



Board of Administration Agenda

REGULAR MEETING
TUESDAY, AUGUST 13, 2019
TIME: 10:00 A.M.

MEETING LOCATION:
LACERS Ken Spiker Boardroom
202 West First Street, Suite 500
Los Angeles, California 90012-4401

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

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.

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

- I. PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION
- II. [APPROVAL OF MINUTES FOR REGULAR BOARD MEETING OF JULY 23, 2019 AND POSSIBLE BOARD ACTION](#)
- III. BOARD PRESIDENT VERBAL REPORT
- IV. GENERAL MANAGER VERBAL REPORT
 - A. REPORT ON DEPARTMENT OPERATIONS
 - B. UPCOMING AGENDA ITEMS
- V. RECEIVE AND FILE ITEMS
 - A. [BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER](#)

- B. [MARKETING CESSATION NOTIFICATION](#)
 - C. [COMMISSIONER ELIZABETH LEE BOARD EDUCATION EVALUATION ON SACRS PUBLIC PENSION INVESTMENT MANAGEMENT PROGRAM 2019, BERKELEY, CA; JULY 22-24, 2019](#)
- VI. COMMITTEE REPORT(S)
- A. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT ON THE MEETING OF AUGUST 13, 2019
 - B. [AUDIT COMMITTEE REPORT – CONTRACTOR DISCLOSURE REPORTING POLICY AND POSSIBLE BOARD ACTION](#)
- VII. BOARD/DEPARTMENT ADMINISTRATION
- A. [GENERAL MANAGER DESIGNEE SIGNATURE AUTHORITY AND POSSIBLE BOARD ACTION](#)
 - B. [TRAVEL AUTHORITY – COMMISSIONER ANNIE CHAO; NATIONAL CONFERENCE ON PUBLIC EMPLOYEE RETIREMENT SYSTEM PUBLIC PENSION FUNDING FORUM, NEW YORK, NY; SEPTEMBER 11-13, 2019 AND POSSIBLE BOARD ACTION](#)
- VIII. INVESTMENTS
- A. CHIEF INVESTMENT OFFICER VERBAL REPORT
 - B. [NOTIFICATION OF COMMITMENT OF UP TO \\$20 MILLION IN BROADVIEW REAL ESTATE PARTNERS FUND, L.P.](#)
- IX. DISABILITY RETIREMENT APPLICATION(S)
- A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF FELICIA FAIR AND POSSIBLE BOARD ACTION**
 - B. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF ROSE HOWARD AND POSSIBLE BOARD ACTION**
- X. OTHER BUSINESS
- XI. NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, August 27, 2019 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.
- XII. ADJOURNMENT

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

LACERS Ken Spiker Boardroom
202 West First Street, Fifth Floor
Los Angeles, California

July 23, 2019

10:05 a.m.

Agenda of: <u>Aug. 13, 2019</u>
--

Item No: <u>II</u>

PRESENT:	President:	Cynthia M. Ruiz
	Vice President:	Vacant
	Commissioners:	Annie Chao
		(left at 1:36 p.m.) Sandra Lee
		Nilza R. Serrano
		Sung Won Sohn
		Michael R. Wilkinson
	Manager-Secretary:	Lita Payne
	Executive Assistant:	Ani Ghoukassian
	Legal Counsel:	Anya Freedman
ABSENT:	Commissioner	Elizabeth Lee

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

I

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

II

APPROVAL OF MINUTES FOR REGULAR BOARD MEETING OF JULY 9, 2019 AND POSSIBLE BOARD ACTION – A motion to approve the Regular Board Meeting minutes of July 9, 2019 was moved by Commissioner Serrano, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -6; Nays, None.

Agenda items IV and VII-A were taken out of order.

IV

BOARD PRESIDENT VERBAL REPORT – President Ruiz announced that she has finalized the Commissioner Committee assignments for FY20.

VII

BOARD GOVERNANCE

- A. ELECTION OF BOARD OFFICERS FOR FISCAL YEAR 2019-20 AND POSSIBLE BOARD ACTION – President Ruiz asked for nominations for the office of LACERS Board President. Commissioner Serrano nominated Commissioner Ruiz for the Office of President. President Ruiz asked if there were any further nominations, to which there was no response. Upon closing of the nomination process, President Ruiz called for votes in favor of Commissioner Ruiz as President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz; Nays, None. Commissioner Ruiz was re-elected to the Office of President for Fiscal Year 2019-20 until replaced or re-elected at the next Board Officer election.

President Ruiz asked for nominations for the office of LACERS Board Vice President. Commissioner Serrano nominated Commissioner Elizabeth Lee for the Office of Vice President. President Ruiz asked if there were any further nominations, to which Commissioner Chao nominated Commissioner Wilkinson for the Office of Vice President. Upon closing of the nomination process, President Ruiz called for votes in favor of Commissioner Elizabeth Lee as Vice President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Serrano, Sohn, and President Ruiz; Nays, Commissioners Chao, Sandra Lee, and Wilkinson. As there was no majority vote, President Ruiz call for votes in favor of Commissioner Wilkinson as Vice President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Chao, Sandra Lee, Sohn, and Wilkinson; Nays, Commissioners Serrano and President Ruiz. Commissioner Wilkinson was elected to the Office of Vice President for Fiscal Year 2019-20 until replaced or re-elected at the next Board Officer election.

