

## **Governance Committee Agenda**

### **REGULAR MEETING**

**TUESDAY, JULY 9, 2019**

**TIME: 9:30 A.M.**

### **MEETING LOCATION:**

LACERS Ken Spiker Boardroom  
202 West First Street, Suite 500  
Los Angeles, CA 90012-4401

Live Committee Meetings can be heard at: (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside), and (310) 547-CITY (San Pedro Area).

Chair: Nilza R. Serrano

Committee Members: Cynthia M. Ruiz  
Vacant

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghoukassian

Legal Counselor: City Attorney's Office  
Public Pensions General  
Counsel Division

Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at (213) 473-7169.

- I. PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION
- II. [APPROVAL OF MINUTES FOR THE SPECIAL MEETING OF JANUARY 22, 2019, AND POSSIBLE COMMITTEE ACTION](#)
- III. [TRIENNIAL BOARD POLICY REVIEW: MISSION, VISION, GUIDING PRINCIPLES, STRATEGIC GOALS; AND STRATEGIC PLANNING POLICY AND POSSIBLE COMMITTEE ACTION](#)
- IV. [POLICY ON MEMBER SOLICITATION AND DISTRIBUTION AND POSSIBLE COMMITTEE ACTION](#)
- V. OTHER BUSINESS
- VI. NEXT MEETING: The next Governance Committee meeting is not scheduled at this time, and will be announced upon scheduling.
- VII. ADJOURNMENT



**Board of Administration Agenda**

**SPECIAL MEETING**

**TUESDAY, JULY 9, 2019**

**TIME: 9:30 A.M.**

**MEETING LOCATION:**

LACERS Ken Spiker Boardroom  
202 West First Street, Suite 500  
Los Angeles, CA 90012-4401

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President:	Cynthia M. Ruiz
Vice President:	Vacant
Commissioners:	Annie Chao Elizabeth Lee Sandra Lee Nilza R. Serrano Sung Won Sohn Michael R. Wilkinson
Manager-Secretary:	Neil M. Guglielmo
Executive Assistant:	Ani Ghoukassian
Legal Counsel:	City Attorney's Office Public Pensions General Counsel Division

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- I. PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION
- II. APPROVAL OF MINUTES FOR THE SPECIAL MEETING OF JANUARY 22, 2019, AND POSSIBLE COMMITTEE ACTION
- III. TRIENNIAL BOARD POLICY REVIEW: MISSION, VISION, GUIDING PRINCIPLES, STRATEGIC GOALS; AND STRATEGIC PLANNING POLICY AND POSSIBLE COMMITTEE ACTION
- IV. POLICY ON MEMBER SOLICITATION AND DISTRIBUTION AND POSSIBLE COMMITTEE ACTION
- V. OTHER BUSINESS
- VI. NEXT MEETING: The next Governance Committee meeting is not scheduled at this time, and will be announced upon scheduling.
- VII. ADJOURNMENT

MINUTES OF THE SPECIAL MEETING  
BOARD OF ADMINISTRATION  
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

LACERS Ken Spiker Boardroom  
202 West First Street, Suite 500  
Los Angeles, California

Agenda of: July 9, 2019  
Item No: II

January 22, 2019

9:50 a.m.

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PRESENT:	Chair:	Nilza R. Serrano
	Committee Member:	Cynthia M. Ruiz
	Commissioner:	Elizabeth Lee Sandra Lee Michael Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
	Legal Counselor:	Anya Freedman
ABSENT:	Committee Member:	Elizabeth L. Greenwood

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*The Items in the Minutes are numbered to correspond with the Agenda.*

Commissioners Elizabeth Lee, Sandra Lee, and Wilkinson were present, this is considered a Special Meeting of the Board of Administration. Any votes taken will be taken by Governance Committee Members only.

I

PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION – Chair Serrano asked if any persons wished to speak on matters within the Committee's jurisdiction, to which there was no response and no public comment cards were received.

II

APPROVAL OF MINUTES FOR THE GOVERNANCE COMMITTEE MEETING OF NOVEMBER 27, 2018, AND POSSIBLE COMMITTEE ACTION – A Motion to approve the Minutes of November 27, 2018 as presented was moved by Committee Member Ruiz, and adopted by the following vote: Committee Member Ruiz and Chair Serrano - Ayes, 2; Nays, None.

