board approve the purchase of Fiduciary Liability and Cyber Liability Insurance effective October 6, 2019 with insurance carriers: Hudson Insurance Company, Westchester Fire Insurance Company, and NAS Insurance Company. (Memo dated September 9, 2019)

VII. EXCLUDED CONSENT ITEMS

There were no items discussed.

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board 1) Withdraw its proposal related to service retirements with pending civil service appeals for the SACRS 2020 Legislative Platform; and 2) Postpone consideration of its proposal related to board self-evaluations in closed session at the SACRS 2019 Fall Conference. (Memo dated September 23, 2019)

Barry W. Lew was present and answered questions from the Board.

Mr. Robbins made a motion, Mr. Santos seconded, to approve staff's recommendation. The motion passed unanimously by all members present.

- B. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board consider rescheduling the Wednesday, January 1, 2020 Board of Retirement Administrative meeting. (Memo dated September 25, 2019)

Mr. Santos made a motion, Mr. Kehoe seconded, reschedule the Wednesday, January 1, 2020 Board of Retirement Administrative meeting to a combined Board of Retirement Administrative and Disability meeting on Thursday, January 9, 2020. The motion passed unanimously by all members present.

- C. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board review its current Teleconference Meeting Policy and the Board of Investments' Policy and determine whether to revise the current Policy. (Memo dated September 25, 2019)

Mr. Santos made a motion, Mr. Bernstein seconded, to adopt the Board of Investment's Teleconference Meeting Policy. The motion passed unanimously by all members present.

IX. REPORTS

- A. Update on Additional LACERA Positions and Salaries as submitted by Steven P. Rice, Chief Counsel. (Memo dated September 23, 2019)

Mr. Rice was present and provided an update regarding this item.

- B. Update on External Review of Education and Travel Expenses, the Education and Travel Policy, and Implementation Practices for FYs 2016, 2017, 2018 and 2019. (Memo dated September 26, 2019)

Mr. Rice was present and provided an update regarding this item.

The following items were received and filed.

- C. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the Monthly Board and Staff Education and Travel Report for August. (Public Memo dated September 25, 2019)
(Confidential Memo dated September 25, 2019 – Includes Anticipated Travel)
- D. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation.
(Memo dated September 23, 2019)
- E. For Information Only as submitted by Johanna M. Fontenot, Senior Staff Counsel, regarding the Legal Analysis of Due Process Requirement Under Government Code Section 7522.72 (Memo dated September 20, 2019)
(Privileged and Confidential Attorney-Client Communication)
- F. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the September 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated September 25, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

There were no items to report.

XI. GOOD OF THE ORDER

(For information purposes only)

Mr. Santos thanked the CEO ad-hoc committee for their efforts in the CEO search.

XII. EXECUTIVE SESSION

- A. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision
(d) of California Government Code Section 54956.9)

1. Administrative Appeal of Felicite Fort

The Board met in Executive Session with counsel pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board unanimously by all members present voted, on a motion made by Mr. Kehoe, seconded by Ms. Gray, to grant Ms. Fort's appeal.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:47 a.m.

GINA ZAPANTA-MURPHY, SECRETARY

ALAN BERNSTEIN, CHAIR



October 31, 2019

TO: Each Member,
Board of Retirement
Board of Investments

FROM: Steven P. Rice *SPR*
Chief Counsel

SUBJECT: **CHIEF COUNSEL'S REPORT**

I am pleased to present the Chief Counsel'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.

Employee Forum

For the first time in a few years, LACERA hosted an Employee Forum (Forum) on October 30, 2019 at the Salvation Army facility near our offices. The Forum is an opportunity to recognize all staff and provide education and fellowship. The format for this year's event was entirely different. Instead of hosting an external speaker, the Forum was completely LACERA home-made, including a new LACERA video produced specially for this event highlighting individual staff and member interviews, staff speakers, and divisional booths.

The speaker program included:

- Master of Ceremonies **David Bayha**, from the Member Services Division, who provided humorous introductions of the other speakers and kept the program moving along.
- State of LACERA Address, by Chief Counsel.
- 8-minute presentations in Ted Talk format by six LACERA staff:
 - **Louis Gittens**, from the Benefits Division, on managing stress through self-care.
 - **Michael Herrera**, from the Legal Division, speaking on the ethics of doing right versus doing good, and the duty and importance of knowing the difference.
 - **Quoc Nguyen**, from the Investments Division, speaking on diversity of thought.
 - **Dr. Arlene Owens**, from the Quality Assurance and Metrics Division speaking on positivity in the workplace and the importance of our own internal HERO (Hope, Efficacy and Confidence, Resilience, and Optimism).

- **Shonita Peterson**, from the Benefits Division, speaking on experiential diversity.
- **Percy Petrov**, from the Benefits Division, speaking on the role of all staff as leaders in the success of LACERA.

The divisional booths combined fun games and escape rooms, along with education and demonstrations. Booths were provided by the Administrative Services, Communications, Disability Litigation, Disability Retirement Services, Financial and Accounting Services, Human Resources, Investments, Legal, Member Services, Retiree Health Care, and Systems. There was also a booth on charitable giving at LACERA.

The event was a rousing success, with almost 350 employees attending the two half-day morning and afternoon sessions. Thank you to trustee Keith Knox for attending.

The event would not have been possible without the hard work of the PEP team (including **Roxana Castillo, Andrea Ellison, Vanessa Gonzales, Veronica Yi-Martinez, Cynthia Martinez, Norma Minjarez, JJ Popowich, and Roberta Van Nortrick**) and the entire Communications Division. Systems provided audio-visual and technical support. The temporary staff from the special Microfiche Coding Projects provided set up and clean up.

Finally, I want to recognize employees **Antonio Ramos** and **Patricia Nunez**, who took the initiative to send an email last summer asking whether we would have a Forum this year. Without Tony and Patricia's initiative, we would not have had a Forum. Their messages were the spark that set the event in motion. This is an example of the open and responsive culture that we aspire to at LACERA.

And thanks to all staff for their enthusiastic participation!

We will show the new Communications video along with photographs of the events at the Board meeting.

Thank You for the Opportunity

This will be my last Chief Counsel's Report in my role as also having the duties and responsibilities of the Chief Executive Officer. Our new CEO is expected to start work in mid-November. I would like to thank the Boards for the opportunity to serve in this capacity for the past five months. It has been a pleasure to get more involved in the LACERA operations and get to know so many of the staff that I had not had the opportunity to meet in my Chief Counsel role. Our goal from the beginning was to move forward with optimism and positivity during this period of transition. We succeeded!

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These last few months have been very eventful, and we have made some real progress on important issues. I thought it would be a good time to take a look back at some of the accomplishments and highlights:

- **Small Staff Member Group Meetings:** Perhaps one of the most rewarding highlights has been the group meetings of 5-10 employees that I've held in many divisions with staff at all levels. I met with approximately 190 employees in these small groups. These meetings have provided me with enormous insight into the tremendous talent we have at LACERA and the wealth of ideas that exist on how to make LACERA the most rewarding and productive organization. I have shared some of these ideas with the management team, as I will with the new CEO as well.
- **Leadership Discussions:** In addition to the small group meetings, the management and supervisor teams have held several beneficial and honest discussions about what it means to be a leader and how we can work together to advance LACERA. The team agreed we are committed to being open, communicative, innovative, compassionate leaders who lead by example and exhibit transparency and fairness in all that we do. At the same time, we all acknowledged that we have to hold each other and our staff members accountable for our actions and our promises.
- **Employee Engagement:** The Human Resources and Executive Office worked on an employee engagement program as part of the strategic plan. During my tenure I had a chance to join this effort and help kick the process off. We have selected a very experienced vendor that will come in and help us develop this program and set it up to be a maintainable part of LACERA's culture.
- **Increased Focus on Fiscal Responsibility:** One of the focuses of my tenure in this role has been an increasing focus on fiscal responsibility. Two areas come to mind as examples of this effort. The first is an organization wide review of the usage of bonuses and the development of new procedures and expectations for the approval and management of bonuses going forward. We have, for the first time, placed bonuses on a six-month review cycle. The second is the continuation of an existing effort already underway in the Executive Office to look at the efficiency of some divisions that tend to rely on a lot of out of class and additional work, overtime, and temporary staffing. We continue to try to identify work processes that take significant time and effort to complete and will soon be looking for ways to reduce, if possible, that time and effort.
- **Revised Procurement Policy:** Working with the Executive Office, Administrative Services, and several other divisions we were able to finalize a revised procurement policy which will be presented to the Board of Retirement this month.

- **Excellent Plan Sponsor Relations:** During my tenure, we continued with the County leadership to enhance our working relationships. Specific projects have included the numerous pay items that have appeared on the Board of Retirement agenda for review as pensionable items and review of additional LACERA positions and salaries. I have communicated regularly with the County CEO's office to ensure that they are informed of significant developments at LACERA, and in turn news of the County has been provided to me.
- **Board of Supervisors Audit:** The Board of Supervisors requested an audit of LACERA's budget, finances, and related operations. This audit was a significant event and occupied a significant portion of the management team's time. I am proud to say that our staff members acted professionally and worked with the County auditors in a transparent and open manner.
- **Education and Travel Policy Revision and Audit:** Education and travel are critical components that help keep your Boards and our staff members informed and able to make the most prudent decisions for the fund and LACERA operations. Working off of a very detailed and informative internal audit, we supported the Boards' efforts to review our current policy and made appropriate changes. In keeping with LACERA's tradition of being an industry leader we did not stop there, and working with the Board of Retirement, we selected an outside auditor, Mosaic Governance Advisors, to perform an expanded audit, take an objective look at our policy and processes, and provide recommendations on best practices we may consider going forward.

I have additional specific comments and suggestions that I look forward to sharing with the Boards and the new CEO at the appropriate time in the near future.

While my time in this role may be coming to an end, I am excited and ready to return to my work as Chief Counsel and will provide my full support to our new CEO in their success as we take LACERA forward into the future.

Update on Key Retirements

Chief Financial Officer: Beulah Auten, Chief Financial Officer (CFO), has retired effective October 31, 2019. Recruitment of her replacement will be initiated under the direction of the new CEO, and updates will be provided to the Boards regularly. Ted Granger was appointed to serve as Interim CFO.

Director of Human Resources: The search for a replacement for John Nogales, our retired Director of Human Resources, was scheduled to be completed in October. The selection committee met with a small group of finalists in early September and invited three of them

back to meet with the management team and the staff in Human Resources Division. The selection team collected feedback from everyone who participated in these meetings, met and discussed the candidates and selected a candidate. Unfortunately, the selected candidate had to withdraw from the process for personal reasons. After careful consideration the team decided we would re-open the search. Under the direction of the new CEO, we will continue to work with the recruiter to complete the search.

Thank you again for the opportunity to serve these past five months!

SR: jp
CEO report October 2019.doc
Attachments

Striving for Excellence in Service



Outreach Attendance
3,742

9,961 Year-to-Date



Outreach Events
51

142 Year-to-Date



Outreach Satisfaction
96.1%

0.3% Change Since Last Mo



Member Service Center
100.0%

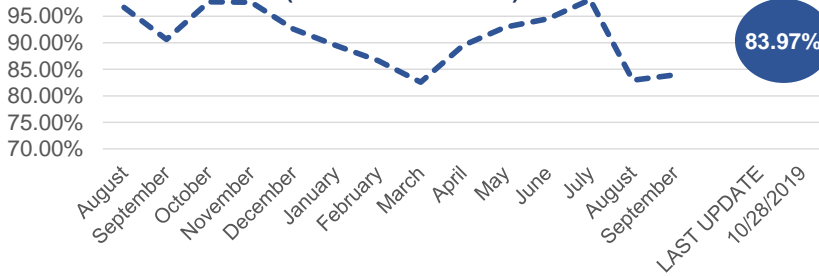
-2% Change Since Last Mo



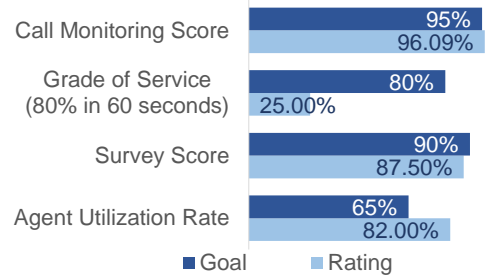
Member Services Calls
10,978

11,874 3 Mo. Avg.

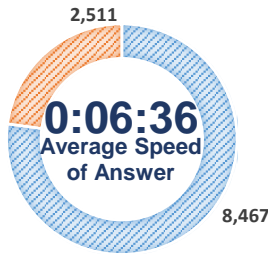
Key Performance Indicator (Overall Performance)



Key Performance Indicator (Components)



Member Services



Top Calls

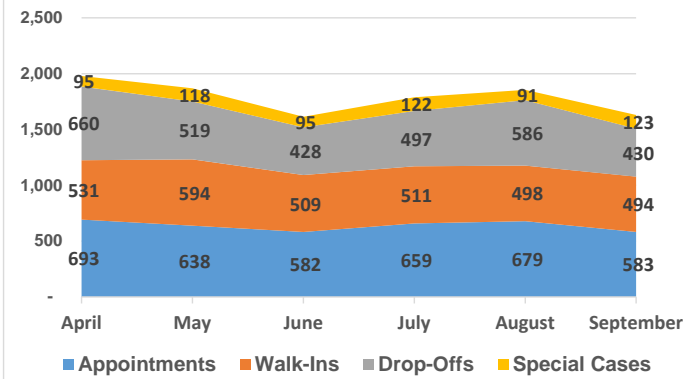
1. Workshop Information\Appointments: Inquiry
2. Retirement Counseling: Process Overview
3. Retirement Counseling: Estimate



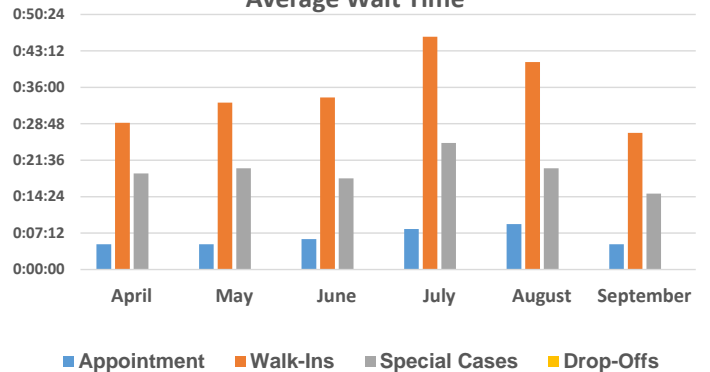
Emails 388
5:02 hours
Avg. Response Time (ART)

Secure Messages 200

Member Service Center Visits



Member Service Center Average Wait Time

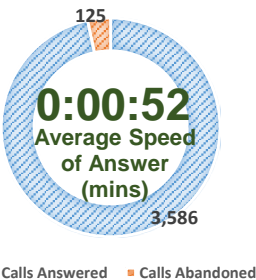


*Drop Off Wait Time: No Waiting



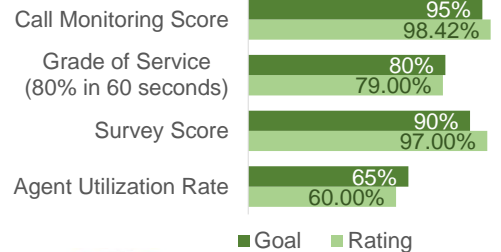
Total RHC Calls: 3,711

Retiree Healthcare



Top Calls

1. Med. Benefits - General Inquiries (RHC)
2. Medical-New Enrollment/Change/Cancel
3. General Inquiries (RHC)



Emails 250
1 Day
Avg. Response Time

Secure Messages n/a

Striving for Excellence in Service (Continued)

Applications

681

In Process:
09/30/19

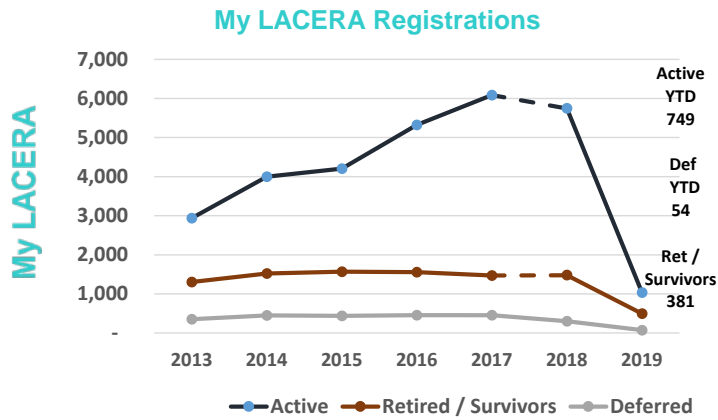
- 657 Pending: 08/30/2019
- 56 Received
- 141 Year-to-Date
- 0 Re-Opened
- 0 Year-to-Date
- 29 To Board - Initial
- 131 Year-to-Date
- 3 Closed
- 5 Year-to-Date

Appeals

101

In Process:
09/30/19

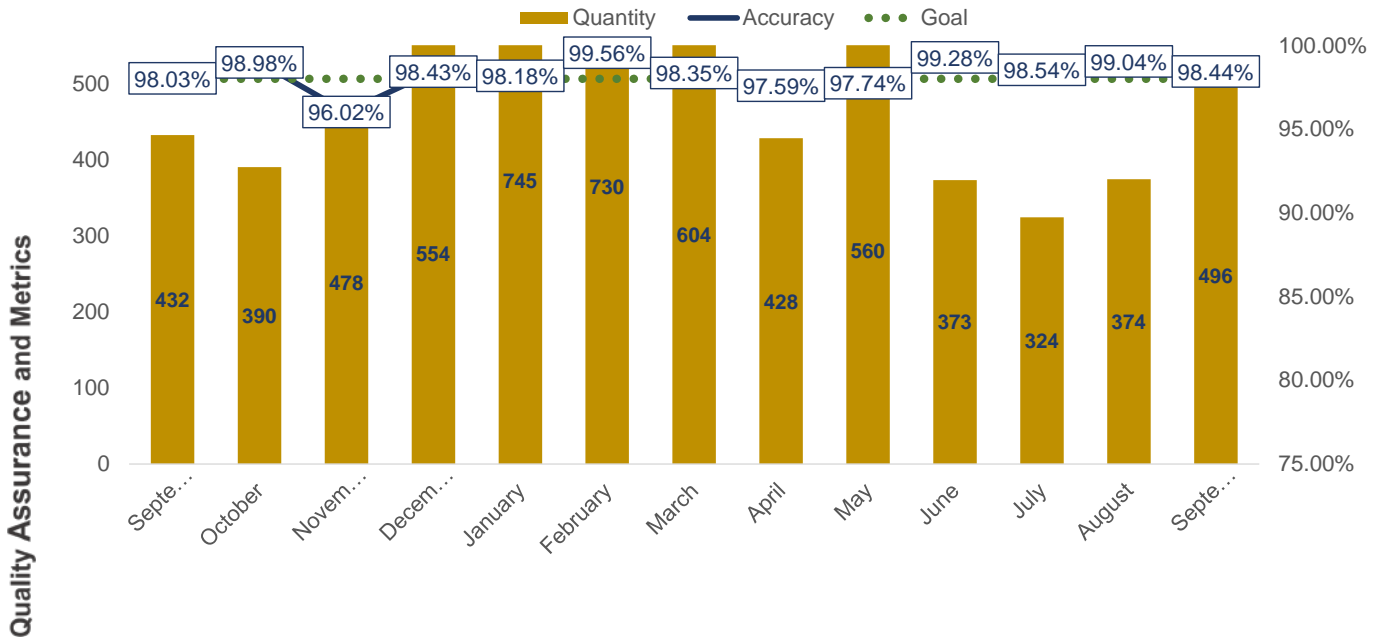
- 98 Pending: 08/30/2019
- 4 Received
- 11 Year-to-Date
- 1 Admin Closed/Rule 32
- 6 6
- 0 Referee Recommended
- 0 Year-to-Date
- 0 Revised/Reconsidered for Granting
- 0 Year-to-Date



MORE COMING SOON!

Striving for Excellence in Quality

Audits of Retirement Elections, Payment Contracts, and Data Entry



September 2019
98.08%



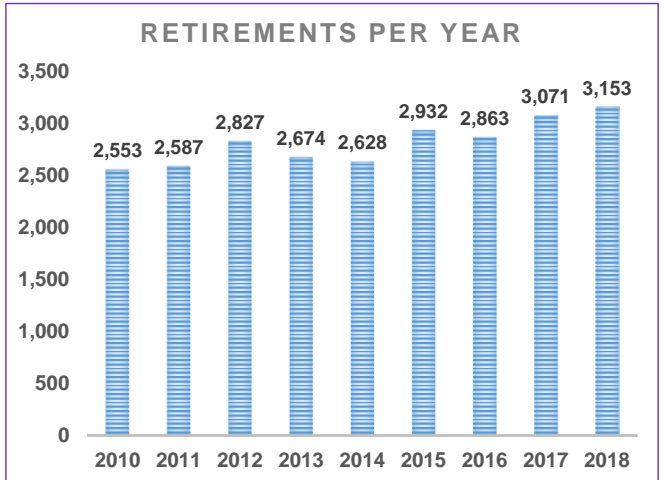
Retirement Elections
260 Samples
97.66% Accuracy

Payment Contracts
146 Samples
98.15% Accuracy

Data Entry
90 Samples
98.44% Accuracy

Member Snapshot

	Members as of 10/15/19				
	Plan	Active	Retired	Survivors	Total
General	Plan A	100	16,582	4,457	21,139
	Plan B	33	677	70	780
	Plan C	39	427	68	534
	Plan D	41,427	15,782	1,475	58,684
	Plan E	17,137	13,179	1,197	31,513
	Plan G	27,739	39	3	27,781
	Total General	86,475	46,686	7,270	140,431
Safety	Plan A	4	5,223	1,585	6,812
	Plan B	9,635	5,961	294	15,890
	Plan C	3,259	8	0	3,267
	Total Safety	12,898	11,192	1,879	25,969
TOTAL MEMBERS	99,373	57,878	9,149	166,400	
% by Category	60%	35%	5%	100%	



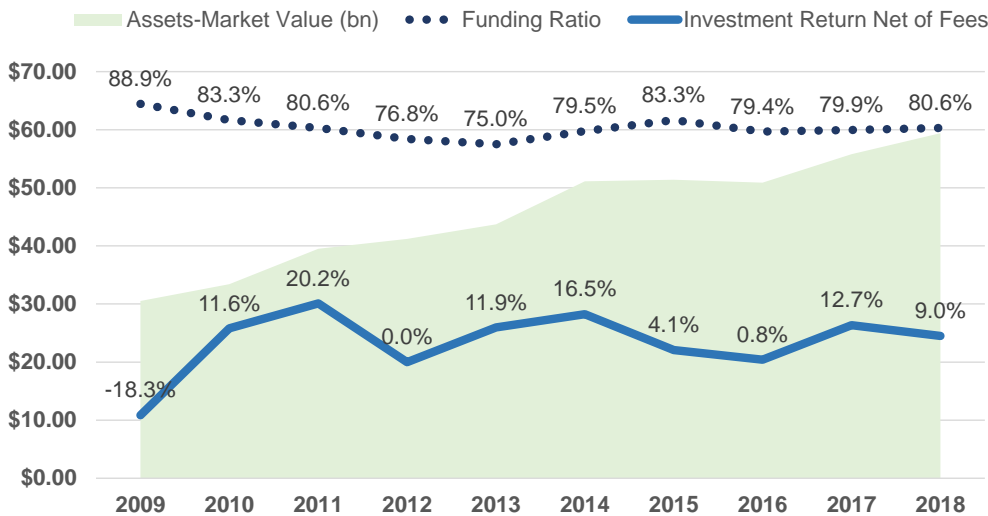
Average Monthly Benefit Allowance Distribution

	General	Safety	Total	%
\$0 to \$3,999	29,895	2,039	31,934	55.39%
\$4,000 to \$7,999	12,346	3,576	15,922	27.62%
\$8,000 to \$11,999	3,096	3,960	7,056	12.24%
\$12,000 to \$15,999	838	1,234	2,072	3.59%
\$16,000 to \$19,999	243	233	476	0.83%
\$20,000 to \$23,999	72	75	147	0.25%
\$24,000 to \$27,999	26	12	38	0.07%
> \$28,000	6	2	8	0.01%
Totals	46,522	11,131	57,653	100%

Average Monthly Benefit Allowance: \$ 4,291.00

Healthcare Program (YTD)		Healthcare Enrollments (Monthly)	
	Employer	Member	
Medical	\$134.4m	\$11.1m	Medical 51,311
Dental	\$11.2m	\$1.1m	Dental 52,599
Part B	\$16.9m	xxxx	Part B 34,661
Total	\$162.5m	\$12.3m	Total 139,201

Key Financial Metrics



Funding Metrics (as of 6/30/18)

Employer NC	9.92%
UAAL	10.99%
Assumed Rate	7.25%
Star Reserve	\$614m
Total Assets	\$56.3b

Contributions (as of 6/30/18)

	Employer	Member
Annual Add	\$1,524.8m	\$591.3m
% of Payroll	20.91%	6.88%

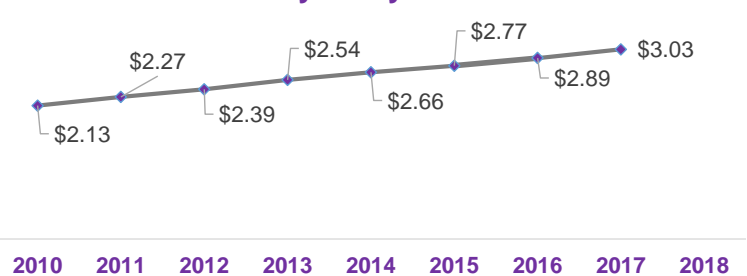
TOTAL FUND RETURN (Net of Fees)

5 YR: 8.5% 10 YR: 6.3%

Retired Members Payroll

Monthly Payroll	\$297.24m
Payroll YTD	.9b
New Retired Payees Added	282
Seamless %	96.45%
New Seamless Payees Added	868
Seamless YTD	97.12%
By Check %	3.00%
By Direct Deposit %	97.00%

Retiree Payroll by Year



Date	Conference
December, 2019	
3-5	Responsible Investor (RI) Annual Conference New York, NY
January, 2020	
26-28	NCPERS (National Conference on Public Employee Retirement Systems) Legislative Conference Washington D.C.
February, 2020	
12-13	IMN (Information Management Network) Annual Beneficial Owners' Intl. Securities Finance & Collateral Mgmt. Conference Fort Lauderdale, FL
12-14	Pacific Pension Institute (PPI) North American Winter Roundtable Rancho Palos Verdes, CA
March, 2020	
4-5	PREA (Pension Real Estate Association) Spring Conference Beverly Hills, CA
7-10	CALAPRS (California Association of Public Retirement Systems) General Assembly Meeting Rancho Mirage, CA
9-11	Council of Institutional Investors (CII) Spring Conference Washington D.C.
18-19	AHIP (America's Health Insurance Plans) National Health Policy Conference Washington D.C.
29-April 1	World Healthcare Congress Washington D.C.
April, 2020	
6-8	CRCEA (California Retired County Employees Association) Spring Conference Visalia, CA
6-8	IFEBP (International Foundation of Employment Benefit Plans) Health Care Mgmt. Conference Phoenix, AZ
20-23	Portfolio Concepts & Management (<i>prev. Fundamentals of Money Management</i>) Wharton School, University of Pennsylvania
27-29	IFEBP (International Foundation of Employment Benefit Plans) Investments Institute New Orleans, LA
May, 2020	
2-6	Milken Institute Global Conference Los Angeles, CA



October 28, 2019

TO: Each Member
Board of Retirement

FOR: BOR Meeting on November 6, 2019

SUBJECT: Ratification of Service Retirement and Survivor Benefit Application Approvals

The attached report reflects service retirements and survivor benefit applications received as of the date of this memo, along with any retirement rescissions and/or changes approved at last month's Board meeting. Any retirement rescissions or changes received after the date of this memo up to the date of the Board's approval, will be reflected in next month's report.

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
YOLANDA ARTEAGA	SHERIFF Dept.#SH	09-04-2019	20 YRS 07½ MOS
RICHARD M. BALIGAD	L A COUNTY FIRE DEPT Dept.#FR	10-31-2019	33 YRS 06½ MOS
YOLANDA L. CLAY	SHERIFF Dept.#SH	10-31-2019	34 YRS 01½ MOS
MARK J. DESMARTEAU	SHERIFF Dept.#SH	12-28-2019	29 YRS 00 MOS
WILLIAM H. DUNKIN	SHERIFF Dept.#SH	10-09-2019	32 YRS ½ MOS
STEVEN T. EGGER	L A COUNTY FIRE DEPT Dept.#FR	11-09-2019	27 YRS 03½ MOS
JIMMIE C. JOHNSON	SHERIFF Dept.#SH	11-15-2019	38 YRS 10½ MOS
WILLIAM B. LOCKRIDGE	SHERIFF Dept.#SH	10-31-2019	31 YRS 10½ MOS
DONALD E. MCMINN JR	SHERIFF Dept.#SH	10-31-2019	29 YRS 08½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MICHAEL P. MIRELES	L A COUNTY FIRE DEPT Dept.#FR	10-01-2019	31 YRS 07 MOS
CHARLENE L. PEARSON	SHERIFF Dept.#SH	09-28-2019	21 YRS 03 MOS
JOHN E. ROSSI II	SHERIFF Dept.#SH	11-30-2019	34 YRS 01 MOS
ROBERT M. SAMPAYAN	SHERIFF Dept.#SH	11-30-2019	13 YRS 07 MOS
DAVID S. SCHEINFARB	SHERIFF Dept.#SH	11-30-2019	24 YRS 08 MOS
STEVEN N. TOLY	SHERIFF Dept.#SH	10-31-2019	31 YRS ½ MOS
ROBERT TORRES	L A COUNTY FIRE DEPT Dept.#FR	11-30-2019	27 YRS 00 MOS
BERNELL E. TRAPP	SHERIFF Dept.#SH	10-31-2019	34 YRS 04½ MOS
MICHAEL B. WHITE	L A COUNTY FIRE DEPT Dept.#FR	09-17-2019	33 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MARK E. WISE	SHERIFF Dept.#SH	10-31-2019	27 YRS 10½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MINDY L. AISEN	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	12-27-2019	10 YRS 03½ MOS
BOLA AKINPELU	PUBLIC WORKS Dept.#PW	10-31-2019	29 YRS 09½ MOS
ZABEL ALADZHYAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	20 YRS 02½ MOS
DANIEL G. ALCARAZ	INTERNAL SERVICES Dept.#IS	10-31-2019	24 YRS 04½ MOS
MOHAMMED ALEEMUDDIN	CHILD SUPPORT SERVICES Dept.#CD	12-27-2019	20 YRS 01 MOS
LETICIA ALVAREZ	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	11-30-2019	40 YRS 07 MOS
ALICE ANDRADE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	41 YRS 10½ MOS
SARAH R. ANDRADE	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-28-2019	34 YRS 08 MOS
AUSTIN J. ANTHONY	CORRECTIONAL HEALTH Dept.#HC	09-28-2019	26 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
NORMA J. APARICIO	PUBLIC WORKS Dept.#PW	11-01-2019	41 YRS 08½ MOS
JULETA ARAKELIANS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-28-2019	25 YRS 00 MOS
NELLIE A. ARZUMANIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	15 YRS 01½ MOS
VERENA BAGAYGAY	PUBLIC HEALTH PROGRAM Dept.#PH	10-31-2019	36 YRS 03½ MOS
MARY BAILEY	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-17-2019	40 YRS 03 MOS
JESUS F. BARAJAS	CHILDREN & FAMILY SERVICES Dept.#CH	10-18-2019	40 YRS 02 MOS
SALVADOR D. BARAJAS	ALTERNATE PUBLIC DEFENDER Dept.#AD	12-28-2019	25 YRS 02 MOS
MERCEDES R. BARAJAS	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	19 YRS 08½ MOS
ELIZABETH M. BARAJAS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	31 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JANET E. BARKER	BEACHES & HARBORS Dept.#BH	12-31-2019	25 YRS ½ MOS
ALFREDA BARRY	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	47 YRS 02½ MOS
DIANE BENSON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2019	47 YRS 03 MOS
EDWINA BENSON-HIGGI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	44 YRS 06½ MOS
GLADYS P. BENZ	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	11-30-2019	18 YRS 04 MOS
RICKY BERRY	SHERIFF Dept.#SH	11-30-2019	36 YRS 05 MOS
GREGORY BETTON	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-30-2019	46 YRS 00 MOS
MONICA S. BLANCAS	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-31-2019	46 YRS 10½ MOS
BRADFORD M. BOLGER	CHIEF EXECUTIVE OFFICE Dept.#AO	10-31-2019	25 YRS 08½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
DEBRA A. BOREK	MENTAL HEALTH Dept.#MH	11-30-2019	11 YRS 04 MOS
CHERYL L. BRAWL	PROBATION DEPARTMENT Dept.#PB	10-01-2019	15 YRS 09½ MOS
JOHN L. BREault III	DISTRICT ATTORNEY Dept.#DA	10-05-2019	50 YRS 07½ MOS
JULIET P. BUGANTE	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	32 YRS 09 MOS
JOSEFINA V. CADANO	CORRECTIONAL HEALTH Dept.#HC	10-31-2019	24 YRS 09½ MOS
SYLVIA N. CALDERON	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	27 YRS 03 MOS
DORA M. CALERO	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-02-2019	18 YRS 02½ MOS
EARMER CARDEN	PARKS AND RECREATION Dept.#PK	10-31-2019	42 YRS 02½ MOS
ALBERTO E. CARRILLO	INTERNAL SERVICES Dept.#IS	12-27-2019	17 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CAROL G. CARROLL	CORRECTIONAL HEALTH Dept.#HC	12-31-2019	16 YRS 08½ MOS
ERSKINE M. CARTER	PUBLIC LIBRARY Dept.#PL	11-01-2019	18 YRS 03½ MOS
SU K. CHI	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-31-2019	33 YRS ½ MOS
SHUMIN CHING	TREASURER AND TAX COLLECTOR Dept.#TT	11-30-2019	26 YRS 03 MOS
BONNIE L. CHOICE	HEALTH SERVICES ADMINISTRATION Dept.#HS	12-31-2019	13 YRS ½ MOS
PATRICIA CHRISTIAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	12-28-2019	18 YRS 06 MOS
SUSAN M. CHU	HEALTH SERVICES ADMINISTRATION Dept.#HS	11-20-2019	41 YRS 09 MOS
CHARLOTTE A. CHUNN-WHITIN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-01-2019	21 YRS 01½ MOS
MARGARITA COLATO	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	09-30-2019	24 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ROSALYN M. COLEMAN	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-30-2019	27 YRS 04 MOS
BRADLEY L. COLLINS	ASSESSOR Dept.#AS	11-30-2019	15 YRS 06 MOS
TRACEY COLLINS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-01-2019	29 YRS 02 MOS
MARIO D. COPENHAGUEN	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	27 YRS 09½ MOS
KIZZIE CRUMP	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	28 YRS ½ MOS
DEBORA DE LA ROSA	CHILD SUPPORT SERVICES Dept.#CD	10-18-2019	18 YRS 11 MOS
FELY ROSE H. DE LEON	CORRECTIONAL HEALTH Dept.#HC	11-30-2019	12 YRS 08 MOS
DORIS DELGADO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-30-2019	36 YRS 02 MOS
MICHAEL R. DERY	SHERIFF Dept.#SH	09-16-2019	18 YRS 10 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LOUIS J. DIETERS	SHERIFF Dept.#SH	10-26-2019	26 YRS 03 MOS
GILBERT EDRALIN	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-30-2019	15 YRS 02 MOS
DEBRA L. EDWARDS-GRIG	DEPARTMENT OF HUMAN RESOURCES Dept.#HM	10-31-2019	21 YRS 06½ MOS
BARBARA M. ENRIQUEZ	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	12-01-2019	13 YRS ½ MOS
ELIZABETH D. ESCOBAR	PUBLIC WORKS Dept.#PW	10-01-2019	37 YRS 07 MOS
OFELIA C. ESPEJO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-26-2019	30 YRS 02 MOS
LILLIAN D. ESTRELLA	AUDITOR - CONTROLLER Dept.#AU	11-30-2019	21 YRS 09 MOS
ANNA M. FARNI	PUBLIC HEALTH PROGRAM Dept.#PH	12-28-2019	16 YRS 07 MOS
ALMA R. FIGUEROA	TREASURER AND TAX COLLECTOR Dept.#TT	11-30-2019	20 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GLORIA A. FOSTER	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	26 YRS 07½ MOS
JOHN GABIO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-30-2019	37 YRS 11 MOS
DIANA GALLO	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-30-2019	33 YRS 06 MOS
IVETA GALSTYAN	PUBLIC HEALTH PROGRAM Dept.#PH	10-10-2019	21 YRS 02 MOS
LAURI E. GALUS-CASH	INTERNAL SERVICES Dept.#IS	09-26-2019	41 YRS 09 MOS
AURORA P. GARCIA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-17-2019	47 YRS 06 MOS
SONIA GARCIA	DEPARTMENT OF HUMAN RESOURCES Dept.#HM	09-28-2019	32 YRS 11 MOS
DOREEN GARCIA	SHERIFF Dept.#SH	10-31-2019	40 YRS 04½ MOS
DEEANN GEICH	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-31-2019	28 YRS 04½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CYNTHIA GHOSTON	PROBATION DEPARTMENT Dept.#PB	11-30-2019	35 YRS 00 MOS
IRIS E. GONZALEZ	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	30 YRS 03½ MOS
JULIO C. GONZALEZ-REY	AUDITOR - CONTROLLER Dept.#AU	10-03-2019	10 YRS 01 MOS
SCOTT K. GOODWIN	DISTRICT ATTORNEY Dept.#DA	12-27-2019	33 YRS 11 MOS
SHERRY GREEN	REG-RECORDER/COUNTY CLERK Dept.#RR	10-31-2019	41 YRS 10½ MOS
JOHN GREENWOOD	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	10-16-2019	35 YRS 07 MOS
CARL L. GRISSOM	PUBLIC WORKS Dept.#PW	10-16-2019	34 YRS 08 MOS
GLORIA GUERRA	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	31 YRS 05½ MOS
KONGIT T. HAILE	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	12-01-2019	24 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CARLOTTA L. HALE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	32 YRS 04 MOS
VELORA J. HALL	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	11 YRS 03½ MOS
DESSIE M. HAMILTON	INTERNAL SERVICES Dept.#IS	12-31-2019	26 YRS 07½ MOS
GAIL M. HARMER	L A COUNTY FIRE DEPT Dept.#FR	11-01-2019	44 YRS 07½ MOS
NABIL Y. HAROUN	INTERNAL SERVICES Dept.#IS	11-30-2019	36 YRS 05 MOS
LESLIE D. HARRIS	PROBATION DEPARTMENT Dept.#PB	11-30-2019	21 YRS 00 MOS
PATRICIA J. HARRIS	SHERIFF Dept.#SH	11-30-2019	12 YRS 03 MOS
PHYLLIS R. HART	ASSESSOR Dept.#AS	10-01-2019	24 YRS 10½ MOS
BERNICE Y. HAVARD	REG-RECORDER/COUNTY CLERK Dept.#RR	10-02-2019	06 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CHARLES R. HEMPHILL	PROBATION DEPARTMENT Dept.#PB	09-11-2019	26 YRS ½ MOS
KEVIN M. HOOPER	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-01-2019	41 YRS 09½ MOS
JOHN HURA J.R.	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	30 YRS 05½ MOS
RAMON O. JAVATE	ASSESSOR Dept.#AS	11-30-2019	30 YRS 04 MOS
CAROL JOHNSON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	40 YRS 01½ MOS
RICKY E. JOHNSON	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-30-2019	26 YRS 10½ MOS
YOLANDA JOHNSON	PROBATION DEPARTMENT Dept.#PB	09-28-2019	34 YRS 00 MOS
DORIS A. JONES	PUBLIC HEALTH PROGRAM Dept.#PH	09-28-2019	40 YRS 00 MOS
ANN JOPLING	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-01-2019	25 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CLYDE C. JULOYA	CHILDREN & FAMILY SERVICES Dept.#CH	09-28-2019	37 YRS 05 MOS
DEBORA KENNISON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	38 YRS 09½ MOS
DAVID P. KOBETS	INTERNAL SERVICES Dept.#IS	10-31-2019	12 YRS 06½ MOS
LI MING KUNG	PROBATION DEPARTMENT Dept.#PB	11-01-2019	19 YRS ½ MOS
SYLVIA D. LABINGER	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-06-2019	14 YRS 02½ MOS
MARIA L. LAPE	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	43 YRS 04½ MOS
EDWARD D. LARA	PROBATION DEPARTMENT Dept.#PB	09-26-2019	14 YRS 05 MOS
GAIL D. LAWSON	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2019	31 YRS 08 MOS
ROSE Y. LECHUGA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-04-2019	20 YRS 05½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CAMELIA D. LEE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-30-2019	32 YRS 04 MOS
JEFFREY LEMIEUX	REGIONAL PLANNING Dept.#RP	10-18-2019	19 YRS 03 MOS
SANDY H. LEW	MENTAL HEALTH Dept.#MH	10-01-2019	19 YRS 06½ MOS
ROSA LIMON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-15-2019	25 YRS 05 MOS
VELDA LOLLIS	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	10-31-2019	38 YRS 10½ MOS
JOSE A. LUNA JR	PROBATION DEPARTMENT Dept.#PB	11-30-2019	39 YRS 10 MOS
EDWARD L. MADDOX	INTERNAL SERVICES Dept.#IS	09-15-2019	06 YRS 11½ MOS
VERA A. MANNING	SHERIFF Dept.#SH	11-30-2019	25 YRS 00 MOS
ANGEL MANOOKEN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	20 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LATONYA MARTIN	PUBLIC HEALTH PROGRAM Dept.#PH	10-31-2019	41 YRS 03½ MOS
SANDRA MARTIN	MENTAL HEALTH Dept.#MH	10-31-2019	20 YRS 02½ MOS
SAUL MARTINEZ	SHERIFF Dept.#SH	09-28-2019	28 YRS 06 MOS
MICHAEL M. MCALEENAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	15 YRS ½ MOS
SUSAN A. MCCOLLUM	INTERNAL SERVICES Dept.#IS	10-31-2019	42 YRS 07½ MOS
BARBARA J. MCDANIEL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	34 YRS 09½ MOS
LUIS J. MELENDREZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	30 YRS 07½ MOS
JOSE J. MENDEZ	PARKS AND RECREATION Dept.#PK	09-28-2019	13 YRS 07 MOS
ALICIA MERCADO	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-01-2019	23 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MANUEL M. MEZA	SHERIFF Dept.#SH	10-26-2019	12 YRS 03 MOS
SHARON L. MILLER	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	28 YRS 07½ MOS
CLEOPATRA A. MONDESIR	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	34 YRS 04½ MOS
ALIDA MONTANEZ	PUBLIC LIBRARY Dept.#PL	10-31-2019	16 YRS 07½ MOS
DELILAH R. MONTOYA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-13-2019	36 YRS 06½ MOS
DEBRA M. MOORE	AMBULATORY CARE NETWORK Dept.#HN	11-30-2019	30 YRS 00 MOS
RUFUS W. MOORE JR	CORRECTIONAL HEALTH Dept.#HC	10-01-2019	07 YRS 02½ MOS
HANY S. MORCOS	SHERIFF Dept.#SH	10-31-2019	18 YRS 04½ MOS
SANDRA R. MORENO	AMBULATORY CARE NETWORK Dept.#HN	11-30-2019	29 YRS 07 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
BETTY J. MYLES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	38 YRS ½ MOS
FERNANDO J. NAVARRO	DISTRICT ATTORNEY Dept.#DA	10-31-2019	30 YRS 02½ MOS
MARY L. NAYLOR	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	31 YRS 07½ MOS
DEBRA L. NEALY HOLT	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	20 YRS 04½ MOS
CHRIS NELSON	PUBLIC WORKS Dept.#PW	09-12-2019	38 YRS 04½ MOS
SONIA Z. NORTH	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	11-30-2019	30 YRS 01 MOS
TIMOTHY R. O'BRIEN	INTERNAL SERVICES Dept.#IS	10-31-2019	26 YRS ½ MOS
DOROTHY N. OBIORA	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	31 YRS 01 MOS
STEVEN J. OLIVER	MUSEUM OF ART Dept.#AR	10-31-2019	33 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
IRMA H. OROZCO	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	15 YRS 10 MOS
RICHARD D. ORTIZ	INTERNAL SERVICES Dept.#IS	10-16-2019	40 YRS 02 MOS
ROBERT PACHECO JR	PUBLIC WORKS Dept.#PW	10-31-2019	34 YRS 11½ MOS
BOPHATIP PAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	31 YRS 01½ MOS
KRISTIN L. PARISI	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2019	12 YRS 07 MOS
HEA S. PARK	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	11-30-2019	32 YRS 00 MOS
JOSSIE PARZONS	CHILDREN & FAMILY SERVICES Dept.#CH	10-26-2019	28 YRS 11 MOS
LISA D. PEITHMAN	AMBULATORY CARE NETWORK Dept.#HN	10-19-2019	11 YRS 04 MOS
KARMEN PENA	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2019	18 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JORGE A. PEREZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2019	27 YRS 11 MOS
PATRICIA PEREZ	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2019	26 YRS 03 MOS
YVONNE M. PERRY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	40 YRS 05½ MOS
ANTHONY M. PETERS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-05-2019	30 YRS 03½ MOS
VAN C. PHUNG	PROBATION DEPARTMENT Dept.#PB	12-28-2019	19 YRS 05 MOS
AUDREY E. PIOUS	SHERIFF Dept.#SH	09-29-2019	41 YRS 05 MOS
JUANITA POPE	AUDITOR - CONTROLLER Dept.#AU	11-30-2019	45 YRS 08 MOS
SONIA C. PORCHIA	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	12-28-2019	27 YRS 01 MOS
DEBRA A. POTTER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	39 YRS 11½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
TERESA E. PRUDENCIO	HEALTH SERVICES ADMINISTRATION Dept.#HS	10-31-2019	41 YRS 07½ MOS
ROSA MARIA QUINTERO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-30-2019	40 YRS 03 MOS
RONNIE RAMIREZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-31-2019	39 YRS 02½ MOS
ROSALINDA D. RAMOS	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	33 YRS 10 MOS
CATHY M. RANDLE JONES	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-10-2019	29 YRS 01½ MOS
TIMOTHY E. REEFF	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	34 YRS 04½ MOS
NICOLE RESNICK	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2019	12 YRS 02 MOS
LAURA V. RESTREPO	PUBLIC HEALTH PROGRAM Dept.#PH	09-25-2019	05 YRS 10½ MOS
ENRIQUE REYES	PROBATION DEPARTMENT Dept.#PB	10-10-2019	13 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
THOMASENA RICE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-20-2019	12 YRS 11 MOS
PATRICIA D. ROACH	PROBATION DEPARTMENT Dept.#PB	10-31-2019	39 YRS ½ MOS
VERONICA RODRIGUEZ	AMBULATORY CARE NETWORK Dept.#HN	10-31-2019	15 YRS 08½ MOS
SYLVIA A. ROMERO	SHERIFF Dept.#SH	10-01-2019	35 YRS 04½ MOS
LUIS ROSALES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-01-2019	29 YRS 04½ MOS
CZARINA G. ROSE	SHERIFF Dept.#SH	10-30-2019	39 YRS 01 MOS
SCOTT W. ROSENGARD	PROBATION DEPARTMENT Dept.#PB	11-14-2019	38 YRS 10 MOS
JOAN A. RUPERT	PARKS AND RECREATION Dept.#PK	11-13-2019	32 YRS 05½ MOS
MORCOS S. SAID	REG-RECORDER/COUNTY CLERK Dept.#RR	12-01-2019	22 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ARMANDO N. SALCIDO	PARKS AND RECREATION Dept.#PK	10-31-2019	14 YRS 07½ MOS
JOHN B. SANDERSON	CHILDREN & FAMILY SERVICES Dept.#CH	09-13-2019	29 YRS 10 MOS
LOURDES SANDOVAL	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2019	30 YRS 05 MOS
ALICE G. SARMIENTO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-29-2019	29 YRS 04 MOS
ROSALVA P. SAUCEDO	AMBULATORY CARE NETWORK Dept.#HN	11-30-2019	35 YRS 05 MOS
LAWRENCE SCHNEIDER	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	25 YRS 02½ MOS
ELIZABETH SCHRAM	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-31-2019	41 YRS 02½ MOS
SUSAN SCHWARTZ	DISTRICT ATTORNEY Dept.#DA	10-31-2019	40 YRS 11½ MOS
EVANGELINE SEDILLO	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	22 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CHARLES SHAW	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-31-2019	40 YRS 08½ MOS
TERESA L. SHIH	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2019	36 YRS 10½ MOS
JUNG HO SHIN	INTERNAL SERVICES Dept.#IS	10-15-2019	44 YRS 03½ MOS
DEBRA A. SMITH	SHERIFF Dept.#SH	10-31-2019	42 YRS 08½ MOS
KENNETH J. SOGG	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-30-2019	37 YRS 01 MOS
LUCY SOTO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2019	28 YRS 02 MOS
PATRICIA SUNDSTROM	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-01-2019	36 YRS 03½ MOS
ALAN G. SUYEHARA	CORRECTIONAL HEALTH Dept.#HC	11-01-2019	10 YRS 04½ MOS
JEAN S. TAMPOYA	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-10-2019	35 YRS 10½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ANGELA TEJADA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-30-2019	21 YRS 03½ MOS
WATH T. TENG	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-28-2019	14 YRS 03 MOS
JAMES H. THOMAS	PUBLIC WORKS Dept.#PW	10-31-2019	44 YRS 03½ MOS
LYNNE THOMASON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	40 YRS 08½ MOS
ARTEN THOMPSON	PARKS AND RECREATION Dept.#PK	11-30-2019	28 YRS 05 MOS
YOLANDA TILLMAN	MENTAL HEALTH Dept.#MH	10-16-2019	43 YRS 02 MOS
GLENN R. TIMMONS	SHERIFF Dept.#SH	09-27-2019	30 YRS 04 MOS
MARGARITA M. URIBE	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2019	30 YRS ½ MOS
LUZ N. UY	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2019	12 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SYLVIA VARGAS	AMBULATORY CARE NETWORK Dept.#HN	09-13-2019	30 YRS 05½ MOS
ROSANELIA L. VERCELES	MENTAL HEALTH Dept.#MH	10-31-2019	35 YRS 01½ MOS
MARIA R. VICTOR	HEALTH PLAN ADMINISTRATION Dept.#HP	11-30-2019	42 YRS 06 MOS
LUZ M. VILLAFAN	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	11-30-2019	11 YRS 00 MOS
MARIA THERES R. VILAFRANCA	AUDITOR - CONTROLLER Dept.#AU	10-31-2019	28 YRS 10½ MOS
ROMEO C. VILAFRANCA	TREASURER AND TAX COLLECTOR Dept.#TT	10-31-2019	32 YRS 03½ MOS
EUSTACIO C. VILAFUERTE	SHERIFF Dept.#SH	11-01-2019	40 YRS 10½ MOS
CARLOS VILALOBOS	PUBLIC WORKS Dept.#PW	10-25-2019	31 YRS 09 MOS
EVE L. WANG	SHERIFF Dept.#SH	11-30-2019	31 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
WANDA D. WASHINGTON	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-31-2019	31 YRS 08½ MOS
EDWARD L. WINTER	MEDICAL EXAMINER-CORONER Dept.#ME	11-01-2019	16 YRS 08½ MOS
ERNEST V. WISCO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2019	19 YRS 08½ MOS
LUPE WITHERS	MENTAL HEALTH Dept.#MH	10-31-2019	44 YRS 11½ MOS
MARK A. WYCISLAK	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-18-2019	36 YRS 06 MOS
PATRICK D. YOUNG	PROBATION DEPARTMENT Dept.#PB	12-31-2019	27 YRS 07 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

