

IN PERSON & VIRTUAL BOARD MEETING

***This meeting will be held following
the Committee scheduled prior.**



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit the above link and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

Attention: If you have any questions, you may email PublicComment@lacera.com. If you would like to make a public comment during the board meeting, review the [Public Comment instructions](#).

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

AGENDA

A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, OCTOBER 2, 2024*

This meeting will be conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953 (f).

Any person may view the meeting in person at LACERA's offices or online at <https://LACERA.com/leadership/board-meetings>.

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

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953 (f)
 - A. Just Cause
 - B. Action on Emergency Circumstance Requests
 - C. Statement of Persons Present at AB 2449 Teleconference Locations
- IV. APPROVAL OF THE MINUTES
 - A. Approval of the Minutes of the Regular Meeting of September 4, 2024
- V. PUBLIC COMMENT

(Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit <https://LACERA.com/leadership/board-meetings> and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

V. PUBLIC COMMENT (Continued)

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Board. Oral comment requests will be accepted up to the close of the Public Comment item on the agenda.

If you select written comment, please input your written public comment or documentation on the above link as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email PublicComment@lacera.com.)

VI. EXECUTIVE UPDATE

- A. LACERA All Stars
- B. Member Spotlight
- C. Chief Executive Officer's Report

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

VIII. CONSENT ITEMS

A. **2024 Audit, Compliance, Risk, and Ethics (ACRE) Committee Charter**

Recommendation as submitted by Debbie Martin, Chair, Audit Committee: That the Board approve and adopt the 2024 Audit, Compliance, Risk, and Ethics (ACRE) Committee Charter.
(Memo dated September 23, 2024)

B. **Ethics and Compliance Program Charter**

Recommendation as submitted by Debbie Martin, Chair, Audit Committee: That the Board approve the proposed Ethics and Compliance Program Charter. (Memo dated September 23, 2024)

C. **Ethics and Compliance Program Foundational Work Plan**

Recommendation as submitted by Debbie Martin, Chair, Audit Committee: That the Board review and approve the proposed Ethics and Compliance Program Foundational Work Plan.
(Memo dated September 23, 2024)

VIII. CONSENT ITEMS

D. **Vendor Recommendation: Legal Matter Management Software Solution**

Recommendation as submitted by JP Harris, Chair, Operations Oversight Committee: That the Board authorize staff to engage with LawVu to provide software and implementation services to configure, customize, and implement a Legal Matter Management Solution for the Legal Division at a first-year cost of \$118,791 (implementation cost of \$45,220 and licensing fee of \$73,571), with three one-year renewal options at the same licensing fee. The total four-year cost is \$340,044. (Memo dated September 17, 2024)

E. **Pensionability Analysis under CERL and PEPRRA for New Pay Items**

Recommendation as submitted by Jean J. Kim, Senior Staff Counsel and Zachary Meth, Staff Counsel: That the Board 1) Approve the recommendations set forth to each of the pay items; and 2) Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA to implement such determinations when calculating final compensation for legacy and PEPRRA members. (Memo dated September 24, 2024)

F. **Appeals for the Board of Retirement's Meeting**

Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board grant the appeals and requests for administrative hearing received from Dennis P. Finn and DRC-2407-02063 and direct the Disability Retirement Services Manager to refer each case to a referee. (Memo dated September 19, 2024)

G. **Ratification of Service Retirement and Survivor Benefit Application Approvals**

Recommendation that the Board approve the service retirements and survivor benefit applications received as September 24, 2024, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated September 24, 2024)

IX. EXCLUDED FROM CONSENT ITEMS

X. NON-CONSENT ITEMS

A. **2025 STAR COLA Program Cost**

Recommendation as submitted by Ted Granger, Chief Financial Officer: That the Board 1) Decide whether or not to award a STAR COLA for Program Year 2025, and 2) If a benefit is approved, determine whether the STAR COLA benefits will be on an ad-hoc basis at a cost of \$154,000 for a one-year addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level effective for calendar year 2025, or 3) If a benefit is approved, determine whether the STAR COLA benefits will be on a permanent basis at a cost of \$1,595,000 for a lifetime addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level effective January 1, 2025.

(Memo dated September 23, 2024)

B. **Request to Recognize the National Association of Counties as an Organization Authorized to Receive Deductions from Retiree Benefit Payments**

Recommendation as submitted by JJ Popowich, Assistant Executive Officer: That the Board:

1) Recognize the National Association of Counties (NACo), by their relationship with the Retired Employees of Los Angeles County (RELAC), as an organization providing health related insurance programs and other services consistent with those authorized under Section 31452.5 of the County Employees Retirement Law of 1937 (CERL), regardless of the number of enrollees;

2) Authorize staff to formalize an agreement with NACo, and waive the requirements to meet condition 3 of the Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants to Assessments from Retiree Warrants, to allow members to pay premiums for various insurance services via deductions from monthly benefit payments;

3) Direct staff to require NACo to present to LACERA a Payroll Deduction Authorization Agreement (provided by LACERA) for each member enrolling in and requesting to make a payment to NACo, and that such payments will be deposited in a MetLife managed account

X. NON-CONSENT ITEMS (Continued)

since MetLife is providing the actual services with NACo as third-party administrator;

4) Authorize staff to mail related materials to retired members at RELAC's request and expense and subject to LACERA review under the Policy Governing Retired Membership Mailing Services and CERL Section 31592.6, regardless of the number of prior mailings, and

5) Approve the transitional plan for RELAC members receiving benefits from the Pacific Group Agency (PGA), the former business partner of RELAC, offering similar insurance and related benefits, based on whether such benefits are or are not eligible for continuing deductions under Section 31452.5 and LACERA is provided a new member authorization. (Memo dated September 23, 2024)

C. **Approval of LACERA and SEIU MOU Bargaining Units 850 and 851 – Amendment and Tentative Agreement**

Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer: That the Board direct management to join the Represented Staff Members in signing the Memorandums of Understanding (MOU) amendment incorporating the Tentative Agreements for LACERA Administrative, Technical, Clerical, and Blue-Collar Bargaining Unit (Unit 850) and LACERA Supervisory Bargaining Unit (Unit 851) and request administrative approval from the Los Angeles County Board of Supervisors.

(Memo dated September 26, 2024)

D. **Non-Represented and Management Staff Salary Adjustments**

Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer: That the Board approve salary adjustments for Non-Represented and Managerial Appraisal and Performance Plan (MAPP) Classifications at levels consistent as those granted to Represented Staff Members, and direct Management to request administrative approval from the Los Angeles County Board of Supervisors. (Memo dated September 26, 2024)

XI. REPORTS

A. **LACERA's Rehired Retiree Program Audit Fiscal Year Ended June 30, 2023, and 2024**

Debbie Martin, Audit Committee Chair

(For Information Only) (Memo dated September 20, 2024)

B. **Report of Revised Pay Items**

Jean J. Kim, Senior Staff Counsel

Zachary Meth, Staff Counsel

(For Information Only) (Memo dated September 24, 2024)

C. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated September 24, 2024)

D. **Monthly Trustee Travel & Education Report – August 2024**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated September 20, 2024)

E. **September 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated September 23, 2024)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

XII. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting.)

XIII. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

XIV. GOOD OF THE ORDER

(For Information Purposes Only)

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

- A. Applications for Disability

XVI. 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 Daniel Gordon, Steven Arnold, Michael
Jackson, and Brian Nicholson

(Memo dated September 18, 2024)

XVII. ADJOURNMENT

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

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of 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 Trustees 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 and will also be posted on lacera.com at the same time, [Board Meetings | LACERA](#).

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

MINUTES OF A REGULAR MEETING OF THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, SEPTEMBER 4, 2024

This meeting was conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953 (f).

TRUSTEES PRESENT:

Shawn R. Kehoe, Chair (Alternate Safety) (Teleconference Due to Just Cause under Section 54953 (f))

Nancy Durazo

Elizabeth Ginsberg

Vivian H. Gray

Jason E. Green

JP Harris (Alternate Retired)

Wayne Moore

Antonio Sanchez

TRUSTEES ABSENT:

Ronald Okum, Secretary

Les Robbins, Vice Chair

David Ryu

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Jon Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Dr. Glenn Ehresmann, Medical Advisor

Francis J. Boyd, Senior Staff Counsel

Jean Kim, Senior Staff Counsel

Allison Barrett, Senior Staff Counsel

Vincent Lim, Disability Litigation Manager

Ted Granger, Chief Financial Officer

Barry W. Lew, Legislative Affairs Officer

Carly Ntoya, Human Resources Director

Tamara Caldwell, Disability Retirement Manager

Milliman Consultants

Craig Glyde, Consulting Actuary

Robert Schmidt, Consulting Actuary

Janet Jennings, Consulting Actuary

CavMac

Alisa Bennett, Consulting Actuary

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Durazo led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

- A. Just Cause
- B. Action on Emergency Circumstance Requests
- C. Statement of Persons Present at AB 2449 Teleconference Locations

A physical quorum was present at the noticed meeting location. There was a request received from Trustee Kehoe to participate by teleconference for Just Cause (C) Physical Disability. Trustee Kehoe confirmed that there were no individuals 18 years or older present at the teleconference location.

IV. APPROVAL OF THE MINUTES

- A. Approval of the Minutes of the Regular Meeting of August 7, 2024

Trustee Gray made a motion, Trustee Moore seconded, to approve the Minutes of the Regular Meeting of August 7, 2024. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore

Abstain: Sanchez

Absent: Okum, Ryu

V. PUBLIC COMMENT

Applicant Terry F. Stevenson (5429B) addressed the Board regarding her disability application.

VI. EXECUTIVE UPDATE

- A. LACERA All Stars

Mr. Popowich announced the winners for the month: Rosetta Chang,

VI. EXECUTIVE UPDATE (Continued)

A. LACERA All Stars

Brittany Moyer, Maritza Perez, and Carla Quezada. The Web Watcher winner was Indee Brooke and Liping Li was the Rideshare winner.

B. Member Spotlight

Mr. Popowich recognized LACERA member, Irma Guerrero.

C. Chief Executive Officer’s Report

Mr. Kreimann provided a brief presentation on the Chief Executive Officer’s Report and answered questions from the Board.

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement

Service-Connected Disability Applications

On a motion by Trustee Kehoe, seconded by Trustee Harris, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

APPLICATION NO.

NAME

447E

MATTHEWS, SCOTT P.

448E

ORTIZ, VINCENT D.

449E

FLUMERFELT, THANH

450E*

STEWART, TRACY D.

451E

MORA, ALDRIN A.

452E

CASAS, CRUZ

453E

AREVALO, ARMANDO J.

454E

COMPARAN, BEATRIZ

455E

GORSKI, BRIAN S.

456E

WALLER WILSON,

CORREY J.

457E

GIPSON, PATRICK L.

*Granted SCD – Employer Cannot Accommodate

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
458E	BRYNE, CHRISTINA L.
459E	ROTH, HANNAH R.
460E	CABRERA, RONALD C.
461E	NALE, DOUGLAS R.
462E	SHACKELFORD, BETSY S.
463E	CHIRINO, ALEXANDER
464E*	CHAVEZ, RAYMOND A., II
465E	STEELE, JOHN M.
466E*	ROBLES, JESSICA J.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Harris, Kehoe, Moore, Sanchez

Absent: Okum, Ryu

Safety Fire, Lifeguards
Service-Connected Disability Applications

On a motion by Trustee Green, seconded by Trustee Harris, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

<u>APPLICATION NO.</u>	<u>NAME</u>
1867B	PEREZ, CARLOS
1868B	RAYGOZA, RAPHAEL
1869B	QUALLS, CHARLES R.
1870B*	ZERMENO, PILAR S.
1871B	HAMBURG, PATRICK A.
1872B**	HALEY, CHASE A.

*Granted SCD – Retroactive

**Granted SCD – Salary Supplement

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards (Continued)
Service-Connected Disability Applications

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

General Members
Service-Connected Disability Applications

On a motion by Trustee Gray, seconded by Trustee Harris, the Board of Retirement made a motion to approve a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

<u>APPLICATION NO.</u>	<u>NAME</u>
2793C*	MONTGOMERY, NINA R.
2794C**	MORENO, DOLORES
2795C	RODRIGUEZ, GARY C.
2796C**	BYRD, STEFANIE W.
2797C*	ALLEN, KENNETH A.
2798C*	GARCIA, JENNIFER M.
2799C*	FOLLINGS, FLOYD M., JR.
2800C**	STURDIVANT, DELBRA
2801C	HEITZ, VIRGINIA A.
2802C	RIVERA-BLUE, LOURDES M.
2803C***	HATCHER, COREY D.
2804C*	HODGES, RICKEY A., JR.
2805C	DOSTA, JOHN C.
2806C	HORAN, ROBERT G.
2807C	CHAPPLE, AYOKA J.

*Granted SCD – Employer Cannot Accommodate

**Granted SCD – Retroactive Employer Cannot Accommodate

***Granted SCD – Retroactive

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members (Continued)
Service-Connected Disability Applications

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

General Members
Nonservice-Connected Disability Applications

On a motion by Trustee Gray, seconded by Trustee Harris, the Board of Retirement made a motion to approve a nonservice-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

<u>APPLICATION NO.</u>	<u>NAME</u>
4504*	ESTRADA, MARTHA B.
4505	ZEIGLER, ROBERT C.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

VIII. CONSENT ITEMS

Trustee Harris made a motion, Trustee Moore seconded, to approve consent items A, C-E.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

*Granted NSCD - Retroactive

VIII. CONSENT ITEMS (Continued)

A. **Ratify Chief Negotiator – Irma Rodriguez Moisa**

Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board ratify Irma Rodriguez Moisa to serve as LACERA’s Chief Negotiator for negotiations with Service Employees International Union (SEIU) Local 721. (Memo dated August 21, 2024)

B. **H.R. 5241 – Governmental Plans**

Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt an “Oppose” position on H.R. 5241, which would enable full-time first responders employed by nonprofit public safety agencies to participate in governmental pension plans. (Memo dated August 19, 2024)

Trustee Kehoe made a motion, Trustee Harris seconded, that, on consent item B, the Board adopt a “Watch” position on H.R. 5241.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

C. **Pensionability Analysis Under CERL and PEPRA for New Pay Items**

Recommendation as submitted by Jean J. Kim, Senior Staff Counsel: That the Board 1) Approve the recommendation as to each of the pay items; and 2) Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA implement such determinations when calculating final compensation for legacy and PEPRA members. (Memo dated August 15, 2024)

D. **Service Provider Invoice Approval Request – Winet Patrick Gayer Creighton & Hanes**

Recommendation as submitted by Francis J. Boyd, Senior Staff Counsel, Legal Office: That the Board approve the service provider invoice for Winet Patrick Gayer Creighton & Hanes. (Memo dated August 8, 2024 – Attachment is Non-Public and Exempt from

VIII. CONSENT ITEMS (Continued)

Disclosure as Private Information and Exempt from Disclosure under California Government Code Sections 7927.700, 54957.5(a))

E. **Ratification of Service Retirement and Survivor Benefit Application Approvals**

Recommendation that the Board approve the service retirements and survivor benefit applications received as of August 28, 2024, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated August 28, 2024)

IX. EXCLUDED FROM CONSENT ITEMS

Item VIII. B. was pulled for further discussion.

X. NON-CONSENT ITEMS

A. **2025 STAR COLA Program Cost**

Recommendation as submitted by Ted Granger, Chief Financial Officer: (1) That the Board of Retirement make public at its meeting on September 4, 2024, the cost of approving an award under the ad-hoc and permanent STAR COLA Program in 2025 at an 80% benefit level. If a benefit is approved, the projected cost for the ad-hoc STAR COLA award is \$154,000, while the cost for awarding a permanent STAR COLA is \$1,595,000 as determined by LACERA's consulting actuary, Milliman; and (2) Direct staff to place this item on the Board of Retirement's October agenda to decide at that time whether or not to award a STAR COLA for Program Year 2025, and if awarded, determine whether the STAR COLA benefits will be ad-hoc or permanent. (Presentation) (Memo dated August 26, 2024)

A brief presentation was provided, and staff answered questions from the Board. Trustee Harris made a motion, Trustee Gray seconded, to approve staff's recommendation.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

X. NON-CONSENT ITEMS (Continued)

B. **2023 Actuarial Valuation of the Los Angeles County Other Post Employment Benefits (OPEB) Program**

Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer and Ted Granger, Chief Financial Officer: That the Board approve the July 1, 2023, Los Angeles County OPEB Program Actuarial Valuation Report prepared by LACERA's consulting actuary, Milliman. (Memo dated August 21, 2024)

Trustee Harris made a motion, Trustee Gray seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

C. **Vendor Recommendation: Global Relay e-Discovery Solution**

Recommendation as submitted by Chait Errande, Information Security Officer and Kathy Delino, Chief of Information Technology: That the Board authorize staff to engage with Global Relay Archive to provide eDiscovery services for LACERA. The term of the contract is for 5 years where there would be a one-time setup fee of \$8,480 and monthly recurring costs of \$10,240. The total cost over the term of the contract of 5 years is \$622,880.

(Presentation) (Memo dated August 28, 2024)

Trustee Kehoe made a motion, Trustee Sanchez seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

X. NON-CONSENT ITEMS (Continued)

- D. **Revised Policy for the Procurement of Goods and Services**
Recommendation as submitted by Ricki Contreras, Administrative Services Division Manager, and Elsy Gutierrez, Administrative Services Supervising Administrative Assistant II: That the Board of Retirement adopt the Revised Policy for the Procurement of Goods and Services. (Memo dated August 9, 2024)

Trustee Kehoe made a motion, Trustee Harris seconded, to approve staff's recommendation with the inclusion of adding guidelines for reporting of contracts under \$500,000 to the Board. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

- E. **Ratification of Reciprocal Disability Retirements**
Recommendation as submitted by Louis Gittens, Benefits Manager: That the Board approve the reciprocal disability retirement for deferred members Jesse M. Nordquist, Jeffrey W. Cross, and Jaime Lopez who were found to be disabled by the current reciprocal agency for the performance of their duties and have met the burden of proof. (Memo dated August 20, 2024)

Trustee Moore made a motion, Trustee Green seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

- F. **Assembly Bill 2284 - Compensation**
Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board discuss whether to reconsider its "Oppose" position on Assembly Bill 2284, which would authorize a retirement system to define "grade" for the purposes of determining compensation earnable. (Memo dated August 28, 2024)

X. NON-CONSENT ITEMS (Continued)

Trustee Kehoe made a motion, Trustee Green seconded, to rescind the prior motion, which was to “Oppose”.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

Trustee Kehoe made a motion, Trustee Green seconded, to approve a “Watch” position and direct staff to correct the board’s previous actions related to the opposition of bill.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

XI. REPORTS

The following items were received and filed.

A. **Report of Revised Pay Items**

Jean J. Kim, Senior Staff Counsel

(For Information Only) (Memo dated August 20, 2024)

B. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated August 22, 2024)

C. **Semi-Annual Interest Crediting for Reserves as of June 30, 2024 (Unaudited)**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated July 23, 2024)

XI. REPORTS (Continued)

D. **Monthly Trustee Travel & Education Reports – July 2024; Quarterly Trustee Travel & Education Reports - 4th Quarter Fiscal Year 2024; Quarterly Staff Travel & Education Reports - 4th Quarter Fiscal Year 2024**

Ted Granger, Chief Financial Officer

(For Information Only) (Memos dated August 23, 2024)

E. **August 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated August 23, 2024)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

XII. ITEMS FOR STAFF REVIEW

Regarding Item X. A 2025 STAR COLA Program Cost, Trustee Kehoe requested staff to agendize a future discussion regarding the STAR COLA Program and future funding options.

Regarding Item X. B 2023 Actuarial Valuation of the Los Angeles County OPEB Program, Trustee Kehoe requested that a future presentation be provided to the Board on the funding ratio and how LACERA can enhance OPEB funding.

XIII. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XIV. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME AND BOARD ACTION

5429B - STEVENSON, TERRY F.*

*Applicant Present

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME AND BOARD ACTION

Trustee Sanchez made a motion, Trustee Gray seconded, to grant a nonservice-connected disability retirement with the option of an earlier effective date pursuant to Government Code Sections 31720 and 31724.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

5430B - FINN, DENNIS P.

Trustee Gray made a motion, Trustee Moore seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

5431B - SALAS, JUAN A.

Trustee Moore made a motion, Trustee Harris seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720 and deny a service-connected disability salary supplemental allowance.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME AND BOARD ACTION

5432B - DRC-2407-02063

Trustee Moore made a motion, Trustee Gray seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

5433B - CONTRERAS, EUGENE R.

Trustee Kehoe made a motion, Trustee Harris seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Harris, Kehoe, Moore, Sanchez

Absent: Okum, Ryu

5434B - SIERAKOWSKI, JASON M.

This application was pulled for further development.

5267B - MUNOZ, LESLIE M. (DEC'D)

Trustee Moore made a motion, Trustee Harris seconded, to deny service-connected survivor benefits.

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME AND BOARD ACTION

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

5417B - LOFTON-THOMAS, DEMICHA L.

Trustee Kehoe made a motion, Trustee Green seconded, to grant a nonservice-connected disability retirement.

Trustee Green made a substitute motion, Trustee Harris seconded, to refer back to staff for further development.

Trustee Gray made a second substitute motion, Trustee Moore seconded, to grant a service-connected disability retirement.

The second substitute motion failed by the following roll call vote:

Yes: Gray, Moore, Sanchez

No: Gray, Moore, Harris, Ginsberg

Absent: Okum, Ryu

The first substitute motion to refer back to staff for further development passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Moore, Sanchez

Absent: Okum, Ryu

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Disability Retirement Appeals

SANDRA CORRAL* – Thomas Wicke for the Applicant
Eugenia Der for the Respondent

Trustee Kehoe made a motion, Trustee Moore seconded, to deny a service-connected disability retirement.

Trustee Kehoe made a substitute motion, Trustee Green seconded, to refer back to staff for further development.

The substitute motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Harris, Sanchez

No: Moore

Absent: Okum, Ryu

XVI. EXECUTIVE SESSION

A. Conference with Labor Negotiators
(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives:
Chief Negotiator Irma Rodriguez Moisa, Carly Ntoya, Santos H. Kreimann, Luis Lugo, Laura Guglielmo, JJ Popowich, Annette Cleary, and Jasmine Bath

Employee Organization: SEIU Local 721

There was nothing to report.

XVII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:09 p.m.

RONALD OKUM, SECRETARY

SHAWN R. KEHOE, CHAIR





Recognizing Our Members' Service and Accomplishments

LACERA has over 100,000 active members working across dozens of L.A. County Departments, many of whom proudly dedicate their entire careers to serving the community. Read about one of our long-serving members and his journey toward retirement.



Pre-Retirement Member Tristan Biller

Union Journeyman Carpenter

Facilities Department, LAC USC Medical Center

Years of Service: 20+ years

Retirement Date: March 2025

MEMBER SPOTLIGHT

Notable Contributions and Service: Tristan has worked for the medical center's emergency department for over 20 years on a bio-hazmat team, choosing to stay at the level of journeyman carpenter so that he could continue to work with tools.

Proudest accomplishments: Pushing his skills to their limit and sculpting and welding actively outside of work.

Retirement Plans: He is looking forward to retiring in March 2025 and continuing to sculpt and surf. He believes that these are not hobbies, but a way of life. Tristan is focused on connecting with others through his art, and looking to gain exposure for his work.





September 24, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

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

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – OCTOBER 2024**

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

2024 General Member Election Update

The 2024 Board of Retirement and Board of Investments election season for the Third Member of the Board of Retirement and the Third Member of the Board of Investments concluded on August 31, 2024. LACERA congratulates Aleen Langton on being elected to fill both the positions on the Board of Retirement and the Board of Investments. The final confirmation of the election results is pending Board of Supervisors approval. The Board of Supervisors is scheduled to ratify the results at its October 22, 2024 meeting.

We have included an election wrap up memo as an appendix to this report.

Management Offsite

The Executive Office has confirmed the date and location of our management offsite. The offsite will be held at the Huntington in San Marino, CA on November 19, 2024. The theme of the offsite is, Course Chartered: Navigating to Our Goal. The focus for the Management Offsite will be to share, collaborate, and engage attendees on our progress towards accomplishing the objectives outlined within LACERA's 2023-2028 Strategic Plan and identify opportunities for improvement.

Board Room Upgrade

LACERA's existing Board Room, located on the 8th floor of the headquarters building, has very limited seating capacity. The dais is crowded, especially during joint board and joint committee meetings, and there is insufficient space for the audience with nearly every meeting being at full capacity. This limits staff and the public's ability to attend meetings of the boards and committees. Expanding the existing space on the 8th floor is possible but not without disruption to the operation of the two boards for many months.

Recently the bank that occupied space on the ground floor across from our Member Service Center vacated its space early. Staff has conducted a preliminary assessment of the space, and we believe it may provide a viable solution to the problem identified above. The ground floor space would allow for greater accessibility for members and members of the public who may wish to attend meetings, especially those individuals with disabilities, while also allowing for greater safety.

Staff plans to utilize a space planning architectural consultant to assist us in developing a potential plan or plans, cost estimates and timelines, and we anticipate bringing our recommendations to the Joint Organizational Governance Committee and the Boards by December. Prior to developing such a proposal, staff plans to solicit Trustee feedback via survey about this potential project to determine preferences and requirements which will be incorporated in the resulting recommendation.

Status on County Litigation

In October 2021, at the direction of the Boards, LACERA filed a lawsuit in Los Angeles Superior Court against the County of Los Angeles and the County Board of Supervisors regarding LACERA's plenary authority as an independent fiduciary to set classifications and salaries for its personnel. LACERA is a separate public agency from the County and provides independent administration of the County pension system, including its assets and the payment of benefits. LACERA seeks a court order confirming LACERA's authority and implementing critical personnel actions approved by the LACERA Boards that the County has blocked from becoming effective. In December 2022, the Superior Court denied LACERA's petition.

LACERA filed an appeal with the Second District Court of Appeal, which was decided in LACERA's favor in June 2024.

The County filed a petition for review in the California Supreme Court, which remains pending. The Supreme Court has informed the parties that a decision on the petition for review will be made on or before October 31, 2024. If review is granted, additional briefing and oral argument will be required before a final decision is made. If review is denied, the Court of Appeal's opinion will stand.

Retiree Healthcare

Anthem Blue Cross Potential Provider Contract Ending

Staff recently received notification from our Anthem Blue Cross account management team informing LACERA that HCA Healthcare (HCA) has issued a notice to terminate its Contracting Hospital Agreement. According to the notification received, it is Anthem Blue Cross's intent to reach reasonable contractual language and reimbursement rates that are beneficial to both organizations.

Unfortunately, as of the time of this report, Anthem Blue Cross and HCA have been unable to reach an agreement and it appears that Anthem's commercial hospital contract with HCA may terminate effective October 1, 2024. HCA Healthcare is comprised of the

below-referenced hospitals. The number alongside the facility noted below reflects the member impact for LACERA retirees' utilization from July 2023 through June 2024.

Good Samaritan Hospital – 0 members
Los Robles Regional Medical Center – 22 members
Regional Medical Center San Jose – 0 members
Riverside Community Hospital – 9 members

The below listed entities are also included in the termination:

Golden State Providers, a Medical Corp.
Bascom Surgery Center
Endoscopy Center of Silicon Valley
Los Gatos Surgical Center
Los Robles Surgical Center
Silicon Valley Surgery Center

Anthem mailed pre-termination letters to the non-exclusive admitting PPO physicians who maintain privileges/affiliations with the HCA hospitals. The letters inform their Anthem contracted providers about the pending termination and encourage them to seek alternate admitting privileges at other participating hospitals if necessary.

Anthem will also send letters to the impacted members who utilized any of the above facilities within the last 12 months if an agreement is not reached and the contract terminates.

Lifetime Maximum Benefit: Enhanced Coverage for Anthem I, II, and Prudent Buyer Plans

We are pleased to announce that the County of Los Angeles and the Los Angeles County Employees Retirement Association (LACERA) have collaborated to enhance the coverage of the Anthem I, II, and Prudent Buyer plans. Effective July 1, 2025, the Lifetime Maximum Benefit (LMB) for these plans will increase from \$1 million to \$1.5 million.

This significant improvement underscores our mutual commitment to providing comprehensive and robust health coverage for our retirees. For those who are nearing or have reached the previous LMB, this increase offers much-needed financial relief and ensures continued access to essential healthcare services.

LACERA's mission is to produce, protect, and provide the promised benefits to our members. By increasing the LMB, we are taking a proactive step to align with our mission, ensuring that our retirees receive the medical care they deserve.

The County of Los Angeles and LACERA are dedicated to regularly reviewing the annual experience study of these health plans. This ongoing evaluation will allow us to make necessary adjustments to the LMB, with the final goal of eliminating the cap altogether, thus ensuring that our health plans remain responsive to the needs of our retirees.

We believe that this enhancement will significantly benefit our retirees, providing them with greater peace of mind and financial security.

LACERA Hosts Successful “Staying Healthy Together” Fall Conference

On Tuesday, September 24, 2024, we proudly hosted the “Staying Healthy Together” Fall Conference at the Carson Event Center in Carson, CA. The event was a resounding success, with over 400 retirees in attendance, all eager to learn more about maintaining their health and well-being in retirement.

We extend our gratitude to our health plan carriers—Anthem, Kaiser Permanente, United Healthcare, Scan, Cigna, and CVS Caremark—for their generous sponsorship and active participation. Their presence and support were instrumental in making this event a valuable experience for all retirees.

We also want to express our sincere thanks to our LACERA staff and our healthcare consultant, Segal, for their exceptional project management support and assistance throughout the event. Their expertise and dedication ensured the smooth execution of the conference.

LACERA’s mission is to empower our members to enjoy a healthy and secure retirement. This conference was a testament to that mission, providing retirees with the resources and information they need to stay healthy and active.


Thank you to everyone who attended and contributed to the success of the “Staying Healthy Together” Fall Conference. We look forward to continuing our efforts to support the health and well-being of our members.



Appendix 1

DATE: September 23, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: JJ Popowich 
Assistant Executive Officer, Member Operations Group

SUBJECT: General Active Member Elections 2024 Wrap Up Report

The 2024 Board of Retirement and Board of Investments election season, for the Third Member of the Board of Retirement and the Third Member of the Board of Investments, concluded on August 31, 2024. Initial results were subsequently announced in mid-September and are reflected below by seat. The next step will be the Board of Supervisors' ratification of the election results, expected to be at the October 22, 2024, meeting.

Preliminary General Members Election:

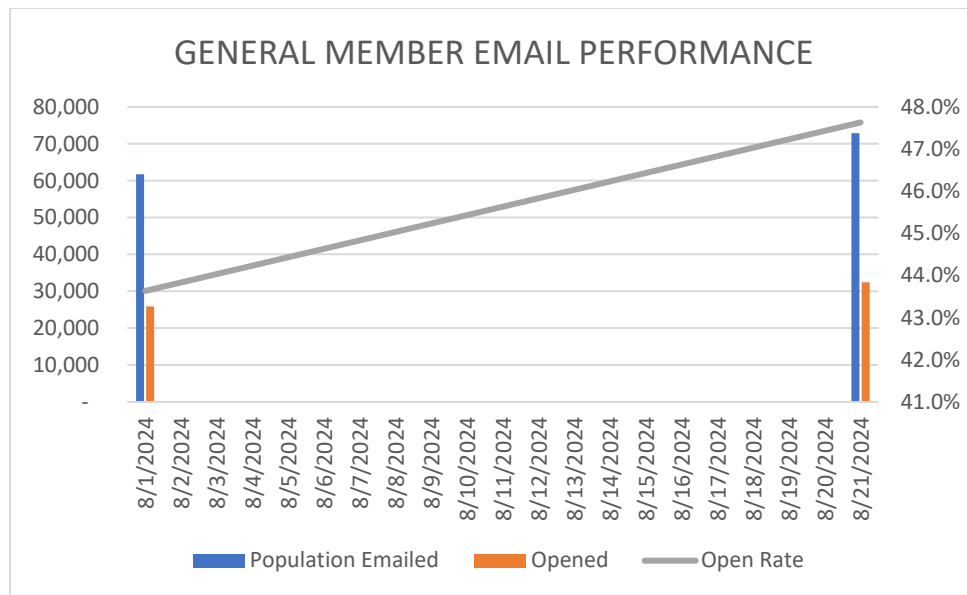
- Board of Retirement: Third Member:
 - Aleen Langton
- Board of Investments: Third Member:
 - Aleen Langton

**Trustee Langton will begin serving on the Board of Investments effective immediately after the election results are certified by the Board of Supervisors, to serve out the remainder of the term for former Trustee Santos due to his retirement. She will begin serving on the Board of Retirement effective January 1, 2025.*

A Collaborative Effort

This election continued the productive and successful collaboration between the LACERA Elections team and the Executive Office of the Board of Supervisors. The team agreed early on to use every available avenue to reach eligible voters including mail, email, newsletters, and LACERA.com. As we have done in the past, the LACERA Election Team continued to provide engaging and motivating election notices and reminders for distribution by both the Executive Office's election vendor and LACERA's Communications team. The Executive Office of the Board of Supervisors also continued our agreement to send physical ballots to all eligible members with the option to return the completed election form, vote online, or vote by phone. The decision to send out physical ballots was beneficial, with 1,190 members choosing to vote by ballot (about 18% of the total ballots filed).

Our campaign this year started with a Call for Candidates postcard in May to 85,365 eligible voters, which was complimented by an email Call for Candidates sent by the election coordinator vendor. The Call for Candidates did result in a robust slate of candidates for both positions. Once the election began, LACERA continued our email campaign to remind voters that the election had started and to be sure to vote. In general, we averaged a 45.6% open rate, slightly down from the 52% open rate for last year's active and retired member election. The LACERA election team will be strategizing in the upcoming months on how to improve our open rate in future elections, as well as innovating other approaches to encouraging voter participation.



Please note: LACERA relies on members providing their email addresses voluntarily or through the My LACERA registration process. The increase in the number of emails sent from the beginning of the month vs. the end of the month of August is a result of changes in the registration status of members with My LACERA.

For the second election in a row there was a slight increase in voter turnout - 7% for 2023 vs. 7.8% for 2024.

The charts below provide an overview of turnout over the last five elections:

Active General Members

Year	Total Eligible	Turnout	Percentage of Votes
2017	84,278	6,323	7.5%
2018	85,497	6,301	7.4%
2020	87,184	9,006	10.3%
2021	86,163	5,773	6.7%
2023	83,584	5,882	7.0%
2024	85,527	6,650	7.8%

Retired Members

Year	Total Eligible	Turnout	Percentage of Votes
2011	46,689	14,801	31.7%
2014	50,778	13,866	27.3%
2017	53,709	13,630	25.4%
2020	58,544	11,325	19.3%
2023	62,782	15,670	25.0%
2024	N/A	N/A	N/A

The LACERA Election Team looks forward to continuing our collaborative efforts and finding new ways to reach members to increase voter turnout in future elections.

Variation in Eligibility Lists

Trustees may note that the County identified 85,520 eligible voters for this year's election, while LACERA identified 85,365 eligible voters. This is a 162-voter difference between our respective lists. This discrepancy was not noted until we looked at the post-election data for the purpose of this wrap up.

For active General member elections, the County relies on their own data, plus data LACERA provides for the members from an Outside Agency. This is done because for active General or Safety members the County has the most up to date contact information as they manage all member data until the member retires. Conversely, when Retired Member elections are held, the County partners with LACERA who has the most up to date information for retired members.

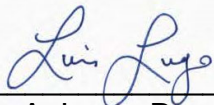
When LACERA conducts email or mail campaigns to either active or retired members, we always rely on the data residing in our system. Active members may provide personal email addresses to LACERA and set alternate mailing addresses for their LACERA correspondence.

When the discrepancy was noted, LACERA reviewed the discrepancy and believes the difference in eligibility lists results from the timing of sharing information with the County for active members:

1. LACERA receives data from the County twice a month and always one payroll period in arrears. This means that LACERA will not be aware of any new hires added in the two weeks prior to the "eligibility date" at the time the list is generated by LACERA. These members would be eligible to vote because they were hired before the "eligibility date cutoff," but we haven't received their information yet.
2. LACERA allows a member to elect to retire until the end of business day prior to their retirement date. The County relies on LACERA issuing a Board letter notifying them of the member's retirement date. The County personnel office then has to enter the term date into their system. Depending on when the member elects to retire there could be delays on both ends. For example, there is a delay as the member is verified eligible for retirement and the Board agenda process takes place, which is the trigger for the notification to the County. There is also a delay on the County side for personnel to process the notice. This means there are likely members who are retired (because the retirement date has passed) but still showing active in the County system.

We will be exploring ways to better synchronize the generation of eligibility lists for future dates.

Reviewed and Approved:



Luis A. Lugo, Deputy Chief Executive Officer



CEO DASHBOARD



October 2, 2024

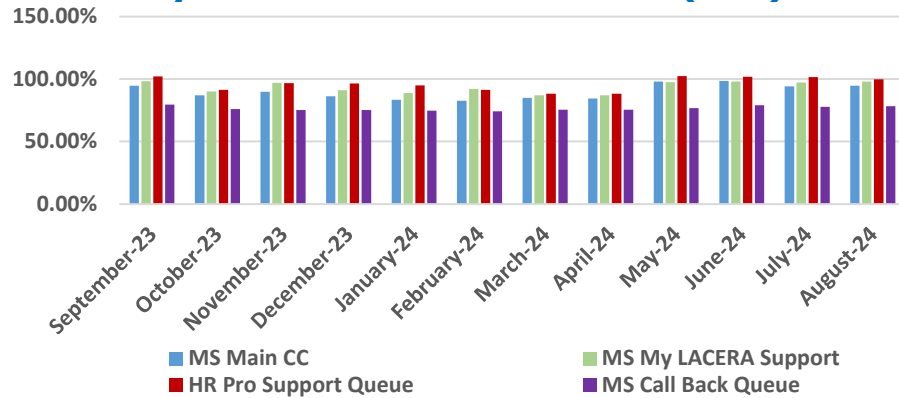


Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

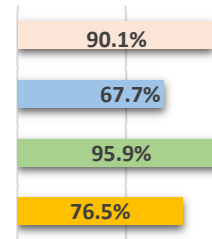
Events / Webinar Attendance Current Mo.: 2,878 Year-to-Date: 5,120	Events / Webinar Current Mo.: 32 Year-to-Date: 58	Webinar Satisfaction 0%	Member Service Center Satisfaction 96.90%	MS Main Queue Total Calls Current Mo. 8,286 3 Month Avg. 8,311				
					Resp. Rate	Change	Resp. Rate	Change
					0%	0%	26.5%	-1.36%

Member Service Call Center Queue Key Performance Indicators (KPI)

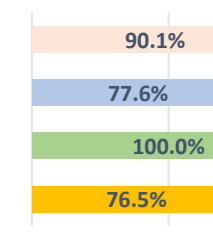


Key Performance Indicator (Components by Queue)

MSCC Main Queue



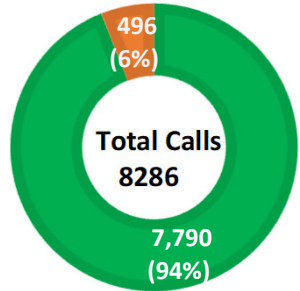
My LACERA Support Queue



Member Services

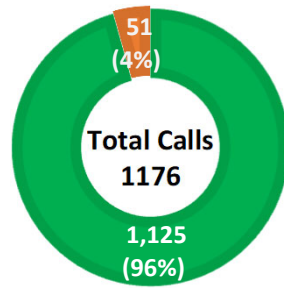
MSCC MAIN QUEUE

■ Calls Answered ■ Calls Abandoned



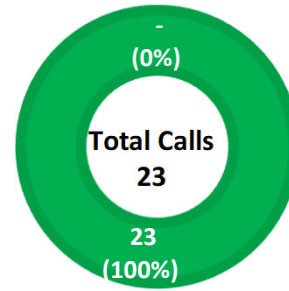
MY LACERA SUPPORT

■ Calls Answered ■ Calls Abandoned



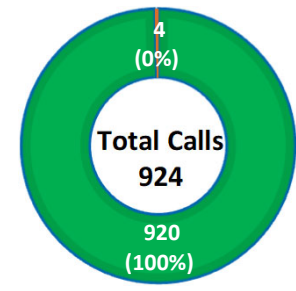
HR PRO SUPPORT

■ Calls Answered ■ Calls Abandoned



MS CALL BACK QUEUE

■ Calls Answered ■ Calls Abandoned



Queue KPI:	94.50%	Queue KPI:	98.00%	Queue KPI:	99.60%	Queue KPI:	78.28%
Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration
0:02:47	0:17:12	0:00:44	0:11:09	0:00:45	0:12:44	0:08:16	0:14:59



Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

TOP REASONS MEMBERS CONTACT MEMBER SERVICES

Member Services Call Center

Member Service Center (Outreach)

1. Retirement Counseling

1. Retirement Counseling

2. My LACERA

2. Retiree Healthcare

3. Death

3. Workshops/Appointments

Contact Center Email/Secure Message Performance



Emails (welcome@lacera.com):

285

Service Level: 24 Bus. Hours

On Target



Secure Message (My LACERA)

888

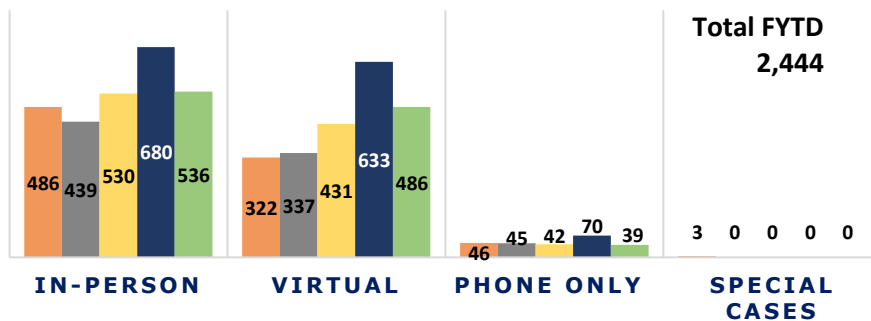
Service Level: 24 Bus. Hours

On Target

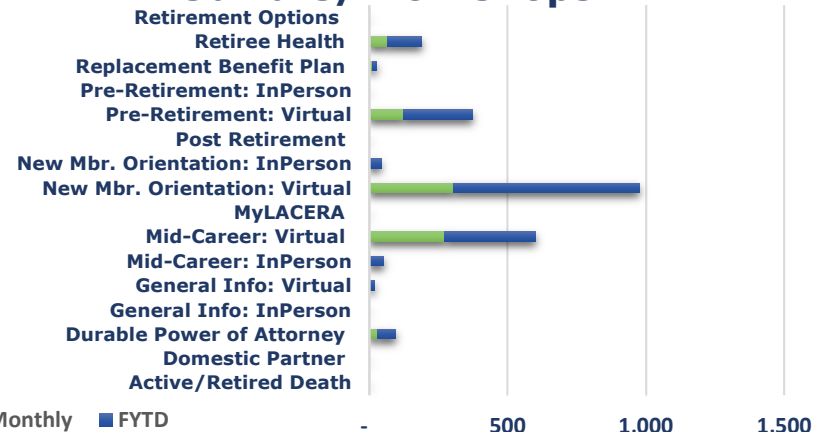
Member Service Center (Outreach)

Member Service Center Appointments

April May June July August



Members Served in Webinars/Workshops



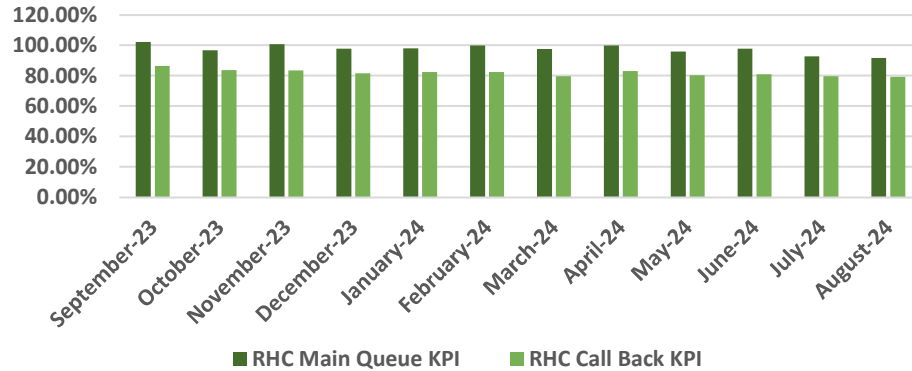
Member Services



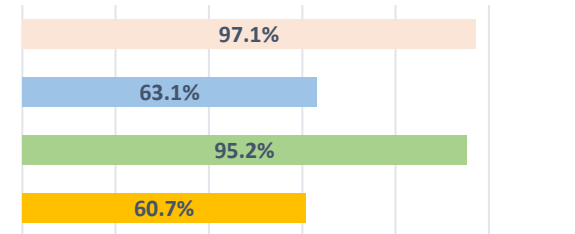
Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

RHC Call Center Queue Key Performance Indicator (KPI)



Key Performance Indicator (Components by Queue) Main RHC Call Center Queue

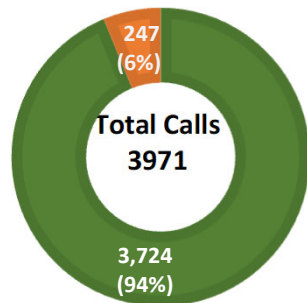


Agent Utilization (Goal:65%)	Grade of Service (Goal: 80% in 60 sec)
After Call Survey (Goal: 90%)	Call Monitoring (Goal: 95%)

Retiree Healthcare

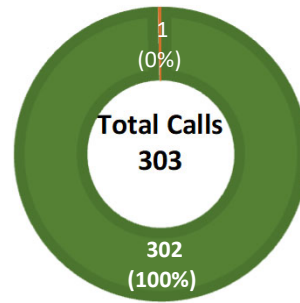
RHC MAIN QUEUE

■ Calls Answered ■ Calls Abandoned



RHC CALL BACK QUEUE

■ Calls Answered ■ Calls Abandoned



TOP RHC CALL TOPICS

1. Medical/Dental Enrollments
2. Insurance Benefits
3. General Inquiries

Queue KPI:	91.60%
Avg. Speed of Answer	Average Duration
0:03:34	0:13:06

Queue KPI:	79.20%
Avg. Speed of Answer	Average Duration
0:11:24	0:10:26

RHC Email/Secure Message Performance



Emails (healthcare@lacera.com): 393

Service Level: 24 Bus. Hours

On Target



Secure Message (My LACERA) 466

Service Level: 24 Bus. Hours

On Target



Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

Disability

Applications

941

Pending: Applications
in Process

72
Received: New Applications

137
Received Year-to-Date

47
To Board - Initial (Presented to BOR)

95
To Board - Initial Year-to-Date

14
Closed (Incomplete/Withdrawn)

33
Closed Year-to-Date

Appeals

82

Pending: Appeals in
Process

2
Received: New Appeals

5
Received Year-to-Date

1
Admin Closed

2
Admin Closed Year-to-Date

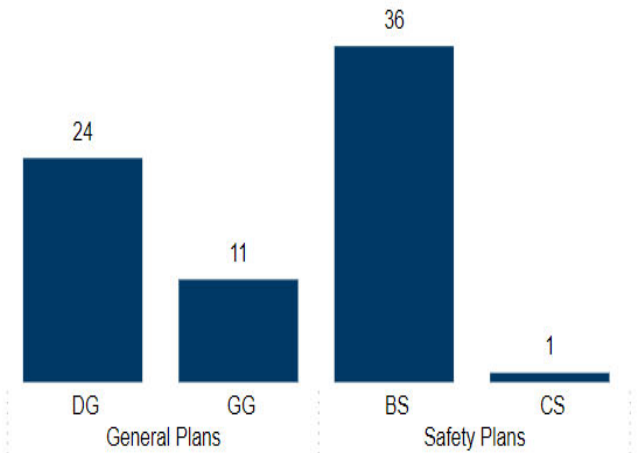
1
Referee Recommendations

2
Referee Recommendations Year-to-Date

0
DLO Recommendations

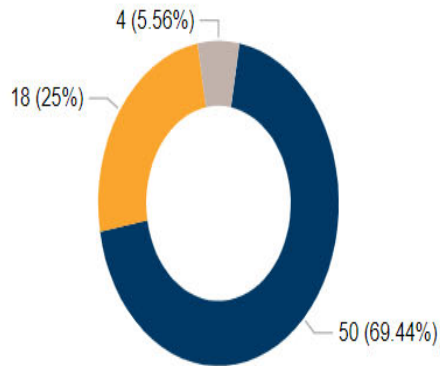
0
DLO Recommendations Year-to-Date

Applications Filed by Plan

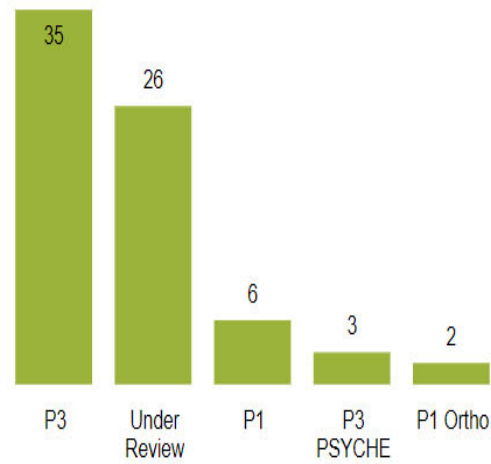


Applications Filed by Source

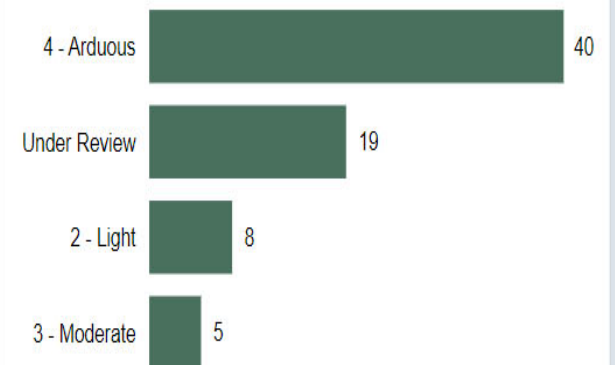
● Employee ● Employer ● Survivor



Applications Filed by Priority Level



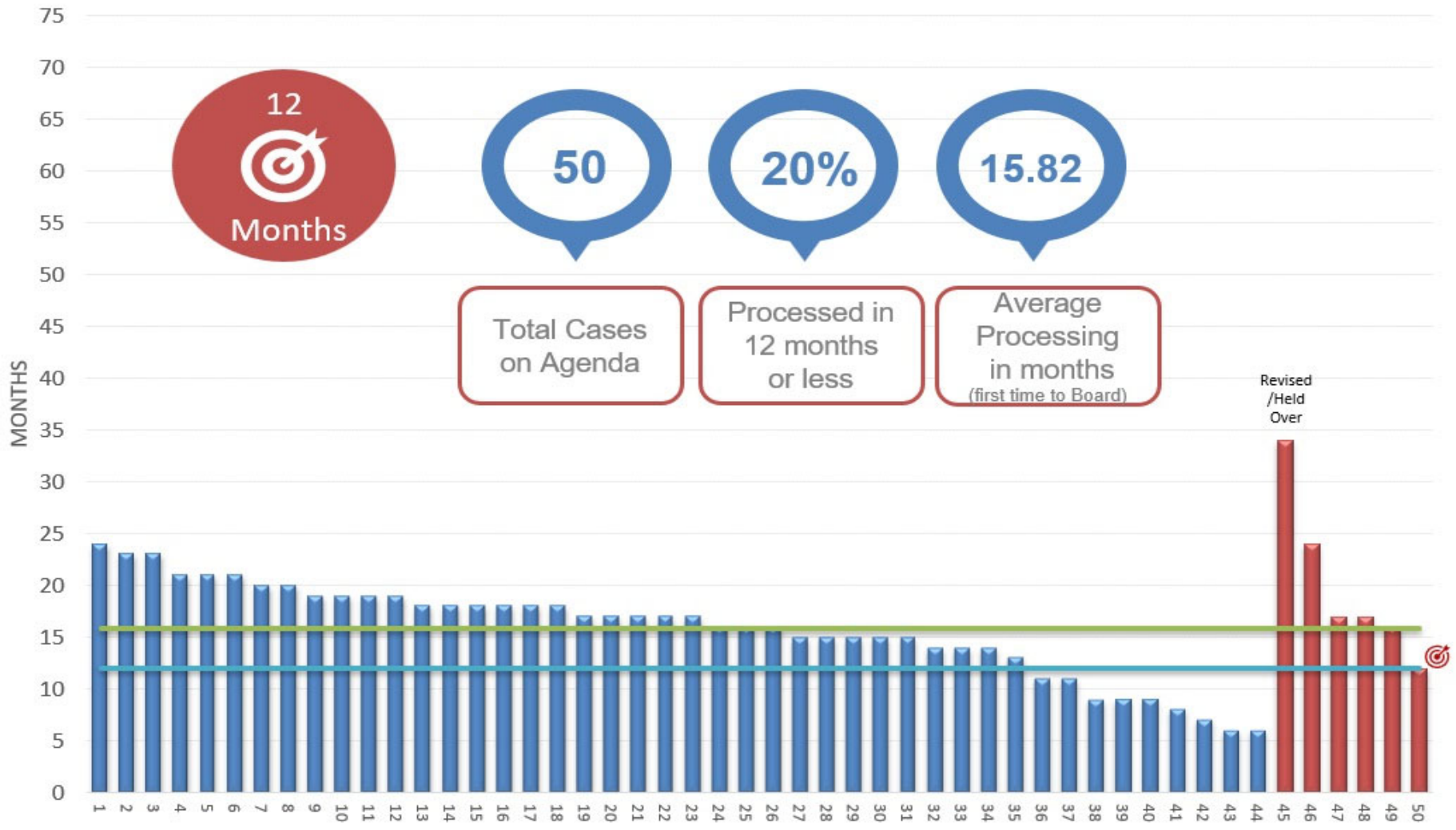
Applications Filed by Type





DISABILITY RETIREMENT SERVICES Application Processing Time

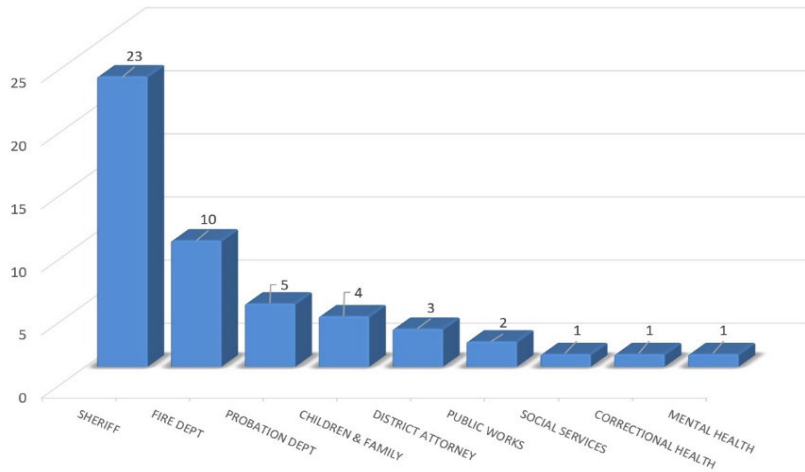
Disability



October 2, 2024 - Disability Agenda



DISABILITY RETIREMENT SERVICES
Total Applications by Department on October 2, 2024 Agenda



DISABILITY RETIREMENT SERVICES
Pending Applications/Months



As of September 17, 2024
 *Cases on the October 2, 2024 agenda are not included

Disability Retirement Services
Applications by Department

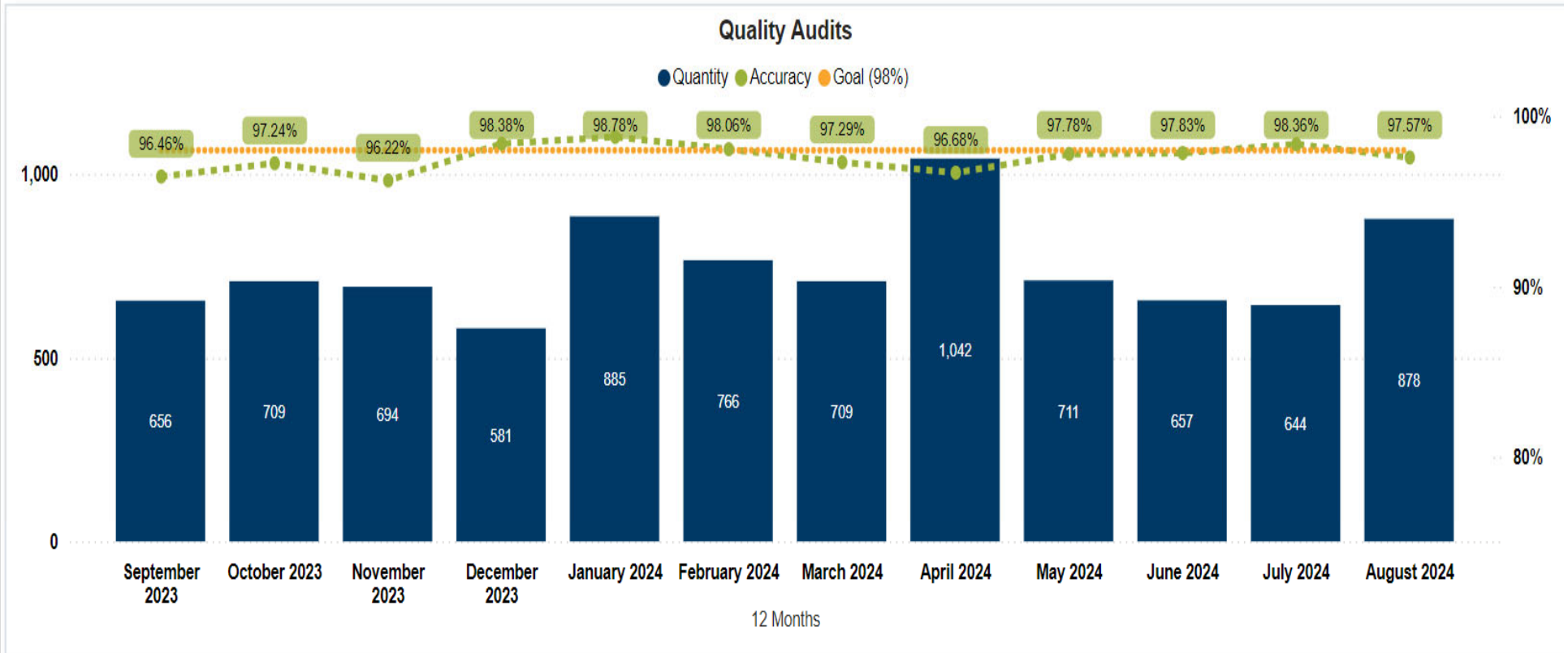
Department	No. of Applications	% of Inventory
SHERIFF	444	46.59%
L A COUNTY FIRE DEPT	156	16.37%
PROBATION DEPARTMENT	136	14.27%
DEPT OF PUBLIC SOCIAL SERVICES	33	3.46%
PUBLIC HEALTH PROGRAM	22	2.31%
NORTHEAST CLUSTER (LAC+USC)	18	1.89%
MENTAL HEALTH	16	1.68%
CHILDREN & FAMILY SERVICES	13	1.36%
DISTRICT ATTORNEY	11	1.15%
HEALTH SERVICES ADMINISTRATION	11	1.15%
SUPERIOR COURT/COUNTY CLERK	10	1.05%
COASTAL CLUSTER-HARBOR/UCLA MC	9	0.94%
CORRECTIONAL HEALTH	9	0.94%
PUBLIC WORKS	9	0.94%
INTERNAL SERVICES	6	0.63%
PUBLIC DEFENDER	6	0.63%
AMBULATORY CARE NETWORK	5	0.52%
PARKS AND RECREATION	5	0.52%
RANCHO LOS AMIGOS HOSPITAL	5	0.52%
ASSESSOR	4	0.42%
MEDICAL EXAMINER	4	0.42%
SFV CLUSTER-OLIVE VIEW/UCLA MC	4	0.42%
COUNTY COUNSEL	3	0.31%
AUDITOR - CONTROLLER	2	0.21%
CHIEF EXECUTIVE OFFICE	2	0.21%
CHILD SUPPORT SERVICES	2	0.21%
PUBLIC LIBRARY	2	0.21%
ALTERNATE PUBLIC DEFENDER	1	0.10%
ANIMAL CONTROL	1	0.10%
JUVENILE COURT HEALTH SERVICES	1	0.10%
REGIONAL PLANNING	1	0.10%
REG-RECORDER/COUNTY CLERK	1	0.10%
TREASURER AND TAX COLLECTOR	1	0.10%
Grand Total	953	100.00%



Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

Quality Assurance



Monthly Recap

August 2024

	Samples	Accuracy
Data Entry	119	100.00%
Payment Contract	448	96.74%
Retirement Election	311	97.85%
Total	878	97.57%

Prior audit values may update due to updated data.

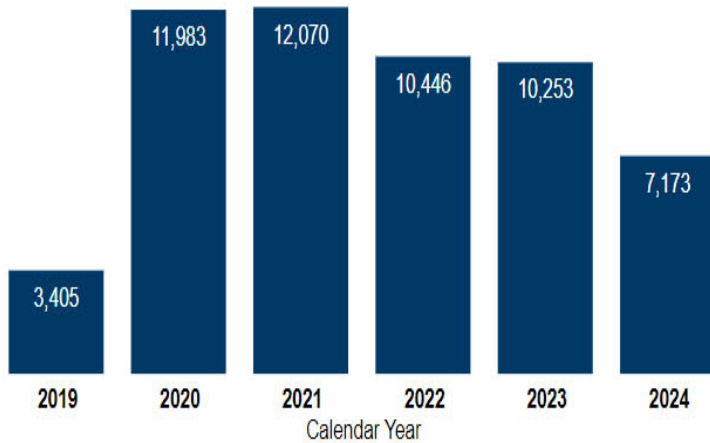


Service Online For All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: August 2024

Serving Members Through LACERA.com and MyLACERA

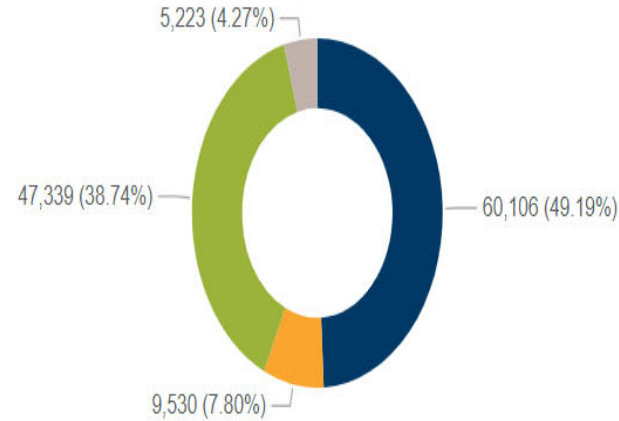
Annual New MyLACERA Accounts*



Data labels may not appear for all values

Total Accounts by Member Type*

Active Members Deferred & Inactive Members Retirees & Survivors Non-Members



Total Member Accounts
116,975

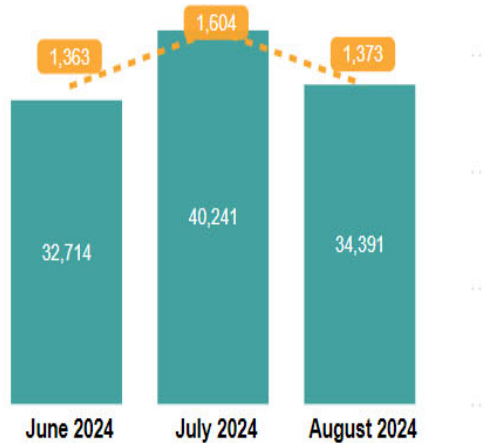
% of Total Members
60%

Excludes Non-Members

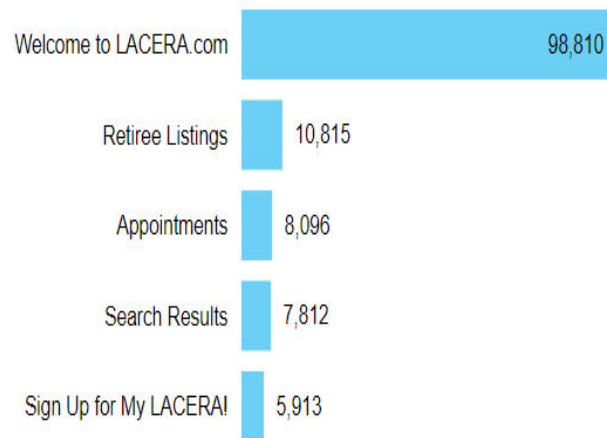
*Data as of September 15, 2024 Non-Members include legal split payees and withdrawn members.

LACERA.com User Traffic

First Time Visitors Average Per Day



Top Five LACERA.com Page Views



Busiest Day

08/21/2024

Home Page Tile	Views	% of Change
Forms & Publications	226	22.83%
Careers	3,397	21.36%
Workshops	1,645	5.79%
Investments	2,078	-1.14%
Board Meetings and Agendas	2,063	-5.15%
Sign Up for My LACERA!	5,913	-11.26%



Member Snapshot

Metrics reported based on September 16, 2024

Membership Count

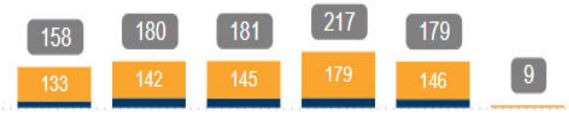
	Active		Inactive		Retired			Survivors	Total
	Active Vested	Active Non-Vested	Inactive Vested	Inactive Non-Vested	Service Retirement	SCD-Disability Retirement	NSCD-Disability Retirement		
General Plans	65,520	21,176	7,891	12,039	48,568	3,096	600	8,296	167,186
AG	37		9	31	11,057	859	142	4,170	16,305
BG	10		5	3	557	36	6	75	692
CG	12		5	7	349	36	6	67	482
DG	31,697	110	3,773	3,743	20,371	2,116	437	2,177	64,424
EG	11,924	6	2,382	351	15,886			1,771	32,320
GG	21,840	21,060	1,717	7,904	348	49	9	37	52,964
Safety Plans	10,025	2,355	540	964	5,154	7,295	80	2,177	28,590
AS			1	3	1,741	2,274	25	1,708	5,752
BS	6,890	63	403	357	3,397	4,997	55	464	16,626
CS	3,135	2,292	136	604	16	24		5	6,212
Total	75,545	23,531	8,431	13,003	53,722	10,391	680	10,473	195,776

Membership Count vesting status excludes reciprocal service credit.

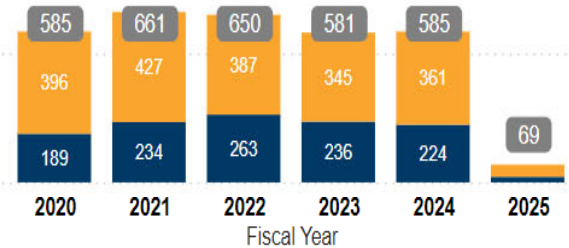
Fire and Sheriff Retirements

● General Plans ● Safety Plans ● Total

L A COUNTY FIRE DEPT

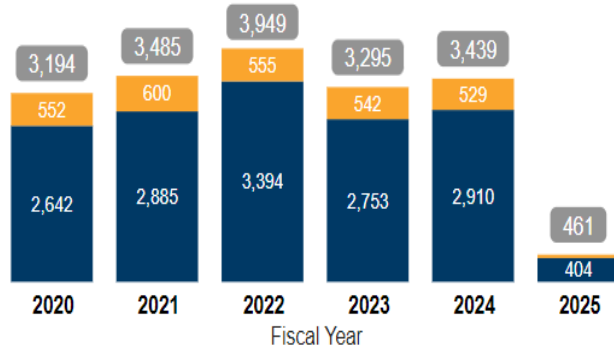


SHERIFF



Total Retirements by Type

● General Plans ● Safety Plans



Monthly Benefit Allowance Distribution

Members and Survivors

Gross Benefit Range	General Plans	Safety Plans	Total
\$0 to \$3,999	36,038	1,588	37,626
\$4,000 to \$7,999	16,833	4,434	21,267
\$8,000 to \$11,999	5,047	4,712	9,759
\$12,000 to \$15,999	1,443	2,883	4,326
\$16,000 to \$19,999	500	711	1,211
\$20,000 to \$23,999	159	205	364
\$24,000 to \$27,999	42	46	88
> \$28,000	29	12	41
Total	60,091	14,591	74,682

Member Average Monthly Benefit

\$5,372.63

Survivor Average Monthly Benefit

\$3,696.66

Data labels may not appear for all values

Only includes retirements as of reporting date. Excludes active deaths. Excludes Replacement Benefit Plan benefits.