James Napier, Deputy City Attorney was present during the Disability Retirement Applications discussion.

III

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDERATION OF SERVICE-CONNECTED SURVIVORSHIP FOR SURVIVING SPOUSE OF DECEASED MEMBER CLAYTON KADEKAWA AND POSSIBLE BOARD ACTION – Nguyet Hoang Kadekawa, spouse of deceased member Clayton Kadekawa and Ferralyn Sneed, Senior Management Analyst II with Retirement Services Division discussed this item with the Board. Commissioner Chao moved approval, seconded by Commissioner Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -6; Nays, None.

President Ruiz recessed the Regular Meeting at 10:20 a.m. to convene in Closed Session.

- B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF DAVID BAEK AND POSSIBLE BOARD ACTION (HEARING)**
- C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF KAREN DEAN AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 11:16 a.m. and announced that the Board approved the Disability Retirement Application of David Baek and approved the Disability Retirement Application of Karen Dean.

V

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Lita Payne, Assistant General Manager, discussed the following items:
- Staff has implemented further automation of the Excess Benefit Plan this month with the Controller's Office.
 - LAPD has begun efforts to address sworn staff who are on modified duty assignment.
 - In September, LACERS key emergency response and management staff will be involved in an all-day emergency drill.
 - The Federal Government House recently passed a bill to repeal the Cadillac Tax.
 - Wally Oyewole, Departmental Audit Manager, has analyzed proposed legislation primarily focused on the private equity industry titled Stop Wall Street Looting Act of 2019.
 - Active employee and retired member financial planning workshop scheduled for August 3rd, in Ontario.
 - For fiscal year 2018-19, retirement staff retired 1,048 members.
- B. UPCOMING AGENDA ITEMS – Ms. Payne stated the following items will be on an upcoming Board agenda:
- August – RFP results for Medical Evaluators to BAC then Board
 - August – Final 2020 retiree health renewal results and subsidy and reimbursement maximums to BAC then Board
 - August – LACERS *Well* survey results to BAC
 - August – Anthem year-end accounting and health management dashboards
- C. RECEIPT OF THE CITY'S CONTRIBUTION FOR FISCAL YEAR 2020 – Ms. Payne reported that LACERS has received the City's contribution to the fund for Fiscal Year 2020 in the amount of \$676,667,085.

VI

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR JUNE 2019 – The report was received by the Board and filed.
- B. LACERS CUSTOMER SERVICE SURVEY SEMI-ANNUAL REPORT, JANUARY – JUNE 2019 – The report was received by the Board and filed.

VII

BOARD GOVERNANCE

Ruth Perry, member of Retired Los Angeles City Employees' Incorporated (RLACEI), made a public comment on Agenda Item No. VII-B. Ruth Perry, retired member, made a public comment on Agenda Item No. VII-B.

- B. POLICY ON MEMBER SOLICITATION AND DISTRIBUTION AND POSSIBLE BOARD ACTION – Karen Freire, Chief Benefits Analyst with Retirement Services Division and Alex Rabrenovich, Chief Benefits Analyst with Health Benefits Administration and Communications Division presented this item to the Board. After discussion, Commissioner Sandra Lee moved approval, seconded by Commissioner Serrano and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, and President Ruiz -4; Nays, Commissioners Chao and Vice President Wilkinson -2.
- C. TRIENNIAL BOARD POLICY REVIEW: MISSION, VISION, GUIDING PRINCIPLES, STRATEGIC GOALS; AND STRATEGIC PLANNING POLICY AND POSSIBLE BOARD ACTION – Edeliza Fang, Senior Management Analyst II with Administrative Services Division presented this item to the Board. Commissioner Sohn moved approval, seconded by Commissioner Chao and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -6; Nays, None.

VIII

BENEFITS ADMINISTRATION

- A. WEBSITE REDESIGN PROJECT STATUS UPDATE – Taneda Larios, Senior Management Analyst II with Administrative Services Division and Alex Lombardo, Administrative Assistant with Executive Division presented this item to the Board. After discussion, the Board thanked staff for the presentation.

President Ruiz recessed the Regular Meeting at 12:30 p.m. for a break and reconvened the Regular Meeting at 12:38 p.m.

Agenda Item X-A taken out of order.

X

BOARD/DEPARTMENT ADMINISTRATION

- A. PRESENTATION BY WILLIS TOWERS WATSON REGARDING CYBER LIABILITY INSURANCE – Jacob Petty, Senior Broker, Demetri Lembesis, Executive Vice President, and

Jessica Malek, Placement Specialist, with Willis Towers Watson made this presentation to the Board. After discussion, the Board thanked them for the information.

IX

COMMITTEE REPORT(S)

- A. GOVERNANCE COMMITTEE VERBAL REPORT ON THE MEETING OF JULY 9, 2019 – Commissioner Serrano stated that the Committee was presented with the Triennial Board Policy Review and the Policy on Member Solicitation and Distribution.
- B. INVESTMENT COMMITTEE VERBAL REPORT ON THE MEETING OF JULY 9, 2019 – Commissioner Serrano stated that the Committee was presented with the Private Credit Investment Manager Search, Investment Manager Contracts with Barrow, Hanley, Mewhinney & Strauss, LLC, Axiom International Investors, LLC, Oberweis Asset Management, Inc., and Panagora Asset Management, Inc, and the Semi-Finalists of the Active U.S. Small Cap Equities Investment Manager Search.