SAFETY SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MARIA D. GARCIA	SHERIFF Dept.#SH	09-04-2019	30 YRS 05 MOS
WIFE of EDGARD GARCIA dec'd on 09-03-2019, Sect. #31781.1			

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LORENA P. BRAGGS SPOUSE of DENNIS M BRAGGS dec'd on 06-29-2019, Sect. #31781.3	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	06-30-2019	05 YRS 01 MOS
ROBERTO JUAREZ HUSBAND of ROSAURA JUAREZ dec'd on 09-10-2019, Sect. #31781.1	MENTAL HEALTH Dept.#MH	09-11-2019	20 YRS 08 MOS
KAMARIA SPANN DAUGHTER of VICTOR R WILLIS dec'd on 05-13-2011, Sect. #31781.1	PROBATION DEPARTMENT Dept.#PB	05-14-2011	06 YRS 05½ MOS
LILIA B. SPENCER WIFE of MICHAEL D SPENCER dec'd on 08-25-2019, Sect. #31781.3	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	08-26-2019	12 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
BRIAN T. OREILLY	SHERIFF Dept.#SH	10-31-2019	05 YRS 10 MOS
CORINE T. SANDFRY	SHERIFF Dept.#SH	09-28-2019	07 YRS 06 MOS
SAME S. SHEHADEH	SHERIFF Dept.#SH	08-16-2019	05 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SOFIA ALVAREZ	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-05-2019	10 YRS 02 MOS
FRANCISCO ARENAS	PUBLIC HEALTH PROGRAM Dept.#PH	09-09-2019	13 YRS 01 MOS
HARVEY J. AUSTIN	INTERNAL SERVICES Dept.#IS	10-17-2019	13 YRS 05 MOS
MOHEB N. BESHAY	SOUTHWEST CLUSTER (MLK JR MC) Dept.#HK	08-07-2019	03 YRS 03 MOS
MICHELLE C. BRYANT	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-29-2019	16 YRS 04 MOS
MARY E. CHAVEZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-10-2019	11 YRS 08 MOS
PHILLIP K. CHUNG	HEALTH SERVICES ADMINISTRATION Dept.#HS	09-18-2019	13 YRS 00 MOS
DEBORAH M. CRAWFORD	PUBLIC DEFENDER Dept.#PD	09-01-2019	06 YRS 09 MOS
BRIDGET DAVIS	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	10-25-2019	28 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CHARLES M. DE CHAMBEAU	PUBLIC WORKS Dept.#PW	09-26-2019	05 YRS 10 MOS
BARBARA FEGAN	PROBATION DEPARTMENT Dept.#PB	10-01-2019	46 YRS 03 MOS
EVERARDO L. FLORES	OFFICE OF PUBLIC SAFETY Dept.#SY	09-08-2019	11 YRS 04 MOS
MONSENIOR J. FOSTER	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-03-2019	16 YRS 08 MOS
RUBEN GARCIA	PUBLIC DEFENDER Dept.#PD	09-20-2019	21 YRS 11½ MOS
ALLAN GERBER	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-30-2019	08 YRS 01 MOS
NADY I. HANNA	SOUTHWEST CLUSTER (MLK JR MC) Dept.#HK	09-07-2019	09 YRS 11 MOS
BRENDA G. HANSON	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-01-2019	11 YRS 01 MOS
KATHRYN T. JAMES	CHILDREN & FAMILY SERVICES Dept.#CH	10-21-2019	13 YRS 02½ MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
DIANE M. JEWELL	SHERIFF Dept.#SH	08-13-2019	07 YRS 07 MOS
LYNN M. JOHNSON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-30-2019	24 YRS 10 MOS
GREGORY A. KIMMEL	DISTRICT ATTORNEY Dept.#DA	10-06-2014	02 YRS 02 MOS
MICHAEL KOLODNEY	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	07-15-2019	09 YRS 00 MOS
LINDA J. LOVATO	CHILDREN & FAMILY SERVICES Dept.#CH	09-11-2019	23 YRS ½ MOS
RICHARD F. LUGO	ALCOHOL/DRUG PGMS. ADMIN. Dept.#PG	11-12-2019	31 YRS 04½ MOS
MARVA M. MCCRIMMON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-30-2019	18 YRS 07 MOS
MICHAEL J. O GARA	DISTRICT ATTORNEY Dept.#DA	09-07-2019	17 YRS 07 MOS
LYNDON S. ONG YIU	PUBLIC HEALTH PROGRAM Dept.#PH	09-09-2019	11 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
YOLANDA POLEE	CHILDREN & FAMILY SERVICES Dept.#CH	09-18-2019	28 YRS 08 MOS
MICHAEL D. PRICE	PUBLIC WORKS Dept.#PW	09-06-2019	10 YRS 10 MOS
MARIETTA PRICE	ASSESSOR Dept.#AS	10-08-2019	21 YRS 10 MOS
TOMMY PROFFITT	JUVENILE COURT HEALTH SERVICES Dept.#HJ	09-06-2019	18 YRS 08 MOS
MARK R. RAINWATER	SHERIFF Dept.#SH	09-28-2019	13 YRS 06 MOS
RAMON M. RAMIREZ	INTERNAL SERVICES Dept.#IS	09-10-2019	44 YRS 05½ MOS
STACEY E. REDDING	JUVENILE COURT HEALTH SERVICES Dept.#HJ	09-24-2019	10 YRS 00 MOS
HOWARD K. SLACK	SHERIFF Dept.#SH	10-09-2019	23 YRS 01½ MOS
BILLY R. SMITH	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-30-2019	20 YRS 05 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LINDA L. STEIDER	SHERIFF Dept.#SH	09-05-2019	11 YRS 04 MOS
PATRICIA A. STILWELL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-20-2019	13 YRS 04 MOS
ERLINDA L. TEAL	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-18-2019	14 YRS 01 MOS
JEYARANY THARMARAJAH	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-15-2019	06 YRS 03 MOS
ANTHONY T. THOMAS	CHILD SUPPORT SERVICES Dept.#CD	09-17-2019	09 YRS 03 MOS
LINDA A. TORRES	PARKS AND RECREATION Dept.#PK	10-02-2019	14 YRS 03 MOS
TERRY TURNER	MENTAL HEALTH Dept.#MH	09-03-2019	16 YRS 09 MOS
MARIA D. VALDEZ	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-20-2019	20 YRS 04 MOS
MARIA E. VAUGHN	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-01-2019	06 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ELIZABETH A. VITERI	SOUTHWEST CLUSTER (MLK JR MC) Dept.#HK	10-08-2019	12 YRS 00 MOS
LOUANNE WATSON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-28-2019	12 YRS 10 MOS
ELLIOTT H. WEISS	PROBATION DEPARTMENT Dept.#PB	04-01-2019	13 YRS 09 MOS
GEORGE WILLIAMS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-12-2019	10 YRS 10 MOS
SHERON L. WILLIAMS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-11-2019	30 YRS 06½ MOS
LUETTA E. WOOLS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-15-2019	16 YRS 11 MOS
MARY ZAMARRIPA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-24-2019	10 YRS 02 MOS

**BOARD OF RETIREMENT MEETING OF NOVEMBER 6, 2019
RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST
APPROVED ON OCTOBER 2, 2019**

SAFETY MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
TIMOTHY D. CARR	SHERIFF	CHANGE OF DATE TO NOVEMBER 30, 2019



October 28, 2019

TO: Each Member
Board of Retirement

FROM: Operations Oversight Committee
Shawn R. Kehoe, Chair
Thomas Walsh, Vice Chair
Keith Knox
Les Robbins
Vivian H. Gray, Alternate

FOR: November 6, 2019 Board of Retirement

SUBJECT: Revised Policy for Purchasing Goods and Services

RECOMMENDATION

That the Board of Retirement adopt the Policy for Purchasing Goods and Services.

EXECUTIVE SUMMARY

Proper purchasing and contract administration through prudent acquisition practices contributes to the overall success of LACERA by ensuring the procurement of quality products and services at competitive prices. The Policy for Purchasing Goods and Services (Policy) was last updated and approved by the Board of Retirement in 2005.

The Administrative Services Division, Procurement Section, reviewed the current Policy to test our current practices against industry best practices. Based on our research, we determined that current industry practices continue to place significant emphasis on purchasing authority and obtaining good value for payment. However, we also identified that industry changes since 2005 place greater emphasis on process integrity and safeguarding sensitive data. We updated the Policy to reflect these changes. Also attached for your comparison is a copy of the Policy from 2005.

AUTHORITY

As part of their plenary authority and fiduciary responsibility for administration of the system under Article XVI, Section 17 of the California Constitution, the Boards have discretion to adopt such policies, as they deem prudent. The proposed Policy for Purchasing Goods and Services is reasonable within the scope of the Board's discretion and authority under the Constitution as a means of establishing LACERA-wide standards for the important administrative and governance function of purchasing goods and services.

In LACERA's Board of Retirement Standing Committee Charters approved April 13, 2017, under Section I – Operations Oversight Committee (OOC) Charter, the OOC “advises the BOR in: the development, implementation, and review of LACERA's retirement and administrative operating policies and procedures.” The Policy for Purchasing Goods and Services is therefore a proper subject for discussion and recommendation by the OOC to the Board of Retirement.

DISCUSSION

The proposed Policy was updated to incorporate best practices from both private industry and other governmental entities, including Los Angeles County. The Policy was developed for the LACERA Boards and staff to meet the shared goals of ensuring the selection of cost-effective goods and services, and encouraging transparent evaluation methods to promote fair and open opportunities for the consideration of all qualified vendors and service providers.

The major updates to the Policy include the following:

Confidentiality & Conflict of Interest Statement

These statements were added to the Policy to ensure integrity in the procurement and contracting process by requiring decisions to be made in an independent and impartial manner. Credibility and public confidence are vital to LACERA and any erosion of honesty, integrity or openness is harmful to the organization.

Updated Purchasing Authority

The proposed purchasing authority levels for contracting for services and purchasing goods were determined by researching policies of similar sized agencies, purchasing

patterns at LACERA, and analyzing the relative risks associated with each type of purchase.

Information Technology Purchase Approval

We included a requirement that all information technology purchases must be approved by the Systems Division to ensure compatibility with LACERA's current and future technology environment.

Quiet Period

An observance of a Quiet Period was added to the Policy to ensure a fair and impartial process. The Quiet Period seeks to limit or prevent any one-on-one conversations between contractor candidates and staff or Board members regarding services/supplies while a potential vendor is participating in the selection process. During the process of selecting a vendor/contractor, the competitive environment will be enhanced when all prospective bidders and proposers have access to identical information. This reduces the appearance and opportunity for favoritism and inspires public confidence that contracts are awarded equitably and economically.

Five Year Contract Term Limit

We identified a need to set specific limits on contract duration. We noted that many LACERA contracts include an "Evergreen" Clause that enable the contract to automatically renew after the initial contract period. This resulted in long term relationships with vendors and limited vendor competition. We updated the Policy to limit contracts to a maximum of five (5) years with an additional (2) year extension with Chief Executive Officer approval.

Due Diligence SOC-2 Compliance

When engaging with vendors that handle member data and other sensitive information, due diligence is required to ensure that appropriate controls are in place with the vendor to protect data. Service Organization Control Reports (SOC-2) issued by an external auditor, measure how well a given service organization controls its information. A provision has been added to the Policy to require the contracting manager to partner with the LACERA's Data Security Officer to perform due diligence to confirm that a vendor has appropriate controls in place to protect sensitive data.

Legal Office Review of Contracts

The Policy was updated to expand the guidelines and provide specific examples on when to seek Legal Office Review of a Contract. This includes contracts that may deal with member data or other privacy related data. This additional information will support the organization by minimizing risk and ensuring that LACERA gets good value for money spent.

Supplier Diversity

This statement was added to reflect LACERA's commitment to developing mutually beneficial relationships with small, minority-owned, women-owned, and veteran owned businesses. We recognize the importance of ensuring that equal opportunities exist for diverse suppliers and understand the impact that these (usually small/local businesses) have in supporting economic recovery and sustainability of our communities.

Environmental Awareness

Environmentally preferable products and services are those that have a reduced effect on human health and the environment. This statement was included in the Policy to reflect LACERA's dedication to buying environmentally preferable products as long as they meet the performance needs, delivery time frames and are at a reasonable cost.

Purchasing and Contract Administration Manual

The Administrative Services Division, Procurement Section, maintains a Purchasing and Contract Administration Procedures Manual. This Manual serves as a resource to management and contract administrators and includes practical applications of the Purchasing Policy (i.e., detailed guidelines on how to write an RFP, record keeping, reporting requirements; and contract administrator responsibilities from inception to project closeout). The Procedures Manual will be revised to incorporate the updates to the Purchasing Policy. Training will be provided to Management and Contract Administrators to ensure that all have a clear and consistent understanding of the required policies and procedures.

CONCLUSION

Staff has updated the Policy for Purchasing Goods and Services by incorporating best practices from both private industry and other governmental entities. The Policy is tailored to the organization's needs based upon the types, numbers, costs and risks associated with the procurement duties. The updated Policy differs from the 2005 Policy, in that it better supports LACERA's commitment to a fair and impartial

Each Member, Board of Retirement
Re: Revised Policy for Purchasing Goods and Services
October 28, 2019
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competitive process that minimizes risk to the organization. In addition, the policy was updated to incorporate comments provided by the Operations Oversight Committee members during the October 2, 2019 meeting. See redlined updates in the proposed policy.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD adopt the Policy for Purchasing Goods and Services.

Attachment(s)

/kh



POLICY FOR PURCHASING GOODS AND SERVICES

Draft Date: October 28, 2019

Deleted: September

Deleted: 5

POLICY FOR PURCHASING GOODS AND SERVICES

Responsible Manager	Kimberly D. Hines, Manager, Administrative Services Division
Original Effective Date	TBD
Date of Last Update	December 15, 2005
Mandatory Review	[Two years after Original Effective Date]
Approval Level	Board of Retirement (BOR)

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POLICY FOR PURCHASING GOODS AND SERVICES

October 28, 2019

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1. Purpose

The purpose of this policy is to establish guidelines for the procurement of goods and the selection of service providers for LACERA.

It is LACERA's objective to select the best goods and services available at the best value, while acting in a manner that is consistent with statutory requirements, fiduciary responsibility, and LACERA's Values.

Vendor selection for goods and services will be transparent, objective and free from bias. Competition increases the cost-effectiveness of the process and ensures that LACERA will obtain qualified goods and services providers.

2. Legal Authority

The Board of Retirement and the Board of Investment has discretion to adopt such policies as they deem prudent as part of their plenary authority and fiduciary responsibility for administration of the system, under Article XVI, Section 17 of the California constitution.

3. Scope

This policy applies to all LACERA Trustees and staff, including all full-time, part-time and contract employees.

4. Conflict of Interest

LACERA is committed to the principles of impartiality and objectivity. It is the practice of LACERA to identify, and avoid organizational conflicts of interest before entering into procurement transactions.

A conflict of interest situation exists when a LACERA Trustee or staff member has even the appearance of an interest or a potential interest of any kind in a contract, agreement or financial relationship in which LACERA has an interest or potential interest. In relationships with vendors, the appearance of a conflict or potential conflict can be created by non-monetary interests such as gifts and business courtesies, and social or personal relationships.

LACERA Trustees and staff are expected to be free of the appearance of interests or relationships that are actually or potentially detrimental to the organization. They shall not engage or participate in any procurement transaction involving LACERA in which they have an actual or potential interest or conflict under applicable law. For additional

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information see LACERA's Code of Ethical Conduct. Questions on conflict of interest issues should be directed to the Legal Office.

5. Observance of a Quiet Period

There shall be a quiet period to ensure that the process of selecting a contractor is efficient, diligent and fair. The quiet period is a "no contact period" during the procurement process and is intended to establish guidelines by which Trustees and staff will communicate with prospective vendors. Questions concerning the quiet period should be directed to the Legal Office.

- A. The quiet period shall be maintained after the issuance of a solicitation and continue until a final selection is made or the process is otherwise terminated.
- B. Initiation, continuation, and conclusion of the quiet period shall be publicly communicated to prevent inadvertent violations.
- C. During the quiet period, all Trustees and staff, except for designated LACERA contact persons, shall refrain from communicating with contractor candidates regarding any product or service offered by the candidate, except as permitted by Subsection F below.
- D. During the quiet period, no Trustee or staff member shall accept meals, travel, lodging, entertainment, or any other good or service of value from the candidates.
- E. If any Trustee or Staff member is contacted by a candidate during the quiet period about a matter relating to the pending selection, the Trustee or Staff member shall refer the candidate to the designated LACERA contact person and report the contact to the Chief Counsel.
- F. The quiet period does not prevent Board approved meetings or communications by Staff with an incumbent contractor that is also a candidate provided that their communication is strictly limited to matters necessary in connection with the contractor's existing scope of work. The quiet period does not prevent Board approved meetings and communications by staff with any candidate to the extent such communication is necessary as part of a due diligence process or necessary in connection with other pending LACERA business. Due diligence will be overseen and approved in advance by the responsible Board or Boards or the authorized staff with contracting authority, and not independently by Board members or staff.

Other than due diligence or other pending LACERA business, discussion related to the pending selection is not permitted during these activities.

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G. A contractor candidate may be disqualified from a search process for a violation of the quiet period.

6. Confidentiality

Procurement Staff maintains regular contact with many individuals and companies seeking to initiate or expand business relations with LACERA.

LACERA is committed to fair and ethical business practices that encourage competition and enhances our supplier relationships. A cornerstone of this policy is maintaining the confidentiality of all supplier proposals, quotations, prices, contracts and other proprietary materials during the bidding process. These materials are not to be disclosed in any way to other suppliers, outside organizations or to any unauthorized persons.

After completing the procurement process, proposals, purchase orders and other non-exempt information of a public nature shall be available for public inspection upon request under the Public Records Act.

7. Purchasing Authority

The ultimate responsibility for purchasing the best goods and services at reasonable costs lies with the Board of Retirement and Board of Investments. Consistent with the Boards' fiduciary duties, the Boards delegate such responsibility to their Chief Executive Officer to facilitate efficient administration of the retirement system.

Similarly, the Chief Executive Officer (CEO) further delegates purchasing responsibility to LACERA's Purchasing Agent. The Administrative Services Division Manager is the Purchasing Agent for LACERA, subject to the terms of this Policy.

For Investment related services, purchases are delegated to the Chief Investment Officer in accordance with the Procurement Policy for Investment-Related Services.

Procurement of services necessary to adjudicate disability retirement applications, such as Panel Physicians, Hearing Officers, and outside disability counsel are deemed exempt from the Contracting Authority set forth in this policy.

A budget for goods and services shall be approved by the appropriate Board or Boards through either the annual budget process or specific Board action related to the specific procurement.

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8. Centralized Purchasing

LACERA employs a centralized procurement unit within the Administrative Services Division that is charged with purchasing for the various organizational units of LACERA.

Buyers are authorized purchasing agents of the Administrative Services Procurement Unit. Buyers perform all necessary acquisition steps, including:

- Bidding and price negotiation
- Placing orders for goods
- Purchase order processing
- Receipt of purchased goods

Staff requiring supplies and other goods shall first submit written requests to the Administrative Services Procurement Unit.

Similarly, staff interested in contracting for services, shall contact the Administrative Services Procurement Unit to initiate the contracting process.

Buyers and Contract Administrators must document all transactions according to established procurement procedures and maintain such documentation for audit purposes.

9. Collaboration and Consultation

Prior to purchasing a new product or service, requesting divisions should consult with other primary users and stakeholders to ensure the new purchase will meet organizational needs.

10. Purchasing Methods

LACERA uses the following methods of performing transactions with vendors.

Corporate Credit Card Purchases are used by authorized LACERA staff members when making purchases in accordance with LACERA's Corporate Credit Card Policy.

Payment Request (Direct Payments) are issued for subscriptions, registrations, fees, professional licenses and other regulated costs that cannot be bid or negotiated. Payment is made directly to suppliers without the issuance of a purchase order.

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Purchase Order is a written authorization from a buyer (LACERA), for a supplier to deliver specified goods and services to the buyer (LACERA) at the price, quality level, delivery date, and other terms specified.

Contract is used to purchase goods and services where a purchase order is not adequate to describe all the terms and conditions, and is required to be executed by both parties. Contracts are any legally binding document between two or more parties. Examples include, but are not limited to, formal agreements, letter agreements, emails confirming transaction terms, memoranda of understanding, nondisclosure agreements, licenses, leases, amendments, addenda, terms and conditions on invoices or purchase orders, and many others.

11. Solicitations

11.1 General

In broad terms, the Solicitation is the instrument by which requirements are presented to contractors to obtain offers for the acquisition of supplies, equipment, and services.

11.2 Methods

The solicitation method is influenced by factors such as speed, value and complexity. They include the following:

Request for Quotation (RFQ) a solicitation method that involves submitting a document to one or more potential suppliers eliciting quotations for a product or service. Typically, an RFQ seeks an itemized list of prices for something that is well-defined and quantifiable, such as hardware.

Invitation to Bid (ITB) a solicitation method used to invite contractors and suppliers to submit a bid on a specific service or a product. These solicitations include precise specifications and requirements that each bidding vendor must meet in order to be considered for the contract.

Request for Proposal (RFP) a solicitation method used to purchase complex goods and services that do not have standardized specifications.

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11.3 Publicizing Solicitations

Solicitations of goods and services exceeding \$150,000 require public advertisement.

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Solicitations shall be publicized, for a sufficient amount of time to allow interested firms to develop a thorough proposal. Solicitations shall be placed on LACERA's website and can be advertised in newspapers and professional publications. The advertisement period is 30 days unless LACERA has an urgent need for the service or product which would not allow the posting to run the full 30 days.

Publicizing out-sourcing solicitations lends transparency to the process, increases cost-effectiveness, promotes fairness, and expands opportunities for small, women-owned and minority-owned businesses.

11.4 Approvals

Administrative

Release of an RFP affecting administrative and operations activities, require approval by the Operations Oversight Committee, with the results and recommendations returned to the full Board of Retirement for authorization to execute an agreement.

Retiree Health Care

RFPs or other solicitations related directly to Retiree Health Care benefits, such as health care plans and insurance, are approved for release by the Insurance, Benefits and Legislative Committee, with results and recommendations returned to the full Board of Retirement for authorization to execute an agreement.

External Audits

RFPs or other solicitations related to audits performed by external auditors are approved for release by the appropriate Board Committee with results and recommendations returned to the respective Board for approval.

12. Competitive Bidding

Competitive bidding is the process that allows LACERA to properly survey the marketplace and secure goods and services at a fair price. Competitive bidding also reduces the risk of fraud and promotes fairness. Competition should be attempted and obtained for any purchase where competition is available. The bidding process is primarily determined by the estimated value of the procurement request and consists of the following:

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12.1 Informal Bidding

Generally reserved for non-complex solicitations where the description of the goods and services can be clearly stated. Quotes are obtained by less formal means such as an internet page, via email, catalogs, price lists, and letters.

12.2 Formal Bidding

Solicitations that require a more detailed description and explanation. These solicitations include precise specifications and requirements that each potential vendor must meet. Depending on the dollar amount, formal bids require public advertising.

13. Purchasing Process

13.1 Procurement of Equipment and Other Goods

13.1.1 Purchasing Schedule

To begin the process of purchasing equipment and other goods, the purchaser will submit a written request to the Administrative Services Procurement Unit.

Buyers shall comply with the following:

- A. Procurements **up to \$5,000** may be made without securing competitive prices if the Buyer is able to determine that the price is reasonable through personal knowledge of the product or by comparing the price with a recently paid price, or the price of similar items.
- B. Procurements **between \$5,001 and \$150,000** require a minimum of three (3) written bids/proposals, Activities in this category require approval by the Administrative Services Division Manager, or approved designee.
- C. Procurements **over \$150,000** require a formal solicitation process including public advertising, and a minimum of three (3) written bids/proposals. Formal solicitation may include an Invitation to Bid (ITB) or a Request for Proposal (RFP). Approval is required by the Administrative Services Manager and the Chief Executive Officer or authorized designees. Board of Retirement approval is required unless specifically approved as part of the annual budget adoption.

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LACERA shall develop maximum competition for purchases and to make awards based on the best value for the goods or services rendered to determine the best value bidder consideration shall be given to price, delivery time, quality, compatibility, references, experience, parts and service. Additionally, the Buyer may take into consideration reputation, business and financial capabilities.

If the buyer is unable to obtain the three required quotes, the contact information of a minimum of five vendors must be documented.

Buyers may not split purchase transactions or take any other action in order to circumvent the competitive process or the legal review process.

All competitive bids shall be maintained and recorded for audit purposes.

13.1.2 Vendor Lists and Master Agreements

Vendor Lists are comprised of current suppliers and other known vendors, including those who have formally requested to participate in competitive bidding within their respective areas of specialization.

Buyers shall refer to existing Vendor Lists when making purchases or soliciting bids.

Buyers shall periodically (at least annually) update their Vendor Lists to provide new, interested suppliers, as well as current vendors, the opportunity to participate in future competitive bidding.

Buyers shall give reasonable notice to suppliers on existing Vendor Lists when soliciting bids. Communication should include e-mail notification where possible.

Master Agreements, wherein costs for goods and services are established for an extended period, help control costs and promote timely delivery, particularly where recurring or routine purchases and common services are concerned. Vendors providing routine goods or recurring services may be awarded Master Agreements for specified commodities as the result of competitive bidding.

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13.2 Contracting for Services

Service is the performance of labor or professional consulting by an outside firm or contractor for LACERA. It can be rendered to LACERA by a firm or individual, with or without the furnishing of materials. Contracts are to be used whenever services are needed regardless of the dollar amount.

To begin the process of contracting for services, the purchaser will submit a written request to the Administrative Services Procurement Unit.

A Contract Administrator is the Division Manager or designee that performs all the necessary steps involved in the preparation, negotiation, formulation, administration, and closeout of contractual agreements. This includes the solicitation and the competitive bidding process. The Contract Administrator also oversees the performance of the contract, tracks the payments and ensures that both parties meet the various obligations set forth in the contract.

13.2.1 Contract Signing Authority

- A. Contracts with a total value **up to \$5,000** do not require competitive bidding and the requesting Division Manager may select the qualified vendor and sign the contract.
- B. Contracts with an annual amount **between \$5,001 and \$25,000** require a minimum of three (3) written bids/proposals. Activities in this category require approval by the Administrative Services Division Manager, or authorized designee and can be signed by the requesting Division Manager. Due diligence must be performed and documented to justify the vendor selection and may include an Invitation to Bid (ITB) or a Request for Proposal (RFP). At a minimum, such due diligence must include the following elements:
 1. A description of the service to be provided by prospective vendor
 2. An evaluation of prospective vendor's qualifications
 3. An evaluation of the reasonableness of prospective vendor's fees
 4. An evaluation of the prospective vendor's security and privacy policies if the contract is to provide services that permit vendors to access any member data, personal information (PI), personal health information (PHI), or other business critical information or when they provide access to LACERA's systems or files

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- C. Contracts with an annual amount **between \$25,001 and \$150,000** require a minimum of three (3) written bids or proposals and due diligence as described above in section 13.2.1.B. Contracts in this category require approval by the Administrative Services Division Manager, or designee, and must be signed by the Chief Executive Officer, or authorized designees.

- D. Contracts that **exceed an annual amount of \$150,000** require a formal solicitation process including public advertising. Contract Administrators shall solicit bids or proposals through a formal solicitation process that shall include an Invitation to Bid (ITB) or a Request for Proposal (RFP). Approval is required by the Administrative Services Division Manager, Chief Executive Officer, or authorized designees and the Board of Retirement.

Aggregate service purchase orders or contracts to any single vendor for a project or a similar type of service cannot exceed the total value for any of the three value categories listed above. Contracts may not be split in order to circumvent the competitive process.

Services contracts that are bundled with a purchase of equipment or software, and the service component is less than or equal to 40% of the total cost are deemed to be a purchase of equipment and other goods and would fall under the requirements of Section 13.1 the Procurement of Equipment and other Goods section of this policy.

Documentation must be maintained in accordance with the Records and Information Management Policy by the Contract Administrator and in accordance with procedures for storing contracts in the LACERA Contract Management System. In addition, all information supplied by vendors in their bids, quotations or proposals must be held in strict confidence by the person(s) evaluating the bid, quotation or proposal and may not be revealed to any other vendor or unauthorized individual.

13.2.2 Fee Schedule or Hourly Rate Contracts

For contracts that require a fee schedule for services (i.e. hourly rates) and do not have a fixed value, the Contract Administrator must determine the estimated annual value of the contract, based on the scope of the services. Prior to the execution of the contract, the Contract Administrator must verify the appropriate level of signature authority specified in Section 13.2.1 of this Policy. Fee Schedule contracts should contain a "not to exceed amount" in

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the agreement. During the course of the agreement, the contract value may increase beyond the original approved value threshold, requiring next level signature authority approval. Written justification must be submitted to appropriate signature authority by the Contract Administrator well in advance to allow sufficient time for the approval process.

13.3 Information Technology Purchases

Procurement of information technology products or solutions must be initiated and processed with the full knowledge, direction, and consent of LACERA's Systems Division, regardless of cost, to ensure compatibility with LACERA's current technology environment.

13.4 Procurements Exempt from Competition

Certain limited circumstances sometimes warrant exemption from the competitive solicitation process. Such circumstances require documented justification explaining the exceptional need for exemption and approval by the Administrative Services Division Manager. Exemptions include the following:

13.4.1 Emergency Purchases - For guidelines, See Section 16 Emergency, Time Sensitive or Confidential Purchases.

13.4.2 Sole-Source or Single Source Purchases. A Sole-Source procurement is one in which only one vendor is capable of supplying the commodity or service. This may occur when the goods or services are specialized or unique in character. Sole means "the one and only." Single-Source procurement is one in which, although two or more vendors supply the commodity or service, a specific vendor is selected for substantial reasons thereby eliminating the competitive bidding process. Single means "the one among others."