Member Snapshot

Retirements

● Elected ● Nonservice-Connected Disability ● Service Retirement ● Service-Connected Disability



Elected retirements are members placed on the BOR Agenda, but not yet retired as of reporting date

Retirements Metrics reported based on September 16, 2024

Monthly Retirements

Retirement Type	September 2024
Elected	147
Service Retirement	22
Total	169

Retired Members Payroll

(As of 8/31/2024)

Monthly Payroll	\$394.44m
Payroll YTD	\$0.8b
New Retired Payees Added	345
Seamless %	95.07%
New Seamless Payees Added	683
Seamless YTD	96.01%
By Check %	2.00%
By Direct Deposit %	98.00%

Healthcare Program

(Mo. Ending: 8/31/2024)

	Employer	Member
Medical	\$117.2	\$8.1
Dental	\$8.7	\$0.8
Part B	\$16.7	\$0.0
Total	\$142.6	\$8.9

Health Care Enrollments

(Mo. Ending: 8/31/2024)

Medical	56,406
Dental	58,565
Part B	38,972
LTC	458
Total	154,401

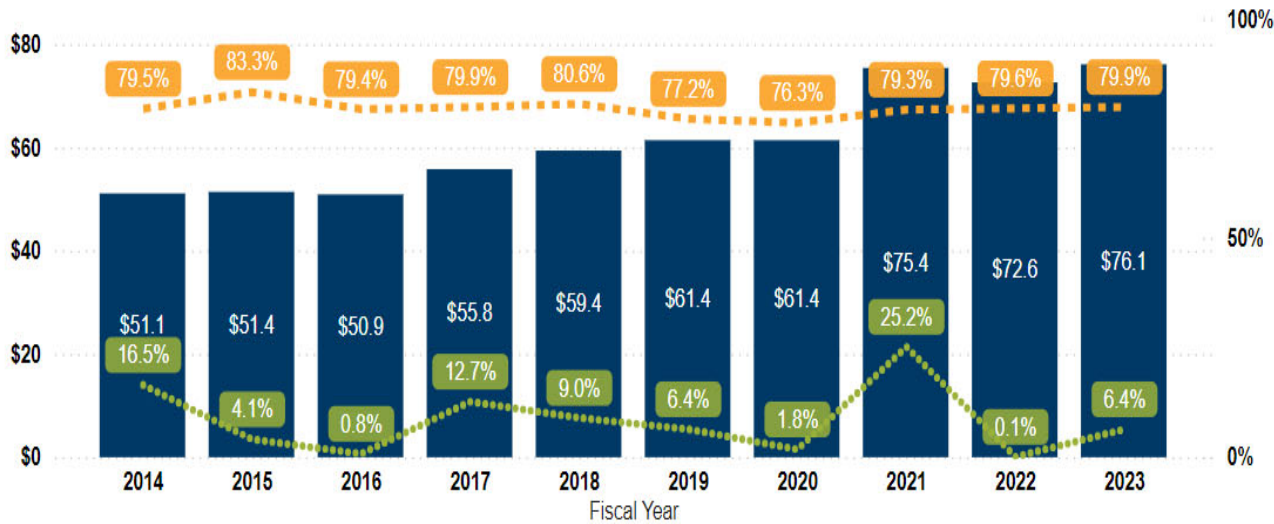


Key Financial Data

(As of June 30, 2023)

Fiscal Year End Financial Update

● Total Assets (bn) ● Investment Return Net of Fees ● Funded Ratio



Funding Metrics

11.01% Employer NC
 14.87% UAAL
 7.00% Assumed Rate
 \$612m Star Reserve
 \$73.9bn Total Net Assets

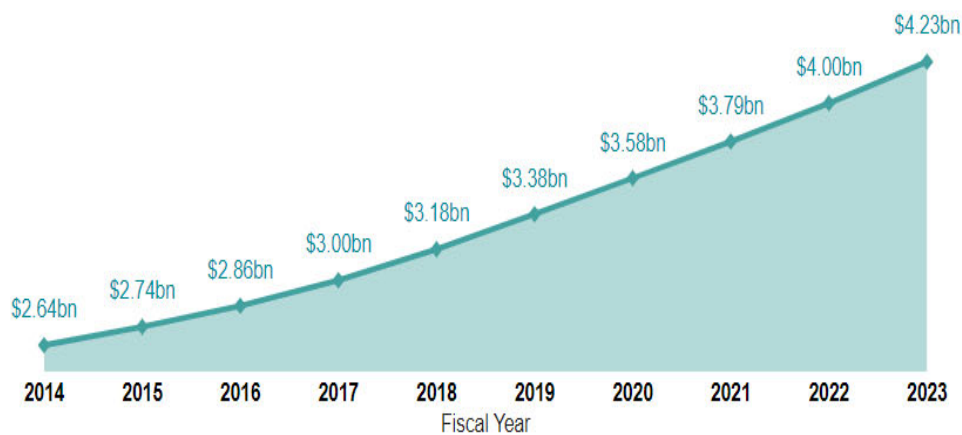
Contributions

\$2.3bn Employer Annual Contribution
 25.88% Employer % of Payroll
 \$793.2m Member Annual Contribution
 8.37% Member % of Payroll

Investment Returns

6.4% *net of fees* 1-Year Return
 10.1% 3-Year Return
 8.1% 10-Year Return

Retiree Payroll by Year



LACERA Pension Dollar

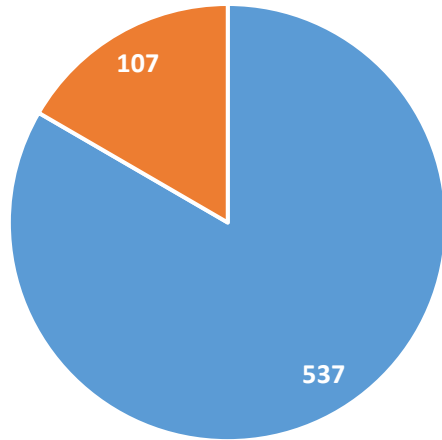




Human Resources

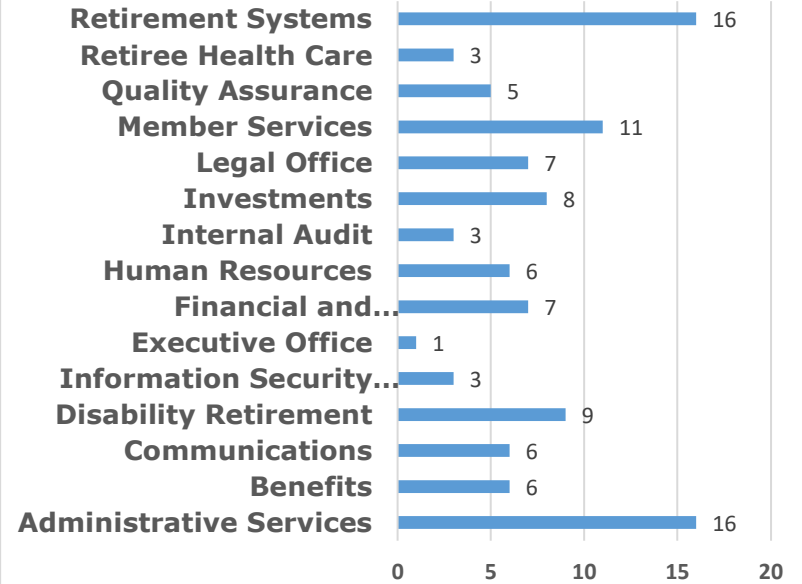
Metrics reported based on August 31, 2024

Vacancy Rate 20%



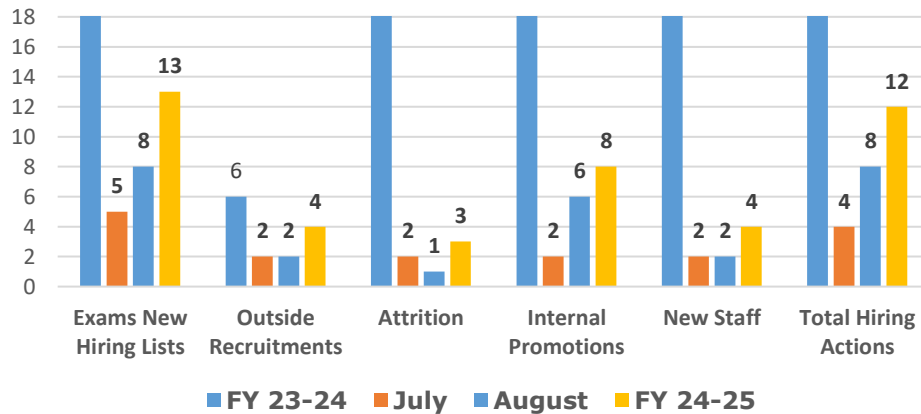
■ Budget Positions ■ Vacancies

Vacancies by Division



Recruiting for Our Future

HR Key Performance Indicators through 8/31/24



Current Recruitments

Classification	Division
Administrative Assistant	Various
Asst. Chief Financial Officer	Financial Accounting
Disability Ret. Specialist	Disability Retirement
IT Specialist I	Systems
Senior Internal Auditor	Internal Audit
Legal Analyst	Legal
Legal Secretary	Legal
Sr. Administrative Assistant	Various
Staff Counsel	Legal



QUIET PERIOD LIST FOR TRUSTEES AND STAFF

Last Update
09/24/2024

ADMINISTRATIVE/OPERATIONS

Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents*
RFP: Member Experience Communications Platform (MECP)	Systems	11/6/2023	Contract Development	<ul style="list-style-type: none">• Genesys/TTEC
RFP: Offsite Records Storage, Shredding, and Scanning Services	Administrative Services	8/30/2024	Soliciting Process	<ul style="list-style-type: none">• Certified Records Management• Corodata• GRM• Iron Mountain• Konica Minolta• Mercurius, Inc.• Secure Shred Company• SyTech Solutions• VRC Companies
RFP: Taxonomy & Knowledge Management Consultant	Executive Office	06/14/2024	Bid Review	<ul style="list-style-type: none">• Enterprise Knowledge, LLC.• Taxonomy Strategies• Accenture
RFQ: Legal Matter Management	Legal	3/1/2023	Vendor Selection	<ul style="list-style-type: none">• Clio• Rocket Matter• ProLaw• HighQ• ActionStep• CaseFox• Legal Tracker• FileVine• LawVu• Litify• Xakia
RFQ: eDiscovery	Legal / InfoSec	12/1/2023	Contract Development	<ul style="list-style-type: none">• GlobalRelay

*Subject to change



INVESTMENTS

Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents *
RFP: Actuarial Consulting and Actuarial Auditing Services	Investments / Internal Audit	11/15/2023	Contract Development	<ul style="list-style-type: none"> • Cavanaugh Macdonald Consulting
RFP: Hedge Funds, Credit, and Real Assets Consultant Search	Investments	12/29/2023	Contract Development	<ul style="list-style-type: none"> • Albourne • Meketa • Mercer • Wilshire
RFP: Risk and Analytics System, and ESG Research Services Search	Investments	3/29/2023	Bid Review	<ul style="list-style-type: none"> • BlackRock Financial Management Inc • Barra, LLC • Bloomberg Finance L.P. • Clearwater Analytics • eVestment Alliance, LLC • FactSet Research Systems Inc. • ISS STOXX GmbH • MSCI ESG Research LLC • Northfield Information Systems, Inc. • Solovis, Inc.
Real Assets Emerging Manager Program Discretionary Separate Account Manager	Investments	3/29/2023	Bid Review	<ul style="list-style-type: none"> • ORG Portfolio Management • Barings • Belay Investment Group • Hamilton Lane • Cambridge Associates • Seed Partners • Stable Asset Management • Wafra Inc. • Artemis Real Estate Partners • Aether Investment Partners



Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents *
				<ul style="list-style-type: none">• Neuberger Berman Group• The Townsend Group• BGO Strategic Capital Partners• BlackRock• StepStone• GCM Grosvenor

*Subject to change

Date	Conference
October, 2024	
6-9	National Association of Corporate Directors (NACD) Directors Summit 2024 Gaylord National Harbor, Washington D.C.
11	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees San Jose, CA
14-18	Investment Strategies & Portfolio Management Wharton School, University of Pennsylvania
20-22	Pacific Pension Institute (PPI) Executive Seminar Hong Kong
23-25	Pacific Pension Institute (PPI) Asia Pacific Roundtable Hong Kong
23-25	PREA (Pension Real Estate Association) Annual Institutional Investor Conference Washington D.C.
26-27	NCPERS (National Conference on Public Employee Retirement Systems) Program for Advanced Trustee Studies (PATS) Palm Springs, CA
26-27	NCPERS (National Conference on Public Employee Retirement Systems) Accredited Fiduciary (NAF) Program Palm Springs, CA
27-30	NCPERS (National Conference on Public Employee Retirement Systems) Public Safety Conference Palm Springs, CA
November, 2024	
3-6	CRCEA (California Retired County Employees Association) Fall Conference Walnut Creek, CA
10-13	IFEBC (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference San Diego, CA
12-14	Institutional Limited Partners Association (ILPA) General Partner Summit New York, NY
12-15	SACRS Fall Conference Monterey, CA
December, 2024	
6	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

Date	Conference
January, 2025	
26-27	NCPERS (National Conference on Public Employee Retirement Systems) Pension Communications Summit Washington D.C.
27-29	NCPERS (National Conference on Public Employee Retirement Systems) Legislative Conference Washington D.C.
28-29	IFEBP (International Foundation of Employment Benefit Plans) Health Benefits Conference & Expo St. Pete Beach, FL
March, 2025	
2-5	CALAPRS (California Association of Public Retirement Systems) General Assembly 2025 Napa, CA
6-9	Pacific Pension Institute (PPI) Winter Roundtable Seattle, WA
10-12	Council of Institutional Investors (CII) Spring Conference and 40 th Anniversary Celebration Washington D.C.
24-27	AHIP (America's Health Insurance Plans) Medicare, Medicaid, Duals and Commercial Markets Forum Baltimore, MD
26-27	PREA (Pension Real Estate Association) Spring Conference Dallas, TX
April, 2025	
28-29	IFEBP (International Foundation of Employment Benefit Plans) Health Care Mgmt. Conference Fort Myers, FL
30-May 1	IFEBP (International Foundation of Employment Benefit Plans) Investments Institute Fort Myers FL
May, 2025	
13-16	SACRS Spring Conference Rancho Mirage, CA
17-18	NCPERS (National Conference on Public Employee Retirement Systems) Trustee Educational Seminar (TEDS) Denver, CO
17-18	NCPERS (National Conference on Public Employee Retirement Systems) Accredited Fiduciary (NAF) Program Denver, CO

Date	Conference
May, 2025	
18-21	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference & Exhibition (ACE) Denver, CO
19-20	IFEBP (International Foundation of Employment Benefit Plans) Washington Legislative Update Washington D.C.
June, 2025	
17-19	AHIP (America's Health Insurance Plans) 2025 Seattle, WA
July, 2025	
23-25	Pacific Pension Institute (PPI) Summer Roundtable Salt Lake City, UT
September, 2025	
8-10	Council of Institutional Investors (CII) Fall Conference San Francisco, CA
October, 2025	
22-24	PREA (Pension Real Estate Association) Annual Institutional Investor Conference Washington D.C.
22-24	Pacific Pension Institute (PPI) Asia Pacific Roundtable Sydney, Australia



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**



September 23, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: 2024 Audit Committee
Debbie Martin (BOI), Chair
Wayne Moore (BOR), Vice Chair
Vivian Gray (BOR), Secretary
Nancy Durazo (BOR), Trustee
Jason Green (BOI), Trustee
Nicole Mi (BOI), Trustee
Elizabeth Ginsberg (BOR/BOI), Trustee

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

SUBJECT: 2024 Audit, Compliance, Risk, and Ethics (ACRE) Committee Charter

RECOMMENDATION

That the Board of Retirement and Board of Investments approve and adopt the 2024 Audit, Compliance, Risk, and Ethics (ACRE) Committee Charter.

LEGAL AUTHORITY

The Board of Retirement and Board of Investments (Boards) have constitutionally mandated fiduciary duties of care, skill, prudence, and diligence in the administration of LACERA's retirement system.¹ Prudence and diligence require meaningful oversight. Accordingly, the Boards designate committees to support their fiduciary oversight duties.²

In November 2003, the LACERA Boards established the Audit Committee to assist the Boards in fulfilling their fiduciary oversight duties for internal audit activity, in addition to values, ethics, and organizational governance. The Audit Committee's responsibilities over organizational governance include the assessment of the adequacy of LACERA's System of Compliance, with an annual review of management's compliance with laws, regulations, policies and procedures.³ Since 2003, the Committee's oversight responsibilities and authority have been documented in its Audit Committee Charter, last reviewed and updated in July 2021.

In support of LACERA's evolution toward a more mature organizational governance structure, we propose the Audit Committee become the Audit, Compliance, Risk, and Ethics (ACRE) Committee, and the Audit Committee Charter reflect the Committee's enhanced role in the oversight of LACERA's Ethics and Compliance and Enterprise Risk Management Programs.⁴

¹ Constitution of the State of California, Article XVI, Sec. 17.

² Board of Retirement Regulations (adopted pursuant to Government Code section 31525), Section II, No. 8; Bylaws Board of Investments, Sec. I, No. 4; Sec. II, No. 8.

³ Audit Committee Charter (2021), Sections II and VII(E)(4).

⁴ LACERA Board of Retirement's 2023-2028 Strategic Plan, Strategic Priority 4.

The proposed 2024 ACRE Charter (Attachment B) includes an expanded list of the Committee’s oversight responsibilities for the Ethics and Compliance Program and updates to its oversight responsibilities for audit activities. The current 2021 Charter is also attached (Attachment C), although a redline is not provided because of the number of changes.

DISCUSSION

Audit Activities Updates

In January 2024, the IIA issued its revised Global Internal Audit Standards (Standards) ([Global Internal Audit Standards \(theiia.org\)](http://theiia.org)). Subsequently, the IIA released an updated Model Internal Audit Charter for General Use (2024 Model) (Attachment D) based on the revised Standards. The 2024 Model includes a new section, Board Oversight (pg.3), which outlines the oversight responsibilities the Committee has for Internal Audit. Many of these responsibilities were already included in the 2021 Audit Committee Charter but staff updated the wording to align with the 2024 Model Board Oversight and/or to align with current LACERA practices.

The four key changes to the proposed 2024 ACRE Committee Charter related to Audit Activity are:

Charter Section	Page	Description of Change	Reason for Change
VII. A.1.	5	Added “particularly the described “essential conditions” which establish the foundation for an effective internal audit function and are listed below.”	Align with 2024 Model and 2024 Standards.
VII. A.1.d.	6	Added “Review and approve Internal Audit’s Three-Year Roadmap, which provides a plan to continue to mature and improve Internal Audit.	Standard 9.2 of the revised Standards require the CAE to “develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders.”

VII. A.2.b.	7	Added new bullet for Professional Service Providers that are selected for inclusion in Internal Audit’s Audit Pool.	To clarify that Internal Audit will seek approval for the selection of Professional Service Providers to be included in Internal Audit’s Audit Pool. Subsequently, if Audit Pool Provider is selected, their compensation will be approved in accordance with LACERA’s Policy for Purchasing Goods and Services.
VII. A.2.c.	7	Added “outside of Internal Audit’s Audit Pool.”	To clarify that Internal Audit will seek approval for the selection and compensation of Professional Service Providers that are not part of Internal Audit’s Audit Pool.

Ethics and Compliance Program Activity Enhancements

The ACRE Committee will oversee the Ethics and Compliance Program (Program), in conjunction with the Chief Executive Officer (CEO) and Boards, and will approve its Charter, framework, reporting structure, scope and objectives and make recommendations to the Boards and CEO. The ACRE Committee provides oversight of management’s controls to maintain the highest ethical standards and to monitor compliance with laws, regulations, policies, and procedures.

The Committee has oversight duties with respect to the following Program activities (outlined in further detail in the proposed updated Audit Committee Charter as well as the Ethics and Compliance Program Charter), which are consistent with the United States Sentencing Guidelines for Organizations and the [U.S. Department of Justice “Evaluation of Corporate Compliance Programs” \(2023\)](#):⁵

- Ethics and Compliance Personnel
- Ethics and Compliance Roadmap of Priorities, Work Plan, and Budget
- Ethics and Compliance Risk Assessments
- Monitoring and Evaluating Ethical Conduct and Compliance
- Policies and Procedures

⁵ The [DOJ Guidance memo](#) was just recently updated by the U.S. Department of Justice on September 23, 2024. It follows the same basic structure as the 2023 memo. The Charter will be updated if needed based on a closer review. However, the scope of work in LACERA’s proposed ACRE and Ethics and Compliance Program Charters is both broad enough to cover the changes in the 2024 memo, and specifically already addresses most of them. For example, the 2024 Guidance includes emphasis on AI and emerging risks, the importance on learning from the market and peers in gauging compliance practices, further encouragement of staff reporting of perceived violations, tailored training, practicing risk management, who determines what areas are high risk, on what basis, and criteria for elevating risk, and an expectation of program self-assessment.

- Vendor/Third-Party Ethics and Compliance Risk Management
- Privacy
- Training and Communications
- Reporting Channels and Commitment to Non-Retaliation
- Investigations, Recommendations for Mitigation or Remediation
- Measure of Organizational Culture of Ethics and Compliance
- Ethics and Compliance Program Assessment and Evaluation

Enterprise Risk Management Program Activity

There were no updates made to Committee's oversight responsibilities for the Enterprise Risk Management Activity. During Fiscal Year 2025, Internal Audit will begin work on developing an Enterprise Risk Management program and will update the Charter accordingly.

CONCLUSION

Under the ACRE Committee's oversight, all three functions (Internal Audit, Ethics & Compliance, and Enterprise Risk Management) will work in conjunction to support a system of continuous assessment and improvement to elevate LACERA's organizational governance.

Based on action taken at its September 19, 2024 meeting, the Audit Committee recommends that the Board of Retirement and Board of Investments approve and adopt the 2024 ACRE Committee Charter. The presentation provided to the Audit Committee is attached for additional information and reference (Attachment A).

Attachments

- A: Audit Committee Presentation – The Audit Committee becomes the ACRE Committee
- B: Proposed 2024 Audit, Compliance, Risk, and Ethics (ACRE) Charter
- C: 2021 Audit Committee Charter
- D: 2024 Model Internal Audit Charter for General Use

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Gabel
JJ Popowich
Laura Guglielmo
Ted Granger
Chaitanya Errande
Richard Bendall
Steven P. Rice
Carly Ntoya, Ph.D.
Leisha Collins
Christina Logan
Allison Barrett

Attachment A

Audit Committee Presentation –

The Audit Committee becomes the ACRE Committee



ATTACHMENT A

The Audit Committee becomes The **ACRE** Committee

AUDIT
COMPLIANCE
RISK
ETHICS

September 19, 2024



1. The Why
2. The How – the Revised ACRE Charter
 - Internal Audit Activity Updates
 - Professional Service Provider Activity Updates
 - Ethics & Compliance Expanded
 - Enterprise Risk Management Activity
3. The What – Committee Approval of the New Charter

The Why



Why is staff recommending this change:

- April 2021 Audit Committee Charter included fiduciary oversight over Organizational Governance
- Aligns with LACERA's 2023-2028 Strategic Plan
- Supported by Best Practice Guidance from KPMG, Deloitte, PwC
- Comports with Audit Committee Practices Report: Common Threads Across Audit Committees by Deloitte's Center for Board Effectiveness and the Center for Audit Quality
- Alignment with United States Sentencing Guidelines and U.S. Department of Justice Guidance with respect to the elements and oversight of an Ethics and Compliance Program



AUDIT
COMPLIANCE
RISK
ETHICS



The Proposed 2024 ACRE Committee Charter

Internal Audit Activity



Updates to Charter's Internal Audit Activity reflect the Institute for Internal Auditors' (IIA) 2024 updated Standards.

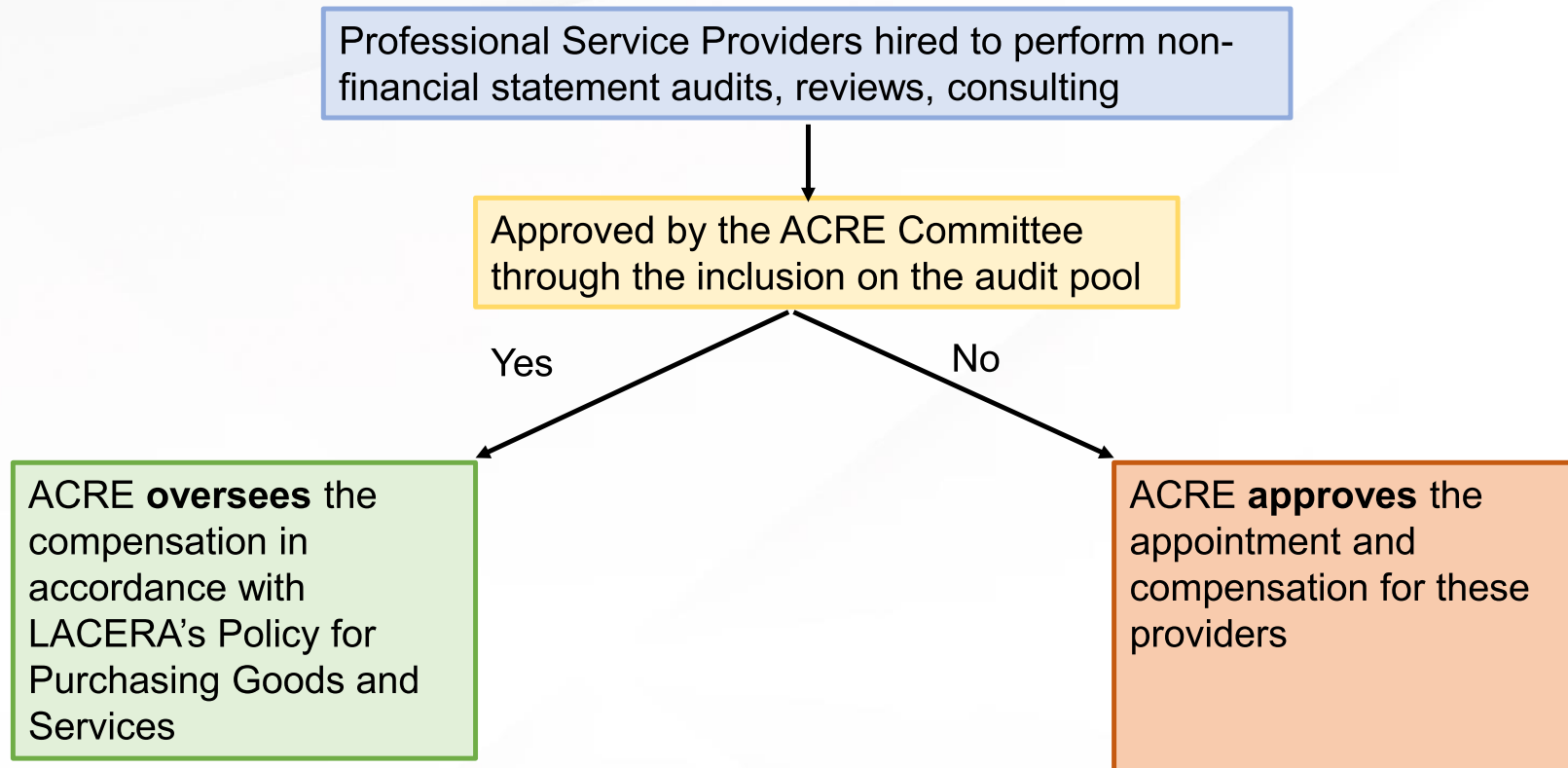
Key changes:

- Oversee and monitor Internal Audit's conformance with Standards, particularly the described "essential conditions."
- Review and approve Internal Audit's Three-Year Roadmap.

Professional Services Activity



Requesting a change regarding Internal Audit's process for hiring professional service providers.
See Charter sections VII. 2.b and 2.c



Ethics & Compliance Activity



- Ethics and Compliance are Management Responsibilities
- The ACRE Charter incorporates elements of the Ethics and Compliance Program Charter and specifically the enhancement of the ACRE Committee's Ethics and Compliance oversight role of the Program.
- *The ACRE Committee will oversee the following Program Activities, in conjunction with the CEO and both Boards:*
 - Ethics and Compliance Personnel
 - Ethics and Compliance Roadmap of Priorities, Work Plan, and Budget
 - Ethics and Compliance Risk Assessments
 - Monitoring and Evaluating Ethical Conduct and Compliance
 - Policies and Procedures
 - Vendor/Third-Party Ethics and Compliance Risk Management
 - Privacy
 - Training and Communications
 - Reporting Channels and Commitment to Non-Retaliation
 - Investigations, Recommendations for Mitigation or Remediation
 - Measure of Organizational Culture of Ethics and Compliance
 - Ethics and Compliance Program Assessment and Evaluation

Enterprise Risk Management Activity



ERM Implementation Plan:

- Develop the ERM Program Charter and obtain ACRE Committee approval
 - Define the scope and objectives of the ERM Program
 - Include the organization's strategic goals, regulatory requirements and stakeholder expectations
 - Consider risk partners and responsibilities throughout the organization
- Define the proposed Risk Management Framework – COSO or ISO 31000
- Develop the formal risk management structure at LACERA



AUDIT
COMPLIANCE
RISK
ETHICS

The What



The Audit Committee becomes **A**UDIT, **C**OMPLIANCE, **R**ISK, **E**THICS

- 1** Adopts the ACRE Committee Charter
- 2** Approves the Ethics and Compliance Program Charter
- 3** Forwards both Charters to the Board of Retirement and Board of Investments for final approval.

AUDIT
COMPLIANCE
RISK
ETHICS

Thank you!



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Richard Bendall
Chief Audit Executive
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Allison Barrett
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AUDIT
COMPLIANCE
RISK
ETHICS 10

Attachment B

Proposed 2024 Audit, Compliance, Risk, and Ethics
(ACRE) Charter

AUDIT, COMPLIANCE, RISK, AND ETHICS (ACRE) COMMITTEE CHARTER



2024



**AUDIT, COMPLIANCE, RISK, AND
ETHICS (ACRE) COMMITTEE CHARTER**

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AUDIT, COMPLIANCE, RISK, AND ETHICS (ACRE) COMMITTEE CHARTER

I. CHARTER

This Charter establishes the authority and responsibilities of the Audit, Compliance, Risk and Ethics (ACRE) Committee (Committee), as assigned by the Los Angeles County Employees Retirement Association's (LACERA) Board of Retirement and Board of Investments (Boards). The ACRE Committee Charter is a living document which shall be reviewed at least every three years.

II. PURPOSE AND ASSIGNED FIDUCIARY OVERSIGHT DUTIES

In November 2003, LACERA's Boards established the LACERA Audit Committee.

In **XX 2024**, LACERA's Boards expanded the Audit Committee's responsibilities to include Compliance, Risk, and Ethics. Subsequently, the Audit Committee was renamed the Audit, Compliance, Risk, and Ethics (ACRE) Committee to encapsulate the Committee's enhanced role in the oversight of LACERA's Ethics and Compliance and Enterprise Risk Management Programs.

The purpose of the ACRE Committee is to provide structured, systematic oversight of LACERA's governance, risk management, ethics and compliance, and internal controls. The Committee assists the Boards in fulfilling their fiduciary oversight duties for LACERA's Audit Activity and Organizational Governance Activities, which include Ethics, Compliance and Enterprise Risk Management.

III. PRINCIPLES OF THE ACRE COMMITTEE

The ACRE Committee conducts itself in accordance with its fiduciary duty of prudence and loyalty to LACERA's members and their beneficiaries pursuant to Article XVI, Sec. 17 of the California Constitution, LACERA's Code of Ethical Conduct, LACERA's Mission, Vision, and Values, all applicable laws, regulations, policies, and procedures, and the principles and standards from The Institute of Internal Auditors' (IIA) Ethics and Professionalism domain of the Global Internal Audit Standards. This Charter is also based on the United States Sentencing Guidelines for Organizations and the U.S. Department of Justice "Evaluation of Corporate Compliance Programs" (2023). The Committee expects the Boards, Management, staff, and LACERA's consultants and other vendors will also adhere to these requirements.

Integrity – Committee Members perform their work with honesty, diligence, and responsibility. The ACRE Committee expects and will encourage transparency when fulfilling its duties. Communications between Committee Members, Management, staff, and/or Professional Service Providers will be open, direct, and complete. Subject to applicable laws and organizational limitations, Management will regularly provide the Committee with updates on recently completed, related findings and follow-up emergent risks.

Independence & Objectivity – The Committee performs its responsibilities in an independent manner and in compliance with its fiduciary duty without exception. Committee Members will disclose any actual or perceived conflicts of interest to the ACRE Committee.

Confidentiality - Committee Members will not use or disclose confidential information. Committee Members are also prudent in the use and protection of other information acquired during the course of their duties, including public information because it relates to LACERA's risk and control environment.

Competency - Committee Members receive formal orientation training on the purpose and mandate of the Committee and LACERA's objectives. Committee Members are also provided regular education and training from the ACRE Consultant and staff on governance, audit (including understanding the annual financial statement reports), ethics and compliance, and enterprise risk management. Committee Members are obligated to diligently prepare for and actively participate in ACRE Committee meetings.

Professional Standards – The ACRE Committee ensures all related work will be handled with the highest professional standards consistent with auditing, ethical, compliance, and risk management standards of practice and industry guidelines.

IV. ACRE COMMITTEE AUTHORITY

The ACRE Committee has unrestricted access to the Boards, Management, and staff, and any relevant information necessary to discharge its duties, subject to certain legal limitations. All employees are directed to cooperate with the Committee and its requests. If access to requested information is denied due to legal or confidentiality reasons, the Committee, Chief Audit Executive (CAE), and/or Chief Ethics and Compliance Officer (CECO) will work with the Chief Legal Counsel and/or the Chief Executive Officer to resolve the matter.

V. ACRE COMMITTEE COMPOSITION, CONSULTANT, AND OFFICERS

The Committee consists of seven members: three elected annually from each Board, and the ex-officio member of both Boards, the Los Angeles County Treasurer and Tax Collector. If any elected Committee member leaves Board service or resigns from the ACRE Committee prior to the completion of their term, the Board of the departing member will elect a new committee member at the next regularly scheduled Board meeting.

The Committee shall have the authority to approve the hiring of the ACRE Committee Consultant ("Consultant") as an advisor. The Consultant serves as the audit technical and financial expert, to advise the Committee on audit and financial matters. The Consultant also advises the Committee on ethics, compliance, and risk management issues. The Committee conducts an annual performance evaluation of the ACRE Committee Consultant.

At the first Committee meeting of each calendar year, the Committee elects a Chair, Vice Chair and Secretary, each to serve for a term of one year or until their successor is duly elected and qualified, whichever period is shorter. In the event of a vacancy in the office of Chair, the Vice Chair shall immediately assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair or Secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.

VI. ACRE COMMITTEE MEETINGS

The Committee conducts regular meetings with the time frame between meetings not to exceed four months. At the first meeting of each calendar year, the Committee will establish a meeting schedule for the year and may set additional meetings as the Committee deems necessary.

All Committee Members are expected to attend each meeting, review all relevant materials in advance, and actively participate. The ACRE Committee Consultant will attend all meetings of the Committee, unless excused by the Committee.

All meetings of the ACRE Committee shall be noticed as joint meetings with the Board of Retirement and Board of Investments to allow for participation of all trustees in open and closed session Committee discussions. However, non-committee trustees may not make or second motions or vote. Additionally, closed sessions to discuss the CAE's or CECO's annual performance assessment and the Committee's recommendation to the Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE or CECO shall be noticed for attendance by Committee members only.

Regular meeting notices and agendas are posted at least 72-hours in advance of meetings and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda are made available for review at the office of the staff secretary to the Committee and published on the LACERA website, lacera.com. The Committee invites members of Management, other key staff, Internal Auditors, Financial Auditors, all other Professional Service Providers, and/or any other relevant individuals to attend meetings and provide pertinent information, as necessary.

Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee has such other powers to notice and agendize meetings as provided in the Brown Act.

Except as otherwise provided herein, Robert's Rules of Order shall guide the Committee in its proceedings; however, the Chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the Chair. The order of business shall be as determined by formal action of the Committee. Four members of the seven-member Committee constitute a quorum.

Minutes will be prepared recording the time and place of each meeting of the Committee, the names of all members present, all official acts of the Committee, and the votes given by members except when the action is unanimous. The minutes will be written and presented for approval at the next regular meeting. The approved minutes will be signed by the Chair and Secretary.

VII. RESPONSIBILITIES

The ACRE Committee provides oversight over the following:

A. Audit Activity

1. Internal Audit Activity

Oversee and monitor Internal Audit's conformance with the IIA's Global Internal Audit Standards, particularly the described "essential conditions" which establish the foundation for an effective internal audit function and are listed below.

- a. The Internal Audit Activity is independent of Management and reports functionally to the ACRE Committee and administratively to the Chief Executive Officer.
 - b. Ensure the CAE has unrestricted access to and communicates directly with the ACRE Committee.
 - c. Discuss, review, and approve Internal Audit's Charter, which includes Internal Audit's mandate and the scope and types of internal audit services, at least every three years. Discuss with the CAE and Executive Management if any significant changes to LACERA or the industry, or other topics would impact the Internal Audit Charter and should be addressed.
 - d. Review and approve Internal Audit's Three-Year Roadmap, which provides a plan to continue to mature and improve Internal Audit.
 - e. Ensure the CAE has established a Quality Assurance and Improvement Program (QAIP). Annually, review the results of the QAIP.
 - f. Approve Internal Audit's risk-based Audit Plan, including the budget for resources and funding, to ensure the scope of governance, risk and control processes are adequately evaluated. Make appropriate inquiries of the CAE and Executive Management to determine whether scope or resource limitations are inappropriate.
 - g. Monitor Internal Audit's activity relative to its Plan. Approve all major changes to the Audit Plan.
 - h. Review, accept, and/or provide Internal Audit with further direction on Internal Audit's engagement reports.
 - i. Monitor Internal Audit's recommendations to ensure Management has adequately and timely addressed the risk(s) identified.
 - j. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the Chief Audit Executive (CAE). Collaborate with Executive Management to determine the qualifications and competencies LACERA expects in a CAE, as described in the IIA's Global Internal Audit Standards.
 - k. Oversee the CAE's performance management, perform the CAE's annual performance assessment with qualitative input from the CAE and Chief Executive Officer (CEO), and administer the CAE's annual salary adjustments. The Committee's discussion regarding the CAE annual performance assessment will be made in executive session under Government Code Section 54957(b).
2. Professional Service Provider Activity
- a. Approve the appointment and compensation of the Financial Auditor, hired to perform an independent audit of LACERA's financial statements. Oversee the work of the Financial Auditor, including review of the Financial Auditor's proposed audit scope and approach, as well as coordination with Internal Audit and Management.

- b. Approve the appointments of other Professional Service Providers selected for inclusion in Internal Audit's Audit Pool to perform non-financial statement audits, reviews, or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impact the purpose or methods of the audit. Oversee the compensation of these providers in accordance with LACERA's Policy for Purchasing Goods and Services.
- c. Approve the appointment and compensation of other Professional Service Providers, outside of Internal Audit's Audit Pool, hired to perform non-financial statement audits, reviews, or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impact the purpose or methods of the audit.
- d. Review the Professional Service Providers, including the Financial Auditor's, results of the work performed, any findings and recommendations, Management's responses, and actions taken to implement the audit recommendations.
- e. Resolve any significant disagreements regarding risks, findings and/or compensation between Management and Professional Service Providers.

3. Financial Reporting Process

The ACRE Committee is responsible for oversight of the independent audit of LACERA's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, risk, and ethics.

- a. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- b. Review with Management and the Financial Auditors the results of the audit, including any difficulties encountered.
- c. Review the annual financial statements and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- d. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.
- e. Review with Management and the Financial Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

B. Ethics and Compliance Program Activity

The ACRE Committee oversees LACERA's Ethics and Compliance Program (Program); approves its Program Charter at least every three years (or as provided in the Charter); and takes other actions and makes recommendations and reports to the Board of Retirement and Board of Investments and the CEO as provided in the Program Charter and as the Committee deems appropriate. The Committee provides oversight of Management's ethics and compliance controls to maintain the highest ethical standards

and to monitor compliance with laws, regulations, policies, and procedures. The Boards and CEO have responsibilities in connection with the Program as stated in the Program Charter, and nothing in this Committee Charter will be interpreted to change or limit the Boards and CEO's responsibilities under the Program Charter.

The Ethics and Compliance Program is a Management function located within the Legal Office, where the CECO oversees the Ethics and Compliance Office and reports administratively to the Chief Counsel. The CECO reports directly to and the Program is functionally overseen by the CEO, the ACRE Committee, and the Boards.

1. *Ethics and Compliance Personnel*

- a. Provide input on and approval of the CECO's appointment, termination, and discipline by the CEO. Approve and make recommendations to the Boards for additional staffing for the Ethics and Compliance Office upon the request of the CECO and CEO.
- b. Contribute to the CEO's annual performance evaluation of the CECO. Discussion regarding the CECO's annual performance assessment will be made in executive session under Government Code Section 54957(b).

2. *Ethics and Compliance Roadmap of Priorities, Work Plan, Budget, and Expenses*

- a. Review and approve the Ethics and Compliance Program Three-Year Roadmap of priorities and Program management.
- b. Review and approve the Program's annual work plan and quarterly work plan progress reports.
- c. Review and approve the Ethics and Compliance Office annual budget for resources and funding, for inclusion in LACERA's annual administrative Budget approved by the Boards.
- d. Review and approve additional unanticipated expenses necessary (beyond those budgeted) to support the Program in accordance with LACERA's Policy for Purchasing Goods and Services.

3. *Ethics and Compliance Risk Assessments*

- a. Review scheduled Program risk assessments of organization-wide operations and critical business processes, along with recommendations to upgrade current or establish new controls to mitigate identified ethics and compliance risks, control gaps, or other key risk indicators.
- b. Review interim assessment reports regarding mission critical ethics and compliance risks.

4. *Monitoring and Evaluating Ethical Conduct and Compliance*

Review quarterly Program evaluation reports and recommendations regarding LACERA's operations, business practices, and key risk indicators to advance organization-wide ethics and compliance with laws, regulations, policies, procedures, LACERA's Code of Ethical Conduct, and Conflict of Interest Code.

5. *Policies and Procedures*

- a. Review quarterly reports regarding Program policy and procedure review.
 - b. Review new or updated policies and procedures within the purview of the Committee, including but not limited to LACERA's Code of Ethical Conduct and Conflict of Interest Code.
6. *Vendor/Third-Party Ethics and Compliance Risk Management*
Review quarterly reports on vendor/third-party ethics and compliance risks and organizational response.
7. *Training and Communications*
 - a. Oversee the Program's ethics and compliance communication and training plans and quarterly status reports, including the process for communicating LACERA's governing laws, regulations, policies, procedures, Code of Ethical Conduct, and Conflict of Interest Code throughout the organization.
 - b. Undergo regular ethics and compliance training on LACERA's governing laws, regulations, policies, procedures, Code of Ethical Conduct, and Conflict of Interest Code.
8. *Reporting Channels and Commitment to Non-Retaliation*
Review quarterly reports regarding reported ethics and compliance concerns or violations raised through LACERA's internal and external reporting channels.
9. *Investigations, Recommendations for Mitigation or Remediation*
 - a. Review written reports regarding detected or alleged ethics and compliance risks or violations, along with the results of investigations and recommendations for mitigation.
 - b. Oversee the Program's system for prevention and detection of fraud, including quarterly review of a summary of LACERA's Ethics Hotline reports, with Committee recommendations to the Boards as indicated.
10. *Privacy*
Review the annual report on the status of LACERA's efforts to protect the privacy of LACERA member information and the confidentiality of other LACERA information.
11. *Organizational Culture of Ethics and Compliance*
Review reports of the periodic survey of LACERA's culture of ethics and compliance.
12. *Ethics and Compliance Program Assessment and Evaluation*
Annually review an annual report on the status and effectiveness of the Program, Management's Program-related controls, consulting or advisory engagements, any exceptions to control standards and their basis, and the Program's annual self-assessment.
13. *Foundational Program Work Pending Hiring of the CECO.*
 - a. Pending hiring of the CECO, the CEO and Chief Counsel, working in conjunction with Human Resources, will develop a job description and salary recommendation for the CECO to be submitted to the Committee and Boards for approval.

- b. The CEO and Chief Counsel will perform additional foundational work for the Program, including but not limited to research, education, internal communication, and baseline ethics and compliance assessments, and will report on such activities to the ACRE Committee and the Boards at each Committee meeting until the CECO is hired.

C. Enterprise Risk Management Program Activity

1. Obtain from the CAE an annual report on the implementation and maintenance of an appropriate enterprise-wide risk management process. Provide advice on the risk management processes established and maintained, and the procedures in place to ensure that they are operating as intended.
2. Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management and/or the Boards.

D. Budgets

LACERA will provide appropriate funding, as determined by the Committee, for compensation to the Financial Auditor, ACRE Consultant(s), and to any professional Service Provider that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary and appropriate to carry out its duties.

E. Other Responsibilities

1. Report to the Boards as needed about the ACRE Committee's activities, issues, and related recommendations.
2. Provide an open channel of communication between all Professional Service Providers, including the Financial Auditor, Management, and the Boards.
3. Perform other activities related to this Charter as requested by the Boards.
4. Review and assess the adequacy of the Committee's Charter at least every three years, requesting the Boards' approval for proposed changes.

VIII. APPROVAL

This Charter was reviewed by the ACRE Committee on **June 20, 2024**, and approved by the Board of Retirement on **July 3, 2024**, and the Board of Investments on **July 10, 2024**. This Charter is thereby effective **July 10, 2024** and is hereby signed by the following persons who have authority and responsibilities under this Charter.

Debbie Martin
*Chair, Audit, Compliance, Risk, and
Ethics Committee*

Date

Patrick L. Jones
Chair, Board of Investments

Date

Shawn R. Kehoe
Chair, Board of Retirement

Date

Attachment C

2021 Audit Committee Charter

Audit Committee Charter

April 2021



2021



AUDIT COMMITTEE CHARTER

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AUDIT COMMITTEE CHARTER

I. CHARTER

This Charter establishes the authority and responsibilities of the Audit Committee, as assigned by Los Angeles County Employees Retirement Association's (LACERA) Board of Retirement and Board of Investments (Boards). The Audit Committee Charter is a living document and should be reviewed at least every three years.

II. PURPOSE AND ASSIGNED FIDUCIARY OVERSIGHT DUTIES

In November 2003, LACERA's Boards established the LACERA Audit Committee.

The purpose of the Audit Committee is to assist the Boards in fulfilling their fiduciary oversight duties for the:

- A. Internal Audit Activity
- B. Professional Service Provider Activity
- C. Financial Reporting Process
- D. Values and Ethics, and
- E. Organizational Governance
- F. Audit Committee and Internal Audit Budget

III. PRINCIPLES OF THE AUDIT COMMITTEE

The Audit Committee will conduct itself in accordance with LACERA's Code of Ethical Conduct and the following core principles from the Institute of Internal Auditors' (IIA) Code of Ethics. The Audit Committee expects the Boards, Management, and staff will also adhere to these requirements.

Integrity – The Audit Committee Members will perform their work with honesty, diligence, and responsibility. The Audit Committee expects and will encourage transparency when fulfilling its duties. Communications between Committee Members, Management, staff, and/or Professional Service Providers will be open, direct, and complete. Subject to applicable laws and organizational limitations, Internal Audit will regularly provide the Audit Committee with updates on audit and consulting projects completed and related findings and follow-up.

Independence & Objectivity - The Audit Committee will perform its responsibilities in an independent manner and in compliance with fiduciary duty without exception. Audit Committee Members will disclose any conflicts of interest (actual or perceived) to the Committee.

Confidentiality – The Audit Committee Members will be prudent in the use and protection of information acquired during the course of its duties.



Competency - Audit Committee Members will receive formal orientation training on the purpose and mandate of the Committee and LACERA's objectives. Audit Committee Members are obligated to prepare for and participate in Committee meetings.

Professional Standards - The Audit Committee will ensure all related work will be handled with the highest professional standards consistent with auditing standards of practice and industry guidelines.

IV. AUTHORITY

The Audit Committee will have unrestricted access to Management and staff, and any relevant information it considers necessary to discharge its duties. All employees are directed to cooperate with the Committee and its requests. If access to requested information is denied due to legal or confidentiality reasons, the Audit Committee and/or CAE will follow a prescribed, Board approved mechanism for resolution of the matter.

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of duties, including engaging independent counsel and/or other advisors it deems necessary.

V. AUDIT COMMITTEE COMPOSITION AND CONSULTANT

The Audit Committee will consist of seven members: three elected annually from each Board and the ex-officio member of both Boards, the Los Angeles County Treasurer. If any elected Audit Committee member leaves Board service or resigns from the Audit Committee prior to the completion of his or her term, the Board of the departing member, will elect a new Audit Committee member at the next regularly scheduled Board meeting.

The Committee shall have the authority to approve the hiring of the Audit Committee Consultant as an advisor through a Request for Proposal process. The Audit Committee Consultant will be designated as the audit technical and financial expert, to advise the Committee on audit and financial matters. The Audit Committee Consultant's contract will be for three years.

At the first Committee meeting of each calendar year, the Committee shall elect a Chair, Vice Chair and Secretary, each to serve for a term of one year or until his or her successor is duly elected and qualified, whichever is less. In the event of a vacancy in the office of Chair, the Vice Chair shall immediately assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair or Secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.



VI. AUDIT COMMITTEE MEETINGS

The Audit Committee will conduct regular meetings at least four times per year, with authority to convene additional meetings, as circumstances require. The time frame between Audit Committee meetings should not exceed four months.

All Committee Members are expected to attend each meeting.

All meetings of the Audit Committee shall be as noticed as joint meetings with the Board of Retirement and Board of Investments to allow for participation of all trustees in open and closed session Audit Committee discussions, provided that non-committee trustees may not make or second motions or vote and provided further that closed sessions to discuss the CAE's annual assessment and the Committee's recommendation to the Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE shall be noticed for attendance by Committee members only.

Regular meeting notices and agendas will be posted at least 72 hours in advance of the regular meetings and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda will be made available for review at the office of the staff secretary to the Committee and also published on the LACERA website, lacera.com. The Committee will invite members of Management, Internal Auditors, Financial Auditors, all other Professional Service Providers, and/or others to attend meetings and provide pertinent information, as necessary.

Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee will have such other powers as provided in the Brown Act.

Robert's Rules of Order, except as otherwise provided herein, shall guide the Committee in its proceedings; however, the Chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the chair. The order of business shall be as determined by formal action of the Committee. Four members of the seven-member Audit Committee, constitute a quorum.



The Secretary of the Committee shall cause to be recorded in the minutes the time and place of each meeting of the Committee, the names of the members present, all official acts of the Committee, the votes given by members except when the action is unanimous, and when requested by a member, that member's dissent or approval with his or her reasons, and shall cause the minutes to be written forthwith and presented for approval at the next regular meeting.

VII. RESPONSIBILITIES

A. Internal Audit Activity

1. Internal Audit Strategy and Annual Plan
 - a. Review and provide input on Internal Audit's annual risk assessment.
 - b. Review and approve Internal Audit's Annual Audit Plan (Plan) and resource plan, make recommendations concerning audit projects.
 - c. Review and monitor Internal Audit's activity relative to its Plan. Review and approve all major changes to the Plan.
2. Internal Audit Engagement & Follow-Up
 - a. Review and discuss engagement reports to take the following action(s):
 - i. accept and file report,
 - ii. instruct staff to forward report to Boards or Committees,
 - iii. make recommendations to the Boards or Committees regarding actions as may be required based on audit findings and/or,
 - iv. provide further instruction to staff.
 - b. Monitor Internal Audit's recommendations to ensure Management has adequately and timely addressed the risk(s) identified, either through implementing a new policy, procedure, or process, or accepting the associated risk.
 - c. Inquire whether any evidence of fraud has been identified during internal or external audit engagements, and evaluate what additional actions, if any, should be taken.
 - d. Inquire whether any audit or non-audit engagements have been completed but not reported to the Audit Committee; if so, inquire whether any matters of significance arose from such work.
 - e. Review and advise Management and the Boards on the results of any special investigations.



3. Standards Conformance
 - a. Approve the Internal Audit Charter.
 - b. Ensure the Internal Audit Division conforms with the IIA's International Standards for the Professional Practice of Internal Audit, particularly the independence of Internal Audit and its organizational structure.
 - c. Ensure the Internal Audit Division has a quality assurance and improvement program (QAIP), and that the results of these periodic assessments are presented to the Audit Committee.
 - d. Ensure the Internal Audit Division has an external quality assurance review every five years. Review the results of the external quality assurance review and monitor the implementation of related recommendations.

Advise the Boards about any recommendations for the continuous improvement of the internal audit activity.

4. Chief Audit Executive (CAE)

Since the CAE reports to the Chief Executive Officer (CEO) for administrative purposes, but to the Audit Committee for functional purposes, the Audit Committee will be responsible for the following:

- a. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE, which will be addressed by the Boards in a joint meeting. Both Boards will make the final decisions as to the appointment, discipline, dismissal, and/or removal of the CAE. The CEO has authority to administer minor discipline, which is limited to counseling memos and written warnings, with notice of such discipline to be provided to the Committee and the Boards at their next meetings. Consideration by the Boards and the Committee concerning the appointment, discipline, dismissal, and/or removal of the CAE will be made in executive session under Government Code Section 54957(b).
- b. Perform the CAE's annual assessment with qualitative input from the CAE and CEO. The Committee's discussion regarding the CAE's annual performance evaluation will be made in executive session under Government Code Section 54957(b).
- c. Administer the CAE's annual salary adjustment using the Boards' established compensation structure.

B. Professional Service Provider Activity

The Audit Committee is responsible for the oversight of all work performed by professional service providers (Service Providers) for audits, reviews, or investigations, including the audit of LACERA's financial statements.



1. Approve the appointment and compensation of the Financial Auditor, hired to perform an independent audit of LACERA's financial statements. Oversee the work of the Financial Auditor, including review of the Financial Auditor's proposed audit scope and approach, as well as coordination with Internal Audit and Management.
2. Approve the appointment and compensation of other Professional Service Providers, hired to perform non-financial statement audits, reviews or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
3. Review the Professional Service Providers, including the Financial Auditor, and Management the results of the work performed, any findings and recommendations, Management's responses, and actions taken to implement the audit recommendations.
4. Resolve any significant disagreements regarding risks, findings and/or compensation between management and Professional Service Providers

C. Financial Reporting Process

The Audit Committee is responsible for oversight of the independent audit of LACERA's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics.

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with Management and the Financial Auditors the results of the audit, including any difficulties encountered.
3. Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
4. Review with Management and the Financial Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

D. Values and Ethics

1. Review and assess LACERA's Code of Ethical Conduct established by the Boards and Management.
2. Annually, review Management's process for communicating LACERA's Code of Ethical Conduct to Trustees, Management, and staff, and for monitoring compliance therewith.



3. Review reports received relating to conflicts of interest and ethics issues, and if appropriate, make a recommendation to the Boards.

E. Organizational Governance

To obtain reasonable assurance with respect to LACERA's governance process, the Audit Committee will review and provide advice on the governance process established and maintained, and the procedures in place to ensure they are operating as intended.

1. Risk Management

- a. Annually review LACERA's risk profile.
- b. Obtain from the CAE an annual report on Management's implementation and maintenance of an appropriate enterprise-wide risk management process. Provide advice on the risk management processes established and maintained, and the procedures in place to ensure that they are operating as intended.
- c. Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management and the Boards.

2. Fraud

- a. Oversee Management's arrangements for the prevention and detection of fraud, including ensuring adequate time is spent discussing and raising awareness about fraud and the Hotline.
- b. Review a summary of Hotline reports, and if appropriate make a recommendation to the Boards.

3. System of Internal Controls

- a. Consider the effectiveness of LACERA's internal control system, including information technology security and control, as well as all other aspects of LACERA's operations.
- b. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.
- c. Review and provide advice on control of LACERA as a whole and its individual divisions.

4. System of Compliance

- a. Annually, review the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are business critical.



- b. As needed, review the observations and findings of any examinations by regulatory agencies.
- c. Obtain regular updates from Management and LACERA’s Legal Office regarding compliance matters.
- d. At least annually, review reported activity to ensure issues of fraud, noncompliance, and/or inappropriate activities are being addressed.

F. Audit Committee and Internal Audit Budget

LACERA will provide appropriate funding, as determined by the Audit Committee, for compensation to the Financial Auditor, to any Professional Service Provider that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

G. Other Responsibilities

- 1. Report to the Boards as needed about the Audit Committee’s activities, issues, and related recommendations.
- 2. Provide an open avenue of communication between Internal Audit, all Professional Service Providers, including the Financial Auditor, Management, and the Boards.
- 3. Perform other activities related to this Charter as requested by the Boards.
- 4. Review and assess the adequacy of the Committee’s Charter at least every three years, requesting the Boards’ approval for proposed changes.

VIII. APPROVAL

This Charter was reviewed by the Audit Committee on April 23, 2021, and approved by the Board of Retirement on July 7, 2021, and the Board of Investments on July 14, 2021. This Charter is thereby effective July 14, 2021 and is hereby signed by the following persons who have authority and responsibilities under this Charter.

*Joseph Kelly**July 19, 2021***Joseph Kelly****Date***Chair, Audit Committee**Keith Knox**July 19, 2021***Keith Knox****Date***Chair, Board of Investments**Alan Bernstein**July 19, 2021***Alan Bernstein****Date***Chair, Board of Retirement*

Attachment D

2024 Model Internal Audit Charter for General Use

Internal Audit Charter for [name of organization]

Purpose

The purpose of the internal audit function is to strengthen [name of organization]'s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances [name of organization]'s:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

[name of organization]'s internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global Internal Audit Standards

The [name of organization]'s internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The chief audit executive will report [periodically] to the board and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

Mandate

[USER NOTE: In those jurisdictions and industries where the internal audit function's mandate is prescribed wholly or partially in laws or regulations, the internal audit charter must include the legal requirements of the mandate. See introduction for more information.]

Authority

The [name of organization]'s board grants the internal audit function the mandate to provide the board and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the board. Such authority allows for unrestricted access to the board.

The board authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of [name of organization] and other specialized services from within or outside [name of organization] to complete internal audit services.

Independence, Organizational Position, and Reporting Relationships

The chief audit executive will be positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management (See "Mandate" section), thereby establishing the independence of the internal audit function. The chief audit executive will report functionally to the board and administratively (for example, day-to-day operations) to the [chief executive officer or equivalent/senior officer]. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the board, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The chief audit executive will confirm to the board, at least annually, the organizational independence of the internal audit function. If the governance structure does not support organizational independence, the chief audit executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The chief audit executive will disclose to the board any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the chief audit executive, board, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant acquisition or reorganization within the organization.
- Significant changes in the chief audit executive, board, and/or senior management.
- Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

Board Oversight

[Due to the Global Internal Audit Standards' "essential conditions," board responsibilities should be included in the internal audit charter. However, if an audit committee charter that outlines its responsibilities is already in place, it is not necessary to repeat the information in this charter.]

To establish, maintain, and ensure that [name of organization]'s internal audit function has sufficient authority to fulfill its duties, the board will:

- Discuss with the chief audit executive and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the chief audit executive has unrestricted access to and communicates and interacts directly with the board, including in private meetings without senior management present.
- Discuss with the chief audit executive and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with the chief audit executive and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter [periodically] with the chief audit executive to consider changes affecting the organization, such as the employment of a new chief audit executive or changes in the type, severity, and interdependencies of risks to the organization; and approve the internal audit charter [periodically (typically annually)].
- Approve the risk-based internal audit plan.
- Approve the internal audit function's human resources administration and budgets.
- Approve the internal audit function's expenses.
- Collaborate with senior management to determine the qualifications and competencies the organization expects in a chief audit executive, as described in the Global Internal Audit Standards.
- Authorize the appointment and removal of the chief audit executive.
- Approve the remuneration of the chief audit executive.
- Review the chief audit executive's performance.
- Receive communications from the chief audit executive about the internal audit function including its performance relative to its plan.
- Ensure a quality assurance and improvement program has been established.
- Review of the results of the quality assurance and improvement program annually.

- Make appropriate inquiries of management and the chief audit executive to determine whether scope or resource limitations are inappropriate.

Chief Audit Executive Roles and Responsibilities

Ethics and Professionalism

The chief audit executive will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organization.
- Report organizational behavior that is inconsistent with the organization's ethical expectations, as described in applicable policies and procedures.

Objectivity

The chief audit executive will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the chief audit executive determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for [name of organization] or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any [name of organization] employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the chief audit executive, board, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Managing the Internal Audit Function

The chief audit executive has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the board and senior management. Discuss the plan with the board and senior management and submit the plan to the board for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the board and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in [name of organization]'s business, risks, operations, programs, systems, and controls.
- Communicate with the board and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the board and senior management [periodically] and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact [name of organization] and communicate to the board and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to [name of organization]'s relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the board and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the chief audit executive cannot achieve

an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the board.

Communication with the Board and Senior Management

The chief audit executive will report [periodically] to the board and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the board.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond [name of organization]'s risk appetite.

Quality Assurance and Improvement Program

The chief audit executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the chief audit executive will communicate with the board and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside [name of organization]; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential.

Scope and Types of Internal Audit Services

The scope of internal audit services covers the entire breadth of the organization, including all of [name of organization]'s activities, assets, and personnel. [Note: if the internal audit function has an audit universe, it could be referenced here.] The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the board and management on the adequacy and effectiveness of governance, risk management, and control processes for [name of organization].

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

[USER NOTE: the list of examples below should be customized to the scope of services agreed upon with the organization's board and senior management. See Guide to Customizing the Model Internal Audit Charter for more information.]

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of [name of organization]'s strategic objectives are appropriately identified and managed.
- The actions of [name of organization]'s officers, directors, management, employees, and contractors comply with [name of organization]'s policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact [name of organization].
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

Approved by the board at its meeting on _____

Acknowledgments/Signatures

Chief Audit Executive

Date

Board Chair

Date

Chief Executive Officer

Date

September 23, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: 2024 Audit Committee
Debbie Martin (BOI), Chair
Wayne Moore (BOR), Vice Chair
Vivian Gray (BOR), Secretary
Nancy Durazo (BOR) Trustee
Jason Green (BOI), Trustee
Nicole Mi (BOI), Trustee
Elizabeth Ginsberg (BOR/BOI), Trustee

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

SUBJECT: Ethics and Compliance Program Charter

RECOMMENDATION

That the Board of Retirement and Board of Investments approve the proposed Ethics and Compliance Program Charter.

LEGAL AUTHORITY AND BACKGROUND

In addition to the Internal Audit Activity, the Audit Committee was established to assist the Boards in fulfilling their fiduciary oversight duties for ethical conduct, organizational governance, and compliance with laws, regulations, policies, and procedures. The Committee's current Charter includes these responsibilities (Audit Committee Charter, Sections II and VII(E)(4)), which find their legal support in the Boards' plenary authority and exclusive fiduciary responsibility under Article XVI, Section 17 of the California Constitution.

The proposed Ethics and Compliance Program Charter advances the Committee's fiduciarily-required ethics and compliance oversight duties. It also meets the standards set forth in The Institute of Internal Auditors' (IIA's) "Three Lines Model," which describes a dedicated ethics and compliance function within management as a second line within management (operations inhabits the first line and Internal Audit provides independent assurance as the third).

Additionally, the Program model presented in the proposed Ethics and Compliance Program Charter is consistent with best practices for risk mature organizations and

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follows the United States Sentencing Guidelines for Organizations and the [U.S. Department of Justice “Evaluation of Corporate Compliance Programs” \(March 2023\)](#), which establishes guidance for “effective” ethics and compliance programs.¹

A centralized Ethics and Compliance Program (Program) compliant with legal authority and best practices as outlined above is included in the Board of Retirement’s 2023-2028 Strategic Plan (Strategic Priority 4). Ethics and compliance are an inherent part of LACERA’s constitutionally mandated fiduciary duties of care, skill, prudence, and diligence, and impact the entire organization and its mission to produce, protect, and provide the promised benefits to members and their beneficiaries.

Before being considered by the Audit Committee, the proposed Program Charter has been through an inclusive approval process under the Boards’ governance documents, beginning with the Operations Oversight Committee (December 6, 2023), the Board of Retirement (January 3, 2024), the Joint Organizational Governance Committee (JOGC) (February 21, 2024), the joint Boards (April 3 and 10, 2024). During these meetings, the proposed Charter was extensively discussed, resulting in revisions as requested.

Following the JOGC’s recommendation, both Boards referred the proposed Charter to the Audit Committee to review, approve, and return to the Boards for final approval. At its meeting on September 19, 2024, the Audit Committee voted to recommend the proposed Charter to the Boards.

To recognize the Committee’s expanded role for organizational governance and risk management, the Committee is proposed to be renamed as the Audit, Compliance, Risk, and Ethics (ACRE) Committee. A revised Committee Charter reflecting the new name and the Committee’s revised and updated responsibilities is a separate item on the October Board agendas.

DOCUMENTS

As provided to the Audit Committee, the supporting documents for the Boards’ consideration of the proposed Ethics and Compliance Program Charter are:

Attachment A – Proposed Ethics and Compliance Program Charter.

Attachment B –Redlined Charter. The redline shows focused changes included in Attachment A from the version of the Charter considered by the Boards at their April 2024 meetings based on discussions with LACERA’s ethics, compliance, and audit

¹ The [DOJ Guidance](#) memo was just recently updated by the U.S. Department of Justice on September 23, 2024. It follows the same basic structure as the 2023 memo. The Charter will be updated if needed based on a closer review. However, the scope of work in LACERA’s proposed ACRE and Ethics and Compliance Program Charters is both broad enough to cover the changes in the 2024 memo, and specifically already addresses most of them. For example, the 2024 Guidance includes emphasis on AI and emerging risks, the importance on learning from the market and peers in gauging compliance practices, further encouragement of staff reporting of perceived violations, tailored training, practicing risk management, who determines what areas are high risk, on what basis, and criteria for elevating risk, and an expectation of program self-assessment.

consultants and the staff Ethics and Compliance Committee. The redlined version also incorporates elements that comport with the IIA's 2024 Model Audit Committee Charter. A supplemental staff memo describing the redlines is also provided within Attachment B.

Attachment C – Prior Presentation. The comprehensive presentation provided to the Boards at their April 2024 meetings is attached here as a reference. Staff will not give the presentation at the October meetings unless there are questions.

DISCUSSION

Currently, LACERA does not have a formal Ethics and Compliance Program, but rather, it has a Code of Ethical Conduct (2021), and various divisions have compliance functions specific to their individual operations. Additionally, the Audit Committee currently reviews on an annual basis the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are mission critical. (Audit Committee Charter, Section VII(E)(4).)

Expansion of the Audit Committee's oversight duties beyond annual review and centralization of the Program, as included in the proposed Program Charter, will integrate ethics and compliance into LACERA's operations, meeting the strategic priorities to: (1) advance a culture of ethical and compliant conduct; (2) enhance LACERA's system of risk mitigation with continuous assessment and improvement of controls; and (3) establish a process that supports Board and management oversight of LACERA's compliance with laws, regulations, policies, procedures, and its Code of Ethical Conduct.

The Ethics and Compliance Program will be an essential part of management, and the Chief Ethics and Compliance Officer (CECO) will functionally report to, and the Program will be overseen by the renamed ACRE Committee, the Boards, and the CEO, including all personnel actions with respect to the CECO. The Program will be separate from but complementary to Internal Audit, which is independent from management to provide assurance as to the adequacy of management's system of controls, including the Ethics and Compliance Program itself (which is subject to auditing by Internal Audit). The CECO will oversee an Ethics and Compliance Office and staff, located in the Legal Division. This operational positioning will support the Program in its early implementation stages and is a synergistic fit considering the legal nature of LACERA's operations.

The organizational chart for the proposed Program below, demonstrates solid-line, direct functional oversight of the CECO (and Program) by the ACRE Committee, the Boards, and

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the CEO; and a dotted administrative line between the CECO and the Legal Office. To ensure Program independence, the CECO reports directly to the ACRE Committee, the Boards, and the CEO.



The CECO has access to the staff Ethics and Compliance Committee for advice and to assist in promoting the Program.