Commissioner Sandra Lee left the Regular Meeting at 1:36 p.m.

X

BOARD/DEPARTMENT ADMINISTRATION

- B. YEAR-END REPORT OF BUSINESS PLAN INITIATIVES FOR THE PERIOD ENDING JUNE 2019 – The report was received by the Board and filed.

XI

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$18.30 Billion. Mr. June discussed the following items:
- AJO, terminated, assets of approximately \$185 million transitioning to Rhumblin SP500 this week.
 - RFP Search Project Schedule handout.
 - PRI application tentatively approved.
 - Future agenda items: Investment Manager Contracts on August 27th Board Agenda.
- B. FINALIST FIRMS OF THE PRIVATE CREDIT INVESTMENT MANAGER SEARCH AND POSSIBLE BOARD ACTION – Wilkin Ly, Investment Officer III, presented this item to the Board. Commissioner Sohn moved approval of the following Resolutions:

**CONTRACT AUTHORIZATION
BENEFIT STREET PARTNERS L.L.C. PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Benefit Street Partners L.L.C.; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Benefit Street Partners L.L.C. as part of LACERS private credit mandate with an initial commitment of \$100 million; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

**CONTRACT AUTHORIZATION
ALCENTRA LIMITED PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Alcentra Limited; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Alcentra Limited as part of LACERS private credit mandate with an initial commitment of \$100 million; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

**CONTRACT AUTHORIZATION
MONROE CAPITAL LLC PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Monroe Capital LLC; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Monroe Capital LLC as part of LACERS private credit mandate with the commitment timing and dollar amount to be determined by the Investment Committee at a future date; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

**CONTRACT AUTHORIZATION
CRESCENT CAPITAL GROUP LP PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Crescent Capital Group LP; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Crescent Capital Group LP as part of LACERS private credit mandate with the commitment timing and dollar amount to be determined by the Investment Committee at a future date; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

- C. INVESTMENT MANAGER CONTRACT WITH AXIOM INTERNATIONAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE GROWTH EMERGING MARKETS EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Barbara Sandoval, Investment Officer II, presented this item to the Board. Vice President Wilkinson moved approval of the following Resolution:

**CONTRACT EXTENSION
AXIOM INTERNATIONAL INVESTORS, LLC
ACTIVE GROWTH EMERGING MARKETS EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-E

WHEREAS, LACERS current three-year contract with Axiom International Investors, LLC (Axiom) for active growth emerging markets equities portfolio management expires on September 30, 2019; and,

WHEREAS, on April 17, 2019, Axiom was placed on “On Watch” status pursuant to the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract extension with Axiom will allow the fund to maintain a diversified exposure to the non-U.S. equities emerging markets; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee’s recommendation to approve a one-year contract extension with Axiom; and,

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name:	Axiom International Investors, LLC
Service Provided:	Active Growth Emerging Markets Equities Portfolio Management
Effective Dates:	October 1, 2019 through September 30, 2020
Duration:	One year
Benchmark:	MSCI Emerging Markets Growth Index
Allocation as of June 30, 2019:	\$436 million

Which motion was seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

D. INVESTMENT MANAGER CONTRACT WITH OBERWEIS ASSET MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. SMALL CAP EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Sohn moved approval of the following Resolution:

**CONTRACT RENEWAL
OBERWEIS ASSET MANAGEMENT, INC.
ACTIVE NON-U.S. SMALL CAP EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-F

WHEREAS, LACERS current three-year contract with Oberweis Asset Management, Inc. (Oberweis) for active non-U.S. small cap equities portfolio management expires on December 31, 2019; and,

WHEREAS, Oberweis is in compliance with the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract renewal with Oberweis will allow the fund to maintain a diversified exposure to the non-U.S. equities developed markets; and,

WHEREAS, on July 23 2019, the Board approved the Investment Committee’s recommendation to approve a three-year contract renewal with Oberweis; and,

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name:	Oberweis Asset Management, Inc.
Service Provided:	Active Non-U.S. Small Cap Equities Portfolio Management
Effective Dates:	January 1, 2020 through December 31, 2022
Duration:	Three years
Benchmark:	MSCI EAFE Small Cap Index
Allocation as of June 30, 2019:	\$168 million

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

- E. INVESTMENT MANAGER CONTRACT WITH PANAGORA ASSET MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Serrano moved approval of the following Resolution:

**CONTRACT TERMINATION
PANAGORA ASSET MANAGEMENT, INC
ACTIVE U.S. SMALL CAP VALUE EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-G

WHEREAS, LACERS current two-year contract extension with PanAgora Asset Management, Inc. (PanAgora) for active U.S. small cap value equities portfolio management expires on January 31, 2020; and,

WHEREAS, PanAgora was placed on “On-Watch” due to performance as of November 20, 2018, in accordance with the LACERS Manager Monitoring Policy (Policy); and,

WHEREAS, as of May 31, 2019, PanAgora’s overall relative performance has not improved and continues to breach three Policy criteria; and,

WHEREAS, PanAgora submitted a proposal to the active U.S. small cap investment manager search issued on February 25, 2019; and,

WHEREAS, PanAgora’s proposal was evaluated according to the LACERS Manager Search and Selection Policy and did not receive a recommendation to proceed beyond the initial scoring stage; and,

WHEREAS, staff and NEPC, LLC, LACERS’ General Fund Consultant, believe that a suitable replacement may be available from the current active U.S. small cap investment manager search process; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration hereby authorizes the termination of the contract with PanAgora and directs staff to initiate a withdrawal and redeployment of the assets into the existing passively managed Russell 2000 Value Index portfolio managed by RhumbLine Advisers Limited Partnership.