III

TRIENNIAL BOARD POLICY REVIEW: BOARD PROCEDURES, BOARD EDUCATION AND TRAVEL POLICY, CORPORATE GOVERNANCE ACTIONS RESPONSE PROTOCOL AND POSSIBLE COMMITTEE ACTION – Edeliza Fang, Senior Management Analyst II with Administrative Services Division presented this item to the Committee. Anya Freedman, Assistant City Attorney, suggested as with the Board President, when the Chair of a Committee is leaving early they should assign another Committee Member to take his/her place for the duration of the meeting. A Motion was moved by Committee Member Ruiz, and adopted by the following vote: Ayes, Committee Member Ruiz and Chair Serrano -2; Nays, None.

IV

OTHER BUSINESS – There was no further business discussed.

V

NEXT MEETING – The next Committee Meeting is not yet scheduled.

VI

ADJOURNMENT – There being no further business before the Committee, Chair Serrano adjourned the Meeting at 9:54 a.m.

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Nilza R. Serrano  
Chair

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Neil M. Guglielmo  
Manager-Secretary



**REPORT TO GOVERNANCE COMMITTEE**  
From: Neil M. Guglielmo, General Manager

**MEETING: JULY 9, 2019**

**ITEM: III**

*Life Payroll for NMG*

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**SUBJECT: TRIENNIAL BOARD POLICY REVIEW: MISSION, VISION, GUIDING PRINCIPLES, STRATEGIC GOALS; AND STRATEGIC PLANNING POLICY AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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### Recommendation

That the Committee consider the following:

- 1) Proposed revision to the LACERS Board Governance Statement, Section 1.4: Mission, Vision, Guiding Principles, Strategic Goals
- 2) Proposed revision to the LACERS Board Administrative Policies, Section 5.2: Strategic Planning Policy

### Executive Summary

This report continues the triennial review of the LACERS Board Governance Policies. Staff recommends revisions to the Board Governance Statement and the Board Administrative Policies concerning LACERS' mission, vision, guiding principles, strategic goals, and the Strategic Planning Policy. The remaining policy to be reviewed is the Board Education and Travel Policy which will complete the triennial review of the Board Governance Policies.

### Discussion

As part of the comprehensive triennial review of the LACERS Board Governance Policies, staff proposes revisions to Section 1.4: Mission, Vision, Guiding Principles, Strategic Goals to correspond with LACERS' new Strategic Plan which was adopted by the Board in February 2019. LACERS participated in a strategic planning process in the latter part of 2018 and engaged with Board Members, executive and senior management staff, Commission support staff, Active and Retired Members, Office of the City Attorney staff, and LACERS' employees to obtain feedback on their vision of the organization's future. The update of the Strategic Plan, which includes enhancements to LACERS' mission, vision, guiding principles, and strategic goal areas, is the result of this collaborative effort. The proposed updates to the Board Governance Statement of the Board Manual are in accordance with the adopted LACERS Strategic Plan.

Additionally, staff reviewed Section 5.2: Strategic Planning Policy of the Board Manual and proposes the revision to the lifespan of the strategic plan. Because the process involved in the update of the strategic plan is comprehensive and the direction of the Strategic Plan may remain relevant to the Board for a period greater than three years, staff proposes that the life cycle of the plan be revised from every three years to a range of three-to-five years. In the event that there are any needed changes to the strategic plan document, the Board has the opportunity to consider and approve revisions during the plan's annual review or on an as-needed basis.

There are two attachments to this report: (A) a redline version of the policies showing only the proposed changes, and (B) a clean version of the proposed policies accepting the changes to the redline version. Upon the Committee's finalization of the proposed revised Mission, Vision, Guiding Principles, Strategic Goals section of the Board Governance Statement as well as the Strategic Planning Policy of the Board Administrative Policies, they will be presented to the Board for further consideration and approval.

### **Strategic Plan Impact Statement**

The review of the Board Governance Statement and the Board Administrative Policies of the LACERS Board Manual conforms with the LACERS Strategic Plan Board Governance Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Edeliza Fang, Senior Management Analyst II

NMG/DWN:EF

Attachments: 1. Board Policies – Redline Version  
2. Board Policies – Clean Version

Section 5.0 OTHER

## 1.4 Mission, Vision, **Motto**, Guiding Principles, Strategic Goals

*Adopted: March 12, 2013; Revised: July 9, 2019*

### Vision Statement

~~LACERS aspires to be valued by our Members for excellence in all we do.~~ Trusted by our Members and partners for excellence, innovation, professionalism, and transparency.