In addition to Roles and Reporting Structure, the Program Charter outlines the following objectives, which were modeled after the US Sentencing Guidelines for well-designed and adequately resourced programs. The Program independently and objectively performs the following functions:

- Establish and maintain the Ethics and Compliance Program as a sound, durable, and adequately resourced structure in LACERA.
- Conduct ethics and compliance risk assessments.
- Monitor, review, evaluate, and make recommendations to improve ethics and compliance in LACERA's operational processes and business practices.
- Review and provide input on ethics and compliance-related policies and procedures.
- Promote third-party/vendor ethics and compliance risk management practices.
- Protect privacy of member information and confidentiality of other sensitive information in LACERA's possession.
- Provide ethics and compliance training and communications.
- Maintain channels for LACERA staff and others to report suspected misconduct and seek guidance on ethics and compliance matters.
- Respond to, investigate, or participate in investigations, and make recommendations regarding ethics and compliance concerns.
- Measure and promote an organizational culture of ethics and compliance.
- Report to the CEO and other senior leaders, the ACRE Committee, and the Boards regarding the Program and organizational ethics and compliance.

- Annually self-assess, and adjust as needed, subject to periodic independent review of the Program.
- Work collaboratively with other divisions, management, the ACRE Committee, and the Boards to provide formal or informal consultation and advice to identify, evaluate, and mitigate potential ethics and compliance risks and make recommendations regarding ethics and compliance controls.

The ACRE Committee assists the Boards in fulfilling their fiduciary oversight duties for LACERA's Audit Activity and Organizational Governance Activities, which include Ethics, Compliance, and Enterprise Risk Management. The proposed Charter is the first step in implementation of LACERA's Ethics and Compliance Program.

CONCLUSION

The Audit Committee recommends that the Board of Retirement and Board of Investments approve the proposed Ethics and Compliance Program Charter.

Attachments

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Gabel
JJ Popowich
Laura Guglielmo
Richard Bendall
Steven P. Rice
Carly Ntoya, Ph.D.
Leisha Collins
Christina Logan
Allison E. Barrett

ATTACHMENT A

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Ethics and Compliance Program Charter

LACERA ETHICS AND COMPLIANCE PROGRAM CHARTER

I. STATEMENT OF PURPOSE

The LACERA Ethics and Compliance Program (Program) promotes a strong and engaged culture of ethical conduct and compliance with all applicable laws, regulations, policies, and procedures across the organization.

At LACERA, ethics comes first. “Ethics” means the application of sound judgment and the diligent practice of LACERA’s Values of accountability, collaboration, inclusivity, innovation, integrity, and transparency in order to do the right thing, even when hard or inconvenient, in furtherance of the fund’s fiduciary duty and Mission to produce, protect, and provide the promised benefits to our members. Compliance is also a requirement. “Compliance” means adhering to laws, regulations, policies, and procedures. Ethics guides LACERA’s compliance – and both are necessary – because decisions must be made based on what *should* be done under applicable standards, not just what *can* be done.

The Program supports the Audit, Compliance, Risk, and Ethics (ACRE) Committee, the Board of Retirement and Board of Investments, and management in performing their duty of oversight by providing an independent structure within management for assessment, mitigation, and reporting of LACERA’s ethics and compliance risks throughout the organization. The Program seeks to provide ongoing assurance and accountability, in a changing environment, that LACERA’s operations are conducted in an ethical and compliant manner. The Program promotes continuous improvement of LACERA’s ethics and compliance controls.

II. AUTHORITY

LACERA’s Program is established under [Article XVI, Section 17 of the California Constitution](#) and [California Government Code Section 31595 of the County Employees Retirement Law of 1937 \(CERL\)](#) in furtherance of the Boards’ fiduciary duty of prudence and loyalty, which requires oversight of the organization’s ethics and compliance function. The Program is consistent with LACERA’s Mission, Vision, and Values.

A formal Ethics and Compliance Program is one of the goals of the [Board of Retirement’s “2023-2028 Strategic Plan”](#) for LACERA and is supported by best practices in the public pension community.

The Program is consistent with [The Institute of Internal Auditors’ “Three Lines Model” publication \(2020\)](#), which describes a dedicated ethics and compliance function within management as a second line to supplement the first line of ethics and compliance in LACERA’s operational divisions. A third line of independent assurance outside management is provided by the Internal Audit Division.

The Program also aligns with the principles outlined in the [United States Sentencing Commission's *Sentencing Guidelines for Organizations* \(2023\)](#), which is the most influential of applicable compliance program standards, and the [U.S. Department of Justice "Evaluation of Corporate Compliance Programs" \(March 2023\)](#), which describes the factors used to determine the adequacy and effectiveness of an organization's compliance program by federal prosecutors in the context of a criminal investigation.

III. ROLES AND REPORTING STRUCTURE

- The ACRE Committee approves this Charter, under authority granted by the Board of Retirement and Board of Investments (Boards) in the ACRE Committee Charter.
- The ACRE Committee, the Board of Retirement and Board of Investments, and the Chief Executive Officer (CEO) oversee the Program, with reporting as provided in this Charter and in the ACRE Committee Charter.
- The Program resides in a separate Ethics and Compliance Office in the Legal Division. The Program is led by the Chief Ethics and Compliance Officer (CECO), who has the authority and responsibility to independently implement the Program. The CECO reports administratively to the Chief Counsel and functionally to the ACRE Committee, both Boards, and the CEO.
 - Functionally, the CECO reports to the ACRE Committee, both Boards, and the CEO with respect to the activities of the Program as provided in this Charter and the ACRE Committee Charter to facilitate the ACRE Committee, Board, and CEO oversight of ethics and compliance risk mitigation. The CEO will be the CECO's appointing authority. The ACRE Committee and the Boards will respond to substantive ethics and compliance issues presented by the CECO; approve the CEO's hiring, termination, and discipline of the CECO and contribute to the CEO's performance evaluation of the CECO; approve the Ethics and Compliance Office budget for inclusion in LACERA's annual administrative budget; and approve any additional unexpected expenses for necessary work within the scope of this Charter in accordance with LACERA's Policy for Purchasing Goods and Services.
 - Administratively, the Chief Ethics and Compliance Officer reports to the Chief Counsel, who will support the day-to-day operations of the Ethics and Compliance Office and serve as a resource and provide guidance to the CECO on ethics and compliance issues when requested by the CECO. The CECO has direct and independent access to the ACRE Committee, both Boards, and the CEO.

- The CEO and Chief Counsel will not be involved in any matter as to which they have a conflict of interest. In the event of such a conflict, the CECO will consult with the ACRE Committee and/or the Boards. In the event the CECO has a conflict, the Chief Counsel – or the CEO if Chief Counsel has a conflict – will confer with the ACRE Committee and/or the Boards as to the proper handling of the matter.

IV. OBJECTIVES

- **Ethics and Compliance Objectives.**

The Program independently and objectively performs the following functions:

- A. Establish and maintain the Program as a sound and durable structure in LACERA;
- B. Conduct ethics and compliance risk assessments;
- C. Monitor, review, evaluate, and make recommendations to improve ethics and compliance in LACERA's operational processes and business practices;
- D. Review and provide input on ethics and compliance-related policies and procedures;
- E. Promote third-party/vendor risk management practices;
- F. Protect privacy of member information and confidentiality of other sensitive information in LACERA's possession;
- G. Provide ethics and compliance training and communications;
- H. Maintain channels for LACERA staff and others to report suspected misconduct and seek guidance on ethics and compliance matters;
- I. Respond to, investigate, or participate in investigations, and make recommendations regarding ethics and compliance concerns;
- J. Measure and promote an organizational culture of ethics and compliance;
- K. Report to the CEO and other senior leaders, the ACRE Committee, and the Boards regarding the Program and organizational ethics and compliance; and
- L. Annually self-assess, and adjust as needed, subject to periodic independent review of the Program.

- **Consulting and Advisory Objectives.**

The Program will work collaboratively with other divisions, management, the ACRE Committee, and the Boards to provide formal or informal consultation and advice to identify, evaluate, and mitigate potential ethics and compliance risks and make recommendations regarding ethics and compliance controls.

V. STANDARDS FOR INDEPENDENT AND OBJECTIVE OPERATION OF THE PROGRAM

- Charters. The Program is designed and implemented in accordance with the terms of this Charter and the ACRE Committee Charter.

- *Best Practices and Education.* The Program incorporates best practices among public pension ethics and compliance programs and is designed and implemented considering LACERA's fiduciary duty and other legal responsibilities as outlined in Section II above. The CECO and other participants in the Program will regularly seek continuing education in ethics and compliance.
- *Independence and Objectivity.* The Program operates independently and objectively. Annually, the CECO will assure the CEO, the ACRE Committee, and the Boards that the Program is operating independently and without interference or conflicts of interest. The CECO will immediately disclose to the CEO, the ACRE Committee, and the Boards all actual or attempted interference with the Program and all conflicts of interest.
- *Collaboration.* The Program will employ a collaborative approach with all LACERA divisions, while maintaining independence and objectivity.

VI. AUTHORITY FOR ACCESS

The CECO and Ethics and Compliance Office staff, with strict accountability for confidentiality and the safeguarding of records and information, are authorized to have full, free, and unrestricted access to any and all of LACERA's hard copy and electronic records, data maintained within information technology systems or databases, physical properties, and personnel pertinent to carrying out the work of the Program, excluding the work papers of Internal Audit. All LACERA staff are required to cooperate with and assist the CECO and the Ethics and Compliance Office in connection with work in the scope of the Program's role and responsibilities.

The CECO has unrestricted access to communicate directly with the CEO, the ACRE Committee, and the Boards, subject to the requirements of the Ralph M. Brown Act and other applicable laws, regulations, policies, and procedures.

VII. SCOPE OF PROGRAM ACTIVITIES

The Program seeks to identify and address ethics and compliance risks; monitor and evaluate operations for compliance and ethical conduct; review and provide input on policies, procedures, and practices; maintain channels for LACERA staff and others to report suspected misconduct and seek guidance; provide training to ensure organizational ethics and compliance awareness; investigate potential issues and violations and make recommendations; and advise and report on LACERA's ethics and compliance to the ACRE Committee, the Boards, the CEO, and other senior leaders. The Program's activities will be implemented in accordance with all applicable laws, regulations, policies, and procedures. The Program includes consulting and advisory work, as requested. The CECO may hire outside advisors when necessary and approved by the ACRE Committee or

the Boards.

- A. *Ethics and Compliance Program Framework.* The Program will be adequately resourced and staffed within the Ethics and Compliance Office. The Program's authority and independence will be protected through the CECO's direct reporting to the CEO, ACRE Committee, and the Boards. The multi-divisional staff Ethics and Compliance Committee will assist the CECO in operationalizing the Program and by providing staff input and support. The Program will also use other methods to promote and obtain staff input, involvement, and engagement.
- B. *Ethics and Compliance Risk Assessment.* The Program will perform ethics and compliance risk assessments no less than every two years to review organization-wide conduct, operations, and processes to proactively anticipate, identify, evaluate, and monitor potential ethics and compliance risks, control gaps and key risk indicators. Assessment findings will be reported to the CEO, other senior leaders, the ACRE Committee, and the Boards, along with recommendations on upgrading current or establishing new controls to mitigate any identified ethics and compliance risks.
- C. *Monitoring.* The Program will review and monitor LACERA's relevant operations, business practices, and key risk indicators, as appropriate, to promote organization-wide compliance with laws, regulations, policies, procedures, and standards of ethical conduct. The Program will make recommendations for improvement in compliance and ethics controls, working collaboratively with all divisions to receive and provide information.
- D. *Review of Policies and Procedures.* The Program, with the participation of the Ethics and Compliance Committee, will review and provide input on new and revised policies before they are finalized and will ensure that existing policies are reviewed on a regular cycle and updated as indicated. The Program will:
 - 1. Serve as a resource for ethics and compliance questions or issues relating to the development of policies and procedures.
 - 2. Provide guidance on the drafting of policies and procedures, including the LACERA Code of Ethical Conduct and the Conflict of Interest Code.
 - 3. Identify operations or ethics and compliance control gaps and risks requiring new policies and procedures and recommend new policies and procedures as indicated.
 - 4. Determine the timing for periodic review and updating of policies and procedures as indicated by the scope of the particular policy or procedure.
- E. *Vendor/Third-Party Ethics and Compliance Risk Management.* The Program will review and monitor ethics and compliance controls for vendor management

and other third-parties with which LACERA does business, including ethics and compliance risk management, ethics and compliance controls related to procurement and contracting, background checks, performance of and ethics and compliance-related contract requirements, investigation of ethics and compliance-related concerns, and enforcement of ethics and compliance-related rights.

- F. Privacy. The Program will review and monitor ethics and compliance controls to protect the privacy of member information and confidentiality of other information created, received, or shared by LACERA, including internal and external vendor activities. The CECO will serve as LACERA's Privacy Officer.
- G. Training, Communications, and Incentives. The Program will provide, and coordinate with other divisions as needed on, risk-based compliance training and communications to the ACRE Committee, the Boards, the CEO, and staff on LACERA's governing laws, regulations, policies, and procedures on a regular cycle. The Program will also provide training and communications on LACERA's values and ethics, including LACERA's Code of Ethical Conduct, Conflict of Interest Code, and other ethical standards and expectations. The Program will include training and communications on the purpose and importance of an ethics and compliance program. The Program will coordinate with Human Resources in the development of positive incentives for improving and modeling ethics and compliance and demonstrating ethical leadership.
- H. Channels for Staff to Report Ethics and Compliance Concerns. The Program will provide and monitor channels through which staff and others will be encouraged to report suspected misconduct and express other comments and concerns about organizational ethics and compliance.
- I. Program Investigation, Response, and Commitment to Non-Retaliation. The Program will evaluate, investigate, respond to, and recommend remediation or other resolution, as needed, of internal and external reports, comments, and concerns regarding ethics and compliance and any alleged violations of applicable laws, regulations, policies, procedures, and ethical standards. The Program will promote understanding of LACERA's commitment to non-retaliation against those who express concerns or participate in investigations.
- J. Measure Organizational Culture of Ethics and Compliance. The Program will periodically conduct a survey of LACERA's culture of ethics and compliance to assist in measuring the success of organizational controls and promoting the Program's objectives.
- K. Reporting. The Program will report to the ACRE Committee, the Boards, and CEO concerning the Program's status and operations, including information to

facilitate oversight of the Program and awareness of ethics and compliance risks and concerns. Reporting will also be made to senior leaders as needed relating to ethics and compliance issues under their authority.

- L. *Self-Assessment and Review of Program*. The Program will conduct an annual self-assessment against the requirements of this Charter, best practices, and key performance indicators to provide quality assurance and improvement of the Program. The ACRE Committee and the Boards will also undertake a periodic independent review of the Program. The Internal Audit Division, when and as it deems appropriate within its authority, may independently review the adequacy of the Program as a system of control for ethics and compliance risks.

VIII. ACCOUNTABILITY OF THE PROGRAM

Under the leadership of the CECO, the Program shall be accountable to the ACRE Committee, Boards, and the CEO for the following:

- A. *Program Staff*. Select, train, develop, and retain competent Ethics and Compliance Office staff that collectively have the ability to meet the requirements of this Charter. Staff development procedures and changes in Program staff will be reported to the ACRE Committee and the Boards.
- B. *LACERA Staff Input, Involvement, and Reporting*. Develop a process for staff input into the Program, which will be reported to the ACRE Committee and the Boards. The process will include an Ethics and Compliance Committee (ECC) consisting of a cross-section of LACERA senior leaders to serve an advisory function to the CECO. The ECC will meet monthly to discuss ethics and compliance issues, review policies and procedures, maintain a list of ethics and compliance training opportunities, and discuss Program implementation issues.
- C. *Program Roadmap of Priorities*. Following initial Program implementation, the CECO will develop a Three-Year Roadmap of priorities and Program management for review and approval by the CEO, ACRE Committee, and Boards.
- D. *Annual Work Plan*. Annually develop a written Program work plan, which is presented to the CEO and the ACRE Committee for review and approval and provide quarterly status reports thereafter. The approved work plans will also be provided to the Boards.
- E. *Program Budget*. Annually obtain approval from the ACRE Committee of a budget for the Ethics and Compliance Office for inclusion in the administrative budget approved by the Boards.

- F. Risk Assessment. Report to the ACRE Committee and the Boards the results of all ethics and compliance risk assessments and key risk indicators.
- G. Investigations. Provide written reports to the ACRE Committee, Boards, and CEO of alleged ethics and compliance risks, concerns, and violations that are received, the results of any investigations, the recommended response, and the outcome.
- H. Policies and Procedures. Provide written quarterly reports to the ACRE Committee of any policy and procedure review and to the Boards on review related to their areas of authority.
- I. Vendor/Third-Party Ethics and Compliance Risk Management. Provide quarterly reports to the ACRE Committee on vendor/third-party ethics and compliance risks and organizational management and response and to the Boards related to their areas of authority.
- J. Annual Ethics and Compliance Report. Provide a written annual report to the ACRE Committee and the Boards regarding the status of the Program, the approved work plan, consulting, or advisory engagements, and LACERA's overall ethics and compliance performance. The report will document exceptions to ethics and compliance standards and the basis for the exceptions.
- K. Annual Privacy Report. Provide a written annual report to the ACRE Committee and the Boards, in collaboration with other interested divisions, regarding the status of LACERA's efforts to protect the privacy of member information and the confidentiality of other organizational information held internally and by LACERA vendors.
- L. Organizational Culture of Ethics and Compliance Report. Provide a written report of the periodic survey of LACERA's culture of ethics and compliance.
- M. Work Papers. The Program will preserve its work papers and other documentation pursuant to a protocol approved by the ACRE Committee and the CEO.
- N. Self-Assessment and Program Review. Provide the CEO, other senior leaders, and the ACRE Committee and the Boards with a written report of the annual Program self-assessment and review, including metrics based on key performance criteria, for review and discussion. Key performance indicators will include the overall effectiveness of the Program in performing the activities described in Section VIII and LACERA's system of ethics and compliance controls, such as training programs, reporting channels, and ethics and compliance risk assessment, monitoring, detection, investigation and

response.

IX. RESPONSIBILITIES OF MANAGERS, SUPERVISORS, AND STAFF

Every LACERA manager, supervisor, and staff member, temporary worker, and contractor has a significant role in implementing and supporting the Program and in promoting ethical and compliant conduct in the organization.

- A. Managers and Supervisors. Every LACERA manager and supervisor has a duty to communicate and model the requisite ethical standards and to act in accordance with all laws, regulations, policies, procedures, and business practices, including but not limited to LACERA's Code of Ethical Conduct. In addition to modeling an ethics and compliance mindset and setting behavioral norms, managers and supervisors have a duty to promote a culture of ethics and compliance by creating a space for all staff members, temporary workers, and contractors to safely report any ethics and compliance concerns without retaliation.

Additional manager and supervisor responsibilities include, but are not limited to: collaborating with the Program on identification of ethics and compliance risks and the development of risk mitigation strategies; participating in compliance monitoring and control implementation to strengthen compliance; encouraging staff to identify and report ethics and compliance risks or violations; monitoring for retaliation; ensuring LACERA's commitment to nonretaliation; communicating with division staff about ethics and compliance; participating in ethics and compliance training; ensuring staff complete ethics and compliance training; encouraging employees to review and use the Code of Ethical Conduct and helping them understand their responsibilities under the Code; and escalating issues or reports of suspected misconduct to an appropriate resource.

- B. Staff Members. Every LACERA staff member, temporary worker, and contractor has a responsibility to perform day-to-day operations in accordance with the highest ethical standards and to adhere to all laws, regulations, policies, procedures, and business practices, including but not limited to LACERA's Code of Ethical Conduct. Every LACERA staff member, temporary worker, and contractor has a duty to report any activity or behavior that falls below those standards or does not comply with laws, regulations, policies, procedures, and business practices. Every LACERA staff member, temporary worker, and contractor is responsible and accountable for completing all assigned ethics and compliance training.

X. RESOURCES

- A. [Board of Retirement's "2023-2028 Strategic Plan"](#)
B. [Article XVI, Section 17 of the California Constitution](#)

- C. [California Government Code Section 31595](#)
- D. [The Institute of Internal Auditors' "Three Lines Model" publication \(2020\)](#)
- E. [United States Sentencing Commission's *Sentencing Guidelines for Organizations* \(2023\)](#)
- F. [U.S. Department of Justice "Evaluation of Corporate Compliance Programs" \(March 2023\)](#)

XI. CHARTER REVIEW

This Charter shall be annually reviewed by the ACRE Committee and the Boards until the Program is fully operational and the Ethics and Compliance Office is developed and staffed. Once those milestones are met, review shall be every three years by the ACRE Committee and the Boards, or more frequently as needed.

DRAFT

ATTACHMENT B

Redlined Copy

Ethics and Compliance Program Charter

Supplemental Memo

LACERA ETHICS AND COMPLIANCE PROGRAM CHARTER

I. STATEMENT OF PURPOSE

The LACERA Ethics and Compliance Program (Program) promotes a strong and engaged culture of ethical conduct and compliance with all applicable laws, regulations, policies, and procedures across the organization.

At LACERA, ethics comes first. “Ethics” means the application of sound judgment and the diligent practice of LACERA’s Values of accountability, collaboration, inclusivity, innovation, integrity, and transparency in order to do the right thing, even when hard or inconvenient, in furtherance of the fund’s fiduciary duty and Mission to produce, protect, and provide the promised benefits to our members. Compliance is also a requirement. “Compliance” means adhering to laws, regulations, policies, and procedures. Ethics guides LACERA’s compliance – and both are necessary – because decisions must be made based on what *should* be done under applicable standards, not just what *can* be done.

The Program supports the Audit, Compliance, Risk, and Ethics (ACRE) Committee, the Board of Retirement and Board of Investments, and management in performing their duty of oversight by providing an independent structure within management for assessment, mitigation, and reporting of LACERA’s ethics and compliance risks throughout the organization. The Program seeks to provide ongoing assurance and accountability, in a changing environment, that LACERA’s operations are conducted in an ethical and compliant manner. The Program promotes continuous improvement of LACERA’s ethics and compliance controls.

II. AUTHORITY

LACERA’s Program is established under [Article XVI, Section 17 of the California Constitution](#) and [California Government Code Section 31595 of the County Employees Retirement Law of 1937 \(CERL\)](#) in furtherance of the Boards’ fiduciary duty of prudence and loyalty, which requires oversight of the organization’s ethics and compliance function. The Program is consistent with LACERA’s Mission, Vision, and Values.

A formal Ethics and Compliance Program is one of the goals of the [Board of Retirement’s “2023-2028 Strategic Plan”](#) for LACERA and is supported by best practices in the public pension community.

The Program is consistent with [The Institute of Internal Auditors’ “Three Lines Model” publication \(2020\)](#), which describes a dedicated ethics and compliance function within management as a second line to supplement the first line of ethics and compliance in LACERA’s operational divisions. A third line of independent assurance outside management is provided by the Internal Audit Division.

The Program also aligns with the principles outlined in the [United States Sentencing Commission's Sentencing Guidelines for Organizations \(2023\)](#), which is the most influential of applicable compliance program standards, and the [U.S. Department of Justice "Evaluation of Corporate Compliance Programs" \(March 2023\)](#), which describes the factors used to determine the adequacy and effectiveness of an organization's compliance program by federal prosecutors in the context of a criminal investigation.

III. ROLES AND REPORTING STRUCTURE

- The ACRE Committee approves this Charter, under authority granted by the Board of Retirement and Board of Investments (Boards) in the ACRE Committee Charter.
- The ACRE Committee, the Board of Retirement and Board of Investments, and the Chief Executive Officer (CEO) oversee the Program, with reporting as provided in this Charter and in the ACRE Committee Charter.
- The Program resides in a separate Ethics and Compliance Office in the Legal Division. The Program is led by the Chief Ethics and Compliance Officer (CECO), who has the authority and responsibility to independently implement the Program. The CECO reports administratively to the Chief Counsel and functionally to the ACRE Committee, both Boards, and the CEO.
 - Functionally, the CECO reports to the ACRE Committee, both Boards, and the CEO with respect to the activities of the Program as provided in this Charter and the ACRE Committee Charter to facilitate the ACRE Committee, Board, and CEO oversight of ethics and compliance risk mitigation. The CEO will be the CECO's appointing authority. The ACRE Committee and the Boards will respond to substantive ethics and compliance issues presented by the CECO; approve the CEO's hiring, [termination](#)~~fring~~, and discipline of the CECO; ~~and~~ approve the Ethics and Compliance Office budget for inclusion in LACERA's annual administrative budget; [and approve any additional unexpected expenses for necessary work within the scope of this Charter in accordance with LACERA's Policy for Purchasing Goods and Services.](#)
 - Administratively, the Chief Ethics and Compliance Officer reports to the Chief Counsel, who will support the day-to-day operations of the Ethics and Compliance Office and serve as a resource and provide guidance to the CECO on ethics and compliance issues when requested by the CECO. The CECO has direct and independent access to the ACRE Committee, both Boards, and the CEO.

- The CEO and Chief Counsel will not be involved in any matter as to which they have a conflict of interest. In the event of such a conflict, the CECO will consult with the ACRE Committee and/or the Boards. In the event the CECO has a conflict, the Chief Counsel – or the CEO if Chief Counsel has a conflict – will confer with the ACRE Committee and/or the Boards as to the proper handling of the matter.

IV. OBJECTIVES

- **Ethics and Compliance Objectives.**

The Program independently and objectively performs the following functions:

- A. Establish and maintain the Program as a sound and durable structure in LACERA;
- B. Conduct ethics and compliance risk assessments;
- C. Monitor, review, evaluate, and make recommendations to improve ethics and compliance in LACERA's operational processes and business practices;
- D. Review and provide input on ethics and compliance-related policies and procedures;
- E. Promote third-party/vendor risk management practices;
- F. Protect privacy of member information and confidentiality of other sensitive information in LACERA's possession;
- G. Provide ethics and compliance training and communications;
- H. Maintain channels for LACERA staff and others to report suspected misconduct and seek guidance on ethics and compliance matters;
- I. Respond to, investigate, or participate in investigations, and make recommendations regarding ethics and compliance concerns;
- J. Measure and promote an organizational culture of ethics and compliance;
- K. Report to the CEO and other senior leaders, the ACRE Committee, and the Boards regarding the Program and organizational ethics and compliance; and
- L. Annually self-assess, and adjust as needed, subject to periodic independent review of the Program.

- **Consulting and Advisory Objectives.**

The Program will work collaboratively with other divisions, management, the ACRE Committee, and the Boards to provide formal or informal consultation and advice to identify, evaluate, and mitigate potential ethics and compliance risks and make recommendations regarding ethics and compliance controls.

V. STANDARDS FOR INDEPENDENT AND OBJECTIVE OPERATION OF THE PROGRAM

- Charters. The Program is designed and implemented in accordance with the terms of this Charter and the ACRE Committee Charter.

- *Best Practices and Education.* The Program incorporates best practices among public pension ethics and compliance programs and is designed and implemented considering LACERA's fiduciary duty and other legal responsibilities as outlined in Section II above. The CECO and other participants in the Program will regularly seek continuing education in ethics and compliance.
- *Independence and Objectivity.* The Program operates independently and objectively. Annually, the CECO will assure the CEO, the ACRE Committee, and the Boards that the Program is operating independently and without interference or conflicts of interest. The CECO will immediately disclose to the CEO, the ACRE Committee, and the Boards all actual or attempted interference with the Program and all conflicts of interest.
- *Collaboration.* The Program will employ a collaborative approach with all LACERA divisions, while maintaining independence and objectivity.

VI. AUTHORITY FOR ACCESS

The CECO and Ethics and Compliance Office staff, with strict accountability for confidentiality and the safeguarding of records and information, are authorized to have full, free, and unrestricted access to any and all of LACERA's hard copy and electronic records, data maintained within information technology systems or databases, physical properties, and personnel pertinent to carrying out the work of the Program, excluding the work papers of Internal Audit. All LACERA staff are required to cooperate with and assist the CECO and the Ethics and Compliance Office in connection with work in the scope of the Program's role and responsibilities.

The CECO has unrestricted access to communicate directly with the CEO, the ACRE Committee, and the Boards, subject to the requirements of the Ralph M. Brown Act and other applicable laws, regulations, policies, and procedures.

VII. SCOPE OF PROGRAM ACTIVITIES

The Program seeks to identify and address ethics and compliance risks; monitor and evaluate operations for compliance and ethical conduct; review and provide input on policies, procedures, and practices; maintain channels for LACERA staff and others to report suspected misconduct and seek guidance; provide training to ensure organizational ethics and compliance awareness; investigate potential issues and violations and make recommendations; and advise and report on LACERA's ethics and compliance to the ACRE Committee, the Boards, the CEO, and other senior leaders. The Program's activities will be implemented in accordance with all applicable laws, regulations, policies, and procedures. The Program includes consulting and advisory work, as requested. The CECO may hire outside advisors when necessary and approved by the ACRE Committee or

the Boards.

- A. Ethics and Compliance Program Framework. The Program will be adequately resourced and staffed within the Ethics and Compliance Office. The Program's authority and independence will be protected through the CECO's direct reporting to the CEO, ACRE Committee, and the Boards. The multi-divisional staff Ethics and Compliance Committee will assist the CECO in operationalizing the Program and by providing staff input and support. The Program will also use other methods to promote and obtain staff input, involvement, and engagement.
- B. Ethics and Compliance Risk Assessment. The Program will perform ethics and compliance risk assessments no less than every two years to review organization-wide conduct, operations, and processes to proactively anticipate, identify, evaluate, and monitor potential ethics and compliance risks, control gaps and key risk indicators. Assessment findings will be reported to the CEO, other senior leaders, the ACRE Committee, and the Boards, along with recommendations on upgrading current or establishing new controls to mitigate any identified ethics and compliance risks.
- C. Monitoring. The Program will review and monitor LACERA's relevant operations, business practices, and key risk indicators, as appropriate, to promote organization-wide compliance with laws, regulations, policies, procedures, and standards of ethical conduct. The Program will make recommendations for improvement in compliance and ethics controls, working collaboratively with all divisions to receive and provide information.
- D. Review of Policies and Procedures. The Program, with the participation of the Ethics and Compliance Committee, will review and provide input on new and revised policies before they are finalized and will ensure that existing policies are reviewed on a regular cycle and updated as indicated. The Program will:
1. Serve as a resource for ethics and compliance questions or issues relating to the development of policies and procedures.
 2. Provide guidance on the drafting of policies and procedures, including the LACERA Code of Ethical Conduct and the Conflict of Interest Code.
 3. Identify operations or ethics and compliance control gaps and risks requiring new policies and procedures and recommend new policies and procedures as indicated.
 4. Determine the timing for periodic review and updating of policies and procedures as indicated by the scope of the particular policy or procedure.
- E. Vendor/Third-Party Ethics and Compliance, and Risk Management. The Program will review and monitor ethics and compliance controls for vendor

- management and other third-parties with which LACERA does business, including ethics and compliance risk management, ethics and compliance controls related to procurement and contracting, background checks, performance of and ethics and compliance-related contract requirements, investigation of ethics and compliance-related concerns, and enforcement of ethics and compliance-related rights.
- F. Privacy. The Program will review and monitor ethics and compliance controls to protect the privacy of member information and confidentiality of other information created, received, or shared by LACERA, including internal and external vendor activities. The CECO will serve as LACERA's Privacy Officer.
- G. Training, Communications, and Incentives. The Program will provide, [and coordinate with other divisions as needed on,](#) risk-based compliance training and communications to the ACRE Committee, the Boards, the CEO, and staff on LACERA's governing laws, regulations, policies, and procedures on a regular cycle. The Program will also provide training and communications on LACERA's values and ethics, including LACERA's Code of Ethical Conduct, Conflict of Interest Code, and other ethical standards and expectations. The Program will include training and communications on the purpose and importance of an ethics and compliance program. The Program will coordinate with Human Resources in the development of positive incentives for improving and modeling ethics and compliance and demonstrating ethical leadership.
- H. Channels for Staff to Report Ethics and Compliance Concerns. The Program will provide and monitor channels through which staff and others will be encouraged to report suspected misconduct and express other comments and concerns about organizational ethics and compliance.
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- J. Measure Organizational Culture of Ethics and Compliance. The Program will periodically conduct a survey of LACERA's culture of ethics and compliance to assist in measuring the success of organizational controls and promoting the Program's objectives.
- K. Reporting. The Program will report to the ACRE Committee, the Boards, and CEO concerning the Program's status and operations, including information to

facilitate oversight of the Program and awareness of ethics and compliance risks and concerns. Reporting will also be made to senior leaders as needed relating to ethics and compliance issues under their authority.

- L. Self-Assessment and Review of Program. The Program will conduct an annual self-assessment against the requirements of this Charter, best practices, and key performance indicators to provide quality assurance and improvement of the Program. The ACRE Committee and the Boards will also undertake a periodic independent review of the Program. The Internal Audit Division, when and as it deems appropriate within its authority, may independently review the adequacy of the Program as a system of control for ethics and compliance risks.

VIII. ACCOUNTABILITY OF THE PROGRAM

Under the leadership of the CECO, the Program shall be accountable to the ACRE Committee, Boards, and the CEO for the following:

- A. Program Staff. Select, train, develop, and retain competent Ethics and Compliance Office staff that collectively have the ability to meet the requirements of this Charter. Staff development procedures and changes in Program staff will be reported to the ACRE Committee and the Boards.

- B. LACERA Staff Input, Involvement, and Reporting. Develop a process for staff input into the Program, which will be reported to the ACRE Committee and the Boards. The process will include an Ethics and Compliance Committee (ECC) consisting of a cross-section of LACERA senior leaders to serve an advisory function to the CECO. The ECC will meet monthly to discuss ethics and compliance issues, review policies and procedures, maintain a list of ethics and compliance training opportunities, and discuss Program implementation issues.

- B.C. Program Roadmap of Priorities. Following initial Program implementation, the CECO will develop a Three-Year Roadmap of priorities and Program management for review and approval by the CEO, ACRE Committee, and Boards.

- C.D. Annual Work Plan. Annually develop a written Program work plan, which is presented to the CEO and the ACRE Committee for review and approval and provide quarterly status reports thereafter. The approved work plans will also be provided to the Boards.

- D.E. Program Budget. Annually obtain approval from the ACRE Committee of a budget for the Ethics and Compliance Office for inclusion in the administrative budget approved by the Boards.

- ~~E.F.~~ *Risk Assessment.* Report to the ACRE Committee and the Boards the results of all [ethics and compliance](#) risk assessments and key risk indicators.
- ~~F.G.~~ *Investigations.* Provide written reports to the ACRE Committee, Boards, and CEO of alleged ethics and compliance risks, concerns, and violations that are received, the results of any investigations, the recommended response, and the outcome.
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- ~~H.I.~~ *Vendor/Third-Party Ethics and, Compliance, and Risk Management.* Provide quarterly reports to the ACRE Committee on vendor/third-party ethics and compliance risks and organizational management and response and to the Boards related to their areas of authority.
- ~~I.J.~~ *Annual Ethics and Compliance Report.* Provide a written annual report to the ACRE Committee and the Boards regarding the status of the Program, the approved work plan, consulting, or advisory engagements, and LACERA's overall ethics and compliance performance. The report will document exceptions to ethics and compliance standards and the basis for the exceptions.
- ~~K.~~ *Annual Privacy Report.* Provide a written annual report to the ACRE Committee and the Boards, [in collaboration with other interested divisions](#), regarding the status of LACERA's efforts to protect the privacy of member information and the confidentiality of other organizational information held internally and by LACERA vendors.
- ~~J.L.~~ *Organizational Culture of Ethics and Compliance Report.* [Provide a written report of the periodic survey of LACERA's culture of ethics and compliance.](#)
- ~~K.M.~~ *Work Papers.* The Program will preserve its work papers and other documentation pursuant to a protocol approved by the ACRE Committee and the CEO.
- ~~L.N.~~ *Self-Assessment and Program Review.* Provide the CEO, other senior leaders, and the ACRE Committee and the Boards with a written report of the annual Program self-assessment and review, including metrics based on key performance criteria, for review and discussion. [Key performance indicators will include the overall effectiveness of the Program in performing the activities described in Section VIII and LACERA's system of ethics and compliance controls, such as training programs, reporting channels, and ethics and compliance risk assessment, monitoring, detection, investigation and](#)

[response.](#)

IX. RESPONSIBILITIES OF MANAGERS, SUPERVISORS, AND STAFF

Every LACERA manager, supervisor, and staff member, temporary worker, and contractor has a significant role in implementing and supporting the Program and in promoting ethical and compliant conduct in the organization.

A. Managers and Supervisors. Every LACERA manager and supervisor has a duty to communicate and model the requisite ethical standards and to act in accordance with all laws, regulations, policies, procedures, and business practices, including but not limited to LACERA's Code of Ethical Conduct. In addition to modeling an ethics and compliance mindset and setting behavioral norms, managers and supervisors have a duty to promote a culture of ethics and compliance by creating a space for all staff members, temporary workers, and contractors to safely report any ethics and compliance concerns without retaliation.

Additional manager and supervisor responsibilities include, but are not limited to: collaborating with the Program on identification of ethics and compliance risks and the development of risk mitigation strategies; participating in compliance monitoring and control implementation to strengthen compliance; encouraging staff to identify and report ethics and compliance risks or violations; monitoring for retaliation; ensuring LACERA's commitment to nonretaliation; communicating with division staff about ethics and compliance; participating in ethics and compliance training; ensuring staff complete ethics and compliance training; encouraging employees to review and use the Code of Ethical Conduct and helping them understand their responsibilities under the Code; and escalating issues or reports of suspected misconduct to an appropriate resource.

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X. RESOURCES

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- F. [U.S. Department of Justice "Evaluation of Corporate Compliance Programs" \(March 2023\)](#)

XI. CHARTER REVIEW

This Charter shall be annually reviewed by the ACRE Committee and the Boards until the Program is fully operational and the Ethics and Compliance Office is developed and staffed. Once those milestones are met, review shall be every three years by the ACRE Committee and the Boards, or more frequently as needed.

DRAFT

July 9, 2024

TO: 2024 Audit Committee:
Debbie Martin, (BOI), Chair
Wayne Moore, (BOR), Vice Chair
Vivian Gray, (BOR), Secretary
Nancy Durazo, (BOR) Trustee
Jason Green, (BOI), Trustee
Nicole Mi, (BOI), Trustee
Elizabeth Ginsberg, (BOR/BOI)

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

Allison E. Barrett, *AOB*
Senior Staff Counsel

FOR: June 20, 2024 Audit Committee Meeting

SUBJECT: Supplemental Memo regarding Ethics and Compliance Program Charter

This supplemental memo explains the redlines added to the proposed Ethics and Compliance Program Charter (Attachment B to the June 4, 2024 Audit Committee memo from the Board Chairs) after the joint Board actions at their April meetings forwarding the Charter to the Audit Committee for review and approval. The changes resulted from input from LACERA's ethics and compliance advisor and counsel, the Audit Committee consultant, and the staff Ethics and Compliance Committee. Some of the changes also track changes to the Internal Audit Charter resulting from recent changes in The Institute of Internal Auditors (IIA) standards.

1. *Section I, Statement of Purpose* (page 1). A change is made to emphasize that the Ethics and Compliance Program is a management responsibility.
2. *Section III, Roles and Reporting Structure* (page 2). Changes are made to clarify the ability of the Committee and Boards to provide funding for unexpected needs of the Ethics and Compliance Program, in accordance with LACERA's Policy for Purchasing Goods and Services. The change is similar to language used with respect to the Internal Audit Activity. It also follows from the Department of Justice "Evaluation of Corporate Compliance Programs" (March 2023), which states that an effective Ethics and Compliance Program is "adequately resourced."
3. *Section VII(E), Scope of Program Activities* (page 5) and *Section VIII(I), Accountability of the Program – Vendor/Third-Party Ethics and Compliance Risk Management*, Accountability of the Program. This title of these sections is slightly changed to clarify that the Program's role is with respect to ethics and compliance risks. Other aspects of vendor/third-party management are handled by other

divisions, including Administrative Services and Information Security.

4. *Section VII(G), Scope of Program Activities – Training, Communications, and Incentives* (page 6). Reference is added to collaboration with other divisions in providing training. Human Resources is already mentioned, but other divisions will also be involved with Ethics and Compliance in providing training.
5. *Section VIII(C), Accountability of the Program – Program Roadmap of Priorities* (page 7). A new subsection is added providing that the CECO will prepare a Three-Year Roadmap of Priorities for approval by the Boards, Committee, and CEO, in addition to the annual work plan. This requirement will add a strategic dimension to Ethics and Compliance Program planning. IIA standards for Internal Audit have recently added a similar requirement for the audit activity. It is a best practice for Ethics and Compliance to also prepare a Roadmap for its work.
6. *Section VIII(F), Accountability of the Program – Risk Assessment* (page 8). Language is added to clarify that the risk assessment conduct by the Ethics and Compliance Program is of ethics and compliance risks.
7. *Section VIII(K), Accountability of the Program – Annual Privacy Report* (page 8). This section is revised to clarify that the Annual Privacy Report will be prepared in collaboration with other interested divisions because other parts of the organization are also engaged in efforts to secure the privacy and confidentiality of LACERA information.
8. *Section VIII(L), Accountability of the Program – Organizational Culture of Ethics and Compliance Report* (page 8). The Charter previously included review and measure of the organizational culture of ethics and compliance. This change adds a report of those efforts to the Program's Accountability requirements.
9. *Section VIII(N), Accountability of the Program – Self-Assessment and Program Review* (page 8). This change adds explanation as to some of the key performance indicators that will be considered in Program assessment.

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Grabel
JJ Popowich
Laura Guglielmo
Richard Bendall
Christina Logan

ATTACHMENT C
Presentation



Ethics and Compliance as Strategic Priorities: LACERA Ethics and Compliance Program Framework

Board of Retirement Meeting
Board of Investments Meeting
April 3 and 10, 2024

Outline



1. The Strategic Plan and Management's Perspective
2. Ethics and Compliance are Strategic Concepts
 - A. Ethics Comes First
 - B. Compliance is a Requirement
 - C. Authority supporting Need for an E&C Risk Management Process
3. LACERA's Proposed Ethics and Compliance Program
4. Outside Counsel Perspective
5. Internal Audit Perspective
6. Next Steps

Board of Retirement Strategic Plan



On July 6, 2023, the Board of Retirement approved its 2023-2028 Strategic Plan. The Plan includes as one of its five goals:



Strategic Priority 4: Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at mitigating risk and vulnerabilities

With respect to ethics and compliance, the Plan's objective is:

4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations

Management supports the Program as an important and necessary step forward in LACERA's ethics and compliance risk management.

On January 3, 2024, the Board of Retirement reviewed the proposed Ethics and Compliance Program Charter, provided input, and referred it to the JOGC as the next step in achieving this priority of the Strategic Plan. On February 29, 2024, the JOGC provided input and voted to recommend that the Boards forward the Program to the Audit Committee for further development, subject to final approval by the Boards.




Ethics and Compliance are Strategic Concepts

- > Ethics**
- > Compliance**
- > Authority for E&C Program**

Ethics and Compliance are Strategic in Three Dimensions

Ethics and Compliance are:

 **Ways of Thinking and Acting** that are essential to LACERA's fiduciary duties of prudence and loyalty and its Mission to produce, protect, and provide the promised benefits to our members

 **Risks** to LACERA if not followed

 **Process** to support the Boards and management in:

- Oversight of important aspects of LACERA's operations
- Providing encouragement and support to the entire organization with regard to ethics and compliance
- Risk mitigation

Ethics Comes First



“Ethics” means the application of sound judgment and the diligent practice of LACERA’s Values of accountability, collaboration, inclusivity, innovation, integrity, and transparency in order to always **do the right thing**, even when hard or inconvenient, in furtherance of the fund's fiduciary duty and its Mission to produce, protect, and provide the promised benefits to our members.

Ethics comes first because decisions must be based on what *should* be done under applicable standards, not just what *can* be done.



Ethics is the **compass** when navigating decisions.

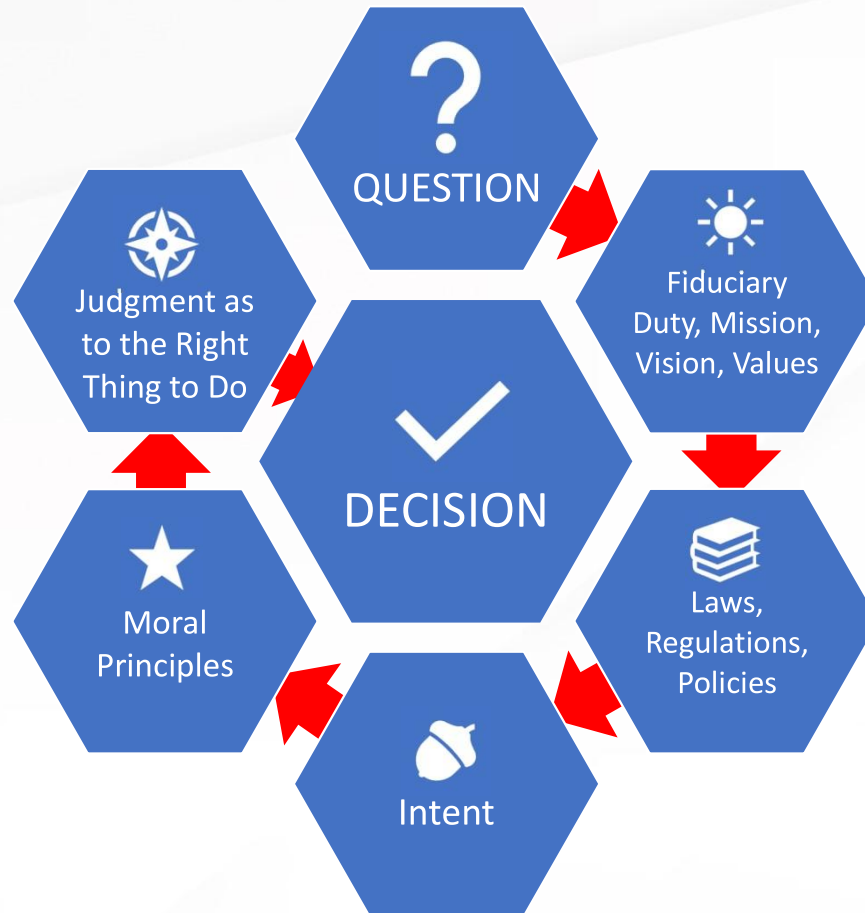


Ethical Decision-Making




“Ethics is knowing the difference between what you have a right to do and what is right to do.”

-U.S. Supreme Court Justice Potter Stewart



Ethics Risks



 Misconduct/Violations of Laws, Regulations, Policies, and Procedures

 Shading of Standards

- Just within the line of compliance, but not consistent with ethical standards and norms
- Such conduct:
 - Increases the perception of being unethical,
 - Increases the risk of claims of violations, and
 - Weakens the fabric of ethics in the organization, and
 - Increases the risk of misconduct or substandard conduct in the performance of LACERA's fiduciary duty to members and beneficiaries
- Examples of Being Compliant but Unethical
 - Taking an allowed advantage or benefit that is not necessary to achieve business objective as fiduciaries



Acting Contrary to Public Service and Fiduciary Duty to Members and Beneficiaries

Business Case for Ethics as a Priority



Research* supports that strong ethics programs result in:

- ✓ Improved staff experience because an ethical culture fosters feelings of trust, purpose, and teamwork:
 - Enhanced staff morale and engagement
 - Aid in staff retention/loyalty and recruitment
- ✓ Improved organizational performance following from the positive effect on staff:
 - Improved productivity and efficiency
 - Increased member service and satisfaction
 - More innovation and adaptability to new initiatives
 - Reputational gains with all stakeholders
- ✓ Reduced misconduct, claims, and lawsuits; protection for trustees/management; increased internal reporting that in turn reinforces the other positive effects; and reduced organizational costs from misconduct and claims
- ✓ Improved Board and management oversight of and response to ethical issues

*Harvard Business Review, Gartner, numerous industry organizations, and other sources

Compliance is a Requirement



“Compliance” means adhering to the laws, regulations, policies, and procedures that govern LACERA – following the rules.

Compliance Risks

✘ Misconduct/Violation of Applicable Legal and Policy Standards

↑↓ Inconsistent Adherence and Interpretation of Standards

👤 Absence of Board and Management Awareness of Noncompliance

🧭 Lack of Understanding of Role of Ethics, Leading to Compliant but Unethical Conduct

Business Case for Compliance as a Priority



Research* supports that strong compliance structures lead to:

- ✓ Reduced misconduct, claims, and lawsuits; trustees/management protected when claims do arise; increased internal reporting reinforcing the other positive effects; and reduced organizational costs from misconduct and claims
- ✓ Greater Board and management knowledge and oversight of and response to compliance issues; proactive risk identification and mitigation, rather than reacting to problems after they have occurred, leading to improved organizational performance
- ✓ Improved staff experience from trust based on understanding and uniformity of standards and consistent treatment
- ✓ Additional benefits when compliance is linked to ethics as described on Slide 9

*Harvard Business Review, KPMG, Gartner, numerous industry organizations, and other sources

Authority for Ethics and Compliance Program – (1) Fiduciary Duty of Oversight under Constitution, CERL



The Boards have “plenary authority and fiduciary responsibility for investment of moneys and administration of the system,” subject to:



DUTY OF LOYALTY “(b) ... solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries ...”



DUTY OF PRUDENCE “(c) ... 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 a public pension system.

-- California Constitution, Art. XVI, Section 17; see CERL, Government Code §31595

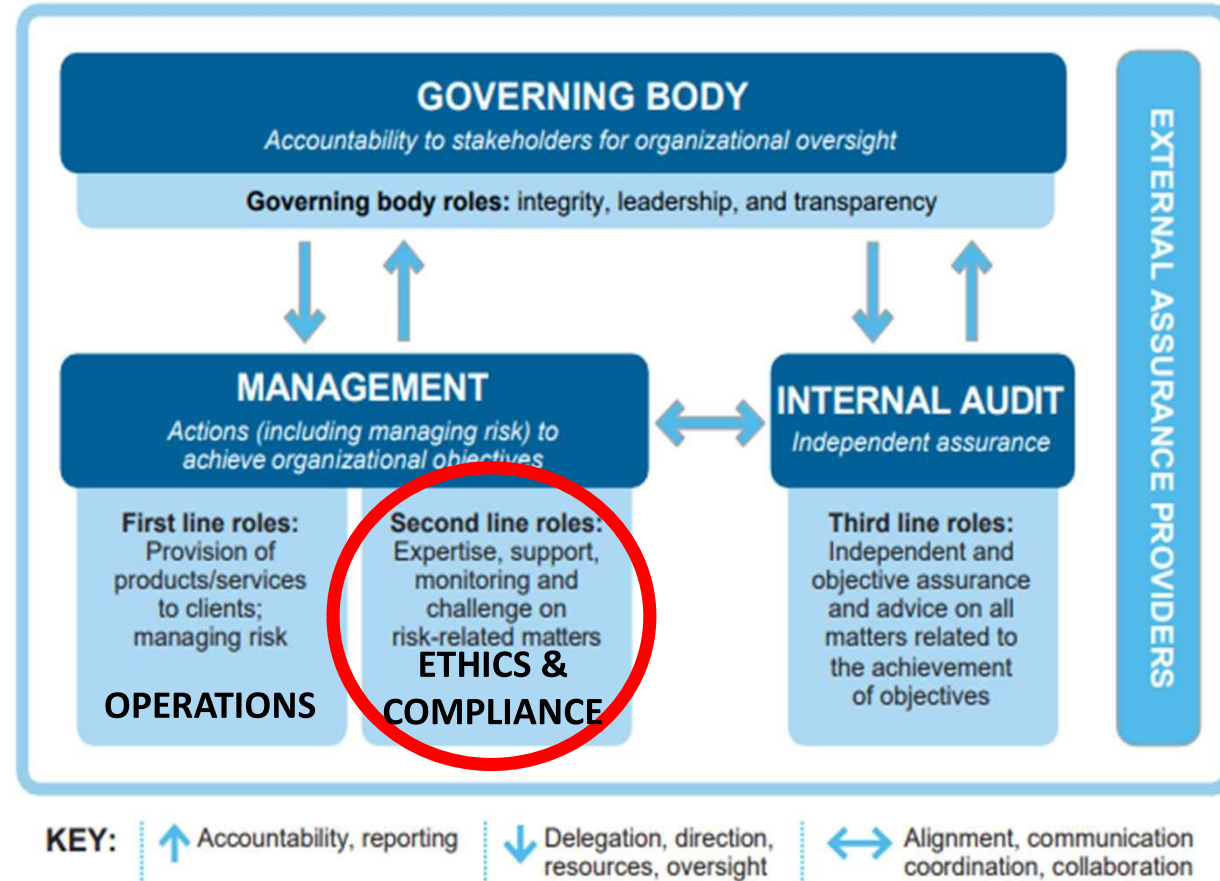
Loyalty and Prudence require that the Boards have a process to oversee the ethical and compliant operation of LACERA and respond to ethics and compliance risks and issues. The fiduciary duty of oversight also applies to management and staff.

Authority for Ethics and Compliance Program – (2) The Institute of Internal Auditors' Three Lines Model



The Institute of Internal Auditors' *Three Lines Model*:

- Under this model, compliance is the second line under management and the Boards as a separate function to provide support in the management of risk associated with ethical conduct and compliance in LACERA's operations.
- The first line under management is delivery of services in LACERA's divisions ethically and in compliance with applicable requirements.
- The third line is Internal Audit, which provides independent assurance as to LACERA's controls in addressing risk and is complementary to the first and second lines.



Based on IIA's Three Lines Model (2020) 13

Authority for Ethics and Compliance Program –

(3) Guidance under Federal Sentencing Guidelines



In 1991, Federal Sentencing Guidelines for Organizations were promulgated, creating the first broad-based incentive for organizations to establish ethics and compliance programs. The Guidelines promise reduced fines following criminal violations if an organization has an effective ethics and compliance program. The Department of Justice continues to issue guidance in this area, most recently in 2023. This guidance is recognized as a best practices roadmap:



Is the Program Well-Designed?

- Risk Assessment
- Policies and Procedures
- Training and Communication
- Reporting
- Investigation Process
- Third-Party Management



Is the Program Adequately Resourced?

- Commitment and Oversight by Boards and Management
- Autonomy and Resources
- Consequence Management



Does the Program Work in Practice?

- Continuous Improvement, Testing, and Review of Program
- Investigation of Misconduct
- Identification, Analysis, and Remediation of Misconduct

As the Department of Justice has stated, “Beyond compliance structures, policies, and procedures, it is important for a company to **create and foster a culture of ethics and compliance** with the law. The effectiveness of a compliance program requires a high-level commitment by company leadership to implement a culture of compliance from the top.”



Authority for Ethics and Compliance Program – (4) Securities and Exchange Commission



In 2008, the SEC issued a report of its investigation of potential securities laws violations by The Retirement Systems of Alabama (RSA) relating to use of material, nonpublic information (MNPI). The report reminded pension funds of their responsibilities under federal laws and warned them that they assume a greater risk of violations if they do not have adequate compliance policies and procedures in place.

“We issue this Report to remind investment managers, public and private, of their obligation to comply with the federal securities laws and the risks they undertake by operating without an adequate compliance program. **RSA's conduct could have been prevented with appropriate policies, procedures and training.**”

Report of Investigation Pursuant to Section 21(a) of the Securities Exchange Act of 1934: The Retirement Systems of Alabama, <https://www.sec.gov/litigation/investreport/34-57446.htm>.

Authority for Ethics and Compliance Program – (5) Developing Practice among Peer Public Pensions



Systems

An increasing number of LACERA's peer public pension systems have ethics and compliance programs, plans, and staff. For example:



37 Act Systems:

CCCERA
OCERS
SDCERA



Other California Systems:

CalPERS
CalSTRS
SDCERS



Other Systems:

Florida State Board of Administration
Iowa Public Employees' Retirement System
MassPRIM
Oregon Public Employees Retirement System
State of Michigan Investment Board
State of Wisconsin Investment Board
Teacher Retirement System of Texas
Tennessee Consolidated Retirement System
Virginia Retirement System
Washington State Investment Board



LACERA's Proposed Ethics and Compliance Program

Progress



The approved BOR Strategic Plan provides that the first step in addressing compliance is to form a working group across divisional lines to develop a compliance charter. The attached Charter was developed with review by the staff Ethics and Compliance Committee and other management and staff input.

August 2023
Engage Rebecca Walker,
Kaplan & Walker LLP as
ethics and compliance
counsel and advisor

December 2023
Proposed Ethics and
Compliance Program Charter
presented to the OOC and
advanced to the BOR

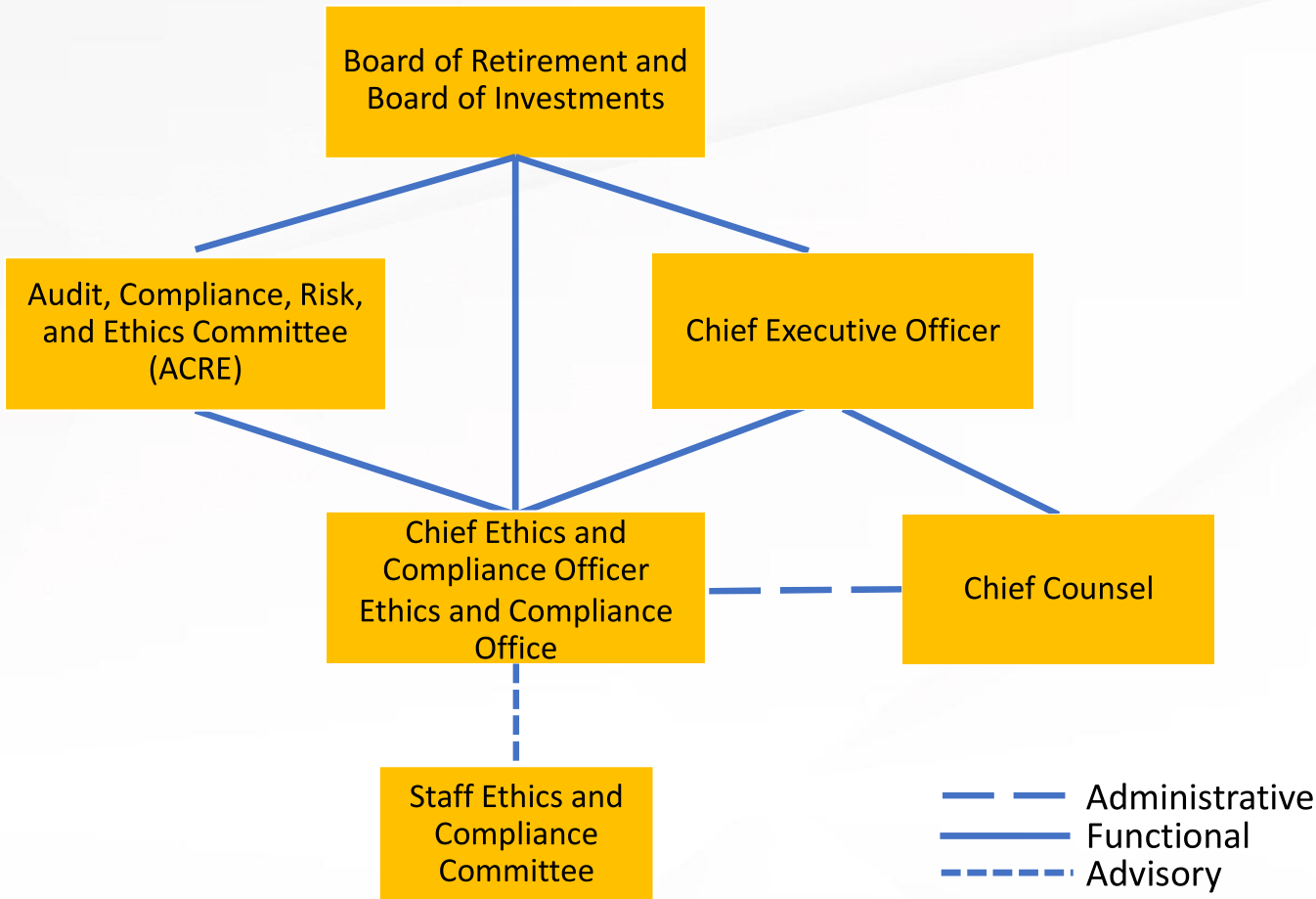
February 2024
Charter presented to JOGC,
which voted to recommend that it be
referred by the Boards to the
Audit Committee

August – November 2023
Staff Policy Committee changed to Ethics
and Compliance Committee to provide a
cross-functional team approach to ethics
and compliance education and
development of the Program

January 2024
Charter presented to the
BOR for referral to the JOGC;
BOR provided comments
addressed in JOGC materials

April 2024
BOR and BOI
Meetings

Proposed Ethics and Compliance Structure



Under the attached proposed Program Charter:

The Chief Ethics and Compliance Officer will have independent authority to report functionally to the Audit Committee (to be renamed the Audit, Compliance, Risk and Ethics (ACRE) Committee), the Boards, and the CEO. The Chief Ethics and Compliance Officer will report administratively to Chief Counsel.

The Chief Ethics and Compliance Officer will lead an Ethics and Compliance Office within the Legal Division and will rely on the staff Ethics and Compliance Committee for advice and to share and receive information to enhance staff engagement and culture.

Roles of ACRE Committee, Boards, CEO, and Chief Counsel



- **ACRE Committee** – The Committee:
 - Provides functional oversight of the Program
 - Receives reporting of information on ethics and compliance issues and concerns to enable the Committee to monitor the Program and respond
 - Provides input and approval on the hiring, firing, discipline, and annual performance evaluation of the Chief Ethics and Compliance Officer
- **Boards** – Provide functional oversight of the Program, receive reports and recommendations from the ACRE Committee and directly from the Chief Ethics and Compliance Officer, and respond to ethics and compliance issues; input and approval on Chief Ethics and Compliance Officer hiring, firing, discipline and annual performance evaluation
- **CEO** – Provides functional oversight of the Program, receives regular reporting on ethics and compliance issues, and responds to issues as indicated; reports are also made to senior leaders as needed; hiring, firing, and discipline and annual performance evaluation with ACRE Committee and Board input and approval
- **Chief Counsel** – Provides administrative oversight and support of the Chief Ethics and Compliance Officer and the E&C Program within the Legal Office

Roles of Managers, Supervisors, and Staff



- **Managers and supervisors** have a duty to communicate and model ethical standards and to follow all laws, regulations, policies, procedures, and business practices, including LACERA's Code of Ethical Conduct. They are to promote a culture of ethics and compliance by providing a space to report concerns without retaliation.
- **Staff members**, including permanent staff, temporary workers, and contractors, are responsible to perform day-to-day work with the highest ethical standards and to follow all laws, regulations, policies, procedures, and business practices, including the Code of Ethical Conduct. Staff has a duty to report concerns.

Peer System Reporting Lines for E&C



General Counsel is also Chief Compliance Officer:

SDCERS
Teacher Retirement System of Texas
State of Michigan Investment Board

Compliance Reports to General Counsel or in Legal Office:

OCERS
SDCERA (also has direct CEO involvement)
CalPERS
CalSTRS
Iowa Public Employees' Retirement System
(compliance officers in Legal Division)
State of Wisconsin Investment Board

Compliance Reports to Executive Director/CEO:

CCCERA
Florida State Board of Administration
Oregon Public Employees Retirement System
(combined with Internal Audit and Risk)
Virginia Retirement System

Compliance Overseen by Deputy Director/COO:

MassPRIM (General Counsel oversees legal compliance)
Tennessee Consolidated Retirement System
(counsel leads combined Legal, Compliance, and Internal Audit unit)
Washington State Investment Board



LACERA's proposed Program is on this side of the spectrum because of its strong ACRE Committee, Board, and CEO functional oversight

Scope of Program Activities



- Program will provide a structure for ethics and compliance support for all of LACERA
- Based on LACERA's needs and best practices, the Chief Ethics and Compliance Officer will be responsible for the following activities:
 - Ethics and Compliance Program Framework
 - Ethics and Compliance Risk Assessment
 - Monitoring of Ethics and Compliance in LACERA's Operations and Business Practices
 - Review of Policies and Procedures
 - Vendor/Third Party Ethics, Compliance, and Risk
 - Privacy
 - Training, Communications, and Incentives relating to Ethics and Compliance Issues
 - Channels for Staff to Report Ethics and Compliance Concerns
 - Investigation, Response, Remedial Measures, and Commitment to Non-Retaliation
 - Measure Organizational Culture of Ethics and Compliance
 - Regular Reporting to the CEO, Senior Leaders, ACRE Committee, and Boards
 - Annual Self-Assessment and Review of Program, including Internal Audit and External Review

Program Responsibilities and Accountability



In addition to implementation of the E&C Program, the Chief E&C Officer will have the responsibility and accountability to regularly report to the ACRE Committee, Boards, CEO, and senior leaders regarding:

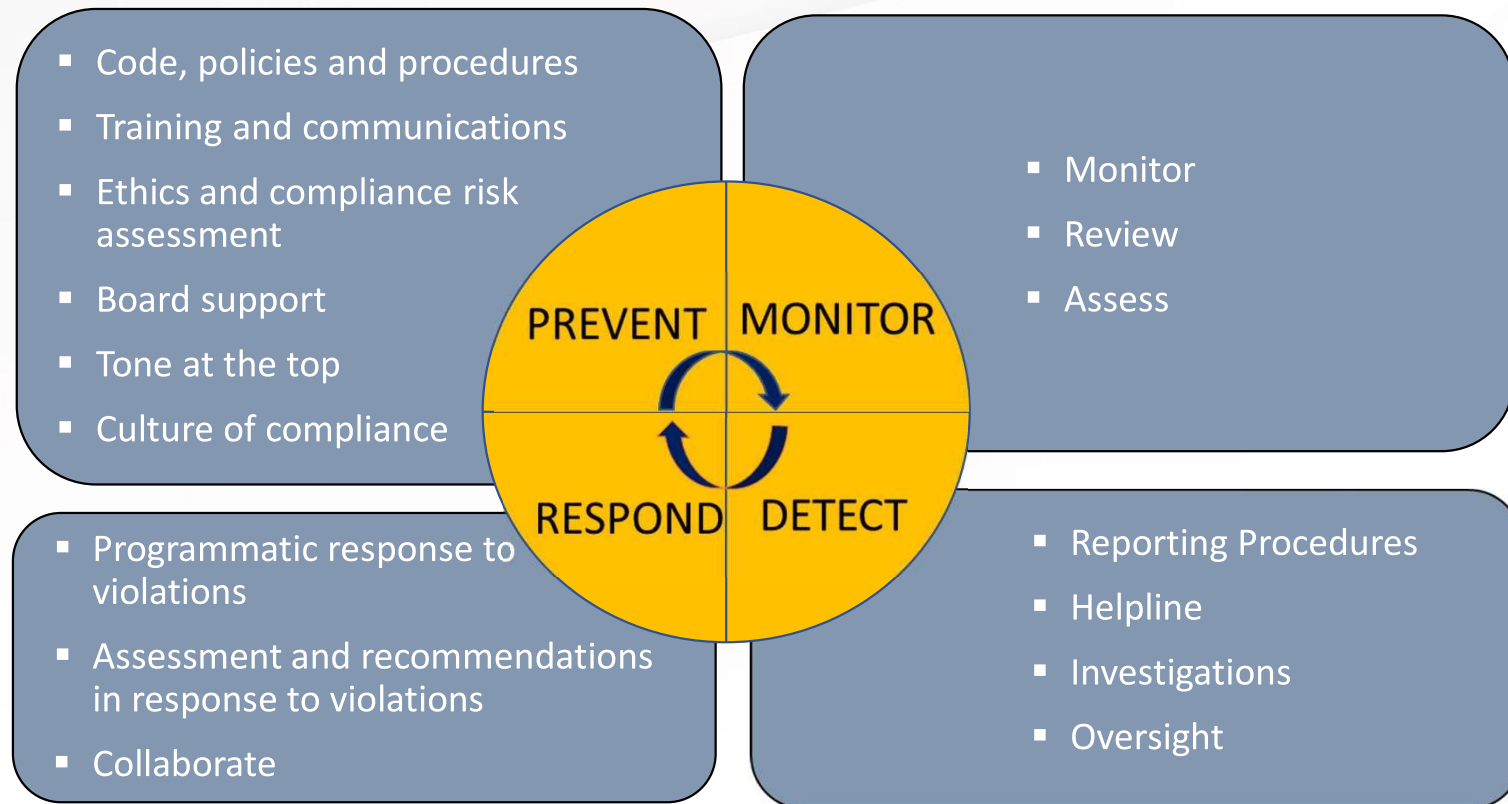
- Selection, training, and development of Ethics and Compliance Office staff
- Development of processes for LACERA staff input and involvement in the Program, including the staff Ethics and Compliance Committee
- Annually present E&C Program work plan for approval to the ACRE Committee, Boards, and CEO
- Annually provide a budget for the Program
- Provide quarterly reports to the ACRE Committee, Boards, and CEO on:
 - Investigations
 - Policies and procedure review
- Provide annual reports on:
 - The status of the Program and LACERA's overall ethics and compliance performance
 - Privacy of member information and other organizational information
 - Self-assessment and Program reviews



Outside Counsel Perspective

Rebecca Walker, Kaplan & Walker LLP
Ethics and Compliance Counsel and Advisor

Ethics and Compliance Program Structure





Level of Oversight Will Vary with Risk Ownership

Levels of Oversight by Ethics & Compliance (“EC”)



Direct Ownership

- EC owns and defines policies & procedures
- EC establishes controls, which may be implemented centrally or regionally/locally
- EC defines and monitors metrics



Shared Ownership

- Risk owner defines policies and procedures in collaboration with EC
- Risk owner establishes controls, while EC tests design and effectiveness of the controls on a periodic basis
- EC agrees with risk owners on metrics to be reported on a defined cadence (monthly)
- EC provides significant support to risk owners



Moderate Oversight

- EC agrees with risk owners on metrics to be reported on a defined cadence (at least quarterly)
- EC provides moderate compliance oversight evaluation support to risk owners



Minimal Oversight

- Only significant issues/regulatory inquiries are escalated
- Limited metrics may be reported on a defined cadence (at least annually)

When EC assumes direct or shared ownership of compliance risks

1. Higher-level legal risks
2. No clear owner
3. EC has appropriate expertise
4. Need for objectivity
5. Need for centralized approach to controls



Internal Audit Perspective

Richard Bendall

Chief Audit Executive

Internal Audit Perspective on the Additive Value of a Formal Ethics and Compliance Function



1. Governance Risk and Control (GRC) Maturity

- Moving the mark from Initial/Repeatable to Defined/Managed and ultimately to Optimized
- Other specific enhancements to the control environment include:
 - ✓ Enhanced risk assessment
 - ✓ Improved control environment
 - ✓ Increased transparency and accountability
 - ✓ Early detection of issues
 - ✓ Regulatory alignment
 - ✓ Stakeholder confidence
 - ✓ Cost savings
 - ✓ Continuous improvement
 - ✓ Strategic alignment

2. Support for Audit Activities

- A well-established ethics and compliance function provides valuable documentation and evidence that can support Internal Audit activities, helping to focus and streamline audit processes and enhance their effectiveness



Next Steps

Next Steps



At its February 29, 2024 meeting, JOGC recommended that the Boards forward the proposed Ethics and Compliance Program Charter to the Audit Committee for further development to be returned to the Boards for final approval.