Which motion was seconded by Commissioner Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

- F. INVESTMENT MANAGER CONTRACT WITH BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. EQUITIES DEVELOPED MARKETS VALUE PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Sohn moved approval of the following Resolution:

**CONTRACT EXTENSION
BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC
ACTIVE NON-U.S. EQUITIES DEVELOPED MARKETS
VALUE PORTFOLIO MANAGEMENT**

RESOLUTION 190723-H

WHEREAS, LACERS current three-year contract with Barrow, Hanley, Mewhinney & Strauss, LLC (BHMS) for active non-U.S. equities developed markets value portfolio management expires on September 30, 2019; and,

WHEREAS, on April 17, 2019, BHMS was placed on “On Watch” status pursuant to the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract extension with BHMS will allow the fund to maintain a diversified exposure to the non-U.S. developed equities markets; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee’s recommendation to approve a one-year contract extension with BHMS; and,

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name:	Barrow, Hanley, Mewhinney & Strauss, LLC
Service Provided:	Active Non-U.S. Equities Developed Markets Value Portfolio Management
Effective Dates:	October 1, 2019 through September 30, 2020
Duration:	One year
Benchmark:	MSCI EAFE Value
Allocation as of June 30, 2019:	\$523 million

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

XII

OTHER BUSINESS – Commissioner Serrano requested that the Board Officer nomination process be added to a future Governance Committee agenda for discussion.

XIII

NEXT MEETING – The next Regular meeting of the Board is scheduled for Tuesday, August 13, 2019 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XIV

ADJOURNMENT – There being no further discussion before the Board, President Ruiz adjourned the meeting at 2:02 p.m.

Cynthia M. Ruiz
President

Lita Payne
Manager-Secretary

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-A

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

SERVICE RETIREMENTS

<u>Member Name</u>	<u>Service Department</u>	<u>Classification</u>
Alvarado, Rosa M	16 Dept. of Airports	Custodian Airport
Argueta, William R	25 PW - St. Lighting	St Ltg Electrcn
Baldwin, Jeffrey L	36 Dept. of Airports	Air Cond Mechanic
Banos, Emilio	30 EWDD	Sr Systems Analyst
Barajas, Felicitas Ramos	8 Dept. of Transportation	Crossing Guard
Bautista, Teresita A	34 LA Housing Dept.	Internal Auditor
Bergstrom, Sylvia Krall	32 ITA	Dir Of Systems
Blake, Richard	34 Harbor Dept.	Painter
Blorfroshan, Mohammad H	32 Dept. of Transportation	Sr Transp Engineer
Boldman, Alan C	17 PW - St. Maint.	Management Analyst
Bowen, Reyna A	7 Dept. of Rec. & Parks	Special Prog Asst
Boyd, Thomas A	8 Dept. of Airports	Airport Guide
Brewer, Dorothy J	18 Dept. of Transportation	Crossing Guard
Caprio, Nita J	28 Dept. of Airports	Management Analyst
Castro, Apolinar	27 Zoo Dept.	Gardener Caretaker
Chai, Ngu Lyan	29 PW - Sanitation	Laboratory Tech
Chamanara, Shahia	33 Library Dept.	Sr Librarian
Childress, Audrey C	20 Office of Finance	Tax Complnce Ofcr
Corral, Edward	29 Police Dept. - Civilian	Sr Detention Officer
Costa, Jeffrey D	33 PW - Lot Cleaning	St Svcs Supvr
Crane, Michael	28 PW - Sanitation	W/Wtr Coll Supervisor
Crisan, Mark Anthony	30 Personnel Dept.	Personnel Dir
Darrow, Arnold	4 Dept. of Rec. & Parks	Asst Park Svcs Attn
De Stefano, John	12 PW - Resurf & Reconstr	Maint & Constr Helper
Donlin, Mary M	36 LA Housing Dept.	Sr Systems Analyst
Eskander, Nashaat A	29 Dept. of Animal Svcs.	Veterinary Technician
Eskay, Gary F	21 Dept. of Bldg. & Safety	Sr Electrcl Inspector
Ferguson, Huong Tawny	31 ITA	Data Base Architect
Ferraro, Peter Joseph	23 Police Dept. - Civilian	Photographer
Frank, Ruth C	16 Dept. of Bldg. & Safety	Sr Admin Clerk
Friend, Brooks G	32 Office of the CAO	Finance Specialist
Fryer, Dennis Lee	29 PW - Resurf & Reconstr	St Svcs Supvr
Garrett, Gayle Francine	25 Library Dept.	Librarian
Garth, Robert E	36 Dept. of Bldg. & Safety	Build Mech Inspector
Gebrehiwot, Makonnen	14 Police Dept. - Civilian	Sr Security Officer
Glover, Lisa Michelle	38 Dept. of Transportation	Sr Commun Operator