### Mission Statement

~~To establish a trustworthy lifelong relationship serving our Members through reliable and efficient delivery of benefits funded by prudent investment of plan assets.~~ To protect and grow our trust fund and to ensure the sustainable delivery of ethical, reliable, and efficient retirement services to our Members.

### Motto

*"Securing Your Tomorrows"*

### Guiding Principles

We are inspired by our mission to establish a trustworthy lifelong relationship serving our Members. Our Guiding Principles embody the traits that we as an organization value and espouse to be necessary in our every interaction to meet this mission. When faced with a decision, the desired path is that which best emulates our Guiding Principles.

#### **Character**

~~As a member of the LACERS team, we must continually seek to present a character that demonstrates honesty, integrity, prudence, superior judgment, and transparency. Character personifies who we are, what we represent, and defines our reputation. It shapes attitude, controls demeanor, and establishes commitment. It is individually personal and unique, and leaves a lasting impression upon people with whom we interact. Character provides the best assurance to LACERS Members that their retirement benefits are secure -- today and tomorrow.~~

#### **Professionalism** – *Be the best you can be*

~~A successful LACERS employee strives to be a consummate professional who demonstrates commitment to his or her work, expert knowledge and skill, and the initiative to share and enhance that body of knowledge. Professionals act with integrity in all endeavors, remaining businesslike, rational, and polite no matter the situation. As our Members rely on us to be professional, we dedicate ourselves to seeking answers and solving problems with a positive attitude. We demonstrate professionalism by exhibiting qualities of honesty, integrity, accountability, and good character. We take pride in producing high-quality work and delivering excellent customer service to our Members while maintaining composure in challenging situations. We are committed to professional growth to better serve the Department and our Members.~~

#### **Innovation** – *Seek continuous improvement*

~~We strive to continuously improve our operational process by being open-minded and by encouraging, promoting, implementing, and valuing new ideas and solutions to better serve our Members in the delivery of retirement benefits. We are committed to leveraging technology to efficiently administer and achieve LACERS' strategic goals.~~

## Section 5.0 OTHER

**Respect** – *Treat others as you would like to be treated*

~~A successful LACERS team member treats our Members, co-workers, and others with respect. We appreciate and consider everyone's beliefs, experience, knowledge, opinions, and values without judgment, and respond in a manner that facilitates collaboration toward the common goal of an excellent Member experience. We value, appreciate, and recognize everyone's ideas, perspectives, experiences, knowledge, and opinions without judgment. We treat our Members, co-workers, and others with politeness, courtesy, civility, and thoughtfulness. We do not compromise people's privacy as it is their right.~~

**Kindness & Caring** – *Be nice*

~~A successful LACERS team member performs their work guided by the principle of kindness and with it practices patience, listens carefully, and responds to our members, co-workers and others in a friendly, open, and considerate manner. How we treat each other will ultimately affect how we treat our Members. We demonstrate kindness and caring by showing empathy, friendliness, helpfulness, and patience toward our Members, co-workers, and others. We respond to our Members and others in a respectful and considerate manner without regard to expecting anything in return.~~

**Teamwork** – *Work as a team whenever possible*

~~At LACERS, teamwork is the foundation for effective communication, exchange of ideas, and success of the organization. We are committed to the collaborative efforts and trusting relationships we have within LACERS. Our partnership of professionalism and active participation makes us effective and efficient in achieving our common goal of service to our Members, and to each other. We value and support the growth, development, and contribution of each employee. We encourage their participation in team efforts whenever possible and collaborate with others for a better result. Doing so will produce the highest quality of service for our Members and stakeholders.~~