April 2024

BOR and BOI Meetings

JOGC recommends that the Boards make referral to the Audit Committee for further development, and return final proposal to Boards

June 2024

Audit Committee Review

Revise Program Charter; update ACRE Committee Charter; prepare Chief Ethics and Compliance Officer job description; continue staff E&C Committee efforts

July 2024 Goal:
Program Approval by both Boards;
Implementation Begins



September 23, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: 2024 Audit Committee
Debbie Martin (BOI), Chair
Wayne Moore (BOR), Vice Chair
Vivian Gray (BOR), Secretary
Nancy Durazo (BOR), Trustee
Jason Green (BOI), Trustee
Nicole Mi (BOI), Trustee
Elizabeth Ginsberg (BOR/BOI), Trustee

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

SUBJECT: Ethics and Compliance Program Foundational Work Plan

RECOMMENDATION

The Audit Committee recommends that the Board of Retirement and Board of Investments review and approve the proposed Ethics and Compliance Program Foundational Work Plan.

LEGAL AUTHORITY

At its September 19, 2024, meeting, the Audit Committee (Committee) voted to (1) approve the Ethics and Compliance Program Foundational Work Plan, and (2) forward the Work Plan to the Board of Retirement and Board of Investments. The proposed Audit, Compliance, Risk, and Ethics (ACRE) Committee Charter, also approved by the Audit Committee (and on the October agendas for the Boards' final approval), provides in Section VII.B.13.b for foundational Program work to be performed by the CEO and Chief Counsel pending the hiring of the Chief Ethics and Compliance Officer (CECO) and for the status of such work to be regularly reported to the ACRE Committee and the Boards.

DISCUSSION

A formal Ethics and Compliance Program (Program) is one of the priorities of the Board of Retirement's 2023-2028 Strategic Plan and is supported by best practices in the public pension community. Once the Ethics and Compliance Program Charter and updated Audit, Compliance, Risk, and Ethics Committee Charter are approved by the Boards, it is recommended staff begin implementation of the proposed Ethics and Compliance Program Foundational Work Plan (Work Plan). This Work Plan has been reviewed and vetted by LACERA's Ethics and Compliance consultants. The Work Plan outlines

foundational Ethics and Compliance Program activities that are important to launch the Program and manage LACERA's ethics and compliance risks in the interim between Charter approval and establishing and staffing the Ethics and Compliance Office in the Legal Division. The CEO and the Legal Division staff members currently leading the Ethics and Compliance Program strategic initiative will oversee the Work Plan, in ongoing consultation with the ACRE Committee, the Boards, other members of the Executive Office and management, and the staff Ethics and Compliance Committee.

The following chart provides an overview of the proposed Work Plan activities and target dates for completion, with descriptions of each activity outlined below. This foundational work will help position the Program and the CECO for success by preparing the organization and collecting background risk information with which the CECO may begin work.

Program Activity	Target Completion Date
Ethics and Compliance Education Plan	Ongoing
Policy Management Phase 1	December 2024
Baseline Ethics and Compliance Risk Assessment	January 2025
Baseline Ethics and Compliance Cultural Survey	January 2025
Chief Ethics and Compliance Officer and Deputy Job Descriptions and Salaries	January 2025
LACERA Code of Ethical Conduct Update	March 2025

Ethics and Compliance Education Plan

A central goal of the Program is to infuse ethics and compliance into LACERA's culture, such that ethics and compliance become as inherent as our mission to produce, protect, and provide the promised benefits and for all staff to understand the significance of the Program and how it will support day-to-day operations. Initial education efforts have already begun as the Ethics and Compliance Program strategic initiative team and the Ethics and Compliance Committee regularly communicate the meaning and value of ethics and compliance to staff. Following monthly meetings, the multi-divisional Ethics and Compliance Committee members are charged with reporting out to their respective divisions on Committee activities (including new or updated policies and updates on Program development). Program socialization will also include separate orientations tailored to particular roles and responsibilities (Trustees, Executive Office, Management, Supervisors, Front-Line Staff), an Ethics and Compliance Intranet landing page, and frequent updates at LACERA's monthly brown bag meetings which are directed by the Executive Office. Ethics and Compliance Committee staff are also pursuing education from third-party providers, such as the Society of Corporate Compliance and Ethics and the Practising Law Institute.

Policy Management

Policy management is a critical element of mitigating ethics and compliance risk.

Members of the Ethics and Compliance Committee have been diligently inventorying organizational policies and procedures to organize and render those documents searchable and accessible to all staff. A subcommittee is currently working with the Systems division Project Management Group to develop an in-house software solution (leveraging Microsoft SharePoint) to create *Compass: LACERA's Policy Library*. *Compass* will ensure every LACERA staff member is able to readily locate, apply, and adhere to policies and procedures as they perform their day-to-day operations in compliance with the law and regulations.

Baseline Ethics and Compliance Risk Assessment

Ethics and Compliance strategic team leaders will conduct a baseline query of division leaders about ethics and compliance risk profiles and operational gaps to assist in determining what additional controls may be needed, such as divisional training, ethics and compliance action plans, policies, and procedures. These initial assessments will include ethics and compliance risk questionnaires or surveys followed by interviews. The assessment process will also ensure management understands how the Program will serve as a valuable resource to support their individual operations.

Baseline Ethics and Compliance Culture Survey

This survey will establish a baseline for benchmarking the organization's understanding of, appetite for, and adherence to LACERA's ethics and compliance standards at a cultural level. The initial survey will measure elements such as: 1) staff's comprehension of the meaning, value, and necessity of ethics and compliance for the organization; 2) staff's perception of senior leadership's commitment to ethics and compliance; 3) staff's knowledge of reporting channels--how to access those channels and report suspected misconduct; 4) staff's confidence in LACERA's commitment to nonretaliation; and 5) staff's trust in organizational justice, i.e. that LACERA has a methodical and fair investigative process and treats misconduct consistently. The survey will also serve as an additional educational tool and communicate to staff the significance of the Program, their involvement in it and leadership's commitment to it.

CECO and Deputy Job Descriptions and Salaries

Job Descriptions for the Chief Ethics and Compliance Officer and the Deputy position are being drafted in conjunction with Human Resources. Evaluation of the appropriate salary level for both positions is also underway. The CECO recruitment plan is dependent on County approval of the position. Once the CECO is approved, recruited, and hired, they will oversee the recruitment process and hiring of additional Ethics and Compliance Office staff (e.g., the Deputy position).

LACERA's Code of Ethical Conduct Update

LACERA's Code of Ethical Conduct is a cornerstone of the organization's Ethics and Compliance Program, sets expectations, and serves as an ethical decision-making guide. The document will be updated to reflect the Ethics and Compliance Program, other applicable 2023-2028 strategic plan initiatives, LACERA's new vision, values, and guiding

principles. The Code will continue to address and further define reporting roles and responsibilities, LACERA's investigative process for instances of misconduct, as well as ethics and compliance risks specific to LACERA's business operations. In addition to any substantive revisions, the format of the Code will be updated to improve accessibility via additional channels and made interactive where indicated. The Code update will be followed by organization-wide training, further educating staff on its significance, value, and their responsibility to always work in accordance with the Code. The Code was last reviewed and revised in November 2021 and has a three-year review cycle, so review is timely.

CONCLUSION

Ethics and compliance are an inherent part of LACERA's constitutionally mandated fiduciary duties of care, skill, prudence, and diligence, and impact the entire organization and its mission to produce, protect, and provide the promised benefits to members and their beneficiaries. Accordingly, upon approval of the Ethics and Compliance Program Charter, it is important to implement the foundational elements of the Program through the proposed Work Plan.

The Audit Committee recommends that the Boards review and approve the proposed Ethics and Compliance Program Foundational Work Plan.

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Grabel
JJ Popowich
Laura Guglielmo
Ted Granger
Chaitanya Errande
Richard Bendall
Steven P. Rice
Carly Ntoya, Ph.D.
Leisha Collins
Christina Logan
Allison Barrett



September 17, 2024

TO: Each Trustee
Board of Retirement

FROM: Operations Oversight Committee
JP Harris, Chair
Antonio Sanchez, Vice Chair
Wayne Moore,
Jason Green
David Ryu, Alternate

FOR: October 2, 2024, Board of Retirement Meeting

SUBJECT: Vendor Recommendation: Legal Matter Management Software Solution

RECOMMENDATION

That the Board of Retirement authorize staff to engage with LawVu to provide software and implementation services to configure, customize, and implement a Legal Matter Management Solution for the Legal Division at a first-year cost of \$118,791 (implementation cost of \$45,220 and licensing fee of \$73,571), with three one-year renewal options at the same licensing fee. The total four-year cost is \$340,044. Sufficient appropriation for the initial costs has been included in the FY 2024-25 Systems Division Technology Modernization Projects budget line item. Additional appropriation will be requested as part of the budget process for future phases.

EXECUTIVE SUMMARY

LACERA's current system for managing legal matters is outdated and inefficient, leading to challenges in tracking matters, managing documents, collaborating effectively, and managing outside counsel invoice payments. The desired Legal Matter Management (LMM) application will modernize and streamline how the Legal Division tracks legal matters, handles intake, automates routine tasks, optimizes workflows, and empowers the team to work more efficiently. With this powerful tool, Legal will gain valuable metrics and insights for tracking performance and making data-driven decisions, ultimately driving better outcomes. The objective is to implement a comprehensive legal operations solution that effectively manages matters, spending, vendors, documents, reporting, and workflows, bringing positive change to Legal's operations.

BACKGROUND

LACERA's Legal Division's current system for managing legal matters is outdated and inefficient because it relies on a fragmented system of legacy Microsoft tools like Outlook, SharePoint, Word, and Excel and time-intensive manual processes. This current system leads to challenges in tracking cases, managing documents, collaborating effectively, and maintaining accurate billing records. A modern LMM solution will integrate the various aspects of matter management

by streamlining Legal operations, improving productivity, enhancing collaboration and visibility into performance and metrics, mitigating risk, and providing better service to Legal's internal clients.

As the pension fund has grown in size, the volume of investment transactions and related data that the Legal Division processes has also increased, as well as the complexity of the work. The Legal Division's eight-member transaction team processed 400-500 or more investment transactions (such as subscription agreements, investment management agreements, purchase and sale agreements, and Non-Disclosure Agreements) valued at \$8-14 billion dollars annually over the past five years. Additionally, the team reviewed 100-150 or more non-investment commercial transactions valued at \$2-11 million annually and responded to 60-140 or more public record requests annually during the same five-year period. This volume of work will continue in the future and may grow as the size and complexity of investment portfolio increases, along with change in other aspects of LACERA's business. As a result, the ability of Legal staff to cross-collaborate and manage a large volume of data and matters is essential. The Legal Division will be better supported and more effective and efficient with a solution that can help monitor and track that activity, improve visibility into operations for enhanced decision-making, and create consistency in documentation and process in one central location. Existing systems, which are largely manual within the Microsoft 360 suite, are inadequate to meet these needs.

In order to address this need, on February 21, 2023, the Legal Division presented and obtained approval from the staff IT Coordination Council (ITCC) to search for and implement an LMM Application to mitigate its current challenges.

These current challenges are as follows:

- **Outdated and Disconnected Systems:** Legal relies on a fragmented system of legacy Microsoft tools like Outlook, SharePoint, Word, and Excel, which heavily depend on manual processes.
- **Time-Consuming Manual Reporting:** Legal creates monthly and annual Board reports manually, consuming considerable time and resources, particularly the end-of-year summary.
- **Absence of Automated Workflows:** Legal's current system lacks automated workflows, which can lead to inconsistencies, inefficiencies and potential errors.
- **Limited Calendar Integration:** The Legal calendar does not integrate with workflows, hindering its ability to track notices, project statuses, and performance metrics effectively.
- **Cumbersome Data Tracking:** Legal currently manually tracks data across more than 20 logs and 100 fields, leading to inefficiency and wasted hours spent on administrative tasks switching between systems.

In summary, Legal's current system must be updated to be more efficient and less reliant on manual processes. This manual process results in significant waste, which consumes valuable time and resources and hinders its ability to operate effectively.

REQUEST FOR QUOTATION (RFQ) PROCESS

The LMM Project Manager developed a Request for Quotations and published it to selected vendors, which were to provide their Legal Matter Management solution containing key features and capabilities along with the cost. The desired functionalities and critical features that the RFQ asked for were the following:

- **Intake Form:** The intake form will collect essential client and matter information, including contact details, a summary of the legal issue, relevant documents, deadlines, and desired outcomes. It will be tailored to Legal's specific needs, focusing on contracts, transactions, and other legal products rather than incidents.
- **Workflow Management:** A centralized platform will streamline matter management with document storage, task assignment, status tracking, and communication tools. Conditional automation rules will trigger actions based on specific events.
- **Automation:** Routine tasks like document creation, approvals, and notifications will be automated, increasing efficiency and reducing errors.
- **Productivity Enhancements:** The application will offer tools for managing workloads, prioritizing tasks, and facilitating communication to boost team productivity.
- **Performance Tracking:** Detailed analytics and reporting tools will enable performance tracking, trend identification, and data-driven decision-making.
- **Financial Management:** Fee and expense monitoring features will ensure accurate billing and budget adherence and minimize monetary risks. The system will track internal and external counsel assignments for optimal resource allocation and efficient matter completion.
- **Contract and Transaction Management:** The application will store and manage contracts, flagging key terms and provisions for easy tracking. Summaries and notes on transactions will be maintained, providing a centralized repository for all matter-related information.
- **Contact Management:** A centralized contact database will store details and communication history for all parties involved in a matter, facilitating efficient communication and collaboration.
- **Knowledge Management:** The platform will serve as a repository for documents, matter tracking, communication records, and analytics. It will promote knowledge sharing and template creation and prevent knowledge loss due to staff turnover.
- **Reporting:** Customizable reports, analytics based on relevant metrics, and tracking for budgets, time, and tasks will provide comprehensive insights into matter progress, resource allocation, and overall legal operations.

Several vendors responded to the RFQ and submitted their quotes and proposals on how their organization's Legal Matter Management could satisfy LACERA's Legal Division's request. The leading vendors that the LMM Project team believed to be primarily qualified were the following:

- FileVine
- LawVu
- Litify
- Xakia

Then, the LMM Project Team performed the Vendor Evaluation process, which included a systematic approach to assessing and comparing potential suppliers of goods or services. The process aimed to identify the most qualified vendor to meet LACERA’s Legal Division’s specific needs, requirements, and budget.

EVALUATION PROCESS

The LMM Project team thoroughly evaluated several qualified LMM vendors, including software demonstrations, prototype testing, reference checks, and a detailed analysis of their proposals and pricing. The evaluation criteria included:

- **Functionality:** Does the solution offer a comprehensive suite of LMM features to meet Legal’s needs?
- **Usability:** Is the interface intuitive and easy to learn, ensuring quick adoption by the Legal team?
- **Customization:** Can the solution be tailored to Legal’s specific processes and workflows?
- **Scalability:** Can the solution grow with the Legal Division and adapt to changing needs?
- **Integration:** Can the solution seamlessly integrate with existing systems and tools?
- **Support:** Does the vendor offer responsive and knowledgeable customer support?
- **Value:** Does the solution offer the best overall value for the cost?

Diagram 1 and Diagram 2 (below) illustrate the results of the Phase I and Phase II vendor evaluations conducted by LACERA’s Legal Subject Matter Experts.

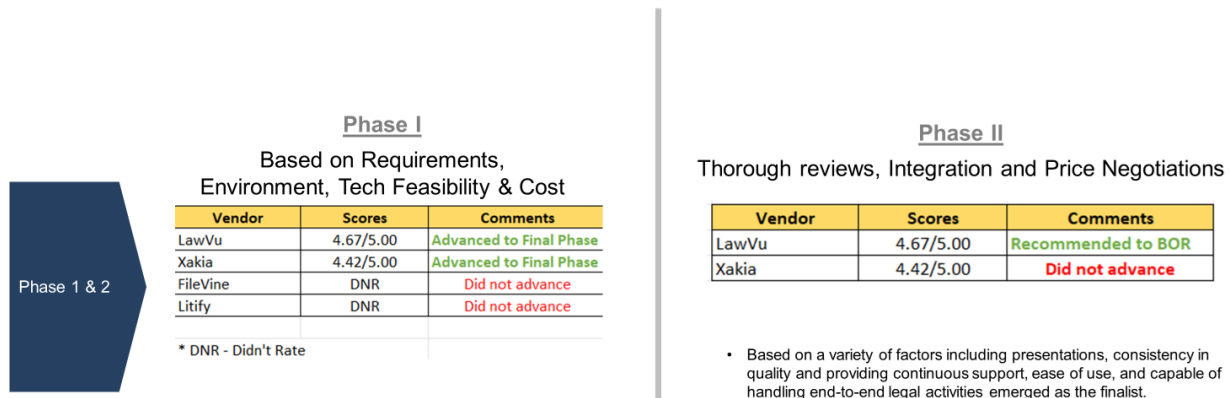


Diagram 1

Details	Criteria	LawVu	Xakia
Organization Background (25%)	Legal Matter Management Experience	↑ 5	↗ 4
	Vendor's Company Overview (Number of years in the business/Any referrals/online reviews&ratings)	↑ 5	↗ 4
Evaluation of Approach to Performance of Required Services (40%)	Remote access & cloud storage	↗ 4	↗ 4
	Indexing, OCR, searching, meta-tags	↑ 5	↗ 4
	Customizability of fields	↑ 5	↗ 4
	Calendaring with reminders	↑ 5	↑ 5
	Microsoft suite integration	↑ 5	↗ 4
	Contact management	↑ 5	↑ 5
	Ability to set access rights	↑ 5	↑ 5
	Customized & integrated reporting – both dashboards and hard copy/pdf report generation including charts and graphs	↑ 5	↑ 5
	Workflow management and automation	↑ 5	↑ 5
	Spend management – report on annual spend and by law firm	↑ 5	↑ 5
	Ability to create templates	↑ 5	↑ 5
	Entity Management	↑ 5	↑ 5
	Third party uploading and sharing capability	↑ 5	↑ 5
Data security, bulk upload, download, and retrieval	↑ 5	↑ 5	
Team Credentials(15%)	Aligns with LACERA Objectives	↑ 5	↑ 5
	Training	↑ 5	↗ 4
	Customer Support	↑ 5	↗ 4
Fee Proposal (20%)	Fee Structure	↑ 5	↗ 4
Overall average rating		4.67	4.42

Scoring Criteria	Leading	↑ 5
	Strong	↗ 4
	Satisfactory	→ 3
	Building	↘ 2
	Not meeting expectations	↓ 1

Diagram 2

VENDOR RECOMMENDATION

On May 17th, 2024, based on the Legal Subject Matter Experts' vendor evaluation and rating results, LawVu and its product, Legal Workspace, emerged as the clear leader. Legal Workspace offers a comprehensive suite of LMM features, including:

- Matter intake
- Document management and collaboration
- Calendaring, docketing, and task management
- Spend management and invoice tracking
- Reporting and analytics/metrics

- Workflow creation and automation
- Entity management
- Contact management
- Microsoft suite integration

LawVu also demonstrated a solid commitment to customer success, offering extensive training and support resources to ensure a smooth implementation and ongoing optimization.

In terms of Diversity, Equality, and Inclusion (DEI), LawVU is deeply committed to fostering a diverse, equitable, and inclusive workplace. LawVU believed that creating a safe and welcoming environment where everyone feels valued and empowered to reach their full potential is essential for its success. Diagram 3 outlines LawVU DEI overview and policy highlights.



Diagram 3

STAKEHOLDERS

The Legal Matter Management stakeholders who were part of this initiative and who also participated in the vendor evaluation and selection were the following staff members:

Executive Sponsor

- Steven Rice (Legal)

Primary Sponsor (Division Chief)

- Kathy Delino (Systems)

Legal Subject Matter Experts (Vendor Evaluators)

- Christine Roseland (Legal)

- John Harrington (Legal)
- Lisa Garcia (Legal)

Systems

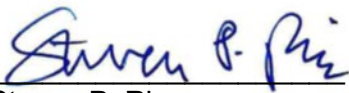
- Celso Templo (Systems PMO)
- Gnan Arige (Project Manager Systems PMO)
- Penelope Rodriguez (Systems PMO)

Information Security

- Chait Errande (Information Security)
- Zia Fatemi (Information Security)

IT IS THEREFORE RECOMMENDED THAT the Board of Retirement authorize staff to engage with LawVu to provide software and implementation services to configure, customize, and implement a Legal Matter Management Solution for the Legal Division at a first-year cost of \$118,791 (implementation cost of \$45,220 and licensing fee of \$73,571). The total four-year cost is \$340,044, with three one-year renewal options at the same licensing fee. Sufficient appropriation for the initial phase has been included in the FY 2024-25 Systems Division Technology Modernization Projects.

Noted and Reviewed:



Steven P. Rice
Chief Counsel

CC:

Luis Lugo
Kathy Delino
Christine Roseland

Laura Guglielmo
Lisa Garcia
Gnan Arige

Penelope Rodriguez
Chaitanya Errande
Zia Fatemi



ATTACHMENT

Legal Matter Management (LMM) Vendor Recommendation

October 2, 2024

Recommendation and Overview



Recommendation

That the Operations Oversight Committee recommends to the Board of Retirement to authorize staff to engage with LawVu to provide software and implementation services to configure, customize, and implement a Legal Matter Management Solution for the Legal Division at a first-year cost of \$118,791 (implementation cost of \$45,220 and licensing fee of \$73,571). The total four-year cost is \$340,044. Sufficient appropriation for the initial costs has been included in the FY 2024-25 Systems Division Technology Modernization Projects budget line item. Additional appropriation will be requested as part of the budget process for future phases.

Overview (Key Benefits)

- **Centralized "Engine Room":** LawVu creates a single source of truth for legal operations, consolidating matters, spending, reporting, and knowledge. This streamlines workflows and improves efficiency across the legal team.
- **Robust Matter Management:** LawVu's powerful tools act as a Customer Relationship Management (CRM) for legal teams, tying together internal and external activities. It covers intake, triage, document management, and provides actionable data and analytics.
- **Cloud-Based and Secured:** LawVu offers a secure, cloud-based platform for matter, contract, and spend management, ensuring data accessibility and protection.
- **Addresses Common Pain Point:** LawVu's research reveals that 61% of legal teams waste significant time switching between systems. LawVu consolidates these functions into one platform.
- **Proven ROI:** LawVu saves teams an average of 3.0 hours per legal professional per week, leading to a significant ROI and freeing up time for higher-value tasks. For a team of 5 legal counsel, this represents a 295% ROI per year, not to mention faster cycle times and more time for high-value work.
- **Experienced and Reputable:** Founded in 2015 by legal tech and Software as a Service (SaaS) experts, LawVu has grown to 130 employees across 15 countries, serving notable clients like PricewaterhouseCoopers (PWC), Telstra, Estee Lauder, and Linktree.
- **Location Advantage:** LawVu is primarily located in New Zealand, but the agreement with LACERA would be governed by California law.

Scope of Services



Selected firm is to provide LACERA with the following scope of services:

Scope of the work

- ✓ **Matter management**
- ✓ **Document management**
- ✓ **Knowledge management**
- ✓ **Integrated document comparison**
- ✓ **Dashboards and reporting**
- ✓ **Out-of-the-box integrations**
- ✓ **Full-text, advanced content search**
- ✓ **Flexible intake and self-service features, including the LawVu business portal**
- ✓ **Outside Counsel Collaboration and Billing**
- ✓ **Unlimited 24/7 support and dedicated customer success associate**

Stakeholders



Sponsors

Executive Sponsor	Steven Rice Chief Counsel
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Primary Sponsors	Kathy Delino Chief, Information Technology
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Legal Subject Matter Experts (Vendor Evaluators)

Legal Office	Christine Roseland Senior Staff Counsel
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Legal Office	John Harrington Senior Staff Counsel
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Legal Office	Lisa Garcia Legal Analyst
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Additional Team Members

Systems	Celso Templo Information Technology Manager II
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Systems	Gnan Arige Project Manager
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Systems	Penelope Rodriguez Systems PMO
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Information Security	Chait Errande Information Security
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Information Security	Zia Fatemi Information Security
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Evaluation Criteria



The Evaluation Team scored proposals based on the following categories:

Organization Background (25%)

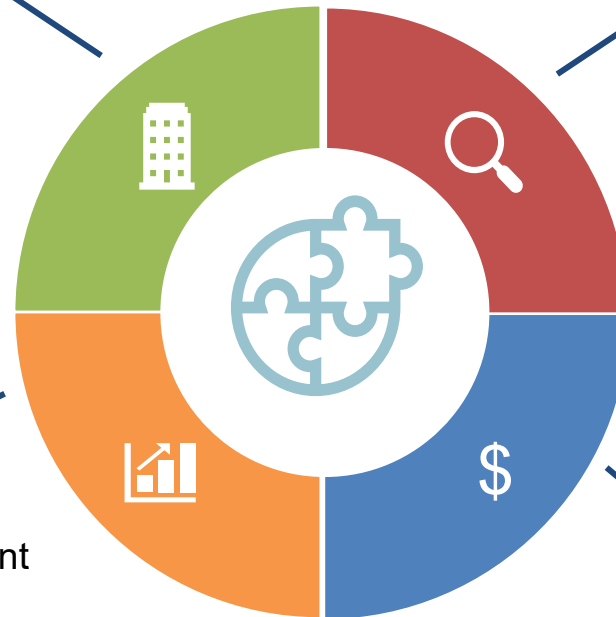
- Vendor history and structure
- Vendor's experience relevant to the engagement

Evaluation of Approach to Performance of Required Services (40%)

- Matter Management
- Document Management
- Integration with other applications
- Customization & Configuration
- Dashboard & Reporting Capabilities
- Proof of Concept (Sandbox validation)
- Client references

Team Credentials (15%)

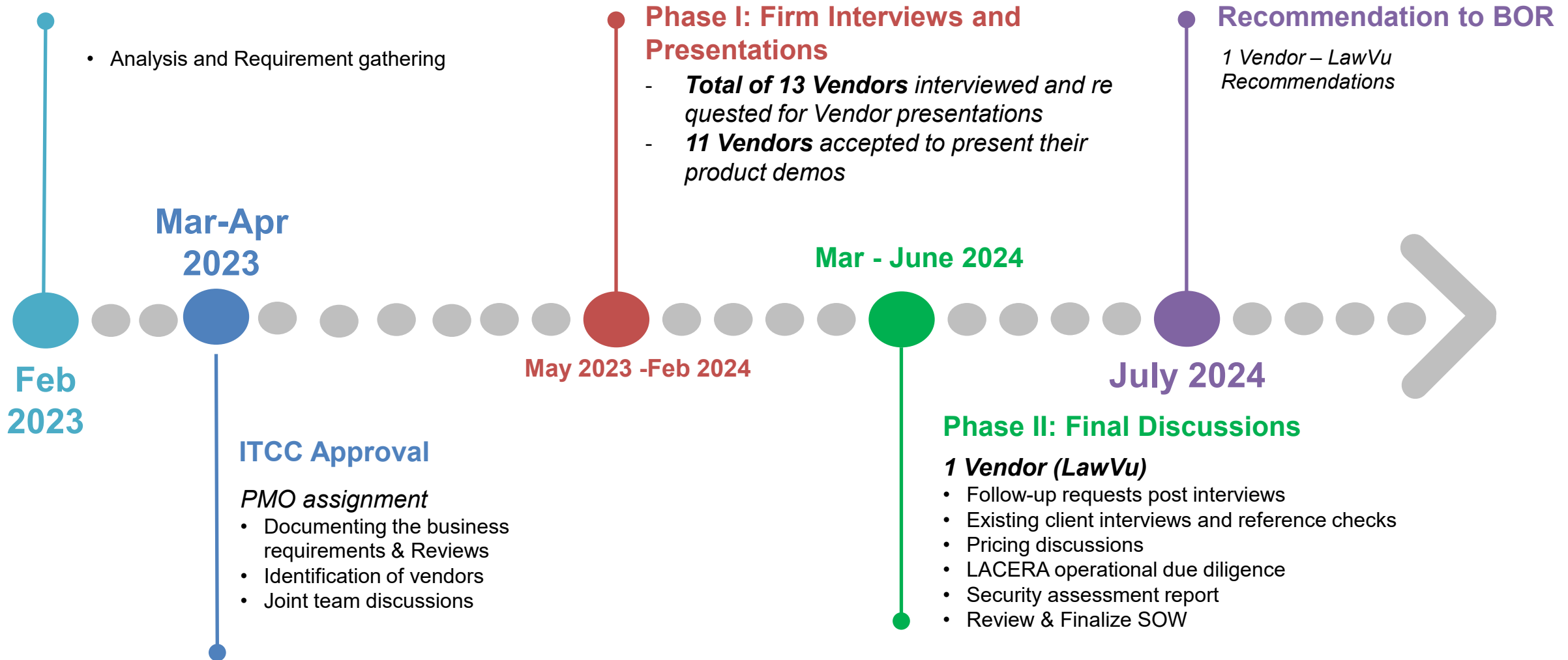
- Implementation Team's work experience
- Team's experience relevant to the engagement
- Client communications



Fee Proposal (20%)

- Fees and hours proposed to complete engagement
- Cost of Product

Evaluation Process and Timeline



List of Vendors



Vendor Name	Presentation
Clio	Completed
Rocket Master	Completed
ProLaw	Completed
HighQ	Completed
ActionStep	Completed
LawVu	Completed
Litify	Completed
Filevine	Completed
CaseFox	Completed
Xakia	Completed
Legal Tracker	Completed

Evaluations – Phase I & II



Phase 1 & 2

Phase I

Based on Requirements,
Environment, Tech Feasibility & Cost

Vendor	Scores	Comments
LawVu	4.67/5.00	Advanced to Final Phase
Xakia	4.42/5.00	Advanced to Final Phase
FileVine	DNR	Did not advance
Litify	DNR	Did not advance

* DNR - Didn't Rate

Phase II

Thorough reviews, Integration and Price Negotiations

Vendor	Scores	Comments
LawVu	4.67/5.00	Recommended to BOR
Xakia	4.42/5.00	Did not advance

- Based on a variety of factors including presentations, consistency in quality and providing continuous support, ease of use, and capable of handling end-to-end legal activities emerged as the finalist.

Evaluation Score – Phase II



Details	Criteria	LawVu	Xakia
Organization Background (25%)	Legal Matter Management Experience	↑ 5	↔ 4
	Vendor's Company Overview (Number of years in the business/Any referrals/online reviews&ratings)	↑ 5	↔ 4
Evaluation of Approach to Performance of Required Services (40%)	Remote access & cloud storage	↔ 4	↔ 4
	Indexing, OCR, searching, meta-tags	↑ 5	↔ 4
	Customizability of fields	↑ 5	↔ 4
	Calendar with reminders	↑ 5	↑ 5
	Microsoft suite integration	↑ 5	↔ 4
	Contact management	↑ 5	↑ 5
	Ability to set access rights	↑ 5	↑ 5
	Customized & integrated reporting – both dashboards and hard copy/pdf report generation including charts and graphs	↑ 5	↑ 5
	Workflow management and automation	↑ 5	↑ 5
	Spend management – report on annual spend and by law firm	↑ 5	↑ 5
	Ability to create templates	↑ 5	↑ 5
	Entity Management	↑ 5	↑ 5
	Third party uploading and sharing capability	↑ 5	↑ 5
Data security, bulk upload, download, and retrieval	↑ 5	↑ 5	
Team Credentials(15%)	Aligns with LACERA Objectives	↑ 5	↑ 5
	Training	↑ 5	↔ 4
	Customer Support	↑ 5	↔ 4
Fee Proposal (20%)	Fee Structure	↑ 5	↔ 4
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Scoring Criteria	
Leading	↑ 5
Strong	↔ 4
Satisfactory	→ 3
Building	↘ 2
Not meeting expectations	↓ 1

LawVu



LawVu is a leading provider of legal workspace solutions designed to empower corporate in-house legal teams. The company offers a cloud-based platform that brings together matter management, contract management, spend tracking, and knowledge repositories into a single, centralized system.

Founded in 2015, LawVu's mission is to centralize legal operations, streamline workflows, and improve collaboration within legal departments. By consolidating essential legal functions into one platform, LawVu helps legal professionals gain better visibility into their work, make more informed decisions, and work more efficiently.

LawVu serves a wide range of clients, including Fortune 500 companies, government agencies, and non-profit organizations. The company has a global presence with employees in 15 countries and serves notable clients like PricewaterhouseCoopers, Telstra, Estee Lauder, and Linktree.

LawVu – Mission & Purpose



Empowering In-House Legal Teams: LawVu aims to provide tools and solutions that enhance the capabilities and efficiency of in-house legal teams. This includes features like matter management, contract management, spend tracking, and knowledge repositories.



Centralizing Legal Operations: By bringing legal operations to the "heart of the business," LawVu aims to make legal processes more integrated with other business functions. This can lead to better collaboration, faster decision-making, and increased visibility into legal matters.



Corporate Focus: The quote specifically mentions "corporate" in-house legal teams, suggesting that LawVu's solutions are tailored to the needs of larger organizations and businesses.



Diversity, Equality, and Inclusivity: “We are constantly working towards making LawVu one of the best places to work, for everyone. LawVu is committed to providing equality of opportunity, valuing diversity and promoting a culture of inclusion.” ([Careers at LawVu](#))



LawVu – DEI & Policies

Overview

- DEI Initiative, Policies and Committee oversight by our Chief People Officer, Karly Boast, and our COO, Sarah Webb
- 25% of C Suite is female
- 42% of workforce is female
- 27% of workforce is ethnic minority
- Robust DEI Policy – attached
- Bullying and Anti-Harassment Policy
- Code of Conduct Policy
- Anti-Bribery and Corruption Policy
- Modern Slavery Policy

Highlights

- Winner of the Diversity in Tech Award: https://www.linkedin.com/posts/lawvu_diverse-talent-award-lawvu-activity-7108192832447778817-6Evw/
- Yearly comprehensive remuneration review and research current market rates in all roles and genders to ensure we actively address any gender pay or wage inequality.
- Yearly Leader Academy that develops and focuses on bringing through a diverse group of emerging leaders to ensure we are continually focused on gender diversity as we grow
- We are subject to, and pass, regular ESG and Diversity monitoring on behalf of our main venture capital investor
- Internal annual DEI “Connect Challenges” to connect with coworkers in different roles, with varying backgrounds
- Inclusion of DEI focused articles in our InView Magazine: <https://inview.lawvu.com/blog/dei-takes-equal-parts-time-consideration-and-care/>



Trusted by modern legal teams around the world

AMP
Axiom
Deloitte
DutchBros
Estee Lauder
Etsy
Joe & The Juice
PWC

Why Workspace Matters:

- Everything you need to manage your legal matters, projects, workflows and information in a single and secure source of truth
- Find value fast and match how your team and the business work with simple configuration and the ability to easily make changes over time
- Flexible intake and self-service options improve service delivery and make everyone in the business more efficient

What our customers are saying:

“Everyone in the legal team is using LawVu now. Before LawVu, there was a significant risk around documentation – it was scattered throughout emails. I now have a much more robust record of what’s happening, and LawVu has reduced our exposure for not having complete matters.”

– Andrew Hay, Head of Operations, Legal & Secretariat, Co-op

295% ROI per year

On average, LawVu Matters saves teams at least 3.0 hours per legal professional per week. **For a team of 5 legal counsel this represents a 295% ROI per year.** Not to mention faster cycle times and more time for high value work.

Cost over 4-year term



Cost of ownership

4 Year Costs

Year	Subscription Cost	One Time Costs	Total Cost
1	\$73,571	\$45,220	\$118,791
2	\$73,571	\$NA	\$73,571
3	\$73,571	\$NA	\$73,571
4	\$73,571	\$NA	\$73,571

Recommendation and Summary



Recommendation

That the Operations Oversight Committee recommends to the Board of Retirement to authorize staff to engage with LawVu to provide software and implementation services to configure, customize, and implement a Legal Matter Management Solution for the Legal Division at a first-year cost of \$118,791 (implementation cost of \$45,220 and licensing fee of \$73,571). The total four-year cost is \$340,044. Sufficient appropriation for the initial costs has been included in the FY 2024-25 Systems Division Technology Modernization Projects budget line item. Additional appropriation will be requested as part of the budget process for future phases.

Summary

LawVu is chosen as a matter management tool for:

- **Centralized Matter Management** - It allows for efficient organization and tracking of legal matters in one place.
- **Collaboration Tools** - Facilitates seamless collaboration among legal teams and external partners.
- **Reporting and Analytics** - Provides insights into legal operations, helping to optimize processes.
- **Customizable Workflows** - Offers flexibility to tailor workflows to specific organizational needs.
- **Integration and Automation** - Enhances productivity through integration with existing tools and automation of routine tasks.

These features support the effective management of legal matters and improve overall efficiency.

Thank You!



Legal Matter Management Project Team

Questions?

jharrington@lacera.com | 626-831-9827

ctemplo@lacera.com | 626-831-9705



Legal Matter Management (LMM)

Appendix

LawVu - Diversity, Equity & Inclusion ("DEI") Policy Statement

Date	Version	Change made	Changed by
23/08/2021	1.0	Initial Draft	Karly Boast
24/08/2021	1.0	Review	Sarah Webb

What we believe

Our vision at LawVu is to unleash the potential of our brilliant mix of people by advancing our culture of belonging and by providing equal opportunities so every single human can reach their fullest potential. We are dedicated to making LawVu one of the most inclusive global tech organization's on the planet.

We recognise that an inclusive and diverse work environment respects the unique characteristics, skills, and experiences of all our people. LawVu is committed to providing equality of opportunity, valuing diversity, and promoting a culture of inclusion. We want our people, partners, and customers to reflect the diversity of the regional, national, and international communities that we serve.

By diversity, we mean acknowledging, accepting, and celebrating all the ways we are different in all its forms. It includes differences that relate to gender, age, culture, ethnicity, race, disability, family status, language, religion, sexual orientation, gender identity as well as differences in people's background, skills, work styles, perspectives, and experience.

We are committed to fostering an inclusive workplace for all our people around the globe, particularly for our remote workers. We want all of our people to feel safe to be themselves, and able to do the best work of their lives, by fulfilling their potential. By creating a psychologically safe working environment in which individuals can express their authentic selves, utilize their skills and talents to the full without fear of prejudice or harassment, we aim to create an inclusive culture where everyone can thrive.

We will ensure that equality is embedded in all our activities, policies, and decisions and will work with our partners to share good practices. We strongly believe that everybody has the right to be treated with respect, fairness, and dignity. We do not tolerate any form of bullying, harassment, sexual harassment, discrimination, victimization, or any form of demeaning behaviour toward any of our people.

Our Commitment

Equality is at the heart of who we are, and our aim is to make full use of people's talents and skills by creating an open and inclusive workplace culture where people from all backgrounds can work together to achieve our goals.

We will take proactive steps to fulfill our responsibilities and promote good practice by:

- Complying with legal obligations in a transparent manner
- Developing and publishing LawVu diversity objectives as well as mainstreaming diversity, equity, and inclusion ("DEI") into the Organisation's strategic planning process
- Assessing the impact of policies, content, and working practices to identify, remove or mitigate any disadvantage to underrepresented groups or recognize any cultural or religious sensitivity or differences
- Taking action to redress any gender, racial or other imbalance highlighted from monitoring data
- Promoting awareness and understanding of DEI matters among our people and other parties through policies, training, guidance, and campaigns
- Engaging with our people in respect of changes which may affect their employment
- Ensuring that our people, customers, and candidates to work, are treated fairly and judged solely on merit and by reference to their skills and abilities
- Ensuring the LawVu offices and centres are, as far as reasonably possible, welcoming and accessible to all
- Making sure reasonable adjustments are made, as appropriate, to enable our people and candidates with disabilities or additional needs to overcome barriers in the working, learning, and social environment
- Requiring that our content and material, where practical, includes positive, diverse content that is sensitive and relevant to our global community
- Ensure compliance with employment and equal opportunity legislation and regulations in the countries in which LawVu works
- Ensuring our people and other parties are provided with appropriate tools so that they feel confident to discuss DEI issues and raise any concerns
- Dealing with potential and actual acts of discrimination, harassment, and bullying appropriately under relevant LawVu policy and taking appropriate action where necessary.

Responsibilities

Everybody working for or connected with LawVu has a responsibility to promote DEI. The Executive Team has ultimate responsibility for ensuring that this policy is fully implemented. The Director of People Experience is responsible for leading the implementation of the LawVu

strategy in relation to equality, diversity, and inclusion for people, and in conjunction with the rest of the leadership team in relation to LawVu content and operational activity.

Implementation and Review

We are committed to continuous improvement in our efforts to achieve greater diversity, equity, and inclusion.

This Policy will be implemented throughout the organization and progress against actions and objectives will also be reported to the Executive Team on a regular basis.

We will assess the impact of this Policy by monitoring as follows:

- The People Experience Department will collect and analyze monitoring data on our people and report this information bi-annually to the Executive Team.
- The Marketing Team will put in place and maintain measures to ensure that, as far as possible, LawVu content is created in line with the provisions set out in this policy.

This Policy will be reviewed bi-annually to ensure that it reflects best practices and current legislation.

Training

All our people are required to take part in DEI training appropriate to their role with new people required to take DEI training as part of their induction.

Complaints Procedures and suggestions related to Diversity, Equality and Inclusion

LawVu expects all employees and the wider community to treat others equitably, with dignity and respect. Anyone who believes they have been discriminated against, harassed, or bullied has the right to make a complaint-free from victimization or fear of retaliation.

We also encourage our people to have a voice to share their suggestions and provide feedback on ways we can improve our efforts in supporting DEI in our organization. We have set up a unique and dedicated email of dei@lawvu.com for any one of our people to directly communicate with the People and Experience leadership team.

I confirm that I have read and understand LawVu's Diversity, Equity and Inclusion Policy:

Name:	
Date:	
Signature:	




Year 1 - One Time Costs for LACERA

Need	Description	Cost
Implementation (15% of first year cost)	Implementation includes access to your own dedicated Implementation Manager, all trainings necessary, 24/7 Support and a dedicated Customer Success Manager after launch.	\$11,036
Single Sign On Authentication	Technical Implementation Manager SSO work	\$2,750
Annual Memo Custom Report	Embedded visuals in LawVu pulling from data for Annual Memo	\$6,448
Possible Cobblestone Integration	Matter trigger with new Cobblestone contract and contract ingestion	To be scoped. Can be scoped after implementation launch.
AP Integration	Connection directly to AP system	\$24,986
Open APIs	Optional for any connections Lacera wants to make: https://developer.lawvu.com/	Free
Power Platform Connector	Optional with a Power Platform MS license: https://developer.lawvu.com/	Free

September 24, 2024

TO: Trustees – Board of Retirement

FROM: Jean J. Kim 
Senior Staff Counsel

Zachary Meth 
Staff Counsel

DATE: Board of Retirement Meeting of October 2, 2024

SUBJECT: **Pensionability Analysis under CERL and PEPRA for New Pay Items**

INTRODUCTION

The Board of Retirement (the “Board”) is charged with determining which items of compensation qualify as pensionable earnings for purposes of calculating a member’s retirement allowance. Items of compensation are analyzed as “pensionable” (i) for “legacy members” under the definition of “compensation earnable” as set forth under the County Employees Retirement Law of 1937 (CERL), California Government Code §31461, and (ii) for “new members” or “PEPRA members” under the definition of “pensionable compensation” as set forth under the California Public Employees’ Pension Reform Act of 2013 (PEPRA), Cal. Govt. Code §7522.34. A “legacy member” refers to any individual who became a member of LACERA, or a reciprocal system, prior to January 1, 2013; and a “new member” (otherwise referred to as a “PEPRA member”) of LACERA is generally defined as anyone who first becomes a member of LACERA on or after January 1, 2013 and was not previously a member of another public retirement system prior to that date. (Cal. Govt. Code §7522.04(f)). The County of Los Angeles requested determination of two new items of compensation. Based on our review, we have included recommendations regarding inclusion or exclusion of these pay items within the definition of “final compensation” when calculating a member’s benefit for both legacy members and PEPRA members. Our analysis of these items is attached as Exhibit A.

COMPENSATION EARNABLE FOR LEGACY MEMBERS

Cal. Govt. Code §31461 defines “compensation earnable” as follows:

- (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 FOR PEPRA MEMBERS

Pensionability determinations for new members are based on the definition of “pensionable compensation” in Cal. Govt. Code §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.

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. Additionally, this section provides that any compensation not paid to all similarly situated members of the same group or class may not be included. The section goes on to specifically identify which items of compensation do not constitute pensionable compensation.

Subdivision (c) of §7522.34 states:

"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. DHS Primary Care Bonus – Item No. 660

This pay item provides additional compensation to full-time DHS Physicians (Item No. 660) who spend their entire work shift providing direct patient primary care.

For legacy members, this pay item qualifies as compensation earnable because this pay is available to all similarly situated members in the same grade or class of employment and at the same rate of pay, provided they meet the assignment and work shift criteria.

For PEPRA members, this pay item does not qualify as pensionable compensation under §7522.34(c)(10) because this pay item is a bonus calculated as a percentage of base salary that is paid in addition to normal base pay. This pay item also does not qualify as pensionable compensation under §7522.34(c)(11) because it is a form of compensation inconsistent with the requirements of Section 7522.34(a) as it is compensation payable in addition to a member's normal monthly rate of pay or base pay. Therefore, this pay item should be excluded from pensionable compensation for PEPRA members.

Recommendation: Include as compensation earnable for legacy members.
Exclude as pensionable compensation for PEPRA members.

2. Standby Pay (Maxillofacial) – Item No. 531MF

This pay item provides compensation to DHS Dental Specialists - Maxillofacial (Item No. 531MF) physician employees for being available to work on a “standby” basis during regularly scheduled periods of times that fall within off-duty hours.

For legacy members, this pay item does not qualify as compensation earnable pursuant to §31461(b)(3) because it constitutes a “payment for additional services rendered outside of normal working hours” as the pay relates to work during “off-duty hours.”

For PEPRA members, it does not qualify as pensionable compensation under §7522.34(c)(6) because it constitutes “payment for additional services rendered outside of normal working hours.” This pay item is also excluded from pensionable compensation under §7522.34(c)(8) because standby pay constitutes overtime pay as it provides compensation for services that are rendered outside of normal working hours. Additionally, this pay item also does not qualify as pensionable compensation under §7522.34(c)(11) because it is a form of compensation inconsistent with the requirements of Section 7522.34(a) as it provides compensation in addition to a member's normal monthly rate of pay or base pay.

Recommendation: Exclude as compensation earnable for legacy members.
Exclude as pensionable compensation for PEPRA members.

CONCLUSION

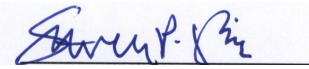
Based on the analysis provided above and on Attachment A, it is therefore recommended that the Board:

1. Approve the recommendations set forth above as to each of the pay items.
2. Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA to implement such determinations when calculating final compensation for legacy and PEPRA members.

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For reference, the complete list of pay codes that have been determined by the Board to be pensionable or not pensionable under CERL (for legacy members) and under PEPRA (for new members), along with the recommendations on pensionability for the new pay items that are analyzed here, is attached as Attachment B. Information regarding the current list of pay codes with the determinations is also located at <https://www.lacera.com/active-service/cerl-pay-codes> (CERL) and <https://www.lacera.com/active-service/pepra-pay-codes> (PEPRA).

Reviewed and Approved



Steven P. Rice
Chief Counsel

JJK/ZM/et
Attachments

Pensionability Determinations/New Pay Items Memo/2024-09-24

Attachment A

Attachment: Newly Created Pay Codes
reviewed under Sections 31461 (CERL/Legacy) and 7522.34 (PEPRA)

Pay Event Code	Pay Event Title	Pay Event Description	31461 (CERL/Legacy) Reference	7522.34 (PEPRA) Reference	Analysis
Newly Created and INCLUDED under Section 31461 and EXCLUDED under 7522.34					
660	DHS PRIMARY CARE BONUS	Full-time Department of Health Services (DHS) Physicians who spend their entire work shift providing direct patient primary care shall receive 10% of the base salary on the appropriate D schedule.	(a)	(c)(10) (c)(11)	<p>According to the Department of Health Services, DHS Physicians who devote their entire working hours to providing direct patient primary care are eligible for this bonus. This bonus is being created to incentivize those who are interested in spending all their working hours caring for patients. DHS Physicians who engage in other activities during their work shift that result in providing less than 100% direct patient care, such as special projects, research, and teaching interns, residents, and fellows, are not eligible for this additional compensation.</p> <p>This payment is available to similarly situated Physicians in the Department of Health Services and at the same rate of pay. DHS Physicians must meet the same set of criteria to qualify for this payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment is not paid to all similarly situated Physicians in the Department of Health Services, as not all DHS Physicians spend 100% of their work hours providing direct patient primary care. The payment constitutes a bonus that is paid in addition to the normal rate of pay under Section 7522.34(c)(10). The payment is deemed under (c)(11) to be inconsistent with the requirements of pensionable compensation described in Section 7522.34(a). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p>
Newly Created and EXCLUDED under Sections 31461 and 7522.34					
531MF	STANDBY PAY (MAXILLOFACIAL)	Effective June 1, 2024, DHS Dental Specialist – Maxillofacial (Item No. 4767) assigned to standby shall receive \$13.75 per hour during said assignment.	(b)(3)	(c)(6) (c)(8) (c)(11)	<p>Standby Pay is paid to employees who are assigned regularly scheduled periods of standby service at off-duty times, which causes inconvenience and restricts normal activity of the employees on standby during off-duty periods. Employees on standby must remain available to return to work if called.</p> <p>Standby Pay constitutes compensation for additional services rendered outside of normal working hours under Section 31461(b)(3). The recommendation is to EXCLUDE this payment from compensation earnable for LEGACY members.</p> <p>Standby Pay is paid to a member for additional services rendered outside of normal working hours under (c)(6). The compensation is considered payment for overtime work, which is excluded under (c)(8). This compensation is not paid to all similarly situated members of the same group or class of employment and does not appear on a Public Pay Schedule. Standby Pay is deemed under (c)(11) to be inconsistent with the requirements of pensionable compensation described in Section 7522.34(a). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p>