Examples include:

- When products are of a proprietary nature.
- When the use of alternatives would compromise existing contracts, service agreements or business strategies.

13.4.3 Leveraged Procurement Agreement (LPA) / Piggyback – LPAs allow agencies to buy directly from suppliers through existing contracts and agreements negotiated by other agencies. LPAs are available to Federal, State, county, city, special district, education and other government entities.

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13.4.4 Renewal of Software Licenses, Operating System Maintenance, or System Maintenance Services: Where LACERA has procured equipment, software, and operating systems for its use, procurement of the continuing maintenance, and upgrades of the software and operating systems from the developer, manufacturer or authorized reseller.

14. Contract Development

14.1 General

Contract development is a joint effort involving the LACERA Contract Administrator, LACERA's Administrative Services Division LACERA's Legal Office, designated LACERA and vendor staff and LACERA's Systems Division and Internal Audit, when appropriate.

14.2 Term of Contract

Contracts shall be limited to a maximum of five (5) consecutive years with an optional extension of up to an additional two (2) years, with approval by the Chief Executive Officer or designee. Contract term extensions must be reported to the Operations Oversight Committee at the next meeting.

14.3 Insurance

Immediately after award and prior to the start of performance, a Certificate of Insurance shall be obtained from the contractor as evidence that insurance policies providing the coverage specified in the contract are in full force and effect. Contract Administrators shall review certificates of insurance to ensure that the coverage and limits of insurance specified in the Agreement remain in full force and effect throughout the performance period.

14.4 Information Security Due Diligence

As part of initial and ongoing due diligence required by Contract Administrators, a SOC-2 (system and organizational controls) Type II, or an agreed upon alternate report must be received from vendors that will have access to confidential information as determined necessary by staff with contracting authority in consultation with the Legal Office. A SOC-2 Report (or agreed upon equivalent), more formally known as Service Organization Control 2 Report, reports on a vendor's organizational controls related to security, availability, processing integrity, confidentiality, or privacy. To confirm these controls, site visit inspections are to be included when appropriate.

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LACERA's Information Security Officer must approve the SOC-2 Type II or equivalent report is to be submitted, reviewed and documented by LACERA's Information Security Officer prior to entering into a contract. The report is to also be requested as part of ongoing due diligence for vendors that receive or obtain LACERA member and other security and privacy related data.

14.5 Legal Office Review

All contracts, for goods or services exceeding \$5,000 shall be reviewed and approved as to form by LACERA's Legal Office. LACERA staff responsible for managing contracts is responsible to consider potential risks to the organization associated with contract amounts of \$5,000 or less. Legal review and approval is required for these contracts if it is determined that a breach of the contract could result in a material adverse impact to LACERA.

Staff responsible for requesting legal review will meet and confer with the Legal Office to agree upon a reasonable time frame for completion of the review. Staff is responsible to ensure that, where legal review is required, the Legal Office is provided and has reviewed and approved the final version of the agreement before it is executed. Staff will provide the Legal Office with all information and documents that are necessary to complete the review.

Before a contract is signed, the Legal office will confirm its review and approval in writing. ▾

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15. Contract Administration

15.1 Contract Administrator Responsibilities

Before approving the contract and related payments, the Contract Administrator must verify that the contract meets LACERA's requirements and that any payments specified in the contract are appropriate. The Contract Administrator also oversees the performance of the contract and ensures that both parties meet the various obligations set forth in the contract

The Administrative Services Division Contract Management Unit and the Budget Unit also support the contract administrator by verifying the appropriateness of all payments made.

The Contract Administrator is responsible for ensuring that the parties to the contract adhere to it, and that all issues are addressed and resolved.

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15.2 Contract Monitoring

Each Division is responsible for monitoring its contracts on an ongoing basis and administering its terms and conditions.

In addition, LACERA's Internal Auditors shall periodically review the contracting and contract administration process. Internal Audit may review the Statement of Work and the Payment Schedule of a given contract to ensure that the payment points coincide with completed deliverables.

Internal Audit may review the payment process at any time throughout the engagement to ensure that payments are made for completed tasks only.

15.3 Contract Management System

All executed contracts will be sent to the Contract Management Unit in Administrative Services for imaging and import into the Contract Management System. The Contracts Management Unit supports the Contract Administrator by providing periodic reports to alert when contracts, insurance certificates and due diligence system security reports are set to expire. ▾

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16. Emergency, Confidential or Time Sensitive Purchases

An emergency is any condition that may affect LACERA's ability to conduct normal and routine business, any condition that may affect the health, safety and welfare of LACERA staff or members, or any condition which may impair LACERA's legal rights. Failure to anticipate a need is not, of itself, considered a bonafide emergency

Response to an emergency may require immediate action by staff to acquire equipment and services. In such a case, the Chief Executive Officer or their designee may make reasonable and responsible procurements of goods and services beyond the usual discretionary spending limits. In addition, Corporate Card spending limits may be increased as needed in accordance with LACERA's Corporate Credit Card Policy. If circumstances permit, also subject to Legal Office review under Section 14.5.

Within 7 calendar days of the purchase, a complete description of the emergency and justification for the purchase must be documented, approved and submitted to the Administrative Services Division Manager and the Chief Executive Officer according to the spending thresholds as outlined in Section 13.1 and 13.2. If the purchase is greater than staff spending authority, a Retirement Board agenda item must be prepared for Board certification that the condition and circumstances required an emergency purchase.

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Purchases requiring confidentiality may be purchased without notification of the Procurement Unit, but appropriate documentation (redacted if necessary) must be forwarded to the Administrative Services Division Manager and the CEO in accordance with the paragraph above.

17. Supplier Diversity

LACERA values diversity and inclusion. In complete alignment with diversity initiatives across the organization, LACERA is committed to fostering diversity in its procurement process through the inclusion and utilization of small and diverse businesses. LACERA recognizes that supplier diversity provides a broad array of choice and contributes to the expansion of the local marketplace. In addition, when we diversify the supplier portfolio, it increases our ability to secure better pricing, higher quality products and services through increased competitive bid participation.

We actively seek to foster business relationships with diverse suppliers who respect and reflect LACERA's value of diversity and inclusion, offer high-quality goods and services, competitive pricing and premium customer service. Currently we identify Minority, Women and Disabled Veterans suppliers by partnering with the Los Angeles County Business Enterprise (CBE) Program. CBE is a program that LA County uses to certify businesses to be included in the County's CBE listing. LACERA Purchasing agents use this listing to identify and invite diverse vendors to participate in the bidding process.

18. Environmental Awareness

Environmental impact should be considered in purchasing decisions, when appropriate. LACERA Purchasing Agents will consider the use of products and services that impact the environment less than competing products, when it is a best value decision to do so. A best value decision based on a thorough total cost of ownership analysis considers the initial cost of the item, delivery time as well as factors such as:

- Energy Efficiency. Purchase equipment that is Energy Star-rated (or, if there is no Energy Star rating, equipment that is highly energy efficient). Energy Star is a program helping businesses and individuals protect the environment through superior energy efficiency.
- Shipping Materials. Purchase products that are shipped in containers that are returnable or reusable and made from recycled content (i.e. cardboard boxes).
- Recycled Content. Purchase products made with recycled content suitable for the intended use.

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19. Procedures Manual

The Administrative Services Division Purchasing Unit shall be responsible for preparing and maintaining a procedures manual that details the purchasing process and any delegated duties and defined terminology. This procedures manual shall include this policy and must be approved by the Chief Executive Officer. These procedures may be modified at any time as deemed necessary, provided that the procedures remain within the framework of this policy.

In the event that there is a conflict between this policy and the procedures manual the policy shall prevail. ▾

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20. History

20.1 Approvals.

As the scope of this Policy applies to all Trustees and LACERA staff and has an organization-wide effect concerning the administrative governance of the organization, the following approvals are required.

20.1.1 Recommendation by Operations Oversight Committee

20.1.2 Approval by Board of Retirement

20.2 Current Status

20.2.1 Original Effective Date: December 15, 2005

20.2.2 Last Updated: December 15, 2005

20.2.3 Mandatory Review [Two years after Original Effective Date]

20.3 Versions

20.3.1 Version 2

LACERA
Board of Retirement

General Policy Guidelines
For
Purchasing Goods and Services

PURPOSE

The purpose of this policy is to establish guidelines for the procurement of goods and the selection of service providers for LACERA.

It is LACERA's objective to select the best goods and services available at reasonable costs, while acting in a manner that is consistent with statutory requirements, fiduciary responsibility, and LACERA's Values.

Vendor selection for goods and services should proceed transparently and objectively, free from bias. Encouraging competition increases the cost-effectiveness of the process and affords reasonable opportunity to qualified goods and services providers.

DELEGATION OF PURCHASING AUTHORITY

The ultimate responsibility for purchasing the best goods and services at reasonable costs lies with the Board of Retirement and Board of Investments. Consistent with the Boards' fiduciary duties, the Boards delegate such responsibility to their Chief Executive Officer to facilitate efficient administration of the retirement system.

Similarly, the Chief Executive Officer may further delegate purchasing responsibility to subordinate staff. The delegation of purchasing authority shall be consistent with the limits set forth in this policy. A spending plan for goods and services shall be approved by the appropriate Board or Boards through either the annual budget process or specific Board action.

Chief Executive Officer's Purchasing Authority

The Chief Executive Officer may procure goods and services worth up to \$75,000 solely under his/her signature provided such funds are available within the budget appropriation.

PROCUREMENT OF EQUIPMENT AND OTHER GOODS

Purchasing Schedule

Procurements of items valued at less than \$2,000 (or in cases where multiple orders of the same product have a combined purchase cost of less than \$10,000), may be made without securing competitive prices if the Buyer is able to determine that the price is reasonable through personal knowledge of the product or by comparing the price with a recently paid price, or the price of similar items.

Procurements of items valued between \$2,000 and \$10,000 (or in cases where multiple orders of the same product have a combined purchase cost of less than \$50,000), require a minimum of three (3) written bids/proposals. The Buyer shall obtain competitive bids and record them for audit purposes.

Procurements of items valued at greater than \$10,000, require a minimum of three (3) written bids/proposals. The Buyer shall obtain competitive bids and record them for audit purposes. Activities in this category require approval at the level of Division Manager.

Sole-Source Solutions

Sole-source solutions are acceptable when products are of a proprietary nature, or where changing manufacturers or value-added resellers (VARs) would compromise existing contracts, service agreements or business strategies. In such cases, the Division Manager shall document the justification for the sole-source procurement.

Centralized Purchasing Function

LACERA employs a centralized procurement unit charged with purchasing supplies and other goods for the various organizational units. Buyers are authorized purchasing agents of the Administrative Services Procurement Unit who perform all necessary steps to acquire equipment and other goods, including: bidding and price negotiation; purchase order processing; and receipt of purchased goods.

Staff requiring supplies and other goods shall first submit written requests to the Administrative Services Procurement Unit which maintains catalogs of stock items, Master Agreements and Vendor Lists, developed to ensure that LACERA receives the best current pricing.

Staff delegated purchasing authority, including the use of corporate credit cards, expense reimbursement, and the like, shall contact the Administrative Services Procurement Unit to verify the existence of Master Agreements or Vendor Lists prior to making purchases.

In the event that products or services cannot be obtained through the Administrative Services Procurement Unit, staff shall procure goods and services according to the [Purchasing Schedule](#).

Vendor Lists

Vendor Lists are comprised of current suppliers and other known vendors, including those who have formally requested to participate in competitive bidding within their respective areas of specialization.

Vendor Lists may be developed by the Administrative Services Procurement Unit or other entity authorized to perform vendor canvass or contract negotiation for LACERA.

The Administrative Services Procurement Unit shall act as the central repository for Vendor Lists, with other organizational units forwarding their lists for maintenance, including publication on LACERA's website.

Buyers shall periodically (at least annually) update their Vendor Lists to provide new, interested suppliers, as well as current vendors, the opportunity to participate in future competitive bidding.

Buyers shall give reasonable notice to suppliers on existing Vendor Lists when soliciting bids. Communication should include e-mail notification where possible. LACERA's website should be updated periodically with contact information and instructions to potential vendors, and should include a listing of the types of goods and services that LACERA regularly procures.

Buyers shall refer to existing Vendor Lists when making purchases or soliciting bids. Staff delegated purchasing authority shall contact the Administrative Services Procurement Unit to verify the existence of Vendor Lists prior to making purchases.

Master Agreements

Master Agreements, wherein costs for goods and services are established for an extended period, help control costs and promote timely delivery, particularly where recurring or routine purchases and common services are concerned.

Vendors providing routine goods or recurring services may be awarded Master Agreements for specified commodities as the result of competitive bidding.

Master Agreements may be initiated by the Administrative Services Procurement Unit or other entity authorized to negotiate contracts for LACERA.

The Administrative Services Procurement Unit shall act as the central repository for Master Agreements, with other organizational units forwarding their agreements for maintenance and reference by authorized purchasers.

Buyers shall refer to existing Master Agreements when making purchases. Staff delegated purchasing authority shall contact the Administrative Services Procurement Unit to verify the existence of Master Agreements prior to making purchases.

CONTRACTING FOR SERVICES

Contracting Authority

Contract administrations for services valued at \$75,000 or less, require review at the level of Division Manager and approval by the Executive Office.

For services valued at greater than \$75,000, Contract Administrators shall solicit bids or proposals through Solicitation (RFP/RFQ) to promote competition to the maximum extent practicable and to ensure that awards are advantageous to LACERA.

Activities relating to the release of RFPs or RFQs, and eventual funding, must be approved by the Committee of either the Board of Retirement or Board of Investments that has oversight responsibility for the particular LACERA division or organizational unit initiating the solicitation.

Contract Administrations Using Sole Source Providers

A Sole Source solution is permissible under exceptional circumstances. For example:

- Insufficient pool of acceptable vendors
- Vendor with unique or value-added qualifications
- Current vendor with a proven price/performance record
- Vendor on a LACERA-approved list
- Vendor recommended by a knowledgeable 3rd party, consultant or LACERA business partner

In such cases, staff shall document for the appropriate Committee or Board how the recommended sole source solution is the best value to LACERA in the absence of competitive bidding.

SOLICITATION FOR SERVICES

General

In broad terms, the Solicitation is the instrument by which requirements are presented to contractors to obtain offers for the acquisition of supplies, equipment, and services.

Solicitation Objectives

LACERA is enjoined by California State Law to administer the fund solely in the interests of its participants and to do so in a prudent and cost-effective manner to reduce the plan's administrative costs.

Simply stated, and regardless of the specific type of Solicitation, **the Solicitation process is intended to secure the best goods and services for LACERA at reasonable costs.**

Publicizing Solicitations

Solicitations shall be publicized, for a reasonable length of time, in appropriate news outlets and on LACERA's website to ensure that contract administration activities at LACERA are conducted in a manner providing full and open competition

Publicizing out-sourcing Solicitations lends transparency to the process, increases cost-effectiveness, promotes fairness, and expands opportunities for small, women-owned and minority-owned businesses.

Obtaining Approvals For Services Solicitations

Administrative

Solicitations affecting administrative and operations activities, require approval by the Operations Oversight Committee, with the results and recommendations returned to the full Board of Retirement for authorization to execute an agreement.

Investments

The release of RFPs and other contract administration activities related to investments and the general management of trust fund assets—whether eventual funding is by hard or soft dollars—require approval by the Board of Investments, with results and recommendations returned to that Board for authorization to execute an agreement.

Retiree Health Care

RFPs or other solicitations related directly to Retiree Health Care benefits, such as health care plans and insurance, are approved for release by the Insurance, Benefits and Legislative Committee, with results and recommendations returned to the Committee for final recommendation to the full Board of Retirement.

DEVELOPMENT OF SERVICES CONTRACTS

General

Contract development is a joint effort involving the LACERA Contract Administrator, designated LACERA and vendor staff with signature authority, and LACERA's Legal Office.

Legal Office Review And Approval Of Services Contracts

The Legal Office is responsible for reviewing the language of the contract to ensure that it protects LACERA's interests.

Vendor Agreements for contract amounts exceeding \$50,000 shall be reviewed and approved as to form by LACERA's Legal Office.

Contract Administrator Responsibilities

Before approving the contract and related payments, the LACERA staff member with signature authority must verify that the contract meets

Contract Administrator Responsibilities (continued)

LACERA's requirements and that any payments specified in the contract are appropriate.

The Contract Administrator is responsible for ensuring that the parties to the contract adhere to it, and that all issues are addressed and resolved.

Monitoring Services Contracts

LACERA's Internal Auditors shall periodically review the contracting and contract administration process.

Internal Audit may review the Statement of Work and the Payment Schedule of a given contract to ensure that the payment points coincide with completed deliverables.

Internal Audit may review the payment process at any time throughout the engagement to ensure that payments are made for completed tasks only.

PROCURING GOODS AND SERVICES DURING A DECLARED EMERGENCY

In the event of an emergency or other event that would trigger LACERA's Disaster Recovery or Business Continuity plans, the Executive Office may delegate purchasing authority to qualified available staff. In addition, Corporate Card spending limits may be increased as needed.

Recovery from a large disaster event may require early response by staff to acquire replacement computer systems, temporary offices, and other limited resources available on a first-come basis. In such a case, the Executive Office or their designees may make reasonable and responsible procurements of goods and services beyond the usual discretionary spending limits.

LACERA could experience an event of such severity that designated staff could not respond timely. In such a case, the ultimate authority for delegating purchasing responsibility rests with the Boards of Retirement and Investments, consistent with the approved Doomsday Manual.

October 23, 2019

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Shawn R. Kehoe, Vice Chair
Vivian H. Gray
Ronald A. Okum
J.P. Harris, Alternate

FOR: November 6, 2019 Board of Retirement Meeting

SUBJECT: **PROVIDE VOTING DIRECTIONS ON SACRS 2020 LEGISLATIVE PLATFORM**

RECOMMENDATION

That the Board of Retirement direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of “Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs” as proposed by the Los Angeles County Employees Retirement Association for the SACRS 2020 legislative platform.

DISCUSSION

Each year, the 20 retirement systems operating under the County Employees Retirement Law of 1937 (CERL) are asked to submit proposals to the SACRS Legislative Committee for sponsorship in the SACRS legislative platform. The items submitted should have applicability to all CERL systems rather than an individual system; they should not propose new benefits that will be paid for by the plan sponsor; and they should not create major issues, such as conflicts with Proposition 162 or with any of the 19 other CERL retirement systems.

Three proposals were submitted by LACERA to the SACRS Legislative Committee for inclusion in the SACRS 2020 legislative platform. The SACRS Legislative Committee discussed the proposals at its meeting of September 20, 2019 and voted to recommend whether SACRS should sponsor or decline to sponsor the proposals. The SACRS Legislative Committee recommended that SACRS sponsor the proposal that is the subject of this memo but recommended that LACERA’s other proposals be withdrawn or postponed. Staff has provided recommendations with respect to the other proposals for the Board of Retirement’s consideration at its meeting on October 2, 2019.

The recommendation by the SACRS Legislative Committee is listed under the proposal below and is an advisory recommendation. Regardless of the SACRS Legislative Committee's recommendation, the proposal will be presented to the full SACRS membership for a vote by each system's voting delegate at the SACRS Business Meeting on November 15, 2019 at the SACRS 2019 Fall Conference.

Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs (LACERA)

- *IBLC Recommendation: **Vote YES.***
- *Staff Recommendation: **Vote YES.***
- *SACRS Legislative Committee Recommendation: **Sponsor.***

Government Code Sections 31726 and 31726.5 provide for the calculation of a disability retirement allowance for members who are granted a nonservice-connected disability retirement. However, the member's disability retirement allowance is limited to an annuity that is the actuarial equivalent of the member's accumulated contributions if the member's disability is due to the intemperate use of alcoholic liquor or drugs, willful misconduct, violation of law of the member's part, or conviction of a felony or criminal activity that caused or resulted in the member's disability.

At its meeting of September 4, 2019, the Board of Retirement approved submission of a legislative proposal to SACRS to preclude the reduction of a nonservice-connected disability retirement allowance if the member's disability was due to the intemperate use of alcoholic liquor or drugs.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of "Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs" as proposed by the Los Angeles County Employees Retirement Association for the SACRS 2020 legislative platform.

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Attachment

SACRS 2020 Legislative Platform: Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs

cc: Steven P. Rice
JJ Popowich
Frank Boyd
Bernie Buenaflor
Allan Cochran
Ricki Contreras
Vincent Lim
Joe Ackler, Acker & Associates

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, September 04, 2019 4:23:53 PM
Last Modified: Wednesday, September 04, 2019 4:49:26 PM
Time Spent: 00:25:33
IP Address: 63.193.71.3

Page 1

Q1 Title of Issue:

Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs

Q2 Retirement Association/System:

Los Angeles County Employees Retirement Association

Q3 Contact Person:

Barry Lew, Legislative Affairs Officer

Q4 Contact e-mail:

blew@lacera.com

Q5 Contact Phone #:

626-564-2370

Q6 Description of issue:

Government Code Sections 31726 and 31726.5 were added to CERL in 1937 and 1951, respectively. These sections limit a member's nonservice-connected disability retirement allowance to an annuity that is the actuarial equivalent of his accumulated contributions if the member's disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on the member's part. In the successive decades since 1937 and 1951, views on alcohol and drug use have evolved from a legal and moral perspective to a medical, scientific, and public health perspective—from temperance and prohibition to treatment, recovery, and counseling. The public policy underlying the limitation on nonservice-connected disability retirement allowances due to intemperate use of alcoholic liquor or drugs may no longer reflect contemporary views of alcohol and drug use. If alcohol and drug use were viewed from a disease perspective rather than a moral failure, the benefit limitation as a consequence would be financially punitive and discriminatory for members.

Q7 Recommended solution:

Amend the CERL sections related to nonservice-connected disability retirement to remove the element related to intemperate use of alcoholic liquor or drugs.

Q8 Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers:

Section 31726: Upon retirement for nonservice-connected disability a member who has attained age 65 shall receive his or her service retirement allowance. Every member under age 65 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the State Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following: (a) The sum to which he or she would be entitled as service retirement. (b) A sum which shall consist of any of the following: (1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement. (2) If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district. (3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph shall only apply to a person who becomes a member of the system on or after January 1, 1988. Section 31726.5: Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance. Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of: (a) The sum to which he or she would be entitled to as service retirement; or (b) A sum which shall consist of: (1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement. (2) If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district. (3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. Paragraph (3) shall only apply to a person who becomes a member of the association on or after January 1, 1988. Section 31728: If, in the opinion of the board, the disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on the part of the member, and his annuity is less than two hundred forty dollars (\$240) a year, the board may pay the member his accumulated contributions in one lump sum in lieu of his annuity. Section 31838: Every safety member under age 55 years and every other member under age 65 years who is retired for nonservice-connected disability and who is retired simultaneously under a disability retirement allowance from the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a retirement allowance equal to the greater of the following amounts: (1) The sum to which he would be entitled as service retirement; or (2) A sum which shall consist of: (a) An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and (b) If, in the opinion of the board, his disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct or violation of law on his part, a disability retirement pension purchased by contributions of the county or district, all computed as provided in Sections 31727 or 31727.2.

Q9 Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?

The nonservice-connected disability retirement provisions apply to all SACRS systems.

Q10 Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?

As plan administrators, the other SACRS systems may not be amenable to this proposal that would substantively change the policy underlying the benefit structure for nonservice-connected disability retirements. This proposal may put a plan administrator at odds with its plan sponsor.

Q11 Who will support or oppose this proposed change in the law?

SACRS systems that view the benefit limitation as financially punitive and discriminatory may support this proposal. Plan sponsors may oppose this proposal because it is a substantive change to the benefit structure of a nonservice-connected disability retirement allowance.

Q12 Who will be available from your retirement association/system to testify before the Legislature?

Barry Lew, Legislative Affairs Officer Joe Ackler, Ackler & Associates

SACRS 2020 Legislative Platform Submission Information

- **Title of Issue**
Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs
- **Retirement Association/Name**
Los Angeles County Employees Retirement Association
- **Contact Name**
Barry Lew, Legislative Affairs Officer
- **Contact Phone Number**
626-564-2370
- **Contact Email Address**
blew@lacera.com
- **Description of Issue**
Government Code Sections 31726 and 31726.5 were added to CERL in 1937 and 1951, respectively. These sections limit a member's nonservice-connected disability retirement allowance to an annuity that is the actuarial equivalent of his accumulated contributions if the member's disability is due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on the member's part.

In the successive decades since 1937 and 1951, views on alcohol and drug use have evolved from a legal and moral perspective to a medical, scientific, and public health perspective—from temperance and prohibition to treatment, recovery, and counseling. The public policy underlying the limitation on nonservice-connected disability retirement allowances due to intemperate use of alcoholic liquor or drugs may no longer reflect contemporary views of alcohol and drug use. If alcohol and drug use were viewed from a disease perspective rather than a moral failure, the benefit limitation as a consequence would be financially punitive and discriminatory for members.
- **Recommended Solution**
Amend the CERL sections related to nonservice-connected disability retirement to remove the element related to intemperate use of alcoholic liquor or drugs.
- **Specific language changed or added to the 1937 Act and suggested code section number(s)**

Section 31726

Upon retirement for nonservice-connected disability a member who has attained age 65 shall receive his or her service retirement allowance.

Every member under age 65 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the ~~State-Public~~ Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following:

(a) The sum to which he or she would be entitled as service retirement.

(b) A sum which shall consist of any of the following:

(1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

(2) If, in the opinion of the board, his or her disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct~~ or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

(3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph shall only apply to a person who becomes a member of the system on or after January 1, 1988.

Section 31726.5

Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance. Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of:

(a) The sum to which he or she would be entitled to as service retirement; or

(b) A sum which shall consist of:

(1) An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

(2) If, in the opinion of the board, his or her disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct~~ or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

(3) If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. Paragraph (3) shall only apply to a person who becomes a member of the association on or after January 1, 1988

Section 31728

If, in the opinion of the board, the disability is due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct~~ or violation of law on the part of the member, and his annuity is less than two hundred forty dollars (\$240) a year, the board may pay the member his accumulated contributions in one lump sum in lieu of his annuity.

Section 31838

Every safety member under age 55 years and every other member under age 65 years who is retired for nonservice-connected disability and who is retired simultaneously under a disability retirement allowance from the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a retirement allowance equal to the greater of the following amounts:

(1) The sum to which he would be entitled as service retirement; or

(2) A sum which shall consist of:

(a) An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and

(b) If, in the opinion of the board, his disability is not due to ~~intemperate use of alcoholic liquor or drugs, willful misconduct, willful misconduct~~ or violation of law on his part, a disability retirement pension purchased by contributions of the county or district, all computed as provided in Sections 31727 or 31727.2.

- **Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?**

The nonservice-connected disability retirement provisions apply to all SACRS systems.

- **Do you anticipate the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?**

As plan administrators, the other SACRS systems may not be amenable to this proposal that would substantively change the policy underlying the benefit structure for nonservice-connected disability retirements. This proposal may put a plan administrator at odds with its plan sponsor.

- **Who will support or oppose this proposed change in the law?**

SACRS systems that view the benefit limitation as financially punitive and discriminatory may support this proposal. Plan sponsors may oppose this proposal because it is a substantive change to the benefit structure of a nonservice-connected disability retirement allowance.

- **Who will be available from your association/system to testify before the Legislature?**

Barry Lew, Legislative Affairs Officer

Joe Ackler, Ackler & Associates

October 24, 2019

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Shawn R. Kehoe, Vice Chair
Vivian H. Gray
Ronald A. Okum
J.P. Harris, Alternate

FOR: November 6, 2019 Board of Retirement Meeting

SUBJECT: **Federal Engagement: Visit with Congress**

RECOMMENDATION

That the Insurance, Benefits and Legislative Committee recommend that the Board of Retirement:

1. Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of January 26, 2020 in Washington, D.C.;
2. Approve the visit as an Administrative Meeting; and
3. Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

LEGAL AUTHORITY

The Board of Retirement's Policy on Engagement for Public Policy Issues Relating to Plan Administration and Retirement and Health Care Benefits provides for engagement to promote LACERA's presence and visibility with the legislative, executive, and judicial branches of state and federal governments.

DISCUSSION

Visit with Congress

The California Delegation consisting of 53 representatives and 2 senators is the largest in Congress. Board members and staff have engaged with members of Congress and their staff on previous visits to Washington D.C. in May 2018, January 2019, and May 2019 following attendance at either the National Conference on Public Employee Retirement Systems (NCPERS) Legislative Conference or the International Foundation of Employee Benefit Plans (IFEBC) Washington Legislative Update.

Certain Board members and staff may be attending the NCPERS Legislative Conference on January 26-28, 2020 in Washington, D.C. The visit to Congress would

ideally be available to those Board members and staff who are already in Washington D.C. for that pre-approved conference, although the Board Chair may also designate those Board members and staff who are not attending the conference to make the visit as well. The visit will be an opportunity to continue fostering relationships with additional members of the California Delegation as well as express LACERA's support for the repeal of Social Security's Windfall Elimination Provision and Government Pension Offset.

The NCPERS Legislative Conference has a "Policy Day on Capitol Hill" scheduled on January 28, 2020 that enables NCPERS conference attendees to participate in group meetings with Congressional staff organized by NCPERS. Attendees may also be able to schedule their own individual meetings with Congressional members and staff that day as an activity under the NCPERS Policy Day. LACERA's federal legislative advocate, Anthony J. Roda of Williams & Jensen, may be able to schedule individual meetings for LACERA representatives on the January 28 Policy Day as well as additional meetings on January 29.

Visit with Congress as an Administrative Meeting

The NCPERS 2020 Legislative Conference is a pre-approved conference as listed in Attachment C of the Education and Travel Policy that is subject to the conference attendance limitation of 4 approved conferences per Board member per fiscal year (or 6 if the Board member is serving simultaneously on the Board of Retirement and Board of Investments), as provided by Section 705.00.A.1 of the Policy. The visit with Congress would be an Administrative Meeting that has a non-educational purpose in furtherance of LACERA's legislative advocacy. As such, per Section 705.00.A.1, the visit to Congress would count towards the maximum approved number limits since it is in conjunction with an Educational Meeting but would be considered as one conference since it is separated by no more than one day with the NCPERS Conference and has no additional common carrier travel. However, the visit to Congress would not be considered a pre-approved Administrative Meeting under Section 705.00.A.2 and would require Board approval. Per Section 705.00.A.4, an estimate of reimbursable expenses for the Congressional visit is attached.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of January 26, 2020 in Washington, D.C.;
2. Approve the visit as an Administrative Meeting; and
3. Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

Federal Engagement
Board of Retirement
October 24, 2019
Page 3

Attachments

Attachment 1 – NCPERS 2020 Legislative Conference Schedule of Events

Attachment 2 – Estimate of Reimbursable Expenses

cc: Steven P. Rice
JJ Popowich
Anthony J. Roda, Williams & Jensen
Shane Doucet, Doucet Consulting Solutions



The Voice for Public Pensions

2020 LEGISLATIVE CONFERENCE

Capitol Hilton Hotel
Washington, DC

SCHEDULE OF EVENTS

SUNDAY, JANUARY 26

3:00 PM – 6:00 PM Legislative Conference Registration
5:00 PM – 6:00 PM Networking Reception

MONDAY, JANUARY 27

7:00 AM – 4:30 PM Registration
7:00 AM – 8:00 AM Breakfast
8:00 AM – 12:00 PM Legislative Conference General Session I
12:00 PM – 1:00 PM Legislative Conference Lunch
1:00 PM – 5:00 PM Legislative Conference General Session II

TUESDAY, JANUARY 28

***POLICY DAY ON CAPITOL HILL**

8:00 AM – 9:00 AM Policy Day Breakfast on Capitol Hill
9:00 AM – 5:00 PM Meetings with Congressional Staff
9:30 AM – 5:00 PM Policy Day Lounge/Debriefing Room Open
12:00 PM – 1:00 PM Policy Day Lunch
4:00 PM – 6:00 PM Policy Day Closing Happy Hour

*Additional registration fees apply to Policy Day. NCPERS will provide shuttle services to Capitol Hill on the morning of January 28.

ESTIMATE OF REIMBURSABLE EXPENSES

Event	Visit to Congress	
Organizer	Anthony J. Roda, Williams & Jensen	
Date of Event	January 29, 2020 ¹	
Location of Event	Washington, D.C.	
Estimated Expenses	Hotel: Capital Hilton	\$0 If checking out on January 29, 2020 after NCPERS Legislative Conference ends on January 28, 2020. \$206 ² If checking out on January 30, 2020 due to extra hotel day.
	Airfare	\$0 No additional common carrier travel separate from NCPERS 2020 Legislative Conference.
	Transportation: Taxi or Ridesharing	\$40
	Meals & Incidentals	\$76
TOTAL ESTIMATE		\$322

¹ January 28, 2020 would also include visits to Congress. However, January 28, 2020 is the "Policy Day on Capitol Hill" that is included within the pre-approved NCPERS 2020 Legislative Conference.

² This is the publicly available room rate. The NCPERS Legislative Conference room rate is currently unknown as conference registration and lodging do not open until November 2019.



October 24, 2019

TO: Each Member
Board of Retirement

FROM: Fern M. Billingsy 
Senior Staff Counsel

DATE: Meeting of November 6, 2019

SUBJECT: **COMPENSATION EARNABLE & PENSIONABLE COMPENSATION**

INTRODUCTION

The Board of Retirement is charged with determining which items of compensation qualify as pensionable earnings includable in the member's retirement allowance. The Chief Executive Office of the County of Los Angeles recently requested determination of the pensionability of several pay items.

Before the Board are seven pay items with recommendations regarding inclusion or exclusion within the definition of "final compensation" when calculating a member's benefit. The analysis of each of these items is attached as Exhibit A for review.

COMPENSATION EARNABLE

In January of 1998, the Board determined that, pursuant to the California Supreme Court's decision in Ventura County Deputy Sheriff's Association v. County of Ventura (1997) 16 Cal. 4th 483, certain items of remuneration must be included in the definition of "compensation earnable." The Board then adopted Resolution 98-001 identifying those items. Since that time, other Resolutions have been adopted when new items of compensation are determined to be included in or excluded from the definition of "compensation earnable." In making those determinations, the Board reviewed analysis of all items of compensation and adopted recommendations from the Legal Office regarding the definition of "compensation earnable."

Section 31461 defines "compensation earnable." It states:

- (a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the

same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

- (b) "Compensation earnable" does not include, in any case, the following:
- (1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:
 - (A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.
 - (B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.
 - (C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.
 - (2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.
 - (3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
 - (4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-

month period during the final average salary period, regardless of when reported or paid.

- (c) The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734 and *In re Retirement Cases* (2003)110 Cal.App.4th 426.

PENSIONABLE COMPENSATION

On January 1, 2013, with the enactment of PEPRA, new members are subject to the definition of "pensionable compensation" in Section 7522.34(a), which states:

"Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of a member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules. (Emphasis added).

This section provides that any compensation outside of base pay may not be included in final compensation when calculating a member's retirement allowance. However, "base pay" is not defined in the statute. The section goes on to specifically delineate which items of compensation should be excluded.

Subdivision (c) states:

- (c) "Pensionable compensation" does not include the following:
- (1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
 - (2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
 - (3) Any one-time or ad hoc payments made to a member.
 - (4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.

- (5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
- (6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
- (7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
- (8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.
- (9) Employer contributions to deferred compensation or defined contribution plans.
- (10) Any bonus paid in addition to the compensation described in subdivision (a).
- (11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).
- (12) Any other form of compensation a public retirement board determines should not be pensionable compensation.

ITEMS OF COMPENSATION

1. Assessor Representative – Item 426

This additional compensation should be included for our legacy and PEPRA members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay, and can be found on a public pay schedule.

Recommendation: Include under 31461
Include under 7522.34

2. Auditor Appraiser – Item 427

This additional compensation should be included for our legacy and PEPRA members as it is paid to all similarly situated members based on the average

number of days worked by persons in the same grade or class of positions and at the same rate of pay, and found on a public pay schedule.

Recommendation: Include under 31461
Include under 7522.34

3. Appraiser Field Trainer – Item 428

This additional compensation should be included for our legacy and PEPRA members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay, and can be found on a public pay schedule.

Recommendation: Include under 31461
Include under 7522.34

4. Geotechnical License Bonus – 484

This additional compensation should be included for our legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay.

This additional compensation should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

Recommendation: Include under 31461
Exclude under 7522.34

5. Plans Examiner Certification – 486

This additional compensation should be included for our legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay.

This additional compensation should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

Recommendation: Include under 31461
Exclude under 7522.34

6. Registration – License Bonus – Item 487

This additional compensation should be included for our legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay.

This additional compensation should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

Recommendation: Include under 31461
Exclude under 7522.34

7. Building Engineering Inspector Bonus – Item 488

This additional compensation should be included for our legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay.

This additional compensation should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

Recommendation: Include under 31461
Exclude under 7522.34

CONCLUSION

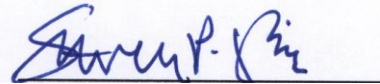
Consistent with the foregoing, the attached Resolutions of the Board of Retirement specifying pay items as "Compensation Earnable" under Government Code section 31461 and "Pensionable Compensation" under Government Code section 7522.34 are submitted for approval by the Board.

Each Member, Board of Retirement
October 24, 2019
Re: Compensation Earnable & Pensionable Compensation
Page 7

IT IS THEREFORE RECOMMENDED THAT THE BOARD:

1. Adopt attached Resolution Nos. 2019-BR014 and 2019-BR015 specifying pay items as "compensation earnable" and "pensionable compensation."
2. Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation.

Reviewed and Approved

A handwritten signature in blue ink, appearing to read "Steven P. Rice", is written over a light blue rectangular background. The signature is cursive and somewhat stylized.

Steven P. Rice
Chief Counsel

Attachments

Billiny/BOR/Comp Earn Pen Comp 10.24.19

BEFORE THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF
RETIREMENT SPECIFYING ITEMS OF
REMUNERATION AS
“COMPENSATION EARNABLE”

RESOLUTION NO. 2019-BR014

WHEREAS, LACERA calculates retirement allowances based on a member’s “final compensation;”

WHEREAS, LACERA is required to include in the calculation of “final compensation” a member’s base pay, and certain other items of remuneration, if such remuneration qualifies as “compensation” under Government Code section 31460 and “compensation earnable” under Government Code section 31461;

WHEREAS, on March 4, 1998, the Board of Retirement adopted Resolution No. 98-004 specifying certain items of remuneration payable to employees of the County of Los Angeles which the Board determined qualify as “compensation” under Government Code section 31460 and “compensation earnable” under section 31461.

WHEREAS, on August 4, 1999, the Board of Retirement adopted Resolution No. 99-001 specifying an additional item of remuneration qualifies as “compensation” and “compensation earnable” under Government Code sections 31460 and 31461, respectively.

WHEREAS, the Court’s ruling in Ventura County Deputy Sheriff’s Association v. County of Ventura (1997) 16 Cal. 4th 483 became final on October 1, 1997, and requires LACERA to include in the calculation of retirement allowances various forms of remuneration not formerly included.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The items of remuneration set forth in Attachment 1 qualify as “compensation earnable” as defined in Government Code section 31461, for purposes of calculating a member’s retirement allowance.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Alan J. Bernstein
Chair, Board of Retirement

Approved as to Form:

ATTEST:

Steven P. Rice
Chief Counsel

Les Robbins
Vice Chair, Board of Retirement

ITEMS OF COUNTY REMUNERATION WHICH QUALIFY AS “COMPENSATION,” AS DEFINED BY GOVERNMENT CODE SECTION 31460, AND/OR “COMPENSATION EARNABLE,” AS DEFINED BY GOVERNMENT CODE SECTION 31461.