**Strategic Goals**

- ~~I. Outstanding customer service~~
- ~~II. Accurate and timely delivery of member benefits~~
- ~~III. Maximize value and minimize costs of our health and welfare program~~
- ~~IV. Achieve satisfactory long-term risk adjusted investment returns~~
- ~~V. Uphold good governance practices which affirm transparency, accountability, and fiduciary duty~~
- ~~VI. Maximize organizational effectiveness and efficiency~~
- ~~VII. Recruit, mentor, empower, and promote a high-performing workforce~~
  - I. Customer Service – To provide outstanding customer service
  - II. Benefits Delivery – To deliver accurate and timely Member benefits
  - III. Health and Wellness – To improve value and minimize costs of Members' health and wellness benefits
  - IV. Investment – To optimize long-term risk adjusted returns through superior investments
  - V. Governance – To uphold good governance practices which affirm transparency, accountability, and fiduciary duty
  - VI. Organization – To increase organizational effectiveness, efficiency, and resiliency
  - VII. Workforce – To recruit, retain, mentor, empower, and promote a high-performing workforce

*Related Policy: Strategic Planning Policy*

Section 5.0 OTHER

## Section 5.0 OTHER

**5.2 STRATEGIC PLANNING POLICY***Adopted: March 12, 2013; Revised: July 9, 2019*

The Board and executive management of LACERS recognize that the best way to be efficient and orderly in fulfilling the legal responsibilities and Mission of the organization is through strategic planning. By adopting this policy, the Board states its intention to engage with management in a regular, systematic planning process to continually improve benefits administration, assess customer service, enhance investment performance, and evaluate new opportunities to fulfill the Mission of LACERS.

The purpose of this policy is to establish a framework for long range strategic planning that will guide shorter term (annual) business plans of the organization. Establishment of the strategic plan establishes general parameters within which decisions will be made while the business plan focuses resources on high value activities within those parameters.

**The principles that the Board has adopted for strategic planning are:**

- The LACERS strategic plan is developed through the cooperative efforts of the Board and **executive** management consisting of a strategic planning process and the resulting written strategic plan document.
- The strategic plan will be a rolling three-to-five-year plan which is initially established but allows for updates annually or as needed within the said three-to-five-year period.
- **An annual strategic plan review will be brought by the General Manager to the Board for review and evaluation and will consist of:**
  1. **A written progress report under the plan**
  2. **Discussion of new initiatives**
  3. **Discussion of significant changes in the direction of the System**
  4. **Affirmation or revisions to the strategic plan elements**
  5. **In year three and four of the strategic plan, the Board may consider engaging in a strategic planning session**
- The Board and management ~~will engage~~ may conduct in a **triennial strategic planning session, which includes including** an environmental scan (SWOT analysis) in year three or four, but no later than year five, ~~and establishing/reaffirming the LACERS mission, vision, guiding principles, and three-year goals.~~
- ~~An annual strategic plan review will be brought by the General Manager to the Board for review and evaluation and will consist of:~~
  1. ~~A written progress report under the plan~~
  2. ~~Discussions of new initiatives~~
  3. ~~Discussions of significant changes in direction of the System~~
- Input from staff, stakeholders, and other interested parties will be solicited throughout the year.
- When the strategic plan has been updated, it will be communicated to the entire staff of LACERS and to other stakeholders.
- The Board's consensus view of progress under the plan will be one factor among others in the performance assessment of the General Manager.

**The Board is responsible for:**

- Reaching consensus and adopting the **triennial strategic plan** for LACERS, including the vision, mission, guiding principles and **strategic** goals.

## Section 5.0 OTHER

- Assessing the System's strengths and weaknesses as well as the opportunities and threats in the LACERS' environment through a strategic planning session facilitated preferably by a consultant/third party.
- Reviewing and reaching consensus on priorities under each goal and initiative.
- Approving an operational budget that takes into account the upcoming year's initiatives under the strategic plan.
- Monitoring the impact and progress of initiatives toward achieving the strategic plan goals through various methods of reporting or review which satisfy the Board's responsibility to ensure proper management of the System. This could include the Board establishing a schedule to receive detailed reports on each individual initiative on a rotating basis; assigning oversight of goals to committees and requesting their regular view of initiatives under their goal; adding a statement at the conclusion of every Board report which indicates how the item relates to a strategic plan goal; and if the item is an initiative, that its progress as an initiative also be reported.
- The Board will review the *Strategic Planning Policy* at least every three years to ensure that it remains relevant and appropriate.