Gomez, Guadalupe R	38 GSD - Fleet Services	Automotive Supervisor
Graham, Ruby Nell	1 Dept. of Transportation	Crossing Guard
Hake, Heather B	19 Police Dept. - Civilian	Police Perform Aud
Harris, Darlene E	18 Dept. of Rec. & Parks	Child Care Associate
Hayashida, Paul Tsutomu	8 Fire Dept. - Civilian	Chief Special Investigator
Heath, Richard	10 Dept. of Airports	Security Officer
Henry, Thomas Howard	31 City Planning Dept.	City Planning Assoc
Hernandez, George P	27 PW - St. Maint.	Street Svcs Supv
Hung, Sam M	18 Dept. of Airports	Commun Electrician
Ishii, Mark Steven	34 ITA	Systems Programmer
Jones, Stanley D	11 PW - Sanitation	Custodian
Knighten, Kenneth Germone	9 Police Dept.	Security Officer
Lopez, Odilio	10 GSD - Bldg. Fac Mgmt.	Custodian
Magdaleno, Henry	35 PW - St. Maint.	Truck Operator
Mark, Raymond A	19 PW - St. Maint.	Truck Operator
Maslovacic, Milic	12 Dept. of Transportation	Electrc'l Craft Helper
Mau, Donna L	6 Airports	Management Analyst
Miranda, Gloria	8 Dept. of Rec. & Parks	Recreation Asst
Molden, Stanley B	33 Police Dept. - Civilian	Security Officer
Monroy Calleros, Charles E.	33 PW - Lot Cleaning	St Svcs Supvr
Montes, Richard V	35 PW - St. Lighting	St Ltg Electrc'n
Norona, Arturo Catli	15 Personnel Dept.	Correctional Nurse
Omorogieva, Thomas I	30 PW - Sanitation	Envrmntl Engrg Assc
Palmer, Dana J P	14 Dept. of Airports	Sr Personnel Analyst
Pelayo, Sergio A	19 PW - Sanitation	Ref Coll Truck Oper
Pilar Cooke, Linda D	10 Dept. of Airports	Airport Guide
Polintan, Dario S	20 Dept. of Airports	Sr Real Estate Officer
Presto, Mary E	32 PW - Sanitation	Administrative Clerk
Randall, Gregory B	27 Dept. of Animal Svcs.	Animal Control Off
Reily, Douglas Marshall	17 PW - Special Proj Constr	Cement Finisher
Roberson, William	4 Dept. of Rec. & Parks	Recreation Asst
Roberts, Victor E	20 Dept. of Rec. & Parks	Gardener Caretaker
Rodgers Starkey, Charlette E.	32 Personnel Dept.	Sr Personnel Analyst
Rogers, Reginald	15 PW - Sanitation	Ref Coll Truck Oper
Ruckert, John M	32 PW - St. Maint. - General	Maintenance Laborer
Rzepinski, David D	18 Dept. of Transportation	Supvsg Trans Plannr
Sands, Christopher A	20 PW - Methods and Std	St Svcs Supvr
Smith Trigg, Eve R	29 City Attorney's Office	Witness Svc Coord
Solis, Danny	13 Dept. of Transportation	Signal System Supvr
Soong, Jill Wu	11 Dept. of Rec. & Parks	Sr Accountant
Susim, Catalina	37 Police Dept. - Civilian	Police Service Rep
Swader, Latisha Louise	35 Dept. of Airports	Accounting Clerk
Taylor, Alfred B	33 Dept. of Rec. & Parks	Light Equip Operator
Taylor, Robert Eugene	12 PW - Sanitation	Ref Coll Truck Oper
Thorsteinson, Lori L	33 Office of Finance	Pr Clerk

Torres, Ricardo F	39 City Planning Dept.	City Planning Assoc
Tran, Jacqueline	32 ITA	Data Base Architect
Vidauri, Segundo	12 Dept. of Rec. & Parks	Special Prog Asst
Walker, Christopher Henry	30 Dept. of Transportation	Traf Paint Sign Post
West, Janet	20 LA Housing Dept.	Sr Mgmt Analyst
Wildy, Donald S	31 Police Dept. - Civilian	Management Analyst
Williams, Lawriece	30 Dept. of Airports	Custodian Supervisor
Wood, Deborah M	34 LA Housing Dept.	Asst Ch Grants Adminstr
Woolfolk, Sheila L	45 Police Dept. - Civilian	Pr Clerk Police
Worden, Michele L	37 City Attorney's Office	Hearing Ofcr City Atty

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-A

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

Approved Death Benefit Payments

Deceased

Beneficiary/Payee

TIER 1

Adelman, Joan G

Dan Matthew Klausner for the payment of the
Accrued But Unpaid Continuation Allowance

Michelle Sharon Klausner for the payment of the
Accrued But Unpaid Continuation Allowance

Bauer, Frank R

Sara Landahl Bauer for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Bradfield, Conservatee,
Patricia A

Christalyn Davaun Metoyer for the payment of the
Accrued But Unpaid Continuation Allowance

Burke, Earl S

Sandra Corrinne Burke for the payment of the
Accrued But Unpaid Disability Retirement Allowance

Calimag, Emma L

Ruth Famularcano Dioyan for the payment of the
Accrued But Unpaid Larger Annuity Allowance
Accrued But Unpaid Service Retirement Allowance
Unused Contributions

Samuel Calimag Famularcano for the payment of the
Accrued But Unpaid Larger Annuity Allowance
Accrued But Unpaid Service Retirement Allowance
Unused Contributions