<u>EARNINGS CODE NO.</u>	<u>ITEMS</u>
099	PATROL STATION RETENTION BONUS
232	AGRICULTURAL WEIGHTS & MEASURE (AWM) INSPECTOR ASSIGNMENT BONUS
249	AGRICULTURE INSPECTORS AID ROVER BONUS
253	HEALTHCARE FACILITY BONUS
254	FORENSIC ATTENDANT FIELD TRAINING BONUS
255	BEACHES & HARBORS ASSIGNMENT BONUS
259	TRAILS UNIT ASSIGNMENT BONUS
262	UNDERWATER RECOVERY – BEACHES AND HARBORS
262Y3	UNDERWATER RECOVERY – BEACHES AND HARBORS
262Y4	UNDERWATER RECOVERY – BEACHES AND HARBORS
334	CUSTODY ASSISTANT DRILL INSTRUCTOR/CUSTODY TRAINING AND STANDARDS BUREAU
335	CUSTODY ASSISTANT TRAINING OFFICER BONUS
336	PUBLIC RESPONSE DISPATCHER BONUS
341	IN-FLIGHT BONUS
346	HAZARDOUS MATERIALS II EMERGENCY OPERATIONS ASSIGNMENT

347 WELLNESS/FITNESS FOR LIFE BONUS – 1%

348 WELLNESS/FITNESS FOR LIFE BONUS – 2%

349 WELLNESS/FITNESS FOR LIFE BONUS

350 “PILOT PAY” – FIRE DEPARTMENT

355 FIREFIGHTER - PARAMEDIC

355Y2 FIREFIGHTER – PARAMEDIC

355Y3 FIREFIGHTER – PARAMEDIC

358 TEMPORARY PROMOTION BONUS

359 LIFEGUARD PARAMEDIC CATALINA BONUS

359Y2 LIFEGUARD PARAMEDIC CATALINA BONUS

362 PARAMEDIC COORDINATOR/EMS CAPTAIN

363 PEER SUPPORT BONUS

364 DECKHAND/BOAT OPERATOR/RESCUE WATER CRAFT BONUS

366 ADVANCED EDUCATIONAL DEGREE BONUS

369 ADVANCED EDUCATION DEGREE BONUS

381 DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS

384 HIGH DESERT HEALTH ASSIGNMENT BONUS

388 SHERIFF DETENTION FACILITY ASSIGNMENT BONUS

389 MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION – MORE THAN ONE SPECIALTY

391 COUNTY LIBRARY DIFFICULT TO RECRUIT ASSIGNMENT BONUS

393 OBSTETRICS/LABOR & DELIVERY ASSIGNMENT

394 MEDICAL HUB CLINIC ASSIGNMENT

415 SHERIFF DEPARTMENT ASSIGNMENT TO AERO BUREAU
AVIONICS SHOP

416 SHERIFF DEPARTMENT WATER SYSTEMS BONUS – CHIEF
OPERATOR

417 SHERIFF DEPARTMENT WATER SYSTEMS BONUS – SHIFT
OPERATOR

418 ISD BONUS ASSIGNMENT – ENERGY MANAGEMENT SYSTEM
SECTION (BEAS)

424 ABDMI REGISTRY CERTIFICATION BONUS

425 ABDMI BOARD CERTIFICATION BONUS

426 ASSESSOR REPRESENTATIVE

427 AUDITOR APPRAISER

428 APPRAISER FIELD TRAINER

439 CUSTODY TRAINING OFFICER

445 SPECIAL ENFORCEMENT DETAIL/CANINE SERVICES DETAIL
(TACTICAL DUTY)

452 SUPERVISORY BONUS

457 PATROL STATION RETENTION BONUS

463 DRINKING WATER TREATMENT AND DISTRIBUTION

484 GEOTECHNICAL LICENSE BONUS

486 PLANS EXAMINER CERTIFICATION

487 REGISTRATION – LICENSE BONUS

488 BUILDING ENGINEERING INSPECTOR BONUS

497 INSTITUTIONS BONUS

503 UNIFORM ALLOWANCE

504 NIGHT SHIFT DIFFERENTIAL
505 CORONER'S INQUEST REPORTER
506 VEHICLE USE ALLOWANCE
507 CO-GENERATION MAINTENANCE
508 HENNINGER FLATS WATCHMAN
509 FREEZER WORK
510 DEPARTMENT HEAD MERIT
511 BOARD OF SUPERVISORS PERFORMANCE LUMP SUM
512 FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER
514 BACKHOE OPERATOR
515 WEEKEND BONUS
516 EXPLOSIVES WORK
517 EVENING SHIFT DIFFERENTIAL
518 POWER EQUIPMENT REPAIR, SNOW CONDITIONS
519 ENGINEERING EMPLOYEES, HAZARD PAY
520 HOME CARE COMPENSATION
522 CUSTODIAN ACTING AS WATCHMAN
523 HYDROELECTRIC OPERATIONS
525 CONTRACTING AND PRODUCTIVITY IMPROVEMENT INCENTIVE
FOR MANAGERS
528 WEBCOM PRESS OPERATOR
529 POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION
530 RN EXTRA WEEKENDS WORKED

- 531 STANDBY
- 532 ADDITIONAL RESPONSIBILITIES OR EXCEPTIONAL PERFORMANCE
- 533 POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS
- 534 POWER PLANT RELIEF ENGINEER
- 535 CLINIC PHYSICIAN, FIRST HOUR AND ONE-HALF
- 536 CONSULTING SPECIALIST, MD, & MENTAL HEALTH CONSULTANT, MD, FIRST AND FIFTH HOURS
- 538 RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE
- 539 RN WEEKEND DIFFERENTIAL
- 540 RELIEF NURSE HOLIDAY DIFFERENTIAL (HOURLY ITEM)
- 541 RELIEF NURSE WEEKEND DIFFERENTIAL (HOURLY ITEM)
- 544 APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE
- 545 HEAVY DUTY TOW TRUCK DRIVER
- 546 SLURRY SEAL TRUCK DRIVER
- 547 LIFEGUARD PARAMEDIC – SHIFT
- 548 LIFEGUARD PARAMEDIC – HOURLY
- 550 INCENTIVE AWARDS FOR MEDICAL REIMBURSEMENTS, HEALTH SERVICES
- 551 GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR
- 552 STANDBY – EMERGENCY ROLLOUT PROGRAM
- 553 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPPRESSION, AND SNOW REMOVAL - CONSTRUCTION INSPECTION AND SURVEYING GROUPS
- 554 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPPRESSION, AND SNOW REMOVAL

555 SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE
556 HIGH SCALE AND RIGGING OPERATIONS, GENERAL
557 EVENING SHIFT, MED TECH
558 NIGHT SHIFT, MED TECH
565 PARAMEDIC RECERTIFICATION BONUS
567 DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION
570 HOME CARE PROGRAM STANDBY
571 CSW LICENSURE SUPERVISION
572 MOU LUMP SUM BONUS
575 WASTEWATER PLANT RELIEF BONUS
576 "SOLO DAILY" PAY – COURT REPORTERS
577 INTERPRETER HALF DAY BONUS – SUP. CT.
581 SWIM PROFICIENCY BONUS
585 ISA TREE WORKER CERTIFICATION
586 ISA CERTIFIED ARBORIST CREDENTIAL
587 ISA CERTIFIED QUALIFIED TREE RISK ASSESSOR CREDENTIAL
588 ISA MUNICIPAL SPECIALIST CREDENTIAL
589 MENTAL HEALTH SPECIALITY FIELD BASED BONUS
590 CONT EDUCATION/EQUIPMENT/TRAINING BONUS
601 LIFEGUARD PARAMEDIC, RELIEF
602 SUPERVISING TRANSPORTATION DEPUTY PERFORMING
DISPATCHER DUTIES
603 AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATES

604 RN MOBILE INTENSIVE CARE CERTIFICATION

605 CUSTODIAN FLOOR WAXING BONUS

606 FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES

606A FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES –
ELIGIBILITY INDICATOR

607 SDPO ASSIGNED ACTING DIRECTOR IN A CAMP

608 BILINGUAL BONUS

609 RN ASSIGNED TO EMERGENCY ROOM

610 ANTELOPE VALLEY FIREFIGHTING CREW

611 TREE TRIMMER SUPERVISOR, POWER OPERATIONS

612 SHOOTING BONUS, EXPERT

613 SHOOTING BONUS, DISTINGUISHED EXPERT

614 SHOOTING BONUS, MARKSMAN

615 SHOOTING BONUS, SHARPSHOOTER

616 ANTELOPE VALLEY QUARTERS, ON FIRE CALL

617 CLINIC NURSE ASSIGNED TO PROBATION CAMP

618 TRANSPORTATION BUS DRIVER, SHERIFF

619 CERTIFIED ACCESS SPECIALISTS

620 SAN GABRIEL DAM OPERATOR

621 NURSE RETENTION INCENTIVE

622 ADVANCED APPRAISER CERTIFICATION

623 PROBATION TRANSCRIBER TYPIST PRODUCTION INCENTIVE

624 BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORKERS

625 AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION

626 FIREFIGHTER PARAMEDIC NOT ASSIGNED TO A PARAMEDIC POST

627 DETENTION AND TRANSPORTATION EXTRA SUPERVISION BONUS

628 BILINGUAL BONUS FOR OTHER THAN MONTHLY EMPLOYEES

629 MORTUARY ATTENDANT AT LAC/USC MC

630 SERVICE PAY BONUS

632 MENTAL HEALTH WORKERS ASSIGNED TO SHERIFF'S DETENTION FACILITIES

634 SUPERVISING DETENTION SERVICES OFFICER OF THE DAY

635 TRANSPORTATION DEPUTY BUS DRIVER, PROBATION

636 SHERIFF'S STATION COMMANDER EXPENSES

637 PROFESSIONAL DEVELOPMENT EXPENSES

638 PROBATION TELECOM EQUIPMENT BONUS

639 INTERN HOUSING ALLOWANCE LAC/USC MED. CENTER

640 CHILDREN'S SERVICES ERCP RETENTION

641 SHOOTING BONUS, EXPERT – RESERVE

642 SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE

643 SHOOTING BONUS, MARKSMAN – RESERVE

644 SHOOTING BONUS, SHARPSHOOTER – RESERVE

645 WELDER CERTIFICATION BONUS

646 EMERGENCY ROLLOUT PROGRAM & SHIFT BONUS

647 BILINGUAL ADDITIONAL BONUS, PSYCHIATRIC SOCIAL WORK

648	DEFIBRILLATION AIRWAY BONUS
649	MAMMOGRAPHY BONUS
650	PRESIDING JUDGE 4% BONUS
653	EQUINE HANDLERS PAY
653	K-9 HANDLERS PAY
694	PARK, TAXABLE
695	TRANSPORTATION ALLOW
696	TRAFFIC MITIGATION
700	"OVERNIGHT TRIP" PAY - SHERIFF'S STATEWIDE UNIT
730	PREMIUM OVERNIGHT TRIP
782	FLSA PREMIUM PAY FOR REGULARLY SCHEDULED WORK ASSIGNMENT
903	NON-ELECTIVE LEAVE BUYBACK
910	SICK BUYBACK
911	VACATION BUYBACK
912	HOLIDAY BUYBACK
913	SICK PRE-71 BUYBACK
914	SICK BUYBACK –PROBATION 56 – HOUR
915	VACATION BUYBACK - 56 HOUR
930	SPECIAL PAID LEAVE BUYBACK
931	APPRAISERS LEAVE BUYBACK
932	INTERN/RESIDENT LEAVE BUYBACK
PP046	EMPLOYEE SUGGESTION

NONE	PARK, NONTAXABLE
NONE	PRIOR SALARY
NONE	56 HOUR TO 40 HOUR ASSIGNMENT BONUS
NONE	REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNIT

BEFORE THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF
RETIREMENT SPECIFYING ITEMS OF
REMUNERATION AS "PENSIONABLE
COMPENSATION"

RESOLUTION NO. 2019-BR015

WHEREAS, Government Code section 7522.34 governs the determination of pensionable compensation for those members who became active members for the first time on or after January 1, 2013, who are subject to the California Public Employees' Pension Reform Act of 2013; and

WHEREAS, LACERA calculates retirement allowances based on a member's final compensation; and

WHEREAS, LACERA is required to include in the calculation of "final compensation," a member's base pay and certain other items of compensation, if such compensation qualifies as "pensionable compensation" under Government Code section 7522.34; and

WHEREAS, Government Code section 7522.34 defines "pensionable compensation" as:

“. . .the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules"; and

WHEREAS, the Board has analyzed each current pay item and determined whether or not those items should be included in "pensionable compensation"; and

WHEREAS, the Board may find it necessary from time to time to amend its determinations based on changes made by employers, the Legislature, or the Courts;

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. For purposes of calculating a member's retirement allowance, earnings on or after January 1, 2013, for members subject to Government Code section 7522.32, as set forth in Attachment No. 1 qualify as "pensionable compensation" as defined in section 7522.34.
2. For purposes of calculating a member's retirement allowance, earnings on or after January 1, 2013, for members subject to Government Code section 7522.32, as set forth in Attachment No. 2 do not qualify as "pensionable compensation" as defined in section 7522.34.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Alan J. Bernstein
Chair, Board of Retirement

Approved as to Form

ATTEST:

Steven P. Rice
Chief Counsel

Les Robbins
Vice Chair, Board of Retirement

ITEMS OF REMUNERATION EARNED ON OR AFTER JANUARY 1, 2013, FOR MEMBERS SUBJECT TO GOVERNMENT CODE SECTION 7522.32, WHICH QUALIFY AS "PENSIONABLE COMPENSATION" AS DEFINED IN SECTION 7522.34

<u>EARNINGS CODE NO.</u>	<u>ITEMS</u>
206A	LONGEVITY BONUS 10 YEARS
207A	LONGEVITY BONUS 15 YEARS
208A	LONGEVITY BONUS 20 YEARS
213	PSYCHIATRIC TECHNICIAN - P.E.T. SUPERVISOR
216	POST BONUS - BASIC
218	PROBATION - TOP RANGE
232	AGRICULTURAL WEIGHTS & MEASURE (AWM) INSPECTOR BONUS
235	LONGEVITY BONUS 20 YEARS
235A	LONGEVITY BONUS 20 YEARS
235C	LONGEVITY BONUS 20 YEARS
235D	LONGEVITY BONUS 20 YEARS
235F	LONGEVITY BONUS 20 YEARS
235G	LONGEVITY BONUS 20 YEARS
235H	LONGEVITY BONUS 20 YEARS
235I	LONGEVITY BONUS 20 YEARS
235J	LONGEVITY BONUS 20 YEARS

236	LONGEVITY BONUS 25 YEARS
236A	LONGEVITY BONUS 25 YEARS
236C	LONGEVITY BONUS 25 YEARS
236D	LONGEVITY BONUS 25 YEARS
236F	LONGEVITY BONUS 25 YEARS
236G	LONGEVITY BONUS 25 YEARS
236H	LONGEVITY BONUS 25 YEARS
236I	LONGEVITY BONUS 25 YEARS
236J	LONGEVITY BONUS 25 YEARS
237	LONGEVITY BONUS 30 YEARS
237A	LONGEVITY BONUS 30 YEARS
237C	LONGEVITY BONUS 30 YEARS
237D	LONGEVITY BONUS 30 YEARS
237F	LONGEVITY BONUS 30 YEARS
237G	LONGEVITY BONUS 30 YEARS
237H	LONGEVITY BONUS 30 YEARS
237I	LONGEVITY BONUS 30 YEARS
237J	LONGEVITY BONUS 30 YEARS
238A	COMMAND PAY 24YR
239A	COMMAND PAY 29YR
241	WEIGHTS & MEASURES INSPECTOR
242	WEIGHTS & MEASURES INSPECTOR COMMERCIAL DRVRS LIC
244A	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS

244B LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS
244C LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS
245A LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS
245B LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS
245C LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS
246A LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS
246B LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS
246C LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS
247 DISPATCHER EMD CERTIFICATION BONUS
253 HEALTHCARE FACILITIES BONUS
255 BEACHES & HARBORS ASSIGNMENT BONUS
259 TRAILS UNIT ASSIGNMENT BONUS
260 CATALINA ISLAND LIVING - LIFEGUARD/FIRE FIGHTER
261 LIFEGUARD – EMT
262 UNDERWATER RECOVERY – BEACHES AND HARBORS
262Y3 UNDERWATER RECOVERY – BEACHES AND HARBORS
262Y4 UNDERWATER RECOVERY – BEACHES AND HARBORS
280 CATALINA ISLAND LIVING
331 INMATE SUPERVISOR
333 REFUSE TRUCK DRIVER BONUS
337 TRANSPORTATION SUPERVISOR BONUS
341 IN-FLIGHT BONUS
346 HAZARDOUS MATERIALS II EMERGENCY OPERATIONS
ASSIGNMENT

350 AIR OPERATIONS BONUS

351 DRIVER - COUNTY FORESTER AND FIRE WARDEN

353 FIREFIGHTER - EMT

354 FIRE FIGHTER - HAZARD MATERIALS

355 FIREFIGHTER – PARAMEDIC

355Y2 FIREFIGHTER – PARAMEDIC

355Y3 FIREFIGHTER – PARAMEDIC

359 LIFEGUARD PARAMEDIC CATALINA BONUS

359Y2 LIFEGUARD PARAMEDIC CATALINA BONUS

360 URBAN SEARCH AND RESCUE

362 PARAMEDIC COORDINATOR/EMS CAPTAIN

363 PEER SUPPORT BONUS

364 DECKHAND/BOAT OPERATOR/RESCUE WATER CRAFT BONUS

378 LICENSED VOCATIONAL NURSE - INTENSIVE CARE

382 PUBLIC HEALTH INVESTIGATOR ASSIGNMENT BONUS

390 BOOKMOBILE BONUS

420 CATALINA ISLAND LIVING PARKS AND RECREATION

421 LAKE AQUATICS - EMT CERTIFICATE

422 LAKE LIFEGUARD – EMT CERTIFIED

423 UNDERWATER RECOVERY - PARKS AN RECREATION

426 ASSESSOR REPRESENTATIVE

427 AUDITOR APPRAISER

428 APPRAISER FIELD TRAINER
431 LEGISLATION CONSULTANT - DPSS
433 TWELVE LEVEL BONUS
434 DEPUTY SHERIFF FIELD TRAINING OFFICER
435 SENIOR FIELD TRAINING OFFICER, 12 MONTHS
436 MASTER FIELD TRAINING OFFICER LEVEL 1, 18 MONTHS
437 MASTER FIELD TRAINING OFFICER LEVEL 2, 30 MONTHS
438 PATROL AND CUSTODY TRAINING - 7TH STEP
440 AERIAL PATROL OBSERVER DUTY
442 COOKS, BAKERS, BUTCHERS BONUS
443 DEPUTY SHERIFF-LEVEL I BONUS
444 DEPUTY SHERIFF - LEVEL II BONUS
446 EXPLOSIVES DETAIL BONUS
447 HELICOPTER DETAIL
449 SENIOR COOK BONUS - SHERIFF
451 UNDERWATER RECOVERY - SHERIFF
452 SUPERVISORY BONUS
454 SHERIFF INTERNAL EQUITY
455 MOTORCYCLE PATROL UNIT BONUS
457 PATROL STATION RETENTION BONUS
459 SHERIFF'S STATION JAILER BONUS
460 SHERIFF - MAINTENANCE WORKER
462 MANPOWER SHORTAGE-SHERIFF CATALINA ISLAND

463	DRINKING WATER TREATMENT AND DISTRIBUTION
466	SEWER MAINTENANCE ASSIGNMENT
467	UNDERGROUND STORM DRAIN ASSIGNMENT
490	SENIOR COOK - PROBATION
491	GROUP SUPERVISOR - PROBATION
492	HEAD COOK - PROBATION
496	INSTITUTIONAL INCENTIVE
497	INSTITUTIONS BONUS
606	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES
606A	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES – ELIGIBILITY INDICATOR
626	FIREFIGHTER PARAM. NOT ASSGND TO PARAM.
782	PLATOON/40HR/DISPATCHER
PP056	FLSA PREMIUM OVERTIME

ITEMS OF REMUNERATION EARNED ON OR AFTER JANUARY 1, 2013, FOR MEMBERS SUBJECT TO GOVERNMENT CODE SECTION 7522.32, WHICH DO NOT QUALIFY AS "PENSIONABLE COMPENSATION" AS DEFINED IN SECTION 7522.34.

<u>EARNINGS</u> <u>CODE NO.</u>	<u>ITEMS</u>
200	76-INCH MOWER BONUS
201	ACTING DEPARTMENT HEAD
202	ACTING MEDICAL DIRECTOR
203	ADDITIONAL RESPONSIBILITIES
204	AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25%
205	AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50%
209	MANPOWER SHORTAGE RANGE
210	MEDICAL DIRECTOR'S BONUS - 2.75
211	MEDICAL DIRECTOR'S BONUS - 5.50%
212	MEDICAL DIRECTOR'S BONUS - 8.25%
214	OUT OF CLASS BONUS
215	POST BONUS - ADVANCE/EXECUTIVE
217	POST BONUS - INTERMEDIATE
219	SUPERIOR SUBORDINATE PAY
220	WATCHMAN - CUSTODIAN
221	WELFARE RECIPIENT SUPERVISOR

222 OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT
223 TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES
224 PBP NON-BASE MERIT SALARY ADJUSTMENT
225 EXECUTIVE SECRETARY ADDED SALARY SCHEDULES
227 PBP TO SCHEDULE SALARY ADJUSTMENT
228 ADDITIONAL RESPONSIBILITIES – REPRESENTED
229 TEMPORARY SPECIAL MAP ACHIEVEMENT – FLAT
230 TEMPORARY SPECIAL MAP ACHIEVEMENT – PERCENT
231 TEMPORARY ASSIGNMENT MAP EMPLOYEE – FLAT
240 AGRICULTURAL INSPECTOR BONUS
243 CAREER DEVELOPMENT INTERN BONUS
248 REGIONAL PLANNING AICP CERTIFICATION BONUS
249 AGRICULTURE INSPECTORS AID ROVER BONUS
250 ACCOUNTING CERTIFICATE
252 6TH AND 7TH STEP FINANCIAL SPECIALIST
254 FORENSIC ATTENDANT FIELD TRAINING BONUS
256 ANIMAL CONTROL MGR-BOARD LIAISON BONUS
257 HALF STEP-01
258 HALF STEP-02
263 AUDITOR-CONTROLLER MERIT - ONE SCHEDULE
264 AUDITOR-CONTROLLER MERIT - TWO SCHEDULES
265 AUDITOR-CONTROLLER MERIT - THREE SCHEDULES
266 AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES

267 AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES
268 AUDITOR-CONTROLLER MERIT - SIX SCHEDULES
270 BOARD OF SUPERVISOR SPECIAL ASSIGNMENT
271 ASSESSMENT APPEALS BOARD ASSIGNMENT
272 HEAD BOARD SPECIALIST ADDITIONAL STEPS
273 MAPP TIER II STEP 13
274 MAPP TIER II STEP 14
275 MAPP TIER II STEP 15
276 MAPP TIER II STEP 16
277 MAPP TIER II STEP 17
278 MAPP TIER II STEP 18
281 MAPP TO SCHEDULE FLAT AMOUNT
282 MAPP TO SCHEDULE PERCENTAGE
283 PERM PHYSICIAN TRANSITION RATE – PERCENT
285 COURT CLERK - GREATER SKILLS
291 INTERGOVERNMENTAL RELATIONS
293 LEGISLATIVE REPRESENTATIVE-CAO
295 MANAGEMENT TRAINEE
300 CURATOR BONUS
310 LEGISLATIVE ADVOCATE - COUNTY COUNSEL
320 ACCOUNTING CERTIFICATE - DA
321 DISTRICT ATTORNEY - OUT OF CLASS BONUS
322 RECLASSIFIED INVESTIGATOR

323 ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE

332 JOURNEY EMPLOYEES BONUS

334 CUSTODY ASSISTANT DRILL INSTRUCTOR/CUSTODY TRAINING
AND STANDARDS BUREAU

335 CUSTODY ASSISTANT TRAINING OFFICER BONUS

336 PUBLIC RESPONSE DISPATCHER BONUS

338 ELEVATOR ADJUSTOR

340 A OR B MOTOR VEHICLE LICENSE BONUS

347 WELLNESS/FITNESS FOR LIFE BONUS – 1%

348 WELLNESS/FITNESS FOR LIFE BONUS – 2%

349 WELLNESS/FITNESS FOR LIFE BONUS

356 FIRE SAFETY PERSONNEL BONUS

357 HELICOPTER INSPECTION LICENSE

358 TEMPORARY PROMOTION BONUS

361 TEMPORARY PROMOTION BONUS - NON SCHEDULE

366 ADVANCED EDUCATIONAL DEGREE BONUS

367 MEDICAL STAFF CREDENTIALING ASSIGNMENT BONUS

368 RN ASSIGNED TO SHERIFFS DEPT

369 RN ADVANCED EDUCATIONAL DEGREE BONUS

370 CLINIC NURSE - STAND BY

371 CLINICAL INSTRUCTOR - GENERAL

372 CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER

373 EMERG MEDICINE - BOARD CERTIFICATION

- 374 EMERG MEDICINE - BOARD CERT
- 375 EMERG MEDICINE - BOARD CERTIFICATION 8.25%
- 376 HIGH DESERT HOSPITAL - PHYSICIAN BONUS
- 377 JOURNEY EMPLOYEES BONUS
- 379 SUPERVISING NURSE - ICU
- 380 SUPVG RAD TECHN - DIAGNOSTIC ULTRASOUND
- 381 DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS
- 383 VETERINARY MEDICINE- BOARD CERTIFICATION
- 384 HIGH DESERT HEALTH ASSIGNMENT BONUS
- 385 PSYCHIATRY SPECIALTY BONUS
- 386 PHYSICIAN SPECIALTY BONUS
- 387 PHARMACIST SPECIALTY ASSIGNMENTS
- 388 SHERIFF DETENTION FACILITY ASSIGNMENT BONUS
- 389 MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION – MORE THAN ONE SPECIALTY
- 391 COUNTY LIBRARY DIFFICULT TO RECRUIT ASSIGNMENT BONUS
- 392 LIBRARIAN BONUS
- 393 OBSTETRICS/LABOR & DELIVERY ASSIGNMENT
- 394 MEDICAL HUB CLINIC ASSIGNMENT
- 395 PHYSICIAN SPECIALTY BONUS - 5.75%
- 396 PHYSICIAN ADDITIONAL COMPENSATION
- 397 PHYSICIAN FORENSIC PATHOLOGY BONUS
- 398 HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION

400 DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR
401 DEPUTY MARSHALL - LEVEL I BONUS
402 DEPUTY MARSHALL - LEVEL II BONUS
403 DEPUTY MARSHALL TRAINEE
404 ELECTRONIC RECORDING EQUIPMENT
405 MARSHALL SUPERVISING BONUS
406 DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP
407 SKILL & RESPONSIBILITY BONUS
408 DEPUTY CLERK III OUT OF CLASS BONUS
409 STENOGRAPHIC SKILLS
410 SUPERVISING DEPUTY CLERK
411 ADVISOR-COURT ADMINISTRATOR AND JUDGES
412 NIGHT SHIFT AND WEEKEND BONUS
413 DEPUTY CLERK IV - GREATER SKILLS
414 RECORDING EQUIPMENT-DEPUTY CLERK IV M.C.
415 SHERIFF DEPARTMENT ASSIGNMENT TO AERO BUREAU AVIONICS
SHOP
416 SHERIFF DEPARTMENT WATER SYSTEM BONUS – CHIEF
OPERATOR
417 SHERIFF DEPARTMENT WATER SYSTEM BONUS – SHIFT
OPERATOR
418 ISD BONUS ASSIGNMENT – ENERGY MANAGEMENT SYSTEM
SECTION (SEAS)
424 ABDMI REGISTRY CERTIFICATION BONUS
425 ABDMI BOARD CERTIFICATION BONUS

430 ASST. DIRECTOR - PUBLIC SOCIAL SERVICES
432 DEPUTY DISTRICT DIRECTOR TRAINEE
439 CUSTODY TRAINING OFFICER
441 CATALINA ISLAND LIVING - SHERIFF
445 SPECIAL ENFORCEMENT DETAIL/CANINE SERVICES DETAIL
(TACTICAL DUTY)
450 SHERIFF OUT OF CLASS BONUS
453 SERGEANT-AT-ARMS BOARD OF SUPERVISOR
456 TRAINING OFFICER/INVESTIGATOR/K-9 BONUS
458 ACTING CAPACITY BONUS
461 SHERIFF BUSINESS MACHINE TECHNICIAN
464 STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS
465 REHABILITATION INSPECTOR-PUBLIC WORKS
468 LICENSED LAND SURVEYOR BONUS
469 LICENSED REGISTERED TRAFFIC ENGINEER BONUS
470 BUSINESS LICENSE LIAISON
475 CERTIFICATION BONUS - LACERA
480 SUPERIOR COURT CLERK BONUS
481 COURT REPORTERS REALTIME CERTIFICATION
482 JUDICIAL ASSISTANT BONUS
483 REALTIME WRITING BONUS
484 GEOTECHNICAL LICENSE BONUS
485 SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION

486 PLANS EXAMINER CERTIFICATION
487 REGISTRATION – LICENSE BONUS
488 BUILDING ENGINEERING INSPECTOR BONUS
493 SENIOR PROBATION DIRECTOR-CENTRAL JUVENILE HALL
494 SENIOR PROB DIR-LOS PADRINOS/SAN FERNANDO JUV HALL
495 PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA
498 PROBATION DIRECTOR-CHALLENGER YOUTH CENTER
501 BOARD OF RETIREMENT CASE REVIEW
503 UNIFORM ALLOWANCE
504 NIGHT SHIFT DIFFERENTIAL
505 CORONER'S INQUEST REPORTER
506 ALLOWANCE IN LIEU OF VEHICLE USE
507 CO-GENERATION MAINTENANCE
508 HENNINGER FLATS WATCHMAN
509 FREEZER WORK
510 DEPARTMENT HEAD MERIT
511 BOARD OF SUPERVISORS PERFORMANCE LUMP SUM
512 FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER
513 MOU LUMP SUM BONUS
514 BACKHOE OPERATOR
515 WEEKEND BONUS
516 EXPLOSIVES WORK
517 EVENING SHIFT DIFFERENTIAL

518 POWER EQUIPMENT REPAIR, SNOW CONDITIONS
519 ENGINEERING EMPLOYEES, HAZARD PAY
520 HOME CARE COMPENSATION
522 CUSTODIAN ACTING AS WATCHMAN
523 HYDROELECTRIC OPERATIONS
525 CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR MNGR
528 WEBCOM PRESS OPERATOR
529 POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION
531 STANDBY
532 ADDITIONAL RESPONSIBILITIES AND EXCEPTIONAL
PERFORMANCE
533 POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS
534 POWER PLANT RELIEF ENGINEER
535 CLINIC PHYSICIAN FIRST HOUR
536 CONSULTING SPEC, MD & MNTL HEALTH CONSLT, 1st & 5th
538 RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE
539 RN WEEKEND DIFFERENTIAL
540 RELIEF NURSE HOLIDAY DIFFERENTIAL
541 RELIEF NURSE WEEKEND DIFFERENTIAL
544 APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE
545 HEAVY DUTY TOW TRUCK DRIVER
546 SLURRY SEAL TRUCK_DRIVER
548 LIFEGUARD PARAMEDIC - RELIEF

550 INCENTIVE AWARDS FOR MEDICAL REIMBURSEMENTS/ HEALTH SR
551 GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR
552 STANDBY - EMERGENCY ROLL OUT PROGRAM
553 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPP, SNOW
554 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPP, SNOW
555 SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE
556 HIGH SCALE AND RIGGING OPERATIONS, GENERAL
557 EVENING SHIFT, MED TECH
558 NIGHT SHIFT, MED TECH
560 PHYSICIAN RECRUITMENT PROGRAM
565 PARAMEDIC RECERTIFICATION BONUS
565A PARAMEDIC RECERTIFICATION BONUS-ELIGIBILITY INDICATOR
567 DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION
568 ASSESSMENT APPEALS FULL DAY INCREMENT
569 PHYSICIAN LOAN PAYMENT PROGRAM
570 HOME CARE PROGRAM STANDBY
571 CHILDREN'S SOCIAL WORKERS LICENSURE SUPERVISION
572 MOU LUMP SUM BONUS
574 STANDBY - INS WITNESS PROGRAM
575 WASTEWATER PLANT RELIEF BONUS
576 SOLO DAILY EARNINGS
577 INTERPRETER HALF DAY BONUS - SUP CT
578 ER ATTENDING PHYSICIAN - DAY RATE

579 ER ATTENDING PHY/-WKDY EVE/WKND HOLIDAY

580 ER ATTENDING PHY/-WKDY NITE/WKND HOLIDAY EVE NITE

581 SWIM PROFICIENCY BONUS

582 INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY

583 INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY

584 PHYSICIAN STIPENDS

585 ISA TREE WORKER CERTIFICATION

586 ISA CERTIFIED ARBORIST CREDENTIAL

587 ISA CERTIFIED QUALIFIED TREE RISK ASSESSOR CREDENTIAL

588 ISA MUNICIPAL SPECIALIST CREDENTIAL

589 MENTAL HEALTH SPECIALITY FIELD BASED BONUS

590 CONT EDUCATION/EQUIPMENT/TRAINING BONUS

591 LICENSE REIMBURSEMENT

600 REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION,
SUB-ITEM D

602 SUPERVISING TRANSPORTATN DEPTY PERFORMING DISPATCHER
DUTIES

603 AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE

604 REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION

605 CUSTODIAN FLOOR WAXING BONUS

606 FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY

606A FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY -
ELIGIBILITY INDICATOR

607 SUPERVISING DEPUTY PROBATION OFFICER (SPDO) ASSIGNED
ACTING DIRECTOR IN A CAMP

608 BILINGUAL BONUS

609 REGISTERED NURSE ASSIGNED TO EMERGENCY ROOM

610 ANTELOPE VALLEY FIREFIGHTING CREW

611 TREE TRIMMER SUPERVISOR, POWER OPERATIONS

612 SHOOTING BONUS, EXPERT

613 SHOOTING BONUS, DISTINGUISHED EXPERT

614 SHOOTING BONUS, MARKSMAN

615 SHOOTING BONUS, SHARPSHOOTER

616 ANTELOPE VALLEY QUARTERS, ON FIRE CALL

617 CLINIC NURSE ASSIGNED TO PROBATION CAMP

618 TRANSPORTATION BUS DRIVER, SHERIFF

619 CERTIFIED ACCESS SPECIALIST

620 SAN GABRIEL DAM OPERATOR

621 NURSE RETENTION INCENTIVE

622 ADVANCED APPRAISER CERTIFICATION

624 BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK

625 AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION

627 DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS

628 BILINGUAL BONUS FOR OTHER THAN MONTHLY

628A BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY INDICATOR

629 MORTUARY ATTENDANT AT LAG+USCMC

630 SERVICE PAY BONUS

631 BILINGUAL BONUS-SUB D
632 MENTAL HEALTH WORKERS ASSIGND SHERIFF DETENTN FACL
633 RN ASSIGNED TO EMERGENCY ROOM SUB D
634 SUPERVISING DETENTION SERVICES OFFICER OF THE DAY
635 TRANSPORTATION DEPUTY BUS DRIVER, PROBATION
636 INCIDENTAL EXPENSE ALLOWANCE
637 PROFESSIONAL DEVELOPMENT EXPENSES
638 PROBATION TELECOM EQUIPMENT BONUS
640 CHILDRENS SERVICES ERCP RETENTION
641 SHOOTING BONUS, EXPERT – RESERVE
642 SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE
643 SHOOTING BONUS, MARKSMAN – RESERVE
644 SHOOTING BONUS, SHARPSHOOTER – RESERVE
645 EMERGENCY ROOM BONUS/PAT FIN SVCS WKR/PAT RES WKR
646 EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS
647 BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK
648 DEFIBRILLATION AIRWAY BONUS
649 MAMMOGRAPHY BONUS
690 CELLULAR PHONE STIPEND - VOICEMAIL
691 CELLULAR PHONE STIPEND - DATA ONLY
692 CELLULAR PHONE STIPEND - VOICE AND DATA
694 CIVIC CENTER COMMUTER ALLOWANCE
695 DEPARTMENT HEAD TRANSPORTATION ALLOWANCE

696	DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE
700	PENSIONABLE OVERTIME
730	PREMIUM OVERTIME - SYSTEM PENSIONABLE
PF004	MEGAFLEX PENSIONABLE CONTRIBUTION
PF007	FLEX PENSIONABLE CONTRIBUTION
PF010	CHOICES PENSIONABLE CONTRIBUTION
PF013	OPTIONS PENSIONABLE CONTRIBUTION
PK003	NON-ELECTIVE LEAVE
PK011	SICK - 100%
PK012	HOLIDAY
PK021	VACATION
PK030	SPECIAL PAID LEAVE
PK031	APPRAISERS LEAVE
PK032	INTERN/RESIDENT LEAVE
PK113	SICK PRE-71
PKP11	SICK LEAVE BUYBACK 100%
PKP21	VACATION BUYBACK
PP046	EMPLOYEE SUGGESTION
NONE	REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNITS
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME EARNED
NONE	POST, SUPERVISORY BONUS

- OP100 CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN
- OP101 CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN
- OP102 CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN
- OP103 CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN

Exhibit A

**Attachment: Newly Created or Newly Revised Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
INCLUDED under Section 31461 and 7522.34					
426	ASSESSOR REPRESENTATIVE	<p>Effective February 16, 2019, this additional compensation is for all employees in this Bargaining Unit whose classification is below the level of Principal Appraiser (Item No. 1970). Eligible classifications include:</p> <ul style="list-style-type: none"> - Appraiser's Assistant (Item No. 1958) - Appraiser (Item No. 1962) - Appraiser Specialist I (Item No. 1965) - Appraiser Specialist II (Item No. 1969) - Assistant Property Assessment Specialist (Item No. 1978) - Property Assessment Specialist (Item No. 1979) <p>Eligible employees must also be assigned to the <i>Assessment Services Division, Assessment Appeals Section</i> as an <i>Assessor Representative</i>.</p> <p>Employees shall receive additional compensation of 5.648% (22 standard salary levels) per month while assigned to this section. The additional compensation provided in this Section shall not constitute a base rate.</p>	(a)	(a)	<p>To qualify for this work assignment bonus a full-time permanent employee must also meet the following conditions:</p> <ol style="list-style-type: none"> 1. Employee must maintain a Performance Evaluation of an overall Competent or higher. 2. Employee must not be on an improvement plan as part of an overall improvement needed Performance Evaluation. 3. Employee must be in good standing (e.g., payroll status is active/paid, attendance record is acceptable, current with completion of County compliance trainings, etc.) <p>Management shall notify the employee of the transfer to or termination of any assignment for which he or she qualifies for the work assignment bonus. Management reserves the right to remove an employee from the work assignment if the conditions are no longer met or for any operational need. In no event shall an employee receive compensation pursuant to this Section and receive the additional responsibilities bonus pursuant to Article 7, Section 10 or the out-of-class bonus pursuant to Article 13 for the same assignment.</p> <p>Per LAC CEO Employee Relations, this additional compensation is available due to recruitment issues and assignment duties.</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to the <i>Assessment Services Division, Assessment Appeals Section</i> as an <i>Assessor Representative</i>, it is paid based on the "average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay," and is included as "compensation earnable" under 31461(a).</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to the <i>Assessment Services Division, Assessment Appeals Section</i> as an <i>Assessor Representative</i>, for work during normal working hours with pay rates found on the public pay schedule, and is included as "pensionable compensation" under 7522.34(a).</p>

Attachment: Newly Created or Newly Revised Codes reviewed under Section 31461 and 7522.34

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
INCLUDED under Section 31461 and 7522.34					
427	AUDITOR APPRAISER	<p>Effective February 16, 2019, this additional compensation is for all employees in this Bargaining Unit whose classification is below the level of Principal Appraiser (Item No. 1970). Eligible classifications include:</p> <ul style="list-style-type: none"> – Appraiser’s Assistant (Item No. 1958) – Appraiser (Item No. 1962) – Appraiser Specialist I (Item No. 1965) – Appraiser Specialist II (Item No. 1969) – Assistant Property Assessment Specialist (Item No. 1978) – Property Assessment Specialist (Item No. 1979) <p>Eligible employees must also be assigned to an <i>Audit Section</i> within the Assessor’s Office.</p> <p>Employees shall receive additional compensation of 2.7846% (11 standard salary levels) per month while assigned to this section. The additional compensation provided in this Section shall not constitute a base rate.</p>	(a)	(a)	<p>To qualify for this work assignment bonus a full-time permanent employee must also meet the following conditions:</p> <ol style="list-style-type: none"> 1. Employee must maintain a Performance Evaluation of an overall Competent or higher. 2. Employee must not be on an improvement plan as part of an overall improvement needed Performance Evaluation. 3. Employee must be in good standing (e.g., payroll status is active/paid, attendance record is acceptable, current with completion of County compliance trainings, etc.) <p>Management shall notify the employee of the transfer to or termination of any assignment for which he or she qualifies for the work assignment bonus. Management reserves the right to remove an employee from the work assignment if the conditions are no longer met or for any operational need. In no event shall an employee receive compensation pursuant to this Section and receive the additional responsibilities bonus pursuant to Article 7, Section 10 or the out-of-class bonus pursuant to Article 13 for the same assignment.</p> <p>Per LAC CEO Employee Relations, this additional compensation is available due to recruitment issues and assignment duties.</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to an <i>Audit Section</i> within the Assessor’s Office, it is paid based on the "average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay," and is included as "compensation earnable" under 31461(a).</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to an <i>Audit Section</i> within the Assessor’s Office, for work during normal working hours with pay rates found on the public pay schedule, and is included as "pensionable compensation" under 7522.34(a).</p>

Attachment: Newly Created or Newly Revised Codes reviewed under Section 31461 and 7522.34