Attachment B

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
531MF	STANDBY PAY (MAXILLOFACIAL)	N	N	To be acted on by BOR: 10/2/2024
660	DHS PRIMARY CARE BONUS	Y	N	To be acted on by BOR: 10/2/2024
075	VACATION/HOLIDAY	N	N	
099E	EQUIPMENT EVNT	N	N	
099S	STATISTICAL EVENT TYPE	N	N	
128	MILEAGE REIMBURSEMENT	N	N	
129	PARKING REIMBURSEMENT	N	N	
200	76-INCH MOWER_BONUS	Y	N	
201	ACTING DEPARTMENT HEAD	Y	N	
202	ACTING MEDICAL DIRECTOR	Y	N	
203	ADDITIONAL RESPONSIBILITIES	Y	N	
204	AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25%	Y	N	
205	AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50%	Y	N	
206A	LONGEVITY BONUS 10 YEARS	Y	Y	
207A	LONGEVITY BONUS 15 YEARS	Y	Y	
208A	LONGEVITY BONUS 20 YEARS	Y	Y	
209	CRITICAL SHORTAGE RANGE	Y	N	
209P	CRITICAL SHORTAGE RANGE PROBATION JUVENILE HALLS	N	N	
210	MEDICAL DIRECTOR'S BONUS - 2.75	Y	N	
211	MEDICAL DIRECTOR'S BONUS - 5.50%	Y	N	
212	MEDICAL DIRECTOR'S BONUS - 8.25%	Y	N	
213	PSYCHIATRIC TECHNICIAN - P.E.T. SUPERVISOR	Y	Y	
214	OUT OF CLASS BONUS	Y	N	
215	POST BONUS _ ADVANCE/EXECUTIVE	Y	N	
216	POST BONUS - BASIC	Y	Y	
217	POST BONUS - INTERMEDIATE	Y	N	
218	PROBATION - TOP RANGE	Y	Y	
219	SUPERIOR SUBORDINATE PAY	Y	N	
220	WATCHMAN - CUSTODIAN	Y	N	
221	WELFARE RECIPIENT SUPERVISOR	Y	N	
222	OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT	Y	N	
223	TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES	Y	N	
224	PBP NON-BASE MERIT SALARY ADJUSTMENT	Y	N	
225	EXECUTIVE SECRETARY ADDED SALARY SCHEDULES	Y	N	
226A	MAPPII MANPOWER TO SALARY 10/01/2013	Y	N	
227	PBP TO SCHEDULE SALARY ADJUSTMENT	Y	N	
228	ADDITIONAL RESPONSIBILITIES - REPRESENTED	Y	N	
229	TEMPORARY SPECIAL MAP ACHIEVEMENT - FLAT	Y	N	
230	TEMPORARY SPECIAL MAP ACHIEVEMENT - PERCENT	Y	N	
231	TEMPORARY ASSIGNMENT MAP EMPLOYEE - FLAT	Y	N	
232	AW&M INSPECTOR MED/HEAVY/COMPRESSED GAS BONUS	Y	Y	
235	LONGEVITY BONUS 20 YEARS	Y	Y	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
235A	LONGEVITY BONUS 20 YEARS	Y	Y	
235C	LONGEVITY BONUS 20 YEARS	Y	Y	
235D	LONGEVITY BONUS 20 YEARS	Y	Y	
235F	LONGEVITY BONUS 20 YEARS	Y	Y	
235G	LONGEVITY BONUS 20 YEARS	Y	Y	
235H	LONGEVITY BONUS 20 YEARS	Y	Y	
235I	LONGEVITY BONUS 20 YEARS	Y	Y	
235J	LONGEVITY BONUS 20 YEARS	Y	Y	
236	LONGEVITY BONUS 25 YEARS	Y	Y	
236A	LONGEVITY BONUS 25 YEARS	Y	Y	
236C	LONGEVITY BONUS 25 YEARS	Y	Y	
236D	LONGEVITY BONUS 25 YEARS	Y	Y	
236F	LONGEVITY BONUS 25 YEARS	Y	Y	
236G	LONGEVITY BONUS 25 YEARS	Y	Y	
236H	LONGEVITY BONUS 25 YEARS	Y	Y	
236I	LONGEVITY BONUS 25 YEARS	Y	Y	
236J	LONGEVITY BONUS 25 YEARS	Y	Y	
237	LONGEVITY BONUS 30 YEARS	Y	Y	
237A	LONGEVITY BONUS 30 YEARS	Y	Y	
237C	LONGEVITY BONUS 30 YEARS	Y	Y	
237D	LONGEVITY BONUS 30 YEARS	Y	Y	
237F	LONGEVITY BONUS 30 YEARS	Y	Y	
237G	LONGEVITY BONUS 30 YEARS	Y	Y	
237H	LONGEVITY BONUS 30 YEARS	Y	Y	
237I	LONGEVITY BONUS 30 YEARS	Y	Y	
237J	LONGEVITY BONUS 30 YEARS	Y	Y	
238A	COMMAND PAY 24YR	Y	Y	
239A	COMMAND PAY 29YR	Y	Y	
240	AGRICULTURAL INSPECTOR BONUS	Y	N	
241	WEIGHTS & MEASURES INSPECTOR	Y	Y	
242	WEIGHTS & MEASURES INSPECTOR COMMERCIAL DRVRS LIC	Y	Y	
243	CAREER DEVELOPMENT INTERN BONUS	Y	N	
244A	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
244B	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
244C	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
245A	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
245B	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
245C	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
246A	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
246B	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
246C	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
247	DISPATCHER EMD CERTIFICATION BONUS	Y	Y	
248	REGIONAL PLANNING AICP CERTIFICATION BONUS	Y	N	
249	AGRICULTURAL INSP AID ROVER ASSIGNMENT BONUS	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
250	ACCOUNTING CERTIFICATE	Y	N	
251	POST BONUS -SUPERVISORY	Y	N	
251M	POST BONUS -MANAGEMENT	Y	N	
252	FINANCIAL SPECIALIST STEPS 8/9	Y	N	8/31/2020
252A	FINANCIAL SPECIALIST STEP 09 (NOTE 27)	Y	N	
252B	FINANCIAL SPECIALIST STEP 10 (NOTE 27)	Y	N	
253	DHS HEALTHCARE FACILITY ASSIGNMENT	Y	Y	
254	FORENSIC ATTENDANT FIELD TRAINING	Y	N	
255	BEACHES & HARBORS ASSIGNMENT	Y	Y	
256	ANIMAL CONTROL MGR-BOARD LIAISON BONUS	Y	N	
257	HALF STEP-01	Y	N	
258	HALF STEP-02	Y	N	
259	PARKS & RECREATION TRAILS UNIT ASSIGNMENT	Y	Y	
260	CATALINA ISLAND LIVING - LIFEGUARD/FIRE FIGHTER	Y	Y	
261	LIFEGUARD - EMT	Y	Y	
262	UNDERWATER RECOVERY - BEACHES AND HARBORS	Y	Y	
262Y3	UNDERWATER RECOVERY - 3 CONSECUTIVE YEAR ASSIGN	Y	Y	
262Y4	UNDERWATER RECOVERY - 4 CONSECUTIVE YEAR ASSIGN	Y	Y	
263	AUDITOR-CONTROLLER MERIT - ONE SCHEDULE	Y	N	
264	AUDITOR-CONTROLLER MERIT - TWO SCHEDULES	Y	N	
265	AUDITOR-CONTROLLER MERIT - THREE SCHEDULES	Y	N	
266	AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES	Y	N	
267	AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES	Y	N	
268	AUDITOR-CONTROLLER MERIT - SIX SCHEDULES	Y	N	
270	BOARD OF SUPERVISOR SPECIAL ASSIGNMENT	Y	N	
271	ASSESSMENT APPEALS BOARD ASSIGNMENT	Y	N	
272	HEAD BOARD SPECIALIST ADDITIONAL STEPS	Y	N	
273	MAPP TIER II STEP 13	Y	N	
274	MAPP TIER II STEP 14	Y	N	
275	MAPP TIER II STEP 15	Y	N	
276	MAPP TIER II STEP 16	Y	N	
277	MAPP TIER II STEP 17	Y	N	
278	MAPP TIER II STEP 18	Y	N	
280	CATALINA ISLAND LIVING	Y	Y	
281	MAPP TO SCHEDULE FLAT AMOUNT	Y	N	
282	MAPP TO SCHEDULE PERCENTAGE	Y	N	
283	PERM PHYSICIAN TRANSITION RATE - PERCENT	Y	N	
285	COURT CLERK - GREATER SKILLS	Y	N	Obsolete
291	INTERGOVERNMENTAL RELATIONS	Y	N	Obsolete
293	LEGISLATIVE REPRESENTATIVE-CAO	Y	N	Obsolete
295	MANAGEMENT TRAINEE	Y	N	
299	EHR SALARY CONVERSION	Y	N	
300	CURATOR BONUS	Y	N	
301	MEDICAL HUB FORENSIC PEDIATRICS	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
302	SOUTH MAINTENANCE/MALIBU ASSIGN	Y	N	
303	ADMINISTRATIVE PROJECTS & INITIATIVES	Y	N	
310	LEGISLATIVE ADVOCATE - COUNTY COUNSEL	Y	N	
320	ACCOUNTING CERTIFICATE - DA	Y	N	
321	DISTRICT ATTORNER - OUT OF CLASS BONUS	Y	N	
322	RECLASSIFIED INVESTIGATOR	Y	N	Obsolete
323	ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE	Y	N	
330	NIBIN - SCIENTIFIC SERVICES BUREAU	Y	Y	
331	INMATE SUPERVISOR	Y	Y	
332	JOURNEY EMPLOYEES BONUS	Y	N	
333	REFUSE TRUCK DRIVER BONUS	Y	Y	
334	CUSTODY ASSIST - DRILL INSTR/CUSTODY TRAINING STANDARDS BUR	Y	N	
335	TRAINING OFFICER BONUS	Y	N	
336	PUBLIC RESPONSE DISPATCHER	Y	N	
337	TRANSPORTATION SUPERVISOR BONUS	Y	Y	
338	ELEVATOR ADJUSTOR	Y	N	
340	A OR B MOTOR VEHICLE LICENSE BONUS	Y	N	
341	HELICOPTER MECH IN-FLIGHT MAINTENANCE	Y	Y	
342	CALIFORNIA ACCIDENTAL RELEASE PREVENTION (CaARP) ASSIGNMENT	Y	N	
343	ABOVEGROUND PETROLEUM STORAGE ACT (APSA) CERTIFICATION	Y	N	
344	INTERNATIONAL CODE COUNCIL CERT (ICC) BONUS	Y	N	
345	LICENSED PROFESSIONAL ENGINEER/ARCHITECT BONUS	Y	N	
346	EMERGENCY OPERATIONS SECTION ASSIGNMENT BONUS 5.6468%	Y	Y	
347	WELLNESS/FITNESS FOR LIFE BONUS -1%	Y	N	
348	WELLNESS/FITNESS FOR LIFE BONUS -2%	Y	N	
349	WELLNESS/FITNESS FOR LIFE BONUS-3%	Y	N	
350	AIR OPERATIONS BONUS	Y	Y	
350A	AIR OPERATIONS-ELIGIBILITY INDICATOR	Y	Y	
351	DRIVER - COUNTY FORESTER AND FIRE WARDEN	Y	Y	
352	56 HR CLASS ASSIGNED A 40 HOUR SCHEDULE	Y	Y	
353	FIREFIGHTER - EMT	Y	Y	
354	FIRE FIGHTER - HAZARD MATERIALS	Y	Y	
355	FIREFIGHTER - PARAMEDIC	Y	Y	
355Y2	FIREFIGHTER - PARAMEDIC 2 CONSECUTIVE YEARS	Y	Y	
355Y3	FIREFIGHTER - PARAMEDIC 3 CONSECUTIVE YEARS	Y	Y	
356	FIRE SAFETY PERSONNEL BONUS	Y	N	
357	HELICOPTER INSPECTION LICENSE	Y	N	
358	TEMPORARY PROMOTION BONUS	Y	N	
359	LIFEGUARD PARAMEDIC CATALINA BONUS	Y	Y	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
359Y2	LIFEGUARD PARAMEDIC CATALINA 2 CONSECUTIVE YEAR ASSIGNMENT	Y	Y	
360	URBAN SEARCH AND RESCUE	Y	Y	
360A	URBAN SEARCH AND RESCUE-ELIGIBILITY INDICATOR	Y	Y	
361	TEMPORARY PROMOTION BONUS - NON SCHEDULE	Y	N	
362	PARAMEDIC COORDINATOR/EMS CAPTAIN	Y	Y	
363	FIRE/LIFEGUARD PEER SUPPORT PROGRAM	Y	Y	
364	DECKHAND -BOAT/RESCUE WATER CRAFT OPERATOR	Y	Y	
364A	DECKHAND -BOAT/RESCUE WC OPERATOR - ELIGIBILITY INDICATOR	Y	Y	
365	BACHELOR DEGREE BONUS	Y	N	
366	NURSING PHD/DOCTORATE DEGREE	Y	N	
367	MEDICAL STAFF CREDENTIALING ASSIGNMENT BONUS	Y	N	
368	RN ASSIGNED TO SHERIFFS DEPT	Y	N	
369	ADVANCED EDUCATIONAL DEGREE BONUS	Y	N	
370	CLINIC NURSE - STAND BY	Y	N	4/1/2007
371	CLINICAL INSTRUCTOR - GENERAL	Y	N	
372	CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER	Y	N	
373	EMERG MEDICINE - BOARD CERTIFICATION	Y	N	Obsolete
374	EMERG MEDICINE - BOARD CERT	Y	N	
375	EMERG MEDICINE - BOARD CERTIFICATION 8.25%	Y	N	
376	HIGH DESERT HOSPITAL - PHYSICIAN BONUS- PRIOR TO 1/1/86	Y	N	
377	JOURNEY EMPLOYEES BONUS	Y	N	
378	LICENSED VOCATIONAL NURSE - INTENSIVE CARE	Y	Y	
379	SUPERVISING NURSE - ICU	Y	N	
380	SUPVVG RAD TECHN - DIAGNOSTIC ULTRASOUND	Y	N	
381	DENTAL PROFESSIONAL BOARD CERT 2%	Y	N	
382	PUBLIC HEALTH INVESTIGATOR ASSIGNMENT BONUS	Y	Y	
383	VETERINARY MEDICINE- BOARD CERTIFICATION	Y	N	
384	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS	Y	N	
384HD	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS (PHYSICIAN)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
384HS	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS (MENTAL HEALTH PSYCHIATRIST)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
385	PSYCHIATRY SPECIALTY BONUS	Y	N	
386	PHYSICIAN SPECIALTY BONUS	Y	N	
387	PHARMACIST SPECIALTY ASSIGNMENTS	Y	N	
388	ICHS-HEALTH SERVICES INTEGRATED CORRECTIONAL HEALTH SERVICE	Y	N	
388CS	ICHS-HEALTH SERVICES CRITICAL SHORTAGE	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
389	MENTAL HEALTH PSYCH SPECIALTY BOARD CERT 2.75%	Y	N	
390	BOOKMOBILE BONUS	Y	Y	
391	LIBRARIAN DIFFICULT TO RECRUIT ASSIGN (CLM)	Y	N	
392	LIBRARIAN BONUS	Y	N	
393	OBSTETRICS, GYNECOLOGY, AND LABOR & DELIVER	Y	N	
394	MEDICAL HUB FORENSIC PEDIATRICS	Y	N	
395	PHYSICIAN SPECIALTY BONUS - 5.75%	Y	N	
396	PHYSICIAN ADDITIONAL COMPENSATION	Y	N	
397	PHYSICIAN FORENSIC PATHOLOGY BONUS	Y	N	
398	HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION	Y	N	
399	DETECTIVE DIVISION	Y	Y	
400	DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR	Y	N	
401	DEPUTY MARSHALL - LEVEL I BONUS	Y	N	
402	DEPUTY MARSHALL - LEVEL II BONUS	Y	N	Obsolete
403	DEPUTY MARSHALL TRAINEE	Y	N	Obsolete
404	ELECTRONIC RECORDING EQUIPMENT	Y	N	
405	MARSHALL SUPERVISING BONUS	Y	N	Obsolete
406	DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP	Y	N	
407	COURT REPORTER NEW HIRE - LUMP SUM SUPERIOR COURT	N	N	
408	DEPUTY CLERK III OUT OF CLASS BONUS	Y	N	
409	COURT REPORTER FLOATING ASSIGN	Y	N	
410	SUPERVISING DEPUTY CLERK	Y	N	Obsolete
411	ADVISOR-COURT ADMINISTRATOR AND JUDGES	Y	N	Obsolete
412	NIGHT SHIFT AND WEEKEND BONUS	Y	N	Obsolete
413	DEPUTY CLERK IV - GREATER SKILLS	Y	N	
414	RECORDING EQUIPMENT-DEPUTY CLERK IV M.C.	Y	N	
415	AERO BUREAU- AVIONICS SHOP ASSIGNMENT	Y	N	
416	CHIEF OPERATOR WATER SYSTEMS - SH	Y	N	
417	SHIFT OPERATOR WATER SYSTEMS - SH	Y	N	
418	ISD - ENERGY MANAGEMENT SYSTEM SECTION (BEAS)	Y	N	
419	BACKGROUND INVESTIGATORS	Y	Y	
420	CATALINA ISLAND LIVING PARKS AND RECREATION	Y	Y	
421	LAKE AQUATICS - EMT CERTIFICATE	Y	Y	
422	LAKE LIFEGUARD - EMT CERTIFIED	Y	Y	
423	UNDERWATER RECOVERY - PARKS AN RECREATION	Y	Y	
424	BASIC ABMDI REGISTRY CERTIFICATION	Y	N	
425	ABMDI BOARD CERTIFICATION	Y	N	
426	ASSESSOR REPRESENTATIVE	Y	Y	
427	AUDITOR APPRAISER	Y	Y	
428	APPRAISER FIELD TRAINER	Y	Y	
429	SPECIAL VICTIMS BUREAU	Y	N	
430	ASST. DIRECTOR - PUBLIC SOCIAL SERVICES	Y	N	
431	LEGISLATION CONSULTANT - DPSS	Y	Y	
432	DEPUTY DISTRICT DIRECTOR TRAINEE	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
433	TWELVE LEVEL BONUS	Y	Y	
434	DEPUTY SHERIFF FIELD TRAINING OFFICER	Y	Y	
435	SENIOR FIELD TRAINING OFFICER, 12 MONTHS	Y	Y	
436	MASTER FIELD TRAINING OFFICER LEVEL 1, 18 MONTHS	Y	Y	
437	MASTER FIELD TRAINING OFFICER LEVEL 2, 30 MONTHS	Y	Y	
438	PATROL AND CUSTODY TRAINING - 8TH STEP	Y	Y	
439	DEPUTY SHERIFF CUSTODY TRAINING OFFICER	Y	N	
440	TACTICAL FLIGHT DEPUTY	Y	Y	
441	CATALINA ISLAND LIVING - SHERIFF	Y	N	
442	COOKS, BAKERS, BUTCHERS BONUS	Y	Y	
443	DEPUTY SHERIFF-LEVEL I BONUS	Y	Y	
444	DEPUTY SHERIFF - LEVEL II BONUS	Y	Y	
444A	DEPUTY SHERIFF LEVEL II BONUS AT FIRST APPOINTMENT	Y	Y	
444B	DEPUTY SHERIFF LEVEL II BONUS AFTER ONE YEAR	Y	Y	
444C	DEPUTY SHERIFF LEVEL II BONUS AFTER TWO YEARS	Y	Y	
444D	DEPUTY SHERIFF LEVEL II BONUS AFTER THREE YEARS MAXIMUM	Y	Y	
445	DEPUTY SHERIFF SPECIAL ENFORCEMENT/CANINE DETAIL	Y	N	
446	EXPLOSIVES DETAIL BONUS	Y	Y	
447	HELICOPTER DETAIL	Y	Y	
449	SENIOR COOK BONUS - SHERIFF	Y	Y	
450	SHERIFF OUT OF CLASS BONUS	Y	N	
451	UNDERWATER RECOVERY - SHERIFF	Y	Y	
452	SUPERVISORY BONUS	Y	Y	
453	SERGEANT-AT-ARMS BOARD OF SUPERVISOR	Y	N	
454	SHERIFF INTERNAL EQUITY	Y	Y	
455	MOTORCYCLE PATROL UNIT BONUS	Y	Y	
456	TRAINING OFFC/INVESTIGATOR/K-9 BONUS	Y	N	
457	PATROL STATION RETENTION BONUS	Y	Y	
458	ACTING CAPACITY BONUS	Y	N	
459	SHERIFF'S STATION JAILER BONUS	Y	Y	
460	SHERIFF - MAINTENANCE WORKER	Y	Y	
461	SHERIFF BUSINESS MACHINE TECHNICIAN	Y	N	Obsolete
462	MANPOWER SHORTAGE-SHERIFF CATALINA ISLAND	Y	Y	
463	DRINKING WATER TREATMENT & DISTRIBUTION	Y	Y	
464	STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS	Y	N	
465	REHABILITATION INSPECTOR-PUBLIC WORKS	Y	N	Obsolete
466	SEWER MAINTENANCE ASSIGNMENT	Y	Y	
467	UNDERGROUND STORM DRAIN ASSIGNMENT	Y	Y	
468	LICENSED LAND SURVEYOR BONUS	Y	N	
469	LICENSED REGISTERED TRAFFIC ENGINEER BONUS	Y	N	
470	BUSINESS LICENSE LIAISON	Y	N	Obsolete
471	LAW ENFORCEMENT TECH (LET) DISPATCHER	Y	N	
472	FIELD RESPONSE RETENTION	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
473	PILOT / ADVANCE FLIGHT INSTRUCTOR	Y	N	
474	PILOT / BASIC FLIGHT INSTRUCTOR/FIXED WING PILOT	Y	N	
475	CERTIFICATION BONUS - LACERA	Y	N	
480	SUPERIOR COURT CLERK BONUS	Y	N	Obsolete
481	COURT REPORTERS REALTIME CERTIFICATION	Y	N	
482	JUDICIAL ASSISTANT BONUS	Y	N	
483	REALTIME WRITING BONUS	Y	N	
484	GEOTECHNICAL LICENSE BONUS	Y	N	
485	SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION	Y	N	
486	PLANS EXAMINER CERTIFICATION	Y	N	
487	REGISTRATION - LICENSE BONUS	Y	N	
488	BUILDING ENGINEERING INSPECTOR BONUS	Y	N	
489	ORAL SURGERY NON-STANDARD ASSIGNMENT BONUS (DHS DENTAL SPECIALIST – MAXILLOFACIAL)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
490	SENIOR COOK - PROBATION	Y	Y	
491	GROUP SUPERVISOR - PROBATION	Y	Y	
492	HEAD COOK - PROBATION	Y	Y	
493	SENIOR PROBATION DIRECTOR-JUVENILE HALL ASSIGNMENT	Y	N	
494	BUREAU CHIEF, PROBATION -DETENTION SERVICES BUREAU	Y	N	
495	PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA	Y	N	
496	PROBATION ADDITIONAL ASSIGNMENT	Y	Y	
497	INSTITUTIONS ASSIGNMENT	Y	Y	
498	PROBATION DIRECTOR-CHALLENGER YOUTH CENTER	Y	N	
499	SPECIAL ENFORCEMENT OPERATIONS	Y	N	
500	RELOCATION REIMBURSEMENT - NONTAXABLE	N	N	12/31/2017
501	BOARD OF RETIREMENT CASE REVIEW	Y	N	
502	RELOCATION ALLOWANCE	N	N	
503	UNIFORM ALLOWANCE	Y	N	
504	NIGHT SHIFT DIFFERENTIAL	Y	N	
504MH	NIGHT SHIFT DIFFERENTIAL MENTAL HEALTH	Y	N	
504NH	NIGHT SHIFT DIFFERENTIAL- RELIEF NURSE HOLIDAY NITE	Y	N	
505	CORONER'S INQUEST REPORTER	Y	N	
506	ALLOWANCE IN LIEU OF VEHICLE USE	Y	N	
507	CO-GENERATION MAINTENANCE	Y	N	
508	HENNINGER FLATS WATCHMAN	Y	N	
509	FREEZER WORK	Y	N	
510	DEPARTMENT HEAD MERIT	Y	N	
511	BOARD OF SUPERVISORS PERFORMANCE LUMP SUM	Y	N	
512	FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER	Y	N	
513	BARG UNIT 201 MOU LUMP SUM BONUS	Y	N	
514	BACKHOE OPERATOR	Y	N	
515	WEEKEND BONUS	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
515HS	WEEKEND BONUS- HS EMPLOYEES ONLY	Y	N	
516	EXPLOSIVES WORK	Y	N	
517	EVENING SHIFT DIFFERENTIAL	Y	N	
517MH	EVENING SHIFT DIFFERENTIAL MENTAL HEALTH	Y	N	
517NH	EVENING SHIFT DIFFERENTIAL-RELIEF NURSE HOLIDAY EVENING	Y	N	
518	POWER EQUIPMENT REPAIR, SNOW CONDITIONS	Y	N	
519	ENGINEERING EMPLOYEES, HAZARD PAY	Y	N	
520	HOME CARE COMPENSATION	Y	N	
521	TAX PENALTY REIMBURSEMENT	N	N	
522	CUSTODIAN ACTING AS WATCHMAN	Y	N	
523	HYDROELECTRIC OPERATIONS	Y	N	
524	ON CALL FOR COURT APPEARANCE	N	N	
525	CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR MNGR	Y	N	
526	ENVIRONMENTAL EMERGENCY REPSONSE TEAM ASSIGNMENT	N	N	
527	RELIEF DAM OPERATOR, ON CALL	N	N	
528	WEBCOM PRESS OPERATOR	Y	N	
529	POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION	Y	N	
530	EMS CLASS A LICENSE	N	N	
531	STANDBY (*Pensionable prior to 1/1/2013)	N*	N	
531CC	STANDBY CRITICAL CARE	N	N	
531SP	STANDBY AUTH FOR SHERIFF & PUBLIC WRKS DEPTS ONLY BU 411/412 (*Pensionable prior to 1/1/2013)	N*	N	
532	ADDITIONAL RESPONSIBILITIES AND EXCEPTNL PERFORMNC	Y	N	
533	POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS	Y	N	
534	POWER PLANT RELIEF ENGINEER	Y	N	
535	CLINIC PHYSICIAN FIRST 90 MINUTE RATE (SUPPLEMENT TO 099)	Y	N	
536	CONSULTING SPEC, MD & MNTL HEALTH CONSLT, 1ST&5TH	Y	N	
537	HOMELESS ENCAMPMENT ASSIGN	N	N	
538	RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE	Y	N	
539	RN WEEKEND DIFFERENTIAL	Y	N	
540	RELIEF NURSE HOLIDAY DIFFERENTIAL	Y	N	
541	RELIEF NURSE WEEKEND DIFFERENTIAL	Y	N	
542	EMERGENCY WORKPLACE DIFFERENTIAL	N	N	
543	CALL BACK EXTRA COMPENSATION	N	N	
544	APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE	Y	N	
545	HEAVY DUTY TOW TRUCK DRIVER	Y	N	
546	SLURRY SEAL TRUCK_DRIVER	Y	N	
547	MOU LUMP SUM (INC IN REG OT)	Y	N	
547HS	DHS MISC LUMP SUM (INC IN REG OT)	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
548	LIFEGUARD PARAMEDIC - RELIEF	Y	N	
549	HANDLING OF HAZARD CHEMICALS	Y	N	
550	INCENTIVE AWARDS FOR MEDI-CAL REIMBRMNTS/HEALTH SR	Y	N	Obsolete
551	GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR	Y	N	Obsolete
552	STANDBY - EMERGENCY ROLL OUT PROGRAM (*Pensionable prior to 1/1/2013)	N*	N	
553	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW	Y	N	
554	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW	Y	N	
555	SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE	Y	N	
556	HIGH SCALE AND RIGGING OPERATIONS, GENERAL	Y	N	
557	EVENING SHIFT, MED TECH	Y	N	
558	NIGHT SHIFT, MED TECH	Y	N	
559	MISCELLANEOUS LUMP SUM INCLUDED IN REG OT	N	N	
560	MISCELLANEOUS LUMP SUM NOT INCLUDED IN REG OT	N	N	
561	HOURS PAID BUT NOT WORKED	N	N	
562	MENTAL HEALTH ALERT & PSYCH MOB RESP TEAM STDBY	N	N	
563	RELIEF DAM OPERATIONS STANDBY	N	N	
564	TUITION REIMBURSEMENT	N	N	
565	PARAMEDIC RECERTIFICATION BONUS	Y	N	
565A	PARAMEDIC RECERTIFICATION BONUS-ELIGIBILITY INDICATOR	Y	N	
566	QUALIFIED FOR HAZARD MATERIAL OVERTIME CALC	N	N	
566A	QUALIFIED FOR HAZARD MATERIAL OT CALC-ELIGIBILITY INDICATOR	N	N	
567	DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION	Y	N	
568	ASSESSMENT APPEALS 2ND SESSION PAY	Y	N	
568A	ASSESSMENT APPEALS 3RD SESSION PAY	Y	N	
569	PHYSICIANS LOAN REPAYMENT PROGRAM	N	N	
570	HOME CARE PROGRAM STANDBY (*Pensionable prior to 1/1/2013)	N*	N	
571	CSW LICENSURE SUPERVISION	Y	N	
572	MOU LUMP SUM BONUS	Y	N	
572CR	MOU LUMP SUM - CHIEF RESIDENT BONUS	N	N	
572ED	MOU LUMP SUM EDUCATIONAL BONUS	N	N	
572HA	MOU LUMP SUM HOUSING ALLOWANCE	N	N	
572WI	MOU LUMP SUM 1115 WAIVER INCENTIVE	N	N	
573	TUITION REIMBURSEMENT - NONTAXABLE	N	N	
574	STANDBY - INS WITNESS PROGRAM (*Pensionable prior to 1/1/2013)	N*	N	
575	WASTEWATER PLANT RELIEF BONUS	Y	N	
576	SOLO DAILY EARNINGS	Y	N	
577	INTERPRETER HALF DAY BONUS - SUP CT	Y	N	
578	ER ATTENDING PHYSICIAN - DAY RATE	Y	N	
579	ER ATTENDING PHY/-WKDY EVE/WKND HOL DAY	Y	N	
580	ER ATTENDING PHY/-WKDY NITE/WKND HOL EVE NITE	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
581	SWIM PROFICIENCY BONUS	Y	N	
582	INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY	Y	N	
583	INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY	Y	N	
584	PHYSICIAN STIPENDS	Y	N	
585	ISA TREE WORKER CERTIFICATION	Y	N	
586	ISA ARBORIST CREDENTIAL	Y	N	
587	ISA QUALIFIED TREE RISK ASSESSOR CREDENTIAL	Y	N	
588	ISA MUNICIPAL SPECIALIST CREDENTIAL	Y	N	
589	DMH SPECIALTY FIELD BASED BONUS	Y	N	
590	CONTINUING EDUCATION/ EQUIPMENT/TRAINING	Y	N	
591	LICENSE-CERTIFICATION REIMBURSEMENT	N	N	
592	SC RETENTION BONUS	Y	N	
593	SUPERIOR COURT COURT REPORTER - EQUIP (SB 154)	N	N	
594	SUPERIOR COURT SIGNING BONUS (COURT REPORTER - SB 154)	N	N	
595	SUPERIOR COURT - STUDENT LOAN	N	N	
596	SUPERIOR COURT FINDERS FEE (COURT REPORTER - (SB 154)	N	N	
597	CLINICAL PHARMACIST ASSIGNMENT/RESPONSIBILITIES	Y	N	
598	ELECTION WORKER STIPEND	N	N	
599	ON-CALL PAY, SC	N	N	
600	RN MOBILE INTENSIVE CARE CERT-SUB D	Y	N	
601	SPECIALTY CARE BONUS	Y	N	
602	DISPATCHER ASSIGNMENT	Y	N	
603	AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE	Y	N	
604	RN MOBILE INTENSIVE CARE CERTIFICATION	Y	N	
605	CUSTODIAN FLOOR WAXING BONUS	Y	N	
606	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY (†Under review as of 10/1/2018)	Y	N†	
606A	FIRE EQPMNT MCHNC ASSGND FIELD RPR DTY-ELIGIBILITY INDICATOR (†Under review as of 10/1/2018)	Y	N†	
607	SDPO ASSIGNED ACTING DIRECTOR IN A CAMP	Y	N	
608	BILINGUAL BONUS	Y	N	
609	RN ASSIGNED TO EMERGENCY ROOM	Y	N	
610	ANTELOPE VALLEY FIREFIGHTING CREW	Y	N	Obsolete
611	TREE TRIMMER SUPERVISOR, POWER OPERATIONS	Y	N	Obsolete
612	SHOOTING BONUS, EXPERT	Y	N	
613	SHOOTING BONUS, DISTINGUISHED EXPERT	Y	N	
614	SHOOTING BONUS, MARKSMAN	Y	N	
615	SHOOTING BONUS, SHARPSHOOTER	Y	N	
616	ANTELOPE VALLEY QUARTERS, ON FIRE CALL	Y	N	Obsolete
617	CLINIC NURSE ASSIGNED TO PROBATION CAMP	Y	N	
618	TRANSPORTATION BUS DRIVER, SHERIFF	Y	N	
619	CERTIFIED ACCESS SPECIALIST CERTIFICATION	Y	N	
620	SAN GABRIEL DAM OPERATOR	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
621	NURSE RETENTION INCENTIVE	Y	N	
622	ADVANCED APPRAISER CERTIFICATION	Y	N	
623	ANIMAL CARE CONTROL ASSIGNMENT BONUS	Y	Y	Pay code not yet implemented by County; BOR Date 9/4/2024
624	BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK	Y	N	
625	AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION	Y	N	
626	FIREFIGHTER PARAM. NOT ASSGND TO PARAM.	Y	Y	
627	DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS	Y	N	
628	BILINGUAL BONUS FOR OTHER THAN MONTHLY	Y	N	
628A	BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY INDICATOR	Y	N	
629	MORTUARY ATTENDANT AT LAC+USCMC	Y	N	
630	FIELD ASSIGNMENT BONUS	Y	N	
631	BILINGUAL BONUS-SUB D	Y	N	
632	MENTAL HEALTH WORKERS ASSIGNED SH, PB, CORR DETENTON FACL	Y	N	
633	RN ASSIGNED TO EMERGENCY ROOM SUB D- OBOLETE AS OF 4/1/2007	Y	N	4/1/2007
634	SUPERVISING DETENTION SERVICES OFFICER OF THE DAY	Y	N	
635	TRANSPORTATION DEPUTY BUS DRIVER, PROBATION	Y	N	
636	INCIDENTAL EXPENSE ALLOWANCE	Y	N	
637	PROFESSIONAL DEVELOPMENT EXPENSES	Y	N	
638	PROBATION TELECOM EQUIPMENT BONUS- OBSOLETE SINCE PRE- e HR	Y	N	3/31/2012
639A	NON-STANDARD ASSIGNMENT BONUS (PHYSICIAN SPECIALIST - LABOR & DELIVERY, INPATIENT FACILITIES)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
639B	NON-STANDARD ASSIGNMENT BONUS (PHYSICIAN SPECIALIST - RADIOLOGY)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
640	CHILDRENS SERVICES ERCP RETENTION	Y	N	
641	SHOOTING BONUS, EXPERT - RESERVE	Y	N	
642	SHOOTING BONUS, DISTINGUISHED EXPERT - RESERVE	Y	N	
643	SHOOTING BONUS, MARKSMAN - RESERVE	Y	N	
644	SHOOTING BONUS, SHARPSHOOTER - RESERVE	Y	N	
645	EMERGENCY ROOM PREMIUM	Y	N	
646	EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS	Y	N	
647	BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK	Y	N	
648	DEFIBRILLATION AIRWAY BONUS	Y	N	
649	MAMMOGRAPHY BONUS	Y	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
650	JUDGE:PRESIDING JUDGE 4%	N	N	
651	MEAL REIMBURSEMENT-RESIDENTS	N	N	
652	MEAL REIMBURSEMENT-PLANT ENGINEERS	N	N	
653	ANIMAL CARE PAY/ CARE & MAINTENANCE	Y	N	
654	INTERMEDIATE POST, CORONER INVESTIGATORS	Y	N	
655	ADVANCED POST, CORONER INVESTIGATORS	Y	N	
657	SECURITY OPERATIONS UNIT BONUS	Y	Y	
690	CELL PHONE STIPEND VOICE ONLY	N	N	
691	CELL PHONE STIPEND DATA ONLY	N	N	
692	CELL PHONE STIPEND VOICE AND DATA	N	N	
694	CIVIC CENTER COMMUTER ALLOWANCE	Y	N	
694SC	SUP COURT CIVIC CENTER STIPEND	Y	N	
695	DEPARTMENT HEAD TRANSPORTATION ALLOWANCE	Y	N	
696	DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE	Y	N	
699W	FLEXIBLE WORK TIME EARNED	N	N	
700	PENSIONABLE OVERTIME	Y	N	
701	PAID OVERTIME	N	N	
702	PAID OVERTIME (DOUBLE OVERTIME TRACKING)	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023
703	FLSA COMP TIME EARNED - ACCRUE FLSA PREMIUM	N	N	
704	FLSA COMP TIME - ACCRUE STRAIGHT PAY PREMIUM	N	N	
705	COMPENSATORY TIME EARNED	N	N	
710	DISASTER RELATED PAID OVERTIME	N	N	
711	DISASTER COMP TIME EARNED (ACCRUED)	N	N	
712	CONTRACT RELATED PAID OVERTIME	N	N	
713	ER PHYSICIAN OT - DAY RATE	N	N	
714	ER PHYSICIAN OT - WKDY EVE/WKND HOL DAY	N	N	
715	ER PHYSICIAN OT - WKDY NITE/WKND HOL EVE NITE	N	N	
720	SPECIAL EVENTS OVERTIME	N	N	
720F	SPECIAL EVENTS OVERTIME FLORES	N	N	
730	PREMIUM OVERTIME - SYSTEM PENSIONABLE	Y	N	
730F	PREMIUM FLORES OVERTIME - SYSTEM PENSIONABLE	Y	N	
731	PREMIUM OVERTIME - SYSTEM	N	N	
731F	PREMIUM FLORES OVERTIME - SYSTEM	N	N	
732	PREMIUM OVERTIME - SYSTEM (DOUBLE OVERTIME TRACKING)	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023
732D	PREMIUM DOUBLE OVERTIME - MANUAL	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023

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Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
733	PREMIUM OVERTIME - MANUAL	N	N	
733F	PREMIUM OVERTIME MANUAL FLORES	N	N	
745A	CALL BACK - TIER I	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
745B	CALL BACK - TIER II	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
746	CALL BACK ACTUAL	N	N	
746F	CALL BACK ACTUAL FLORES	N	N	
747	CALL BACK GUARANTEED	N	N	
747F	CALL BACK GUARANTEED FLORES	N	N	
775	SECONDARY OVERTIME	N	N	
776	ALTERNATE OVERTIME	N	N	
777	SECONDARY ASSIGNMENT OVERTIME	N	N	
778	OVERTIME - FIRE DEPT 56 HOUR	N	N	
779	SECONDARY OVERTIME - FIRE DEPT 56 HR	N	N	
780	WORKDOWN OVERTIME - FIRE DEPT	N	N	
781	OVERTIME - FIRE DEPT 40 HR	N	N	
782	PLATOON/40 HR/DISPATCHER SCHED PREMIUM - SYSTEM	Y	Y	
782F	PLATOON/40 HR/DISPATCHER SCHED FLORES PREMIUM - SYSTEM	Y	Y	
783	DISPATCHER BRIEFING TIME	N	N	
784	40 HOUR CAMP - GUARANTEED PREMIUM	N	N	
78C	40 HOUR CAMP - GUARANTEED PREMIUM	N	N	
791	ORDERED OVERTIME	N	N	
793	COMPENSATED BRIEFING TIME - SYSTEM	N	N	
796	ORDERED FLSA COMP TIME EARN - ACCR FLSA PREM	N	N	
799	FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS	N	N	
79C	FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS	N	N	
804F	EXCESS PREMIUM - FLSA COMP TIME TAKEN FLORES	N	N	
ADJPY	EADJ Adjust Regular Pay	N	N	
DMPPE	DUMMY FRINGE FOR PENSIONABLE EARNINGS IN SUPP SYS	Y	N	
EEC	ESTIMATED EARNINGS CORRECTION-NONTAX-NONPENS	N	N	
ML043	ACTIVE MILITARY PAY	N	N	
OP001	SECTION 170 OVERTIME	N	N	
OP002	BASERATE OVERTIME	N	N	
OP003	PREMIUM OVERTIME	N	N	
OP004	SHOOTING BONUS	Y	N	

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OP005	NON-PENSIONABLE STANDBY PAY (*Pensionable prior to 1/1/2013)	N*	N	
OP006	BILINGUAL BONUS	Y	N	
OP007	HAZARD PAY	Y	N	
OP008	PENSIONABLE MISCELLANEOUS EARNINGS	Y	N	
OP009	NON-PENSIONABLE MISCELLANEOUS EARNINGS	N	N	
OP013	TIME CERTIFICATE LUMP SUM	N	N	
OP014	LUMP SUM COMP TIME OFF	N	N	
OP017	NIGHT BONUS	Y	N	
OP018	CALL BACK	N	N	
OP028	MILEAGE	N	N	
OP029	PARKING REIMBURSEMENT	N	N	
OP030	UNIFORM ALLOWANCE	Y	N	
OP038	AUTO REIMBURSEMENT	Y	N	
OP040	SICK BUYBACK	Y	N	
OP044	TIME CERTIFICATE VACATION	N	N	
OP046	EMPLOYEE SUGGESTION	Y	N	
OP047	LUMP SUM 56-HOUR	N	N	
OP048	LUMP SUM VACATION 56-HOUR	N	N	
OP050	TRANSPORTATION ALLOWANCE	Y	N	
OP051	TRAFFIC MITIGATION	Y	N	
OP052	PROFESSIONAL DEVELOPMENT ALLOWANCE	Y	N	
OP053	TAXABLE PARKING ALLOWANCE	Y	N	
OP055	BUYBACK COMP TIME OFF	N	N	
OP056	FLSA PREMIUM OVERTIME	Y	Y	
OP057	HOLIDAY BUYBACK	Y	N	
OP058	MERIT BONUS	Y	N	
OP059	NON-PENSIONABLE STANDBY PAY	N	N	
OP060	TAXABLE TUITION REIMBURSEMENT	N	N	
OP067	ADVANCE DISABILITY RETIREMENT	N	N	
OP075	VACATION/HOLIDAY	N	N	
OP077	VACATION IN-LIEU-OF-PAY	N	N	
OP078	56-HOUR VACATION IN LEIU OF PAY	N	N	
OP091	NON-PENSIONABLE REGULAR EARNINGS	N	N	
OP098	REGULAR EARNINGS - NURSES	Y	N	
OP100	BACK AWARDS AND JUDGEMENTS - HZN EXCESS OF LMT-GROSS UP AMT	N	N	
OP101	ERRORS AND OMISSIONS - HZN EXCESS OF LIMIT - GROSS UP AMT	N	N	
OP102	BACK AWARDS AND JUDGEMENTS - SVG EXCESS OF LMT-GROSS UP AMT	N	N	
OP103	ERRORS AND OMISSIONS - SVG EXCESS OF LIMIT - GROSS UP AMT	N	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
OP104	BACK AWARDS AND JUDGEMENTS - PSP EXCESS OF LMT-GROSS UP AMT	N	N	
OP105	ERRORS AND OMISSIONS - PSP EXCESS OF LIMIT - GROSS UP AMT	N	N	
OP110	NON-TAXABLE TUITION REIMBURSEMENT	N	N	
OP135	LUMP SUM SEVERANCE	N	N	
OP651	MEAL REIMBURSEMENT	N	N	
OP653	ANIMAL CARE PAY	Y	N	
OP700	PENSIONABLE OVERTIME	Y	N	
OP730	PENSIONSABLE PREMIUM OVERTIME	Y	N	
OP904	ELECTIVE ANNUAL LEAVE BUYBACK	N	N	
OP911	VACATION BUYBACK	Y	N	
PC010	010 EARNED SALARY ADVANCE CONVERSION	N	N	
PC011	011 VACATION PAY ADVANCE CONVERSION	N	N	
PC019	PART PAY SICK - CONVERSION	N	N	
PC025	025 UNDERPAYMENT ADVANCE CONVERSION	N	N	
PC036	036 FLEX EARNINGS CONVERSION	N	N	
PE803	EXCESS STRAIGHT - FLSA COMP TIME TAKEN	N	N	
PE804	EXCESS PREMIUM - FLSA COMP TIME TAKEN	N	N	
PE806	EXCESS STRAIGHT - FY93 FLSA COMP TIME TAKEN	N	N	
PE807	EXCESS PREMIUM - FY93 FLSA COMP TIME TAKEN	N	N	
PE813	CAPE - EXCESS STRAIGHT - FY93 FLSA COMP TIME TAKEN	N	N	
PE814	CAPE - EXCESS PREMIUM - FY93 FLSA COMP TIME TAKEN	N	N	
PF004	MEGAFLEX PENSIONABLE CONTRIBUTION	Y	N	
PF007	FLEX PENSIONABLE CONTRIBUTION	Y	N	
PF010	CHOICES PENSIONABLE CONTRIBUTION	Y	N	
PF013	OPTIONS PENSIONABLE CONTRIBUTION	Y	N	
PFA36	FLEX EARNINGS ADVANCE	N	N	
PG720	SPECIAL EVENTS OVERTIME - PREMIUM PORTION	N	N	
PG746	CALL BACK ACTUAL - PREMIUM PORTION	N	N	
PG747	CALL BACK GUARANTEED - PREMIUM PORTION	N	N	
PK003	NON-ELECTIVE LEAVE	Y	N	
PK011	SICK - 100%	Y	N	
PK012	HOLIDAY	Y	N	
PK021	VACATION	Y	N	
PK030	SPECIAL PAID LEAVE	Y	N	
PK031	APPRAISERS LEAVE	Y	N	
PK032	INTERN/RESIDENT LEAVE	Y	N	
PK061	PAID FAMILY LEAVE (PFL) REIMBURSEMENT	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
PK094	VACATION IN LIEU OF PAY	N	N	
PK096	SUPERIOR COURT VACATION IN LIEU OF PAY	N	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PK113	SICK PRE-71	Y	N	
PK801	COMPENSATORY TIME TAKEN	N	N	
PK802	PROTECTED COMPENSATORY TIME TAKEN	N	N	
PK803	FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PK804	FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK805	FY93 COMPENSATORY TIME TAKEN	N	N	
PK806	FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PK807	FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK808	DISASTER COMP TIME TAKEN	N	N	
PK810	CALL BACK ACCRUE - STRAIGHT TAKEN	N	N	
PK811	CALL BACK GUARANTEED CTO - BUY BACK	N	N	
PK812	DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PK813	CAPE-FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PK814	CAPE-FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK815	DFR 1 YR-FLSA COMPENSATORY STRT TIME- USAGE	N	N	
PK816	DFR 2 YRS-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PK818	DFR 1 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PK819	DFR 2 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PK821	DFR 1 YR- CALL BACK - STRAIGHT USAGE	N	N	
PK918	FY93-FIRE 56 HR-FLSA PREMIUM OVERTIME-BUY BACK	N	N	
PK919	FY93-FIRE 40 HR-FLSA PREMIUM OVERTIME-BUY BACK	N	N	
PKN03	SC ADDITIONAL NON-ELECTIVE LEAVE - YEAREND NON-PENSIONABLE	N	N	
PKN21	SC ADDITIONAL VACATION YEAREND PAYOUT NON-PENSIONABLE	N	N	
PKP11	SICK - 100% BUYBACK FOR 56 HOUR PROBATION EMPLOYEES	Y	N	
PKP21	VACATION BUYBACK FOR 56 HOUR PROBATION EMPLOYEES	Y	N	
PO002	ELECTIVE LEAVE TERM PAY OFFSET	N	N	
PO699	FLEXIBLE WORK SCHEDULE	N	N	
PO703	STRAIGHT PAY OFFSET-FLSA COMP TIME EARNED - ACCRUE FLSA PREM	N	N	
PO704	STRAIGHT PAY OFFSET-FLSA COMP TIME - ACCRUE STR PAY PREM	N	N	
PO705	STRAIGHT PAY OFFSET-COMPENSATORY TIME EARNED	N	N	
PO711	STRAIGHT PAY OFFSET-DISASTER COMP TIME EARNED (ACCRUED)	N	N	
PO796	STRAIGHT PAY OFFSET-ORDERD FLSA COMP TM EARN-ACCR FLSA PREM	N	N	
PP001	SECTION 170 OVERTIME	N	N	
PP002	BASERATE OVERTIME	N	N	
PP003	PREMIUM OVERTIME	N	N	
PP004	SHOOTING BONUS	Y	N	
PP005	STANDBY PAY- NON PENSIONABLE (*Pensionable prior to 1/1/2013)	N*	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PP006	BILINGUAL BONUS	Y	N	
PP007	HAZARD PAY	Y	N	
PP008	MISCELLANEOUS EARNINGS-PENSIONABLE	Y	N	
PP009	MISCELLANEOUS EARNINGS-NON-PENSIONABLE	N	N	
PP013	TIME CERTIFICATE LUMPSUM	N	N	
PP014	LUMPSUM COMP TIME OFF	N	N	
PP017	NIGHT BONUS	Y	N	
PP018	CALL BACK	N	N	
PP028	MILEAGE REIMBURSEMENT	N	N	
PP029	PARKING REIMBURSEMENT	N	N	
PP030	UNIFORM ALLOWANCE	Y	N	
PP032	EARNINGS - DECEASED EMPLOYEE	N	N	
PP038	AUTO REIMBURSEMENT	Y	N	
PP040	SICK BUYBACK	Y	N	
PP044	TIME CERTIFICATE VACATION	N	N	
PP046	EMPLOYEE SUGGESTION	Y	N	
PP047	LUMPSUM 56-HOUR	N	N	
PP048	LUMPSUM VACATION 56-HOUR	N	N	
PP050	TRANSPORTATION ALLOWANCE	Y	N	
PP051	TRAFFIC MITIGATION	Y	N	
PP052	PROFESSIONAL DEVELOPMENT ALLOWANCE	Y	N	
PP053	TAXABLE PARKING ALLOWANCE	Y	N	
PP055	BUYBACK COMP TIME OFF	N	N	
PP056	FLSA PREMIUM OVERTIME	Y	Y	
PP057	HOLIDAY BUYBACK	Y	N	
PP058	MERIT BONUS	Y	N	
PP059	STANDBY PAY-NON-PENSIONABLE	N	N	
PP060	TAXABLE TUITION REIMBURSEMENT	N	N	
PP067	ADVANCE DISABILITY RETIREMENT	N	N	
PP075	VACATION/HOLIDAY	N	N	
PP077	VACATION IN-LIEU-OF-PAY	N	N	
PP078	56-HOUR VACATION IN LEIU OF PAY	N	N	
PP091	REGULAR EARNINGS-NON-PENSIONABLE	N	N	
PP098	REGULAR EARNINGS - NURSES	Y	N	
PP110	NON-TAXABLE TUITION REIMBURSEMENT	N	N	
PP651	MEAL REIMBURSEMENT	N	N	
PP653	ANIMAL CARE PAY	Y	N	
PP700	PENSIONABLE OVERTIME	Y	N	
PP730	PENSIONABLE PREMIUM OVERTIME	Y	N	
PP904	ELECTIVE ANNUAL LEAVE BUYBACK	N	N	
PP911	VACATION BUYBACK	Y	N	
PPC36	FLEX EARNINGS - CHOICES	N	N	
PPF36	FLEX EARNINGS - FLEX	N	N	
PPM36	FLEX EARNINGS - MEGAFLEX	N	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PPO36	FLEX EARNINGS - OPTIONS	N	N	
PPRB2	RETIREE - REPLACEMENT BENEFITS PLAN (LACERA) - NO HIT	N	N	
PPRBP	RETIREE - REPLACEMENT BENEFITS PLAN (LACERA)	N	N	
PS720	SPECIAL EVENTS OVERTIME - STRAIGHT PORTION	N	N	
PS746	CALL BACK ACTUAL - STRAIGHT PORTION	N	N	
PS747	CALL BACK GUARANTEED - STRAIGHT PORTION	N	N	
PT002	ELECTIVE LEAVE	N	N	
PT003	NON-ELECTIVE LEAVE	N	N	
PT006	DONATED SICK 100% LEAVE - USAGE	N	N	
PT008	SICK LEAVE EARNED AT MTA/ATTORNEY	N	N	
PT011	SICK - 100%	N	N	
PT012	HOLIDAY	N	N	
PT021	VACATION	N	N	
PT030	SPECIAL PAID LEAVE	N	N	
PT031	APPRAISERS LEAVE	N	N	
PT032	INTERN/RESIDENT LEAVE	N	N	
PT046	JUDICIAL ASSISTANT SPECIAL PAID LEAVE	N	N	
PT061	PAID FAMILY LEAVE (PFL) TERMINATION PAY	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
PT081	BANK HOLIDAY	N	N	
PT082	BANK VACATION	N	N	
PT094	VACATION IN LIEU OF PAY	N	N	
PT096	SUPERIOR COURT VACATION IN LIEU OF PAY	N	N	
PT113	SICK PRE-71	N	N	
PT699	FLEXIBLE WORK TIME EARNED	N	N	
PT801	COMPENSATORY TIME TAKEN	N	N	
PT802	PROTECTED COMPENSATORY TIME TAKEN	N	N	
PT803	FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT804	FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT805	FY93 COMPENSATORY TIME TAKEN	N	N	
PT806	FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT807	FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT808	DISASTER COMP TIME TAKEN	N	N	
PT810	CALL BACK ACCRUE - STRAIGHT TAKEN	N	N	
PT811	CALL BACK GUARANTEED CTO - TERMINATION	N	N	
PT812	DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PT813	CAPE-FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT814	CAPE-FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT815	DFR 1 YR-FLSA COMPENSATORY STRT TIME- USAGE	N	N	
PT816	DFR 2 YRS-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PT817	YTD-FLSA PREMIUM OVERTIME USAGE	N	N	
PT818	DFR 1 YR-FLSA PREMIUM OVERTIME USAGE	N	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PT819	DFR 2 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PT820	YTD- CALL BACK - STRAIGHT USAGE	N	N	
PT821	DFR 1 YR- CALL BACK - STRAIGHT USAGE	N	N	
PTNHT	HOLD CURRENT ACCRL-NON-ELECTIVE LVE-TERMINATION USAGE	N	N	
PTVAT	SUPERIOR COURT, RESERVE VACATION -TERMINATION USAGE	N	N	
PTVPT	SUPERIOR CT, PRIOR YR RSRV VACATION-TERMINATION USAGE	N	N	
RP001	SECTION 170 OVERTIME - OFFSET	N	N	
RP002	BASERATE OVERTIME - OFFSET	N	N	
RP003	PREMIUM OVERTIME - OFFSET	N	N	
RP004	SHOOTING BONUS - OFFSET	Y	N	
RP005	NON-PENSIONABLE STANDBY PAY - OFFSET (*Pensionable prior to 1/1/2013)	N*	N	
RP006	BILINGUAL BONUS - OFFSET	Y	N	
RP007	HAZARD PAY - OFFSET	Y	N	
RP008	PENSIONABLE MISCELLANEOUS EARNINGS - OFFSET	Y	N	
RP009	NON-PENSIONABLE MISCELLANEOUS EARNINGS - OFFSET	N	N	
RP013	TIME CERTIFICATE LUMPSUM - OFFSET	N	N	
RP014	LUMPSUM COMP TIME OFF - OFFSET	N	N	
RP017	NIGHT BONUS - OFFSET	Y	N	
RP018	CALL BACK - OFFSET	N	N	
RP028	MILEAGE - OFFSET	N	N	
RP029	PARKING REIMBURSEMENT - OFFSET	N	N	
RP030	UNIFORM ALLOWANCE - OFFSET	Y	N	
RP038	AUTO REIMBURSEMENT - OFFSET	Y	N	
RP03P	PREMIUM OVERTIME - SYSTEM - OFFSET	N	N	
RP040	SICK BUYBACK - OFFSET	Y	N	
RP044	TIME CERTIFICATE VACATION - OFFSET	N	N	
RP046	EMPLOYEE SUGGESTION - OFFSET	Y	N	
RP047	LUMPSUM 56-HOUR - OFFSET	N	N	
RP048	LUMPSUM VACATION 56-HOUR - OFFSET	N	N	
RP050	TRANSPORTATION ALLOWANCE - OFFSET	Y	N	
RP051	TRAFFIC MITIGATION - OFFSET	Y	N	
RP052	PROFESSIONAL DEVELOPMENT ALLOWANCE - OFFSET	Y	N	
RP053	TAXABLE PARKING ALLOWANCE - OFFSET	Y	N	
RP055	BUYBACK COMP TIME OFF - OFFSET	N	N	
RP056	FLSA PREMIUM OVERTIME - OFFSET	Y	Y	
RP057	HOLIDAY BUYBACK - OFFSET	Y	N	
RP058	MERIT BONUS - OFFSET	Y	N	
RP059	NON-PENSIONABLE STANDBY PAY - OFFSET	N	N	
RP060	TAXABLE TUITION REIMBURSEMENT - OFFSET	N	N	
RP067	ADVANCE DISABILITY RETIREMENT - OFFSET	N	N	
RP075	VACATION/HOLIDAY - OFFSET	N	N	

List of Pay Codes with New Pay Items Under Review

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
RP077	VACATION IN-LIEU-OF-PAY - OFFSET	N	N	
RP078	56-HOUR VACATION IN LEIU OF PAY - OFFSET	N	N	
RP090	VOLUNTARYTIME OFF - OFFSET	Y	Y	
RP091	NON-PENSIONABLE REGULAR EARNINGS - OFFSET	N	N	
RP098	REGULAR EARNINGS - NURSES - OFFSET	Y	N	
RP110	NON-TAXABLE TUITION REIMBURSEMENT - OFFSET	N	N	
RP135	LUMP SUM SEVERANCE - OFFSET	N	N	
RP56P	PLATOON/40 HR/DISPATCHER SCHED PREMIUM - SYSTEM - OFFSET	Y	Y	
RP651	MEAL REIMBURSEMENT - OFFSET	N	N	
RP653	ANIMAL CARE PAY - OFFSET	Y	N	
RP700	PENSIONABLE OVERTIME - OFFSET	Y	N	
RP730	PENSIONSABLE PREMIUM OVERTIME - OFFSET	Y	N	
RP73P	PREMIUM OVERTIME - SYSTEM PENSIONABLE - OFFSET	Y	N	
RPFL0	PREMIUM OVERTIME - SYSTEM PENSIONABLE - FLORES 730 - OFFSET	Y	N	
RPFL1	PREMIUM OVERTIME - NON -PENSIONABLE - FLORES 731 - OFFSET	N	N	
RPFL2	PLATOON/40 HR/DISPATCH SCHED PREM -SYSTEM-FLORES 782- OFFSET	Y	Y	
RPFL3	BASERATE OVERTIME FLORES-OFFSET	N	N	
RPFL4	CALL BACK FLORES-OFFSET	N	N	
RPFL5	PREMIUM OVERTIME FLORES-OFFSET	N	N	
RP904	ELECTIVE ANNUAL LEAVE BUYBACK - OFFSET	N	N	
RP911	VACATION BUYBACK - OFFSET	Y	N	
RPP08	MISCELLANEOUS EARNINGS-PRE/POST PEPRA PENSIONABLE -OFFSET	Y	Y	
TBD	ANTELOPE VALLEY STIPEND (PER PAY PERIOD BONUS)	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	BENEFIT EQUITY BONUS	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	DHS PHYSICIAN LOYALTY BONUS	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	NON-MEGAFLEX (NMF) RETENTION BONUS	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024

Attachment C

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
075	VACATION/HOLIDAY	N	N	
099E	EQUIPMENT EVNT	N	N	
099S	STATISTICAL EVENT TYPE	N	N	
128	MILEAGE REIMBURSEMENT	N	N	
129	PARKING REIMBURSEMENT	N	N	
200	76-INCH MOWER_BONUS	Y	N	
201	ACTING DEPARTMENT HEAD	Y	N	
202	ACTING MEDICAL DIRECTOR	Y	N	
203	ADDITIONAL RESPONSIBILITIES	Y	N	
204	AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25%	Y	N	
205	AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50%	Y	N	
206A	LONGEVITY BONUS 10 YEARS	Y	Y	
207A	LONGEVITY BONUS 15 YEARS	Y	Y	
208A	LONGEVITY BONUS 20 YEARS	Y	Y	
209	CRITICAL SHORTAGE RANGE	Y	N	
209P	CRITICAL SHORTAGE RANGE PROBATION JUVENILE HALLS	N	N	
210	MEDICAL DIRECTOR'S BONUS - 2.75	Y	N	
211	MEDICAL DIRECTOR'S BONUS - 5.50%	Y	N	
212	MEDICAL DIRECTOR'S BONUS - 8.25%	Y	N	
213	PSYCHIATRIC TECHNICIAN - P.E.T. SUPERVISOR	Y	Y	
214	OUT OF CLASS BONUS	Y	N	
215	POST BONUS _ ADVANCE/EXECUTIVE	Y	N	
216	POST BONUS - BASIC	Y	Y	
217	POST BONUS - INTERMEDIATE	Y	N	
218	PROBATION - TOP RANGE	Y	Y	
219	SUPERIOR SUBORDINATE PAY	Y	N	
220	WATCHMAN - CUSTODIAN	Y	N	
221	WELFARE RECIPIENT SUPERVISOR	Y	N	
222	OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT	Y	N	
223	TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES	Y	N	
224	PBP NON-BASE MERIT SALARY ADJUSTMENT	Y	N	
225	EXECUTIVE SECRETARY ADDED SALARY SCHEDULES	Y	N	
226A	MAPPII MANPOWER TO SALARY 10/01/2013	Y	N	
227	PBP TO SCHEDULE SALARY ADJUSTMENT	Y	N	
228	ADDITIONAL RESPONSIBILITIES - REPRESENTED	Y	N	
229	TEMPORARY SPECIAL MAP ACHIEVEMENT - FLAT	Y	N	
230	TEMPORARY SPECIAL MAP ACHIEVEMENT - PERCENT	Y	N	
231	TEMPORARY ASSIGNMENT MAP EMPLOYEE - FLAT	Y	N	
232	AW&M INSPECTOR MED/HEAVY/COMPRESSED GAS BONUS	Y	Y	
235	LONGEVITY BONUS 20 YEARS	Y	Y	
235A	LONGEVITY BONUS 20 YEARS	Y	Y	
235C	LONGEVITY BONUS 20 YEARS	Y	Y	
235D	LONGEVITY BONUS 20 YEARS	Y	Y	
235F	LONGEVITY BONUS 20 YEARS	Y	Y	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
235G	LONGEVITY BONUS 20 YEARS	Y	Y	
235H	LONGEVITY BONUS 20 YEARS	Y	Y	
235I	LONGEVITY BONUS 20 YEARS	Y	Y	
235J	LONGEVITY BONUS 20 YEARS	Y	Y	
236	LONGEVITY BONUS 25 YEARS	Y	Y	
236A	LONGEVITY BONUS 25 YEARS	Y	Y	
236C	LONGEVITY BONUS 25 YEARS	Y	Y	
236D	LONGEVITY BONUS 25 YEARS	Y	Y	
236F	LONGEVITY BONUS 25 YEARS	Y	Y	
236G	LONGEVITY BONUS 25 YEARS	Y	Y	
236H	LONGEVITY BONUS 25 YEARS	Y	Y	
236I	LONGEVITY BONUS 25 YEARS	Y	Y	
236J	LONGEVITY BONUS 25 YEARS	Y	Y	
237	LONGEVITY BONUS 30 YEARS	Y	Y	
237A	LONGEVITY BONUS 30 YEARS	Y	Y	
237C	LONGEVITY BONUS 30 YEARS	Y	Y	
237D	LONGEVITY BONUS 30 YEARS	Y	Y	
237F	LONGEVITY BONUS 30 YEARS	Y	Y	
237G	LONGEVITY BONUS 30 YEARS	Y	Y	
237H	LONGEVITY BONUS 30 YEARS	Y	Y	
237I	LONGEVITY BONUS 30 YEARS	Y	Y	
237J	LONGEVITY BONUS 30 YEARS	Y	Y	
238A	COMMAND PAY 24YR	Y	Y	
239A	COMMAND PAY 29YR	Y	Y	
240	AGRICULTURAL INSPECTOR BONUS	Y	N	
241	WEIGHTS & MEASURES INSPECTOR	Y	Y	
242	WEIGHTS & MEASURES INSPECTOR COMMERCIAL DRVRS LIC	Y	Y	
243	CAREER DEVELOPMENT INTERN BONUS	Y	N	
244A	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
244B	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
244C	LONGEVITY BONUS 20 YEARS - SOCIAL WORKERS	Y	Y	
245A	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
245B	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
245C	LONGEVITY BONUS 25 YEARS - SOCIAL WORKERS	Y	Y	
246A	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
246B	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
246C	LONGEVITY BONUS 30 YEARS - SOCIAL WORKERS	Y	Y	
247	DISPATCHER EMD CERTIFICATION BONUS	Y	Y	
248	REGIONAL PLANNING AICP CERTIFICATION BONUS	Y	N	
249	AGRICULTURAL INSP AID ROVER ASSIGNMENT BONUS	Y	N	
250	ACCOUNTING CERTIFICATE	Y	N	
251	POST BONUS -SUPERVISORY	Y	N	
251M	POST BONUS -MANAGEMENT	Y	N	
252	FINANCIAL SPECIALIST STEPS 8/9	Y	N	8/31/2020

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
252A	FINANCIAL SPECIALIST STEP 09 (NOTE 27)	Y	N	
252B	FINANCIAL SPECIALIST STEP 10 (NOTE 27)	Y	N	
253	DHS HEALTHCARE FACILITY ASSIGNMENT	Y	Y	
254	FORENSIC ATTENDANT FIELD TRAINING	Y	N	
255	BEACHES & HARBORS ASSIGNMENT	Y	Y	
256	ANIMAL CONTROL MGR-BOARD LIAISON BONUS	Y	N	
257	HALF STEP-01	Y	N	
258	HALF STEP-02	Y	N	
259	PARKS & RECREATION TRAILS UNIT ASSIGNMENT	Y	Y	
260	CATALINA ISLAND LIVING - LIFEGUARD/FIRE FIGHTER	Y	Y	
261	LIFEGUARD - EMT	Y	Y	
262	UNDERWATER RECOVERY - BEACHES AND HARBORS	Y	Y	
262Y3	UNDERWATER RECOVERY - 3 CONSECUTIVE YEAR ASSIGN	Y	Y	
262Y4	UNDERWATER RECOVERY - 4 CONSECUTIVE YEAR ASSIGN	Y	Y	
263	AUDITOR-CONTROLLER MERIT - ONE SCHEDULE	Y	N	
264	AUDITOR-CONTROLLER MERIT - TWO SCHEDULES	Y	N	
265	AUDITOR-CONTROLLER MERIT - THREE SCHEDULES	Y	N	
266	AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES	Y	N	
267	AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES	Y	N	
268	AUDITOR-CONTROLLER MERIT - SIX SCHEDULES	Y	N	
270	BOARD OF SUPERVISOR SPECIAL ASSIGNMENT	Y	N	
271	ASSESSMENT APPEALS BOARD ASSIGNMENT	Y	N	
272	HEAD BOARD SPECIALIST ADDITIONAL STEPS	Y	N	
273	MAPP TIER II STEP 13	Y	N	
274	MAPP TIER II STEP 14	Y	N	
275	MAPP TIER II STEP 15	Y	N	
276	MAPP TIER II STEP 16	Y	N	
277	MAPP TIER II STEP 17	Y	N	
278	MAPP TIER II STEP 18	Y	N	
280	CATALINA ISLAND LIVING	Y	Y	
281	MAPP TO SCHEDULE FLAT AMOUNT	Y	N	
282	MAPP TO SCHEDULE PERCENTAGE	Y	N	
283	PERM PHYSICIAN TRANSITION RATE - PERCENT	Y	N	
285	COURT CLERK - GREATER SKILLS	Y	N	Obsolete
291	INTERGOVERNMENTAL RELATIONS	Y	N	Obsolete
293	LEGISLATIVE REPRESENTATIVE-CAO	Y	N	Obsolete
295	MANAGEMENT TRAINEE	Y	N	
299	EHR SALARY CONVERSION	Y	N	
300	CURATOR BONUS	Y	N	
301	MEDICAL HUB FORENSIC PEDIATRICS	Y	N	
302	SOUTH MAINTENANCE/MALIBU ASSIGN	Y	N	
303	ADMINISTRATIVE PROJECTS & INITIATIVES	Y	N	
310	LEGISLATIVE ADVOCATE - COUNTY COUNSEL	Y	N	
320	ACCOUNTING CERTIFICATE - DA	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
321	DISTRICT ATTORNERY - OUT OF CLASS BONUS	Y	N	
322	RECLASSIFIED INVESTIGATOR	Y	N	Obsolete
323	ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE	Y	N	
330	NIBIN - SCIENTIFIC SERVICES BUREAU	Y	Y	
331	INMATE SUPERVISOR	Y	Y	
332	JOURNEY EMPLOYEES BONUS	Y	N	
333	REFUSE TRUCK DRIVER BONUS	Y	Y	
334	CUSTODY ASSIST - DRILL INSTR/CUSTODY TRAINING STANDARDS BUR	Y	N	
335	TRAINING OFFICER BONUS	Y	N	
336	PUBLIC RESPONSE DISPATCHER	Y	N	
337	TRANSPORTATION SUPERVISOR BONUS	Y	Y	
338	ELEVATOR ADJUSTOR	Y	N	
340	A OR B MOTOR VEHICLE LICENSE BONUS	Y	N	
341	HELICOPTER MECH IN-FLIGHT MAINTENANCE	Y	Y	
342	CALIFORNIA ACCIDENTAL RELEASE PREVENTION (CalARP) ASSIGNMENT	Y	N	
343	ABOVEGROUND PETROLEUM STORAGE ACT (APSA) CERTIFICATION	Y	N	
344	INTERNATIONAL CODE COUNCIL CERT (ICC) BONUS	Y	N	
345	LICENSED PROFESSIONAL ENGINEER/ARCHITECT BONUS	Y	N	
346	EMERGENCY OPERATIONS SECTION ASSIGNMENT BONUS 5.6468%	Y	Y	
347	WELLNESS/FITNESS FOR LIFE BONUS -1%	Y	N	
348	WELLNESS/FITNESS FOR LIFE BONUS -2%	Y	N	
349	WELLNESS/FITNESS FOR LIFE BONUS-3%	Y	N	
350	AIR OPERATIONS BONUS	Y	Y	
350A	AIR OPERATIONS-ELIGIBILITY INDICATOR	Y	Y	
351	DRIVER - COUNTY FORESTER AND FIRE WARDEN	Y	Y	
352	56 HR CLASS ASSIGNED A 40 HOUR SCHEDULE	Y	Y	
353	FIREFIGHTER - EMT	Y	Y	
354	FIRE FIGHTER - HAZARD MATERIALS	Y	Y	
355	FIREFIGHTER - PARAMEDIC	Y	Y	
355Y2	FIREFIGHTER - PARAMEDIC 2 CONSECUTIVE YEARS	Y	Y	
355Y3	FIREFIGHTER - PARAMEDIC 3 CONSECUTIVE YEARS	Y	Y	
356	FIRE SAFETY PERSONNEL BONUS	Y	N	
357	HELICOPTER INSPECTION LICENSE	Y	N	
358	TEMPORARY PROMOTION BONUS	Y	N	
359	LIFEGUARD PARAMEDIC CATALINA BONUS	Y	Y	
359Y2	LIFEGUARD PARAMEDIC CATALINA 2 CONSECUTIVE YEAR ASSIGNMENT	Y	Y	
360	URBAN SEARCH AND RESCUE	Y	Y	
360A	URBAN SEARCH AND RESCUE-ELIGIBILITY INDICATOR	Y	Y	
361	TEMPORARY PROMOTION BONUS - NON SCHEDULE	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
362	PARAMEDIC COORDINATOR/EMS CAPTAIN	Y	Y	
363	FIRE/LIFEGUARD PEER SUPPORT PROGRAM	Y	Y	
364	DECKHAND -BOAT/RESCUE WATER CRAFT OPERATOR	Y	Y	
364A	DECKHAND -BOAT/RESCUE WC OPERATOR - ELIGIBILITY INDICATOR	Y	Y	
365	BACHELOR DEGREE BONUS	Y	N	
366	NURSING PHD/DOCTORATE DEGREE	Y	N	
367	MEDICAL STAFF CREDENTIALING ASSIGNMENT BONUS	Y	N	
368	RN ASSIGNED TO SHERIFFS DEPT	Y	N	
369	ADVANCED EDUCATIONAL DEGREE BONUS	Y	N	
370	CLINIC NURSE - STAND BY	Y	N	4/1/2007
371	CLINICAL INSTRUCTOR - GENERAL	Y	N	
372	CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER	Y	N	
373	EMERG MEDICINE - BOARD CERTIFICATION	Y	N	Obsolete
374	EMERG MEDICINE - BOARD CERT	Y	N	
375	EMERG MEDICINE - BOARD CERTIFICATION 8.25%	Y	N	
376	HIGH DESERT HOSPITAL - PHYSICIAN BONUS- PRIOR TO 1/1/86	Y	N	
377	JOURNEY EMPLOYEES BONUS	Y	N	
378	LICENSED VOCATIONAL NURSE - INTENSIVE CARE	Y	Y	
379	SUPERVISING NURSE - ICU	Y	N	
380	SUPVG RAD TECHN - DIAGNOSTIC ULTRASOUND	Y	N	
381	DENTAL PROFESSIONAL BOARD CERT 2%	Y	N	
382	PUBLIC HEALTH INVESTIGATOR ASSIGNMENT BONUS	Y	Y	
383	VETERINARY MEDICINE- BOARD CERTIFICATION	Y	N	
384	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS	Y	N	
384HD	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS (PHYSICIAN)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
384HS	HIGH DESERT HEALTH SYSTEM ASSIGNMENT BONUS (MENTAL HEALTH PSYCHIATRIST)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
385	PSYCHIATRY SPECIALTY BONUS	Y	N	
386	PHYSICIAN SPECIALTY BONUS	Y	N	
387	PHARMACIST SPECIALTY ASSIGNMENTS	Y	N	
388	ICHS-HEALTH SERVICES INTEGRATED CORRECTIONAL HEALTH SERVICE	Y	N	
388CS	ICHS-HEALTH SERVICES CRITICAL SHORTAGE	Y	N	
389	MENTAL HEALTH PSYCH SPECIALTY BOARD CERT 2.75%	Y	N	
390	BOOKMOBILE BONUS	Y	Y	
391	LIBRARIAN DIFFICULT TO RECRUIT ASSIGN (CLM)	Y	N	
392	LIBRARIAN BONUS	Y	N	
393	OBSTETRICS, GYNECOLOGY, AND LABOR & DELIVER	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
394	MEDICAL HUB FORENSIC PEDIATRICS	Y	N	
395	PHYSICIAN SPECIALTY BONUS - 5.75%	Y	N	
396	PHYSICIAN ADDITIONAL COMPENSATION	Y	N	
397	PHYSICIAN FORENSIC PATHOLOGY BONUS	Y	N	
398	HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION	Y	N	
399	DETECTIVE DIVISION	Y	Y	
400	DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR	Y	N	
401	DEPUTY MARSHALL - LEVEL I BONUS	Y	N	
402	DEPUTY MARSHALL - LEVEL II BONUS	Y	N	Obsolete
403	DEPUTY MARSHALL TRAINEE	Y	N	Obsolete
404	ELECTRONIC RECORDING EQUIPMENT	Y	N	
405	MARSHALL SUPERVISING BONUS	Y	N	Obsolete
406	DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP	Y	N	
407	COURT REPORTER NEW HIRE - LUMP SUM SUPERIOR COURT	N	N	
408	DEPUTY CLERK III OUT OF CLASS BONUS	Y	N	
409	COURT REPORTER FLOATING ASSIGN	Y	N	
410	SUPERVISING DEPUTY CLERK	Y	N	Obsolete
411	ADVISOR-COURT ADMINISTRATOR AND JUDGES	Y	N	Obsolete
412	NIGHT SHIFT AND WEEKEND BONUS	Y	N	Obsolete
413	DEPUTY CLERK IV - GREATER SKILLS	Y	N	
414	RECORDING EQUIPMENT-DEPUTY CLERK IV M.C.	Y	N	
415	AERO BUREAU- AVIONICS SHOP ASSIGNMENT	Y	N	
416	CHIEF OPERATOR WATER SYSTEMS - SH	Y	N	
417	SHIFT OPERATOR WATER SYSTEMS - SH	Y	N	
418	ISD - ENERGY MANAGEMENT SYSTEM SECTION (BEAS)	Y	N	
419	BACKGROUND INVESTIGATORS	Y	Y	
420	CATALINA ISLAND LIVING PARKS AND RECREATION	Y	Y	
421	LAKE AQUATICS - EMT CERTIFICATE	Y	Y	
422	LAKE LIFEGUARD - EMT CERTIFIED	Y	Y	
423	UNDERWATER RECOVERY - PARKS AN RECREATION	Y	Y	
424	BASIC ABMDI REGISTRY CERTIFICATION	Y	N	
425	ABMDI BOARD CERTIFICATION	Y	N	
426	ASSESSOR REPRESENTATIVE	Y	Y	
427	AUDITOR APPRAISER	Y	Y	
428	APPRAISER FIELD TRAINER	Y	Y	
429	SPECIAL VICTIMS BUREAU	Y	N	
430	ASST. DIRECTOR - PUBLIC SOCIAL SERVICES	Y	N	
431	LEGISLATION CONSULTANT - DPSS	Y	Y	
432	DEPUTY DISTRICT DIRECTOR TRAINEE	Y	N	
433	TWELVE LEVEL BONUS	Y	Y	
434	DEPUTY SHERIFF FIELD TRAINING OFFICER	Y	Y	
435	SENIOR FIELD TRAINING OFFICER, 12 MONTHS	Y	Y	
436	MASTER FIELD TRAINING OFFICER LEVEL 1, 18 MONTHS	Y	Y	
437	MASTER FIELD TRAINING OFFICER LEVEL 2, 30 MONTHS	Y	Y	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
438	PATROL AND CUSTODY TRAINING - 8TH STEP	Y	Y	
439	DEPUTY SHERIFF CUSTODY TRAINING OFFICER	Y	N	
440	TACTICAL FLIGHT DEPUTY	Y	Y	
441	CATALINA ISLAND LIVING - SHERIFF	Y	N	
442	COOKS, BAKERS, BUTCHERS BONUS	Y	Y	
443	DEPUTY SHERIFF-LEVEL I BONUS	Y	Y	
444	DEPUTY SHERIFF - LEVEL II BONUS	Y	Y	
444A	DEPUTY SHERIFF LEVEL II BONUS AT FIRST APPOINTMENT	Y	Y	
444B	DEPUTY SHERIFF LEVEL II BONUS AFTER ONE YEAR	Y	Y	
444C	DEPUTY SHERIFF LEVEL II BONUS AFTER TWO YEARS	Y	Y	
444D	DEPUTY SHERIFF LEVEL II BONUS AFTER THREE YEARS MAXIMUM	Y	Y	
445	DEPUTY SHERIFF SPECIAL ENFORCEMENT/CANINE DETAIL	Y	N	
446	EXPLOSIVES DETAIL BONUS	Y	Y	
447	HELICOPTER DETAIL	Y	Y	
449	SENIOR COOK BONUS - SHERIFF	Y	Y	
450	SHERIFF OUT OF CLASS BONUS	Y	N	
451	UNDERWATER RECOVERY - SHERIFF	Y	Y	
452	SUPERVISORY BONUS	Y	Y	
453	SERGEANT-AT-ARMS BOARD OF SUPERVISOR	Y	N	
454	SHERIFF INTERNAL EQUITY	Y	Y	
455	MOTORCYCLE PATROL UNIT BONUS	Y	Y	
456	TRAINING OFFC/INVESTIGATOR/K-9 BONUS	Y	N	
457	PATROL STATION RETENTION BONUS	Y	Y	
458	ACTING CAPACITY BONUS	Y	N	
459	SHERIFF'S STATION JAILER BONUS	Y	Y	
460	SHERIFF - MAINTENANCE WORKER	Y	Y	
461	SHERIFF BUSINESS MACHINE TECHNICIAN	Y	N	Obsolete
462	MANPOWER SHORTAGE-SHERIFF CATALINA ISLAND	Y	Y	
463	DRINKING WATER TREATMENT & DISTRIBUTION	Y	Y	
464	STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS	Y	N	
465	REHABILITATION INSPECTOR-PUBLIC WORKS	Y	N	Obsolete
466	SEWER MAINTENANCE ASSIGNMENT	Y	Y	
467	UNDERGROUND STORM DRAIN ASSIGNMENT	Y	Y	
468	LICENSED LAND SURVEYOR BONUS	Y	N	
469	LICENSED REGISTERED TRAFFIC ENGINEER BONUS	Y	N	
470	BUSINESS LICENSE LIAISON	Y	N	Obsolete
471	LAW ENFORCEMENT TECH (LET) DISPATCHER	Y	N	
472	FIELD RESPONSE RETENTION	Y	N	
473	PILOT / ADVANCE FLIGHT INSTRUCTOR	Y	N	
474	PILOT / BASIC FLIGHT INSTRUCTOR/FIXED WING PILOT	Y	N	
475	CERTIFICATION BONUS - LACERA	Y	N	
480	SUPERIOR COURT CLERK BONUS	Y	N	Obsolete
481	COURT REPORTERS REALTIME CERTIFICATION	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL §31461	PEPRA §7522.34	Expiration Date/Notes
482	JUDICIAL ASSISTANT BONUS	Y	N	
483	REALTIME WRITING BONUS	Y	N	
484	GEOTECHNICAL LICENSE BONUS	Y	N	
485	SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION	Y	N	
486	PLANS EXAMINER CERTIFICATION	Y	N	
487	REGISTRATION - LICENSE BONUS	Y	N	
488	BUILDING ENGINEERING INSPECTOR BONUS	Y	N	
489	ORAL SURGERY NON-STANDARD ASSIGNMENT BONUS (DHS DENTAL SPECIALIST – MAXILLOFACIAL)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
490	SENIOR COOK - PROBATION	Y	Y	
491	GROUP SUPERVISOR - PROBATION	Y	Y	
492	HEAD COOK - PROBATION	Y	Y	
493	SENIOR PROBATION DIRECTOR-JUVENILE HALL ASSIGNMENT	Y	N	
494	BUREAU CHIEF, PROBATION -DETENTION SERVICES BUREAU	Y	N	
495	PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA	Y	N	
496	PROBATION ADDITIONAL ASSIGNMENT	Y	Y	
497	INSTITUTIONS ASSIGNMENT	Y	Y	
498	PROBATION DIRECTOR-CHALLENGER YOUTH CENTER	Y	N	
499	SPECIAL ENFORCEMENT OPERATIONS	Y	N	
500	RELOCATION REIMBURSEMENT - NONTAXABLE	N	N	12/31/2017
501	BOARD OF RETIREMENT CASE REVIEW	Y	N	
502	RELOCATION ALLOWANCE	N	N	
503	UNIFORM ALLOWANCE	Y	N	
504	NIGHT SHIFT DIFFERENTIAL	Y	N	
504MH	NIGHT SHIFT DIFFERENTIAL MENTAL HEALTH	Y	N	
504NH	NIGHT SHIFT DIFFERENTIAL- RELIEF NURSE HOLIDAY NITE	Y	N	
505	CORONER'S INQUEST REPORTER	Y	N	
506	ALLOWANCE IN LIEU OF VEHICLE USE	Y	N	
507	CO-GENERATION MAINTENANCE	Y	N	
508	HENNINGER FLATS WATCHMAN	Y	N	
509	FREEZER WORK	Y	N	
510	DEPARTMENT HEAD MERIT	Y	N	
511	BOARD OF SUPERVISORS PERFORMANCE LUMP SUM	Y	N	
512	FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER	Y	N	
513	BARG UNIT 201 MOU LUMP SUM BONUS	Y	N	
514	BACKHOE OPERATOR	Y	N	
515	WEEKEND BONUS	Y	N	
515HS	WEEKEND BONUS- HS EMPLOYEES ONLY	Y	N	
516	EXPLOSIVES WORK	Y	N	
517	EVENING SHIFT DIFFERENTIAL	Y	N	
517MH	EVENING SHIFT DIFFERENTIAL MENTAL HEALTH	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
517NH	EVENING SHIFT DIFFERENTIAL-RELIEF NURSE HOLIDAY EVENING	Y	N	
518	POWER EQUIPMENT REPAIR, SNOW CONDITIONS	Y	N	
519	ENGINEERING EMPLOYEES, HAZARD PAY	Y	N	
520	HOME CARE COMPENSATION	Y	N	
521	TAX PENALTY REIMBURSEMENT	N	N	
522	CUSTODIAN ACTING AS WATCHMAN	Y	N	
523	HYDROELECTRIC OPERATIONS	Y	N	
524	ON CALL FOR COURT APPEARANCE	N	N	
525	CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR MNGR	Y	N	
526	ENVIRONMENTAL EMERGENCY REPSONSE TEAM ASSIGNMENT	N	N	
527	RELIEF DAM OPERATOR, ON CALL	N	N	
528	WEBCOM PRESS OPERATOR	Y	N	
529	POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION	Y	N	
530	EMS CLASS A LICENSE	N	N	
531	STANDBY (*Pensionable prior to 1/1/2013)	N*	N	
531CC	STANDBY CRITICAL CARE	N	N	
531SP	STANDBY AUTH FOR SHERIFF & PUBLIC WRKS DEPTS ONLY BU 411/412 (*Pensionable prior to 1/1/2013)	N*	N	
532	ADDITIONAL RESPONSIBILITIES AND EXCEPTNL PERFORMNC	Y	N	
533	POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS	Y	N	
534	POWER PLANT RELIEF ENGINEER	Y	N	
535	CLINIC PHYSICIAN FIRST 90 MINUTE RATE (SUPPLEMENT TO 099)	Y	N	
536	CONSULTING SPEC, MD & MNLT HEALTH CONSLT, 1ST&5TH	Y	N	
537	HOMELESS ENCAMPMENT ASSIGN	N	N	
538	RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE	Y	N	
539	RN WEEKEND DIFFERENTIAL	Y	N	
540	RELIEF NURSE HOLIDAY DIFFERENTIAL	Y	N	
541	RELIEF NURSE WEEKEND DIFFERENTIAL	Y	N	
542	EMERGENCY WORKPLACE DIFFERENTIAL	N	N	
543	CALL BACK EXTRA COMPENSATION	N	N	
544	APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE	Y	N	
545	HEAVY DUTY TOW TRUCK DRIVER	Y	N	
546	SLURRY SEAL TRUCK_DRIVER	Y	N	
547	MOU LUMP SUM (INC IN REG OT)	Y	N	
547HS	DHS MISC LUMP SUM (INC IN REG OT)	Y	N	
548	LIFEGUARD PARAMEDIC - RELIEF	Y	N	
549	HANDLING OF HAZARD CHEMICALS	Y	N	
550	INCENTIVE AWARDS FOR MEDI-CAL REIMBRMNTS/HEALTH SR	Y	N	Obsolete
551	GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR	Y	N	Obsolete