**The General Manager is responsible for:**

- Preparing for or engaging a consultant to facilitate the *triennial strategic planning session* for the Board and executive management.
- Drafting the initial long-range strategic plan that reflects the consensus view of the Board as to the mission, vision, motto, guiding principles, and strategic goals of the department.
- Developing and managing the annual business plan to include strategies/initiatives for the achievement of the strategic plan goals.
- Closely monitoring progress under the plan by assigning responsibility to staff, consultants, and others, to develop detailed action plans that include timelines and budgets for the purpose of determining progress on the initiatives.
- Preparing progress reports for the Board annually and as needed.
- Preparing a timely written report to the Board to keep them apprised of any major issues with progress on a strategic initiative.
- Surveying the Board periodically to ensure they are receiving a satisfactory level of reporting on the strategic plan. Scheduling an *annual strategic planning review* for the purpose of adopting an annual business plan and updating the vision, mission, motto, guiding principles, and strategic goals, if needed.
- Seeking input from staff and stakeholders about key strategic issues prior to the *triennial strategic planning session* and *annual strategic plan review*.
- Identifying critical issues, business risks, opportunities, and needs of LACERS.
- Recommending to the Board any modifications that should be made to the plan.

The *Strategic Planning Policy* shall be reviewed by the Board at least every three years to ensure that it remains relevant and appropriate.

Section 1.0 GOVERNANCE PRINCIPLES

**1.4 Mission, Vision, Motto, Guiding Principles, Strategic Goals**

*Adopted: March 12, 2013; Revised: July 9, 2019*

**Vision Statement**

Trusted by our Members and partners for excellence, innovation, professionalism, and transparency.

**Mission Statement**

To protect and grow our trust fund and to ensure the sustainable delivery of ethical, reliable, and efficient retirement services to our Members.

**Motto**

*“Securing Your Tomorrows”*

**Guiding Principles**

We are inspired by our mission to establish a trustworthy lifelong relationship serving our Members. Our Guiding Principles embody the traits that we as an organization value and espouse to be necessary in our every interaction to meet this mission. When faced with a decision, the desired path is that which best emulates our Guiding Principles.

***Professionalism – Be the best you can be***

We demonstrate professionalism by exhibiting qualities of honesty, integrity, accountability, and good character. We take pride in producing high-quality work and delivering excellent customer service to our Members while maintaining composure in challenging situations. We are committed to professional growth to better serve the Department and our Members.

***Innovation – Seek continuous improvement***

We strive to continuously improve our operational process by being open-minded and by encouraging, promoting, implementing, and valuing new ideas and solutions to better serve our Members in the delivery of retirement benefits. We are committed to leveraging technology to efficiently administer and achieve LACERS' strategic goals.

***Respect – Treat others as you would like to be treated***

We value, appreciate, and recognize everyone's ideas, perspectives, experiences, knowledge, and opinions without judgment. We treat our Members, co-workers, and others with politeness, courtesy, civility, and thoughtfulness. We do not compromise people's privacy as it is their right.

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We demonstrate kindness and caring by showing empathy, friendliness, helpfulness, and patience toward our Members, co-workers, and others. We respond to our Members and others in a respectful and considerate manner without regard to expecting anything in return.

***Teamwork – Work as a team whenever possible***

We value and support the growth, development, and contribution of each employee. We encourage their participation in team efforts whenever possible and collaborate with others for a better result. Doing so will produce the highest quality of service for our Members and stakeholders.

**Section 1.0 GOVERNANCE PRINCIPLES**

**Strategic Goals**

- I. Customer Service – To provide outstanding customer service
- II. Benefits Delivery – To deliver accurate and timely Member benefits
- III. Health and Wellness – To improve value and minimize costs of Members' health and wellness benefits
- IV. Investment – To optimize long-term risk adjusted returns through superior investments
- V. Governance – To uphold good governance practices which affirm transparency, accountability, and fiduciary duty
- VI. Organization – To increase organizational effectiveness, efficiency, and resiliency
- VII. Workforce – To recruit, retain, mentor, empower, and promote a high-performing workforce

*Related Policy: Strategic Planning Policy*

## Section 5.0 OTHER

### 5.2 STRATEGIC PLANNING POLICY

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The purpose of this policy is to establish a framework for long range strategic planning that will guide shorter term (annual) business plans of the organization. Establishment of the strategic plan establishes general parameters within which decisions will be made while the business plan focuses resources on high value activities within those parameters.