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
INCLUDED under Section 31461 and 7522.34					
428	APPRAISER FIELD TRAINER	<p>Effective February 16, 2019, this additional compensation is for all employees in this Bargaining Unit whose classification is below the level of Supervising Appraiser (Item No. 1968). Eligible classifications include:</p> <ul style="list-style-type: none"> – Appraiser’s Assistant (Item No. 1958) – Appraiser (Item No. 1962) – Appraiser Specialist I (Item No. 1965) – Appraiser Specialist II (Item No. 1969) – Assistant Property Assessment Specialist (Item No. 1978) – Property Assessment Specialist (Item No. 1979) <p>Eligible employees must also be assigned to the <i>Training Section</i> to train new Appraisers.</p> <p>Employees shall receive additional compensation of 5.6468% (22 standard salary levels) per month while assigned to this section. The additional compensation provided in this Section shall not constitute a base rate.</p>	(a)	(a)	<p>To qualify for this work assignment bonus a full-time permanent employee must also meet the following conditions:</p> <ol style="list-style-type: none"> 1. Employee must maintain a Performance Evaluation of an overall Competent or higher. 2. Employee must not be on an improvement plan as part of an overall improvement needed Performance Evaluation. 3. Employee must be in good standing (e.g., payroll status is active/paid, attendance record is acceptable, current with completion of County compliance trainings, etc.) <p>Management shall notify the employee of the transfer to or termination of any assignment for which he or she qualifies for the work assignment bonus. Management reserves the right to remove an employee from the work assignment if the conditions are no longer met or for any operational need. In no event shall an employee receive compensation pursuant to this Section and receive the additional responsibilities bonus pursuant to Article 7, Section 10 or the out-of-class bonus pursuant to Article 13 for the same assignment.</p> <p>Per LAC CEO Employee Relations, this additional compensation is available due to recruitment issues and assignment duties.</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to the <i>Appraiser Training Section</i> to train new Appraisers, it is paid based on the "average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay," and is included as "compensation earnable" under 31461(a).</p> <p>This additional compensation applies to all similarly situated employee classifications assigned to the <i>Appraiser Training Section</i> to train new Appraisers, for work during normal working hours with pay rates found on the public pay schedule, and is included as "pensionable compensation" under 7522.34(a).</p>

**Attachment: Newly Created or Newly Revised Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
INCLUDED under Section 31461					
484	GEOTECHNICAL LICENSE BONUS	<p>Effective March 1, 2019, permanent full-time employees, who hold a Geotechnical license, and assigned to the Geotech Division by management to duties requiring the knowledge and skill characterized by a Geotech license in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> - Associate Civil Engineer (Item No. 3433) - Civil Engineer (Item No. 3435) - Senior Civil Engineer (Item No. 3436) <p>The additional compensation is a 5.5% monthly bonus.</p>	(a)	—	<p>A California State Certificate of Registration as a Civil Engineer is an essential job requirement for the designated classifications. Membership in professional organizations such as the American Society of Civil Engineers, American Public Works Association, American Water Works Association, City and County Engineers Association, etc., is encouraged. However, possession of the Geotechnical license is not an essential job requirement for the classifications.</p> <p>This additional compensation consists of ad hoc payments for employees possessing a Geotechnical license the during assignment to the Geotech Division, it is paid to "all similarly situated members in the member's grade or class," and at the same rate of pay, and is included as "compensation earnable" under 31461(a).</p>
486	PLANS EXAMINER CERTIFICATION	<p><u>Building Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding a Building Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> - Civil Engineering Assistant (Item No.3424) - Senior Civil Engineering Assistant (Item No. 3428) - Principal Civil Engineering Assistant (Item No. 3430) - Associate Civil Engineer (Item No. 3433) - Civil Engineer (Item No. 3435) <p><u>Electrical Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding an Electrical Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> - Electrical Engineering Assistant (Item No. 3482) - Senior Electrical Engineering Assistant (Item No. 3484) - Principal Electrical Engineering Assistant (Item No. 3486) - Associate Electrical Engineer (Item No. 3495) - Electrical Engineer (Item No. 3496) <p><u>Mechanical and/or Plumbing Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding a Mechanical and/or Plumbing Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> - Mechanical Engineering Assistant (Item No. 3542) - Senior Mechanical Engineering Assistant (Item No. 3546) - Principal Mechanical Engineering Assistant (Item No. 3548) - Associate Mechanical Engineer (Item No. 3549) - Mechanical Engineer (Item No. 3551) <p>The additional compensation for each certification is a \$250 monthly bonus</p>	(a)	—	<p><u>Building Plans Examiner Certification</u> The Associate Civil Engineer (Item No. 3433) and Civil Engineer (Item No. 3435) require a California State Certificate of Registration as a Civil Engineer as an essential job requirement. For all classifications, the job specifications indicate membership in professional organizations such as the American Society of Civil Engineers, American Public Works Association, American Water Works Association, City and County Engineers Association, etc., is encouraged.</p> <p><u>Electrical Plans Examiner Certification</u> The Associate Electrical Engineer (Item No. 3495) and Electrical Engineer (Item No. 3496) require a California State Certificate of Registration as an Electrical Engineer as an essential job requirement. For all classifications, the job specifications indicate membership in professional organizations such as the Institute of Electrical and Electronics Engineers (IEEE) and other nationally recognized organizations is encouraged.</p> <p><u>Mechanical and/or Plumbing Plans Examiner Certification</u> The Associate Mechanical Engineer (Item No. 3549) and Mechanical Engineer (Item No. 3551) require a California State Certificate of Registration as a Mechanical Engineer as an essential job requirement. For all classifications, the job specifications indicate Membership in professional organizations such as the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), the American Society for Healthcare Engineering (ASHE), the Association of Energy Engineers (AEE), etc., is encouraged.</p> <p>The Plans Examiner Certification is not an essential job requirement for the classifications. The additional compensation consists of ad hoc payments for employees possessing a Plans Examiner Certification, it is paid to "all similarly situated members in the member's grade or class," and at the same rate of pay, and is included as "compensation earnable" under 31461(a).</p>

**Attachment: Newly Created or Newly Revised Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
INCLUDED under Section 31461					
487	REGISTRATION - LICENSE BONUS	<p>Effective March 1, 2019, permanent full-time employees in these Bargaining Units in a classification that does not require registration or licensure who attains a registration or license required in a higher classification in the classification series within these Bargaining Units are eligible.</p> <p>The additional compensation is a \$250 monthly bonus until the employee is promoted to the higher classification requiring that registration/license. Payment of the bonus is not to exceed eighteen (18) months from the date of the registration or license.</p>	(a)	—	<p>Any permanent full-time employee in a classification not requiring registration or license, who attains a registration or license required in a higher classification in the classification series, is eligible to receive additional compensation of \$250 monthly. The payments are not to exceed eighteen (18) months from the date of registration or license, or until such time the employee is promoted to the classification that requires the registration or license.</p> <p>Eligibility for this additional compensation is dependent on obtaining a registration or license which is not an essential job requirement for the current classification; however, it is required for a higher classification in the classification series. The additional compensation consists of ad hoc payments for employees possessing the registration or license, it is paid to "all similarly situated members in the member's grade or class," and at the same rate of pay, and is included as "compensation earnable" under 31461(a).</p>
488	BUILDING ENGINEERING INSPECTOR BONUS	<p>Effective March 1, 2019, full-time permanent employees assigned by management to duties requiring the knowledge skills acquired from such certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Building Engineering Inspector (Item No. 4171) – Building Inspector I (Item No. 4169) – Building Inspector II (Item No. 4173) – Building Inspector III (Item No. 4177) <p>Employees must hold a valid certification as Building Inspector AND a valid certification from a recognized code certification organization in a code used by LA County in one of the following:</p> <ul style="list-style-type: none"> – Electrical Inspector – Plumbing Inspector – Mechanical Inspector <p>The additional compensation is a \$150 monthly bonus.</p>	(a)	—	<p>For all listed Classifications, the minimum job requirement is a valid certification from the International Code Council (ICC) as a Building Inspector or equivalent inspector certification.</p> <p>The classifications of Building Engineering Inspector (Item No. 4171) and Building Inspector II (Item No. 4173) require a valid certification from a recognized code certification organization in a code used by the Los Angeles County in one of the following: Electrical Inspector, Plumbing Inspector, or Mechanical Inspector.</p> <p>The Building Inspector III (Item No. 4177) classification requires a valid ICC certification or equivalent certification from a recognized code certification organization in a code used by the Los Angeles County in two (2) of the following areas: Electrical Inspector, Plumbing Inspector, or Mechanical Inspector.</p> <p>Any permanent full-time Building Inspector I (Item No. 4169), obtaining a valid certification in the areas of Electrical Inspector, Plumbing Inspector, or Mechanical Inspector, is eligible to receive additional compensation of \$150 monthly.</p> <p>The additional compensation consists of ad hoc payments for employees possessing the valid certification, it is paid to "all similarly situated members in the member's grade or class," and at the same rate of pay, and is included as "compensation earnable" under 31461(a).</p>

Attachment: Newly Created or Newly Revised Codes reviewed under Section 31461 and 7522.34

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 7522.34					
484	GEOTECHNICAL LICENSE BONUS	<p>Effective March 1, 2019, permanent full-time employees, who hold a Geotechnical license, and assigned to the Geotech Division by management to duties requiring the knowledge and skill characterized by a Geotech license in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Associate Civil Engineer (Item No. 3433) – Civil Engineer (Item No. 3435) – Senior Civil Engineer (Item No. 3436) <p>The additional compensation is a 5.5% monthly bonus.</p>	—	<p>(c)(3) (c)(10)</p>	<p>A California State Certificate of Registration as a Civil Engineer is an essential job requirement for the designated classifications. Membership in professional organizations such as the American Society of Civil Engineers, American Public Works Association, American Water Works Association, City and County Engineers Association, etc., is encouraged. However, possession of the Geotechnical license is not an essential job requirement for the classifications.</p> <p>The additional compensation consists of ad hoc payments for employees possessing a Geotechnical license the during assignment to the Geotech Division, and is excluded as "pensionable compensation" under 7522.34(c)(3). In addition, the Geotechnical license is not an essential job requirement for the classifications. The form of compensation is paid in addition to the normal monthly rate of pay, which is excluded under 7522.34(c)(10).</p>
486	PLANS EXAMINER CERTIFICATION	<p><u>Building Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding a Building Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Civil Engineering Assistant (Item No.3424) – Senior Civil Engineering Assistant (Item No. 3428) – Principal Civil Engineering Assistant (Item No. 3430) – Associate Civil Engineer (Item No. 3433) – Civil Engineer (Item No. 3435) <p><u>Electrical Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding an Electrical Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Electrical Engineering Assistant (Item No. 3482) – Senior Electrical Engineering Assistant (Item No. 3484) – Principal Electrical Engineering Assistant (Item No. 3486) – Associate Electrical Engineer (Item No. 3495) – Electrical Engineer (Item No. 3496) <p><u>Mechanical and/or Plumbing Plans Examiner Certification</u> Effective March 1, 2019, permanent full-time employees, holding a Mechanical and/or Plumbing Plans Examiner Certification, and assigned by management to duties requiring the knowledge and skills from the certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Mechanical Engineering Assistant (Item No. 3542) – Senior Mechanical Engineering Assistant (Item No. 3546) – Principal Mechanical Engineering Assistant (Item No. 3548) – Associate Mechanical Engineer (Item No. 3549) – Mechanical Engineer (Item No. 3551) <p>The additional compensation for each certification is a \$250 monthly bonus.</p>	—	<p>(c)(3) (c)(10)</p>	<p><u>Building Plans Examiner Certification</u> The Associate Civil Engineer (Item No. 3433) and Civil Engineer (Item No. 3435) require a California State Certificate of Registration as a Civil Engineer as an essential job requirement. For all classifications, the job specifications indicate membership in professional organizations such as the American Society of Civil Engineers, American Public Works Association, American Water Works Association, City and County Engineers Association, etc., is encouraged.</p> <p><u>Electrical Plans Examiner Certification</u> The Associate Electrical Engineer (Item No. 3495) and Electrical Engineer (Item No. 3496) require a California State Certificate of Registration as an Electrical Engineer as an essential job requirement. For all classifications, the job specifications indicate membership in professional organizations such as the Institute of Electrical and Electronics Engineers (IEEE) and other nationally recognized organizations is encouraged.</p> <p><u>Mechanical and/or Plumbing Plans Examiner Certification</u> The Associate Mechanical Engineer (Item No. 3549) and Mechanical Engineer (Item No. 3551) require a California State Certificate of Registration as a Mechanical Engineer as an essential job requirement. For all classifications, the job specifications indicate Membership in professional organizations such as the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), the American Society for Healthcare Engineering (ASHE), the Association of Energy Engineers (AEE), etc., is encouraged.</p> <p>The additional compensation consists of ad hoc payments for employees possessing a Plans Examiner Certification, and is excluded as "pensionable compensation" under 7522.34(c)(3). In addition, the Plans Examiner Certification is not an essential job requirement for the classifications. The form of compensation is paid in addition to the normal monthly rate of pay, which is excluded under 7522.34(c)(10).</p>

**Attachment: Newly Created or Newly Revised Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 7522.34					
487	REGISTRATION - LICENSE BONUS	<p>Effective March 1, 2019, permanent full-time employees in these Bargaining Units in a classification that does not require registration or licensure who attains a registration or license required in a higher classification in the classification series within these Bargaining Units are eligible.</p> <p>The additional compensation is a \$250 monthly bonus until the employee is promoted to the higher classification requiring that registration/license. Payment of the bonus is not to exceed eighteen (18) months from the date of the registration or license.</p>	—	(c)(3) (c)(10)	<p>Any permanent full-time employee in a classification not requiring registration or license, who attains a registration or license required in a higher classification in the classification series, is eligible to receive additional compensation of \$250 monthly. The payments are not to exceed eighteen (18) months from the date of registration or license, or until such time the employee is promoted to the classification that requires the registration or license.</p> <p>Eligibility for this additional compensation is dependent on obtaining a registration or license which is not an essential job requirement for the current classification; however, it is required for a higher classification in the classification series.</p> <p>The additional compensation consists of ad hoc payments for employees possessing the registration or license, and is excluded as "pensionable compensation" under 7522.34(c)(3). In addition, the registration or license is not an essential job requirement for the employee's current classification. The form of compensation is paid in addition to the normal monthly rate of pay, which is excluded under 7522.34(c)(10).</p>
488	BUILDING ENGINEERING INSPECTOR BONUS	<p>Effective March 1, 2019, full-time permanent employees assigned by management to duties requiring the knowledge skills acquired from such certification in the following Classifications are eligible for additional compensation:</p> <ul style="list-style-type: none"> – Building Engineering Inspector (Item No. 4171) – Building Inspector I (Item No. 4169) – Building Inspector II (Item No. 4173) – Building Inspector III (Item No. 4177) <p>Employees must hold a valid certification as Building Inspector AND a valid certification from a recognized code certification organization in a code used by LA County in one of the following:</p> <ul style="list-style-type: none"> – Electrical Inspector – Plumbing Inspector – Mechanical Inspector <p>The additional compensation is a \$150 monthly bonus.</p>	—	(c)(3) (c)(11)	<p>For all listed Classifications, the minimum job requirement is a valid certification from the International Code Council (ICC) as a Building Inspector or equivalent inspector certification.</p> <p>The classifications of Building Engineering Inspector (Item No. 4171) and Building Inspector II (Item No. 4173) require a valid certification from a recognized code certification organization in a code used by the Los Angeles County in one of the following: Electrical Inspector, Plumbing Inspector, or Mechanical Inspector.</p> <p>The Building Inspector III (Item No. 4177) classification requires a valid ICC certification or equivalent certification from a recognized code certification organization in a code used by the Los Angeles County in two (2) of the following areas: Electrical Inspector, Plumbing Inspector, or Mechanical Inspector.</p> <p>Any permanent full-time Building Inspector I (Item No. 4169), obtaining a valid certification in the areas of Electrical Inspector, Plumbing Inspector, or Mechanical Inspector, is eligible to receive additional compensation of \$150 monthly.</p> <p>The additional compensation consists of ad hoc payments for employees possessing the valid certification, and is excluded as "pensionable compensation" under 7522.34(c)(3). In addition, the form of compensation is not found in the public pay schedule and it is excluded under 7522.34(c)(11).</p>



October 21, 2019

TO: Each Member
Board of Retirement

FROM: Cassandra Smith, Director ^{CS}
Retiree Healthcare Division

FOR: Board of Retirement Meeting of November 6, 2019

SUBJECT: **KAISER PERMANENTE WASHINGTON SERVICE AREA CHANGES**

RECOMMENDATION

That the Board of Retirement authorize staff to:

- 1) Sign a separate contract with the new Kaiser Permanente Washington service area; and
- 2) Allow a temporary waiver of the 6-month waiting period for eligible members electing to transfer into the new Kaiser Permanente Washington service area plan.

DISCUSSION

The Centers for Medicare and Medicaid Services (CMS) informed Kaiser that effective January 2019, regulations were changing and that the change would no longer allow subscribers to transfer between two separate entities of Kaiser Permanente; namely the Northwest (KPNW) and Washington (KPWA) areas.

Kaiser Permanente Northwest (KPNW) and Kaiser Permanente Washington (KPWA) shared the Lewis County, Washington Medicare Advantage service area in three zip codes: 98591, 98593, and 98596. To eliminate the overlapping service areas between the two plans, Kaiser Permanente Northwest (KPNW) discontinued serving the Medicare Advantage members in these three specific zip codes.

Upon researching the potential impact that this change brought about, Kaiser determined that about 300 Medicare beneficiaries (approximately 240 individuals and 60 group plans) including LACERA would be affected.

LACERA IMPACT

This regulatory change affected four LACERA retirees who were at the enrolled in the Kaiser Permanente Northwest (KPNW) area. However, because of our partnership and staff's close collaboration with Kaiser, these four members were allowed to remain in Kaiser until they could absolutely no longer remain (July 2019), at which time, these members reluctantly opted to enroll in Anthem Blue Cross in hopes that LACERA would engage a separate contract with Kaiser Permanente Washington (KPWA) which would then allow them, and any other eligible LACERA retirees, to enroll into Kaiser Permanente Washington (KPWA).

Staff, along with Systems assistance, queried the volume of members that would be eligible to enroll in the new Kaiser Permanente Washington (KPWA) based on the zip code listing provided by Kaiser. We found that LACERA has slightly over 350 members that could enroll in the new Kaiser Permanente Washington region should LACERA engage in a separate contract as had been done in the early 90's. By signing a separate contract with the Kaiser Washington service areas, our members residing within the Seattle, Spokane, and Tacoma areas would now be able to enroll in Kaiser once again.

ACTION PLAN

In order to accommodate our eligible members that live in this KPWA region, with the Board approval, staff is prepared to take the following actions:

- 1) conduct a targeted mailing to the eligible members; and
- 2) allow those eligible members the opportunity to switch plans into the LACERA-administered Kaiser Permanente Washington region without a waiting period

The following chart reflects the timeline and period of the waiver period:

LACERA Receives Form by	Coverage Effective Date
December 15, 2019	January 1, 2020
January 15, 2020	February 1, 2020
February 15, 2020	March 1, 2020
On or after February 16, 2020*	6-month wait will applies

* One-time waiver of six-month waiting period no longer available

Attached for your review are the following exhibits:

- Exhibit 1 – Proposed 2019-2020 Kaiser Washington Premiums
- Exhibit 2 – Non-Medicare Benefit Summary
- Exhibit 3 – Senior Advantage Benefit Summary
- Exhibit 4 – Tier 1 Contribution Tables
- Exhibit 5 – Tier 2 Contribution Tables

CONCLUSION

Kaiser Permanente Northwest (KPNW) reduced their Medicare Advantage service area due to a change in regulations according to the Centers for Medicare and Medicaid Services (CMS). As a result, some LACERA retirees were required to change medical plans in order to remain in the LACERA-administered Retiree Healthcare Program.

Staff conducted an analysis to determine the volume of members LACERA has residing in the affected service areas (approximately 180+) inclusive of Seattle, Spokane, and Tacoma areas. We have conducted the required due diligence and have been in discussion with Kaiser in order to determine the feasibility of signing a contract with KPWA as have been done with Kaiser Permanente Colorado, Georgia, Hawaii and Oregon Kaiser regions.

Staff recommends that we waive the waiting period during the initial offering of the Washington region providing eligible members submit their enrollment request to our office on or before February 15, 2020. Forms received after February 15, will be subject to the standard six-month waiting period.

It is therefore recommended that your Board authorize staff to:

- 1) Sign a separate contract with the new Kaiser Permanente Washington service area; and
- 2) Allow a temporary waiver of the 6-month waiting period for eligible members electing to transfer into the new Kaiser Permanente Washington service area plan.

REVIEWED AND APPROVED



Steven P. Rice, Chief Counsel

Attachment(s)

CS:cs

**LACERA 2019-2020 Proposed Premiums
Kaiser Washington - Proposal
Exhibit 1**

	Premiums	Admin Fee	Total Premium
Non-Medicare Retirees			
Single	\$ 1,154.11	\$ 8.00	\$ 1,162.11
Two-Party	\$ 2,155.21	\$ 8.00	\$ 2,163.21
Family	\$ 3,608.76	\$ 8.00	\$ 3,616.76
Medicare Retirees			
Retiree with Medicare A&B	\$ 428.52	\$ 8.00	\$ 436.52
Retiree and Dependent, One with Medicare A&B	\$ 1,429.62	\$ 8.00	\$ 1,437.62
Retiree and Dependent, Two with Medicare A&B	\$ 857.04	\$ 8.00	\$ 865.04
Retiree and Two or More Dependents, One with Medicare A&B	\$ 2,883.17	\$ 8.00	\$ 2,891.17
Retiree and Two or More Dependents, Two with Medicare A&B	\$ 2,310.59	\$ 8.00	\$ 2,318.59

Effective Date 7/1/2019	Health Plan Core HMO	Ref QR-83717
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This is a brief summary of benefits. THIS IS NOT A CONTRACT OR CERTIFICATE OF COVERAGE. All benefit descriptions, including alternative care, are for medically necessary services. The Member will be charged the lesser of the cost share for the covered service or the actual charge for that service. For full coverage provisions, including limitations, please refer to your certificate of coverage.

In accordance with the Patient Protection and Affordable Care Act of 2010,

- The lifetime maximum on the dollar value of covered essential health benefits no longer applies. Members whose coverage ended by reason of reaching a lifetime limit under this plan are eligible to enroll in this plan, and
- Dependent children who are under the age of twenty-six (26) are eligible to enroll in this plan.

Kaiser Permanente believes this plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act of 2010. Questions regarding this status may be directed to Member Services (888) 901-4636. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or <http://www.dol.gov/ebsa/healthreform>.

Benefits	Inside Network
Plan deductible	No annual deductible
Individual deductible carryover	Not applicable
Plan coinsurance	No plan coinsurance
Out-of-pocket limit	Individual out-of-pocket limit: \$1,500 Family out-of-pocket limit: \$3,000 Out-of-pocket expenses for the following covered services are included in the out-of-pocket limit: Plan coinsurance, emergency services at a Managed Health Care Network (MHCN) facility and ambulance services.
Pre-existing condition (PEC) waiting period	No PEC
Lifetime maximum	Unlimited
Outpatient services (Office visits)	\$10 copay
Hospital services	Inpatient services: Covered in full Outpatient surgery: \$10 copay
Prescription drugs (some injectable drugs may be covered under Outpatient services)	Preferred generic and/or brand \$10 copay per 30 day supply
Prescription mail order	2 x prescription cost share per 90 day supply
Acupuncture	Covered up to 12 visits per calendar year \$10 copay
Ambulance services	Covered in full
Chemical dependency	Inpatient: Covered in full Outpatient: \$10 copay
Devices, equipment and supplies	Covered in full <ul style="list-style-type: none"> • Durable medical equipment • Orthopedic appliances • Post-mastectomy bras limited to two (2) every six (6) months • Ostomy supplies • Prosthetic devices
Diabetic supplies	Insulin, needles, syringes and lancets-see Prescription drugs. External insulin pumps, blood glucose monitors, testing reagents and supplies-see Devices, equipment and supplies. When Devices, equipment and supplies or Prescription drugs are covered and have benefit limits, diabetic supplies are not subject to these limits.
Diagnostic lab and X-ray services	Inpatient: Covered under Hospital services Outpatient: Covered in full High end radiology imaging services such as CT, MRI and PET must be determined Medically Necessary and require prior authorization except when associated with Emergency care or inpatient services.

Emergency services (copay waived if admitted)	\$75 copay at a designated facility \$75 copay at a non designated facility
Hearing exams (routine)	\$10 copay
Hearing hardware	Not covered
Home health services	Covered in full up to 130 visits total per calendar year
Hospice services	Covered in full
Infertility services	Specific diagnostic, medical and surgical treatment, sexual dysfunction, artificial insemination and drug therapy are covered subject to the applicable cost share
Manipulative therapy	Covered up to 10 visits per calendar year without prior authorization \$10 copay
Massage services	See Rehabilitation services
Maternity services	Inpatient: Covered in full Outpatient: \$10 copay. Routine care not subject to outpatient services copay.
Mental Health	Inpatient: Covered in full Outpatient: \$10 copay
Naturopathy	Covered up to 3 visits per medical diagnosis per calendar year without prior authorization; additional visits when approved by the plan \$10 copay
Newborn Services	Initial hospital stay: See Hospital Services; Office visits: See Outpatient Services; Routine well care: See Preventive care. Any applicable cost share for newborn services is separate from that of the mother.
Obesity-related surgery (bariatric)	Covered at cost shares when medical criteria is met
Organ transplants	Unlimited, no waiting period Inpatient: Covered in full Outpatient: \$10 copay
Preventive care Well-care physicals, immunizations, Pap smear exams, mammograms	Covered in full Contraceptive drugs and devices are covered in full.
Rehabilitation services Rehabilitation visits are a total of combined therapy visits per calendar year	Inpatient: 60 days per calendar year. Services with mental health diagnoses are covered with no limit. Covered in full Outpatient: 60 visits per calendar year. Services with mental health diagnoses are covered with no limit. \$10 copay
Skilled nursing facility	Covered in full up to 100 days per calendar year
Sterilization (vasectomy, tubal ligation)	Covered in full
Temporomandibular Joint (TMJ) services	Inpatient: Covered in full Outpatient: \$10 copay
Tobacco cessation counseling	Quit for Life Program - covered in full
Routine vision care (1 visit every 12 months)	\$10 copay
Optical hardware Lenses, including contact lenses and frames	Not covered

January 1–December 31, 2019

2019 Summary of Benefits

Kaiser Permanente Medicare Advantage (HMO)
Group Medicare plan 3

With Medicare Part D prescription drug coverage

What's covered and what it costs

*Your plan provider may need to provide a referral.

†Prior authorization may be required.

Benefits and premiums	You pay
Monthly plan premium	Your group will notify you if you are required to contribute to your group's premium. If you have any questions about your contribution toward your group's premium and how to pay it, please contact your group's benefits administrator.
Deductible	None
Your maximum out-of-pocket responsibility	\$2,500
Inpatient hospital coverage*† There's no limit to the number of medically necessary inpatient hospital days.	\$0
Outpatient hospital coverage*†	\$10 per visit
Doctor's visits • Primary care providers	\$10 per visit
• Specialists*†	\$10 per visit
Preventive care*† See the EOC for details.	\$0
Emergency care We cover emergency care anywhere in the world.	\$75 per Emergency Department visit
Urgently needed services We cover urgent care anywhere in the world.	\$10 per urgent care facility visit
Diagnostic services, lab, and imaging* • Lab tests	\$0 per visit
• Diagnostic tests and procedures (like EKG)	\$0 per visit
• X-rays	\$0 per visit
• Other imaging procedures (like MRI, CT, and PET)†	\$0 per visit

Benefits and premiums	You pay
Hearing services*† <ul style="list-style-type: none"> Evaluations to diagnose medical conditions 	\$10 per visit
<ul style="list-style-type: none"> Hearing aids 	\$250 allowance to purchase hearing aids every 24 months. If your hearing aid purchase is more than \$250, you pay the difference.
Dental services Preventive and comprehensive dental coverage	Not covered
Vision services <ul style="list-style-type: none"> Visits to diagnose and treat eye diseases and conditions 	\$10 per visit
<ul style="list-style-type: none"> Routine eye exams 	\$10 per visit
<ul style="list-style-type: none"> Eyeglasses or contact lenses after cataract surgery 	\$0 up to Medicare's limit, but you pay any amounts beyond that limit.
<ul style="list-style-type: none"> Other eyewear 	\$150 allowance per calendar year. If your eyewear costs more than \$150, you pay the difference
Mental health services† <ul style="list-style-type: none"> Outpatient group therapy 	\$10 per visit
<ul style="list-style-type: none"> Outpatient individual therapy 	\$10 per visit
Skilled nursing facility*† Our plan covers up to 100 days per benefit period.	Per benefit period: <ul style="list-style-type: none"> \$0 per day for days 1 through 100
Physical therapy*†	\$10 per visit
Ambulance	\$0-\$150 per one-way trip
Transportation For routine care that is not urgently needed or an emergency	\$0 for 12 one-way trips
Medicare Part B drugs† A limited number of Medicare Part B drugs are covered when you get them from a plan provider. See the EOC for details. <ul style="list-style-type: none"> Drugs that must be administered by a health care professional 	\$0 copay
Outpatient prescription drugs <ul style="list-style-type: none"> Up to a 30-day supply from a plan pharmacy 	<ul style="list-style-type: none"> \$3 for preferred generic drugs \$40 for preferred brand-name drugs

Medicare Part D prescription drug coverage†

The amount you pay for drugs will be different depending on:

- The tier your drug is in. To find out which of the 6 tiers your drug is in, see our Part D formulary at kp.org/wa/medicare/formulary or call Member Services to ask for a copy **1-888-901-4600**, 7 days a week, 8 a.m. to 8 p.m. (TTY **711**).
- Your drug quantity (like a 30-day or 90-day supply). Note: A supply greater than a 30-day supply isn't available for all drugs.
- When you get a 31- to 90-day supply, whether you get your prescription filled by one of our retail plan pharmacies or our mail-order pharmacy. Note: Not all drugs can be mailed.
- The coverage stage you're in (initial, coverage gap, or catastrophic coverage stages).

Initial coverage stage

You pay the cost shares shown in the chart below until your total yearly drug costs reach **\$3,820**. (Total yearly drug costs are the amounts paid by both you and any Part D plan during a calendar year.) If you reach the \$3,820 limit, you move on to the coverage gap stage and your coverage changes.

Drug tier	You pay
Tier 1 (Preferred Generic)	\$3 (up to a 30-day supply)
Tier 2 (Generic)	\$7 (up to a 30-day supply)
Tier 3 (Preferred Brand)	\$40 (up to a 30-day supply)
Tier 4 (Nonpreferred Brand)	\$90 (up to a 30-day supply)
Tier 5 (Specialty Tier)	\$150 (up to a 30-day supply)
Tier 6 (Vaccines)	\$0 (up to a 30-day supply)

When you get a 31- to 90-day supply, you will pay the following for drugs in Tiers 1-4:

- If you get a 31- to 60-day supply from any plan pharmacy (retail or mail order), you pay 2 copays.
- If you get a 61- to 90-day supply from one of our retail pharmacies, you pay 3 copays.
- If you get a 61- to 90-day supply from our mail-order pharmacy, you pay 2 copays.

Coverage gap and catastrophic coverage stages

The coverage gap stage begins if you or a Part D plan spends **\$3,820** on your drugs during 2019. You pay the following cost shares during the coverage gap stage:

Drug tier	You pay
Tiers 1, 2, 3, 4, 5, and 6	Same as initial coverage stage

Because there is no coverage gap for your plan, this stage doesn't apply to you. You will continue to pay the standard retail and mail-order cost shares listed above until you reach an out-of-pocket limit of **\$5,100**.

If you spend **\$5,100** on your Part D prescription drug costs in 2019, you'll enter the catastrophic coverage stage. Most people never reach this stage, but if you do, your copays and coinsurance will change for the rest of the year. Once in the catastrophic coverage stage, you will stay in this payment stage until the end of the calendar year. Your share of the cost for a covered drug will be either coinsurance or a copay, whichever is the larger amount:

- Coinsurance of 5% of the cost of the drug, or
- \$3.40 for a generic drug or a drug that is treated like a generic, and
- \$8.50 for all other drugs.

We will pay the rest.

Long-term care and non-plan pharmacies

If you live in a long-term care facility and get your drugs from their pharmacy, you pay the same as at a plan pharmacy and you can get up to a 31-day supply. If you get covered Part D drugs from a non-plan pharmacy, you pay the same as at a plan pharmacy and you can get up to a 30-day supply.

Generally, we cover drugs filled at a non-plan pharmacy only when you can't use a network pharmacy, like during a disaster. See the **Evidence of Coverage** for details.

Additional benefits

Alternative care

Alternative care includes:	You pay
• Acupuncture	\$10 copay, up to 8 visits per year
• Naturopathy care	\$10 copay, up to 3 visits per year
• Non-spinal chiropractic care	\$10 copay, up to 10 visits per year
• Massage therapy† From a licensed massage therapist	\$10 copay, up to 10 medically necessary visits per year

Fitness program

You pay no additional cost for basic membership to any of the participating centers in the Silver&Fit® program. Silver&Fit® is a federally registered trademark of American Specialty Health, Inc.

Silver&Fit®	You pay
Includes the Premium Fitness network (new member initiation fees may apply at some Premium Fitness centers)	\$0

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2019
Tier 1 - Kaiser Permanente Washington
Exhibit 4

Years of Service	Retiree Only ⁽¹⁾	Retiree Only ⁽²⁾	*Retiree & Family ⁽³⁾	Retiree & Family ⁽⁴⁾	*Retiree & Family ⁽⁵⁾
Less than 10*	\$1,162.11	\$436.52	\$2,163.21	\$3,616.76	\$1,437.62
10-11*	\$697.27	\$261.91	\$1,319.73	\$2,621.90	\$862.57
11-12*	\$650.78	\$244.45	\$1,235.38	\$2,522.42	\$805.07
12-13*	\$604.30	\$226.99	\$1,151.03	\$2,422.93	\$747.56
13-14	\$557.81	\$209.53	\$1,066.68	\$2,323.45	\$690.06
14-15	\$511.33	\$192.07	\$982.33	\$2,223.96	\$632.55
15-16	\$464.84	\$174.61	\$897.98	\$2,124.48	\$575.05
16-17	\$418.36	\$157.15	\$813.64	\$2,024.99	\$517.54
17-18	\$371.88	\$139.69	\$729.29	\$1,925.50	\$460.04
18-19	\$325.39	\$122.23	\$644.94	\$1,826.02	\$402.53
19-20	\$278.91	\$104.76	\$560.59	\$1,726.53	\$345.03
20-21	\$232.42	\$87.30	\$476.24	\$1,627.05	\$287.52
21-22	\$185.94	\$69.84	\$391.89	\$1,527.56	\$230.02
22-23	\$139.45	\$52.38	\$307.55	\$1,428.08	\$172.51
23-24	\$92.97	\$34.92	\$223.20	\$1,328.59	\$115.01
24-25	\$46.48	\$17.46	\$138.85	\$1,229.11	\$57.50
25 or more	\$0.00	\$0.00	\$54.50	\$1,129.62	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$581.05	\$218.26	\$1,108.85	\$2,373.19	\$718.81
COBRA	\$1,185.35	\$445.25	\$2,206.47	\$3,689.10	\$1,466.37

Notes:

- (1) "Basic" under age 65
 - (2) "Senior Advantage"
 - (3) Two family members are "Basic"
 - (4) Three or more family members are "Basic"
 - (5) One family member is "Senior Advantage"; one is "Basic"
- *Represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2019
Tier 1 - Kaiser Permanente Washington
Exhibit 4

Years of Service	*Retiree & Family ⁽¹⁾	Retiree & Family ⁽²⁾	Retiree & Family ⁽³⁾
Less than 10*	\$865.04	\$2,891.17	\$2,318.59
10-11*	\$519.02	\$1,896.31	\$1,391.15
11-12*	\$484.42	\$1,796.83	\$1,298.41
12-13*	\$449.82	\$1,697.34	\$1,205.67
13-14	\$415.22	\$1,597.86	\$1,112.92
14-15	\$380.62	\$1,498.37	\$1,020.18
15-16	\$346.02	\$1,398.89	\$927.44
16-17	\$311.41	\$1,299.40	\$834.69
17-18	\$276.81	\$1,199.91	\$741.95
18-19	\$242.21	\$1,100.43	\$649.21
19-20	\$207.61	\$1,000.94	\$556.46
20-21	\$173.01	\$901.46	\$463.72
21-22	\$138.41	\$801.97	\$370.97
22-23	\$103.80	\$702.49	\$278.23
23-24	\$69.20	\$603.00	\$185.49
24-25	\$34.60	\$503.52	\$92.74
25 or more	\$0.00	\$404.03	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$432.52	\$1,647.60	\$1,159.29
COBRA	\$882.34	\$2,948.99	\$2,364.96

Notes:

- (1) Two family members are "Senior Advantage"
 - (2) One family member is "Senior Advantage"; two or more are "Basic"
 - (3) Two family members are "Senior Advantage"; one or more are "Basic"
- *Represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2019
Tier 2 - Kaiser Permanente Washington
Exhibit 5

Years of Service	Retiree Only ⁽¹⁾	Retiree Only ⁽²⁾	Retiree & Family ⁽³⁾	Retiree & Family ⁽⁴⁾	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) ⁽⁵⁾	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) ⁽⁵⁾
Less than 10*	\$1,162.11	\$436.52	\$2,163.21	\$3,616.76	\$1,429.62	\$1,429.62
10-11*	\$697.27	\$261.91	\$1,695.10	\$3,148.65	\$1,238.65	\$961.51
11-12*	\$650.78	\$244.45	\$1,648.29	\$3,101.84	\$1,219.55	\$914.70
12-13*	\$604.30	\$226.99	\$1,601.48	\$3,055.03	\$1,200.45	\$867.89
13-14	\$557.81	\$209.53	\$1,554.66	\$3,008.21	\$1,181.36	\$821.07
14-15	\$511.33	\$192.07	\$1,507.85	\$2,961.40	\$1,162.26	\$774.26
15-16	\$464.84	\$174.61	\$1,461.04	\$2,914.59	\$1,143.16	\$727.45
16-17	\$418.36	\$157.15	\$1,414.23	\$2,867.78	\$1,124.06	\$680.64
17-18	\$371.88	\$139.69	\$1,367.42	\$2,820.97	\$1,104.97	\$633.83
18-19	\$325.39	\$122.23	\$1,320.61	\$2,774.16	\$1,085.87	\$587.02
19-20	\$278.91	\$104.76	\$1,273.80	\$2,727.35	\$1,066.77	\$540.21
20-21	\$232.42	\$87.30	\$1,226.99	\$2,680.54	\$1,047.68	\$493.40
21-22	\$185.94	\$69.84	\$1,180.17	\$2,633.72	\$1,028.58	\$446.58
22-23	\$139.45	\$52.38	\$1,133.36	\$2,586.91	\$1,009.48	\$399.77
23-24	\$92.97	\$34.92	\$1,086.55	\$2,540.10	\$990.38	\$352.96
24-25	\$46.48	\$17.46	\$1,039.74	\$2,493.29	\$971.29	\$306.15
25 or more	\$0.00	\$0.00	\$992.93	\$2,446.48	\$952.19	\$259.34
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$581.05	\$218.26	\$1,578.07	\$3,031.62	\$1,190.90	\$844.48
COBRA	\$1,185.35	\$445.25	\$2,206.47	\$3,689.10	\$1,458.21	\$1,458.21

Deduct Codes:

- (1) "Basic" under age 65
- (2) "Senior Advantage"
- (3) Two family members are "Basic"
- (4) Three or more family members are "Basic"
- (5) One family member is "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2019
Tier 2 - Kaiser Permanente Washington
Exhibit 5


Years of Service	Retiree & Family ⁽¹⁾	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) ⁽²⁾	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) ⁽²⁾	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) ⁽³⁾	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) ⁽³⁾
Less than 10*	\$865.04	\$2,891.17	\$2,891.17	\$2,318.59	\$2,318.59
10-11*	\$674.07	\$2,700.20	\$2,423.06	\$2,127.62	\$1,850.48
11-12*	\$654.97	\$2,681.10	\$2,376.25	\$2,108.52	\$1,803.67
12-13*	\$635.87	\$2,662.00	\$2,329.44	\$2,089.42	\$1,756.86
13-14	\$616.78	\$2,642.91	\$2,282.62	\$2,070.33	\$1,710.04
14-15	\$597.68	\$2,623.81	\$2,235.81	\$2,051.23	\$1,663.23
15-16	\$578.58	\$2,604.71	\$2,189.00	\$2,032.13	\$1,616.42
16-17	\$559.48	\$2,585.61	\$2,142.19	\$2,013.03	\$1,569.61
17-18	\$540.39	\$2,566.52	\$2,095.38	\$1,993.94	\$1,522.80
18-19	\$521.29	\$2,547.42	\$2,048.57	\$1,974.84	\$1,475.99
19-20	\$502.19	\$2,528.32	\$2,001.76	\$1,955.74	\$1,429.18
20-21	\$483.10	\$2,509.23	\$1,954.95	\$1,936.65	\$1,382.37
21-22	\$464.00	\$2,490.13	\$1,908.13	\$1,917.55	\$1,335.55
22-23	\$444.90	\$2,471.03	\$1,861.32	\$1,898.45	\$1,288.74
23-24	\$425.80	\$2,451.93	\$1,814.51	\$1,879.35	\$1,241.93
24-25	\$406.71	\$2,432.84	\$1,767.70	\$1,860.26	\$1,195.12
25 or more	\$387.61	\$2,413.74	\$1,720.89	\$1,841.16	\$1,148.31
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$626.32	\$2,652.45	\$2,306.03	\$2,079.87	\$1,733.45
COBRA	\$882.34	\$2,948.99	\$2,948.99	\$2,364.96	\$2,364.96

Deduct Codes:

- (1) Two family members are "Senior Advantage"
- (2) One family member is "Senior Advantage"; two or more are "Basic"
- (3) Two family members are "Senior Advantage"; one or more is "Basic"

October 24, 2019

TO: Each Member
Board of Retirement

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: November 6, 2019 Board of Retirement Meeting

SUBJECT: **PROVIDE VOTING DIRECTIONS ON SACRS 2020 LEGISLATIVE PLATFORM**

RECOMMENDATION

That the Board of Retirement direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 783 for the SACRS 2020 legislative platform.