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
552	STANDBY - EMERGENCY ROLL OUT PROGRAM (*Pensionable prior to 1/1/2013)	N*	N	
553	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW	Y	N	
554	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW	Y	N	
555	SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE	Y	N	
556	HIGH SCALE AND RIGGING OPERATIONS, GENERAL	Y	N	
557	EVENING SHIFT, MED TECH	Y	N	
558	NIGHT SHIFT, MED TECH	Y	N	
559	MISCELLANEOUS LUMP SUM INCLUDED IN REG OT	N	N	
560	MISCELLANEOUS LUMP SUM NOT INCLUDED IN REG OT	N	N	
561	HOURS PAID BUT NOT WORKED	N	N	
562	MENTAL HEALTH ALERT & PSYCH MOB RESP TEAM STDBY	N	N	
563	RELIEF DAM OPERATIONS STANDBY	N	N	
564	TUITION REIMBURSEMENT	N	N	
565	PARAMEDIC RECERTIFICATION BONUS	Y	N	
565A	PARAMEDIC RECERTIFICATION BONUS-ELIGIBILITY INDICATOR	Y	N	
566	QUALIFIED FOR HAZARD MATERIAL OVERTIME CALC	N	N	
566A	QUALIFIED FOR HAZARD MATERIAL OT CALC-ELIGIBILITY INDICATOR	N	N	
567	DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION	Y	N	
568	ASSESSMENT APPEALS 2ND SESSION PAY	Y	N	
568A	ASSESSMENT APPEALS 3RD SESSION PAY	Y	N	
569	PHYSICIANS LOAN REPAYMENT PROGRAM	N	N	
570	HOME CARE PROGRAM STANDBY (*Pensionable prior to 1/1/2013)	N*	N	
571	CSW LICENSURE SUPERVISION	Y	N	
572	MOU LUMP SUM BONUS	Y	N	
572CR	MOU LUMP SUM - CHIEF RESIDENT BONUS	N	N	
572ED	MOU LUMP SUM EDUCATIONAL BONUS	N	N	
572HA	MOU LUMP SUM HOUSING ALLOWANCE	N	N	
572WI	MOU LUMP SUM 1115 WAIVER INCENTIVE	N	N	
573	TUITION REIMBURSEMENT - NONTAXABLE	N	N	
574	STANDBY - INS WITNESS PROGRAM (*Pensionable prior to 1/1/2013)	N*	N	
575	WASTEWATER PLANT RELIEF BONUS	Y	N	
576	SOLO DAILY EARNINGS	Y	N	
577	INTERPRETER HALF DAY BONUS - SUP CT	Y	N	
578	ER ATTENDING PHYSICIAN - DAY RATE	Y	N	
579	ER ATTENDING PHY/-WKDY EVE/WKND HOL DAY	Y	N	
580	ER ATTENDING PHY/-WKDY NITE/WKND HOL EVE NITE	Y	N	
581	SWIM PROFICIENCY BONUS	Y	N	
582	INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY	Y	N	
583	INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY	Y	N	
584	PHYSICIAN STIPENDS	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL §31461	PEPRA §7522.34	Expiration Date/Notes
585	ISA TREE WORKER CERTIFICATION	Y	N	
586	ISA ARBORIST CREDENTIAL	Y	N	
587	ISA QUALIFIED TREE RISK ASSESSOR CREDENTIAL	Y	N	
588	ISA MUNICIPAL SPECIALIST CREDENTIAL	Y	N	
589	DMH SPECIALTY FIELD BASED BONUS	Y	N	
590	CONTINUING EDUCATION/ EQUIPMENT/TRAINING	Y	N	
591	LICENSE-CERTIFICATION REIMBURSEMENT	N	N	
592	SC RETENTION BONUS	Y	N	
593	SUPERIOR COURT COURT REPORTER - EQUIP (SB 154)	N	N	
594	SUPERIOR COURT SIGNING BONUS (COURT REPORTER - SB 154)	N	N	
595	SUPERIOR COURT - STUDENT LOAN	N	N	
596	SUPERIOR COURT FINDERS FEE (COURT REPORTER - (SB 154)	N	N	
597	CLINICAL PHARMACIST ASSIGNMENT/RESPONSIBILITIES	Y	N	
598	ELECTION WORKER STIPEND	N	N	
599	ON-CALL PAY, SC	N	N	
600	RN MOBILE INTENSIVE CARE CERT-SUB D	Y	N	
601	SPECIALTY CARE BONUS	Y	N	
602	DISPATCHER ASSIGNMENT	Y	N	
603	AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE	Y	N	
604	RN MOBILE INTENSIVE CARE CERTIFICATION	Y	N	
605	CUSTODIAN FLOOR WAXING BONUS	Y	N	
606	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY (†Under review as of 10/1/2018)	Y	N†	
606A	FIRE EQPMNT MCHNC ASSGND FIELD RPR DTY-ELIGIBILITY INDICATOR (†Under review as of 10/1/2018)	Y	N†	
607	SDPO ASSIGNED ACTING DIRECTOR IN A CAMP	Y	N	
608	BILINGUAL BONUS	Y	N	
609	RN ASSIGNED TO EMERGENCY ROOM	Y	N	
610	ANTELOPE VALLEY FIREFIGHTING CREW	Y	N	Obsolete
611	TREE TRIMMER SUPERVISOR, POWER OPERATIONS	Y	N	Obsolete
612	SHOOTING BONUS, EXPERT	Y	N	
613	SHOOTING BONUS, DISTINGUISHED EXPERT	Y	N	
614	SHOOTING BONUS, MARKSMAN	Y	N	
615	SHOOTING BONUS, SHARPSHOOTER	Y	N	
616	ANTELOPE VALLEY QUARTERS, ON FIRE CALL	Y	N	Obsolete
617	CLINIC NURSE ASSIGNED TO PROBATION CAMP	Y	N	
618	TRANSPORTATION BUS DRIVER, SHERIFF	Y	N	
619	CERTIFIED ACCESS SPECIALIST CERTIFICATION	Y	N	
620	SAN GABRIEL DAM OPERATOR	Y	N	
621	NURSE RETENTION INCENTIVE	Y	N	
622	ADVANCED APPRAISER CERTIFICATION	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
623	ANIMAL CARE CONTROL ASSIGNMENT BONUS	Y	Y	Pay code not yet implemented by County; BOR Date 9/4/2024
624	BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK	Y	N	
625	AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION	Y	N	
626	FIREFIGHTER PARAM. NOT ASSGND TO PARAM.	Y	Y	
627	DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS	Y	N	
628	BILINGUAL BONUS FOR OTHER THAN MONTHLY	Y	N	
628A	BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY INDICATOR	Y	N	
629	MORTUARY ATTENDANT AT LAC+USCMC	Y	N	
630	FIELD ASSIGNMENT BONUS	Y	N	
631	BILINGUAL BONUS-SUB D	Y	N	
632	MENTAL HEALTH WORKERS ASSIGNED SH, PB, CORR DETENTON FACL	Y	N	
633	RN ASSIGNED TO EMERGENCY ROOM SUB D- OBOLETE AS OF 4/1/2007	Y	N	4/1/2007
634	SUPERVISING DETENTION SERVICES OFFICER OF THE DAY	Y	N	
635	TRANSPORTATION DEPUTY BUS DRIVER, PROBATION	Y	N	
636	INCIDENTAL EXPENSE ALLOWANCE	Y	N	
637	PROFESSIONAL DEVELOPMENT EXPENSES	Y	N	
638	PROBATION TELECOM EQUIPMENT BONUS- OBSOLETE SINCE PRE- e HR	Y	N	3/31/2012
639A	NON-STANDARD ASSIGNMENT BONUS (PHYSICIAN SPECIALIST - LABOR & DELIVERY, INPATIENT FACILITIES)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
639B	NON-STANDARD ASSIGNMENT BONUS (PHYSICIAN SPECIALIST - RADIOLOGY)	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
640	CHILDRENS SERVICES ERCP RETENTION	Y	N	
641	SHOOTING BONUS, EXPERT - RESERVE	Y	N	
642	SHOOTING BONUS, DISTINGUISHED EXPERT - RESERVE	Y	N	
643	SHOOTING BONUS, MARKSMAN - RESERVE	Y	N	
644	SHOOTING BONUS, SHARPSHOOTER - RESERVE	Y	N	
645	EMERGENCY ROOM PREMIUM	Y	N	
646	EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS	Y	N	
647	BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK	Y	N	
648	DEFIBRILLATION AIRWAY BONUS	Y	N	
649	MAMMOGRAPHY BONUS	Y	N	
650	JUDGE:PRESIDING JUDGE 4%	N	N	
651	MEAL REIMBURSEMENT-RESIDENTS	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
652	MEAL REIMBURSEMENT-PLANT ENGINEERS	N	N	
653	ANIMAL CARE PAY/ CARE & MAINTENANCE	Y	N	
654	INTERMEDIATE POST, CORONER INVESTIGATORS	Y	N	
655	ADVANCED POST, CORONER INVESTIGATORS	Y	N	
657	SECURITY OPERATIONS UNIT BONUS	Y	Y	
690	CELL PHONE STIPEND VOICE ONLY	N	N	
691	CELL PHONE STIPEND DATA ONLY	N	N	
692	CELL PHONE STIPEND VOICE AND DATA	N	N	
694	CIVIC CENTER COMMUTER ALLOWANCE	Y	N	
694SC	SUP COURT CIVIC CENTER STIPEND	Y	N	
695	DEPARTMENT HEAD TRANSPORTATION ALLOWANCE	Y	N	
696	DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE	Y	N	
699W	FLEXIBLE WORK TIME EARNED	N	N	
700	PENSIONABLE OVERTIME	Y	N	
701	PAID OVERTIME	N	N	
702	PAID OVERTIME (DOUBLE OVERTIME TRACKING)	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023
703	FLSA COMP TIME EARNED - ACCRUE FLSA PREMIUM	N	N	
704	FLSA COMP TIME - ACCRUE STRAIGHT PAY PREMIUM	N	N	
705	COMPENSATORY TIME EARNED	N	N	
710	DISASTER RELATED PAID OVERTIME	N	N	
711	DISASTER COMP TIME EARNED (ACCRUED)	N	N	
712	CONTRACT RELATED PAID OVERTIME	N	N	
713	ER PHYSICIAN OT - DAY RATE	N	N	
714	ER PHYSICIAN OT - WKDY EVE/WKND HOL DAY	N	N	
715	ER PHYSICIAN OT - WKDY NITE/WKND HOL EVE NITE	N	N	
720	SPECIAL EVENTS OVERTIME	N	N	
720F	SPECIAL EVENTS OVERTIME FLORES	N	N	
730	PREMIUM OVERTIME - SYSTEM PENSIONABLE	Y	N	
730F	PREMIUM FLORES OVERTIME - SYSTEM PENSIONABLE	Y	N	
731	PREMIUM OVERTIME - SYSTEM	N	N	
731F	PREMIUM FLORES OVERTIME - SYSTEM	N	N	
732	PREMIUM OVERTIME - SYSTEM (DOUBLE OVERTIME TRACKING)	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023
732D	PREMIUM DOUBLE OVERTIME - MANUAL	N	N	Pay code not yet implemented by County; BOR Date 5/3/2023
733	PREMIUM OVERTIME - MANUAL	N	N	
733F	PREMIUM OVERTIME MANUAL FLORES	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
745A	CALL BACK - TIER I	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
745B	CALL BACK - TIER II	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
746	CALL BACK ACTUAL	N	N	
746F	CALL BACK ACTUAL FLORES	N	N	
747	CALL BACK GUARANTEED	N	N	
747F	CALL BACK GUARANTEED FLORES	N	N	
775	SECONDARY OVERTIME	N	N	
776	ALTERNATE OVERTIME	N	N	
777	SECONDARY ASSIGNMENT OVERTIME	N	N	
778	OVERTIME - FIRE DEPT 56 HOUR	N	N	
779	SECONDARY OVERTIME - FIRE DEPT 56 HR	N	N	
780	WORKDOWN OVERTIME - FIRE DEPT	N	N	
781	OVERTIME - FIRE DEPT_40 HR	N	N	
782	PLATOON/40 HR/DISPATCHER SCHED PREMIUM - SYSTEM	Y	Y	
782F	PLATOON/40 HR/DISPATCHER SCHED FLORES PREMIUM - SYSTEM	Y	Y	
783	DISPATCHER BRIEFING TIME	N	N	
784	40 HOUR CAMP - GUARANTEED PREMIUM	N	N	
78C	40 HOUR CAMP - GUARANTEED PREMIUM	N	N	
791	ORDERED OVERTIME	N	N	
793	COMPENSATED BRIEFING TIME - SYSTEM	N	N	
796	ORDERED FLSA COMP TIME EARN - ACCR FLSA PREM	N	N	
799	FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS	N	N	
79C	FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS	N	N	
804F	EXCESS PREMIUM - FLSA COMP TIME TAKEN FLORES	N	N	
ADJPY	EADJ Adjust Regular Pay	N	N	
DMPPE	DUMMY FRINGE FOR PENSIONABLE EARNINGS IN SUPP SYS	Y	N	
EEC	ESTIMATED EARNINGS CORRECTION-NONTAX-NONPENS	N	N	
ML043	ACTIVE MILITARY PAY	N	N	
OP001	SECTION 170 OVERTIME	N	N	
OP002	BASERATE OVERTIME	N	N	
OP003	PREMIUM OVERTIME	N	N	
OP004	SHOOTING BONUS	Y	N	
OP005	NON-PENSIONABLE STANDBY PAY (*Pensionable prior to 1/1/2013)	N*	N	
OP006	BILINGUAL BONUS	Y	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
OP007	HAZARD PAY	Y	N	
OP008	PENSIONABLE MISCELLANEOUS EARNINGS	Y	N	
OP009	NON-PENSIONABLE MISCELLANEOUS EARNINGS	N	N	
OP013	TIME CERTIFICATE LUMP SUM	N	N	
OP014	LUMP SUM COMP TIME OFF	N	N	
OP017	NIGHT BONUS	Y	N	
OP018	CALL BACK	N	N	
OP028	MILEAGE	N	N	
OP029	PARKING REIMBURSEMENT	N	N	
OP030	UNIFORM ALLOWANCE	Y	N	
OP038	AUTO REIMBURSEMENT	Y	N	
OP040	SICK BUYBACK	Y	N	
OP044	TIME CERTIFICATE VACATION	N	N	
OP046	EMPLOYEE SUGGESTION	Y	N	
OP047	LUMP SUM 56-HOUR	N	N	
OP048	LUMP SUM VACATION 56-HOUR	N	N	
OP050	TRANSPORTATION ALLOWANCE	Y	N	
OP051	TRAFFIC MITIGATION	Y	N	
OP052	PROFESSIONAL DEVELOPMENT ALLOWANCE	Y	N	
OP053	TAXABLE PARKING ALLOWANCE	Y	N	
OP055	BUYBACK COMP TIME OFF	N	N	
OP056	FLSA PREMIUM OVERTIME	Y	Y	
OP057	HOLIDAY BUYBACK	Y	N	
OP058	MERIT BONUS	Y	N	
OP059	NON-PENSIONABLE STANDBY PAY	N	N	
OP060	TAXABLE TUITION REIMBURSEMENT	N	N	
OP067	ADVANCE DISABILITY RETIREMENT	N	N	
OP075	VACATION/HOLIDAY	N	N	
OP077	VACATION IN-LIEU-OF-PAY	N	N	
OP078	56-HOUR VACATION IN LIEU OF PAY	N	N	
OP091	NON-PENSIONABLE REGULAR EARNINGS	N	N	
OP098	REGULAR EARNINGS - NURSES	Y	N	
OP100	BACK AWARDS AND JUDGEMENTS - HZN EXCESS OF LMT-GROSS UP AMT	N	N	
OP101	ERRORS AND OMISSIONS - HZN EXCESS OF LIMIT - GROSS UP AMT	N	N	
OP102	BACK AWARDS AND JUDGEMENTS - SVG EXCESS OF LMT-GROSS UP AMT	N	N	
OP103	ERRORS AND OMISSIONS - SVG EXCESS OF LIMIT - GROSS UP AMT	N	N	
OP104	BACK AWARDS AND JUDGEMENTS - PSP EXCESS OF LMT-GROSS UP AMT	N	N	
OP105	ERRORS AND OMISSIONS - PSP EXCESS OF LIMIT - GROSS UP AMT	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
OP110	NON-TAXABLE TUITION REIMBURSEMENT	N	N	
OP135	LUMP SUM SEVERANCE	N	N	
OP651	MEAL REIMBURSEMENT	N	N	
OP653	ANIMAL CARE PAY	Y	N	
OP700	PENSIONABLE OVERTIME	Y	N	
OP730	PENSIONSABLE PREMIUM OVERTIME	Y	N	
OP904	ELECTIVE ANNUAL LEAVE BUYBACK	N	N	
OP911	VACATION BUYBACK	Y	N	
PC010	010 EARNED SALARY ADVANCE CONVERSION	N	N	
PC011	011 VACATION PAY ADVANCE CONVERSION	N	N	
PC019	PART PAY SICK - CONVERSION	N	N	
PC025	025 UNDERPAYMENT ADVANCE CONVERSION	N	N	
PC036	036 FLEX EARNINGS CONVERSION	N	N	
PE803	EXCESS STRAIGHT - FLSA COMP TIME TAKEN	N	N	
PE804	EXCESS PREMIUM - FLSA COMP TIME TAKEN	N	N	
PE806	EXCESS STRAIGHT - FY93 FLSA COMP TIME TAKEN	N	N	
PE807	EXCESS PREMIUM - FY93 FLSA COMP TIME TAKEN	N	N	
PE813	CAPE - EXCESS STRAIGHT - FY93 FLSA COMP TIME TAKEN	N	N	
PE814	CAPE - EXCESS PREMIUM - FY93 FLSA COMP TIME TAKEN	N	N	
PF004	MEGAFLEX PENSIONABLE CONTRIBUTION	Y	N	
PF007	FLEX PENSIONABLE CONTRIBUTION	Y	N	
PF010	CHOICES PENSIONABLE CONTRIBUTION	Y	N	
PF013	OPTIONS PENSIONABLE CONTRIBUTION	Y	N	
PFA36	FLEX EARNINGS ADVANCE	N	N	
PG720	SPECIAL EVENTS OVERTIME - PREMIUM PORTION	N	N	
PG746	CALL BACK ACTUAL - PREMIUM PORTION	N	N	
PG747	CALL BACK GUARANTEED - PREMIUM PORTION	N	N	
PK003	NON-ELECTIVE LEAVE	Y	N	
PK011	SICK - 100%	Y	N	
PK012	HOLIDAY	Y	N	
PK021	VACATION	Y	N	
PK030	SPECIAL PAID LEAVE	Y	N	
PK031	APPRAISERS LEAVE	Y	N	
PK032	INTERN/RESIDENT LEAVE	Y	N	
PK061	PAID FAMILY LEAVE (PFL) REIMBURSEMENT	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
PK094	VACATION IN LIEU OF PAY	N	N	
PK096	SUPERIOR COURT VACATION IN LIEU OF PAY	N	N	
PK113	SICK PRE-71	Y	N	
PK801	COMPENSATORY TIME TAKEN	N	N	
PK802	PROTECTED COMPENSATORY TIME TAKEN	N	N	
PK803	FLSA COMP TIME TAKEN - STRAIGHT	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PK804	FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK805	FY93 COMPENSATORY TIME TAKEN	N	N	
PK806	FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PK807	FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK808	DISASTER COMP TIME TAKEN	N	N	
PK810	CALL BACK ACCRUE - STRAIGHT TAKEN	N	N	
PK811	CALL BACK GUARANTEED CTO - BUY BACK	N	N	
PK812	DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PK813	CAPE-FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PK814	CAPE-FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PK815	DFR 1 YR-FLSA COMPENSATORY STRT TIME- USAGE	N	N	
PK816	DFR 2 YRS-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PK818	DFR 1 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PK819	DFR 2 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PK821	DFR 1 YR- CALL BACK - STRAIGHT USAGE	N	N	
PK918	FY93-FIRE 56 HR-FLSA PREMIUM OVERTIME-BUY BACK	N	N	
PK919	FY93-FIRE 40 HR-FLSA PREMIUM OVERTIME-BUY BACK	N	N	
PKN03	SC ADDITIONAL NON-ELECTIVE LEAVE - YEAREND NON-PENSIONABLE	N	N	
PKN21	SC ADDITIONAL VACATION YEAREND PAYOUT NON-PENSIONABLE	N	N	
PKP11	SICK - 100% BUYBACK FOR 56 HOUR PROBATION EMPLOYEES	Y	N	
PKP21	VACATION BUYBACK FOR 56 HOUR PROBATION EMPLOYEES	Y	N	
PO002	ELECTIVE LEAVE TERM PAY OFFSET	N	N	
PO699	FLEXIBLE WORK SCHEDULE	N	N	
PO703	STRAIGHT PAY OFFSET-FLSA COMP TIME EARNED - ACCRUE FLSA PREM	N	N	
PO704	STRAIGHT PAY OFFSET-FLSA COMP TIME - ACCRUE STR PAY PREM	N	N	
PO705	STRAIGHT PAY OFFSET-COMPENSATORY TIME EARNED	N	N	
PO711	STRAIGHT PAY OFFSET-DISASTER COMP TIME EARNED (ACCRUED)	N	N	
PO796	STRAIGHT PAY OFFSET-ORDERD FLSA COMP TM EARN-ACCR FLSA PREM	N	N	
PP001	SECTION 170 OVERTIME	N	N	
PP002	BASERATE OVERTIME	N	N	
PP003	PREMIUM OVERTIME	N	N	
PP004	SHOOTING BONUS	Y	N	
PP005	STANDBY PAY- NON PENSIONABLE (*Pensionable prior to 1/1/2013)	N*	N	
PP006	BILINGUAL BONUS	Y	N	
PP007	HAZARD PAY	Y	N	
PP008	MISCELLANEOUS EARNINGS-PENSIONABLE	Y	N	
PP009	MISCELLANEOUS EARNINGS-NON-PENSIONABLE	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PP013	TIME CERTIFICATE LUMPSUM	N	N	
PP014	LUMPSUM COMP TIME OFF	N	N	
PP017	NIGHT BONUS	Y	N	
PP018	CALL BACK	N	N	
PP028	MILEAGE REIMBURSEMENT	N	N	
PP029	PARKING REIMBURSEMENT	N	N	
PP030	UNIFORM ALLOWANCE	Y	N	
PP032	EARNINGS - DECEASED EMPLOYEE	N	N	
PP038	AUTO REIMBURSEMENT	Y	N	
PP040	SICK BUYBACK	Y	N	
PP044	TIME CERTIFICATE VACATION	N	N	
PP046	EMPLOYEE SUGGESTION	Y	N	
PP047	LUMPSUM 56-HOUR	N	N	
PP048	LUMPSUM VACATION 56-HOUR	N	N	
PP050	TRANSPORTATION ALLOWANCE	Y	N	
PP051	TRAFFIC MITIGATION	Y	N	
PP052	PROFESSIONAL DEVELOPMENT ALLOWANCE	Y	N	
PP053	TAXABLE PARKING ALLOWANCE	Y	N	
PP055	BUYBACK COMP TIME OFF	N	N	
PP056	FLSA PREMIUM OVERTIME	Y	Y	
PP057	HOLIDAY BUYBACK	Y	N	
PP058	MERIT BONUS	Y	N	
PP059	STANDBY PAY-NON-PENSIONABLE	N	N	
PP060	TAXABLE TUITION REIMBURSEMENT	N	N	
PP067	ADVANCE DISABILITY RETIREMENT	N	N	
PP075	VACATION/HOLIDAY	N	N	
PP077	VACATION IN-LIEU-OF-PAY	N	N	
PP078	56-HOUR VACATION IN LEIU OF PAY	N	N	
PP091	REGULAR EARNINGS-NON-PENSIONSABLE	N	N	
PP098	REGULAR EARNINGS - NURSES	Y	N	
PP110	NON-TAXABLE TUITION REIMBURSEMENT	N	N	
PP651	MEAL REIMBURSEMENT	N	N	
PP653	ANIMAL CARE PAY	Y	N	
PP700	PENSIONABLE OVERTIME	Y	N	
PP730	PENSIONSABLE PREMIUM OVERTIME	Y	N	
PP904	ELECTIVE ANNUAL LEAVE BUYBACK	N	N	
PP911	VACATION BUYBACK	Y	N	
PPC36	FLEX EARNINGS - CHOICES	N	N	
PPF36	FLEX EARNINGS - FLEX	N	N	
PPM36	FLEX EARNINGS - MEGAFLEX	N	N	
PPO36	FLEX EARNINGS - OPTIONS	N	N	
PPRB2	RETIREE - REPLACEMENT BENEFITS PLAN (LACERA) - NO HIT	N	N	
PPRBP	RETIREE - REPLACEMENT BENEFITS PLAN (LACERA)	N	N	
PS720	SPECIAL EVENTS OVERTIME - STRAIGHT PORTION	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PS746	CALL BACK ACTUAL - STRAIGHT PORTION	N	N	
PS747	CALL BACK GUARANTEED - STRAIGHT PORTION	N	N	
PT002	ELECTIVE LEAVE	N	N	
PT003	NON-ELECTIVE LEAVE	N	N	
PT006	DONATED SICK 100% LEAVE - USAGE	N	N	
PT008	SICK LEAVE EARNED AT MTA/ATTORNEY	N	N	
PT011	SICK - 100%	N	N	
PT012	HOLIDAY	N	N	
PT021	VACATION	N	N	
PT030	SPECIAL PAID LEAVE	N	N	
PT031	APPRAISERS LEAVE	N	N	
PT032	INTERN/RESIDENT LEAVE	N	N	
PT046	JUDICIAL ASSISTANT SPECIAL PAID LEAVE	N	N	
PT061	PAID FAMILY LEAVE (PFL) TERMINATION PAY	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
PT081	BANK HOLIDAY	N	N	
PT082	BANK VACATION	N	N	
PT094	VACATION IN LIEU OF PAY	N	N	
PT096	SUPERIOR COURT VACATION IN LIEU OF PAY	N	N	
PT113	SICK PRE-71	N	N	
PT699	FLEXIBLE WORK TIME EARNED	N	N	
PT801	COMPENSATORY TIME TAKEN	N	N	
PT802	PROTECTED COMPENSATORY TIME TAKEN	N	N	
PT803	FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT804	FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT805	FY93 COMPENSATORY TIME TAKEN	N	N	
PT806	FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT807	FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT808	DISASTER COMP TIME TAKEN	N	N	
PT810	CALL BACK ACCRUE - STRAIGHT TAKEN	N	N	
PT811	CALL BACK GUARANTEED CTO - TERMINATION	N	N	
PT812	DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PT813	CAPE-FY93 FLSA COMP TIME TAKEN - STRAIGHT	N	N	
PT814	CAPE-FY93 FLSA COMP TIME TAKEN - PREMIUM	N	N	
PT815	DFR 1 YR-FLSA COMPENSATORY STRT TIME- USAGE	N	N	
PT816	DFR 2 YRS-FLSA COMPENSATORY STRT TIME - USAGE	N	N	
PT817	YTD-FLSA PREMIUM OVERTIME USAGE	N	N	
PT818	DFR 1 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PT819	DFR 2 YR-FLSA PREMIUM OVERTIME USAGE	N	N	
PT820	YTD- CALL BACK - STRAIGHT USAGE	N	N	
PT821	DFR 1 YR- CALL BACK - STRAIGHT USAGE	N	N	

Current List of Pay Codes

Pay Code	Description	CERL \$31461	PEPRA \$7522.34	Expiration Date/Notes
PTNHT	HOLD CURRENT ACCRL-NON-ELECTIVE LVE-TERMINATION USAGE	N	N	
PTVAT	SUPERIOR COURT, RESERVE VACATION -TERMINATION USAGE	N	N	
PTVPT	SUPERIOR CT, PRIOR YR RSRV VACATION-TERMINATION USAGE	N	N	
RP001	SECTION 170 OVERTIME - OFFSET	N	N	
RP002	BASERATE OVERTIME - OFFSET	N	N	
RP003	PREMIUM OVERTIME - OFFSET	N	N	
RP004	SHOOTING BONUS - OFFSET	Y	N	
RP005	NON-PENSIONABLE STANDBY PAY - OFFSET (*Pensionable prior to 1/1/2013)	N*	N	
RP006	BILINGUAL BONUS - OFFSET	Y	N	
RP007	HAZARD PAY - OFFSET	Y	N	
RP008	PENSIONABLE MISCELLANEOUS EARNINGS - OFFSET	Y	N	
RP009	NON-PENSIONABLE MISCELLANEOUS EARNINGS - OFFSET	N	N	
RP013	TIME CERTIFICATE LUMP SUM - OFFSET	N	N	
RP014	LUMP SUM COMP TIME OFF - OFFSET	N	N	
RP017	NIGHT BONUS - OFFSET	Y	N	
RP018	CALL BACK - OFFSET	N	N	
RP028	MILEAGE - OFFSET	N	N	
RP029	PARKING REIMBURSEMENT - OFFSET	N	N	
RP030	UNIFORM ALLOWANCE - OFFSET	Y	N	
RP038	AUTO REIMBURSEMENT - OFFSET	Y	N	
RP03P	PREMIUM OVERTIME - SYSTEM - OFFSET	N	N	
RP040	SICK BUYBACK - OFFSET	Y	N	
RP044	TIME CERTIFICATE VACATION - OFFSET	N	N	
RP046	EMPLOYEE SUGGESTION - OFFSET	Y	N	
RP047	LUMP SUM 56-HOUR - OFFSET	N	N	
RP048	LUMP SUM VACATION 56-HOUR - OFFSET	N	N	
RP050	TRANSPORTATION ALLOWANCE - OFFSET	Y	N	
RP051	TRAFFIC MITIGATION - OFFSET	Y	N	
RP052	PROFESSIONAL DEVELOPMENT ALLOWANCE - OFFSET	Y	N	
RP053	TAXABLE PARKING ALLOWANCE - OFFSET	Y	N	
RP055	BUYBACK COMP TIME OFF - OFFSET	N	N	
RP056	FLSA PREMIUM OVERTIME - OFFSET	Y	Y	
RP057	HOLIDAY BUYBACK - OFFSET	Y	N	
RP058	MERIT BONUS - OFFSET	Y	N	
RP059	NON-PENSIONABLE STANDBY PAY - OFFSET	N	N	
RP060	TAXABLE TUITION REIMBURSEMENT - OFFSET	N	N	
RP067	ADVANCE DISABILITY RETIREMENT - OFFSET	N	N	
RP075	VACATION/HOLIDAY - OFFSET	N	N	
RP077	VACATION IN-LIEU-OF-PAY - OFFSET	N	N	
RP078	56-HOUR VACATION IN LEIU OF PAY - OFFSET	N	N	
RP090	VOLUNTARYTIME OFF - OFFSET	Y	Y	

Current List of Pay Codes

Pay Code	Description	CERL §31461	PEPRA §7522.34	Expiration Date/Notes
RP091	NON-PENSIONABLE REGULAR EARNINGS - OFFSET	N	N	
RP098	REGULAR EARNINGS - NURSES - OFFSET	Y	N	
RP110	NON-TAXABLE TUITION REIMBURSEMENT - OFFSET	N	N	
RP135	LUMP SUM SEVERANCE - OFFSET	N	N	
RP56P	PLATOON/40 HR/DISPATCHER SCHED PREMIUM - SYSTEM - OFFSET	Y	Y	
RP651	MEAL REIMBURSEMENT - OFFSET	N	N	
RP653	ANIMAL CARE PAY - OFFSET	Y	N	
RP700	PENSIONABLE OVERTIME - OFFSET	Y	N	
RP730	PENSIONABLE PREMIUM OVERTIME - OFFSET	Y	N	
RP73P	PREMIUM OVERTIME - SYSTEM PENSIONABLE - OFFSET	Y	N	
RPFL0	PREMIUM OVERTIME - SYSTEM PENSIONABLE - FLORES 730 - OFFSET	Y	N	
RPFL1	PREMIUM OVERTIME - NON -PENSIONABLE - FLORES 731 - OFFSET	N	N	
RPFL2	PLATOON/40 HR/DISPATCH SCHED PREM -SYSTEM-FLORES 782- OFFSET	Y	Y	
RPFL3	BASERATE OVERTIME FLORES-OFFSET	N	N	
RPFL4	CALL BACK FLORES-OFFSET	N	N	
RPFL5	PREMIUM OVERTIME FLORES-OFFSET	N	N	
RP904	ELECTIVE ANNUAL LEAVE BUYBACK - OFFSET	N	N	
RP911	VACATION BUYBACK - OFFSET	Y	N	
RPP08	MISCELLANEOUS EARNINGS-PRE/POST PEPRA PENSIONABLE -OFFSET	Y	Y	
TBD	ANTELOPE VALLEY STIPEND (PER PAY PERIOD BONUS)	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	BENEFIT EQUITY BONUS	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	DHS PHYSICIAN LOYALTY BONUS	N	N	Pay code not yet implemented by County; BOR Date 9/4/2024
TBD	NON-MEGAFLEX (NMF) RETENTION BONUS	Y	N	Pay code not yet implemented by County; BOR Date 9/4/2024



September 19, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

SUBJECT: **APPEAL(S) FOR THE BOARD OF RETIREMENT'S MEETING
OF OCTOBER 2, 2024**

IT IS RECOMMENDED that the Board of Retirement grant the appeal(s) and request(s) for administrative hearing received from the following member(s), and direct the Disability Retirement Services Manager to refer each case to a referee:

5430B	Dennis P. Finn	In Pro Per	Deny SCD
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5432B	DRC-2407-02063	In Pro Per	Deny SCD
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TLC:kw



September 24, 2024

TO: Trustees, Board of Retirement

FOR: Board of Retirement Meeting on October 2, 2024

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 OCTOBER 2, 2024

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JEFFREY J. BRITTON	L A COUNTY FIRE DEPT Dept.#FR	08-31-2024	29 YRS 11 MOS
THOMAS G. BRUNER	SHERIFF Dept.#SH	09-27-2024	33 YRS 06 MOS
ROBERT V. CARSON	L A COUNTY FIRE DEPT Dept.#FR	08-30-2024	21 YRS 02½ MOS
MICHAEL C. CASH	L A COUNTY FIRE DEPT Dept.#FR	09-28-2024	25 YRS 03 MOS
ALFREDO F. GALVAN	SHERIFF Dept.#SH	11-30-2024	36 YRS 03 MOS
JESUS T. GARCIA	SHERIFF Dept.#SH	10-31-2024	30 YRS 05½ MOS
MICHAEL R. GRANEK	SHERIFF Dept.#SH	11-30-2024	36 YRS 04 MOS
HECTOR GUTIERREZ	SHERIFF Dept.#SH	09-30-2024	25 YRS 01 MOS
MICHAEL J. JOHNSON	SHERIFF Dept.#SH	10-31-2024	33 YRS 03½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
PAUL T. JOHNSON	LA COUNTY FIRE DEPT Dept.#FR	09-16-2024	03 YRS 11 MOS
JASON M. LANSKA	SHERIFF Dept.#SH	08-28-2024	23 YRS 00 MOS
JORGE L. LOPEZ	SHERIFF Dept.#SH	10-31-2024	30 YRS 02½ MOS
LILLIAN R. PECK	SHERIFF Dept.#SH	09-27-2024	28 YRS 04½ MOS
LARINDA R. PONTES	LA COUNTY FIRE DEPT Dept.#FR	11-15-2024	24 YRS 04½ MOS
WILLIAM V. ROMO	LA COUNTY FIRE DEPT Dept.#FR	10-31-2024	32 YRS 06½ MOS
MICHAEL E. SILVA	SHERIFF Dept.#SH	10-31-2024	28 YRS 07½ MOS
KENNETH B. SINGLETON	LA COUNTY FIRE DEPT Dept.#FR	09-30-2024	24 YRS 00 MOS
BRENT J. TIMES	LA COUNTY FIRE DEPT Dept.#FR	09-30-2024	32 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
RONALD W. WASHINGTON	SHERIFF Dept.#SH	09-28-2024	36 YRS 02 MOS
AARON C. WATSON	SHERIFF Dept.#SH	09-30-2024	29 YRS 00 MOS
KASEY L. WOODRUFF	SHERIFF Dept.#SH	11-22-2024	25 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CYNTHIA N. ACOSTA	PROBATION DEPARTMENT Dept.#PB	10-31-2024	38 YRS 10½ MOS
GEORGINA I. AGUILAR	CHILDREN & FAMILY SERVICES Dept.#CH	09-30-2024	05 YRS 00 MOS
RAUL O. AGUIRRE	SHERIFF Dept.#SH	11-30-2024	26 YRS 01 MOS
GEMMA AGUSTIN MEND	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	35 YRS 02½ MOS
SALLY ANN ALVARADO	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-30-2024	36 YRS 04 MOS
ALMA A. ALVAREZ	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-30-2024	19 YRS ½ MOS
SAMUEL L. ANDERSON JR	SHERIFF Dept.#SH	11-30-2024	40 YRS 03 MOS
VERA ARUTYUNYAN	INTERNAL SERVICES Dept.#IS	10-29-2024	27 YRS 03 MOS
BRYAN G. AUSBURN	SHERIFF Dept.#SH	08-31-2024	20 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MA THERESA C. AUSTERO	AMBULATORY CARE NETWORK Dept.#HN	09-30-2024	26 YRS 03 MOS
MANUEL J. AYALA	PUBLIC WORKS Dept.#PW	10-31-2024	36 YRS 09 MOS
SOUREN AYVAZIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2024	34 YRS 06 MOS
JENNIFER L. BACON	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-02-2024	32 YRS 10½ MOS
TYRALYNN M. BAHAM	SUPERIOR COURT/COUNTY CLERK Dept.#SC	08-31-2024	34 YRS 08 MOS
ULYSSES C. BAHAM III	PROBATION DEPARTMENT Dept.#PB	12-15-2024	37 YRS 06½ MOS
BARBARA J. BAIZ	PUBLIC WORKS Dept.#PW	11-30-2024	27 YRS 08 MOS
KENDRA A. BELL	PUBLIC HEALTH PROGRAM Dept.#PH	09-30-2024	36 YRS 03 MOS
ADELAIDA B. BON SOL	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-26-2024	35 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GAIL J. BOON	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-02-2024	37 YRS 07½ MOS
SHELIA BROWN	PROBATION DEPARTMENT Dept.#PB	10-31-2024	36 YRS 11 MOS
LINDA BROWN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2024	34 YRS 03 MOS
MITCHELL J. BRUCKNER	PUBLIC DEFENDER Dept.#PD	10-18-2024	37 YRS 08 MOS
FELOMINA BYINGTON	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	09-28-2024	39 YRS 05 MOS
TERESA M. CABRERA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-01-2024	33 YRS ½ MOS
MARIA V. CACERES	SHERIFF Dept.#SH	09-27-2024	34 YRS 08 MOS
BONITA T. CALDERON	ASSESSOR Dept.#AS	11-30-2024	37 YRS 04 MOS
JULIETA M. CAMALES	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	10-26-2024	20 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
RUBEN CAMPA	AGING DEPARTMENT Dept.#AG	09-30-2024	34 YRS 02 MOS
CARYN L. CANALES	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-30-2024	25 YRS 08 MOS
CARLOS J. CARRANZA	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	10-31-2024	34 YRS 11½ MOS
TERESITA R. CASTILLO GIN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-28-2024	23 YRS 01 MOS
ERIC CHAN	PUBLIC HEALTH PROGRAM Dept.#PH	11-30-2024	25 YRS 08 MOS
TERRY H. CHIEN	SHERIFF Dept.#SH	10-31-2024	17 YRS 04 MOS
PADMAJA CHODAY	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-01-2024	30 YRS ½ MOS
SANDRA J. CLARKE	SHERIFF Dept.#SH	09-28-2024	25 YRS 04 MOS
PAMELA K. CLAYBORNE	TREASURER AND TAX COLLECTOR Dept.#TT	10-05-2024	16 YRS 04 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LOUISE COLE	SHERIFF Dept.#SH	11-30-2024	45 YRS 01 MOS
LINDA D. COLE GILL	CORRECTIONAL HEALTH Dept.#HC	09-28-2024	21 YRS 08 MOS
GWENDOLYN COOPER	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	08-16-2024	10 YRS ½ MOS
NORBERTO CORONA	PROBATION DEPARTMENT Dept.#PB	10-31-2024	25 YRS ½ MOS
KIMBERLEY D. CROSBY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-30-2024	35 YRS 07 MOS
DONNA DASIG	MENTAL HEALTH Dept.#MH	10-31-2024	36 YRS 03½ MOS
CHRISTA F. DAVISON	PUBLIC HEALTH PROGRAM Dept.#PH	10-31-2024	20 YRS 06½ MOS
NANCY E. DECHANNES	HEALTH SERVICES ADMINISTRATION Dept.#HS	09-30-2024	18 YRS 04½ MOS
MICHAEL A. DEL VALLE	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-10-2024	44 YRS 08½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
BRENDA C. DOYLE	CORRECTIONAL HEALTH Dept.#HC	11-30-2024	30 YRS 06 MOS
LARRY C. ELSTON	PROBATION DEPARTMENT Dept.#PB	10-31-2024	32 YRS 11½ MOS
SHEILA EMANUEL	HEALTH SERVICES ADMINISTRATION Dept.#HS	08-30-2024	36 YRS 02½ MOS
RICHARD ESCUTIA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-01-2024	35 YRS 10½ MOS
WALTER A. FERNANDEZ	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-28-2024	34 YRS 08 MOS
JOSEPH J. FLORES	PROBATION DEPARTMENT Dept.#PB	10-31-2024	30 YRS 11 MOS
REYES GAGLIO	CHILDREN & FAMILY SERVICES Dept.#CH	12-01-2024	29 YRS 04½ MOS
KARMEN GHOTANIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-31-2024	26 YRS ½ MOS
ANN GIPSON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-28-2024	17 YRS 09 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
IRMA GOMEZ	CHILDREN & FAMILY SERVICES Dept.#CH	08-31-2024	30 YRS 04 MOS
JANICE GREEN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-27-2024	30 YRS 03 MOS
CAROL GROTH	HEALTH SERVICES ADMINISTRATION Dept.#HS	11-30-2024	34 YRS 01 MOS
IRMA V. GUERRERO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-30-2024	26 YRS 00 MOS
ENEDILIA GUERRERO	PROBATION DEPARTMENT Dept.#PB	11-16-2024	39 YRS 01 MOS
ROWENA U. GUMPAL	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2024	19 YRS 05 MOS
ROSALBA G. GUTIERREZ	PUBLIC HEALTH PROGRAM Dept.#PH	10-31-2024	17 YRS ½ MOS
LOURDES GUZMAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-28-2024	38 YRS 07 MOS
NA'AMA HADAR	PUBLIC HEALTH PROGRAM Dept.#PH	10-31-2024	34 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
DEBORAH L. HALE	COUNTY COUNSEL Dept.#CC	09-18-2024	22 YRS 05 MOS
HENRIETTA HANSON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-27-2024	39 YRS 02 MOS
ODELL HARRINGTON	PROBATION DEPARTMENT Dept.#PB	08-31-2024	25 YRS ½ MOS
ELIZABETH V. HARRIS	CHILDREN & FAMILY SERVICES Dept.#CH	11-30-2024	32 YRS 01 MOS
DIANA HARRIS-TAYLO	PROBATION DEPARTMENT Dept.#PB	09-09-2024	15 YRS 11½ MOS
MELINDA HARRISON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-28-2024	51 YRS 04½ MOS
LUZ M. HAWKINS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-30-2024	25 YRS 00 MOS
GINA M. HAWTHORNE	PROBATION DEPARTMENT Dept.#PB	11-30-2024	36 YRS 11 MOS
JENNENE HENDRIX	SHERIFF Dept.#SH	08-23-2024	32 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SAKARL N. HENG	PROBATION DEPARTMENT Dept.#PB	09-30-2024	30 YRS 09 MOS
JULIE A. HILTERMANN	SHERIFF Dept.#SH	09-28-2024	35 YRS 11 MOS
JUI LING HO	CHILDREN & FAMILY SERVICES Dept.#CH	12-02-2024	30 YRS 10½ MOS
MARIE A. HOLGUIN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-28-2024	30 YRS 06 MOS
CANETANA HURD	MENTAL HEALTH Dept.#MH	08-31-2024	48 YRS 06½ MOS
AUGUSTINE O. IBEKWE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2024	26 YRS 05 MOS
ANGELA A. JACKSON	PROBATION DEPARTMENT Dept.#PB	11-02-2024	37 YRS 09½ MOS
ANTHONY C. JAMES	DISTRICT ATTORNEY Dept.#DA	08-31-2024	41 YRS 05½ MOS
CLINTON E. JASMIN	PROBATION DEPARTMENT Dept.#PB	09-28-2024	40 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GREG K. JOHNSON	PUBLIC WORKS Dept.#PW	10-31-2024	34 YRS 04½ MOS
JANIS JOHNSON	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-31-2024	28 YRS 09½ MOS
ROSA JOHNSON	PUBLIC WORKS Dept.#PW	11-15-2024	43 YRS 05½ MOS
KEVIN G. KELLY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-20-2024	35 YRS 11 MOS
EVELYN M. KIMBROUGH	REG-RECORDER/COUNTY CLERK Dept.#RR	09-28-2024	46 YRS 01 MOS
SHIRLENE KINNEY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-01-2024	27 YRS 11 MOS
RICHARD M. KODA	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	34 YRS 04½ MOS
RICHARD K. KUDO	COUNTY COUNSEL Dept.#CC	10-31-2024	24 YRS ½ MOS
WENDY KWAN-CHAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-01-2024	43 YRS 10½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
RAQUEL C. KWOCK	AMBULATORY CARE NETWORK Dept.#HN	09-28-2024	34 YRS 05 MOS
TERESA LARIOS-GILL	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2024	21 YRS ½ MOS
LAWANDA LASTER	CORRECTIONAL HEALTH Dept.#HC	10-31-2024	26 YRS 06½ MOS
EVA K. LE FLORE	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-02-2024	33 YRS ½ MOS
MARIA T. LESACA	CHILD SUPPORT SERVICES Dept.#CD	10-31-2024	38 YRS 11½ MOS
ROBERT L. LEVENTHAL	PROBATION DEPARTMENT Dept.#PB	08-31-2024	18 YRS 06½ MOS
KESHUA L. LEWIS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-31-2024	25 YRS 04½ MOS
MEIJU LIN	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	18 YRS 06½ MOS
TUNG H. LIN	MENTAL HEALTH Dept.#MH	10-31-2024	21 YRS 05½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GABRIEL LOPEZ	MENTAL HEALTH Dept.#MH	08-31-2024	30 YRS 05½ MOS
FERDINAND T. LORCA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-27-2024	16 YRS 10 MOS
YING LU	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-14-2024	08 YRS 11 MOS
MELBY MACHADO-TORR	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-31-2024	27 YRS 10 MOS
VIVIAN D. MACIEL	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	27 YRS 01½ MOS
PATRICIA E. MALDONADO	PUBLIC HEALTH PROGRAM Dept.#PH	09-13-2024	25 YRS 08½ MOS
KENNETH R. MC DANIEL	PROBATION DEPARTMENT Dept.#PB	09-27-2024	40 YRS 03 MOS
FRANCINE MCGILVERY-HI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-22-2024	31 YRS 00 MOS
SUSAN E. MEDINA	REG-RECORDER/COUNTY CLERK Dept.#RR	11-30-2024	24 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
AMAL MIKHAEL	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-28-2024	30 YRS 05 MOS
ELIZABETH D. MILLER	COUNTY COUNSEL Dept.#CC	10-31-2024	34 YRS ½ MOS
ANTONIO D. MILLONADO	SHERIFF Dept.#SH	08-30-2024	25 YRS 11 MOS
THERESA E. MITCHELL	DISTRICT ATTORNEY Dept.#DA	10-07-2024	35 YRS 09½ MOS
CHERRY H. MONTEAGUDO	SHERIFF Dept.#SH	09-30-2024	34 YRS 08 MOS
CECILIA A. MONZON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-30-2024	44 YRS 09 MOS
SEUNG Y. MOON	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	09-30-2024	37 YRS 09 MOS
ADELA MORRIS	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	26 YRS 01½ MOS
DEBORAH R. MOTT	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-27-2024	34 YRS 04 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CHERYL D. NAPIER	AMBULATORY CARE NETWORK Dept.#HN	09-28-2024	25 YRS 10½ MOS
MARGARET Q. NAVARRETTE	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	36 YRS 05½ MOS
MARY ANNE NEVINS	SHERIFF Dept.#SH	11-01-2024	32 YRS 05½ MOS
LUSINE OGANESYAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-31-2024	18 YRS 03½ MOS
COCO OROPEZA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-02-2024	26 YRS 08½ MOS
GUILLE ORTEGA	AMBULATORY CARE NETWORK Dept.#HN	10-31-2024	25 YRS 02 MOS
CYNTHIA L. PRESTON	DISTRICT ATTORNEY Dept.#DA	09-30-2024	44 YRS 10½ MOS
JEFFERY J. PROBASCO	PROBATION DEPARTMENT Dept.#PB	10-31-2024	39 YRS 04½ MOS
JOHN Y. QUAN	LA COUNTY FIRE DEPT Dept.#FR	11-30-2024	42 YRS 07 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ANA R. REYNA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2024	33 YRS 02 MOS
EGZINE C. RICHARDSON	CORRECTIONAL HEALTH Dept.#HC	11-30-2024	25 YRS 00 MOS
BRIDGETT ROBERTS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-05-2024	29 YRS 07½ MOS
HADRIAN Y. ROBLES	CORRECTIONAL HEALTH Dept.#HC	10-19-2024	19 YRS 05½ MOS
NOHEMI RUIZ-MACIAS	CHILDREN & FAMILY SERVICES Dept.#CH	10-30-2024	05 YRS 04 MOS
MIRTA S. SANCHEZ	COUNTY COUNSEL Dept.#CC	10-31-2024	44 YRS 05½ MOS
SHERILYN SAR	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-28-2024	25 YRS 02 MOS
RONALD W. SEGALINI	SUPERIOR COURT/COUNTY CLERK Dept.#SC	11-30-2024	38 YRS 10 MOS
DARYL M. SHINYAMA	SHERIFF Dept.#SH	11-11-2024	15 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
KENNETH H. SHOLDERS	MENTAL HEALTH Dept.#MH	10-31-2024	27 YRS 06½ MOS
MONICA SIFUENTES	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-30-2024	35 YRS 06 MOS
VIOLA D. SIGERS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-02-2024	39 YRS 08½ MOS
DAVID SIMPSON	LACERA Dept.#NL	09-09-2024	11 YRS 09½ MOS
BLANCA E. SIRIA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	10-08-2024	32 YRS 08½ MOS
LYNNE M. SMITH	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	11-02-2024	32 YRS 08½ MOS
KENNETH C. TA	PARKS AND RECREATION Dept.#PK	10-18-2024	25 YRS 06 MOS
LUCERO S. TERAN	AMBULATORY CARE NETWORK Dept.#HN	10-30-2024	18 YRS 04 MOS
PATRICIA THOMPSON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-11-2024	33 YRS 11½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LUISA M. TORRES	PROBATION DEPARTMENT Dept.#PB	10-31-2024	24 YRS ½ MOS
CATHERINE H. TRAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2024	38 YRS 11 MOS
TAM-PHUONG TRAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	11-30-2024	25 YRS 06 MOS
SUZANNA S. TUNG	ASSESSOR Dept.#AS	12-04-2024	41 YRS ½ MOS
CANDACE L. VAHLGREN	MENTAL HEALTH Dept.#MH	11-30-2024	22 YRS 05½ MOS
ERNESTO VASQUEZ	PUBLIC HEALTH PROGRAM Dept.#PH	11-01-2024	40 YRS 08½ MOS
YVETTE Y. VEAL	SHERIFF Dept.#SH	11-30-2024	30 YRS 00 MOS
SYLVIA I. VEDDER	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-28-2024	34 YRS 09 MOS
MARIA L. VELAZQUEZ	CHILDREN & FAMILY SERVICES Dept.#CH	09-28-2024	26 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SHELIA A. VENZANT	SUPERIOR COURT/COUNTY CLERK Dept.#SC	10-01-2024	37 YRS 09 MOS
MAGDALENA VILLALOBOS	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	38 YRS 06½ MOS
CECILIA VILLASENOR	AMBULATORY CARE NETWORK Dept.#HN	11-30-2024	20 YRS 00 MOS
YUN Y. WANG	PUBLIC WORKS Dept.#PW	09-27-2024	19 YRS 03 MOS
JANICE C. WANG	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	09-14-2024	23 YRS 08 MOS
SAVANNAH WATLER	REG-RECORDER/COUNTY CLERK Dept.#RR	09-15-2024	23 YRS 00 MOS
DELORES M. WHITE	PROBATION DEPARTMENT Dept.#PB	11-28-2024	37 YRS 00 MOS
EVANGELA L. WILLIAMS	CHILDREN & FAMILY SERVICES Dept.#CH	10-31-2024	26 YRS 09 MOS
SAMRAWIT WOLDEYES	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-05-2024	28 YRS 03½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SUZANNE R. SCOTT	COUNTY COUNSEL Dept.#CC	08-13-2024	29 YRS 02½ MOS
WIFE of JEFFREY L SCOTT dec'd on 08-12-2024, Sect. #31781.1			
TORRIE YOUNGBLOOD	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	07-05-2024	26 YRS 08½ MOS
SPOUSE of RAMSEY F GRIER dec'd on 07-04-2024, Sect. #31781.1			

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ALYCIA ARAYA	AGRICULTURAL COMM./WTS & MEAS. Dept.#AW	09-05-2024	27 YRS ½ MOS
CARMEN BARRAZA	CHILDREN & FAMILY SERVICES Dept.#CH	10-30-2024	21 YRS 02 MOS
DAVID A. BERGER	DISTRICT ATTORNEY Dept.#DA	08-23-2024	22 YRS 08½ MOS
BRETT W. BICKSLER	PUBLIC WORKS Dept.#PW	08-27-2024	14 YRS 07 MOS
CORRINNE A. BRITTON	SUPERIOR COURT/COUNTY CLERK Dept.#SC	09-27-2024	23 YRS 06½ MOS
MARVA F. BUTLER	CHILDREN & FAMILY SERVICES Dept.#CH	09-08-2024	35 YRS 07 MOS
FERNANDO V. CABALLES	COMMUNITY HEALTH PROGRAMS Dept.#HU	09-30-2024	07 YRS 07½ MOS
VERONICA COLLINS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-30-2024	16 YRS 07 MOS
TERRY L. COVINGTON	SHERIFF Dept.#SH	08-14-2024	10 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JULIE A. ESQUER	PUBLIC LIBRARY Dept.#PL	09-20-2024	45 YRS 03 MOS
LESLEY A. FISCELLA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	08-15-2024	05 YRS 04 MOS
EVONNE T. GHARBAWY	SHERIFF Dept.#SH	09-13-2024	06 YRS 06 MOS
LETICIA GRAVES	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	08-15-2024	14 YRS 06 MOS
AMARYLIS C. GUTIERREZ	HEALTH SERVICES ADMINISTRATION Dept.#HS	09-13-2024	37 YRS 08 MOS
RICHARD J. HEUSER	CHILDREN & FAMILY SERVICES Dept.#CH	08-28-2024	12 YRS 04 MOS
ASBET A. ISSAKHANIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	08-05-2024	10 YRS 00 MOS
BRENDA J. JACKSON	PUBLIC HEALTH PROGRAM Dept.#PH	08-25-2024	41 YRS 06 MOS
LINDSEY B. KROGH	MENTAL HEALTH Dept.#MH	08-30-2024	08 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CHARLENE H. KUPPINGER	CHILD SUPPORT SERVICES Dept.#CD	09-01-2024	18 YRS 03 MOS
MARCELA L. LARA	ANIMAL CONTROL Dept.#AN	09-22-2024	05 YRS 08½ MOS
MARGUERITE G. LAVER	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	10-15-2024	11 YRS 10 MOS
JANET T. LUONG	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	11-06-2024	26 YRS 00 MOS
SHANNON J. MEADE	PUBLIC DEFENDER Dept.#PD	09-15-2024	12 YRS 10½ MOS
DONITA J. MORRIS	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-15-2024	12 YRS 05 MOS
JOSEPHINE Y. NG	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-04-2024	24 YRS 06 MOS
DENEAN L. OVERTON-RUSS	MENTAL HEALTH Dept.#MH	10-27-2024	26 YRS ½ MOS
LYDIA R. PERAZA-RUBIN	CHILDREN & FAMILY SERVICES Dept.#CH	09-03-2024	05 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
FRANKLIN S. PONTE	REG-RECORDER/COUNTY CLERK Dept.#RR	09-10-2024	18 YRS 03½ MOS
WILSON RIVAS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-12-2024	18 YRS 01 MOS
VICTOR M. ROBLES	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	09-06-2024	20 YRS 09 MOS
JACKIE L. SOLOMON	CHILDREN & FAMILY SERVICES Dept.#CH	09-30-2024	20 YRS 11 MOS
MICHAEL STAMOS	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	09-22-2024	11 YRS 00 MOS
LISA M. STANLEY	PUBLIC HEALTH PROGRAM Dept.#PH	08-10-2024	05 YRS 01 MOS
LAWRENCE A. VERDUGO	SHERIFF Dept.#SH	10-20-2024	25 YRS 03½ MOS
YVETTE D. YOUNG	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	08-27-2024	18 YRS 00 MOS
VALERIE J. ZARAGOZA-PUL	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	08-17-2024	00 YRS 05 MOS

BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ZHONGQI ZHU	CHILDREN & FAMILY SERVICES Dept.#CH	10-26-2024	17 YRS 07 MOS

**BOARD OF RETIREMENT MEETING OF OCTOBER 2, 2024,
RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST
APPROVED ON SEPTEMBER 4, 2024**

SAFEETY MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
THOMAS G BRUNER	SHERIFF	CHANGE OF DATE TO September 27, 2024
JASON M LANSKA	SHERIFF	CHANGE OF DATE TO August 28, 2024

GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
PATRICIA E MALDONADO	PUBLIC HEALTH PROGRAM	RESCISSION OF RETIREMENT
ENEDILIA GUERRERO	PROBATION DEPARTMENT	CHANGE OF DATE TO November 16, 2024



September 23, 2024

TO: Each Trustee,
Board of Retirement

FROM: Ted Granger *TG*
Chief Financial Officer

FOR: October 2, 2024 Board of Retirement Meeting

SUBJECT: **2025 STAR COLA PROGRAM AWARD**

RECOMMENDATION

- (1) That the Board of Retirement decide whether or not to award a STAR COLA for Program Year 2025, and
- (2) If a benefit is approved, determine whether the STAR COLA benefits will be on an ad-hoc basis at a cost of \$154,000 for a one-year addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level effective for calendar year 2025, or
- (3) If a benefit is approved, determine whether the STAR COLA benefits will be on a permanent basis at a cost of \$1,595,000 for a lifetime addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level effective January 1, 2025.

EXECUTIVE SUMMARY

September 2024

The Board of Retirement completed part one of a two-part process required for the Supplemental Targeted Adjustment for Retirees (STAR) cost-of-living adjustment (COLA) (STAR COLA Program or STAR Program). At its regularly scheduled meeting on September 4, 2024, the Board of Retirement made public the cost of awarding 2025 STAR Program benefits on an ad-hoc basis and on a permanent basis as determined by LACERA's consulting actuary, Milliman. At that time, the Board of Retirement instructed staff to place this item on the October 2024 Board of Retirement meeting agenda so the Board can determine whether to award a 2025 STAR COLA and if awarded, whether the 2025 STAR COLA will be applied on an ad-hoc or permanent basis.

The annual cost of the ad-hoc benefit is \$154,000 for a one-year period, while the permanent benefit cost is \$1,595,000 for a lifetime benefit. There are two eligible groups of

an estimated 426 retirees and survivors¹, where their COLA Accumulation accounts exceed the 20% threshold. One group of 339 eligible members who retired on or before March 31, 1991, may receive a 1.5% STAR Program award, and the second group of 87 eligible members who retired April 1, 1991 to March 31, 1992, can be awarded 0.3%.

The staff memo, and all Board materials from the September 2024 Board of Retirement meeting are attached as *Appendix I*. Below, we summarized and edited information from last month's memo, "2025 STAR COLA Program Cost," dated August 26, 2024.

October 2024

At the October 2, 2024 regular meeting of the Board of Retirement, staff is recommending that the Board complete the second and final step in this process: determine whether or not to award a STAR COLA for Program Year 2025; and if awarded, determine whether STAR COLA benefits will be on an ad-hoc or permanent basis. Should the Board decide to award the 2025 STAR COLA, benefits will become effective with the January 2025 retirement benefits payment.

Overview

LACERA members in General Plans B, C, and D and Safety Plan B who retired on or before March 31, 1992 (and survivors of members who retired during that period) are eligible effective January 1, 2025 for a retirement benefit increase under the STAR COLA Program. COLA Accumulation accounts (also referred to as the COLA Bank accounts) exceed the 20% threshold by 1.5% for members who retired on or before March 31, 1991 and 0.3% for members who retired April 1, 1991 to March 31, 1992. The COLA Bank balances of 21.5% and 20.3% are in excess of the 20% required allowing the Board of Retirement to authorize STAR COLA Program benefits. This means the value of their original pension benefit decreased below 80% of its original purchasing power over time due to cumulative actual inflation exceeding cumulative statutory COLA and permanently awarded STAR COLA amounts.

Members participating in PEPRA Plans General G and Safety C, and Legacy Plan A (General and Safety) are not currently eligible for STAR COLA Program benefits; those members in non-contributory Plan E are not eligible for STAR COLA Program benefits.

These additional retiree benefits are paid by LACERA from the STAR Reserve account held by LACERA with a current balance of \$608.6 million as of June 30, 2024. The STAR Reserve is not included in valuation assets by the actuary and maintains sufficient balances to fund the 2025 STAR Program benefits. The Actuarial Accrued Liability (AAL) will increase by less than 0.01% with the adoption of the 2025 STAR COLA. These potential cost

¹ Estimated number of members impacted based on the June 30, 2023 Valuation and valuation assumptions. Actual number of members receiving the STAR COLA award will be determined at the time the award is made on January 1, 2025.

increases represent less than 0.50% of LACERA's Future Annual Costs as defined in California Government Code Section 7507.²

The Board of Retirement most recently awarded a STAR COLA for Program Years 2024 and 2023 and made those awards on a permanent basis. Before STAR COLA Program Year 2023, the Board of Retirement last awarded the STAR COLA for Program Year 2009. For Program Years 2010 to 2022, COLA Accumulation accounts increased in some years but had not exceeded the 20% threshold amount, so STAR COLA benefits were not available for retirees during that period.

Actuary's Report

The Government Code requires that LACERA's consulting actuary, Milliman, provide an analysis which includes the cost of funding the STAR COLA Program award and its impact on Future Annual Costs. Milliman's report, which is included in *Appendix I*, provides a detailed analysis of the STAR COLA and should be referred to in conjunction with this memo. LACERA staff memos are intended to provide a summary of the STAR COLA Program.

LEGAL ANALYSIS

Government Code Section 31874.3 allows LACERA to provide ad-hoc or permanent STAR Program benefits that, according to the terms of the Program, protect the purchasing power of retirement benefits. The Board of Retirement is not required to approve STAR benefits, even when the required loss of purchasing power has occurred; the decision is at the discretion of the Board.

Pursuant to Government Code Section 7507, a local agency such as LACERA's Board of Retirement, when considering changes in retirement benefits, such as providing ad-hoc or permanent STAR Program benefits, and before such changes are authorized, must engage an enrolled actuary to provide a statement of actuarial impact upon Future Annual Costs, including any additional accrued liability. Section 7507 also requires that a decision to provide either ad-hoc or permanent STAR Program benefits in 2024 can be made only if the Future Annual Costs of the benefit, as determined by an enrolled actuary, is disclosed at a public meeting at least two weeks prior to the adoption of the benefit increase. Further, Government Code Section 31874.3(c) provides that, before the Board of Retirement approves permanent STAR benefits, the cost of the benefits must be determined by a qualified actuary and the Board shall, with the actuary's advice, provide for full funding of the benefits. The required actuarial cost analysis is presented in this memo and in the prior staff memo dated August 26, 2024, attached as *Appendix I*. In compliance with the Government Code, on September 4, 2024, your Board made public at its regularly

² Under Section 7507(a)(2), "Future Annual Costs" "includes, but is not limited to, annual dollar changes, or the total dollar changes involved when available, as well as normal cost and any change in accrued liability." In this case, the statute references the impact on Future Annual Costs resulting from a STAR COLA award.

scheduled meeting the cost of ad-hoc benefits and the cost of making permanent the 2025 STAR Program benefits at an 80% benefit level.

Public Notice Requirement

Government Code Sections 7507 and 31874.3 require the Board of Retirement to secure the services of an enrolled actuary to provide a statement of the actuarial impact upon the future annual plan costs. Section 7507 also requires that the actuarial cost information be presented at a public meeting at least two weeks prior to authorizing a benefit increase. The Board of Retirement made public the costs of awarding additional benefits through the STAR COLA Program for 2025 at their meeting on September 4, 2024.

This "2025 STAR COLA Program Award" memo, included on the Board of Retirement's agenda for the October 2, 2024, regular meeting, is a recommendation that the Board of Retirement consider the STAR COLA additional retirement allowances, twenty-eight days after the actuarial cost information disclosure on September 4, 2025, which satisfies the minimum time requirement to authorize a benefit increase.

LACERA's consulting actuary, Milliman, calculated the cost information in their letter dated August 26, 2024, included in *Appendix I*, to satisfy this requirement. On page 2, Milliman states that these potential cost increases represent less than 0.01% of the Future Annual Costs as defined in California Government Code Section 7507.

CONCLUSION

STAR Program benefits are paid on a calendar year basis. The Board of Retirement most recently awarded the STAR COLA on a permanent basis for the last two years, Program Years 2024 and 2023. For the prior Program Years 2010-2022, LACERA retirees were not eligible for STAR COLA Program benefits.

Recent CPI increases have caused some COLA Accumulation accounts to exceed the 20% threshold by 1.5% for some members and 0.3% for others, depending upon the eligible members' retirement date. These members have experienced a decline in purchasing power of their monthly retirement allowance which permits the Board of Retirement to authorize a STAR COLA award beginning with the January 2025 benefits payment. The Board of Retirement has the option of granting the STAR benefit on a year-to-year basis using the ad-hoc methodology or by choosing the permanent option which makes the additional the benefit a perpetual part of the members' retirement benefit.