#### **The principles that the Board has adopted for strategic planning are:**

- The LACERS strategic plan is developed through the cooperative efforts of the Board and executive management consisting of a strategic planning process and the resulting written strategic plan document.
- The strategic plan will be a rolling three-to-five-year plan which is initially established but allows for updates annually or as needed within the said three-to-five-year period.
- An annual strategic plan review will be brought by the General Manager to the Board for review and evaluation and will consist of:
  - A written progress report under the plan
  - Discussion of new initiatives
  - Discussion of significant changes in the direction of the System
  - Affirmation or revisions to the strategic plan elements
  - In year three and four of the strategic plan, the Board may consider engaging in a strategic planning session
- The Board and management may conduct a *strategic planning session*, including an environmental scan (SWOT analysis) in year three or four, but no later than year five.
- Input from staff, stakeholders, and other interested parties will be solicited throughout the year.
- When the strategic plan has been updated, it will be communicated to the entire staff of LACERS and to other stakeholders.
- The Board's consensus view of progress under the plan will be one factor among others in the performance assessment of the General Manager.

#### **The Board is responsible for:**

- Reaching consensus and adopting the *strategic plan* for LACERS, including the vision, mission, guiding principles and strategic goals.
- Assessing the System's strengths and weaknesses as well as the opportunities and threats in the LACERS' environment through a strategic planning session facilitated preferably by a consultant/third party.
- Reviewing and reaching consensus on priorities under each goal and initiative.
- Approving an operational budget that takes into account the upcoming year's initiatives under the strategic plan.

### Section 5.0 OTHER

- Monitoring the impact and progress of initiatives toward achieving the strategic plan goals through various methods of reporting or review which satisfy the Board's responsibility to ensure proper management of the System. This could include the Board establishing a schedule to receive detailed reports on each individual initiative on a rotating basis; assigning oversight of goals to committees and requesting their regular view of initiatives under their goal; adding a statement at the conclusion of every Board report which indicates how the item relates to a strategic plan goal; and if the item is an initiative, that its progress as an initiative also be reported.
- The Board will review the *Strategic Planning Policy* at least every three years to ensure that it remains relevant and appropriate.

**The General Manager is responsible for:**

- Preparing for or engaging a consultant to facilitate the *strategic planning session* for the Board and executive management.
- Drafting the initial long-range strategic plan that reflects the consensus view of the Board as to the mission, vision, motto, guiding principles, and strategic goals of the department.
- Developing and managing the annual business plan to include strategies/initiatives for the achievement of the strategic plan goals.
- Closely monitoring progress under the plan by assigning responsibility to staff, consultants, and others, to develop detailed action plans that include timelines and budgets for the purpose of determining progress on the initiatives.
- Preparing progress reports for the Board annually and as needed.
- Preparing a timely written report to the Board to keep them apprised of any major issues with progress on a strategic initiative.
- Surveying the Board periodically to ensure they are receiving a satisfactory level of reporting on the strategic plan. Scheduling an *annual strategic planning review* for the purpose of adopting an annual business plan and updating the vision, mission, motto, guiding principles, and strategic goals, if needed.
- Seeking input from staff and stakeholders about key strategic issues prior to the *strategic planning session* and *annual strategic plan review*.
- Identifying critical issues, business risks, opportunities, and needs of LACERS.
- Recommending to the Board any modifications that should be made to the plan.

The *Strategic Planning Policy* shall be reviewed by the Board at least every three years to ensure that it remains relevant and appropriate.



**REPORT TO GOVERNANCE COMMITTEE**  
From: Neil M. Guglielmo, General Manager

*Neil M. Guglielmo*

**MEETING: JULY 9, 2019**  
**ITEM: IV**

**SUBJECT: POLICY ON MEMBER SOLICITATION AND DISTRIBUTION AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Committee recommend to the Board adoption of the Member Solicitation and Distribution Policy.

**Executive Summary**

This policy was developed to limit third-party exposure to LACERS Members and staff regarding the selling of goods or services, distribution of promotional materials, and use of LACERS resources.

**Discussion**

At its April 23, 2019 meeting, the Board requested that staff develop a policy to address representation of outside organizations at LACERS Member events. Because LACERS has limited the organizations that attend Member events, the Board was concerned that some organizations may have an unfair advantage over others by having greater exposure to Members.

Staff, working with the Office of the City Attorney, has drafted a policy on solicitation and distribution, which addresses organization attendance at Member events, visits to the LACERS workplace, distribution of promotional materials, and use of LACERS resources.