DISCUSSION

Since the beginning of 2019, the SACRS Legislative Committee has been developing noncontroversial, technical, and clarifying amendments to CERL. These proposed amendments will be included in SB 783, an omnibus bill that is carried by the Senate Committee on Labor, Public Employment & Retirement. The following is a summary of the proposed amendments.

Incorrect Cross-References

Description

Certain CERL sections are cross-referenced to other CERL sections that are either incorrect or have been repealed.

Proposed Amendments

The amendments will remove or correct the obsolete cross-references.

Government Code Sections Affected

31465, 31627.1, 31627.2, 31631.5, and 31641.45.

Employer Liabilities

Description

CERL retirement systems must conduct actuarial valuations to evaluate the assets and liabilities of the retirement fund and recommend changes in interest rates, member contributions, and employer appropriations. *Mijares v. Orange County Employees Retirement System* (2019) 32 Cal.App.5th 316 upheld a county retirement system's

assessment of unfunded liability against a county department of education after the department's last employee in the system retired.

Proposed Amendments

The amendment will affirm the *Mijares* case with respect to a county retirement board's plenary authority to ensure appropriate funding of the retirement system and with respect to the employer's obligation for its unfunded actuarial liability.

Government Code Sections Affected

31453.

Concurrent Retirement: PEPRA Members

Description

Reciprocal members who are eligible to retire in a CERL system at age 50 but who cannot retire concurrently in a reciprocal system are entitled to have their final compensation and service determined as if they had retired concurrently under the reciprocal system.

Proposed Amendments

The amendment will clarify applicability of this section for members subject to the retirement eligibility requirements of age 50 or 52 under the Public Employees' Pension Reform Act of 2013 (PEPRA).

Government Code Sections Affected

31835.1.

Service Credit Purchases for Parental Leave

Description

CERL currently does not permit purchases of service credit for uncompensated leaves of absence other than for illness or injury arising out of and in the course of employment.

Proposed Amendments

The proposed amendment creates parity for county retirement systems with CalPERS and CalSTRS' statutes regarding service credit purchases for parental leave. The provision requires payment of member and employer contributions for the purchases, applies prospectively to future parental leave to comply with PEPRA's prohibition on retroactive benefit enhancements, and requires adoption by the board of supervisors.

Government Code Sections Affected

31646.

Service Credit Purchases for Military Leave

Description

CERL contains multiple sections related to the purchase of service credit for military leave, which may not conform with the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

Proposed Amendments

The proposed amendments will repeal the current statutes and consolidate them to conform with USERRA. The amendments are technical and do not make any policy changes.

Government Code Sections Affected

31649, 31649.5, 31649.6, 31650, and 31651.

Board Approval of Retirement Applications

Description

The recent case of *Wilmot v. Contra Costa County Employees' Retirement Assn.* (2018) 29 Cal.App.5th 846 dealt with the question as to when a member officially retires. The court held that a member was not retired until the retirement board formally approved the member's retirement application.

Proposed Amendments

There are different approaches that the various CERL retirement systems use to review, approve, or ratify retirement applications. The amendment provides that the board may formally delegate authority to staff to exercise the board's power to retire members.

Government Code Sections Affected

31670 and 31662.2.

60-Day Retirement Application Window

Description

CERL currently prohibits members from submitting retirement applications more than 60 days before retirement. The 60-day rule is arbitrary and likely reflects the constraints of manual application processing in the past, whereas current technological solutions may be more accommodating.

Proposed Amendments

The proposed amendment authorizes a retirement board to set a number of days other than 60.

Government Code Sections Affected

31663.25, 31663.26, 31672, 31672.1, 31672.2, and 31672.3.

Reinstatement to Prior Benefit Level

Description

Members who retire for service following an involuntary termination and are reinstated to their former employment following a successful civil service appeal are treated as new members under current law and may end up in a different benefit tier than their original tier.

Proposed Amendments

A new section will be added to CERL that clarifies what tier the member should return to and requirements related to the reinstatement such as contributions and repayment of benefit allowances.

Government Code Sections Affected

31680.10.

Required Minimum Distributions

Description

Federal law requires that members begin receiving benefits by April 1 of the year following the year in which members attain age 70 ½. If a member can be located but does not apply for benefits, the retirement system must commence paying an unmodified allowance to the member.

Proposed Amendments

The proposed amendment conforms the section to indicate that an unmodified allowance shall commence by April 1 of the year following the year in which the member attains age 70 ½. For those members not otherwise eligible for a deferred retirement allowance, the amendment also provides for a lump-sum distribution of benefits.

Government Code Sections Affected

31706.

Optional Retirement Allowances and Survivor Benefits

Description

Various CERL sections provide for the payment of survivor benefits to a child over age 18 as long as the child remains unmarried and enrolled as a full-time student. The CERL sections indicate that the benefits shall be paid “through the age of 21.” There is some ambiguity as to whether this means up to age 22.

Proposed Amendments

The proposed amendment will clarify that benefits will be paid up to age 22 based on the interpretation and practice of a majority of the CERL retirement systems.

Government Code Sections Affected

31760.1, 31760.2, 31765, 31765.1, 31781.1, 31782.2, 31785, 31785.1, 31787, 31787.5, and 31853.3.

LEGISLATIVE POLICY STANDARD

The Board of Retirement's legislative policy standard is to support proposals that provide clarification, technical updates, or conforming changes to CERL or PEPRA (Legislative Policy, page 6).

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 783 for the SACRS 2020 legislative platform.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachments

2020 CERL Clean-up/Omnibus Bill (SB 783 Amendments)
SB 783 (Senate LPE&R) as introduced on March 7, 2019

cc: Steven P. Rice
JJ Popowich
Bernie Buenaflor
Allan Cochran
Ricki Contreras
Joe Ackler, Acker & Associates



2020 CERL Clean-Up/Omnibus Bill

August 28, 2019

Dear SACRS Board of Directors:

At its August 16, 2019 meeting, the Legislative Committee approved bill language for a CERL Omnibus Bill and recommended approval by the SACRS Board of Directors.

A “shell” bill – SB 783 – has been filed on behalf of SACRS by the Senate Committee on Labor, Public Employment and Retirement. If approved by the SACRS membership at the Fall Conference, SB 783 can be amended in January 2020 for consideration during the 2020 legislative session.

The enclosed language reflects the work of Legislative Committee members, in collaboration with system administrators, over the past six months to develop non-controversial, technical, and clarifying amendments to the CERL. The proposed amendments will help the 1937 Act systems administer benefits in accordance with changes in federal law and recent appellate court rulings, provide more flexibility to Retirement Boards, and add parity to the CERL by aligning certain statutes with CalPERS and CalSTRS laws. Specifically, the amendments:

- Consolidate the military service-credit statutes to better conform to federal law and ensure members who are called to duty are made whole for their time away.
- Affirm the recent *Mijares v. OCERS* appellate case regarding an employer’s liability and obligation to make contributions for pension benefits.
- Allow counties to authorize members to purchase parental leave service credit, aligning with CalPERS and CalSTRS statutes and evolving law about family leave.
- Clarify existing law regarding which benefit tier a member rejoins when reinstated to active service after an involuntary separation is overturned.
- Allow Boards to delegate to staff the authority to finalize retirement applications and put retirees on payroll, in compliance with the *Wilmot vs CCCERA* ruling.
- Provide flexibility to Retirement Boards to accept retirement applications earlier than the current 60-day limit.
- Allow for the lump-sum distribution of contributions when a member reaches mandatory distribution age instead of requiring a pension benefit that may be only a few dollars.
- Update incorrect statutory references, and make other technical changes.

The bill language and a summary matrix are enclosed.

Respectfully,

Dave Nelsen and Eric Stern
Legislative Committee Co-Chairs

Amendments to SB 783

VERSION 5

As Adopted by SACRS Legislative Committee
August 16, 2019

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31465:

“Additional contributions” means contributions made by members in addition to normal contributions under ~~Sections 31504 and~~ Section 31627.

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31627.1:

A member who has additional contributions under Section 31627 of the Government Code, ~~or under Section 31504 of the Government Code,~~ Code may, within 30 days prior to retirement, elect in writing to have all or any part of ~~his~~ the member's accumulated additional contributions returned to ~~him~~ the member. The portion returned shall not be included in the calculation of the member's annuity.

Additional Member Contributions; Removes Incorrect Cross Reference

Amend Section 31627.2:

In any county in which the provisions of Section 31676.1 apply, any member who has additional contributions under ~~Section 31504 of the Government Code, or under Section~~ 31627 of the Government Code, Code may elect in writing to have all or any part of ~~his~~ the member's accumulated additional contributions returned to ~~him~~ the member. The portion returned shall not be included in the calculation of the member's annuity. The board may order payment in whole or in part withheld for a period not to exceed 90 days after receipt of such written election.

Amend Section 31631.5:

Member Contributions; Removes Incorrect Cross Reference

(a) (1) Notwithstanding any other provision of this chapter, a board of supervisors or the governing body of a district may require that members pay 50 percent of the normal cost of benefits. However, that contribution shall be no more than 14 percent above the

applicable normal rate of contribution of members established pursuant to this article for local general members, no more than 33 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section ~~21639~~ **31639**) for local police officers, local firefighters, county peace officers, and no more than 37 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section 31639) for all local safety members other than police officers, firefighters, and county peace officers.

(2) Before implementing any change pursuant to this subdivision for any represented employees, the public employer shall complete the good faith bargaining process as required by law, including any impasse procedures requiring mediation and factfinding. This subdivision shall become operative on January 1, 2018. This subdivision shall not apply to any bargaining unit when the members of that unit are paying at least 50 percent of the normal cost of their pension benefit or are subject to an agreement reached pursuant to paragraph (1). Applicable normal rate of contribution of members means the statutorily authorized rate applicable to the member group as the statutes read on December 31, 2012.

(b) Nothing in this section shall modify a board of supervisors' or the governing body of a district's authority under law as it existed on December 31, 2012, including any restrictions on that authority, to change the amount of member contributions.

Employer Liabilities; Affirming the Mijares vs OCERS Ruling

Amend Section 31453:

(a) An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, recommend to the board of supervisors the changes in the rates of interest, in the rates of contributions of members, and in county and district appropriations as are necessary. With respect to the rates of interest to be credited to members and to the county or district, the board may, in its sound discretion, recommend a rate which is higher or lower than the interest assumption rate established by the actuarial survey. No adjustment shall be included in the new rates for time prior to the effective date of the revision. (b)(1) Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, recommend to the governing body of a district within the county system that is not governed by the board of supervisors the changes in the rates of contributions of district members and in district appropriations as are necessary. (2) This subdivision shall not be operative in any county until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable in that county.

(c) The legislature affirms the ruling of *Mijares v. Orange County Employees Retirement System* (2019) 32 Cal.App.5th 316 with respect to the board's plenary authority to recommend adjustments to county and district contributions as necessary to ensure the appropriate funding of the system, and with respect to the mandate of Section 31454 that the county and districts adjust the rates of contributions of members and appropriations in accordance with the board's recommendations. Under all circumstances, the county and districts shall each remain liable to the retirement system for their respective share of any unfunded actuarial liability of the system, as determined by the board.

Member Refunds; Removes Incorrect Cross Reference

Amend Section 31641.45:

Whenever a member is entitled to redeposit funds previously withdrawn from a retirement system and thereby becomes eligible to receive a pension or retirement allowance for the service for which he was granted public service credit as authorized in Section 31641.1, regardless of whether or not the member elects to exercise such entitlement, the member shall be refunded the amount deposited by him in accordance with Section 31641.2 plus interest which has been credited to such amount and shall receive no credit in the system for such service.

This section applies only to a member who would be eligible to receive the benefit of Section 31835 or ~~20023.4~~**20638** on making the redeposit.

Concurrent Retirement; Clarifies Age Requirement for PEPPRA members

Amend Section 31835.1 to read:

Notwithstanding the provisions of Sections 31835 and 31836, a member of a retirement system established under this chapter who is eligible to retire at age 50 pursuant to Section 31672 **or Section 7522.25, or at age 52 pursuant to Section 7522.20**, or who is required to retire because of age while a member of the Public Employees' Retirement System, a retirement system established under this chapter in another county, the State Teachers' Retirement System, or a retirement system of any other public agency of the state that has established reciprocity with the Public Employees' Retirement System subject to the conditions of Section 31840.2, but who cannot retire concurrently from the Public Employees' Retirement System, a retirement system established under this chapter in another county, the State Teachers' Retirement System, or a retirement system of any other public agency of the state that has established reciprocity with the Public Employees' Retirement System subject to the conditions of Section 31840.2, shall be entitled to have his final compensation and service determined under Sections 31835 and 31836 as if he had retired concurrently under such other system.

Service Credit Purchases for Parental Leave

Amend 31646:

- (a) A member who returns to active service following an uncompensated leave of absence on account of illness may receive service credit for the period of such absence upon the payment of the contributions that the member would have paid during such period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit may not be received for any period of such absence in excess of 12 consecutive months.
- (b) (1) A member who returns to active service following an uncompensated leave of absence on account of parental leave, may receive service credit for the period of such absence upon the payment of the contributions that the member and the employer would have paid during such period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subsection, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit may not be received for any period of such absence in excess of 12 consecutive months.**
- (2) This subsection shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county, and applies to parental leave that commences after the adoption by the board of supervisors.**

Military Leave; Streamlines Military Service Credit Provisions

Government Code section 31649 should be amended to read:

- ~~(a) Any member who resigns to enter and does enter the Armed Forces of the United States on a voluntary or involuntary basis, and within 90 days after the termination of that service under honorable conditions, reenters county service, or~~
- ~~(b) Any member who obtains a leave of absence to enter and does enter the Armed Forces of the United States on a voluntary or involuntary basis, and within one year after the termination under honorable conditions of~~

~~leave of absence reenters county service, if he or she has not contributed to the retirement fund the total percentage of his or her compensation earnable due pursuant to Section 31461 or pensionable compensation as defined in Section 7522.34, whichever is applicable, due under this chapter for the entire period during which he or she was out of county service and in military service, may, not more than 90 days after his or her reentrance into county service, file with the board his or her election that no further contributions be deducted from his or her compensation except contributions due because of current service.~~

~~(c) A member who reenters county service under either (a) or (b) above may be allowed up to five years credit for vesting in the system~~

(a) This chapter shall comply with the Uniformed Services Employment and Reemployment Act of 1994 (USERRA) (38 U.S.C. § 4301 et. seq.) as amended from time to time. Any member who was absent from county or district employment for military service and is eligible for reemployment benefits pursuant to USERRA, may, as provided in USERRA, make contributions and receive service credit for the time absent.

(b) Any member who does not qualify for reemployment benefits under (a) due to the length of the military service and who returns to county or district employment within one year of being honorably discharged from the Armed Forces of the United States, shall receive credit for service for all or any part of his or her military service, if, before retirement from the county or district, he or she contributes what he or she would have paid to the fund based on his or her compensation earnable as defined by section 31461 or pensionable compensation as defined in section 7522.34, whichever is applicable, at the time of the beginning of the absence together with regular interest thereon.

(c) Nothing in this section shall affect any arrangement to pay contributions pursuant to section 31653.

Sections 31649.5, 31649.6, 31650, and 31651 should be repealed.

Board Approval/Notification of Retirement Applications; Delegation to Staff

Amend Section 31670:

(a) Retirement of a member who has met the requirements for age and service shall be made by the board pursuant to this article or pursuant to the California Public Employees' Pension Reform Act of 2013, whichever is applicable.

(b) The board may authorize the administrator or other personnel to exercise the board's power and perform its duty to retire members under this section. The administrator or other personnel shall report service

retirements to the board at the next public meeting of the board after the retirement.

Amend Section 31662.2:

- (a) Retirement of a safety member in a county subject to the provisions of 31676.1, or of Section 31695.1, if applicable, who has met the requirements for age and service shall be made by the board pursuant to this article or pursuant to the California Public Employees' Pension Reform Act of 2013, whichever is applicable.
- (b) **The board may authorize the administrator or other personnel to exercise the board's power and perform its duty to retire members under this section. The administrator or other personnel shall report service retirements to the board at the next public meeting of the board after the retirement.**

60-Day Application Window; Provides Option for Longer Period

Amend Sections 31672, 31672.1, 31672.2, 31672.3 et al:

...may be retired upon filing with the board a written application, setting forth the date upon which he or she desires his or her retirement to become effective ~~not earlier than the date the application is filed with the board and not more than 60 days after the date of filing the application.~~ **That effective retirement date shall not be:**

- (a) **earlier than the date the application is filed with the board, and**
- (b) **more than 60 days after the date of filing the application, or such number of days as approved by the Board.**

Reinstatement to Prior Benefit Level

Add Section 31680.10:

- (a) **A person who has been retired under this chapter for service following an involuntary termination of his or her employment, and who is subsequently reinstated to that employment pursuant to an administrative or judicial proceeding that is final and not subject to appeal, shall be reinstated from retirement as if there were no intervening period of retirement. Except as provided in subdivision (b), the requirements of Sections 31680.4, 31680.5, and 31680.7 shall not apply to that reinstatement.**
- (b) **The allowance received by the person during retirement shall be repaid by him or her to the retirement system from which he or she retired in accordance with the retirement system's repayment policy. Contributions shall be made for any period for which salary is awarded in the administrative or judicial proceedings in the amount that would have contributed had the member's employment not been terminated, and he or**

she shall receive credit for the period for which salary is awarded. If the person fails to repay the allowance received during retirement, then his or her contributions and allowance upon retirement subsequent to reinstatement shall be calculated under Sections 31680.5 or 31680.7, as applicable.

- (c) **As used in this section, “administrative proceeding” means the process for appeal of an involuntary termination established by county or district ordinance or charter.**
- (d) **This section shall only apply to persons reinstated to such employment by final action on or after the effective date of this section pursuant to an administrative or judicial proceeding.**

Minimum Age Distributions; Timing and Lump-Sum Option

Amend Section 31706:

Any member who has left county service and has elected to leave accumulated contributions in the retirement fund or who is deemed to have elected a deferred retirement pursuant to subdivision (b) of Section 31700 and has attained age 70 but has not yet applied for a deferred retirement allowance and who is not a reciprocal member of a retirement system established pursuant to this chapter or the Public Employees' Retirement Law shall be notified in writing by the treasurer, or other entity authorized by the board, that the member is eligible to apply for and shall begin receiving **either**; a deferred retirement allowance by April 1 of the year following the year in which the member attains age 70 ½, **or, a one-time distribution of all accumulated contributions and interest.** The notification shall be made at the time the deferred member attains age 70 and shall be sent by certified mail to the member's last known address, or to the member's last known employer, as shown by the records of the retirement system. If the member can be located but does not make proper application for a deferred retirement allowance with retirement to be effective by April 1 of the year **following the year** in which the member attains age 70 ½, the retirement system shall commence paying **either** an unmodified allowance to the member **if the member was eligible to begin receiving a deferred retirement allowance under the provisions of 31485.22, or, a one-time distribution of all accumulated contributions and interest if the member is otherwise ineligible for a deferred retirement allowance.** If the member cannot be located by April 1 of the year following the year in which the member attains age 70 ½, all of the member's accumulated contributions and interest thereon shall be deposited in, and become a part of, the current pension reserve fund of the retirement system. The board may at any time after transfer of proceeds to the reserve fund upon receipt of proper information satisfactory to it, redeposit the proceeds to the credit of the claimant, to be administered in the manner provided under this law. This section shall not apply to a member while the member is actively employed past mandatory retirement age in a retirement system established under the provisions of this chapter or the Public Employees' Retirement Law.

Optional Retirement Allowances and Survivor Benefits; Clarifies Age for Children

Amend sections 31760.1, 31760.2, 31765, 31765.1, 31781.1, 31781.2, 31785, 31785.1, 31786, 31786.1, 31787, and 31787.5:

...Notwithstanding any other provisions of this section, the benefits otherwise payable to the children of the member shall be paid to ~~such children through the age of 21~~**those children up to the 22nd birthday of the children** if such children remain unmarried and are regularly enrolled as full-time students in and accredited school as determined by the board.

And, amend section 31855.3 (c) to read:

(c) ~~Between 18 and 22 years of age,~~ **Over age 18 but under age 22,** and enrolled as a full-time student in an accredited school, as determined by the board.

SB 783 -- 1937 Act Omnibus Bill

Gov Code	Topic	Issue/Justification
31465	Additional member contributions	Removes incorrect reference to GC 31504, which was repealed
31627.1	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31627.2	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31631.5	Member contributions, normal cost-sharing	Fixes incorrect cross reference to GC 31639 (currently 21639)
31453	Withdrawn Employer Liabilities	Affirms <i>Mijares vs. OCERS</i> ruling to emphasize Board's authority to set contributions for employers (even if they no longer have active members) to ensure sustainability of the fund.
31641.45	Refunds	Removes incorrect cross reference to 20023.1, which was repealed in 1995.
31646	Service Purchase for Uncompensated Illness	Allows members to purchase parental leave time, similar to CalPERS (GC 21013) and CalSTRS (EC 22803). Current statute does not permit purchases for unpaid absences other than for illness. This amendment adds parity for county retirement systems in an area of law and practice that has been evolving regarding parental leave. Unlike current statute that requires only member contributions for service purchases related to unpaid medical leave, this amendment requires the member to pay ALL contributions (employee and employer). This provision also require BOS approval, and applies prospectively to future parental leave to ensure compliance with PEPRA's ban on retroactive benefit increases.
31649 31649.5, 31649.5, 31649.6, 31650, and 31651	Military Leave	Consolidates military service credit statutes to conform to federal laws to ensure members who have been called to duty and return to work can be made whole for retirement purposes due to their leave of absence. These amendments do not contain policy changes, but add clarity and remove potential conflict with federal law regarding the treatment of military service purchases.

As Approved by Legislative Committee
August 16, 2019

<p>31662.2 31670</p>	<p>Board Approval of Retirements</p>	<p>Delegates authority to the system administrator or other personnel to accept and process service retirement applications, approve effective retirement dates, and pay members, and directs staff to notify Board at the next public meeting. The recent Wilmot v. CCCERA appellate ruling raised a question as to when a member officially retires. The court, citing section 31670, held that a member was not retired until the Board formally approved the member's retirement application. There are various approaches that retirement boards currently use to approve, ratify, or review service retirement applications. By formally delegating the authority to staff to process service retirements, current practices can be codified to comply with section 31670 to ensure members can be paid in a timely manner.</p>
<p>31672, 31672.1, 31672.2, 31672.3</p>	<p>60-Day Advance Application Window</p>	<p>Allows each system to set an application window based on business needs/ability. Statute currently prohibits members from submitting applications more than 60 days before retirement, which will remain the default unless proactively changed by the Board. The 60-day rule is arbitrary and likely reflected the constraints on a manual processes. Technology solutions today can accommodate applications filed earlier, which can help facilitate retirement planning for the individual and succession planning for the employer.</p>
<p>31680</p>	<p>Reinstatement from Retirement</p>	<p>Reinstates to prior status members who had involuntarily termination overturned by administrative or judicial proceeding. This amendment clarifies what Tier the member should return to, if the member was separated from service during the appeal that may have stretched for long periods. Similar to CalPERS (GC 21198)</p>
<p>31706</p>	<p>Minimum Age Distribution</p>	<p>Conforms to IRC regulations the timing of notice for mandatory distribution by clarifying that member deadline to retire/take action is April 1 of year following the year in which the member attains age 70 ½.</p> <p>Adds language for flexibility for lump sum distribution of contributions instead of an "allowance." There are frequent situations in which a deferred member who worked for the county many years ago may have a small amount of member contributions on file. It is cumbersome and inefficient to provide an annual pension on what may amount to a few dollars, instead of providing a lump sum distribution.</p>

As Approved by Legislative Committee
August 16, 2019

<p>31760.1, 31760.2, 31765, 31765.1, 31781.1, 31782.2, 31785, 31785.1, 31787, 31787.5, 31853.3</p>	<p>Optional Retirement Allowances and Death Benefits: Age 21</p>	<p>Amends CERL sections to clarify survivor benefit are to be paid up to the child's 22nd birthday as long as the child remains unmarried and enrolled full time. CERL provides for a benefit to be paid to a child over the age of 18 who is regularly enrolled as a full-time student in an accredited school. The benefit is to be paid "through the age of 21." "Through the age of 21" could mean up to the date that the child turns 21 because as of that date the child is 21 plus one day. On the other hand, it could mean up to the child's 22nd birthday. This amendment reflects the majority interpretation and practice.</p>
<p>31835.1</p>	<p>Concurrent Retirement: PEPRA members</p>	<p>Adds clarifying language regarding early retirement for PEPRA members who also have legacy status in another system. This section deals with concurrent retirement for reciprocal members who can retire in one system at age 50 but aren't eligible to retire in the reciprocal system until after age 50, and ensures reciprocity is maintained if they retire in the earlier eligible system. There could be a situation where a member is a Legacy member in the first system, and leaves for more than 180 days and enters the second system as a PEPRA member. If the Legacy system has not passed a resolution to lower age 55 to age 50, then the member could be subject to an age 55 requirement in one system, and an age 50 or 52 requirement in the other system. This amendments adds PEPRA reference to age 52.</p>

Introduced by Committee on Labor, Public Employment and Retirement (Senators Hill (Chair), Jackson, Mitchell, Morrell, and Pan)

March 7, 2019

An act to amend Sections 31465, 31627.1, 31627.2, and 31631.5 of the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 783, as introduced, Committee on Labor, Public Employment and Retirement. County Employees Retirement Law of 1937.

The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees.

This bill would correct several erroneous and obsolete cross-references within CERL.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 31465 of the Government Code is
- 2 amended to read:
- 3 31465. "Additional contributions" means contributions made
- 4 by members in addition to normal contributions under ~~Sections~~
- 5 ~~31504 and Section~~ 31627.
- 6 SEC. 2. Section 31627.1 of the Government Code is amended
- 7 to read:

1 31627.1. A member who has additional contributions under
2 Section 31627 of the Government Code, or under Section 31504
3 of the Government Code, Code may, within 30 days prior to
4 retirement, elect in writing to have all or any part of his *the*
5 *member's* accumulated additional contributions returned to him.
6 *the member*. The portion returned shall not be included in the
7 calculation of the member's annuity.

8 SEC. 3. Section 31627.2 of the Government Code is amended
9 to read:

10 31627.2. In any county in which the provisions of Section
11 31676.1 apply, any member who has additional contributions under
12 Section 31504 of the Government Code, or under Section 31627
13 of the Government Code, Code may elect in writing to have all or
14 any part of his *the member's* accumulated additional contributions
15 returned to him. *the member*. The portion returned shall not be
16 included in the calculation of the member's annuity. The board
17 may order payment in whole or in part withheld for a period not
18 to exceed 90 days after receipt of such written election.

19 SEC. 4. Section 31631.5 of the Government Code is amended
20 to read:

21 31631.5. (a) (1) Notwithstanding any other provision of this
22 chapter, a board of supervisors or the governing body of a district
23 may require that members pay 50 percent of the normal cost of
24 benefits. However, that contribution shall be no more than 14
25 percent above the applicable normal rate of contribution of
26 members established pursuant to this article for local general
27 members, no more than 33 percent above the applicable normal
28 rate of contribution of members established pursuant to Article
29 6.8 (commencing with Section ~~21639~~ 31639) for local police
30 officers, local firefighters, county peace officers, and no more than
31 37 percent above the applicable normal rate of contribution of
32 members established pursuant to Article 6.8 (commencing with
33 Section 31639) for all local safety members other than police
34 officers, firefighters, and county peace officers.

35 (2) Before implementing any change pursuant to this subdivision
36 for any represented employees, the public employer shall complete
37 the good faith bargaining process as required by law, including
38 any impasse procedures requiring mediation and factfinding. This
39 subdivision shall become operative on January 1, 2018. This
40 subdivision shall not apply to any bargaining unit when the

1 members of that unit are paying at least 50 percent of the normal
2 cost of their pension benefit or are subject to an agreement reached
3 pursuant to paragraph (1). Applicable normal rate of contribution
4 of members means the statutorily authorized rate applicable to the
5 member group as the statutes read on December 31, 2012.

6 (b) Nothing in this section shall modify a board of supervisors'
7 or the governing body of a district's authority under law as it
8 existed on December 31, 2012, including any restrictions on that
9 authority, to change the amount of member contributions.

O



October 31, 2019

TO: Each Member
Board of Retirement
Board of Investments

FROM: Johanna M. Fontenot *JMF*
Senior Staff Counsel

FOR: November 6, 2019 Board of Retirement Meeting
November 20, 2019 Board of Investments Meeting

SUBJECT: Chief Counsel Reporting Structure

In 2017, the Joint Organizational Governance Committee (JOGC) requested that staff evaluate whether the Chief Counsel position and Chief Investments Officer positions should change their reporting structure.

In 2018, the Joint Boards discussed and approved a written policy formalizing the reporting structure for the BOI position.

On July 26, 2019, the JOGC voted to advance the Chief Counsel Reporting Structure to the Board of Retirement and Board of Investments for approval. Attachment A is the proposed Chief Counsel Reporting and Performance Evaluation Policy, Attachment B is Staff Analysis for Proposal, and Attachment C is Harvey Leiderman's memorandum offering a fiduciary perspective.

Attachments

c: John Popowich

Attachment A

Proposed Chief Counsel Reporting and Performance Evaluation Policy

CHIEF COUNSEL REPORTING AND PERFORMANCE EVALUATION POLICY

I. PURPOSE

The purpose of this Policy is to formalize the Chief Counsel reporting and performance evaluation.

II. AUTHORITY

Chief Executive Officer (CEO) is appointed by LACERA's Board of Retirement and Board of Investments (BOI) (the Boards) to act as retirement administrator pursuant to Government Code Section 31522.2. The Boards have delegated their appointing authority for other staff under Government Code Sections 31522.1 and 31522.4 to the CEO, except for the Chief, Internal Audit position as stated in the County of Los Angeles Salary Ordinance (Salary Ordinance).

In 2001, LACERA sponsored legislation that authorized it to employ certain management positions to not be subject to the civil service system, and, therefore the individuals occupying these position serve at the pleasure of the appointing board or boards. (Government Code Sections 31522.2 and 31522.4) Although the Chief Counsel position is listed as one of the positions in Section 31522.4, the Boards did not designate the Chief Counsel position as an at-will position in 2001 or anytime thereafter. Therefore, the Chief Counsel position remains a classified position.

III. CHIEF COUNSEL REPORTING AND EVALUATION

It has been a long-standing practice for the CEO to seek the Boards informal input for the hiring, evaluation and compensation of the Chief Counsel. The Boards wish to formalize this practice subject to preparation and approval of this Policy. In accordance with the Board of Retirements action on November 6, 2019 and the Board of Investments action on November 20, 2019, the organizational structure of the Chief Counsel will have the following features:

- A. The Chief Counsel will continue to report to the CEO for administrative and functional purposes. The CEO will make final decisions as to the appointment, discipline, performance evaluation, and compensation of the Chief Counsel.
- B. The CEO will seek the Boards input regarding the appointment, discipline, and dismissal of the Chief Counsel. The Boards input concerning the appointment, discipline, and dismissal of the Chief Counsel will be made in closed session under Government Code Section 54957(b).
- C. The CEO will seek the qualitative input of the Boards before completing the Chief Counsel's annual performance evaluation. The Boards

discussion regarding the Chief Counsel performance evaluation will be made in closed session under Government Code Section 54957(b).

- D. The CEO will administer the Chief Counsel's annual salary adjustment using the Boards approved compensation structure as reflected in LACERA's section of the Los Angeles County Code.
- E. The Chief Counsel is authorized to interact with and communicate directly with Boards in all matters.
- F. The Chief Counsel has the rights and obligations provided in the Salary Ordinance, to the extent applicable to its individual classification. The Chief Counsel is subject to civil service and has the rights and obligations provided by the Los Angeles County Civil Service Rules, subject to changes by the Boards as to individuals first appointed as Chief Counsel after the date this Policy is adopted.
- G. The Chief Counsel serves as general counsel to LACERA and has complete responsibility for planning, directing and evaluating all operations of the Legal Division.
- H. The CEO appoints all professional, technical and clerical staff and prescribes their duties, except for the Chief, Internal Audit. In the case of Legal staff, the Chief Counsel selects and recommends candidates for such positions to the CEO for formal appointment.

Adopted: Board of Retirement, November __, 2019
Board of Investments, November __, 2019

Attachment B

Staff Analysis for Proposal



November 28, 2017

TO: Each Member,
Joint Organizational Governance Committee

FROM: Johanna M. Fontenot
Senior Staff Counsel

FOR: December 13, 2017 JOGC Meeting

SUBJECT: **STAFF ANALYSIS FOR PROPOSAL THAT CHIEF COUNSEL REPORT
TO THE BOARD OF RETIREMENT AND BOARD OF INVESTMENTS**

This memo provides background and other information to assist your Committee on the proposal to change the Chief Counsel reporting structure from reporting to the CEO to reporting jointly to the Board of Retirement and Board of Investments (the Boards).

Legal Authority

As previously explained in the October 2, 2017 memo, your Boards have the legal authority under Section 31522.4 to change the reporting structure from the Chief Counsel reporting to the CEO to the Boards. For your convenience, the October 2, 2017 memo is attached as Exhibit A.

Role of LACERA's Chief Counsel

The Chief Counsel serves as general counsel to LACERA and has complete responsibility for planning, directing and evaluating all operations of the Legal Division. In representing LACERA, the Chief Counsel's client is the organization itself.

The Legal Office is currently comprised of twenty people: ten lawyers including the Chief Counsel, four paralegals, a legislative affairs officer and five management secretaries. In addition to overseeing the work of legal staff, the Chief Counsel provides advice and assistance on legal problems with all the other divisions and confers with the CEO and LACERA management daily on legal issues. The day to day operations of Chief Counsel involve a lot of interaction, communication and direction to Legal staff and as well as other divisions of LACERA.

Additionally, Chief Counsel prepares Board memorandums on various legal matters, provides legal advice during public and closed sessions of Board meetings, and provides legal advice and counsel to individual Board members. Further, the Chief Counsel handles various administrative appeals, litigation matters, and reviews all matters on the Board agendas. A copy of the job description for the Chief Counsel position is attached as Attachment B.

Chief Counsel is a Civil Service Position

In 2001, LACERA sponsored legislation that authorized LACERA to employ certain management positions not subject to the civil service system, and therefore, the individuals occupying these positions would serve at the pleasure of the Board. (Government Code Sections 31522.2 and 31522.4) Although the Chief Counsel position is listed as one of the positions in 31522.4, the Board of Retirement did not designate the Chief Counsel position in 2001 or anytime thereafter. As a result, the Chief Counsel position remains a civil service position.

Although the Board Minutes do not clearly indicate the reason for not designating the Chief Counsel position, the Minutes do indicate that the Board was informed that it could include the Chief Counsel position as an at-will position and the Board elected to not to make the Chief Counsel an at-will position. There are a couple of possible explanations. One possible reason is that the Board wanted the position to be classified so there would be a degree of autonomy and independence with Chief Counsel not being subjected to pressure and reprisals from a CEO or other leaders in the organization. Another explanation could be at the time the position was held by Dave Muir who enjoyed civil service protection; and later when Mr. Muir retired and a new Chief Counsel was hired, the Board and the CEO did not reconsider whether the position should be at-will so it remained a classified position.

There are significant differences between an at-will employee versus a civil service or classified position. Minimal standards of due process require that a civil service employee receive certain procedural safeguards such as notice, grounds for discipline, the charges and materials upon which the action is based and the opportunity to respond in opposition to the proposed action prior to imposing discipline. This is very different than an at-will employee who can be dismissed at any time and without cause.

If the Boards decide to change the reporting arrangement to have the Chief Counsel position report to the Boards then actions taken by the Boards to approve appointment, discipline, dismissal and/or removal will be subject to the County's Civil Service Rules. The Civil Service Rules provide detailed provisions relating to appointment, progressive discipline, and/or removal of classified employees. In addition, the Chief Counsel is a Management Appraisal and Performance Plan (MAPP) Tier II employee. Therefore, the Boards' role in preparing annual performance evaluations will need to be performed in compliance with the Civil Service Rules and the County Code, including use of the required rating standards.

Although the Chief Counsel position is currently a classified position, the Committee may designate the next Chief Counsel as an at-will position if it chooses to do so.

Peer Systems

Staff conducted surveys of the National Association of Public Pension Attorneys (NAPPA) and CERL systems with regard to their reporting arrangement of the Chief Counsel position. In most CERL systems, the Chief Counsel position reports to the CEO, except for a couple smaller funds where the County Counsel's Office represents the system. Ventura and San Bernardino are the only two CERL systems where the Chief Counsel reports to the Board. Similarly, most other state and other large systems, including CalPERS, the Chief Counsel position reports to the CEO with fewer systems having their Chief Counsel reports to the Board.

Additionally, a couple systems have a board policy requiring the CEO to seek the board's input for the evaluation of the CEO's direct reports. This practice allows a board to have input in the evaluation of the Chief Counsel and other key positions without taking on all the responsibilities involved in managing the position.

Fiduciary Review by Ennis Knupp & Associates

Ennis Knupp & Associates conducted a fiduciary review on behalf of the BOI in 2008. Ennis Knupp reviewed documentation, analyzed data, and interviewed staff. As part of their review, they made observations about reporting structure of the Chief Counsel position. On this subject they noted the following;

“Some retirement boards have decided that the Chief Counsel/General Counsel should have the highest allegiance to the board and, therefore, they adopt an organizational structure having a direct reporting line (a solid line) to the board and a secondary reporting line (dotted line) to the CEO. Other boards have decided that since the day-to-day interaction of the Chief Counsel/General Counsel is with the staff, the solid line should be to the CEO and the dotted line should run to the Board. Either way can work well. This is a decision for a board to make. What does not work well is to leave the reporting lines unclear until a time a serious issue arises and confusion sets in about whom the Chief Counsel/General Counsel is obligated to advise.”

The fiduciary review further states that the best practice for LACERA (BOI) was to “keep the CEO responsible for hiring, firing, evaluating and compensating General Counsel and have a policy requiring the CEO to seek Board and staff input as part of the evaluation process.” Ennis Knupp noted that LACERA's practice was for the CEO to receive informal input from the Boards; however, Ennis Knupp recommended as a best practice that the Boards adopt a formal policy requiring the CEO to seek board input as part of the evaluation process of the Chief Counsel position. This recommendation, however, was never implemented by the previous CEO. For this reason, LACERA does

not have a formal policy requiring the CEO to seek board input as part of the evaluation process.

Interview of Legal Staff and Managers

The crucial relationship of trust and respect should exist between Chief Counsel and staff. This type of credibility comes from the Chief Counsel's experience, reputation, and the ability to explain issues clearly and concisely. Staff, at all levels of LACERA, currently have access to the Chief Counsel to bring concerns about financial, legal, and ethical issues.

Most of the staff interviewed about the proposed change in reporting of the Chief Counsel position stated that they prefer the current reporting arrangement. There is a perception that if the reporting structure changes the Chief Counsel would work more closely and spend more time working with Board issues and less time working with staff. Although this is possibly only a perception and not necessarily a reality, it is a legitimate concern if staff seeks out the advice of Chief Counsel less due to this perception that the Chief Counsel's primary duties would change if the position reported to the Boards.

Another expressed concern by staff is the lack of clear direction and communication if the Chief Counsel reports to the Boards. For example, there was uncertainty as what role would the CEO serve with regard to assignments given to Chief Counsel and whether there would be the appropriate checks and balances as it relates to the Boards' influence. Checks and balances is normally defined as the ability of one set of decision makers to challenge others in the organization. Additionally, staff expressed concern that it would be difficult for Chief Counsel to effectively manage the Legal Division if duties expanded with the new reporting and for the Boards to perform the administrative functions necessary to manage the Chief Counsel, i.e., approving time off, setting forth accountability standards and expectations.