It is therefore recommended that the Board of Retirement decide whether or not to award a STAR COLA for Program Year 2025. If awarded, determine whether the STAR COLA benefits will be on an ad-hoc basis at a cost of \$154,000 for a one-year addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level for calendar year 2025. Or, if awarded, determine whether the STAR COLA benefits will be on a permanent basis at a cost of \$1,595,000 for a

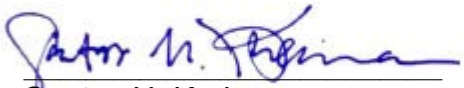
Re: 2025 STAR COLA Program Award
September 23, 2024
Page 5 of 5

lifetime addition to retirement allowances, as determined by LACERA's consulting actuary, Milliman, to restore eligible retirees to an 80% benefit level effective January 1, 2025.

Attachments

Appendix I: Board of Retirement memo dated August 26, 2024
(Re: 2025 STAR COLA Program Cost)

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer

09/23/2024

Date

2024 STAR COLA Program.Award.BOR Memo_OCT.24_final.doc

c: Board of Investments, LACERA

Luis A. Lugo
Jonathan Grabel

Laura Guglielmo
Steven P. Rice


JJ Popowich

Appendix I



August 26, 2024

TO: Each Trustee,
Board of Retirement

FROM: Ted Granger 
Chief Financial Officer

FOR: September 4, 2024 Board of Retirement Meeting

SUBJECT: **2025 STAR COLA PROGRAM COST**

RECOMMENDATION

- (1) That the Board of Retirement make public at its meeting on September 4, 2024, the cost of approving an award under the ad-hoc and permanent STAR COLA Program in 2025 at an 80% benefit level. If a benefit is approved, the projected cost for the ad-hoc STAR COLA award is \$154,000, while the cost for awarding a permanent STAR COLA is \$1,595,000 as determined by LACERA's consulting actuary, Milliman; and
- (2) Direct staff to place this item on the Board of Retirement's October agenda to decide at that time whether or not to award a STAR COLA for Program Year 2025, and if awarded, determine whether the STAR COLA benefits will be ad-hoc or permanent.

EXECUTIVE SUMMARY

Overview

LACERA members in General Plans B, C, and D and Safety Plan B who retired on or before March 31, 1992 (and survivors of members who retired during that period) are eligible effective January 1, 2025 for a retirement benefit increase under the Supplemental Targeted Adjustment for Retirees Cost-Of-Living Adjustment Program (STAR COLA Program or STAR Program). For this eligible group of an estimated 426 retirees and survivors¹, their COLA Accumulation accounts (also referred to as the COLA Bank accounts) exceed the 20% threshold required if the Board of Retirement is to authorize STAR COLA Program benefits. This means the value of their original pension benefit decreased below 80% of its original purchasing power over time due to actual inflation exceeding the statutory COLA.

The Board of Retirement may adopt STAR Program benefits on an ad-hoc or permanent basis to become effective January 1, 2025. Members participating in PEPRA Plans General G and Safety C, Legacy Plans Safety A and General Plans B, C, and D who retired on or

¹ Estimated number of members impacted based on the June 30, 2023 Valuation and valuation assumptions. Actual number of members receiving the STAR COLA award will be determined at the time the award is made on January 1, 2025.

after April 1, 1992, are not currently eligible for STAR COLA Program benefits; members in non-contributory Plan E are not eligible for STAR COLA Program benefits.

These additional retiree benefits are paid from LACERA's STAR Reserve account. The STAR Reserve is not included in valuation assets by the actuary and maintains sufficient balances to fund the 2025 STAR Program benefits at the amounts set forth below. These potential cost increases represent less than 0.50% of the Future Annual Costs as defined in California Government Code Section 7507.

The Board of Retirement most recently awarded STAR COLA benefits for Program Years 2024 and 2023, making those awards on a permanent basis. Between Program Year 2009 and 2022, COLA Accumulation accounts increased in some years but did not exceed the 20% threshold amount, so STAR COLA benefits were not available for retirees during that period.

In February 2024, the Board of Retirement approved the annual statutory 2024 COLA (April 1st COLA). Subsequently, staff reviewed the COLA Accumulation account balances and determined that for Program Year 2025, there is STAR Program award eligibility for qualifying retirees, subject to Board approval.

Milliman's Report

The Government Code requires that LACERA's consulting actuary, Milliman, provide an analysis which includes the cost of funding the STAR COLA Program award. Milliman's report, which is included as *Attachment I*, provides a detailed analysis of the STAR COLA and should be considered in conjunction with this memo. This memo, prepared by LACERA staff, is meant to provide an overview of the STAR COLA Program history and a recommendation for Board of Retirement action.

LEGAL ANALYSIS

As discussed in detail later in this memo, Government Code Section 31874.3 allows LACERA to provide ad-hoc or permanent STAR Program benefits that, according to the terms of the Program, protect the purchasing power of retirement benefits. The Board of Retirement is not required to approve STAR benefits, even when the required loss of purchasing power has occurred; the decision is at the discretion of the Board.

Pursuant to Government Code Section 7507, a local agency such as LACERA's Board of Retirement, when considering changes in retirement benefits, such as providing ad-hoc or permanent STAR Program benefits, and before such changes are authorized, must engage an enrolled actuary to provide a statement of actuarial impact upon future annual costs and any additional accrued liability. Section 7507 also requires that a decision to provide either ad-hoc or permanent STAR Program benefits in 2025 can be made only if the future annual cost of the benefit, as determined by an enrolled actuary, is disclosed at a public meeting at least two weeks prior to the adoption of the benefit increase. Further, Government Code Section 31874.3(c) provides that, before the Board of Retirement approves permanent

STAR benefits, the cost of the benefits must be determined by a qualified actuary and the Board shall, with the actuary's advice, provide for full funding of the benefits. The required actuarial cost analysis under Sections 7507 and 31874.3 was prepared by Milliman and documented in their letter, provided as *Attachment I*. The cost analysis results are summarized in this memo.

DISCUSSION

COLA

Sections 31870 and 31870.1 of the Government Code provide for a maximum annual COLA to be applied to retirement allowances, optional death allowances, or annual death allowances payable to or on account of any member. COLA maximum increases are 3.0% for Plan A retirees and survivors; 2.0% for Legacy Plans B, C, and D and PEPRAs Plans C and G; and up to 2.0% for certain Plan E retirees and survivors². These Government Code sections also provide for an accumulation of the annual percentage difference between the consumer price index (CPI) for the Los Angeles-Long Beach-Anaheim area and the maximum cost-of-living increase allowed for each retirement Plan. The accumulated percentage carryover is known as the COLA Accumulation or COLA Bank.

COLA Accumulation

The CPI percentage change from January through December for the prior calendar year is compared to the maximum allowable cost-of-living percentage increase payable to retired LACERA members under Sections 31870 and 31870.1. In years where the change in CPI is greater than the maximum COLA increase, the difference between these two percentages is accumulated annually for each retiree based upon retirement date. In years where the change in CPI is less than the maximum COLA increase, the actual COLA awarded may be increased above the CPI amount, up to the maximum COLA increase, with a corresponding reduction in the COLA Bank account. The accumulation of differences from each year reflects how much purchasing power has been lost from a retiree's original retirement benefit. By law, the Board of Retirement may provide STAR COLA Program increases once the COLA Bank accounts have exceeded a 20% balance. *Attachment III* illustrates how additions and deductions are made to the COLA Accumulation balances.

STAR COLA Program

The Board of Retirement initiated the STAR COLA Program in 1990 to restore members' purchasing power that had been eroded by inflation in excess of the protection provided by the statutory COLA. Retirees and survivors in Legacy Plans A, B, C, D and PEPRAs Plans C and G are eligible for STAR COLA Program benefits should their COLA Accumulation accounts exceed a 20% balance. Non-contributory members in Plan E are not eligible for STAR COLA Program benefits.

² Effective June 4, 2002, Plan E members and their survivors were eligible for COLA. The portion of the COLA percentage received by each Plan E member is a ratio of the member's service credit earned on and after June 4, 2002 to total service credit.

STAR COLA Program Awards

Beginning in 1990 and through 2000, the STAR Program existed as an ad-hoc benefit designed to provide contributory plan members protection against rising inflation beyond the protection provided by the statutory COLA, and successfully restored LACERA retiree purchasing power to the then maximum allowable 75% level.

On September 4, 2000, the California Governor signed into law a provision, Government Code Section 31874.3, allowing the Board of Retirement to raise the purchasing power protection to a maximum of 80% and allowed the ability to make permanent the STAR COLA Program benefits using excess earnings³. This change provided the Board of Retirement with the flexibility to continue the STAR Program as an ad-hoc benefit or the opportunity to make permanent the STAR COLA benefits using excess earnings. Now and in future years, the Board of Retirement will be required to adopt ad-hoc benefits on an annual basis if the Board wishes to continue the benefits without making them a permanent addition to a retired member's retirement allowance, while the permanent approach for a given Program Year will require no further Board action.

Purchasing Power Example Calculation

The retirement benefit has decreased below 80% of its original purchasing power when the COLA Accumulation accounts exceed the 20% threshold. For example, a 21.5% COLA Accumulation balance means that the member has 78.5% of the purchasing power compared to when the member retired (e.g., $100.0\% - 21.5\% = 78.5\%$). When the member's purchasing power falls below 80.0%, the Board can award a STAR COLA to restore the purchasing power to an 80.0% level (e.g., $78.5\% + 1.5\% = 80.0\%$).

STAR COLA History

On October 9, 2008, the Board of Retirement made permanent the 2009 STAR COLA benefits at an 80% level as authorized in CERL and had already made STAR Program benefits permanent for prior years.

Actual increases in the CPI for STAR Program Years 2010 through 2022 resulted in COLA Accumulation accounts remaining below the 20% threshold for providing STAR Program benefits. As such, no STAR COLA benefits were provided from 2010 through 2022. During these years, the Board of Retirement approved annual statutory COLAs below or at the retirement plan maximums, providing some protection against diminished purchasing power.

In 2017-2019 and 2021-2023, CPI increases have exceeded the maximum allowable statutory COLA, causing increases in the COLA Accumulation accounts. However, the ending COLA Accumulation account balances remained at less than 20% until Program Years 2023, 2024, and 2025.

³ Excess Earnings are actual cash earnings from the investment portfolio earned during the previous year that remain unspent after paying for costs to administer the system, costs to invest the portfolio, paying interest to the member and employer accounts, and satisfying the 1% contingency reserve requirement in Government Code Sections 31592 and 31592.2.

The chart below summarizes the STAR COLA history. Please note that not all retirees in all plans received a STAR COLA award each year; STAR COLA is only awarded to retirees where the COLA Accumulation account exceeds a 20% balance. Since its inception, the Board of Retirement has granted and funded STAR COLA Program awards as they became available.

STAR COLA Awards				
Program Year	Eligibility for STAR	BOR Award	Permanent	Maximum Level
1990-2000	Yes	Yes	Yes*	75%
2001-2004	Yes	Yes	Yes	80%
2005	No	N/A	N/A	80%
2006-2009	Yes	Yes	Yes	80%
2010-2022	No	N/A	N/A	80%
2023	Yes	Yes	Yes	80%
2024	Yes	Yes	Yes	80%
2025	Yes	TBD	TBD	80%

* Beginning in 2001, all prior STAR COLA awards became permanent prospectively.

Program Year 2025

The 2023 CPI increase exceeded the maximum allowable COLA, causing some retiree COLA Accumulation account balances to exceed 20% after the April 2024 statutory COLA award. This results in a potential STAR COLA for STAR Program Year 2025. Attachment II identifies the Accumulation balances for retiree groups who have experienced diminished purchasing power making them eligible for the STAR COLA award. Only members in General Plans B, C, and D and Safety Plan B who retired between April 1, 1977 to March 31, 1992 are eligible for STAR Program benefits this year. Currently, no other retired members or survivors are eligible as their COLA Accumulation account balances do not exceed 20%.

Since the Board previously granted STAR Program benefits on a permanent basis, all retirees and their eligible survivors currently receiving STAR COLA awards for Program Year 2024 and prior years continue receiving those benefits without further action by the Board.

STAR COLA Method: Ad-Hoc or Permanent

Government Code provisions allow the Board of Retirement to award additional benefits to address the inflation experienced by retirees using one of the following approaches:

Ad-Hoc STAR COLA

Provide an ad-hoc 2025 STAR Program benefit for those contributory plan members whose purchasing power has fallen below 80% due to inflation, thus providing a temporary benefit for the 2025 calendar year. Ad-hoc benefits are awarded on a calendar

year basis. Staff will prepare a memo and the Board of Retirement must approve these benefits annually if these benefits are to be paid in future years. Ad-hoc STAR Program benefits are not included in the calculation of future statutory COLA awards.

Permanent STAR COLA

Make permanent the 2025 STAR Program for those contributory plan members whose purchasing power has fallen below 80% due to inflation. While this protects those retirees and survivors who have already lost 20% of their purchasing power, it also ensures that the STAR COLA benefit is part of the member's retirement allowance and is payable for life. The permanent STAR Program benefit becomes part of the base allowance upon which future annual statutory COLA increases are calculated. Permanent benefits do not require Board of Retirement approval in subsequent years.

2025 STAR COLA Program Cost Analysis

LACERA's consulting actuary, Milliman, provided their letter dated August 26, 2024, which is included as *Attachment I*. Milliman's letter provides actuarial cost and funding information for LACERA's STAR COLA Program and should be read in conjunction with this memo. Attachments to Milliman's letter include costs for the 2025 Program Year and projections in anticipation of *future* STAR COLA awards that have not yet occurred. The table below provides the cost for Program Year 2025 as calculated by Milliman using both the ad-hoc and the permanent benefit approaches.

STAR COLA Program Cost

	2025 Annual Cost	Lifetime Cost
Ad-hoc Benefit: STAR Program at 80%	\$154,000	
Permanent Benefit: STAR Program at 80%		\$1,595,000

Should the Board of Retirement decide to approve the permanent STAR COLA Program award, it will provide a greater cost-of-living benefit to members. The permanent STAR Program is more valuable to the affected members than the ad-hoc STAR Program since the permanent approach provides an everlasting benefit (as long as member or survivor is alive) and is also included in the base allowance used to calculate the statutory annual COLA benefit in future years.

Meaning of "Permanent STAR Program"

California Government Code Section 31874.3(c) allows the Board of Retirement to make permanent the STAR COLA benefit for the eligible retirees and survivors. In other words, awarding the STAR Program benefit on a permanent basis means increasing the member's benefit continuously and reducing the accumulation account for amounts that exceeds the 20% threshold. The value of the permanent STAR COLA to be provided, as calculated by the actuary, cannot exceed the value of excess earnings accumulated in the STAR Reserve

because the benefits must be prefunded under the statute. The current value of the STAR Reserve is sufficient to pay for either the ad-hoc or permanent 2025 STAR COLA Program. If the Board of Retirement adopts the permanent 2025 STAR COLA, all of the current estimated 426 retirees and survivors eligible to participate in the 2025 STAR Program will have their 2025 STAR Program benefit added to their base allowance and their COLA Accumulation balance will be reduced to 20%. The Board of Retirement made permanent STAR Program benefits for 2001 through 2004, 2006 through 2009, 2023 and 2024. In those Program Years, STAR benefits were permanently added to the participant's base allowance and the respective COLA Accumulations were set to 20%. No members were eligible for a STAR benefit in 2005 and 2010 through 2022.

Future increases in the CPI that exceed COLA plan maximums and cause the member's COLA Accumulation to exceed 20% will require Board action to make permanent such future increases and be contingent upon the availability of the STAR Program Reserve to fund the benefit increase. At this time, the Board of Retirement may only make permanent the current level of benefits payable to eligible 2025 STAR Program participants. Staff will present potential *future* STAR Program awards to the Board of Retirement which will require Board action in *future* years.

Funding the 2025 Program

The STAR Program's funding is derived from excess earnings as determined by LACERA's Board of Investments. During the period 1994 through 1998, the Retirement System Funding Agreement required the Board of Investments to allocate all excess earnings using a 75%-25% allocation formula between the Employer Reserve and the STAR Reserve, respectively. Under this agreement the STAR Program received funding and has a balance of approximately \$608.6 million for the fiscal year ended June 30, 2024. The STAR Program Reserve balance is sufficient to fund the \$1.595 million needed to make permanent the 2025 STAR Program at the 80% benefit level for all future periods. Should the Board award a permanent STAR COLA, this amount will be transferred to the Employer Reserve to pay 2025 STAR COLA Program benefits leaving a balance of approximately \$607 million in the STAR Reserve.

If the Board approves an ad-hoc STAR Program award at a cost of \$0.154 million, the STAR Reserve balance is sufficient to fund this benefit for calendar year 2025.

STAR Reserve History

Beginning in 1990 when the Funding Policy first established the STAR Reserve, excess earnings were used to increase the STAR Reserve balance, while over time STAR COLA awards caused decreases in the STAR Reserve. The Funding Policy prescribes the semi-annual interest credit process where realized earnings are measured for the six-month period, and interest credits are applied to the Employee and Employer Reserves. Per the Funding Policy, the STAR Reserve is not eligible to receive an interest credit allocation.

Pension fund reserves is an accounting concept that shows how the fund's net position can be divided among various categories including employees, employers, and other

classifications designated for specific use. LACERA assets, including balances in the STAR Reserve and the Employer and Employee Reserves, are part of LACERA's investment portfolio which produces investment income. The STAR Reserve balance was \$154 million in 1990, increased to \$1.023 billion in 1999 due to excess earning contributions, and from that time, has been reduced by STAR COLA benefits to a balance of \$608.6 million as of June 30, 2024.

Public Notice Requirement

Government Code Sections 7507 and 31874.3 require the Board of Retirement to secure the services of an enrolled actuary to provide a statement of the actuarial impact upon the future annual plan costs. Section 7507 also requires that the actuarial cost information be presented at a public meeting at least two weeks prior to authorizing a benefit increase. The letter from LACERA's consulting actuary, Milliman, has been prepared and included as *Attachment I* to satisfy this requirement. On page 2, Milliman's letter states that these potential cost increases represent less than 0.50% of the Future Annual Costs as defined in California Government Code Section 7507.

Conclusion

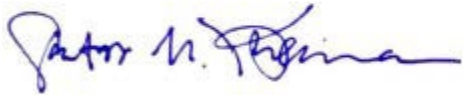
The CPI increase in 2023 has caused COLA Accumulation accounts for some members to exceed the 20% threshold. These members have experienced a decline in purchasing power of their monthly retirement allowance which permits the Board of Retirement to authorize a STAR COLA award beginning January 1, 2025 for eligible retirees. The Board of Retirement has the option of granting the STAR benefit on a year-to-year basis using the ad-hoc methodology or by choosing the permanent option which makes the additional benefit a perpetual part of the members' retirement benefit.

It is therefore recommended, that the Board of Retirement make public at its meeting on September 4, 2024 the cost of the ad-hoc and permanent STAR COLA Program in 2025 at an 80% benefit level. The projected cost for the ad-hoc STAR COLA Program is \$154,000, while the cost for the 2025 permanent STAR COLA Program is \$1,595,000 as determined by Milliman, LACERA's consulting actuary. In addition, the Board of Retirement should direct staff to place this item on the Board of Retirement's October agenda to decide at that time whether or not to award a STAR COLA for Program Year 2025, and if awarded, determine whether the STAR COLA benefits will be ad-hoc or permanent.

Attachments

- I. Milliman's STAR COLA for 2025 letter dated August 26, 2024
- II. STAR COLA Accumulation Chart as of January 1, 2025
- III. STAR COLA Program – Calculation Illustration

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer

08/26/2024

Date

SK:TG
2025 STAR COLA.BOR Memo_8.26.24_final.doc

c: Board of Investments, LACERA

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August 26, 2024

Board of Retirement
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: STAR COLA for 2025

Dear Trustees of the Board:

As requested, we have valued the Supplemental Target Adjustment for Retirees (STAR) COLA program as of January 1, 2025. As of April 2024, Accumulation Accounts are greater than 20% (the threshold for providing STAR benefits) for retirees in General Plans B, C, and D and Safety Plan B who retired on or before March 31, 1992. These retirees are therefore eligible for a STAR COLA in 2025, upon Board of Retirement (Board) approval.

The values shown in the following table assume that the Board approves the STAR COLA for 2025 only, on an ad-hoc or a permanent basis, and do not reflect any additional STAR benefits that may be granted in the future. The STAR COLA will be an amount sufficient to restore retirement benefits to 80% of their original purchasing power for those retirees whose benefits currently have less than 80% of their original purchasing power. (80% of the original purchasing power is determined as an Accumulation Account value equaling 20%.)

STAR COLA (effective January 1, 2025)	2025 Payment / Transfer from STAR Reserve
Ad-Hoc Increase Payment	\$ 154,000
Permanent Increase Transfer	\$ 1,595,000

The ad-hoc STAR COLA, as defined in Subsection 31874.3(b), is a temporary benefit provided for one year only and is not part of the member's retirement allowance. Future statutory COLA increases would not apply to this benefit because it is not part of the member's retirement allowance. To continue the ad-hoc STAR COLA payments for any future year the Board must approve it on an annual basis.

Making the STAR COLA permanent under Subsection 31874.3(c) means that it becomes a permanent component of the member's retirement allowance and cannot be revoked in the future. Once a STAR COLA has been made permanent, it continues for the life of the member (and the beneficiary, if applicable). As any permanent STAR COLA increases become part of the member's retirement allowance, these payments are eligible for future statutory COLA increases.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.



Under Subsection 31874.3(c), the Board can only make a STAR COLA increase permanent up to the amount determined at the time the action is approved. Therefore, the projected future STAR COLA increases effective January 1, 2025 and later, as shown in the exhibit at the end of this letter, are for informational purposes only and cannot be made permanent at this time.

The adoption of the 2025 STAR COLA will not cause a change in either the employer contribution rate, funded ratio, or the Unfunded Actuarial Accrued Liability (UAAL) provided that the specified amount is transferred from the STAR Reserve to the Employer Reserve, consistent with whether the Board of Retirement adopts the ad-hoc or permanent STAR COLA approach. The Actuarial Accrued Liability (AAL) will increase by less than 0.01% because of the adoption of the 2025 STAR COLA. We believe these potential cost increases are less than 0.50% of the Future Annual Costs defined in California Government Code Section 7507.

In the attachment to this letter, we have provided 10-year projections of estimated STAR COLA increases and transfers under the ad-hoc and permanent increase options. These attachments also show the estimated number of retirees and survivors projected to be eligible for a STAR COLA benefit in each future year.

STAR COLA and the Accumulation Account

Under the STAR COLA, each retiree and beneficiary in Legacy Plans A, B, C, and-D and PEPRA Plans C and G whose benefit has lost more than 20% of its value is eligible to receive, upon Board approval, an increased benefit payment effective January 1 of the following year. Retirees and beneficiaries in Legacy Plan E are not eligible for the STAR COLA.

The loss of value is measured by the Accumulation Account which is calculated each year by LACERA staff by adjusting the prior year's Accumulation Account by the difference between the actual COLA granted and the prior year's inflation as measured by the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index – All Urban Consumers.

For December 2022 to December 2023, the increase in CPI was 3.5%. Since the increase in CPI is greater than the maximum statutory COLA of 3.0% for Plan A and 2.0% for all other plans, all retirees had an increase in their Accumulation Account in 2024. The following table shows the groups of STAR COLA eligible retirees that have an Accumulation Account balance greater than 20% after application of the 2023 CPI increase and payment of the 2024 statutory COLA, as well as the STAR COLA they are eligible for if it is approved by the Board. There are no retirees of Legacy Plans A or PEPRA Plans C and G that are eligible for a STAR COLA at this time.

Retirement Dates (Legacy Plans B, C, and D)	Accumulation Account	2025 STAR COLA
On or before March 31, 1991	21.5%	1.5%
April 1, 1991 to March 31, 1992	20.3%	0.3%

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As an example of how the STAR COLA works, consider a General Plan D member who retired in March of 1991. As of April 2023 this member had an Accumulation Account of 22.9%. This member received a STAR COLA of 2.9% in January of 2024 which reduced their Accumulation Account to 20.0% (because the 2024 STAR COLA was adopted as a permanent addition by the Board of Retirement). In addition, they received the statutory 2.0% COLA in April of 2024. Since the statutory COLA given was less than the CPI of 3.5%, the difference of 1.5% is added to their Accumulation Account, resulting in a new value of 21.5% as of April 2024. Since this member's benefit has lost more than 20% of its original value (i.e., the Accumulation Account is greater than 20.0%), they are eligible for a STAR COLA benefit in 2025. Accordingly, if a STAR COLA is adopted effective January 1, 2025, this member will receive a STAR COLA increase equal to 1.5% of their current retirement allowance.

The member's Accumulation Account will remain at 21.5% unless a permanent STAR COLA is approved, in which case it is adjusted back to 20.0% to reflect the permanent increase in the member's retirement allowance.

Funding

If the permanent STAR COLA is approved under Subsection 31874.3(c), it is required to be prefunded to provide for the increase in future benefit payments. The present value of the 2025 permanent STAR COLA increase is \$1,595,000. Therefore, under the permanent increase scenario, this amount would be transferred from the STAR Reserve to the Employer Reserve. After adoption of the 2024 STAR COLA as a permanent increase to members' retirement allowances, the STAR Reserve is approximately \$608.6 million; therefore, the current STAR Reserve has a sufficient balance to facilitate this transfer.

The ad-hoc 2025 STAR COLA increase is estimated to cost \$154,000. If this option is approved, we anticipate this amount will be paid from the STAR Reserve.

Since the STAR Reserve is not included in the Valuation Assets, the adoption of the 2025 STAR COLA will not cause a change in either the employer contribution rate or the funded ratio, provided that the specified amount is transferred from the STAR Reserve to the Employer Reserve, consistent with whether the Board of Retirement adopts the ad-hoc or permanent STAR COLA approach.

Projections

We have also attached projections for future STAR COLA increases assuming continued application of the program. These projections are for informational purposes only. For these projections, we have assumed the continued approval of the STAR COLA program by the Board each year at the 80% level, under the following two scenarios:

- 2.75% annual increases in the CPI (the valuation assumption) for 2024 and all future years, and
- 3.5% annual increase in the CPI in 2024, followed by annual CPI increases of 2.75%. This scenario reflects that actual inflation has materially exceeded the assumption in the through July 31, 2024 (on an annualized basis). The 3.5% is equal to the prior year's

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inflation and provides an estimate of the potential impact of higher-than-assumed inflation on future STAR COLA benefits, although the actual 2024 inflation is likely to be different.

The attachments show both the expected annual benefits under the ad-hoc approach and the estimated transfer amounts to fund the STAR COLA each year under the permanent approach. The projected benefit payments paid to members each year under the permanent approach is not shown but would be slightly higher than the ad-hoc increases, due to the future statutory COLA increases being applied to the STAR COLA payment under the permanent approach. The transfer amounts are expected to be made from the STAR Reserve to the Employer Reserve as of the December 31 prior to the calendar year of the STAR COLA increase. These attachments also show the estimated number of retirees and survivors projected to be eligible for a STAR COLA benefit in each future year. The projected number of eligible retirees and survivors is the same under the ad-hoc or permanent approach.

Data, assumptions, and methods

The COLA Accumulation Accounts are as of April 1, 2024 and any 2025 STAR COLA increases are assumed to be effective as of January 1, 2025. We have assumed that no interest will be credited to the STAR Reserve consistent with LACERA's interest crediting procedures.

Certification

Except as noted elsewhere in this report, all data, methods and assumptions are the same as described and used in the June 30, 2023 actuarial valuation report. In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

Actuarial computations presented in this report are for purposes of estimating expected benefit payments and funding amounts under the LACERA STAR COLA program. These calculations have been made on a basis consistent with our understanding of that program. Determinations for purposes other than described may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. These results were developed using models intended for actuarial valuations that use standard actuarial techniques.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in

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plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

The calculations included in this report are subject to the same risk factors as discussed in the June 30, 2023 actuarial valuation and in the Risk Assessment report based on the June 30, 2023 actuarial valuation. Please refer to those reports for a detailed descriptions of the primary risks to LACERA.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- (a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.
- (b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



If you have any further questions regarding this report, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Nick Collier".

Nick Collier, ASA, EA, MAAA
Consulting Actuary

NC/CG/va

Attachments

cc: Ted Granger
Claro Lanting
Ervin Wu

A handwritten signature in black ink, appearing to read "Craig Glyde".

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

LACERA
10-year projection of STAR COLA Benefits
STAR COLA approved each year
to restore benefit to 80% of original value
 (Actual 2024 CPI increase is 2.75%)

Calendar Year	CPI	Count of Eligible Retirees & Survivors	Ad-hoc Increase	Permanent Increase Transfers
2024	2.75%			
2025	2.75%	426	\$ 154,000	\$ 1,595,000
2026	2.75%	2,170	494,000	3,645,000
2027	2.75%	2,083	1,036,000	5,787,000
2028	2.75%	1,996	1,567,000	5,668,000
2029	2.75%	2,551	2,257,000	7,206,000
2030	2.75%	2,438	2,955,000	7,290,000
2031	2.75%	3,196	3,784,000	8,510,000
2032	2.75%	3,045	4,714,000	9,438,000
2033	2.75%	2,894	5,598,000	9,132,000
2034	2.75%	3,239	6,496,000	9,337,000

1. Estimate based on June 30, 2023 valuation
2. Actual results will vary

LACERA
10-year projection of STAR COLA Benefits
STAR COLA approved each year
to restore benefit to 80% of original value
(Actual 2024 CPI increase is 3.50%)

Calendar Year	CPI	Count of Eligible Retirees & Survivors	Ad-hoc Increase	Permanent Increase Transfers
2024	3.50%			
2025	2.75%	426	\$ 154,000	\$ 1,595,000
2026	2.75%	2,170	1,048,000	9,373,000
2027	2.75%	2,083	1,587,000	5,721,000
2028	2.75%	2,666	2,291,000	7,294,000
2029	2.75%	2,551	3,004,000	7,392,000
2030	2.75%	3,344	3,854,000	8,656,000
2031	2.75%	3,196	4,811,000	9,627,000
2032	2.75%	3,045	5,725,000	9,331,000
2033	2.75%	3,412	6,656,000	9,564,000
2034	2.75%	3,239	7,658,000	10,249,000

1. Estimate based on June 30, 2023 valuation
2. Actual results will vary

STAR COLA Accumulation Chart			
Percentages as of January 1, 2025			
Retirement Date	General Plans B, C, D and Safety Plan B		
	COLA % Accumulation April 1, 2024	STAR Benefit Adjustment 2025	COLA % Accumulation January 1, 2025
Before 4/1/77	-	-	-
4/1/1977 - 3/31/1978	21.5	(1.5)	20.0
4/1/1978 - 3/31/1979	21.5	(1.5)	20.0
4/1/1979 - 3/31/1980	21.5	(1.5)	20.0
4/1/1980 - 3/31/1981	21.5	(1.5)	20.0
4/1/1981 - 3/31/1982	21.5	(1.5)	20.0
4/1/1982 - 3/31/1983	21.5	(1.5)	20.0
4/1/1983 - 3/31/1984	21.5	(1.5)	20.0
4/1/1984 - 3/31/1985	21.5	(1.5)	20.0
4/1/1985 - 3/31/1986	21.5	(1.5)	20.0
4/1/1986 - 3/31/1987	21.5	(1.5)	20.0
4/1/1987 - 3/31/1988	21.5	(1.5)	20.0
4/1/1988 - 3/31/1989	21.5	(1.5)	20.0
4/1/1989 - 3/31/1990	21.5	(1.5)	20.0
4/1/1990 - 3/31/1991	21.5	(1.5)	20.0
4/1/1991 - 3/31/1992	20.3	(0.3)	20.0
4/1/1992 - 3/31/1993	19.7	*	19.7
4/1/1993 - 3/31/1994	19.7	*	19.7
4/1/1994 - 3/31/1995	19.7	*	19.7
4/1/1995 - 3/31/1996	19.7	*	19.7
4/1/1996 - 3/31/1997	19.7	*	19.7
4/1/1997 - 3/31/1998	19.7	*	19.7
4/1/1998 - 3/31/1999	19.7	*	19.7
4/1/1999 - 3/31/2000	19.7	*	19.7
4/1/2000 - 3/31/2001	19.4	*	19.4
4/1/2001 - 3/31/2002	17.7	*	17.7
4/1/2002 - 3/31/2003	17.6	*	17.6
4/1/2003 - 3/31/2004	15.9	*	15.9
4/1/2004 - 3/31/2005	15.9	*	15.9
4/1/2005 - 3/31/2006	13.5	*	13.5
4/1/2006 - 3/31/2007	12.3	*	12.3
4/1/2007 - 3/31/2008	12.3	*	12.3
4/1/2008 - 3/31/2009	12.3	*	12.3
4/1/2009 - 3/31/2010	12.3	*	12.3
4/1/2010 - 3/31/2011	12.3	*	12.3
4/1/2011 - 3/31/2012	12.3	*	12.3
4/1/2012 - 3/31/2013	12.3	*	12.3
4/1/2013 - 3/31/2014	12.3	*	12.3
4/1/2014 - 3/31/2015	12.3	*	12.3
4/1/2015 - 3/31/2016	12.3	*	12.3
4/1/2016 - 3/31/2017	12.3	*	12.3
4/1/2017 - 3/31/2018	12.3	*	12.3
4/1/2018 - 3/31/2019	10.7	*	10.7
4/1/2019 - 3/31/2020	9.5	*	9.5
4/1/2020 - 3/31/2021	9.0	*	9.0
4/1/2021 - 3/31/2022	9.0	*	9.0
4/1/2022 - 3/31/2023	4.4	*	4.4
4/1/2023 - 3/31/2024	1.5	*	1.5

* Not eligible for STAR COLA increase in 2025

Note: Plan E members are not eligible for the STAR COLA Program benefits

STAR COLA Program Calculation Illustration

The illustration below is intended to show an example of how the annual CPI increase impacts the COLA Bank account resulting in the ability to award a STAR COLA.

Section 1: Includes the 2023 COLA Bank balance before any changes are made in 2024. For this scenario, the CPI change is 3.5% while the Plan D maximum allowable COLA is 2.0%. The COLA award is applied with rounding (to the nearest 0.5%) at 3.5% for the 2024 April 1st COLA, while the Plan D COLA statutory maximum limits the final COLA amount to 2.0%.

Section 2: The published CPI is used to determine the amount that is applied to the COLA Bank account, not the COLA Award rounding amount. However, the CPI change, and COLA Award rounding are the same in this cycle. For this example, the COLA Bank receives a +1.5% increase by deducting the maximum -2.0% COLA award from the original CPI change of 3.5%.

Section 3: The COLA Bank account is reviewed and updated for the 2024 changes. The beginning balance of the COLA Bank is 22.9% and is first reduced by -2.9% for the 2024 STAR COLA awarded permanently last year in January 2024. In April 2024, after deducting the annual maximum -2.0% COLA award from the original CPI change of +3.5%, the remaining +1.5% amount of the CPI change increases the COLA Bank, resulting in a 21.5% COLA Bank balance available for the 2025 STAR COLA award. When the COLA Bank account exceeds 20%, a STAR COLA award can be considered by the Board of Retirement.

Section 4: The COLA Bank balance of 21.5% is reviewed and the excess above the 20% balance is determined to be 1.5%. In this example, the 1.5% calculated is the possible STAR COLA award. Should the Board of Retirement approve the STAR COLA award, the COLA Bank account balance is reduced by 1.5% to 20% (if the STAR COLA is awarded on a permanent basis). If the Board award the STAR COLA on an ad-hoc basis, the COLA Bank account balance is not reduced and remains at a 21.5%. In future years, any additional amounts added to the Accumulation account which cause it to exceed the 20% level or are added onto the 21.5% balance, make this COLA Bank account eligible for another STAR COLA award.

Section 5: Shows the impact on the COLA Bank balance if the STAR COLA award is granted by the Board of Retirement on an ad-hoc basis. In this example, COLA Bank account will remain at 21.5%. For the next STAR Program year, this COLA Bank account will be eligible for a STAR COLA award and any additional amounts, due to increases in the CPI above the retirement plan maximums, will be added to the COLA Bank balance.

**COLA Accumulation (Bank) Account
STAR COLA Award**

<i>SECTION 1</i>	COLA Bank End Balance 2023	2024 COLA Award Rounding	2024 COLA Award Plan Maximum
<i>Plan D</i>	22.9%	3.5%	2.0%
<i>SECTION 2</i>	2023 CPI Change	2024 COLA Award Plan Maximum	2024 COLA Bank Increase
<i>CPI Review</i>	3.5%	-2.0%	+1.5%
<i>SECTION 3</i>	COLA Bank Begin Balance 2024	2024 STAR COLA Award January 2024	COLA Bank Increase April 2024
<i>2024 COLA Bank Changes</i>	22.9%	-2.9%	+1.5%
<i>SECTION 4 Option 1</i>	COLA Bank Begin Balance 2025	2025 STAR COLA Award (Ad-Hoc)	COLA Bank End Balance*
	21.5%	0.0%	21.5%
<i>SECTION 5 Option 2</i>	COLA Bank Begin Balance 2025	2025 STAR COLA Award (Permanent)	COLA Bank End Balance**
	21.5%	-1.5%	20.0%

*This reduction in the COLA Bank balance will occur if the STAR COLA is awarded on an ad-hoc basis.

** No reduction in the COLA Bank balance will occur if the STAR COLA is awarded on a permanent basis.



2025 STAR COLA Program

September 4, 2024

Board of Retirement Meeting

Discussion Topics



Key Concepts

- **STAR COLA Award Method:**
 - Ad-Hoc
 - Permanent
- **STAR COLA Example**
 - **General Plan D Member Award**
- **STAR Program Funding**
 - History
 - 2025 Funding

STAR COLA

Retirement Payments

Cost of Living

COLA Accumulation

▶ STAR COLA

The Supplemental Targeted Adjustment for Retirees (STAR) is a cost-of-living adjustment (COLA) program designed to ease the effects of inflation for retirees and eligible survivors whose allowance has lost more than 20 percent of its purchasing power since retirement. The STAR COLA program is available for contributory plan retirees and their beneficiaries only; Plan E retirees are not eligible.



01 STAR COLA Method

Ad-Hoc or Permanent

STAR COLA Method



Government Code¹ provisions allow the Board of Retirement to award additional benefits to address the inflation experienced by retirees using one of the following approaches:

Ad-Hoc STAR COLA

- **Temporary benefit for the current calendar year**
- **Not included in the calculation of future statutory April 1st COLA awards**
- **COLA Accumulation account balance not reduced, remains at current level and future amounts are added**
- **Subject to Board of Retirement approval each year in future years**
- **Benefits paid from STAR COLA Reserve**

Permanent STAR COLA

- **Permanent benefit for the calendar year and future years**
- **STAR Benefit increases base allowance and is included in the calculation of future statutory April 1st COLA awards**
- **COLA Accumulation account balance is reduced to 20% level**
- **Board of Retirement does not need to approve these benefits in future years**
- **Benefits funded by one-time transfer from STAR Reserve and paid from Employer Reserves**

¹ Per Government Code Sections 31874.3 and 7507.



02 STAR COLA Example

Plan D Member Award

STAR COLA Example



STEP

1

General Plan D Member
Retired in June 1989

STEP

2

April 1, 2023 Accumulation Account
Balance of 22.9%

STEP

3

January 1, 2024 STAR Benefit Adjustment (Permanent)
Accumulation Balance reduced from 22.9% to 20.0%

STAR COLA Example



STEP

4

April 1, 2024, Statutory COLA for Plan D Members
CPI was 3.5% and Statutory COLA was 2.0%

STEP

5

Accumulation Account increased by 1.5%
Difference between CPI of 3.5% and Statutory COLA of 2.0%

STEP

6

Accumulation Account balance
 $22.9\% \text{ (APR 2023)} - 2.9\% \text{ (2024 STAR COLA)} + 1.5\% \text{ (April 2024)} = 21.5\%$

STAR COLA Example



STEP

7

Accumulation Account Balance: 21.5% > 20.0%
Eligible for STAR COLA benefit in 2025

STEP

8

STAR COLA Award (upon BOR Approval)
Increase benefit 1.5%, effective January 1, 2025
Ad-Hoc Award – Paid for 2025 Only, Permanent Award – Paid for Lifetime

STEP

9

Accumulation Account Balance
Ad-Hoc Award – Remain at 21.5%, Permanent Award – Reduce to 20.0%



03 STAR Program Funding

History and 2025 Funding

STAR Program Funding



History

Excess Earnings

- **1994 County issued Pension Obligation Bonds**
- **LACERA's funded ratio exceeded 100% in subsequent years**
- **1994 Retirement System Funding Policy required the Board of Investments to allocate all excess earnings:**
 - **75% to Employer Reserves (County Contribution Credit Reserve)**
 - **25% to STAR Reserve**

STAR Reserve

- **Highest balance in 1999 due to excess earnings contributions: \$1.023 billion**
- **STAR benefits paid from STAR COLA Reserve for the 1990-2009 and 2023-2024 Program Years**
- **Current balance as of June 30, 2024: \$608.6 million**

2025 STAR COLA Awards

- **Ad-Hoc STAR Program cost: \$0.154 million**
- **Permanent STAR Program cost: \$1.595 million**

STAR Program Funding



2025 Funding

STAR Reserve

- **STAR COLA Program cost paid from STAR Reserve**
 - Permanent award: amount transferred from STAR Reserve to the Employer Reserves
 - Ad-Hoc award: benefits paid from STAR Reserve
- **STAR Reserve:**
 - Balance not included in Valuation Assets
 - STAR COLA benefits not yet approved are not included in liabilities¹
- **STAR COLA Award:**
 - Reduces STAR Reserve Balance
 - No change to unfunded liability

¹ The valuation liabilities do not account for STAR COLAs that may be granted in the future. STAR COLA benefits previously approved by the BOR are included in liabilities, offset by STAR Reserve asset transfers.

STAR Reserve Balance (Dollars in Millions)	
2023 Ending Balance	\$ 611.5
2024 STAR Award (Permanent)	\$ (2.9)
2024 Ending Balance	\$ 608.6
2025 STAR Award (Permanent) ²	\$ 1.595
2025 STAR Award (Ad-hoc) ²	\$ 0.154

² Per Government Code Section 7507, costs must be calculated by an actuary and disclosed to the public prior to a decision to adopt the benefit increase.

Thank You!




2025 STAR COLA

—
Questions?



September 23, 2024

TO: Each Trustee,
Board of Retirement

FROM: JJ Popowich 
Assistant Executive Officer, Member Operations Group

FOR: October 2, 2024 Board of Retirement Meeting

SUBJECT: **Request to Recognize the National Association of Counties as an Organization Authorized to Receive Deductions from Retiree Benefit Payments**

RECOMMENDATION:

The Board of Retirement (BOR) recognize the National Association of Counties (NACo), by their relationship with the Retired Employees of Los Angeles County (RELAC), as an organization providing health related insurance programs and other services consistent with those authorized under Government Code Section 31452.5 of the County Employees Retirement Law of 1937 (CERL), regardless of the number of enrollees.

The BOR further authorizes staff to formalize an agreement with NACo, and waive the requirement to meet condition 3, of the Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants, to allow members to pay premiums for various insurance services via deductions from monthly benefit payments. Furthermore, the Board directs staff to require NACo to present to LACERA a Payroll Deduction Authorization Agreement (provided by LACERA) for each member enrolling in and requesting to make a payment to NACo, and that such payments will be deposited in a MetLife managed account since MetLife is providing the actual services with NACo as third-party administrator. The BOR also authorizes staff to mail related materials to retired members at RELAC's request and expense and subject to LACERA review under the Policy Governing Retired Membership Mailing Services and CERL Section 31592.6, regardless of the number of prior mailings.

Additionally, the BOR approves the transitional plan for RELAC members receiving benefits from the Pacific Group Agency (PGA), the former business partner of RELAC, offering similar insurance and related benefits, based on whether such benefits are or are not eligible for continuing deductions under Section 31452.5, at least 100 members continue to participate in the program and LACERA is provided a new member authorization for eligible deductions.

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Authorized to Receive Deductions from Retiree Benefit Payments
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EXECUTIVE SUMMARY

Section 31452.5 of the County Employees Retirement Law of 1937 (CERL) authorizes the Board of Retirement to allow retirees to have deductions for certain specified health maintenance insurance programs, retirement organization dues, and other services under the auspices of a recognized retirement organization withheld from their monthly retirement benefits and paid to a third-party. The Board of Retirement adopted their Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants (Deduction Policy) in 1997 to allow these types of deductions. LACERA refers to these types of deductions as “agency” deductions. (See Attachment 1.) CERL Section 31592.6 authorizes the Board to cooperate and assist a recognized retiree organization such as RELAC in distributing materials to members regarding the organization’s benefit programs, provided that LACERA shall not have liability for the content and may charge a reasonable fee for actual costs incurred. The Board adopted a Policy Governing Retired Membership Mailing Services (Mailing Policy) in 2006 to provide for mailings. (See Attachment 5.)

Recently the Retired Employees of Los Angeles County (RELAC) signed an agreement with the National Association of Counties’ Public Insurance Promise (NACo) to offer various insurance benefits to their members. RELAC has requested that LACERA allow both organizations’ mutual members to pay monthly premiums for NACo services by deductions from a member’s benefit check under the Board’s Deduction Policy.

Staff have reviewed RELAC’s request and determined that NACo meets requirements 1 and 2 of the Board’s policy authorizing these deductions. Since the relationship between RELAC and NACo has just been formalized, NACo has not met the minimum threshold of 100 members required by condition 3 of the Board’s policy. Staff is requesting the Board waive condition 3 of the Policy and allow staff to enter into an agreement with NACo to allow deductions from retiree benefit allowances for their services regardless of the number of members who sign up with NACo. RELAC’s agreement with NACo replaces its prior sponsorship of PGA. LACERA will continue to recognize member requests to make payments to PGA if the member provides a written authorization and if the type of benefit purchased complies with Section 31452.5; some continuing PGA benefits are expected to qualify for continuing deduction, but others will not.

LEGAL AUTHORITY

CERL Section 31452.5 (please see Attachment 2 for full text of this section) provides conditions for when a retiree may have deductions withheld from their retirement allowances and sent to a third party providing specified services. Section 31452.5(a) states:

- (a) The board may comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member entitled to a retirement allowance or benefit under this chapter of the California Public

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Employees' Pension Reform Act of 2013, authorizing the treasurer or other entity authorized by the board to deduct a specified amount from the retirement allowance or benefit payable to any retired member or beneficiary of a retired member for any of the following purposes:

This section continues by designating 10 categories of deductions that can be authorized including most health-related insurance, vision and dental plans, life insurance, chartered credit union deposits, federally chartered veteran organizations, retiree organization dues, purchases of US Savings Bonds, federal and state taxes, and payments for benefit programs offered by a designated retiree organization. Only these 10 categories are eligible for deduction.

CERL Section 31592.6 authorizes the Board to provide mailing services to a recognized retiree organization for material relating to the organization's benefit programs:

In order for a recognized retiree organization to fulfill its obligations to the retired members of the system and to communicate with them, upon the organization's request the board shall cooperate with and assist the organization in distributing communications regarding membership in and retiree benefit programs available through the organization to all or a portion of those retired members.

The section further provides that RELAC is wholly responsible for the content of the communications and that LACERA may charge a reasonable fee for mailing assistance, up to the amount of actual costs incurred.

DISCUSSION

For over 66 years, the Retirement Employees of Los Angeles County (RELAC) has served as an advocate for LA County retirees, fostered a sense of community for former LA County employees, and provided various benefits to their members to help them remain active, healthy, and ultimately to enjoy their retirement. LACERA recognizes RELAC, and other retirement organizations like RELAC, as valuable partners helping our members realize the full potential of their retired years.

The National Association of Counties (NACo) is an organization founded in 1935 to unite County officials to advocate for County interests at a national level, share best practices, provide leadership development opportunities, and help educate the public about County governments. In addition, NACo formed the Public Insurance Promise, and partnered with various national insurance providers to offer services to employees of counties who have become a member of NACo. Among the types of services NACo offers to its members are:

- accident
- dental
- cancer care
- critical illness

- hospital indemnity
- long-term care
- supplemental individual disability
- pet
- vision
- identity theft protection
- legal services
- employee discount/purchase programs

NACo has developed a suite of insurance-related offerings for RELAC members through its partnership with MetLife.

All of these types of services meet the general conditions of the ten (10) different categories of deductions authorized under CERL Section 31452.5 because they are sponsored by RELAC. Those pertaining to health care related insurance also meet the definitions under paragraphs (a)(1-4). Services such as pet health care insurance, identity theft protection, legal services, and employee discount/purchase programs, would fall under the broad definition of paragraph (a)(10), which allows for, "...benefit programs available through the recognized retiree organization."

Based on our review of NACo and our discussions with RELAC, staff has concluded that NACo's Public Insurance Program meets the requirements of Section 31452.5.

In 1997, the Board adopted the Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants (Deduction Policy). The Deduction Policy states the following:

The Board of Retirement may enter into an agreement with an organization authorizing LACERA to deduct dues and similar assessments from retiree warrants and to forward such amounts to the organization under the following conditions:

1. The organization qualifies as one of the organizations listed in Government Code §31452.5.
2. The organization is a recognized employee organization of the County of Los Angeles, or has as one of its primary purposes the representation of members of public retirement systems.
3. A minimum of 100 retirees/beneficiaries execute revocable written authorizations to make the deduction.
4. The agreement provides for elimination of the deduction at any time the total member/beneficiaries authorizing the deduction falls below 100.

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The Deduction Policy only covers benefits authorized by Section 31542.5(a)(10) because they are sponsored by a retiree organization. The other nine categories of benefits described in Section 31452.5(a)(1)-(9) are eligible for deduction regardless of whether they are sponsored by a retiree organization.

Based on our review of NACo, and the partnership they have formed with RELAC, staff believe that NACo has met the first two conditions required by the Board's Deduction Policy. The remaining conditions – the requirement to meet the minimum 100-member threshold and an agreement for elimination of the deduction if participants drop below 100 members – have yet to be met since the two parties have just entered into an agreement. Staff is requesting the Board waive the 100-member minimum threshold and authorize the Assistant Executive Officer for the Member Operations Group, in conjunction with LACERA's Legal Office, to finalize an agreement to allow deductions. This request is being made to streamline the process and assist RELAC with its efforts to offer services to its members during the annual insurance enrollment open windows.

As part of the Board's policy, once approved, LACERA will work with RELAC and NACo to onboard NACo as an agency authorized to receive deductions from a retiree warrant. Since NACo is a third-party administrator which is offering services provided by MetLife, they have requested that LACERA agree to provide the monthly payments directly to MetLife. After discussions with NACo, we have agreed that the required authorization from LACERA members will include language explicitly explaining that the member is authorizing a deduction from their monthly benefit allowance, under a RELAC sponsored program, which is administered by NACo with services provided by MetLife. The authorization will further require the member to acknowledge that they are authorizing LACERA to pay the deducted premiums (assessments) directly to MetLife.

The PGA – LACERA – RELAC Connection

Currently RELAC offers similar services to our mutual members through an agreement with the Pacific Agencies Group (PGA). PGA is also believed to offer similar services to members of the California Retired County Employees Association (CRCEA); an organization that some LACERA members may also belong to. In December of 2008, the BOR authorized LACERA to enter into an agreement with PGA to allow members to authorize deductions for premiums and services through PGA on the basis of their relationship with RELAC and CRCEA (see Attachment 3 "Authorize Retiree Warrant Deduction"). At the time this memo was written, over 3,800 members have deductions withheld and paid to PGA.

RELAC has advised LACERA that they will be terminating their agreement with PGA effective December 31, 2024. RELAC has also indicated it is their intent to market the NACo services to their members in October to allow members to choose to enroll in any of the available NACo insurance programs during the normal annual insurance enrollment windows (generally occurring in October or November of each year).

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Similar to the NACo agreement, it is believed that RELAC originally made the request to LACERA to approve PGA as an organization that members may request to have dues or assessments withheld and paid to for various services. The request was intended at the time to allow RELAC to market PGA services to our mutual members.

Both PGA and NACo operate as third-party administrators for the various programs they provide. When a member chooses to enroll in any of the programs offered by these organizations, they do so by enrolling through the organization. Premiums are then paid to either PGA or NACo (or in this case, MetLife) for these programs. Therefore, when the Board of Retirement authorizes deductions for one of these organizations, the agreement is between the organization providing the services and not a related retirement organization like RELAC or CRCEA.

RELAC intends to inform its members that they have partnered with a new provider of services – similar to the ones they used to offer through PGA. Members may wish to continue services with PGA, or they may choose to terminate services received by PGA (in accordance with whatever terms and conditions apply) and enroll in services provided by NACo. If a member elects to continue with PGA services, LACERA would normally continue to withhold deductions and pay them to PGA per the agreement as the Board's prior authorization remains in effect.

However, while the authorization remains in effect, some services offered by PGA are not eligible to be covered by the Board's prior authorization after RELAC terminates their agreement. Services such as health related insurance programs are eligible for continuation as they satisfy the conditions included in paragraphs 1-4 of Section 31452.5. However, other services provided by PGA are only eligible for continuing deductions as long as they were offered through the RELAC relationship. Additionally, LACERA would only be allowed to continue to allow deductions for PGA as long as they maintain a minimum of 100 participating members (per paragraph 4 of the BOR's policy).

LACERA has advised RELAC of the nature of the agreement with PGA and that we would continue to allow members to have deductions withheld for PGA services on the conditions described above.

Mailing Services

The Board's 2006 Policy Governing Retired Membership Mailing Services (Mailing Policy) authorizes an agreement with a recognized retiree to mail "membership applications," subject to the following conditions:

1. The organization is a recognized employee organization of the County of Los Angeles, or has as one of its primary purposes the representation of members of public retirement systems.

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2. Organizations meeting item 1 of this policy and also satisfying the Board of Retirement's policy governing Deductions for Dues and Similar assessments from Retiree Warrants may enjoy mailing privileges to all or a segment of the retiree population once every 24 months.
3. Organizations meeting item 1 of this policy and also satisfying the Board of Retirement's policy governing Deductions for Dues and Similar Assessments from Retiree Warrants may enjoy mailing privileges to new retirees up to two times in addition to the 24 month mailing privilege (i.e. item 2).
4. Organizations meeting item 1 of this policy but have yet to satisfy the Board of Retirement's policy governing Deductions for Dues and Similar Assessments from Retiree Warrants may enjoy mailing privileges to all retirees once. (Pre-mailing notification will be provided to the Board of Retirement.)
5. All labor, material, and postage costs associated with such mailing shall be born solely by the requesting organization.
6. All materials are subject to LACERA's approval.
7. LACERA member information is confidential and shall not be released by LACERA to the organization requesting mailing services. Undeliverable mail shall not forward to the requesting organization.
8. The mailing service shall be performed by LACERA, or a LACERA approved mailing service vendor who will provide a Statement of Confidentiality and Restriction of Use.
9. The mailing service project timeline and vendors shall be at the discretion of LACERA.

The Mailing Policy's limitations to membership applications and the provision as to frequency of mailings are not in Section 31592.6, which more broadly provides that the Board "shall cooperate with and assist the organization in distributing communications regarding membership in and retiree benefit programs available through the organization" Therefore, staff believes it is legally permissible and reasonable for the Board to authorize staff to provide mailing services to RELAC for material relating to the change from PGA to NACo, NACo's benefit offerings, and the open enrollment process. If the Board approves this item, staff will negotiate an agreement with RELAC that includes the other limitations in the Mailing Policy relating to LACERA review of the materials, that LACERA is not responsible for the content, a reasonable mailing project schedule in LACERA's discretion so as not to disrupt other LACERA operations, the requirement of confidentiality of LACERA's member information, and LACERA's right of approval of the mailing vendor, and any additional provisions necessary to comply with Section 31592.6 and the other provisions of the Mailing Policy.

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*Staff intends to separately bring an update of the 2006 Mailing Policy to the Board for review in the next few months.

The Transitional Process

As discussed above, the termination of the agreement between RELAC and PGA does have a potential impact on members participating in PGA programs, and their ability to continue to have deductions withheld. As noted earlier, Section 31452.5 specifically allows deductions for health-related programs (paragraphs (a)(1-4)), but allows other benefits only when those benefits are offered through a recognized retirement organization.

RELAC, through PGA, has offered services such as LegalSheild, IDSheild, PPO Pet Insurance, HMO Pet Care, comprehensive travel coverage, and home warranties, which can only be allowed under paragraph 10 of Section 31452.5. As a result, given the cessation of the agreement between RELAC and PGA, these deductions can no longer be supported by LACERA per the terms of Section 31452.5.

Unfortunately, LACERA cannot locate a signed agreement with PGA. At the time PGA and other agencies were approved (with the exception of long-term care providers approved as part of the process to support the Public Peace Officers \$3000 Healthcare tax benefit in 2014), it does not appear that LACERA had formal signed agreements with the agencies. Additionally, LACERA's current policy does not require the agency to submit copies of the signed authorization agreements. LACERA's practice was to provide the agency with a "Payroll Deduction/Cancellation Authorization" (see Attachment 4) form that they were expected to keep on file. Agencies would then submit a "Retiree Warrant Deduction Authorization Transmittal" with information to facilitate the deduction. LACERA never required the agency to provide a copy of this authorization.* As a result, LACERA does not have a record of what types of services are provided by PGA.

*Staff intends to recommend a revised Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants which will add requirements for a signed agreement with each agency and required submission of authorizations in the next few months.

Since LACERA must verify the type of services being provided by PGA to remain in compliance with the provisions of Section 31452.5, we will be reaching out to PGA to notify them of the more limited nature of statutorily authorized deductions once the RELAC sponsorship has terminated, and that LACERA must receive a new "Payroll Deduction/Cancellation Authorization" for each member who wishes to continue to have deductions for PGA services. LACERA will, in turn, either collaborate with RELAC, as described above, in its mailing to its members or conduct a separate mailing to members explaining the transition process and requesting a new "Payroll Deduction/Cancellation Authorization." The revised "Payroll Deduction/Cancellation Authorization" will require the

member to attest that the deductions made may only be for services allowed under Section 31452.5(a)(1)-(9). We will communicate that members with services not allowed under Section 31452.5(a)(1)-(9) must make alternate arrangements and cannot rely on payroll deductions for payment for such services. Members will be provided a deadline of 60 days to submit the new authorization forms or LACERA will have to terminate the deductions.

At the same time, LACERA will seek to complete a signed agreement with PGA confirming that they understand that deductions for non-medical related services are only allowed if the member is a participating member in a recognized retirement organization that is providing those benefits and that deductions for statutory permitted medical services can only be made with a new member authorization form.

CONCLUSION

LACERA staff has reviewed the services provided by NACo and the relationship established between this organization and RELAC and determined that planned health related insurance programs and other benefits that will be offered to RELAC members are compliant with the conditions set forth in CERL Section 31452.5. Based on this determination, and in support of RELAC's intended timetable for notifying members, LACERA is requesting a delegation of authority to staff to confirm NACo has met all the conditions of the Board's Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants. This delegation of authority will streamline the process and help RELAC meet its timetable to notify members of their new service offerings in time for members to consider enrollment during the normal open enrollment periods that generally occur in October and November.

Staff also has considered the impacts of RELAC's selection of a new business partner to offer these benefits on members who are currently enrolled in programs offered by PGA (RELAC's former provider of benefits). PGA has been previously authorized by the Board to request and accept deductions from member benefit allowances for the services it provides. That authorization is independent of RELAC's relationship, with the exception of non-health insurance related services. Deductions for these non-health related services are not allowed under Section 31452.5 unless they are offered through a recognized retirement organization (i.e., RELAC or CRCEA). Therefore, for RELAC members who are also paying deductions to PGA, LACERA has presented a plan for contacting PGA and these members and obtaining new agreements attesting compliance with the provisions of CERL Section 31452.5. Mailing services will also be needed to inform members of RELAC's new sponsorship of NACo and its offerings.

We are seeking the Board's approval regarding these matters.

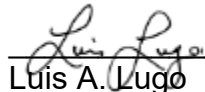
RECOMMENDATION:

The Board of Retirement (BOR) recognize the National Association of Counties (NACo), by their relationship with the Retired Employees of Los Angeles County, as an organization providing health related insurance programs and other services consistent with those authorized under Section 31452.5 of the County Employees Retirement Law of 1937 (CERL), regardless of the number of enrollees.

The BOR further authorizes staff to formalize an agreement with NACo, and waive the requirement to meet condition 3, of the Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants, to allow members to pay premiums for various insurance services via deductions from monthly benefit payments. Furthermore, the Board directs staff to require NACo to present to LACERA a Payroll Deduction Authorization Agreement (provided by LACERA) for each member enrolling in and requesting to make a payment to NACo, and that such payments will be deposited in a MetLife managed account since MetLife is providing the actual services, with NACo as third-party administrator. The BOR also authorizes staff to mail related materials to retired members at RELAC's request and expense and subject to LACERA review under the Policy Governing Retired Membership Mailing Services and CERL Section 31592.6, regardless of the number of prior mailings.

Additionally, the BOR approves the transitional plan for RELAC members receiving benefits from the Pacific Group Agency (PGA), the former business partner of RELAC, offering similar insurance and related benefits, based on whether such benefits are or are not eligible for continuing deductions under Section 31452.5, at least 100 members continue to participate, and LACERA is provided a new member authorization.

Reviewed and Approved



Luis A. Lugo
Deputy Chief Executive Officer

Enclosure(s)

C: Santos A. Kreimann, Chief Executive Officer
Steven P. Rice, Chief Counsel
Richard Bendall, Chief, Internal Auditor
Laura Guglielmo, Assistant Executive Officer, Business Services Group
Tatiana Bayer, Division Manager, Member Services
Louis Gittens, Division Manager, Benefits

**LACERA
Board of Retirement**

**POLICY GOVERNING DEDUCTIONS
FOR DUES AND SIMILAR ASSESSMENTS
FROM RETIREE WARRANTS**

The Board of Retirement may enter into an agreement with an organization authorizing LACERA to deduct dues and similar assessments from retiree warrants and to forward such amounts to the organization under the following conditions:

1. The organization qualifies as one of the organizations listed in Government Code §31452.5.
2. The organization is a recognized employee organization of the County of Los Angeles, or has as one of its primary purposes the representation of members of public retirement systems.
3. A minimum of 100 retirees/beneficiaries execute revocable written authorizations to make the deduction.
4. The agreement provides for elimination of the deduction at any time the total member/beneficiaries authorizing the deduction falls below 100.

(Adopted by the Board of Retirement April 2, 1997)

State of California

GOVERNMENT CODE

Section 31452.5

31452.5. (a) The board may comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member entitled to a retirement allowance or benefit under this chapter or the California Public Employees' Pension Reform Act of 2013, authorizing the treasurer or other entity authorized by the board to deduct a specified amount from the retirement allowance or benefit payable to any retired member or beneficiary of a retired member for any of the following purposes:

(1) Paying premiums on any policy or certificate of group life insurance or group disability insurance issued by an admitted insurer.

(2) Paying premiums for a prepaid group medical or hospital service plan.

(3) Paying premiums for a vision care program or dental plan, approved by the board, for the benefit of the retired member or his or her dependents.

(4) Paying premiums on national service life insurance or United States government converted insurance.

(5) Payment for the purchase of shares in or the payment of money to any regularly chartered credit union.

(6) Payment to a charitable organization or a federally chartered veterans' organization that is approved by the board.

(7) Payments to a recognized retiree organization.

(8) Payment for the purchase of United States savings bonds.

(9) The payment of personal income taxes to the government of the United States or the State of California.

(10) Payment for any retiree benefit programs available through the recognized retiree organization. The board may require that this payment be to a single party designated by the recognized retiree organization, either to itself or to a third-party administrator.

(b) Each month the order shall be drawn in favor of the insurer, institution, credit union, organization, or government named in the written authorization for an amount equal to the deductions authorized in subdivision (a) and made during the month.

(c) The board may charge a reasonable fee for the making of the deductions and payments.

(Amended by Stats. 2013, Ch. 247, Sec. 2. (AB 1380) Effective January 1, 2014.)



December 18, 2008

TO: Each Member
Board of Retirement

FROM: Operations Oversight Committee
Yves Chery, Chair
William de la Garza, Vice Chair
James P. Harris
Ed C. Morris
Simon S. Russin, Alternate

WJRS

→ SUBJECT: AUTHORIZE RETIREE WARRANT DEDUCTION

RECOMMENDATION:

AUTHORIZE A RETIREE WARRANT DEDUCTION FOR PACIFIC GROUP AGENCIES, INC.

INTRODUCTION

At our Committee meeting of December 11, 2008, staff presented a recommendation to authorize a retiree warrant deduction for Pacific Group Agencies. Our Committee voted unanimously to forward this request to the Board of Retirement.

BACKGROUND

Pacific Group Agencies (PGA) is a provider of group health insurance products and is affiliated with various retired organizations such as Retired Employees of Los Angeles County (RELAC) and California Retired County Employees Association (CRCEA). PGA offers a wide array of insurance products including health, dental and life. PGA has been offering innovative insurance products and services for over 50 years.

DISCUSSION

A member's authorization to deduct amounts from retiree warrants and forward amounts to a third party is technically an assignment. Government Code Section 31452.5 authorizes assignments for various purposes. LACERA currently authorizes retiree warrant deductions for credit unions, membership organizations such as RELAC, group insurance premiums, and "administrative" items such as federal taxes.



* S 1 *



* 3 A *

PGA meets all the thresholds of LACERA's Policy Governing Deductions for Dues and Similar Assessments from Retiree Warrants (i.e. Exhibit A) and has already collected and surpassed the policy threshold of establishing the minimum of 100 retirees/beneficiaries executing revocable written authorizations to participate.

We believe that the PGA group insurance program is a viable choice for members seeking retiree group health insurance. Therefore, authorizing and setting-up the deduction code provides member choice and superior member service that facilitates our members' transition from active to retired life.

RECOMMENDATION:

AUTHORIZE A RETIREE WARRANT DEDUCTION FOR PACIFIC GROUP AGENCIES, INC.

RRH:tam

Attachment

EXHIBIT A

POLICY GOVERNING DEDUCTIONS FOR DUES AND SIMILAR ASSESSMENTS FROM RETIREE WARRANTS

The Board of Retirement may enter into an agreement with an organization authorizing LACERA to deduct dues and similar assessments from retiree warrants and to forward such amounts to the organization under the following conditions:

1. The organization qualifies as one of the organizations listed in Government Code Section 31452.5.
2. The organization is a recognized employee organization of the County of Los Angeles, or has as one of its primary purposes the representation of members of public retirement systems.
3. A minimum of 100 retirees/beneficiaries execute revocable written authorizations to make the deduction.
4. The agreement provides for elimination of the deduction at any time the total members/beneficiaries authorizing the deduction falls below 100.



300 N. Lake Ave., Pasadena, CA 91101 / PO Box 7060, Pasadena, CA 91109-7060 / www.lacera.com / 626/564-6132 • 800/786-6464

PAYROLL DEDUCTION/CANCELLATION AUTHORIZATION

AGENCY CODE		AGENCY NAME		
RETIREE NAME (LAST, FIRST)				SOCIAL SECURITY NO.
<input type="checkbox"/> NEW	<input type="checkbox"/> CANCEL	<input type="checkbox"/> CHANGE	OLD AMOUNT	NEW AMOUNT

I hereby authorize the Los Angeles County Employees Retirement Association (LACERA) to *change*, *cancel* or start a *new* monthly deduction from my retirement warrant in the amount shown above, and to pay that amount to the proper agent. This authorization cancels and replaces any prior authorization and will remain in effect until I submit a change in writing.

If all or any portion of this authorized deduction includes insurance premiums and/or organization dues, I authorize LACERA to adjust the amount of this deduction from time-to-time as may be required to comply with dues or premium changes made in accordance with existing contracts, organization constitutions, charters, by-laws or other applicable legal requirements.

I understand and agree that LACERA, or any other disbursing officer, acting under this authorization shall not be held liable in any manner for failure or delay in making the deductions or payments here authorized, nor be held responsible for any loss sustained by me due to their failure or delay in making such deductions or payments.