Staff is seeking approval of or feedback regarding the draft policy.

**Strategic Plan Impact Statement**

This policy supports LACERS Strategic Plan goal of providing excellent customer service by shielding Members from organizations or individuals that would like to promote or sell something at LACERS events or on LACERS' premises.

Prepared By: Alex Rabrenovich, Chief Benefits Analyst and Karen Freire, Chief Benefits Analyst

NMG/AR:ar

Attachments: 1. Policy on Member Solicitation and Distribution

## **Policy on Member Solicitation and Distribution**

### **Purpose and Application**

LACERS' primary duty of loyalty is to LACERS Members and their beneficiaries. As a department of the City of Los Angeles, and to improve the services provided to LACERS' Members, LACERS also may facilitate the exchange of information with other City departments and with the City's stakeholders, including representatives of labor and nonprofit organizations.

This policy furthers LACERS' fiduciary responsibilities of loyalty and impartiality and its obligation to efficiently and securely administer benefits for LACERS Members and beneficiaries. This policy also supports LACERS' goal of remaining neutral in regards to providing outside agencies with direct access to LACERS Members.

This policy governs solicitation, distribution of written material, and entry into LACERS premises and work areas, for all organizations outside of LACERS. This policy applies to all LACERS events and counseling sessions, and it applies to all vendors and/or outside organizations and individuals who seek access to LACERS Members and beneficiaries at these events.

Exclusions: This policy does not apply to normal business contacts by contractors with whom LACERS has entered into a formal contract; contacts and communications with LACERS contractors and potential bidders are governed by other LACERS policies and procedures. This policy does not apply to permitted activities and contacts authorized by other laws, including but not limited to provisions of the City Charter and Administrative Code, the California Labor Code, and the Meyers-Milias-Brown Act.

### **Policy**

- Solicitation and sales are prohibited in any LACERS work area, and during any LACERS event, except as authorized under this policy.
- No organization, business or individual may be allowed to set-up, solicit, post, or distribute materials, or use LACERS resources or systems at any time at any LACERS events, counseling sessions, or work areas without the written approval of LACERS Management.
- In considering a request for approval by an organization, LACERS Management shall consider, but shall not be limited to considering: the organization's status as a non-profit and whether the organization has been approved to receive deductions from monthly payments administered by the City or LACERS.

- LACERS' resources or systems may not be used for the purposes of sales or solicitations without the express written permission of LACERS Management.
- City of Los Angeles employees are prohibited from engaging in solicitation during work time and from distributing or posting any promotional materials in any work area of LACERS at any time, including non-work time, except that postings that comply with other applicable policies on designated employee bulletin boards will be permitted.
- LACERS may provide information on behalf of outside organizations at LACERS events, subject to the approval of LACERS Management, within the parameters designated below. LACERS is not responsible for maintaining changes to this information. It is up to the organization to contact LACERS to request any updates to previously-provided information.

The following information may be provided, subject to the approval of LACERS Management:

- Name of Organization
- Organization e-mail
- Organization phone number and/or fax
- A brief paragraph describing the organization and benefits of membership, if any, not to exceed four printed lines of text.

## Definitions

For the purpose of this policy

**Solicitation** refers to canvassing, soliciting or seeking to obtain membership in or support for any organization, requesting contributions, and posting or distributing any materials (as defined below) on LACERS premises or using LACERS resources (including but not limited to bulletin boards, postings, postcards, chalking, leaflets, computers, mail, e-mail and telecommunications systems, photocopiers, fax, telephone lists and network systems, and databases, supplies or other workplace equipment).

**Sales** means selling, purchasing or offering goods and services for sale or purchase, distributing advertising materials, circulars or product samples, or engaging in any other conduct relating to any outside commercial interest or personal or professional economic benefit.

**Materials** means handbills, flyers, posters, pamphlets, petitions, promotional items, and the like of any kind.

**Work time** means the period of time during working hours when an employee is engaged in or is expected to be engaged in service on behalf of LACERS. Work time does not include the employee's lunch period or work breaks or other periods where the employee is not on duty.

**Work area** means those areas of LACERS' premises in which regular LACERS activity takes place including but not limited to offices, rented facilities, and event venues.

**LACERS Management** means the LACERS Board of Administration, General Manager, or the General Manager or Board's authorized designee.