Best Practices

Surveys of other peer systems show that there is not a "one size fits all" standard of care that all systems must follow when it comes to reporting structure. Instead, an assessment of many factors should be considered and analyzed to ensure that your Committee is selecting a reporting arrangement that strengthens fiduciary principles and provides good governance.

Stanford's Clapman Report *Fund Governance Best Practice Principles* (the "Report") summarized the principles of fund leadership and the interplay of the governing body and executive staff, in part, as follows:

- A fund should identify and disclose its leadership structure and all persons in position of senior responsibility.
- A fund should establish clear lines of authority between its governing body and its staff that reflect a commitment to representing beneficiary interests. Delegations of authority from a governing body to its staff should be clearly defined and regularly reviewed.
- A governing body should have authority to select or dismiss key staff and independent advisors and counsel. However, executive staff must be qualified and able to fully discharge their duties. Trustees must therefore not allow undue influence to be exerted on staff, usurp the function of staff, nor allow staff to usurp the function of trustees.

The Clapman Report 2.0, which updates the original Report, references the comprehensive review performed by CalPERS of its governance policies and states that it “provides an excellent example of a framework for addressing these issues.” With regard to reporting structure, CalPERS Governance Policy, Section 9 *Delegations to Executives and Board Reporting Relationships* states the following six principles:

- A. The Board will have one direct report: The Chief Executive Officer. The Chief Executive Officer is responsible for the overall administration of all units, departments and functions within CalPERS. The Board and the Chief Executive Officer share responsibility for hiring, evaluating and, if necessary, terminating the Chief Investment Officer.
- B. The Board will have long-term Chief Executive Officer and Chief Investment Officer succession planning processes.
- C. The Board will evaluate direct report performance and compensation based on the agreed-upon strategy and performance outcomes and metrics. If the Board is not satisfied with the performance of the Chief Executive Officer, it will discipline or replace him or her, but will not get involved in day-to-day operations.
- D. The Board will have ready access to all executives, and such access will be coordinated by the Chief Executive Officer.
- E. The Board strongly supports an environment where CalPERS staff may engage in impartial, robust, objective and ethical decision-making free of improper influence from individual Board members, executives or third parties. The Board requires implementation of a staff policy regarding impartial decision-making and immediate reporting of instances of undue influence.

- F. The Board and/or its committees will establish a schedule of closed session meetings with selected executives, i.e., those making frequent reports to Board, including the Chief Investment Officer.

The Chief Counsel position has significant obligations and responsibilities to staff and the Boards, and there is not one reporting structure which is clearly superior to the other. Indeed, most of the considerations relating to independence, autonomy, checks and balances can be argued both as an advantage and disadvantage as it relates to the position reporting to the CEO or the Boards. For this reason, it seems the “best practice” with regard to the reporting of the Chief Counsel is selecting a structure that promotes high performance with high integrity.

Summary

The Boards have the authority under Section 31522.4 to change the reporting structure of the Chief Counsel position. There are three possible reporting structures for the Board to consider for the Chief Counsel position: 1) Chief Counsel report to the CEO; 2) Chief Counsel assigned to report jointly to the BOR and BOI; or 3) Chief Counsel report to the CEO and have a formal policy that requires the CEO to seek the input from the Boards with regard to hiring, evaluation and termination.

The purpose of this memorandum is to provide you with some background of the Chief Counsel position at LACERA and to give you feedback as to LACERA staff, other systems practices and best practices. With regard to conflicts, ethics and fiduciary duty, Harvey Leiderman is preparing a separate memorandum covering these issues.

Attachments

c: Robert Hill
James Brekk
Jonathan Gabel
John Popowich
Bernie Buenaflor
Harvey Leiderman
Fern Billingsy
Frank Boyd
Michael Herrera
Christine Roseland
John Nogales
Annette Cleary

October 2, 2017

TO: Each Member,
Board of Investments

Each Member,
Board of Retirement

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: October 11, 2017 Board of Investments Meeting
October 12, 2017 Board of Retirement Meeting

SUBJECT: **REPORT ON WORK PLAN FOR PROPOSAL THAT CHIEF COUNSEL
REPORT JOINTLY TO BOARD OF RETIREMENT AND BOARD OF
INVESTMENTS**

The Joint Organizational Governance Committee (JOGC), on August 28, 2017, directed the JOGC Chair to work with Staff to develop a proposal that LACERA's Chief Counsel report jointly to the Board of Retirement (BOR) and Board of Investments (BOR) (collectively, Boards). This memo reports to the Boards on Staff's work plan with regard to the issue. No action is required at this time.

LEGAL AUTHORITY

A. Chief Counsel Role.

Government Code Section 31529.1 is a LACERA-specific provision providing that the Boards "may elect to secure legal representation, on such matters as the board of retirement or the board of investments may specify, from other than county counsel. The cost of legal representation shall not exceed one-hundredth of 1 percent of system assets in any budget year." Many years ago, under authority of Section 31529.1, the Boards authorized an in house LACERA legal department, led by the Chief Counsel.

The job classification for the Chief Counsel position broadly states that Chief Counsel "Serves as general counsel to the Los Angeles County Employees Retirement Association (LACERA)." The classification provides examples of the essential job functions, including: providing "legal advice during public and closed sessions of" the Boards; providing "advice and assistance on legal problems within the other divisions of LACERA;" conferring "with the Chief Executive Officer, and LACERA management staff;" directing "the work of divisional counsel;" and coordinating "the work of outside counsel." This description captures the broad mandate of the Chief Counsel to advise the Boards and Staff and oversee the resources necessary to accomplish that goal.

Chief Counsel owes a duty to LACERA, as an organization, including the Boards and Staff. LACERA and Staff act in furtherance of the same fiduciary duties described for the Boards under the California Constitution, Article XVI, Section 17 (see below).

B. Appointment of Chief Counsel and Civil Service Status.

Under Government Code Section 31522.4, the Boards may elect to appoint a chief legal officer; the position must be included in the Los Angeles County Salary Ordinance. Appointees under Section 31522.4 need not be subject to the County Civil Service Rules and may serve at the will of the Boards. However, the LACERA Boards elected to delegate their appointing authority under Section 31522.4 to the Chief Executive Officer (CEO); the Boards also determined that the Chief Counsel position is a civil service position subject to the Civil Service Rules.

These decisions are confirmed in the County Code. Section 6.127.040 B 1 of the Los Angeles County Salary Ordinance provides that the CEO is the "Appointing Authority" for the Chief Counsel and other staff; other sections of the Salary Ordinance provide that salary determinations, discipline, and dismissal are functions of the Appointing Authority. The published Class Specification for the Chief Counsel position provides that the Chief Counsel reports to the CEO. The Table of Classes of Positions in Section 6.28.050 of the Salary Ordinance shows that it is a classified position. Classified positions are subject to the Civil Service Rules in Appendix 1 to Title 5 of the County Code.

The Boards have the authority under Section 31522.4 to change the reporting structure. By action of both Boards, and with the approval of the Board of Supervisors as to necessary Salary Ordinance changes, the Chief Counsel may be assigned to report jointly to the BOR and BOI, as proposed. Under Section 31522.4, the Boards also have the authority to change the civil service status of the Chief Counsel by creating a new unclassified position that would be applicable prospectively as to future holders of the Chief Counsel position.

C. Fiduciary Standards.

In considering a change in the Chief Counsel reporting structure, the Boards will exercise their plenary authority and discretion over administration of the system and their fiduciary duties of prudence and loyalty under Article XVI, Section 17 of the Constitution and Government Code Section 31595.

Article XVI, Section 17 provides, in relevant part:

- (a) The retirement board of a public pension or retirement system shall have the sole and exclusive fiduciary responsibility over the assets of the public pension or

retirement system. The retirement board shall also have 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.

(b) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty.

(c) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

Section 31595 contains similar language.

WORK PLAN

The proposed change represents a major shift in LACERA's longstanding governance model. The change affects many existing LACERA governance documents, policies, procedures, and practices. Accordingly, the change should be considered by means of a careful, deliberate, and thorough process that will enable potential issues to be identified, discussed, and addressed up front before the change is effective, if approved, and that is consistent with the Boards' fiduciary duties as outlined above.

Staff has considered the issues involved in the proposed change and will employ the following work plan in evaluating the issues and then presenting the proposal for discussion and action to the JOGC, the LACERA Boards, and ultimately the Board of Supervisors. The tasks and completion dates will be modified as needed based on information obtained as the process moves forward. However, it is reasonable for the Boards to expect that all tasks will be completed in time to permit implementation, if the proposal is approved, on July 1, 2018, which is the beginning of the 2018-2019 fiscal year and is also the beginning of the Staff Evaluation Year:

///

TASK	COMPLETION
<p>Step 1: Staff Analysis</p> <ul style="list-style-type: none"> • The Role of Chief Counsel and the Legal Division • Survey of Peer Systems • 2008 LACERA Fiduciary Review by EnnisKnupp & Associates • Review of Available Literature on Best Practices, including Stanford's Clapman Report on Public Pension Governance, AFSCME Best Pension Practices Report, San Diego City Pension Governance Reports, and Others • Ethics and Conflict of Interest Issues • Review and Analysis of Fiduciary Issues and Implications in Performing Appointing Authority Role <ul style="list-style-type: none"> ○ Independence ○ Checks and Balances • Review of Civil Service Considerations <ul style="list-style-type: none"> ○ New Unclassified Position? • Elements of Appointing Authority's Responsibilities <ul style="list-style-type: none"> ○ Hiring ○ Performance Standards ○ Goals ○ Supervision and Monitoring ○ Evaluation ○ Feedback ○ Compensation Setting ○ Discipline • Ramifications of Dual Board Reporting Structure, Including Coordination of Board Evaluations • Effect on Chief Counsel Supervision of Legal Division Staff, including Administrative Policies and Procedures • Effect on Chief Counsel Responsibilities for Counseling the Boards 	<p>November 2017</p>

<ul style="list-style-type: none"> • Effect on Chief Counsel Responsibilities for Counseling Staff on LACERA Administration, Including Benefits, Disabilities, Investments, Human Resources, Facilities Management, Cybersecurity, Audit, Compliance, and Other Functions of LACERA's Divisions and Business Units • Review and Analysis of Relevant Existing Documents, including Class Specification, JOGC Charter, Board Charters, and Other LACERA and Board Policies and Procedures • Consultation with Legal Division Staff • Consultation with CEO • Consultation with Outside Fiduciary Counsel <ul style="list-style-type: none"> ○ Implications of Fiduciary Counsel Policy 	
<p>Step 2: Draft Supporting Documents</p> <ul style="list-style-type: none"> • Class Specification • Salary Ordinance • JOGC Charter • Board Charters and Other Governance Documents • New Legal Division Charter • New Board Policy Setting Forth Hiring, Supervision, Reporting, Evaluation, and Discipline Standards and Processes • Other Documents, As Needed 	January 2018
<p>Step 3: JOGC Discussion and Recommendation</p>	March 2018
<p>Step 4: BOR and BOI Discussion and Action, If Recommended by JOGC</p> <ul style="list-style-type: none"> • Joint Meeting, which will also include proposed Chief Investment Officer reporting change 	April 2018
<p>Step 5: Board of Supervisors Approval of Salary Ordinance Changes, If Approved by LACERA Boards</p>	June 2018
<p>Step 6: Implementation, If Approved</p>	July 1, 2018

CONCLUSION

Staff believes this plan is prudent and will facilitate full and deliberate consideration of all the issues associated with this major proposed change and a smooth implementation, if

Work Plan re Chief Counsel Reporting Proposal
October 2, 2017
Page 6

the change is approved. Staff will report back to the Boards monthly as to the progress on the work plan.

cc. Robert Hill
James Brekk
Jonathan Grabel
John Popowich
Bernie Buenaflor
Johanna Fontenot
Fern Billingsy
Frank Boyd
Michael Herrera
Christine Roseland
John Nogales
Annette Cleary

Attachment C

Fiduciary Counsel Memorandum

Reed Smith LLP
101 Second Street
Suite 1800
San Francisco, CA 94105-3659
+1 415 543 8700
Fax +1 415 391 8269
reedsmith.com

From: Harvey L. Leiderman
Direct Phone: +1 415 659 5914
Email: HLeiderman@reedsmith.com

To: Joint Organizational Governance Committee of the
Board of Retirement and Board of Investments
Los Angeles County Employees Retirement Association

Date: December 1, 2017

Subject: Reporting Responsibilities of Chief Counsel and Chief Investment Officer

The Joint Organizational Governance Committee (JOGC) is considering the appropriate lines of reporting for the LACERA executive positions of Chief Counsel and Chief Investment Officer. The JOGC has approved a Staff Work Plan for considering the various governance, legal and implementation aspects of the issue for each position. We will endeavor not to repeat Staff's analysis here; rather, the purpose of this Memorandum is to offer a fiduciary perspective as the JOGC considers its recommendations to the two Boards.

Because the considerations applicable to one position can inform our thinking about the other position, we will address them separately but together in this one Memorandum. ¹

CHIEF COUNSEL

LACERA has appointed a Chief Counsel pursuant to Secs. 31522.4 and 31529.1 of the County Employees Retirement Law of 1937, Government Code sections 31450, et seq. (CERL). Although under CERL the Boards are the appointing authority for the Chief Counsel position, the Boards have delegated that authority to the Retirement Administrator (Chief Executive Officer, or CEO), and that delegation is reflected in the County Code adopted by the County Board of Supervisors at Sec. 6.127.040 B 1.

By law and the rules governing the practice of law in California, the client of the Chief Counsel is the retirement system, LACERA, as directed by its "highest authorized ...body." Rule 3-600, CA Rules of Professional Conduct. In the unique case of LACERA, the role of the "highest authorized body" is shared by the Board of Retirement and the Board of Investments. Govt. Code. Sec. 31520.2; *see also*, CERL Sec. 31459.1. Together, the Boards have plenary authority and fiduciary responsibility for administering the retirement system. CA Const. Art. XVI, sec. 17. In connection with their administration of the system, the Boards have chosen to delegate substantial fiduciary responsibilities to attorneys, employed both in the office of the Chief Counsel and in private practice. Govt. Code sec.

¹ In this Memorandum we refer to the job descriptions for the Chief Executive Officer, Chief Counsel and Chief Investment Officer posted on the LACERA website. For convenience, a copy of the CEO job description is attached to this Memorandum; copies of the other two are attached to Staff's Memoranda reporting on the results of its Work Plans.

31529.6. All such attorneys owe a fiduciary responsibility to the system and its members and beneficiaries. Further, the Chief Counsel is a “public official who manages public investments” under section 87200 of the state Political Reform Act (Govt. Code secs. 81000 *et seq.*), with all of the fiduciary obligations that Act imposes.

The right to choose counsel enjoys special recognition under California (and common) law. That choice includes establishing the scope of counsel’s representation. Absent engaging in criminal or unethical activity, a client has an absolute right to instruct counsel on all aspects of counsel’s engagement.

Notwithstanding the Boards’ absolute legal authority to administer the retirement system, as a practical matter the Boards cannot effectively administer the day-to-day operations of a \$50 billion retirement system, with over 160,000 members and a staff of some 430 employees. Nor would it be prudent to try to do so. As high-functioning Boards, you rightly focus your attention on setting overall strategic policy for every aspect of the retirement system, and expect staff to implement those policies on a tactical basis. You then periodically verify that your policies have been effectively carried out by staff.

A critical role of Chief Counsel in a complex public agency like LACERA is to be an advisor and counselor on all aspects of the law applicable to the delegated administration of the retirement system. These responsibilities include serving as a resource on legal and ethical obligations for the administrative staff to whom the Board has delegated day-to-day responsibilities to administer the system, consistent with the Board’s policies and procedures, and the legal requirements applicable to public employee retirement systems in general and LACERA specifically. Those responsibilities span the spectrum from benefit and health care administration, disabilities, investments, premises, security, audit and compliance, federal tax law, litigation, risk management, information technology, contracting, human resources, labor relations, finance, ethics, member, plan and public communications and more. In order to effectively perform these functions, the Chief Counsel manages a Legal Division employing several professionals and supporting staff, all of whom are devoted to “accomplishing the necessary work of the boards.” CERL sec. 31522.1.

In addition, the Chief Counsel performs key services directly for the Boards and its committees. Despite the fact that the Boards and committees meet, at most, only once or twice a month, the role of legal advisor to the Boards and its committees is on-going, both on procedural and substantive matters. Procedural advice includes agenda-setting, preparing minutes, observing procedures and by-laws, advising on open meeting (Brown Act) requirements, and watching for potential conflicts of interest. Substantive counsel includes presenting securities litigation opportunities and updates, advising on member appeals, reporting on staff activities, risk monitoring and mitigation, preparing compliance updates and the like. All of these activities help the Boards discharge their duty of prudence by establishing sound processes designed to assist the Board in exercising its fiduciary oversight role.

In a modern, complex public pension fund, we believe that Chief Counsel's availability as a resource to the staff that administers the fund is every bit as mission critical to the governing boards' ability to prudently administer the system as is providing direct counsel to those boards. Pension administrations that lack a strong and present legal advisor in the "C-suite" often find themselves struggling with fear, uncertainty and doubt over the conduct of their businesses, hampering the ability of the board to manage the system. Member service suffers and errors proliferate. Staff inertia can lead to missed investment opportunities and heightened risks. Boards get hit by costly surprises that have not been adequately anticipated by staff. In our experience a highly trained and accessible in-house chief counsel open and available to retirement staff is an essential resource for successfully fulfilling the board's important fiduciary duties. And where the Boards are also advised by independent Fiduciary Counsel, the opportunity to assure staff of strong and capable legal resources internally can truly improve the overall functioning of the system.

In this manner, Chief Counsel and the Legal Division assist the Boards in carrying out all of their fiduciary duties: The duty to administer the system solely for the benefit of LACERA's members and beneficiaries; the duty to use system assets to pay correct amounts of benefits to those entitled to them, without incurring unreasonable expenses; the duty to follow rules and procedures, checks and balances in order to prudently manage the system; and, of course, the duty to follow the law.

As the Boards consider options for changing the reporting line for the Chief Counsel, we encourage the Boards to clarify what exactly they mean by "reporting." The foregoing discussion focuses on the functional aspects of the Chief Counsel's job. As shown, the Chief Counsel functions as an advisor both to the retirement staff and to the retirement and investment Boards, but always serving the same master. Functionally, the Chief Counsel "reports" to both the CEO, as the chief administrative officer, and to the Boards, as the "highest authorized body" of the retirement system. Regardless of the color, thickness or direction of the particular lines that may appear on the system's organization chart, ultimately LACERA's Chief Counsel already reports to the Boards.²

If by "reporting," however, the intent is to assure the Boards that Chief Counsel will be as responsive to their direction and needs as the position is to the CEO, and will recognize the Boards as the highest authorized bodies of the organization, we think that assurance can be achieved without the time, expense and uncertainty of trying to change the CERL or the County Code. The easiest and most effective change to the current status would be to enhance the Boards' preeminence through a simple change in the Chief Counsel's and CEO's job descriptions. The change would recognize that the Boards seek a closer, more independent and responsive relationship with counsel appointed to advise them and to carry out their fiduciary responsibilities, while not degrading in any manner his or her accessibility or effectiveness with retirement staff. The change could come in the form of (1) an addition to the Chief Counsel's job description,³ and (2) a direction to the CEO that in hiring, firing, compensating and

² Ironically, we note that the current organization chart posted on the LACERA website omits the two Boards entirely. *See*, https://www.lacera.com/about_lacera/organizational_chart.html.

³ Currently the only reference to the Boards in the Chief Counsel's job description is: "Provides legal advice during public and closed sessions of the Board of Retirement and Board of Investments."

evaluating the Chief Counsel, the CEO will consult with the Boards. These changes could be accomplished by action of the Boards alone, since the Boards have complete authority to administer the retirement system, including, ultimately, the evaluation and appointment of the CEO, an at-will position that serves at the pleasure of the Boards. CERL sec. 31522.1; County Code secs. 6.127.020, 6.127.040 E(2)b (“In the case of the retirement administrator, the evaluation shall be in accordance with the procedures established by the board of retirement and board of investments jointly.”) *See also* Division 7 of the Board of Retirement Policies and Procedures Manual.

If this is the Boards’ goal, we would recommend adding the following language to the job description of the Chief Counsel:

Recognizing that the Board of Retirement and Board of Investments are the highest authorized bodies of the retirement system, provides independent advice and assistance on legal issues to the Boards and their members.

And we would recommend adding the following language to the job description of the CEO:

Selects and evaluates LACERA’s Chief Counsel, with the input of the governing Boards.

CHIEF INVESTMENT OFFICER

The Boards have the fundamental fiduciary duties to hold and expend the plan’s funds solely in the interest of the members and beneficiaries, to prudently manage the plan and to diversify the assets so as to minimize the risk of loss and maximize the rate of return. Cal. Const. Art. XVI sec. 17(a), (c), (d). In order to accomplish the necessary work of the fund, the Boards delegate many of their responsibilities to others, reserving to themselves the power and ability to monitor their delegations and make changes in the investment program.

LACERA’s Chief Investment Officer (CIO) has a direct delegation of responsibilities from the Boards. The position is appointed by the two Boards (Govt. Code sec. 31522.4) but primarily serves to execute on the strategic investment plan determined by the Board of Investments. *See*, CIO job description, which identifies the direct relationship with the Board of Investments:

The Chief Investment Officer is regarded as the investments expert for the Board of Investments (Board), acting as advisor on all matters involving the investment or the proposed investment of Los Angeles County Employees Retirement Association (LACERA) assets.

This unclassified position reports to the Chief Executive Officer, LACERA and is found in LACERA and is distinguished by its responsibility for directing the implementation of LACERA’s investment policies and programs adopted by the Board; monitoring and supervising the management of LACERA’s portfolio which includes Fixed Income, Equities, Real Estate, and Alternative Investments and ensuring the efficient utilization of investment funds, in accordance with the policies and decisions of the Board.

The balance of the job description is highlighted by several direct references to the CIO's obligations to the Board of Investments. And unlike the Chief Counsel, the primary work of the CIO is to advise the Board, notwithstanding that "this unclassified position reports to the Chief Executive Officer." The CIO, in conjunction with investment consultants, updates the Board regularly on the performance of the portfolio, the risk/reward balance of the investment program, capital markets projections, peer comparisons, market risks and opportunities, and rebalancing.

The duties of the CIO directly descend from the Board of Investments. Contrast that with the duties of the Chief Counsel, whose responsibilities run both to supporting organizational activities the Boards have delegated to others and supporting the Boards directly.

Public retirement boards frequently reexamine whether the CIO should "report" directly to the board or to the chief executive officer. In our experience, this is more often than not a reflection of the unique interpersonal relationships among the board, the CEO and the CIO – and is usually triggered because something in those relationships has gone awry. Most boards end up where they began, however, with the CIO continuing to report directly to the CEO for organizational management reasons. Once again, we ask the Boards to determine what you would want to accomplish by altering the "reporting" of the LACERA CIO. The CIO is the expert to whom the Board directly delegates its fiduciary responsibilities. Of course, the CIO also oversees and administers an Investment Division with dozens of employees. To this extent the CIO necessarily reports to the CEO as a matter of administrative effectiveness. That the CIO "reports" to the CEO for administrative purposes (personnel and HR needs, facilities needs and management, resources, budgeting and the like) should not detract from the fact that the CIO also "reports" to the Board on the substantive scope of his or her job duties.

Once again, perhaps less is more. Should the Boards seek clearer recognition of the direct line between them and the CIO's responsibilities, with enhanced communication and independence from the CEO on investment affairs, that direction can be added to the CIO's job description. Before proceeding with any material change in reporting, however, we suggest that the Boards consult with the current CIO (who recently accepted the position on the basis of certain understandings) and with the soon-to-be-appointed CEO when that person arrives at LACERA. To a very large extent, we have found that improved communications among pension fund executives is more a function of personality, commitment and desire rather than of organization charts. We think that the "reporting" goal can best be achieved by the Board clearly articulating its expectations directly to the CIO, rather than through formal charts and job descriptions.

We will be available at the December 13, 2017 JOGC meeting to address any questions or comments you may have.



Chief Counsel, LACERA

Class Code:
9216

Bargaining Unit: Non-represented (exempt)

LACERA
Revision Date: Dec 6, 2004

SALARY RANGE

\$13,986.60 - \$21,169.86 Monthly
\$167,839.20 - \$254,038.32 Annually

DEFINITION:

Serves as general counsel to the Los Angeles County Employees Retirement Association (LACERA).

POSITION INFORMATION:

This one position class reports to the Chief Executive Officer and has complete responsibility for planning, directing and evaluating all operations of the Legal Division. This position also carries out special assignments as directed by the Chief Executive Officer.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS:

Provides legal advice during public and closed sessions of the Board of Retirement and Board of Investments.

Formulates and directs the execution of divisional policy and evaluates work accomplished.

Directs the work of divisional counsel in trying civil cases in which LACERA or its officers and employees are parties; assumes responsibility for litigation as may be necessary.

Directs the work of division counsel in drafting contracts, resolutions, opinions, and other documents.

Provides advice and assistance on legal problems within the other divisions of LACERA; confers with the Chief Executive Officer, and LACERA management staff on special legal problems.

Coordinates and oversees the work of outside counsel, verifies and controls fees paid.

Oversees the analysis of State and Federal legislation which may impact LACERA; supervises the drafting of legislation sponsored by LACERA.

Develops the division's goals and directs the preparation of the budget.

As directed by the Chief Executive Officer may attend or serve on outside committees and associations as may benefit LACERA.

REQUIREMENTS:

Demonstrated knowledge, skills, and abilities required in managing a legal division of a local, state, or federal public agency. Demonstrated success in the preparation for and trial of civil suits and the provision of legal advice to government officials. Demonstrated ability to work with elected and appointed officials and agency staff.


LICENSE:


Admission to practice law in all courts of California. 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.


FOR INFORMATION ONLY


October 28, 2019

TO: Each Member
Board of Retirement

FROM: Richard Bendall 
Chief Audit Executive

Leisha Collins 
Principal Internal Auditor

Kathryn Ton 
Senior Internal Auditor

Perla Gonzalez 
Senior Secretary

FOR: November 6, 2019 Board of Retirement Meeting

SUBJECT: NEW ETHICS HOTLINE AND WEB INTAKE SITE PRESENTATION

Internal Audit is pleased to announce the launch of a new ethics hotline and web intake site. The purpose of this presentation is to provide an overview of the new ethics hotline process.

Staff completed an assessment of the ethics hotline in Fiscal Year 2018/19. Rather than rebrand the current ethics hotline, staff decided to use an external provider for the added anonymity and security that it provides. Staff received proposals from three providers and selected NAVEX Global's EthicsPoint after reviewing demonstrations of all three, and determining that EthicsPoint best met LACERA's requirements.

Please find attached the following documents:

1. Ethics Hotline Presentation Deck
2. Ethics Hotline Policy
3. CEO Launch Letter
4. Brochure
5. Campaign Posters

Along with the presentation, staff will be available at the November 6th meeting to address questions the Board may have.

RB:kt

019

NAVEX
GLOBAL®

Ethics Hotline & Web Intake Site

Board of Retirement Meeting

November 6, 2019

PRODUCE
PROTECT

PROVIDE

the promised benefits

10 minutes

1 topic of interest

1 end goal

1

BACKGROUND

Timeline
EthicsPoint
Hotline and Web Intake Site

2

WALKTHROUGH

How to File a Report
How Cases are Handled

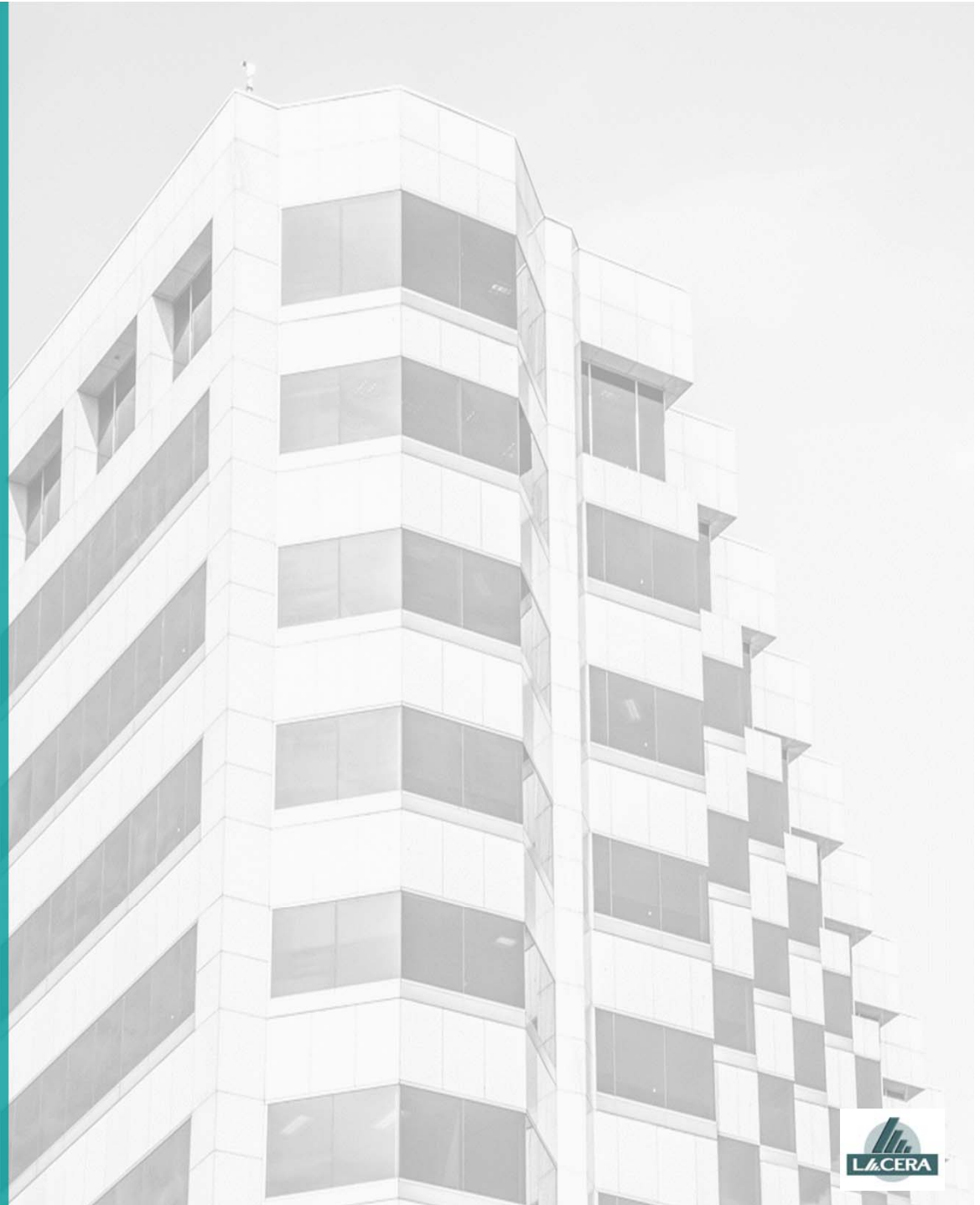
3

ROLLOUT

Awareness Materials
Launch Date

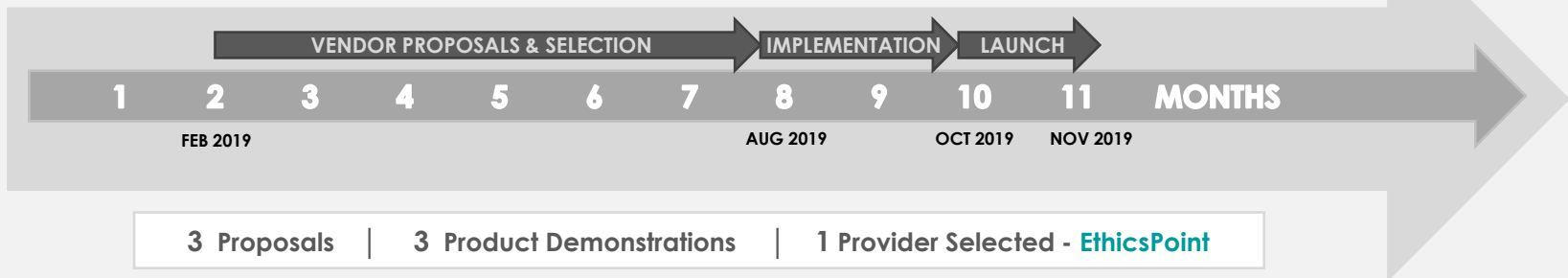
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QUESTIONS



Timeline

Work Plan



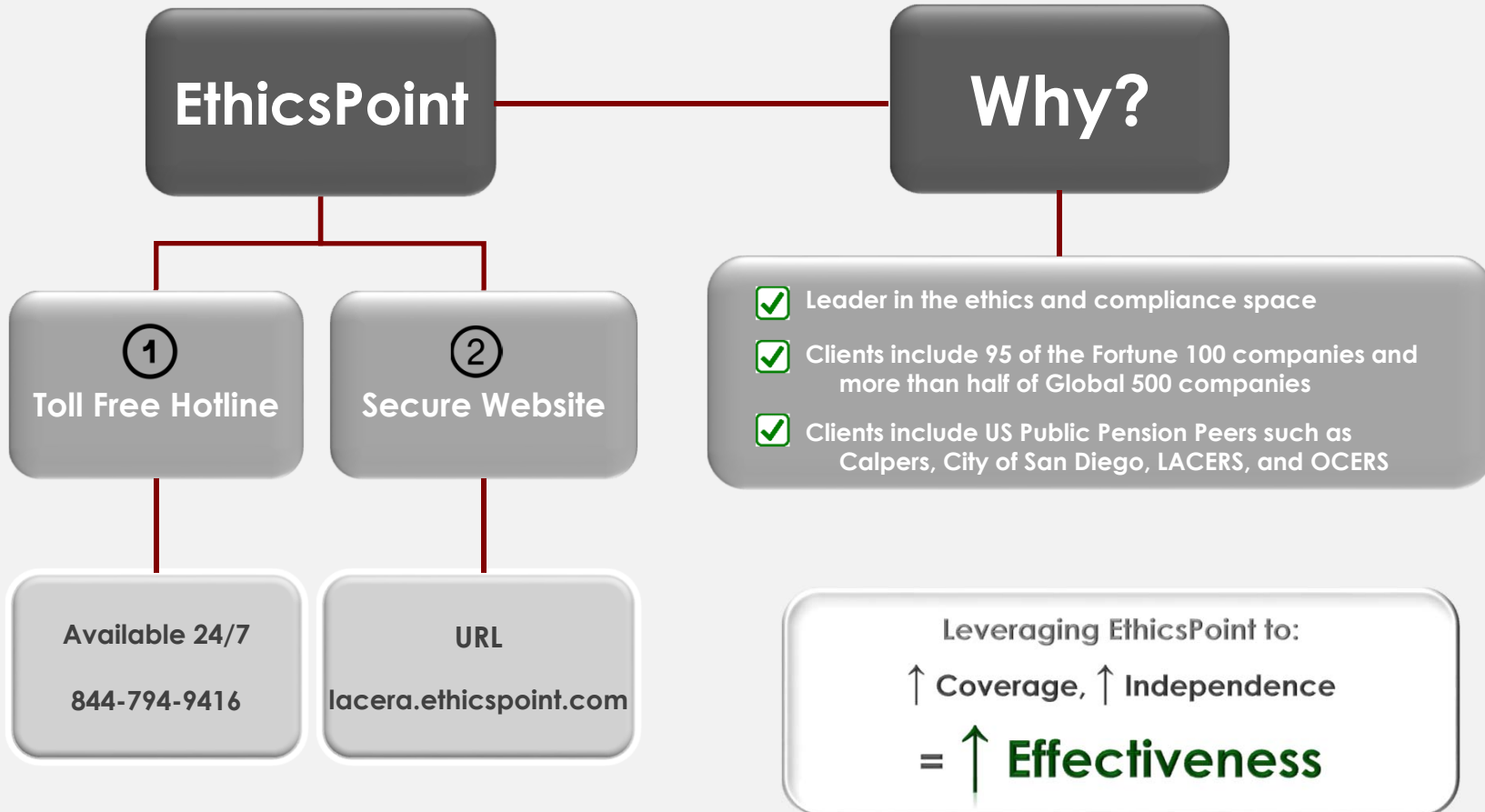
Project Goal

- ✓ To provide a comprehensive and confidential reporting tool to assist LACERA employees in addressing fraud, abuse, and other misconduct in the workplace.