Carrasco, Maria Teresa (Deceased Active)	Chloe Marissa Olivares for the payment of the Accumulated Contributions
Caruana, Ben J	Lucille Nancy Caruana for the payment of the Burial Allowance
Clark, Ronald	Bonnie Jean Clark for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Cole, Conservatee, Douglas C	Sally Anne Rowland Cole for the payment of the Accrued But Unpaid Vested Retirement Allowance Burial Allowance
Crowder, Earnest L	Bruce Lee Crowder for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Dion, Gregory T (Deceased Active)	Mark William Dion for the payment of the Accumulated Contributions
Dwyer, Mitzi P	Estate Of Mitzi P. Dwyer, Elaine P Young Administrator for the payment of the Accrued But Unpaid Continuance Allowance
Endo, Yasuko	Laura Y. Endo for the payment of the Accrued But Unpaid Continuance Allowance

Figueroa, Jose A

Maria Altagracia Figueroa for the payment of the
Accrued But Unpaid Service Retirement Allowance

Frattali, Ann

Diane Jeanette Cornelius for the payment of the
Accrued But Unpaid Survivorship (Disability) Allowance

Linda Marie Oliphant for the payment of the
Accrued But Unpaid Survivorship (Disability) Allowance

Thomas Vincent Frattali for the payment of the
Accrued But Unpaid Survivorship (Disability) Allowance

Furuya, Fujino

Frank Yutaka Furuya for the payment of the
Accrued But Unpaid Continuance Allowance

Marvin Kazuo Furuya for the payment of the
Accrued But Unpaid Continuance Allowance

Garber, Janet B

William F. And Janet B. Garber Trust for the payment of the
Accrued But Unpaid Continuance Allowance

Garcia, Rodolfo

Chantal Jeleu for the payment of the
Burial Allowance

Grider, Charles

Briana Mary Shree Hill for the payment of the
Accrued But Unpaid Service Retirement Allowance

Harvey, Lelila

Linda Faye Ward for the payment of the
Accrued But Unpaid Continuance Allowance

Heddon, Meryl W Lori A Morgan for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Helfeld, Edward Deborah Helfeld for the payment of the
Accrued But Unpaid Continuance Allowance

Hernandez, Edward Amanda L Hernandez for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Jackson, Eddie D Janice Jackson for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Johnson, Rose Marie Anne Jean Marie Hart for the payment of the
Accrued But Unpaid Continuance Allowance

Jones, Leauthrice Shounda R Whitaker for the payment of the
Accrued But Unpaid Service Retirement Allowance

Kamachi, Clara F Avalyn F Kamachi Lazaro for the payment of the
Accrued But Unpaid Continuance Allowance

Lepore, William J Christina Marie Lepore for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Judy Lynn McQuain for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Malcolm, Shirley Ann	Shirley Ann Chavez for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance Unused Contributions
Mason, George W	Kim Wesley Mason for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Matoi, Masaru	Michelle Tsuru Gomez Arguello for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Mccloud, Ronald	Rasheda N Mc Cloud for the payment of the Burial Allowance
Mcdonald, Gerald	Joan D Mcdonald for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Mcmillan, Rodrick (Deceased Active)	Bridget Sinead Mcmillan for the payment of the Accumulated Contributions
Mercier, Marilyn	Brian Roy Hughes for the payment of the Accrued But Unpaid Continuance Allowance
Nelson, Constance Dee	Sandra K Whitacre for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Pettengill, William R Marilyn Jean Smith for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Rifkin, Sam Edward Joseph Rifkin for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Rosen, Leo Norma Rosen for the payment of the
Burial Allowance

Schedl, Anton H John Steven Schedl for the payment of the
Burial Allowance

Schutt, Esther L Charles Wesley Hammond for the payment of the
Accrued But Unpaid Continuance Allowance

Sharon Rae Hammond for the payment of the
Accrued But Unpaid Continuance Allowance

Scott, Billie F Robert Nathan Patrick for the payment of the
Accrued But Unpaid Service Retirement Allowance

Shaw, Ethelyn Lorraine
(Deceased Active) James Francis Hilfenhaus for the payment of the
Accumulated Contributions

Solomon, Adinah Tsilah Beth Burman for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Stein, Albert	Laura Iris Olson for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Taylor, Robert E	Charlese A Taylor for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Tobin-Ludlow, Patricia	John Patrick Tobin for the payment of the Accrued But Unpaid Survivorship (Disability) Allowance
Walker, Eddie	Saundria La Faye Walker for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance Unused Contributions
Williams, Roger F	Shelly E Hall for the payment of the Burial Allowance
Yule, Therese A	James D Yule for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance John Arthur Yule for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance Rebecca Jeanne Manross for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance



Securing Your Tomorrows

Agenda of: August 13, 2019

Item No: V-B

MARKETING CESSATION REPORT NOTIFICATION TO THE BOARD

The Board's Marketing Cessation Policy was adopted in order to prevent and avoid the appearance of undue influence on the Board or any of its Members in the award of investment related and other service contracts. Pursuant to this Policy, this notification procedure has been developed to ensure that Board Members and staff are regularly apprised of firms for which there shall be no direct marketing discussions about the contract or the process to award it; or for contracts in consideration of renewal, no discussions regarding the renewal of the existing contract.

Firms listed in Attachments 1 and 2 are subject to limited communications with Board Members and staff pursuant to the Policy and will appear and remain on the list, along with the status, from the first publicized intention to contract for services through the award of the contract. Lists of current LACERS contracts are on file in the Board office and are available upon request.