SIGNATURE	DATE
	/ /

LACERA
Board of Retirement

POLICY GOVERNING RETIRED MEMBERSHIP MAILING SERVICES

The Board of Retirement may enter into an agreement with an organization authorizing LACERA to mail the organization's membership applications to retired LACERA members under the following conditions:

1. The organization is a recognized employee organization of the County of Los Angeles, or has as one of its primary purposes the representation of members of public retirement systems.
2. Organizations meeting item 1 of this policy and also satisfying the Board of Retirement's policy governing Deductions for Dues and Similar assessments from Retiree Warrants may enjoy mailing privileges to *all* or a segment of the retiree population once every 24 months.
3. Organizations meeting item 1 of this policy and also satisfying the Board of Retirement's policy governing Deductions for Dues and Similar Assessments from Retiree Warrants may enjoy mailing privileges to *new* retirees up to two times in addition to the 24 month mailing privilege (i.e. item 2).
4. Organizations meeting item 1 of this policy but have yet to satisfy the Board of Retirement's policy governing Deductions for Dues and Similar Assessments from Retiree Warrants may enjoy mailing privileges to *all* retirees once. (Pre-mailing notification will be provided to the Board of Retirement.)
5. All labor, material, and postage costs associated with such mailing shall be born solely by the requesting organization.
6. All materials are subject to LACERA's approval.
7. LACERA member information is confidential and shall not be released by LACERA to the organization requesting mailing services. Undeliverable mail shall not forward to the requesting organization.
8. The mailing service shall be performed by LACERA, or a LACERA approved mailing service vendor who will provide a Statement of Confidentiality and Restriction of Use.
9. The mailing service project timeline and vendors shall be at the discretion of LACERA.

(Approved by the Board of Retirement May, 2006)



September 26, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

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

FOR: October 2, 2024, Board of Retirement Meeting
October 9, 2024, Board of Investments Meeting

SUBJECT: **APPROVAL OF LACERA AND SEIU MOU BARGAINING UNITS 850
AND 851 – AMENDMENT AND TENTATIVE AGREEMENT**

RECOMMENDATION

Direct Management to join the Represented Staff Members in signing the Memorandums of Understanding (MOU) amendment incorporating the Tentative Agreements for LACERA Administrative, Technical, Clerical, and Blue-Collar Bargaining Unit (Unit 850) and LACERA Supervisory Bargaining Unit (Unit 851), and request administrative approval from the Los Angeles County Board of Supervisors. Upon LACERA Boards approval the MOU amendments will be effective January 1, 2025 through December 31, 2025.

INTRODUCTION

On August 24, 2024, LACERA's Labor Negotiation Team commenced discussions with LACERA Staff Members represented by Service Employees International Union (SEIU) Local 721. Tentative terms of Agreements were successfully negotiated August 25, 2024. Copies of the final proposed MOU changes are attached.

On September 25, 2024, the Represented Staff Members held a Ratification Election in which they accepted the terms of the Tentative Agreements. Upon your approval, the Tentative Agreements will be placed in Unit 850 and 851's MOUs to be signed by Representatives of both Negotiation Teams and presented to the Los Angeles County Board of Supervisors for inclusion into the County Ordinance.

BACKGROUND

In May 2000, at the request of the County's Chief Administrative Office (currently known as the Chief Executive Office), the Los Angeles County Employees Relations Commission removed LACERA-Unique Classifications from County Bargaining Units. This action was taken based upon a determination that the County should not be negotiating labor contracts for LACERA Staff Members. New Bargaining Units were formed to cover LACERA Represented Staff Members with the Board of Retirement and Board of Investments assuming the responsibility for bargaining with their Staff Members.

In December 2000, a LACERA Negotiation Team began bargaining with the Staff Members represented by SEIU Local 660. The labor negotiations successfully reached a Tentative Agreement and the Staff Members held a Ratification Election in which they accepted the tentative terms of the Agreements. On June 13, 2001, LACERA Boards approved the MOUs covering the period of October 1, 2000, through December 31, 2004. On July 17, 2001, the Board of Supervisors administratively approved the MOUs into the County Ordinance.

In October 2004, November 2006, September 2008, April 2011, May 2013, and August 2016, and December 2019, LACERA's Labor Negotiation Teams entered into Negotiations with the Staff Members represented by SEIU Local 721 (formerly Local 660) to reach Successor Agreements.

Each of these Labor Negotiations successfully produced Tentative Agreements by which Staff Members held ratification elections accepting the terms of the Successor Agreements. LACERA Boards have approved the successor MOU Agreements following the initial June 13, 2001 Agreement which have been in effect through the present time.

The current Labor Negotiations commenced as a result of the need for a successor MOU for one whose term was ending December 31, 2024. The parties agreed to amend the current agreement instead of negotiating a full successor agreement.

TERMS OF TENTATIVE AGREEMENT

The following are the significant terms from the Amendments and Tentative Agreements that were reached on August 21, 2024, between Management and the Staff Members represented by SEIU Local 721 in Bargaining Units 850 and 851:

1. Upon LACERA Boards' approval, the MOU contract term will be extended through December 31, 2025.

2. Effective October 1, 2024 Staff Members in LACERA's Bargaining Units 850 and 851 shall receive an across the board increase of three percent (3%).

Language modifications were made to Special Pay Practices to update classification titles; and to Work Schedule and Transfer provisions to add language.

Implementation Process

Upon your approval, LACERA's Human Resources and Legal Offices will prepare and submit the necessary documentation to the Board of Supervisors for their administrative approval of the MOUs into the County Ordinance.

Recognition

Staff would like to recognize the SEIU Local 721 Negotiators, Aram Agdaian, Renee Anderson and Brandon Price, for their professionalism and dedication in reaching an agreement. Staff would also like to recognize LACERAs' Chief Negotiator, Irma Rodriguez Moisa, whose guidance and knowledge were vital to a successful negotiation. And further thank the following Staff Members, from both sides of the negotiation table, who worked together to find common ground and reach agreement on the labor contracts:

Management Representatives:

Carly Ntoya

Annette Cleary

Luis Lugo

Laura Guglielmo

John Popowich

Jasmine Bath

Employee Labor Representatives:

Lindsey Knight

Anthony Batiste

La Tonya Robinson

Antonio Ramos

RECOMMENDATION

It is recommended that your Boards:

Direct Management to join the Represented Staff Members in signing the MOU amendments incorporating the Tentative Agreements for LACERA Administrative Technical, Clerical, and Blue Collar Bargaining Unit (Unit 850) and LACERA Supervisory Bargaining Unit (Unit 851), and request administrative approval from the Los Angeles County Board of Supervisors.

MOU 850 CHANGES

Changes are reflected in **bold font**.

Article 5 - Term, Section 5.1

- 5.1. The term of this MOU shall commence on the date when the terms and conditions for its effectiveness, as set forth in Article 4 Implementation, are fully met, but in no event shall said MOU become effective prior to **12:01 a.m. on January 1, 2025. This MOU shall expire and otherwise be fully terminated at 12:00 midnight on December 31, 2025**

Article 7 - Salary, Sections 7.1

General percentage increases

- 7.1 All employees covered under this Memorandum of Understanding shall receive the following salary increase during the term of this agreement upon Union ratification and Board approval:
- a) Effective January 1, 2022, an across the board increase of 4%.
 - b) Effective January 1, 2023, an across the board increase of 3%.
 - c) Effective January 1, 2024, an across the board increase of 3%.
 - d) Effective October 1, 2024, an across the board increase of three percent (3%).**

Article 9 – Special Pay Practices, Section 9.4

- 9.4 Any permanent, full-time employee in one of the following classifications who possess a valid Certified Public Accountant license issued by the State of California shall be entitled to compensation at a rate two schedules higher than that established for the class:

<u>Tite</u>	<u>Item No.</u>
Accountant I, LACERA	0415
Accountant II, LACERA	0473
Investment Accountant, LACERA	0476

Article 15 – Work Schedule, Section 15.3

15.3 Employees shall be scheduled to work on regular work shifts having regular starting and ending times. Except for emergencies (see Section 15.5), employees' work schedules, or work shifts shall not be changed without written notice to the employee at least ten (10) working days prior to the date the change is to be effective. Alternate work schedules shall not be changed without written notice to the employee at least ten (10) working days prior to the date the change is to be effective. **The ten (10) working day notice can be waived by mutual agreement.**

Article 20 – Transfers, Section 20.3

20.3 In the event of involuntary transfers within LACERA, the employee will be notified in writing, fifteen (15) days prior to said involuntary transfer. **The fifteen (15) day notice can be waived by mutual agreement.**

MOU 851 CHANGES

Changes are reflected in **bold font**.

Article 5 - Term, Section 5.1

- 5.1. The term of this MOU shall commence on the date when the terms and conditions for its effectiveness, as set forth in Article 4 Implementation, are fully met, but in no event shall said MOU become effective prior to **12:01 a.m. on January 1, 2025. This MOU shall expire and otherwise be fully terminated at 12:00 midnight on December 31, 2025**

Article 7 - Salary, Sections 7.1

General percentage increases

- 7.1 All employees covered under this Memorandum of Understanding shall receive the following salary increase during the term of this agreement upon Union ratification and Board approval:
- a) Effective January 1, 2022, an across the board increase of 4%.
 - b) Effective January 1, 2023, an across the board increase of 3%.
 - c) Effective January 1, 2024, an across the board increase of 3%.
 - d) Effective October 1, 2024, an across the board increase of three percent (3%).**

Article 9 – Special Pay Practices, Section 9.4

- 9.4 Any permanent, full-time employee in one of the following classifications who possess a valid Certified Public Accountant license issued by the State of California shall be entitled to compensation at a rate two schedules higher than that established for the class:

<u>Tite</u>	<u>Item No.</u>
Senior Accountant, LACERA	0416
Accounting Officer I, LACERA	0417
Accounting Officer II, LACERA	0418
Senior Investment Accountant, LACERA	0477

Article 15 – Work Schedule, Section 15.3

15.3 Employees shall be scheduled to work on regular work shifts having regular starting and ending times. Except for emergencies (see Section 15.5), employees' work schedules, or work shifts shall not be changed without written notice to the employee at least ten (10) working days prior to the date the change is to be effective. Alternate work schedules shall not be changed without written notice to the employee at least ten (10) working days prior to the date the change is to be effective. **The ten (10) working day notice can be waived by mutual agreement.**

Article 20 – Transfers, Section 20.3

20.3 In the event of involuntary transfers within LACERA, the employee will be notified in writing, fifteen (15) days prior to said involuntary transfer. **The fifteen (15) day notice can be waived by mutual agreement.**

Represented Cost to Fund
Proposed Salary Increases

The total implementation cost to fund the 3% salary increase is approximately \$1,400,000

Represented	FY 24-25 Annual	Annual Cost Plus 3%	Full Year Difference	FY 24-25 9 months	FY 25-26 6 months
Gross Salaries	\$ 23,695,796.00	\$ 24,406,669.88	\$ 710,873.88	\$ 533,155.41	\$ 355,436.94
Employee Benefits	\$ 13,285,914.00	\$ 13,684,491.42	\$ 398,577.42	\$ 298,933.07	\$ 199,288.71
Total S&EB	\$ 36,981,710.00	\$ 38,091,161.30	\$ 1,109,451.30	\$ 832,088.48	\$ 554,725.65
			Implementation Cost		\$ 1,386,814.13



September 26, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

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

FOR: October 2, 2024, Board of Retirement Meeting
October 9, 2024, Board of Investments Meeting

SUBJECT: **NON-REPRESENTED AND MANAGEMENT STAFF SALARY
ADJUSTMENTS**

RECOMMENDATION

Approve Salary Adjustments for Non-Represented and Managerial Appraisal and Performance Plan (MAPP) Classifications at levels consistent as those granted to Represented Staff Members, and direct Management to request administrative approval from the Los Angeles County Board of Supervisors. This salary adjustment recommendation excludes LACERA's Chief Executive Officer classification which salary is determined independently by the LACERA Boards.

BACKGROUND

Your Boards, having been asked to approve Salary Adjustments through December 31, 2025 for LACERA Represented Staff Members, are asked to turn your attention to salary matters concerning LACERA's Non-Represented Staff Members and MAPP Participants. Subject to your Boards approval of the Amendments and Tentative Agreements of the Memorandum of Understandings (MOU), LACERA and Service Employees International Union (SEIU) Local 721 have agreed that LACERA Represented Employees will receive a three percent (3%) across the board salary increase effective October 1, 2024.

Historically LACERA has positioned its Non-Represented and MAPP Salaries closely to the negotiated adjustments for the Represented Staff Members. Subject to the Boards approval of the Tentative Agreements and MOU amendments, staff recommends implementing a three percent (3%) across the board salary increase:

- Effective October 1, 2024, for Non-Represented staff member, and

Approve Non-Represented Salary Adjustments

September 26, 2024

Page 2

- Effective January 1, 2025, for MAPP staff members.

Different effective dates are recommended due to the MAPP merit increases that are anticipated on October 1, 2024.

The Salary Adjustments is recommended to bring parity between the LACERA Represented and Non-Represented/MAPP Salary Increases and to maintain appropriate salary differentials between the Represented and Non-Represented/MAPP Staff Members. This salary adjustment recommendation excludes LACERA's Chief Executive Officer classification whose salary is determined independently by LACERA Boards.

Staff also believes these salary increases will assist in supporting LACERA's ability to attract, motivate and retain a highly engaged and skilled workforce to fulfill our Mission to "Produce, Protect, and provide the Promised Benefit."

Implementation Process

Upon your approval, LACERA Human Resources and Legal Offices will prepare and submit the necessary documentation to the Board of Supervisors for its administrative approval into the County Ordinance.

RECOMMENDATION

It is recommended that your Boards:

Grant approval of General Salary Increases for Non-Represented and Managerial Appraisal and Performance Plan (MAPP) Classifications at the same level as those granted to Represented Staff Members effective October 1, 2024 and January 1, 2025 respectively, and direct Management to request administrative approval from the Los Angeles County Board of Supervisors.

Attachment: Non-Represented Cost to Fund Worksheet

**Non-Represented and MAPP
Cost to Fund
Proposed Salary Increases**

The total implementation cost to fund the 3% salary increase is approximately \$2,000,000.

Non-Represented Non-MAPP	FY 24-25 Annual	Annual Cost Plus 3%	Full Year Difference	FY 24-25 9 months	FY 25-26 6 months
Gross Salaries	\$ 17,245,660.00	\$ 17,763,029.80	\$ 517,369.80	\$ 388,027.35	\$ 258,684.90
Employee Benefits	\$ 7,577,774.00	\$ 7,805,107.22	\$ 227,333.22	\$ 170,499.92	\$ 113,666.61
Total S&EB	\$ 24,823,434.00	\$ 25,568,137.02	\$ 744,703.02	\$ 558,527.27	\$ 372,351.51
			Implementation Cost		\$ 930,878.77

MAPP	FY 24-25 Annual	Annual Cost Plus 3%	Full Year Difference	FY 24-25 6 months	FY 25-26 6 months
Gross Salaries	\$ 21,872,649.00	\$ 22,528,828.47	\$ 656,179.47	\$ 328,089.73	\$ 328,089.73
Employee Benefits	\$ 10,089,925.00	\$ 10,392,622.75	\$ 302,697.75	\$ 151,348.88	\$ 151,348.88
Total S&EB	\$ 31,962,574.00	\$ 32,921,451.22	\$ 958,877.22	\$ 479,438.61	\$ 479,438.61
			Implementation Cost		\$ 958,877.22



September 20, 2024

FOR INFORMATION ONLY

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: 2024 Audit Committee
Debbie Martin, (BOI Trustee), Chair
Wayne Moore, (BOR Trustee), Vice Chair
Vivian Gray, (BOR Trustee), Secretary
Nancy Durazo (BOR), Trustee
Elizabeth Ginsberg, Ex-Officio
Jason Green, BOI Trustee
Nicole Mi, BOI Trustee

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

SUBJECT: **LACERA's Rehired Retiree Program Audit Fiscal Year Ended
June 30, 2023, and 2024**

Internal Audit presented their report on the subject audit to the Audit Committee at the September 19, 2024, meeting. Internal Audit performs this audit on an annual basis to determine LACERA's compliance with the Rehired Retiree Program and reported to the Committee that this year the program was in full compliance.

The Committee elected to (1) Accept and File the report, and
(2) Forward the report to both Boards, without further instruction.

The audit report is attached for your information.

Attachment
AC:rb



July 9, 2024

TO: 2024 Audit Committee
Debbie Martin, (BOI Trustee), Chair
Wayne Moore, (BOR Trustee), Vice Chair
Vivian Gray, (BOR Trustee), Secretary
Nancy Durazo, BOR Trustee
Elizabeth Ginsberg, Ex-Officio
Jason Green, BOI Trustee
Nicole Mi, BOI Trustee

Audit Committee Consultant
Larry Jensen

FROM: George Lunde *GL*
Senior Internal Auditor

FOR: September 19, 2024 Audit Committee Meeting

SUBJECT: **LACERA's Rehired Retiree Program Audit Fiscal Year Ended
June 30, 2023, and 2024**

RECOMMENDATION

In accordance with your current Audit Committee Charter, staff recommends that the Committee review and discuss the following engagement report to take the following action(s):

1. Accept and file report,
2. Instruct staff to forward report to Boards or Committees,
3. Make recommendations to the Boards or Committees regarding actions as may be required based on audit findings, and/or
4. Provide further instruction to staff.

ENGAGEMENT REPORT

LACERA's Rehired Retiree Program Audit Fiscal Year Ended June 30, 2023, and 2024
(Report Issued: June 3, 2024)

Attachment

Noted and Reviewed:

Richard P. Bendall
Chief Audit Executive



LACERA INTERNAL AUDIT DIVISION

**LACERA's Rehired Retiree Program
Fiscal Years Ended June 30, 2023, and 2024**

June 3, 2024

AUDIT PERFORMED BY:

George Lunde
Senior Internal Auditor

AUDIT REPORT

Audit Name:	LACERA's Rehired Retiree Program
Division:	Human Resources
Audit Rating*:	Satisfactory
Prior Audit Rating*:	Unsatisfactory
Prior Report Date:	July 31, 2023

BACKGROUND

The State of California's County Employees Retirement Law of 1937 (CERL) and Public Employees' Pension Reform Act of 2013 (PEPRA) provides that LACERA has the option to employ retirees as "Rehired Retirees" subject to certain requirements. Under Government Code Section 31680.6 of CERL and Section 7522.56, rehired retirees may work up to 960 hours per fiscal year, on a temporary basis, without affecting their retirement status or benefits. Retirees may not return to service under a "contract directly" with the agency; retirees may be employed by a third-party vendor under a bona fide independent contract with LACERA and provide service under that third party contract provided there are no indicia that the arrangement is intended to circumvent the CERL and PEPRA provisions relating to rehired retirees.

LACERA management and Board of Retirement (BOR) have been proactive in addressing the recommendations of prior audits, most notably culminating in the approval by the BOR at the July 2023 meeting of the revised "Post Retirement Employment Policy" (2023 Board Policy). Implementation of the revised policy was effective in helping to address our prior audit findings.

We noted that in the past there was an issue of rehired retirees working for an extended duration which appeared to be non-compliant with PEPRA's somewhat vague guidelines. However, the BOR has chosen proactively to establish policy providing rules for continuing work past two years. It requires BOR approval of such work extensions for a rehired retiree. For this audit the rules applied to three rehired retirees, and who were duly approved to continue their work for current fiscal year. See following table by LACERA divisions which have special circumstances requiring employment of retirees.

Number of Years / Number of Retirees				
Division /Years	2 yrs	3 yrs	5 yrs	12+ yrs
RHC				1
Legal		1		
Systems	1		1	

AUDIT OBJECTIVE & SCOPE

The objective of the audit was to assess LACERA's compliance to Policy, Procedure, and Guidelines for rehiring retired annuitants including the following:

- CERL's 960-hour limit
- IRS' "bona fide" break in service requirement
- PEPRA's 180-day break in service requirement
- PEPRA's requirement of "limited duration"

* See Appendix 1 for Audit Rating

The scope for this review included all rehired retirees for fiscal years 2023 and 2024 and all relevant data and records for the rehired retirees. We elected to audit the two years together as the controls implemented through the BOR approval on July 6, 2023, of the revised Post Retirement Employment Policy were in effect for the 2024 Fiscal Year. As a result, our audit primarily focused on testing the controls around rehired retirees employed during Fiscal Year 2024.

The audit was performed in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

AUDIT RATING & SUMMARY OF FINDINGS

In our opinion, the current effectiveness of the key controls applicable to the audit scope are satisfactory. Prior audit findings regarding deficiencies with authorization and approval process documentation have been resolved. Along with the implementation of the revised Policy, we observed that LACERA management and staff have implemented effective controls around tracking and monitoring of rehired retiree hours worked. Further, LACERA has implemented very effective communications with the rehired retirees (both for the LACERA rehired retirees and those working for the County).

960 Hour Limit Test Results		
LACERA Rehired Retiree	Total Hours FYE 6/30/23	Total Hours YTD @ 5/15/24
#1	754	538
#2	902	744
#3	960	315
#4	92	31

Based on the results of our audit testing, the system of internal controls around the hiring of retirees appears to be working effectively. The overall environment contains sufficient internal controls to address key risks, and business practices generally comply with LACERA policies.

We would like to thank Human Resources staff and management for their cooperation with this audit.

REVIEWED AND APPROVED



Richard P. Bendall
Chief Audit Executive

Date: June 3, 2024

REPORT DISTRIBUTION

2024 Audit Committee	Santos H. Kreimann, CEO	Steven Rice, Chief Legal Counsel
2024 Plante Moran Audit Team	Luis Lugo, DCEO	Carly Ntoya, Director of Human Resources
Larry Jensen Audit Committee Consultant	Laura Guglielmo, AEO	J.J. Popowich, AEO

APPENDIX 1 AUDIT RATING SCALE

Internal Audit issues three standard audit report evaluations as defined below:

Satisfactory

The control environment is acceptable with minor issues having been identified. The overall environment contains sufficient internal controls to address key risks, and business practices generally comply with Company policies. Corrective action should be implemented to address any weaknesses identified during the audit in order to maintain or enhance the control environment.

Opportunities for Improvement

The control environment has opportunities for improvement with significant issues, individually or in the aggregate, having been identified or major noncompliance with Company policies. The overall environment contains insufficient internal controls to address key risks. Prompt corrective action should be implemented to address the weaknesses and strengthen the control environment.

Unsatisfactory

The control environment is unacceptable with critical issues, individually or in the aggregate, having been identified or major noncompliance with Company policies. The overall environment contains insufficient internal controls to address key risks and the impact may be substantial in size or nature or their effect cannot be quantified. Immediate corrective action should be implemented to address the weaknesses and strengthen the control environment.



LACERA's Rehired Retiree Program Audit Fiscal Years Ended June 30, 2023, and 2024

Issued Date: June 3, 2024

Presenter by:

George Lunde, Senior Auditor

Summary of Engagement



Responsible Division:	Human Resources
Type of Engagement:	Assurance
Audit Rating:	Satisfactory
Prior Audit Rating:	Unsatisfactory

Type of Engagements

Assurance: Provide an objective examination of evidence for the purpose of providing an independent assessment to Management and the Audit Committee on governance, risk management, and control processes for LACERA.

Consulting: Collaborate with Management to provide a formal assessments and advice for improving LACERA's governance, risk management, and control processes, without Internal Audit assuming Management responsibility.

Advisory: Provide Management with informal advice.

Background, Scope, Objective



Background: We perform this audit annually as failure to adhere to the regulations and requirements not only violates state law governing retirement benefits, but it could also jeopardize the qualified tax deferred status of LACERA under federal tax law.



Scope: The scope for this review included all rehired retirees for fiscal years 2023 and 2024, and all relevant data and records for the rehired retirees.

Objective:

Determine compliance with:

- CERL’s 960-hour work limit requirement
- IRS’ “bona fide” break-in-service requirement
- PEPRA’s 180-day break in service requirement
- PEPRA requirement of “limited duration”

Summary of Findings



In our opinion, the current effectiveness of the key controls applicable to the Audit Scope are satisfactory. Prior audit findings regarding deficiencies with authorization and approval process documentation have been resolved. The LACERA revised “Post Retirement Employment Policy” is in effect.

Based on test results the control environment is acceptable. The overall environment contains sufficient internal controls to address key risks, and business practices generally comply with LACERA policies.

Thank You



QUESTIONS?




**FOR INFORMATION ONLY**

September 24, 2024

TO: Trustees – Board of Retirement

FROM: Jean J. Kim 
Senior Staff Counsel

Zachary Meth 
Staff Counsel

DATE: Board of Retirement Meeting of October 2, 2024

SUBJECT: **REPORT OF REVISED PAY ITEM**

This memorandum addresses an existing pay item, for which a pensionability determination has previously been made by the Board. Because this pay item has been modified since the previous determination, we have conducted another review, with no change in the prior determination as explained below.

ITEM OF COMPENSATION

The Board of Retirement (the “Board”) is charged with determining which items of compensation qualify as pensionable earnings includable in a member’s retirement allowance. Items of compensation are analyzed as “pensionable” (i) for “legacy members” under the definition of “compensation earnable” in California Government Code §31461 of the County Employees Retirement Law of 1937 (CERL), and (ii) for “new members” or “PEPRA members” under the definition of “pensionable compensation” in Cal. Govt. Code §7522.34 of the California Public Employees’ Pension Reform Act of 2013 (PEPRA). A “legacy member” refers to any individual who became a member of LACERA, or a reciprocal system, prior to January 1, 2013; and a “new member” (otherwise referred to as a “PEPRA member”) of LACERA is generally defined as anyone who first becomes a member of LACERA on or after January 1, 2013 and was not previously a member of another public retirement system prior to that date. (Cal. Govt. Code §7522.04(f)) Based on the criteria set forth in these statutes, LACERA staff reviewed and analyzed the pay items at issue to determine whether the items should be included in a member’s final compensation when calculating a retirement benefit and provide a recommendation to the Board.

For the pay item at issue, the Board has already made a determination of pensionability under both CERL, for legacy members, and PEPRA, for PEPRA members. However, as this pay item has been modified, staff reviewed the revised pay item to ensure that the

prior legal analysis and determination of pensionability was still applicable. A summary of the revised pay item, with the changes in bold, is attached as Attachment A and the applicable original analysis of pensionability for this pay item is attached as Attachment B.

Specifically, the pay item at issue has been modified solely to remove an eligible class of employees who may receive the pay item. Because this change does not impact the original analysis of pensionability for this item, the original underlying analysis and determination by the Board remain relevant and applicable to the revised pay item. As previously determined, the pay item remains not pensionable for both legacy members and new members.

Therefore, no additional determination by the Board is necessary.

For reference, the complete list of pay codes that have been determined by the Board to be pensionable or not pensionable under CERL (for legacy members) and under PEPRA (for new members) is attached as Attachment C. This information is also located at <https://www.lacera.com/active-service/cerl-pay-codes> (CERL) and <https://www.lacera.com/active-service/pepra-pay-codes> (PEPRA).

Attachments

Attachment A

Revised Pay Codes

reviewed under Sections 31461 (CERL/Legacy) and 7522.34 (PEPRA)

Pay Event Code	Pay Event Title	Pay Event Description	Original Analysis (BOR Date)
----------------	-----------------	-----------------------	------------------------------

EXCLUDED under Sections 31461 and 7522.34

531	STANDBY	<p>This pay event is being revised to remove DHS Dental Specialist – Maxillofacial (Item No. 4767) as a position that is eligible for Standby Pay reported under Pay Event Code 531. The Auditor-Controller will establish a new Pay Event Code for Standby Pay paid specifically to Dental Specialists – Maxillofacial.</p> <p>The hourly rate for Standby Pay effective June 1, 2024, for members in Bargaining Units 324 and 325 are as follows:</p> <p><u>BU 324</u></p> <ul style="list-style-type: none"> • From \$10.00/hour to \$13.75/hour for Physicians in the Department of Health Services (DHS) • From \$7.67/hour to \$13.75/hour for Physician Specialists in the Department of Medical Examiner • From \$7.67/hour to \$10.00/hour for Physicians in the Department of Public Health (DPH) <p><u>BU 325</u></p> <ul style="list-style-type: none"> • From \$7.35/hour to \$10.00/hour for the following classifications in DHS: <ul style="list-style-type: none"> • Dentist (Item No. 4763) • Senior Dentist (Item No. 4766) • Dental Specialist (Item No. 4767) • From \$7.35/hour to \$13.75/hour for the following classifications: <ul style="list-style-type: none"> • Mental Health Psychiatrist (Item No. 4735) • DHS Dental Specialist – Maxillofacial (Item No. 4767) 	4/7/2021
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Attachment B


Original Analysis of Pay Code 531 (Reviewed by BOR on 4/7/2021)

Attachment: Standby Codes					
reviewed under Section 31461 and 7522.34					
Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 31461 and 7522.34					
531	STANDBY	<p><u>County Code 6.10.120</u> To provide a bonus for each hour that an employee is assigned to scheduled periods of standby service at off-duty times and who must remain available to return to work if called. A \$0.25-per-hour bonus not to exceed a maximum of \$50.00 per month total, is applicable unless a rate for an item is specified in either an MOU or the County Code. Open to various items; not applicable to MAPP participants.</p> <p><u>BU 121 & 122</u> – Additional compensation for employees regularly scheduled periods of standby service at off-duty times, which assignments cause inconvenience and restrict normal activity during such off-duty periods. Effective October 1, 2017, the standby rate will increase to \$0.50 per-hour not to exceed a maximum of \$50.00 per month.</p> <p><u>BU 311 & 312</u> – Any permanent, full-time Registered Nurse assigned regularly scheduled periods of stand-by service at off-duty times pursuant to the County Code, shall receive a \$5.00 dollar per hour bonus not to exceed a maximum of \$900 per month total. Effective October 1, 2017, the current standby rate will increase by 5%. This Section will apply to all County departments where Registered Nurses are employed.</p> <p><u>BU 321</u> – Any permanent full-time employee assigned to standby service at off-duty times as defined in County Code Section 6.10.120 may receive a bonus of \$1.00 per hour, not to exceed \$200.00 per month. Effective October 1, 2018, said bonus shall be \$3.25 per hour, not to exceed a maximum of \$900 per month total.</p> <p><u>BU 324</u> – Effective, March 1, 2019, whenever a Department of Health Services physician is assigned to standby duty, he/she shall receive \$10.00 per hour during the standby assignment. Effective March 1, 2019, whenever a Department of Public Health Physician is assigned to standby duty he/she shall receive \$7.67 per hour during the standby assignment.</p> <p><u>Non-Rep. County Code 6.08.240 D & 6.08.445 C</u> Effective March 1, 2019, Physicians assigned to the Department of Health Services will receive an increased additional compensation for standby of \$10.00 per hour. All other LA County Physicians will receive an increased additional compensation for standby of \$7.67 per hour.</p> <p><u>BU 325</u> – Any permanent, full-time Mental Health Psychiatrist (Item No. 4735), Dentist (Item No. 4763), Senior Dentist (Item No. 4766), or Dental Specialist (Item No. 4767) assigned regularly scheduled periods of standby service at off-duty times, which assignments cause inconvenience and restrict normal activity during such off-duty periods, the employee shall receive \$7.35 per hour during said assignment.</p> <p><u>MOU 331</u> – Employees who are assigned regularly scheduled periods of standby service at off-duty times pursuant to Section 6.10.120 of the Los Angeles County Code, shall receive one dollar and fifty cents (\$1.50) per hour bonus (no cap). Effective October 1, 2017, the one dollar and fifty cents (\$1.50) per hour standby rate will be increased by 5%.</p> <p><u>MOU 341 & 342</u> – Employees in this unit who are assigned regularly scheduled periods of authorized standby service at off-duty time shall receive a \$1.00 per hour bonus for such service to a maximum of \$300 per month. Effective October 1, 2017, the rate for Standby will increase by 5%, over the existing rate. No additional compensation for standby by status shall be made since the employee placed on standby status is not "unreasonably restricted" as defined by the Fair Labor Standards Act.</p> <p><u>MOU 401</u> – Effective July 1, 2001, all employees in the Unit who are assigned regularly scheduled periods of authorized standby service during off-duty hours shall be paid additional compensation at the rate of seventy-five cents (75¢) per hour for each hour of such standby service not to exceed two hundred dollars (\$200.00) a month. Employees residing at their work site are excluded from this provision. Effective July 1, 2016, all employees of the Department of Health Services, Internal Services Department, and the Department of Public Works in the Unit who are assigned regularly scheduled periods of authorized standby service during off duty hours shall be paid additional compensation at the rate of seventy-five cents (75¢) per hour for each hour of such standby service not to exceed three hundred dollars (\$300.00) a month.</p>	(b)(3)	(c)(6) (c)(8)	<p>Standby compensation is paid to an employee whenever assigned regularly scheduled periods of standby service at off-duty times, which assignments cause inconvenience and restrict normal activity during such off-duty times.</p> <p>Standby service is performed during off-duty times, during specified hours outside an employee's normal working hours.</p> <p>This additional compensation consists of payments made to a member for additional services rendered outside normal working hours, and is excluded as "compensation earnable" under 31461(b)(3).</p> <p>This additional compensation consists of payments made to a member for additional services rendered outside normal working hours, and is excluded as "pensionable compensation" under 7522.34(c)(6). In addition, the form of compensation is considered overtime work, which is excluded under 7522.34(c)(8).</p>

FOR INFORMATION ONLY

September 24, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring. Bills from 2023 that were enacted or are dead are no longer being monitored. Bills on which LACERA has adopted a position are highlighted in yellow.

Reviewed and Approved:



Luis Lugo, Deputy Chief Executive Officer

Attachments

LACERA Legislative Report Index
LACERA Legislative Report

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Gabel
Scott Zdrazil
Anthony Roda, Williams & Jensen
Naomi Padron, MKP Government Relations

LACERA Legislative Report
2023-24 Legislative Session
Status as of September 23, 2024

CATEGORY	BILL	AUTHOR	TITLE	BOR POSITION	PAGE
BALLOT_INITIATIVES	6		Taxpayer Protection and Government Accountability Act	Watch	31
BROWN_ACT	AB 817	Blanca Pacheco (D)	Open Meetings: Teleconferencing: Subsidiary Body		2
BROWN_ACT	AB 2302	Dawn Addis (D)	Open Meetings: Local Agencies: Teleconferences		9
BROWN_ACT	AB 2350	Josh Hoover (R)	Open Meetings: School Boards: Emergencies: Notification		11
BROWN_ACT	AB 2715	Tasha Boerner (D)	Ralph M. Brown Act: Closed Sessions		20
BROWN_ACT	SB 537	Josh Becker (D)	City or County of Los Angeles: Memorial		24
HEALTHCARE	HR 957	Abigail A. Spanberger (D)	Internal Revenue Code Retirement Plan Exclusion	Watch	33
PUBLIC_EMPLOYMENT	AB 2335	Tina McKinnor (D)	Public Employment: Compensation and Classification		10
PUBLIC_EMPLOYMENT	AB 2421	Evan Low (D)	Employer-Employee Relations: Confidential Communication		13
PUBLIC_EMPLOYMENT	AB 2455	Jesse Gabriel (D)	Whistleblower Protection: State and Local Government		14
PUBLIC_EMPLOYMENT	AB 2489	Christopher Ward (D)	Local Agencies: Contracts for Special Services		16
PUBLIC_EMPLOYMENT	AB 2557	Liz Ortega (D)	Local Agencies: Contracts for Special Services		17
PUBLIC_EMPLOYMENT	AB 2561	Tina McKinnor (D)	Local Public Employees: Vacant Positions		18
PUBLIC_EMPLOYMENT	SB 1379	Bill Dodd (D)	Public Employees' Retirement Law: Reinstatement		29
PUBLIC_INVESTMENT	SB 252	Lena A. Gonzalez (D)	Public Retirement Systems: Fossil Fuels: Divestment		23
PUBLIC_RECORDS_ACT	AB 2153	Josh Lowenthal (D)	California Public Records Act: Public Agency Employees		5
PUBLIC_RECORDS_ACT	SB 1034	Kelly Seyarto (R)	California Public Records Act: State of Emergency		26
PUBLIC_RECORDS_ACT	SB 1441	Ben Allen (D)	Examination of Petitions: Time Limitations		30
PUBLIC_RETIREMENT	AB 148	Budget	State Employment: State Bargaining Units: Agreements		1
PUBLIC_RETIREMENT	AB 1246	Stephanie Nguyen (D)	Public Employees' Retirement		3
PUBLIC_RETIREMENT	AB 1997	Tina McKinnor (D)	Teachers' Retirement Law		4
PUBLIC_RETIREMENT	AB 2183	Reginald B. Jones-Sawyer (D)	Public Employees' Retirement Benefits: Compensation		6
PUBLIC_RETIREMENT	AB 2284	Timothy S. Grayson (D)	County Employees' Retirement: Compensation	Oppose;Watch	7
PUBLIC_RETIREMENT	AB 2301	Stephanie Nguyen (D)	Sacramento Area Sewer District Pension Protection Act		8
PUBLIC_RETIREMENT	AB 2362	Tom Lackey (R)	County Fire Service Retirement Law: Report		12
PUBLIC_RETIREMENT	AB 2474	Tom Lackey (R)	Retirement: County Employees Retirement Law of 1937	Sponsor;Support	15
PUBLIC_RETIREMENT	AB 2631	Mike Fong (D)	Local Agencies: Ethics Training		19
PUBLIC_RETIREMENT	AB 2770	Public Employment and Retirement	Public Employees Retirement	Support	21
PUBLIC_RETIREMENT	AB 3025	Avelino Valencia (D)	County Employees' Retirement: Disallowed Compensation	Neutral	22
PUBLIC_RETIREMENT	HR 5241	Gregory F. Murphy (R)	Governmental Pension Plans	Watch	35
PUBLIC_RETIREMENT	SB 962	Steve Padilla (D)	San Diego Unified Port District: Public Employee		25
PUBLIC_RETIREMENT	SB 1240	Marie Alvarado-Gil (D)	Public Employees Retirement System: Contracting		28
RETIREMENT_PERSONNEL	SB 1189	Monique Limon (D)	County Employees Retirement Law of 1937		27
SOCIAL_SECURITY	HR 82	Garret Graves (R)	Pension Offset and Windfall Elimination Repeal	Support	32
SOCIAL_SECURITY	HR 4260	Richard E. Neal (D)	Equitable Social Security Formula	Support	34
SOCIAL_SECURITY	HR 5342	Jodey Cook Arrington (R)	Windfall Elimination Provision Replacement	Support	36
SOCIAL_SECURITY	S 597	Sherrod Brown (D)	Government Pension Offset Repeal	Support	37

1.

California Assembly Bill 148 (2023-2024)

CAA 148 | Budget | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) |
Senate Budget & Fiscal Review Committee

State Employment: State Bargaining Units: Agreements

Provides that existing law provides that a provision of a memorandum of understanding reached between the State employer and a recognized employee organization representing State civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act. Approves provisions of agreements entered into by the State employer and State Bargaining Units 1, 3, 4, 5, 11, 12, 13, 14, 15, 17, 19, 20, and 21. Appropriates funds.

Code:

An act ~~relating to the Budget Act of 2023.~~ to amend Sections 7522.34, 19829.9851, 19829.9852, 19829.9853, 19878.5, and 22944.5 of, and to add Sections 19829.9854, 20677.61, 20677.92, 20677.93, 20677.94, and 22871.10 to, the Government Code, relating to public employment, and making an appropriation therefor, to take effect immediately, bill related to the budget.

Status:

Sep 13, 2023: Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.
[+ Show full status history](#)

PUBLIC_RETIREMENT

Commentary:

Comment:

Apr 23, 2024 - 12:01 P.M. (PDT)

Amends PEPR section 7522.34 as it relates to state employees.

2.

California Assembly Bill 817 (2023-2024)

CAA 817 | [Blanca Pacheco \(D-064\)](#) | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Local Government Committee

Open Meetings: Teleconferencing: Subsidiary Body

Authorizes a subsidiary body to use certain alternative teleconferencing provisions. Requires at least one staff member of the local agency to be present at a designated primary physical meeting location during the meeting. Requires the local agency to post the agenda at the primary physical meeting location. Requires the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform.

Code:

An act to add and repeal Section 54953.05 of the Government Code, relating to local government.

Status:

June 5, 2024: In SENATE Committee on LOCAL GOVERNMENT: Reconsideration granted.

June 5, 2024: In SENATE Committee on LOCAL GOVERNMENT: Failed passage.

[+ Show full status history](#)

 BROWN_ACT

| No tags, commentary, or attachment applied

3.

California Assembly Bill 1246 (2023-2024)

CAA 1246 | [Stephanie Nguyen \(D-010\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Public Employees' Retirement

Relates to the Public Employees' Retirement Law and the Public Employees' Retirement System. Permits, commencing on the specified date, a member who elected to receive a specified optional settlement at retirement, if the member's former spouse was named as beneficiary and a legal judgment awards only a portion of the interest in the retirement system to the retired member, to elect to add their new spouse as the beneficiary of the member's interest, subject to meeting certain conditions.

Code:

An act to amend Sections 21462 and 21481 of the Government Code, relating to retirement.

Status:

Sep 22, 2024: Chaptered by Secretary of State. Chapter No. 2024-350

Sep 22, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

 **PUBLIC_RETIREMENT**

| No tags, commentary, or attachment applied

4.

California Assembly Bill 1997 (2023-2024)

CAA 1997 | [Tina McKinnor \(D-061\)](#) | To Governor | Fiscal Committee (Yes) | Urgency Clause (No) | To Governor

Teachers' Retirement Law

Relates to the State Teachers' Retirement System. Requires the Teachers' Retirement Board to determine a date when State Teachers' Retirement System (STRS) has the capacity to implement the specified changes and to post the date on the STRS internet website no later than the specified date. Relates to the Teachers' Retirement Fund. Appropriates funds.

Code:

An act to amend and repeal Section 22119.2 of, to amend, repeal, and add Sections 22104.8, 22115, 22119.3, 22119.5, 22121, 22170, 22317.5, 22701, and 22905 of, and to add Sections 22156.07, 22156.08, and 22324.5 to, the Education Code, relating to retirement, and making an appropriation therefor.

Status:

Sep 10, 2024: *****To GOVERNOR.

[+ Show full status history](#)

 PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

5.

California Assembly Bill 2153 (2023-2024)

CAA 2153 | [Josh Lowenthal \(D-069\)](#) | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Judiciary Committee

California Public Records Act: Public Agency Employees

Requires each agency, upon receipt of a request for a copy of, or the inspection of, any personnel, medical, or similar records of a public agency employee or any record that would disclose a public agency employee's personal identity in connection with the performance of that employee's work duties, to promptly and prior to the release of the records, provide written notice of the request to that public agency employee.

Code:

An act to amend Section 7922.535 of the Government Code, relating to public records.

Status:

Feb 20, 2024: To ASSEMBLY Committee on JUDICIARY.

[+ Show full status history](#)



PUBLIC_RECORDS_ACT

| No tags, commentary, or attachment applied

6.

California Assembly Bill 2183 (2023-2024)

CAA 2183 | [Reginald B. Jones-Sawyer \(D-057\)](#) | Failed - Adjourned | Fiscal Committee (No) | Urgency Clause (No) | ASSEMBLY

Public Employees' Retirement Benefits: Compensation

Makes a nonsubstantive change to a provision of the California Public Employees' Pension Reform Act of 2013 (PEPRA).

Code:

An act to amend Section 7522.32 of the Government Code, relating to public employees' retirement.

Status:

Feb 7, 2024: INTRODUCED.

 **PUBLIC_RETIREMENT**

| No tags, commentary, or attachment applied

7.

California Assembly Bill 2284 (2023-2024)

CA A 2284 | [Timothy S. Grayson \(D-015\)](#) | To Governor | Fiscal Committee (No) | Urgency Clause (No) | To Governor

County Employees' Retirement: Compensation

Relates to the County Employees Retirement Law and the California Public Employees' Pension Reform Act. Authorizes a retirement system to define grade to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit or other logical work-related group or class. Specifies that these provisions shall not become operative in a county until the board of supervisors makes the provisions applicable.

Code:

An act to amend Section 31461 of the Government Code, relating to retirement.

Status:

Sep 5, 2024: *****To GOVERNOR.

[+ Show full status history](#)

 PUBLIC_RETIREMENT

Tags:

Staff_Recommendation:

IBLC_Recommendation:

BOR_Position:

Commentary:

Comment:

Sep 18, 2024 - 3:04 P.M. (PDT)

On 9/4/2024, the BOR changed its position from "Oppose" to "Watch."

8.

California Assembly Bill 2301 (2023-2024)

CAA 2301 | [Stephanie Nguyen \(D-010\)](#) and 6 Co-sponsors | Enacted | Fiscal Committee (No) | Urgency Clause (Yes) | Chaptered

Effective Dates: 07/02/2024

Sacramento Area Sewer District Pension Protection Act

Enacts the Sacramento Area Sewer District Pension Protection Act of 2024. Provides that the sewer district would assume the rights, obligations, and status previously occupied by the County of Sacramento with regard to the portion of the county safety plan, which is that portion of the county's defined benefit plan attributed to retirement system members and beneficiaries of the Sacramento Area Sewer District to, among other things, the replacement benefits program.

Code:

An act to add Article 4.6 (commencing with Section 31574) to Chapter 3 of Part 3 of Division 4 of Title 3 of the Government Code, relating to public employee retirement, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 02, 2024. Filed with Secretary of State July 02, 2024.]

Status:

July 2, 2024: Chaptered by Secretary of State. Chapter No. 2024-064

July 2, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

 PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

9.

California Assembly Bill 2302 (2023-2024)

CAA 2302 | [Dawn Addis \(D-030\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Open Meetings: Local Agencies: Teleconferences

Relates to existing law which imposes prescribed restrictions on remote participation by a member of a legislative body of a local agency under alternative teleconferencing provisions. Revises the limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Code:

An act to amend Section 54953 of the Government Code, relating to local government.

Status:

Sep 22, 2024: Chaptered by Secretary of State. Chapter No. 2024-389

Sep 22, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



BROWN_ACT

| No tags, commentary, or attachment applied

10.

California Assembly Bill 2335 (2023-2024)

CAA 2335 | [Tina McKinnor \(D-061\)](#) | Vetoed | Fiscal Committee (Yes) | Urgency Clause (No) | Vetoed

Public Employment: Compensation and Classification

Expands the purpose of the State Civil Service Act to include that the compensation relationship between State civil positions with comparable duties and responsibilities is maintained.

Code:

An act to amend Sections 18500, 19797, 19826, and 19827.2 of the Government Code, relating to public employment.

Status:

Sep 14, 2024: Vetoed by GOVERNOR.

[+ Show full status history](#)

Hearing Dates:

10/30/2024 Assembly Governor's Vetoes - # 6



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

11.

California Assembly Bill 2350 (2023-2024)

CAA 2350 | [Josh Hoover \(R-007\)](#) | To Governor | Fiscal Committee (Yes) | Urgency Clause (No) | To Governor

Open Meetings: School Boards: Emergencies: Notification

Provides that existing law authorizes a legislative body to hold an emergency meeting without complying with specified 24-hour notice and posting requirements. Authorizes a school board holding an emergency meeting to fulfill the premeeting notification requirement by email instead of by telephone. Provides that if the internet and telephone services are not functioning, the bill would similarly waive the premeeting notification requirement and require the post meeting notification.

Code:

An act to amend Section 54956.5 of the Government Code, relating to open meetings.

Status:

Aug 23, 2024: *****To GOVERNOR.

[+ Show full status history](#)

 BROWN_ACT

| No tags, commentary, or attachment applied

12.

California Assembly Bill 2362 (2023-2024)

CAA 2362 | [Tom Lackey \(R-034\)](#) | Failed - Adjourned | Fiscal Committee (No) | Urgency Clause (No) | Assembly Public Employment and Retirement...

County Fire Service Retirement Law: Report

Requires the County Foresters, Firewardens, and County Fire Protection District Firemen's Retirement Board to report to the board of supervisors on or before February 1 each year.

Code:

An act to amend Section 32266 of the Government Code, relating to public retirement.

Status:

Feb 26, 2024: To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

13.

California Assembly Bill 2421 (2023-2024)

CAA 2421 | [Evan Low \(D-026\)](#) | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Appropriations Committee

Employer-Employee Relations: Confidential Communication

Prohibits local public agency employer, a State employer, a judicial employer, a public school employer, a higher education employer, or certain districts from questioning any employee or employee representative regarding communications made in confidence between an employee and a representative. Provides that such communications would not be confidential if the representative was a witness or party to any of the events forming the basis of a potential administrative disciplinary or criminal investigation.

Code:

An act to amend Sections 3506.5, 3519, [3524.71](#), 3543.5, and 3571 of the Government Code, and to amend ~~Section 28858~~ [Sections 28858, 98169, 99563.7, and 102406](#) of the Public Utilities Code, relating to employer-employee relations.

Status:

Aug 15, 2024: In SENATE Committee on APPROPRIATIONS: Held in committee.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

14.

California Assembly Bill 2455 (2023-2024)

CA A 2455 | [Jesse Gabriel \(D-046\)](#) | To Governor | Fiscal Committee (Yes) | Urgency Clause (No) | To Governor

Whistleblower Protection: State and Local Government

Authorizes a city, county, or city and county auditor or controller to maintain a whistleblower hotline to receive calls from persons who have information regarding improper governmental activity. Authorizes a city or county auditor or controller, or designee, to conduct an investigative audit of the matter upon receiving specific information that an employee or local government has engaged in a fraud, waste, or abuse or improper governmental activity. Relates to the California Whistleblower Protection Act.

Code:

An act to amend Sections 8547.2, 8547.5, 8547.7, and 53087.6 of the Government Code, relating to whistleblower protection.

Status:

Sep 13, 2024: *****To GOVERNOR.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

15.

California Assembly Bill 2474 (2023-2024)

CAA 2474 | [Tom Lackey \(R-034\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2025

Retirement: County Employees Retirement Law of 1937

Relates to the County Employees Retirement Law of 1937. Authorizes the Board of Retirement for the County of Los Angeles to have the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit be delivered to a prepaid account in accordance with certain procedures. Defines account of the retired member or survivor of a deceased retired member to include an account held in a living trust or an income-only trust.

Code:

An act to amend Section 31452.6 of, to add Section 31680.9 to, and to add and repeal Sections 31452.61 and 31590.2 of, the Government Code, relating to retirement.

[Approved by Governor July 15, 2024. Filed with Secretary of State July 15, 2024.]

Status:

July 15, 2024: Chaptered by Secretary of State. Chapter No. 2024-108

July 15, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Support

Sponsor

IBLC_Recommendation: Support

Sponsor

BOR_Position:

Sponsor

Support

16.

California Assembly Bill 2489 (2023-2024)

CA A 2489 | [Christopher Ward \(D-078\)](#) | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No)
| Assembly Appropriations Committee

Local Agencies: Contracts for Special Services

Requires a county board of supervisors or a representative, at least a specified number of months before beginning a procurement process to contract with persons for special services that are currently, or were previously, performed by employees of the county represented by an employee organization, to notify, in writing, the exclusive employee representative of the workforce affected. Provides that this notice requirement does not apply in the event of an emergency.

Code:

An act to amend Sections 31000, 31000.4, 37103, and 53060 of the Government Code, relating to local government.

Status:

May 16, 2024: In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

May 16, 2024: In ASSEMBLY. Joint Rule 62(a) suspended.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

17.

California Assembly Bill 2557 (2023-2024)

CAA 2557 | [Liz Ortega \(D-020\)](#) | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Appropriations Committee

Local Agencies: Contracts for Special Services

Requires each board of supervisors that solicits for and enters into a specified contract for special services to post that contract and any related documents on its website.

Requires each contract to include the objectives, desirables, and goals of the contract.

Requires, before beginning a procurement process to contract for functions, duties, responsibilities, or services, the board to give reasonable written notice to the exclusive employee representative of the workforce affected by the contract.

Code:

An act to add Sections 31000.01, 31000.4.5, 37103.1, and 53060.01 to the Government Code, relating to local agencies.

Status:

Aug 15, 2024: In SENATE Committee on APPROPRIATIONS: Held in committee.

[+ Show full status history](#)

 PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

18.

California Assembly Bill 2561 (2023-2024)

CAA 2561 | [Tina McKinnor \(D-061\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Local Public Employees: Vacant Positions

Provides that the Meyers-Milias-Brown Act requires the governing body of a public agency to meet and confer regarding conditions of employment with representatives of recognized employee organizations. Requires a public agency to present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year. Entitles the organization to present at the hearing. Requires the agency, upon request of the organization, to include specified information during the hearing.

Code:

An act to add Section 3502.3 to the Government Code, relating to public employment.

Status:

Sep 22, 2024: Chaptered by Secretary of State. Chapter No. 2024-409

Sep 22, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

19.

California Assembly Bill 2631 (2023-2024)

CAA 2631 | [Mike Fong \(D-049\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2025

Local Agencies: Ethics Training

Requires the Fair Political Practices Commission, in consultation with the Attorney General, to create, maintain, and make available to local agency officials an ethics training course.

Code:

An act to amend Section 53235 of the Government Code, relating to local government.

[Approved by Governor August 26, 2024. Filed with Secretary of State August 26, 2024.]

Status:

Aug 26, 2024: Chaptered by Secretary of State. Chapter No. 2024-201

Aug 26, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

20.

California Assembly Bill 2715 (2023-2024)

CAA 2715 | [Tasha Boerner \(D-077\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2025

Ralph M. Brown Act: Closed Sessions

Provides that existing law authorizes a legislative body to hold a closed session with specified individuals on, among other things, matters posing a threat to the security of essential public services. Authorizes a legislative body to hold a closed session with other law enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information relating to cybersecurity.

Code:

An act to amend Section 54957 of the Government Code, relating to local government.

[Approved by Governor September 14, 2024. Filed with Secretary of State September 14, 2024.]

Status:

Sep 14, 2024: Chaptered by Secretary of State. Chapter No. 2024-243

Sep 14, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

BROWN_ACT

| No tags, commentary, or attachment applied

21.

California Assembly Bill 2770 (2023-2024)

CA A 2770 | Public Employment and Retirement | Enacted | Fiscal Committee (Yes) | Urgency Clause (No)
| Chaptered

Effective Dates: 01/01/2025

Public Employees Retirement

Relates to the Teachers Retirement System. Provides that existing law authorizes a member to request to purchase additional service credit and to redeposit accumulated retirement contributions returned to the member. Provides that existing law requires additional regular interest to be added to the contributions if the member is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional credit. Revises interest calculation.

Code:

An act to amend Sections 22801, 23200, 23201, 23202, 24600, and 26004 of the Education Code, and to amend Sections 31628, 31720.91, 31783.5, 75521, 75553, 75570, and 75571.5 of the Government Code, relating to public employees' retirement.

[Approved by Governor July 15, 2024. Filed with Secretary of State July 15, 2024.]

Status:

July 15, 2024: Chaptered by Secretary of State. Chapter No. 2024-117

July 15, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

22.

California Assembly Bill 3025 (2023-2024)

CA A 3025 | [Avelino Valencia \(D-068\)](#) and 2 Co-sponsors | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

County Employees' Retirement: Disallowed Compensation

Requires a retirement system established under the County Employees Retirement Law of 1937, upon determining that the compensation reported for a member is disallowed compensation, to require the employer to discontinue reporting the disallowed compensation. Requires, for an active member, the retirement system to credit all employer contributions made on the disallowed compensation against future contributions to the benefit of the employer that reported the disallowed compensation.

Code:

An act to add Section 31541.2 to the Government Code, relating to county employees' retirement.

Status:

Sep 22, 2024: Chaptered by Secretary of State. Chapter No. 2024-427

Sep 22, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Neutral

IBLC_Recommendation: Neutral

BOR_Position: Neutral

23.

California Senate Bill 252 (2023-2024)

CAS 252 | [Lena A. Gonzalez \(D-033\)](#) and 3 Co-sponsors | Failed - Adjourned | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Public Employment and Retirement...

Public Retirement Systems: Fossil Fuels: Divestment

Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Requires the boards to liquidate investments in a fossil fuel company on or before specified date. Suspend, temporarily, the liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.

Code:

An act to amend Section 16642 of, and to add Section 7513.76 to, the Government Code, relating to public retirement systems.

Status:

June 19, 2024: In ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Not heard.

[+ Show full status history](#)



PUBLIC_INVESTMENT

| No tags, commentary, or attachment applied

24.

California Senate Bill 537 (2023-2024)

CAS 537 | [Josh Becker \(D-013\)](#) and 18 Co-sponsors | To Governor | Fiscal Committee (Yes) | Urgency Clause (No) | To Governor

City or County of Los Angeles: Memorial

Authorizes a nonprofit organization representing Mexican Americans or Mexican immigrants to enter into negotiations to plan, construct, and maintain a memorial to Mexican Americans and Mexican immigrants who were forcibly deported from the United States during the Great Depression. Requires the memorial to be located at an appropriate public place in the City or County of Los Angeles. Requires the nonprofit to enter into negotiations with the Department of General Services and the agency with jurisdiction.

Code:

An act to add Sections 14638 and 14638.1 to the Government Code, relating to memorials.

Status:

Sep 10, 2024: *****To GOVERNOR.

[+ Show full status history](#)

BROWN_ACT

Commentary:

Comment:

Jul 28, 2024 - 5:45 P.M. (PDT)

Gutted and amended to relate to memorials.

25.

California Senate Bill 962 (2023-2024)

CAS 962 | [Steve Padilla \(D-018\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (Yes) | Chaptered

Effective Dates: 07/15/2024

San Diego Unified Port District: Public Employee

Provides that the California Public Employees' Pension Reform Act permits a public employer to adopt a new defined benefit formula that is not consistent with PEPRA, if that formula is determined and certified by the chief actuary and the board of that employer's retirement system to not have a greater risk or greater cost to the sponsoring employer than the defined benefit formula required by PEPRA. Approves a specified defined benefit formula applicable to employees of the San Diego Unified Port District.

Code:

An act relating to the public employee pension benefits, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 15, 2024. Filed with Secretary of State July 15, 2024.]

Status:

July 15, 2024: Chaptered by Secretary of State. Chapter No. 2024-126

July 15, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

26.

California Senate Bill 1034 (2023-2024)

CAS 1034 | [Kelly Seyarto \(R-032\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2025

California Public Records Act: State of Emergency

Revises the unusual circumstances under which the time limit may be extended to include the need to search for, collect, and appropriately examine records during a state of emergency, as defined, proclaimed by the Governor in the jurisdiction where the agency is located when the state of emergency currently affects, due to the state of emergency, the agency's ability to timely respond to requests due to staffing shortages or closure of facilities where the requested records are located, except as specified.

Code:

An act to amend Section 7922.535 of the Government Code, relating to public records.

[Approved by Governor July 18, 2024. Filed with Secretary of State July 18, 2024.]

Status:

July 18, 2024: Chaptered by Secretary of State. Chapter No. 2024-161

July 18, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RECORDS_ACT

| No tags, commentary, or attachment applied

27.

California Senate Bill 1189 (2023-2024)

CAS 1189 | [Monique Limon \(D-019\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2025

County Employees Retirement Law of 1937

Provides that the County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. Provides that CERL authorizes the board of retirement to appoint a retirement administrator, chief financial officer, chief operations officer, chief investment officer, and general counsel. Authorizes the board to appoint a chief technology officer.

Code:

An act to amend Section 31522.10 of the Government Code, relating to retirement.

[Approved by Governor July 15, 2024. Filed with Secretary of State July 15, 2024.]

Status:

July 15, 2024: Chaptered by Secretary of State. Chapter No. 2023-131

July 15, 2024: Signed by GOVERNOR.

[+ Show full status history](#)

 RETIREMENT_PERSONNEL

| No tags, commentary, or attachment applied

28.

California Senate Bill 1240 (2023-2024)

CAS 1240 | [Marie Alvarado-Gil \(D-004\)](#) | To Governor | Fiscal Committee (Yes) | Urgency Clause (Yes) | To Governor

Public Employees Retirement System: Contracting

Relates to the Public Employees' Retirement System. Authorizes a successor agency for the El Dorado County Fire Protection District and the Diamond Springs-El Dorado Fire Protection District to provide employees the defined benefit plan or formula that those employees received from their respective employer prior to the annexation.

Code:

An act to add Section 20508.3 to the Government Code, relating to public employees' retirement, and declaring the urgency thereof, to take effect immediately.

Status:

Aug 27, 2024: *****To GOVERNOR.

[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

29.

California Senate Bill 1379 (2023-2024)

CAS 1379 | [Bill Dodd \(D-003\)](#) | To Governor | Fiscal Committee (Yes) | Urgency Clause (Yes) | To Governor

Public Employees' Retirement Law: Reinstatement

Provides that under the Public Employees' Retirement System and the California Public Employees' Pension Reform Act, a retired member is subject to a specified hour limit of employment within a year for specified employers without reinstating in the system.

Creates an exception from the limit for hours worked by a retired person in an appointment by the Solano County Sheriff's Office to perform functions performed by a deputy sheriff, evidence technician or communications operator, under certain conditions.

Code:

An act to amend, repeal, and add Sections 7522.56 and 21224 of the Government Code, relating to public retirement, and declaring the urgency thereof, to take effect immediately.

Status:

Aug 23, 2024: *****To GOVERNOR.

[+ Show full status history](#)

 PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

30.

California Senate Bill 1441 (2023-2024)

CAS 1441 | [Ben Allen \(D-024\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Examination of Petitions: Time Limitations

Provides that Existing law, the California Public Records Act, requires state and local agencies to make their records available for public inspection. Provides that certain election petitions are not public records and are not open to inspection except by certain persons. Requires the examination to conclude no later than 60 days after it commenced. Authorizes the return of any money deposited in excess of the cost of the examination and provide that money not required to be refunded.

Code:

An act to amend Section 7924.110 of the Government Code, relating to petitions.

Status:

Sep 22, 2024: Chaptered by Secretary of State. Chapter No. 2024-479

Sep 22, 2024: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RECORDS_ACT

| No tags, commentary, or attachment applied

31.

California Proposition Removed (2024)

CA 2024 6 | State ID: 1935.(21-0042A1) | Removed from Ballot: 02/02/2023 | Qualification: 02/02/2023 | Election: 11/05/2024

Taxpayer Protection and Government Accountability Act

Requires, for new or increased state taxes currently enacted by two-thirds vote of Legislature, a statewide election and majority voter approval. Limits voters' ability to pass voter-proposed local special taxes by raising vote requirement to two-thirds. Eliminates voters' ability to advise how to spend revenues from proposed general tax on same ballot as the proposed tax. Expands definition of taxes.

BALLOT_INITIATIVES

Tags:

Staff_Recommendation:

IBLC_Recommendation:

BOR_Position:

Commentary:

Comment:

Jul 28, 2024 - 5:55 P.M. (PDT)

The California Supreme Court ordered that the ballot initiative not be certified for the November General Election. Voters will not be voting on the ballot initiative.

32.

United States House Bill 82 (2023-2024)

US H 82 | [Garret Graves \(R-LA 06\)](#) and 326 Co-sponsors | Pending | House Ways and Means Committee

Pension Offset and Windfall Elimination Repeal

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

Status:

Jan 9, 2023: To HOUSE Committee on WAYS AND MEANS.

Jan 9, 2023: INTRODUCED.

[+ Show full status history](#)

Related:

[US H 4583](#) |

[US S 597](#) |

[US S 2280](#)

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

33.

United States House Bill 957 (2023-2024)

US H 957 | [Abigail A. Spanberger \(D-VA 07\)](#) and 22 Co-sponsors | Pending | House Ways and Means Committee

Internal Revenue Code Retirement Plan Exclusion

Amends the Internal Revenue Code of 1986 to increase the amount excluded from gross income by reason of distributions from governmental retirement plans for health and long-term care insurance for public safety officers.

Status:

Feb 9, 2023: To HOUSE Committee on WAYS AND MEANS.

Feb 9, 2023: INTRODUCED.

[+ Show full status history](#)

HEALTHCARE

Tags:

Staff_Recommendation: Watch

IBLC_Recommendation: Watch

BOR_Position: Watch

34.

United States House Bill 4260 (2023-2024)

US H 4260 | [Richard E. Neal \(D-MA 01\)](#) and 106 Co-sponsors | Pending | House Ways and Means Committee

Equitable Social Security Formula

Amends specified title of the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision.

Status:

June 21, 2023: To HOUSE Committee on WAYS AND MEANS.

June 21, 2023: INTRODUCED.

[+ Show full status history](#)

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

35.

United States House Bill 5241 (2023-2024)

US H 5241 | [Gregory F. Murphy \(R-NC 03\)](#) and 6 Co-sponsors | Pending | House Ways and Means Committee

Governmental Pension Plans

Amends the Internal Revenue Code of 1986 to provide that governmental pension plans may include certain firefighters, emergency medical technicians, and paramedics.

Status:

Aug 18, 2023: To HOUSE Committee on WAYS AND MEANS.

Aug 18, 2023: To HOUSE Committee on EDUCATION AND THE WORKFORCE.

Aug 18, 2023: INTRODUCED.

[+ Show full status history](#)

PUBLIC_RETIREMENT

Tags:

Staff_Recommendation:

IBLC_Recommendation:

BOR_Position:

36.

United States House Bill 5342 (2023-2024)

US H 5342 | [Jodey Cook Arrington \(R-TX 19\)](#) and 36 Co-sponsors | Pending | House Ways and Means Committee

Windfall Elimination Provision Replacement

Amends title II of the Social Security Act to replace the windfall elimination provision with a formula equalizing benefits for certain individuals with noncovered employment.

Status:

Sep 5, 2023: To HOUSE Committee on WAYS AND MEANS.

Sep 5, 2023: INTRODUCED.

[+ Show full status history](#)

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

37.

United States Senate Bill 597 (2023-2024)

USS 597 | [Sherrod Brown \(D-OH\)](#) and 61 Co-sponsors | Pending | Senate Finance Committee

Government Pension Offset Repeal

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

Status:

Mar 1, 2023: To SENATE Committee on FINANCE.

Mar 1, 2023: In SENATE. Read second time.

Mar 1, 2023: INTRODUCED.

[+ Show full status history](#)

Related:

[US H 82](#) |

[US H 4583](#) |

[USS 2280](#)

SOCIAL_SECURITY

Tags:

Staff_Recommendation: [Support](#)

IBLC_Recommendation: [Support](#)

BOR_Position: [Support](#)

**FOR INFORMATION ONLY**

September 20, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger 
Chief Financial Officer

FOR: October 2, 2024 Board of Retirement Meeting
October 9, 2024 Board of Investments Meeting

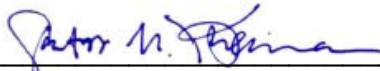
SUBJECT: MONTHLY TRUSTEE TRAVEL & EDUCATION REPORT – AUGUST 2024

Attached for your review is the monthly Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through August 2024.

Trustees attend monthly Board and Committee meetings at LACERA's office which are considered administrative meetings per the Trustee Travel Policy. In order to streamline report volume and information, these regular meetings are excluded from the monthly travel reports but are included in the quarterly travel expenditure reports.

Staff travel and education expenditure reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer

TG/EW/SC/SE/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Gabel
S. Rice
R. Contreras

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2024 - 2025
AUGUST 2024**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Nancy Durazo			
V	- Edu - Southern New Hampshire University: Principles of Finance & Public Fiscal Management Weekly Course - VIRTUAL	07/01/2024 - 08/25/2024	Attended
Mike Gatto			
A	1 Edu - 2024 SACRS UC Berkeley Public Pension Investment Management Program - Berkeley CA	07/14/2024 - 07/17/2024	Attended
B	- Edu - 2024 The Investment Diversity Exchange (TIDE) Spark - Laguna Niguel CA	07/10/2024 - 07/11/2024	Attended
Elizabeth Ginsberg			
B	- Edu - Pathways for Women Conference 2024 - Anaheim CA	08/26/2024 - 08/27/2024	Attended
Vivian Gray			
A	1 Edu - 2024 Koried Global Summit: What Matters Now in 2024: Trends and Insights for Tomorrow - Coral Gables FL	07/17/2024 - 07/19/2024	Attended
Patrick Jones			
B	- Edu - 2024 The Investment Diversity Exchange (TIDE) Spark - Laguna Niguel CA	07/10/2024 - 07/11/2024	Attended
Debbie Martin			
A	1 Edu - Harvard Business School Executive Education Program: Audit Committees in a New Era of Governance - Boston MA	07/17/2024 - 07/19/2024	Attended
Nicole Mi			
A	1 Edu - Harvard Business School Executive Education Program: Audit Committees in a New Era of Governance - Boston MA	07/17/2024 - 07/19/2024	Attended
B	- Edu - 2024 The Investment Diversity Exchange (TIDE) Spark - Laguna Niguel CA	07/10/2024 - 07/11/2024	Attended
	- Edu - Pathways for Women Conference 2024 - Anaheim CA	08/26/2024 - 08/27/2024	Attended

Category Legend:

- A - Pre-Approved/Board Approved Educational Conferences
- B - 1) Board Approved Administrative Meetings and 2) Pre-Approved Educational Conferences in CA where total cost is no more than \$3,000 provided that a Trustee may not incur over \$15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year per Trustee Travel Policy; Section III.A
- C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.
- V - Virtual Event
- X - Canceled events for which expenses have been incurred.



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

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



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

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



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