Value To LACERA

- 👍 Provides anonymity to the greatest extent possible
- 👍 Fosters a culture of integrity and ethical decision-making
- 👍 Promotes a positive work environment and maximizes productivity

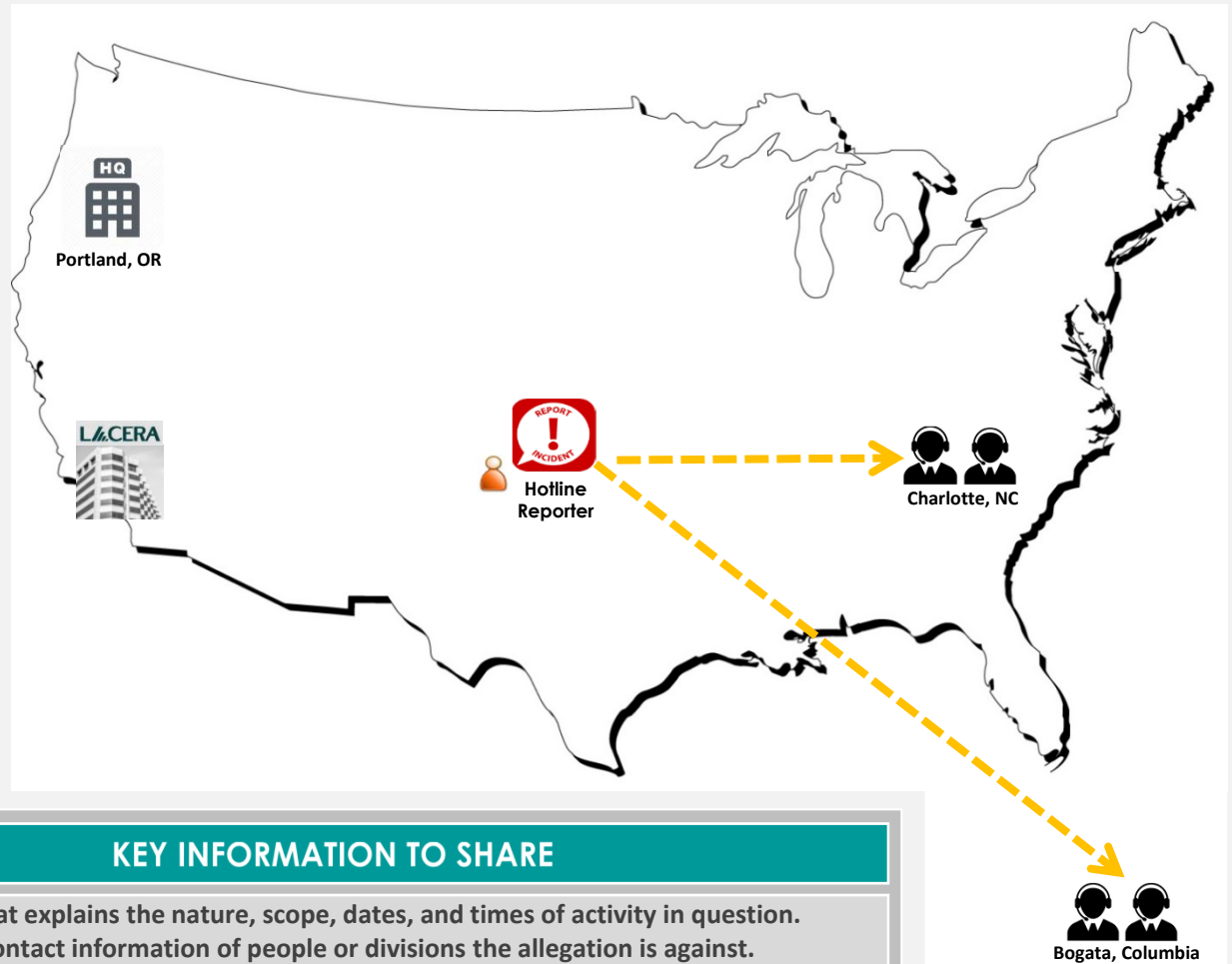
External Service Provider



EthicsPoint Hotline

REPORT TYPES

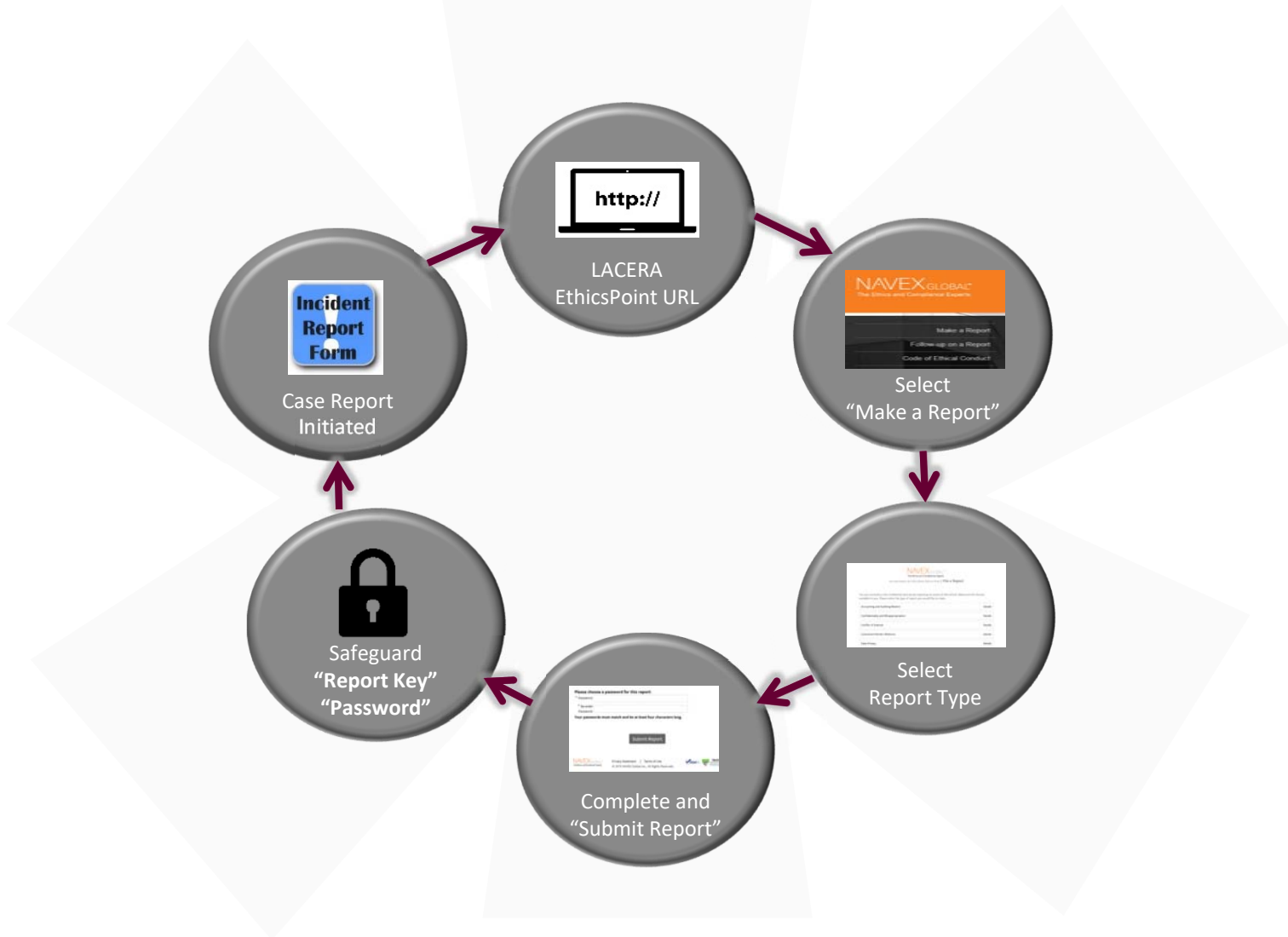
- ✓ Accounting and Auditing Matters
- ✓ Confidentiality and Misappropriation
- ✓ Conflict of Interest
- ✓ Contractor/Vendor Relations
- ✓ Data Privacy
- ✓ Discrimination or Harassment
- ✓ Embezzlement
- ✓ Falsification of Contracts, Reports, or Records
- ✓ Hiring Irregularities
- ✓ Improper Giving or Receiving of Gifts
- ✓ Retaliation
- ✓ Sexual Harassment
- ✓ Substance Abuse
- ✓ Theft
- ✓ Threat or Inappropriate Supervisor Directive
- ✓ Time Abuse
- ✓ Violation of Policy
- ✓ Workplace Violence



KEY INFORMATION TO SHARE

- ✓ Narrative that explains the nature, scope, dates, and times of activity in question.
- ✓ Name and contact information of people or divisions the allegation is against.
- ✓ Other details that may be relevant to the investigation.

EthicsPoint Web Intake Site



Demonstrations



How to "Make a Report"

How Cases are Handled



Rollout

PREVIEW

Awareness Materials

Policy & CEO Letter

Brochure & Banner

Campaign Posters

Ethics Hotline Policy

LACERA



ETHICS HOTLINE POLICY

Responsible Division: Internal Audit

Original Effective Date: November 6, 2019

Last Updated:

Mandatory Review: Biennial

Approval Level: Divisional Policy

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3. POLICY.....	2
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7. MODIFICATIONS.....	4
8. ADMINISTRATION.....	4

1. PURPOSE

The purpose of the Ethics Hotline and Web Intake Site Reporting Policy (Policy) is to enhance the business integrity of LACERA by providing a safe and reliable outlet for staff members to report concerns about possible misconducts or illegal acts. By following this Policy, staff members can raise concerns.

2. POLICY SCOPE

This Policy applies to staff member reports of suspected or known improper conduct, or illegal activity that involve other staff members and parties with whom LACERA has a business relationship.

Rollout

PREVIEW

Awareness Materials

Policy & CEO Letter

Brochure & Banner

Campaign Posters

CEO Launch Letter

LACERA



November 6, 2019

Dear All,

At LACERA, we are dedicated to providing a safe, secure, and ethical workplace. All of us share in this duty. You can do your part by bringing forward your concerns, questions, and suggestions to your manager and supervisor. We encourage open communication. For times when you do not feel comfortable using this or other methods, we have launched a new external phone and web-based reporting system.

The hotline and web intake site is managed by NAVEX Global's EthicsPoint. This system is designed specifically so you can help us ensure safe, secure, and ethical behavior at LACERA. With EthicsPoint, you are able to disclose any concerns you have confidentially and anonymously.

How does EthicsPoint work?	Who should use EthicsPoint?
You make a report with EthicsPoint. Your report can be made in a completely anonymous way.	This is for all employees at LACERA, regardless of position. EthicsPoint is available via both telephone and internet.
What is it for?	How do I access this?
Use EthicsPoint to notify LACERA of any concerns. This is to promote safety, security, and ethical behavior at LACERA. You can remain anonymous if you prefer.	Call 1-844-794-9416 or go to LACERA.ethicspoint.com and select "Make a Report."

Whether you are reporting misconduct or any concerns, we want to hear from you. We value your input, and promise that all reports will be reviewed and responded to in an appropriate manner.

The EthicsPoint system is here to help you and all of us.

Best regards,

Chief Executive Officer

Rollout

PREVIEW

Awareness Materials

Policy & CEO Letter

Brochure & Banner

Campaign Posters

Brochure

ETHICS HOTLINE
(844) 794-9416

ONLINE
lacera.ethicspoint.com

EXPRESS CONCERNS
ASK QUESTIONS
REPORT MISCONDUCT

WHAT IS THE ETHICS HOTLINE?
At LACERA, we maintain an ethics hotline that allows you to safely and anonymously notify LACERA about alleged misconducts and illegal acts.
You are able to report any suspected fraud 24 hours a day, seven days a week by dialing:
(844) 794-9416
or visiting
lacera.ethicspoint.com

WHAT CAN BE REPORTED?
Misconduct is an infraction of County and LACERA policies and procedures. Illegal acts are infractions of the law, state or federal, which are punishable in a court of law.
Below are examples of wrongdoings that should be reported and investigated. These are meant as examples only, and do not constitute the entire range of misconduct or illegal acts that should be reported.

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Any LACERA employee who believes misconduct or illegal acts have occurred or is occurring should file a report.
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Please provide as much information and detail as you possibly can when reporting alleged misconducts. Try to include who, what, when, where, why, and how.

PROTECT OUR VALUES

LACERA ETHICS HOTLINE
CONFIDENTIAL AND ANONYMOUS 24/7

Anonymity
Employees who do not wish to identify themselves can report information anonymously when calling or reporting in writing. Please be assured that if you choose to provide your name and telephone number, the highest level of discretion will be exercised to keep your report confidential to the extent that LACERA can do so without failing to fulfill its legal obligations.

- ▶ Accounting and Auditing Matters
- ▶ Confidentiality and Misappropriation
- ▶ Conflict of Interest
- ▶ Contractor/Vendor Relations
- ▶ Data Privacy
- ▶ Discrimination or Harassment
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- ▶ Falsification of Contracts, Reports or Records
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- ▶ Improper Giving or Receiving of Gifts
- ▶ Retaliation
- ▶ Sexual Harassment
- ▶ Substance Abuse
- ▶ Theft
- ▶ Threat or Inappropriate Supervisor Directive
- ▶ Time Abuse
- ▶ Violation of Policy
- ▶ Workplace Violence

Rollout

PREVIEW

Awareness Materials

Policy & CEO Letter

Brochure & Banner

Campaign Posters

Intranet Banner

Confidential and Anonymous 24/7

PROTECT OUR VALUES
LACERA Ethics Hotline

Express Concerns Ask Questions Report Misconduct

Online: lacera.ethicspoint.com
Phone: (844) 794-9416

Rollout

PREVIEW

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Policy & CEO Letter

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- Time Abuse
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- And More
- Conflicts of Interest
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- Falsification of Contracts, Reports or Records
- And More

Express Concerns
Ask Questions
Report Misconduct

Express Concerns Ask Questions Report Misconduct



QUESTIONS?





ETHICS HOTLINE POLICY

Responsible Division: Internal Audit

Original Effective Date: November 6, 2019

Last Updated:

Mandatory Review: Biennial

Approval Level: Divisional Policy

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1. PURPOSE

The purpose of the Ethics Hotline Policy (Policy) is to enhance the business integrity of LACERA by providing a safe and reliable outlet for staff members to report concerns about possible misconduct or illegal acts. By following this Policy, staff members can raise concerns.

2. POLICY SCOPE

This Policy applies to staff member reports of suspected or known improper conduct, or illegal activity that involve other staff members and parties with whom LACERA has a business relationship.

ETHICS HOTLINE POLICY

November 6, 2019

Page 2 of 4

3. POLICY

LACERA management is responsible for the implementation of procedures and controls designed to prevent, detect, or deter misconduct and illegal acts. Misconduct is an infraction of County and LACERA policies and procedures. Illegal acts are infractions of the law, federal or state, which are punishable in a court of law.

Staff members may follow this Policy to report legitimate, good-faith concerns as it relates to, but is not limited to, the following:

- A suspected violation of our Code of Ethical Conduct
- Use of one's employment or business relationship with LACERA for improper advantage or to the detriment of LACERA, through deliberate misuse or misapplication of LACERA processes, resources, or assets.
- Misappropriation of funds, securities, supplies, or other assets
- Disclosure of confidential or proprietary information to unauthorized parties
- Forgery or alteration of documents or accounts related to LACERA
- Misconduct or illegal acts intended to hinder the detection of above activities
- Other misconduct or illegal acts of any kind.

4. REPORTING AND INVESTIGATION

Staff members are encouraged to report facts and circumstances that they believe may constitute misconduct and illegal acts of any kind by taking one or more of the following actions:

- Discuss the situation with their manager or other LACERA management, including the Executive Office, Internal Audit, and the Legal Division.
- If staff members are not comfortable reporting such conduct to their manager or other LACERA management, or do not feel that their concern is adequately addressed, the following resources are available:
 - **Call the Toll-Free EthicsPoint Hotline (844-794-9416)**
The ethics hotline reinforces LACERA's efforts to ensure integrity, transparency, and accountability in the workplace. The ethics hotline is hosted by EthicsPoint, LACERA's third-party service provider, dedicated to take calls on an anonymous basis 24 hours a day, 7 days a week.

ETHICS HOTLINE POLICY

November 6, 2019

Page 3 of 4

- **File a Report with EthicsPoint (lacera.ethicspoint.com)**

Reports are submitted through a secure server hosted by EthicsPoint, LACERA's third-party service provider. A report should be as detailed as possible, and include all relevant facts, description of relevant documents and other evidence, and the names of individuals and witnesses involved. Staff members may choose to remain anonymous. Staff members will be provided with a "report key" and the ability to enter a "password" so that they can anonymously and confidentially track future actions taken on their report.

LACERA management will be made aware of reports of misconduct or illegal acts in the workplace so they may investigate and take such other steps as deemed appropriate.

This Policy does not prevent staff members from reporting information to federal or state law enforcement agencies. Reports to federal or state law enforcement agencies may be made instead of or in addition to reporting to LACERA directly.

Management will acknowledge receipt of reports promptly, either directly to the complaining party if known or through the EthicsPoint website for anonymous reports within five to six business days.

All reports will be taken seriously. Actions taken will depend on the individual facts and circumstances of each report. Please note that the information provided may be the basis of an investigation into the issues reported and your anonymity will be protected to the extent possible by law.

5. HANDLING REPORTS

Reports submitted through EthicsPoint will be handled as follows:

- All reports are reviewed under the direction and oversight of LACERA's Chief Counsel and Chief Audit Executive, both of whom will involve other appropriate LACERA personnel and external resources, as he or she deems appropriate. If either the Chief Counsel or Chief Audit Executive is implicated in the report, then the incident will be reviewed by the Director of Human Resources, who will assign the case to the appropriate division heads for investigation. Investigations will be conducted without regard to the suspected wrongdoer's position, title, length of service, or relationship with LACERA.
- The Chief Audit Executive will notify the Audit Committee periodically on the number of reports received and status of pending investigations.

ETHICS HOTLINE POLICY

November 6, 2019

Page 4 of 4

6. NO RETALIATION

Retaliation is in general defined as any kind of negative action against staff members that takes the form of punishment, and creates a hostile, threatening and uncomfortable environment as a result of their reporting a complaint. LACERA, as a matter of policy and in accordance with applicable law, prohibits and does not tolerate retaliation against staff members for reporting under this Policy in good faith or otherwise cooperating in an investigation. Staff members that are found to have retaliated will be subject to disciplinary action that may result in termination.

7. MODIFICATIONS

LACERA reserves the right to change or modify provisions of this Policy at any time as it may deem necessary.

8. ADMINISTRATION

The Internal Audit Division, with the assistance of LACERA's Chief Counsel, Director of Human Resources, and other authorized division heads, are responsible for the administration of this Policy. Employment-related concerns should continue to be reported through the normal channels as outlined in the Anti-Discrimination, Harassment and Retaliation Policy. This Policy replaces the Illegal Acts and Misconduct Policy. Should staff members have any questions on this Policy or delegation of authority, please contact the Internal Audit Division.



November 6, 2019

Dear All,

At LACERA, we are dedicated to providing a safe, secure, and ethical workplace. All of us share in this duty. You can do your part by bringing forward your concerns, questions, and suggestions to your manager and supervisor. We encourage open communication. For times when you do not feel comfortable using this or other methods, we have launched a new external phone and web-based reporting system.

The hotline and web intake site is managed by NAVEX Global's EthicsPoint. This system is designed specifically so you can help us ensure safe, secure, and ethical behavior at LACERA. With EthicsPoint, you are able to disclose any concerns you have confidentially and anonymously.

<i>How does EthicsPoint work?</i>	<i>Who should use EthicsPoint?</i>
You make a report with EthicsPoint. Your report can be made in a completely anonymous way.	This is for all employees at LACERA, regardless of position. EthicsPoint is available via both telephone and internet.
<i>What is it for?</i>	<i>How do I access this?</i>
Use EthicsPoint to notify LACERA of any concerns. This is to promote safety, security, and ethical behavior at LACERA. You can remain anonymous if you prefer.	Call 1-844-794-9416 or go to LACERA.ethicspoint.com and select " Make a Report. "

Whether you are reporting misconduct or any concerns, we want to hear from you. We value your input, and promise that all reports will be reviewed and responded to in an appropriate manner.

The EthicsPoint system is here to help you and all of us.

Best regards,

Chief Executive Officer

ETHICS HOTLINE

(844) 794-9416

ONLINE

lacera.ethicspoint.com

EXPRESS CONCERNS

ASK QUESTIONS

REPORT MISCONDUCT



**PROTECT
OUR VALUES**

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LACERA
**ETHICS
HOTLINE**
CONFIDENTIAL AND ANONYMOUS 24/7

WHAT IS THE ETHICS HOTLINE?

At LACERA, we maintain an ethics hotline that allows you to safely and anonymously notify LACERA about alleged misconducts and illegal acts.

You are able to report any suspected fraud 24 hours a day, seven days a week by dialing:

(844) 794-9416

or visiting

lacera.ethicspoint.com

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PROTECT OUR VALUES LACERA Ethics Hotline

Confidential and Anonymous 24/7

Online: lacera.ethicspoint.com

Phone: (844) 794-9416

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- ▶ Workplace Violence
- ▶ Hiring Irregularities
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- ▶ Conflicts of Interest
- ▶ Data Privacy
- ▶ Falsification of Contracts, Reports or Records
- ▶ And More

**Express Concerns
Make Inquiries
Report Misconduct**

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

LACERA

WE PRODUCE, PROTECT, AND PROVIDE THE PROMISED BENEFITS

PROTECT OUR VALUES

LACERA Ethics Hotline

Confidential and Anonymous 24/7

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- ◆ Time Abuse
- ◆ Workplace Violence
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- ◆ Conflicts of Interest
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- ◆ *And More*

ALERT US ABOUT MISCONDUCT

FOR INFORMATION ONLY

October 24, 2019

TO: Each Member
Board of Retirement
Board of Investments

FROM: Barry W. Lew
Legislative Affairs Officer

FOR: November 6, 2019 Board of Retirement Meeting
November 20, 2019 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

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

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachment

LACERA Legislative Report

cc: Steven P. Rice
John Popowich
Jon Gabel
Anthony J. Roda, Williams & Jensen
Joe Ackler, Ackler & Associates

LACERA Legislative Report
2019-2020 Legislative Session
Status as of October 24, 2019

File name: CERL-PEPRA-2019

CA AB 472	AUTHOR: TITLE: INTRODUCED: SUMMARY:	Voepel [R] Public Employees' Retirement 02/11/2019 Makes nonsubstantive changes to existing law which prescribes limits on service after retirement without reinstatement into the applicable retirement system.
	STATUS: 02/11/2019 Staff_Action:	INTRODUCED. Monitoring
CA AB 664	AUTHOR: TITLE: INTRODUCED: LAST AMEND: SUMMARY:	Cooper [D] County Employees' Retirement: Permanent Incapacity 02/15/2019 03/13/2019 Requires, for purposes of determining permanent incapacity of certain members employed as peace officers in Sacramento County, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer. Requires the Board of Retirement to develop a method of tracking the costs of providing permanent disability retirement to the members who become eligible for disability retirement.
	STATUS: 06/26/2019 Comments:	In SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT: Not heard.
	BOR_Position: IBLC_Recommendation: Staff_Recommendation:	Oppose 06/05/2019, Support 05/01/2019 Support 04/11/2019 Watch
CA AB 979	AUTHOR: TITLE: INTRODUCED: SUMMARY:	Reyes [D] Judge's Retirement System II: Deferred Retirement 02/21/2019 Authorizes a judge who is a member of the Judge's Retirement system to retire upon attaining both 63 years of age and 15 or more years of service, or when a judge who has accrued at least 5 years of service and who has not received specified discipline is defeated for reelection.
	STATUS: 04/24/2019 Comments:	In ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Not heard.
	Staff_Action:	Monitoring
CA AB 1198	AUTHOR: TITLE:	Stone [D] Public Employees' Retirement: Pension Reform

INTRODUCED: 02/21/2019

LAST AMEND: 03/21/2019

SUMMARY:

Excepts transit workers hired before a specified date, from the Public Employees' Pension Reform Act, or PEPRA, by removing the federal district court contingency language from the provision excepting certain transit workers from PEPRA.

STATUS:

04/24/2019 In ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Not heard.

Comments:

The bill affects those retirement systems whose members include transit workers and whether they are subject to PEPRA.

Staff_Action: Monitoring

CA SB 430

AUTHOR: Wieckowski [D]

TITLE: Public Employees Retirement Benefits: Judges

INTRODUCED: 02/21/2019

LAST AMEND: 05/17/2019

SUMMARY:

Relates to the State Public Employees' Pension Reform Act of 2013. Grants a judge who was elected to office in a specific year the option of making a one-time, irrevocable election to have a membership status prior to a certain date in the Judges' Retirement System II for service accrued after a certain date.

STATUS:

06/26/2019 In ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Not heard.

Staff_Action: Monitoring

CA SB 783

AUTHOR: Labor, Public Employment & Retirement Cmt

TITLE: County Employees Retirement Law of 1937

INTRODUCED: 03/07/2019

SUMMARY:

Corrects several erroneous and obsolete cross references within the County Employees Retirement Law of 1937.

STATUS:

05/16/2019 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

Comments:

The bill will be forwarded to the SACRS member systems for review and voting instructions for approval at the SACRS 2019 Fall Conference.

Staff_Action: Monitoring

File name: Federal-2019

US HR 141

SPONSOR: Davis R [R]

TITLE: Government Pension Offset Repeal

INTRODUCED: 01/03/2019

SUMMARY:

Amends Title II of the Social Security Act; repeals the Government pension offset and windfall elimination provisions.

STATUS:

01/31/2019 In HOUSE Committee on WAYS AND MEANS: Referred to

Subcommittee on SOCIAL SECURITY.
BOR_Position: Support 04/11/2019
IBLC_Recommendation: Support 03/14/2019
Staff_Recommendation: Support

US HR 1994

SPONSOR: Neal [D]
TITLE: Retirement Savings
INTRODUCED: 03/29/2019
SUMMARY:

Amends the Internal Revenue Code; encourages retirement savings.

STATUS:

05/23/2019 In HOUSE. Considered under the provisions of Rules Committee Resolution H. Res. 389.

05/23/2019 In HOUSE. Passed HOUSE. *****To SENATE. (417-3)

Comments:

Also known as the SECURE Act, the bill would increase the age for required minimum distributions from 70 1/2 to 72, which would require conforming amendments to CERL.

Staff_Action: Monitoring

US HR 3934

SPONSOR: Brady K [R]
TITLE: Windfall Elimination Provision Replacement
INTRODUCED: 07/24/2019
SUMMARY:

Amends Title II of the Social Security Act; replaces the windfall elimination provision with a formula equalizing benefits for certain individuals with non-covered employment.

STATUS:

07/24/2019 INTRODUCED.

07/24/2019 To HOUSE Committee on WAYS AND MEANS.

Staff_Action: Monitoring

US HR 4540

SPONSOR: Neal [D]
TITLE: Non Covered Employment Social Security Provision
INTRODUCED: 09/27/2019
SUMMARY:

Provides an equitable Social Security formula for individuals with non covered employment; provides relief for individuals currently affected by the Windfall Elimination Provision.

STATUS:

09/27/2019 INTRODUCED.

09/27/2019 To HOUSE Committee on WAYS AND MEANS.

Staff_Action: Monitoring

US S 521

SPONSOR: Brown S [D]
TITLE: Government Pension Offset Repeal
INTRODUCED: 02/14/2019
SUMMARY:

Amends Title II of the Social Security Act; repeals the Government pension offset and windfall elimination provisions.

STATUS:

02/14/2019 INTRODUCED.

02/14/2019 In SENATE. Read second time.

02/14/2019 To SENATE Committee on FINANCE.
BOR_Position: Support 04/11/2019
IBLC_Recommendation: Support 03/14/2019
Staff_Recommendation: Support

File name: Other-2019

CA AB 199	AUTHOR: Calderon I [D] TITLE: California Online Notary Act of 2019 INTRODUCED: 01/10/2019 SUMMARY: Allows a notary public or an applicant for appointment as a notary public to register with the Secretary of State to be an online notary public by submitting an application for registration that meets certain requirements. Authorizes an online notary public to perform notarial acts, and online notarizations by means of audio-video communication. Establishes various requirements applicable to an online notary public. STATUS: 04/23/2019 In ASSEMBLY Committee on JUDICIARY: Not heard. BOR_Position: Oppose 08/07/2019 IBLC_Recommendation: Support 07/11/2019 Staff_Recommendation: Support
CA AB 287	AUTHOR: Voepel [R] TITLE: Public Employees' Retirement: Annual Audits INTRODUCED: 01/28/2019 SUMMARY: Requires each state and local pension or retirement system to post a concise annual audit of the investments and earnings of the system on that system's internet website no later than the ninetieth day following the audit's completion. STATUS: 02/07/2019 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT. BOR_Position: Support 05/01/2019 IBLC_Recommendation: Support 04/11/2019 Staff_Recommendation: Neutral
CA AB 1212	AUTHOR: Levine [D] TITLE: Public Employees' Retirement: Pension Fund INTRODUCED: 02/21/2019 LAST AMEND: 08/12/2019 SUMMARY: Requires a state agency that is responsible for infrastructure projects to produce a list of priority infrastructure projects for funding consideration by the retirement boards, as described, and to provide it to them. Requires a state agency also to provide further project information to a board upon request. Defines a state agency for these purposes as the Department of Transportation and the Department of Water Resources. STATUS: 10/09/2019 Vetoed by GOVERNOR. Staff_Action: Monitoring
CA AB 1332	AUTHOR: Bonta [D] TITLE: Sanctuary State Contracting and Investment Act

INTRODUCED: 02/22/2019

LAST AMEND: 04/29/2019

SUMMARY:

Provides for the Sanctuary State Contracting and Investment Act. Requires the Department of Justice to publish a list on its internet website, based on specified criteria, of each person or entity that, in the opinion of the Department of Justice, is providing data broker, extreme vetting, or detention facilities support to any federal immigration agency. Prohibits an agency from entering into a contract with an entity that appears on the list except under certain circumstances.

STATUS:

05/16/2019 In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

Comments:

As amended on 4/10/2019, the bill exempts contracts and agreements related to administration and investments of retirement benefits.

Staff_Action: Monitoring

CA AB 1400

AUTHOR: Kamlager-Dove [D]

TITLE: Employment Safety: Firefighting Equipment: Mechanics

INTRODUCED: 02/22/2019

LAST AMEND: 09/06/2019

SUMMARY:

Requires the Commission on Health and Safety and Workers' Compensation, in partnership with the County of Los Angeles and relevant labor organizations, to submit a study on the risk of exposure to carcinogenic materials and incidence of occupational cancer in mechanics who repair and clean firefighting vehicles in the County of Los Angeles.

STATUS:

10/10/2019 Chaptered by Secretary of State. Chapter No. 2019-717

Comments:

As amended on 7/2/2019, the bill no longer relates to a cancer presumption but would require a study on exposure to carcinogens and incidence of occupational cancer as well as adoption of related regulations. The LA County Board of Supervisors removed its support of the bill and has taken no position.

BOR_Position: No_Position 08/07/2019

IBLC_Recommendation: Watch, Watch 07/11/2019

Staff_Recommendation: Watch

CA SB 343

AUTHOR: Pan [D]

TITLE: Healthcare Data Disclosure

INTRODUCED: 02/19/2019

LAST AMEND: 08/12/2019

SUMMARY:

Eliminates alternative reporting requirements for certain plans or insurers. Requires instead that those entities report information consistent with any other health care service plan, health insurer, or health facility, as appropriate. Eliminates the authorization for hospitals to report specified financial and utilization data to the Office of Statewide Health Planning and Development.

STATUS:

09/05/2019 Chaptered by Secretary of State. Chapter No. 2019-247

BOR_Position: Watch 08/07/2019

IBLC_Recommendation: No_Position 07/11/2019

Staff_Recommendation: No_Position

CA SJR 3

AUTHOR: Wilk [R]
TITLE: Social Security Act
INTRODUCED: 03/04/2019

SUMMARY:

Requests the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

STATUS:

08/19/2019 Chaptered by Secretary of State.
08/19/2019 Resolution Chapter No. 2019-129
BOR_Position: Support 05/01/2019
Staff_Recommendation: Support

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**FOR INFORMATION ONLY**

October 31, 2019

TO: Each Member
Board of Retirement
Board of Investments

FROM: Beulah Auten, CPA, CGFM, CGMA *EW FOR*
Chief Financial Officer

SUBJECT: **MONTHLY EDUCATION & TRAVEL REPORT – SEPTEMBER 2019**

Attached, for your review, are the Board and Staff Education & Travel Reports as of September 2019. These reports include travel (i.e., completed and canceled) during Fiscal Year 2019-2020.

REVIEWED AND APPROVED:

Steven P. Rice
Chief Counsel

BA/EW/krh

Attachment

c: J. Popowich
K. Hines

**BOARD EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2019 - 2020
SEPTEMBER 2019**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein			
A	1 Edu - PPI 2019 Summer Roundtable - Chicago IL	07/10/2019 - 07/12/2019	Attended
B	- Edu - NACD Southern California Chapter Luncheon - Los Angeles CA	09/10/2019 - 09/10/2019	Attended
Vivian Gray			
B	- Admin - SACRS Program Committee and SACRS Board of Directors Meeting - Sacramento CA	07/15/2019 - 07/16/2019	Attended
	- Admin - SACRS Legislative Committee - Sacramento CA	07/19/2019 - 07/19/2019	Attended
	- Edu - SACRS Public Pension Investment Management Program - Berkeley CA	07/22/2019 - 07/24/2019	Attended
James Harris			
B	- Edu - CALAPRS Principles of Pension Governance - Malibu CA	08/26/2019 - 08/29/2019	Attended
Shawn Kehoe			
A	1 Edu - IAFCI Annual Training Conference & Exhibitor Show - Raleigh NC	08/26/2019 - 08/30/2019	Attended
X	- Edu - National Association of Corporate Directors - Global Board Leaders' Summit - Washington D.C. MD	09/21/2019 - 09/24/2019	Canceled
Wayne Moore			
A	1 Edu - PPI 2019 Summer Roundtable - Chicago IL	07/10/2019 - 07/12/2019	Attended
	2 Edu - 2019 Council of Institutional Investors (CII) Fall Conference - Minneapolis MN	09/16/2019 - 09/18/2019	Attended
Gina Sanchez			
A	1 Edu - Oxford Impact Measurement Program - Oxford, United Kingdom	07/15/2019 - 07/19/2019	Attended
	2 Edu - 2019 Council of Institutional Investors (CII) Fall Conference - Minneapolis MN	09/16/2019 - 09/18/2019	Attended
	3 Edu - National Association of Corporate Directors - Global Board Leaders' Summit - Washington D.C. MD	09/21/2019 - 09/24/2019	Attended
Herman Santos			
A	1 Edu - 2019 Latin America Private Equity & Venture Capital Association Summit and Investor Roundtable and LAVCA Venture Investors Annual Meeting - New York NY	09/23/2019 - 09/26/2019	Attended
Gina Zapanta-Murphy			
B	- Edu - SACRS Public Pension Investment Management Program - Berkeley CA	07/22/2019 - 07/24/2019	Attended
	- Edu - Network Ethnic Physician Organizations (NEPO) Summit - Pasadena CA	08/23/2019 - 08/24/2019	Attended

Category Legend:

- A - Pre-approved conferences and conferences not listed in Attachment C of the LACERA Education and Travel Policy.
- B - Administrative conferences and/or local educational conferences that do not require common carrier travel and lodging totaling less than \$1,500.
- C - Events pending receipt of reimbursement claim.
- X - Canceled events for which expenses have been incurred.

**STAFF EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2019 - 2020
SEPTEMBER 2019**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Administrative Services				
Holly Henderson	1	Edu - GFOA Budgeting Best Practices: Budget Monitoring - Sacramento CA	09/16/2019 - 09/18/2019	Attended
Kimberly Hines	1	Edu - GFOA Budgeting Best Practices: Budget Monitoring - Sacramento CA	09/16/2019 - 09/18/2019	Attended
Benefits				
Sylvia Botros	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Dmitriy Khaytovich	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Linda Moss	1	Edu - 38th ISCEBS Employee Benefits Symposium - New Orleans CA	09/08/2019 - 09/11/2019	Attended
Communications				
Sarah Scott	1	Edu - Writing Compelling Digital Copy as part of the UX Conference - Chicago IL	09/12/2019 - 09/12/2019	Attended
Disability Litigation Services				
Eugenia Der	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Jason Waller	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Disability Retirement Services				
Ricki Contreras	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Amabelle Delin	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Melena Sarkisian	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Maria Silva	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Executive Offices				
John Popowich	1	Edu - GFOA Budgeting Best Practices: Budget Monitoring - Sacramento CA	09/16/2019 - 09/18/2019	Attended

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Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Financial & Accounting Services				
Ana Chang	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Esther Chang	1	Edu - Association of Government Accountants (AGA) 2019 Professional Development Training (PDT) - New Orleans LA	07/21/2019 - 07/24/2019	Attended
Margaret Chwa	1	Edu - CALAPRS Fall Accountants Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Chona Labtic-Austin	1	Edu - Association of Government Accountants (AGA) 2019 Professional Development Training (PDT) - New Orleans LA	07/21/2019 - 07/24/2019	Attended
Alyce Provencio	1	Edu - CALAPRS Fall Accountants Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Gloria Rios	1	Edu - CALAPRS Fall Accountants Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Imelda Saldivar	1	Edu - CALAPRS Fall Accountants Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Canceled
Felisa Valdepenas	1	Edu - Association of Government Accountants (AGA) 2019 Professional Development Training (PDT) - New Orleans LA	07/21/2019 - 07/24/2019	Attended
Edward Wong	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Human Resources				
Roberta Van Nortrick	1	Edu - Society of Corporate Compliance and Ethics (SCCE) Annual Meeting - Washington D.C. (National Harbor, MD)	09/15/2019 - 09/18/2019	Attended
Internal Audit				
Nathan Amick	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
	2	Edu - Association of Public Pension Fund Auditors (APPFA) - Lake Tahoe CA	09/27/2019 - 09/30/2019	Attended
Richard Bendall	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
	2	Edu - Enterprise Risk Management (ERM) Pension Peer Group - Sacramento CA	09/22/2019 - 09/25/2019	Attended
Leisha Collins	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
	2	Edu - Association of Public Pension Fund Auditors (APPFA) - Lake Tahoe CA	09/27/2019 - 09/30/2019	Attended
Christina Logan	1	Edu - Association of Public Pension Fund Auditors (APPFA) - Lake Tahoe CA	09/27/2019 - 09/30/2019	Attended
Kristina Sun	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Gabriel Tafoya	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Summy Voong	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Investments				
Didier Acevedo	1	Admin - Due Diligence of Illiquid Credit Finalist Managers - New York, NY and Chicago, IL	08/27/2019 - 08/29/2019	Attended

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Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Didier Acevedo	2	Edu - 2019 Latin America Private Equity & Venture Capital Association Summit and Investor Roundtable and LAVCA Venture Investors Annual Meeting - New York NY	09/23/2019 - 09/26/2019	Attended
Kevin Bassi	1	Admin - Due Diligence of Clarion Partners - Seattle WA	08/08/2019 - 08/08/2019	Canceled
David Chu	1	Admin - GGV Capital Limited Partner Advisory Committee Roundtable and Private Limited Partner Reception - San Francisco CA	07/25/2019 - 07/25/2019	Attended
	2	Admin - Due diligence on potential and existing managers (MBK Partners, BRV China, Joy Capital); and attend Lilly Asian Ventures annual investor meeting. - Singapore; Hong Kong; Shanghai, China	09/18/2019 - 09/27/2019	Attended
	3	Edu - SuperReturn Asia Conference. - Hong Kong, China	09/23/2019 - 09/26/2019	Attended
Esmeralda Del Bosque	1	Edu - 2019 Alternative Investments Forum (AIF) Women Investor's Forum - New York NY	09/09/2019 - 09/10/2019	Attended
	2	Edu - Investment Operations Forum at CalSTRS - Sacramento CA	09/24/2019 - 09/24/2019	Attended
	3	Admin - Meeting with State Street - Sacramento CA	09/24/2019 - 09/24/2019	Attended
Jon Grabel	1	Edu - Public CIO Forum - Detroit MI	09/17/2019 - 09/18/2019	Canceled
	2	Edu - Institutional Limited Partners Association (ILPA) 3rd Annual CIO Symposium - Cambridge MA	09/25/2019 - 09/25/2019	Attended
Dale Johnson	1	Admin - Due Diligence with Prospective Manager - Plano TX	08/20/2019 - 08/20/2019	Attended
	2	Edu - 2019 Council of Institutional Investors (CII) Fall Conference - Minneapolis MN	09/16/2019 - 09/18/2019	Attended
John Kim	1	Edu - Investment Operations Forum at CalSTRS - Sacramento CA	09/24/2019 - 09/24/2019	Attended
	2	Admin - Meeting with State Street - Sacramento CA	09/24/2019 - 09/24/2019	Attended
Derek Kong	1	Admin - Due Diligence on potential managers and existing managers (Alchemy SOF, Triton, LivingBridge) - London, England; Paris, France; Amsterdam, Netherlands; Zurich, Switzerland	09/18/2019 - 09/26/2019	Attended
Vache Mahseredjian	1	Admin - Due Diligence of Illiquid Credit Finalist Managers - New York, NY and Chicago, IL	08/27/2019 - 08/29/2019	Attended
John McClelland	1	Edu - Pension Real Estate Association (PREA) Leadership Summit. - West Sacramento CA	09/10/2019 - 09/10/2019	Canceled
Michael Romero	1	Admin - Gateway Empire Industrial site inspection. - Riverside CA	09/25/2019 - 09/25/2019	Attended
David Simpson	1	Admin - Vinci Partners Annual General Meeting and Limited Partner Advisory Committee. Due diligence with potential manager and meet with existing managers (Incline Equity, Sterling IP, Clarion, and One Rock). - New York, NY; Pittsburgh, PA; Westport, CT	09/25/2019 - 09/27/2019	Attended
Chad Timko	1	Admin - Due Diligence with Prospective Manager - Plano TX	08/20/2019 - 08/20/2019	Attended

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Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Chad Timko	2	Admin - Due Diligence of Illiquid Credit Finalist Managers - New York, NY and Chicago, IL	08/27/2019 - 08/29/2019	Attended
Scott Zdrazil	1	Admin - Council of Institutional Board and Committee meetings - Washington D.C.	07/31/2019 - 08/01/2019	Attended
	2	Admin - Principles for Responsible Investment Private Equity Advisory Committee Meeting - Paris, France	09/08/2019 - 09/09/2019	Attended
	3	Edu - Annual PRI in Person Conference - Paris, France	09/10/2019 - 09/12/2019	Attended
	4	Admin - Council of Institutional Investors (CII) Board of Directors Meeting - Minneapolis MN	09/16/2019 - 09/18/2019	Attended
Legal Services				
Frank Boyd	1	Edu - CALAPRS Course in Retirement Disability Administration - Oakland CA	09/19/2019 - 09/19/2019	Attended
Member Services				
Carlos Barrios	1	Edu - 38th ISCEBS Employee Benefits Symposium - New Orleans CA	09/08/2019 - 09/11/2019	Attended
Jacqueline Boute	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Renee Copeland	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Beatriz Daryaie	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Alejandro Ochoa	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Persian Petrov	1	Edu - CALAPRS Benefits Roundtable - Oakland CA	09/20/2019 - 09/20/2019	Attended
Jeff Shevlowitz	1	Edu - 38th ISCEBS Employee Benefits Symposium - New Orleans CA	09/08/2019 - 09/11/2019	Attended
QA & Metrics				
Derwin Brown	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Flora Zhu	1	Edu - ATD Certificate Program - Train the Trainer - Orlando FL	07/08/2019 - 07/10/2019	Attended
Retiree Healthcare				
Tionna Fredericks	1	Edu - IIA Institute of Internal Auditors 2019 International Conference - Anaheim CA	07/07/2019 - 07/10/2019	Attended
Kathy Migita	1	Edu - AHIP National Conferences on Medicare, Medicaid & Dual Eligibles - Washington, D.C.	09/23/2019 - 09/26/2019	Attended
	2	Admin - Annual Kaiser Due Diligence - Washington D.C. MD	09/27/2019 - 09/28/2019	Attended
Cassandra Smith	1	Edu - AHIP National Conferences on Medicare, Medicaid & Dual Eligibles - Washington, D.C.	09/23/2019 - 09/26/2019	Attended
	2	Admin - Annual Kaiser Due Diligence - Washington D.C. MD	09/27/2019 - 09/28/2019	Attended



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Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Systems				
James Brekk	1	Edu - IAFCI Annual Training Conference & Exhibitor Show - Raleigh NC	08/26/2019 - 08/30/2019	Attended
	2	Edu - Cyber Threat Intelligence Leadership Forum - Orlando FL	09/16/2019 - 09/17/2019	Attended
Irwin Devries	1	Admin - LACERA Co-location Lan Migration to new circuit - Mesa AZ	08/28/2019 - 08/28/2019	Attended



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**



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