Attachments: 1) Contracts Under Consideration for Renewal
2) Active RFPs and RFQs

CONTRACTS UNDER CONSIDERATION FOR RENEWAL

NO.	VENDOR / CONSULTANT	DESCRIPTION	INCEPTION DATE	EXPIRATION DATE	MARKETING CESSATION STATUS	RESTRICTED PERIOD*	
						START	END
INVESTMENTS							
1	MFS Institutional Advisors, Inc.	Active Non-U.S. Equities Developed Markets Growth	10/2/2013	9/30/2019	Board awarded contract renewal on 6/11/19; negotiations in process	5/10/2019	12/31/2019
2	Barrow, Hanley, Mewhinney & Strauss, LLC	Active Non-U.S. Equities Developed Markets Value	10/1/2013	9/30/2019	Board awarded contact extension on 7/23/19; negotiations in process.	5/10/2019	12/31/2019
3	Axiom International Investors, LLC	Active Growth Non-U.S. Emerging Markets Equities	1/1/2014	12/31/2019	Board awarded contact extension on 7/23/19; negotiations in process.	5/10/2019	6/30/2020
4	Oberweis Asset Management, Inc.	Active Non-U.S. Small Cap Equities	1/1/2014	12/31/2019	Board awarded contact extension on 7/23/19; negotiations in process.	5/10/2019	6/30/2020
5	Quantitative Management Associates, LLC	Active Core Non-U.S. Emerging Markets Equities	1/1/2014	12/31/2019	Investment Committee to consider contract on 8/13/19.	8/8/2019	3/31/2020
6	AQR Capital Management, LLC	Active Non-U.S. Small Cap Equities	2/1/2014	1/31/2020	Investment Committee to consider contract on 8/13/19.	8/8/2019	4/30/2020
ADMINISTRATIVE SERVICES							
7	Cresa	Real Estate Services	Pending	Pending	Board awarded new contract on 11/28/2017; Contract under review for execution.	10/1/2017	12/31/2019

CONTRACTS UNDER CONSIDERATION FOR RENEWAL

NO.	VENDOR / CONSULTANT	DESCRIPTION	INCEPTION DATE	EXPIRATION DATE	MARKETING CESSATION STATUS	RESTRICTED PERIOD*	
						START	END
HEALTH BENEFITS ADMINISTRATION							
8	Anthem 2019	Medical HMO & PPO	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019
9	Kaiser 2019	Medical HMO	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019
10	SCAN 2019	Medical HMO	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019
11	United Healthcare 2019	Medical HMO	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019
12	Delta Dental 2019	Dental PPO and HMO	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019
13	Anthem Blue View Vision 2019	Vision Services Contract	1/1/2019	12/31/2019	Board approved on 8/28/2018; Contract under review for execution.	1/1/2019	12/31/2019

***RESTRICTED PERIOD**

Start Date - The estimated start date of the restricted period is three (3) months prior to the expiration date of the current contract. No entertainment or gifts of any kind should be accepted from the restricted source as of this date. Firms intending to participate in the Request for Proposal process are also subject to restricted marketing and communications.

CONTRACTS UNDER CONSIDERATION FOR RENEWAL

NO.	VENDOR / CONSULTANT	DESCRIPTION	INCEPTION DATE	EXPIRATION DATE	MARKETING CESSATION STATUS	RESTRICTED PERIOD*	
						START	END

End Date - The estimated end date of the restricted period is three (3) months following the expiration date of the current contract. For investment-related contracts, the estimated end date is normally six (6) months following the expiration of the current contract. For health carrier contracts, the estimated end date is normally one (1) year following the expiration of the current contract. Estimated dates are based on contract negotiation periods from prior years.

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM **ATTACHMENT 2**
 CONTRACTS LIST FOR THE AUGUST 13, 2019 BOARD MEETING

ACTIVE RFPs AND RFQs*

NO.	DESCRIPTION	MARKETING CESSATION STATUS AND VENDOR RESPONSES
INVESTMENTS		
1	Private Credit Mandate Search	RFP Release Date: December 10, 2018
		Submission Deadline: January 18, 2019
		Status: On July 23, 2019, Board awarded contracts to Alcentra Limited; Benefit Street Partners L.L.C.; Crescent Capital Group LP; and Monroe Capital LLC. Negotiations in process.
		List of Respondents: Alcentra Limited, Barings LLC, MB Global Partners, LLC, Backcast Partners Management LLC, BlackRock, Inc., CLSA Capital Partners (HK) Limited, Cross Ocean Adviser LLP, Clearwater Capital Partners (Fiera Capital Corporation), Guggenheim Partners, LLC, Goldman Sachs Asset Management, L.P., Pemberton Capital Advisors LLP, Kayne Anderson Capital Advisors, L.P., Maranon Capital, L.P., Bain Capital Credit, LP, Breakwater Management LP, Carlyle Global Credit Investment Management L.L.C., Crescent Capital Group LP, MV Credit Partners LLP, New Mountain Capital, LLC, Park Square Capital USA LLC, Tor Investment Management (Hong Kong) Limited, AlbaCore Capital LLP, Muzinich & Co., Inc., Kartesia Management S.A., Medalist Partners, LP, NXT Capital Investment Advisers, LLC, Owl Rock Capital Partners, PennantPark Investment Advisers, PIMCO Investments LLC, Deerpath Capital Management, LP, Brightwood Capital Advisors, Magnetar Capital LLC, MC Credit Partners LP, Oaktree Capital Management, L.P., THL Credit Advisors LLC, White Oak Global Advisors, LLC, Benefit Street Partners L.L.C., EntrustPermal / Blue Ocean GP LLC, Willow Tree Credit Partners LP, Monroe Capital LLC, Runway Growth Capital LLC, Stellus Capital Management, LLC

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM ATTACHMENT 2
CONTRACTS LIST FOR THE AUGUST 13, 2019 BOARD MEETING**

ACTIVE RFPs AND RFQs*

NO.	DESCRIPTION	MARKETING CESSATION STATUS AND VENDOR RESPONSES
2	U.S. Small Cap Equities Mandate Search	<p>RFP Release Date: February 25, 2019</p> <p>Submission Deadline: April 12, 2019</p> <p>Status: On July 9, 2019, Investment Committee advanced the following firms as semi-finalists for further due diligence: Core: ClearBridge Investments, LLC; Copeland Capital Management, LLC; Legato Capital Management, LLC; PIMCO; QMA LLC; Rothschild & Co Asset Management US Growth: EAM Investors, LLC; Goldman Sachs Asset Management; Granahan Investment Management; Lisanti Capital Growth, LLC; Westfield Capital Management Co, L.P.; William Blair Investment Management, LLC. Value: Ariel Investments, LLC; Bernzott Capital Advisors; Dimensional Fund Advisors LP; Hotchkis & Wiley Capital Management, LLC; Investment Counselors of Maryland, LLC; Segall Bryant & Hamill.</p> <p>List of Respondents: 361 Capital, LLC, Aberdeen Standard Investments Inc., Acuitas Investments, LLC, Alliance Bernstein AB, Allianz Global Investors AllianzGI, AltraVue Capital, LLC, American Century Investment Management, Inc., AMI Asset Management Corporation, Anchor Capital Advisors LLC, Ariel Investments, LLC, Aristotle Capital Boston, LLC, Axiom Investors, Baron Capital, Barrow, Hanley, Mewhinney, Strauss, LLC, Bernzott Capital Advisors, Bivium Capital Partners, LLC, BlackRock, Inc., BMO Global Asset Management, BNP Paribas Asset Management USA Inc, Boston Advisors, LLC, Boston Partners Global Investors, Inc., Bridge City Capital, LLC, Cadence Capital Management LLC, Capital Impact Advisors, LLC, Capital Prospects LLC, Ceredex Value Advisors LLC, ClearBridge Investments, LLC, Copeland Capital Management, LLC, Dimensional Fund Advisors LP, Driehaus Capital Management LLC, Eagle Asset Management, EAM Investors, LLC, EARNEST Partners, LLC, Eastern Shore Capital Management, a Division of Moody Aldrich Partners, LLC, Eaton Vance Management, Elk Creek Partners LLC, Falcon Point Capital, LLC, Federated MDTA, LLC, FIAM LLC, Fisher Investments, Franklin Advisers, Inc., Frontier Capital Management Company, LLC, Goldman Hotchkis and Wiley Capital Management, LLC, Investment Counselors of Maryland, LLC, Jacobs Levy Equity Management, Inc., Jennison Associates, JP Morgan, Kayne Anderson Rudnick Investment Management, LLC, Legato Capital Management, LLC, Legion Partners Asset Management, LLC, Lisanti Capital Growth, LLC, LMCG Investments, Loomis, Sayles & Company, L.P., Los Angeles Capital Management and Equity Research, Inc., Macquarie Investment Management, Manulife Asset Management, Matarin Capital Management, Mellon Investments Corporation, MFS Institutional Advisors, Inc., Monarch Partners Asset Management, LLC, Morgan Stanley Investment Management, Neuberger Berman, NewSouth Capital Management, Inc., Next Century Growth Investors, LLC, Northern Trust Investments, Inc., OFI Global Institutions, Inc., Pacific Ridge Capital Partners, LLC, Pacific View Asset Management, LLC, Palisade Capital Management, L.L.C, PanAgora Asset Management, Inc., Peregrine Capital Management, LLC, Perkins Investment Management LLC, Pier Capital, LLC, PIMCO, Portolan Capital Management LLC, Principal Global, Pzena Investment Management, QMA LLC, Ranger Investment Management, LP, Riverbridge Partners, LLC, RockCreek, Rothschild & Co Asset Management, Sapien Investments, LLC, Schroder Investment Management North America Inc., Segall Bryant & Hamill, Seizert Capital Partners, Smith Asset Management Group, Snyder Capital Management, L.P., Summit Creek Advisors, LLC, Systematic Financial Management, L.P., T. Rowe Price Associates, Inc., Teton Advisors, Inc., THB Asset Management, Tygh Capital Management, Vantagepoint Discovery, Victory Capital Management Inc., Voya Investment Management, Walkthausen & Co., LLC, Wasatch Advisors, Weatherbie Capital, LLC, Wedge Capital Management, Wellington Management Company LLP, Wells Fargo Asset Management, Westfield Capital Management Company, L.P., William Blair Investment Management, LLC, WisdomTree Asset Management, Inc., Zacks Investment Management</p>

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM ATTACHMENT 2
CONTRACTS LIST FOR THE AUGUST 13, 2019 BOARD MEETING**

ACTIVE RFPs AND RFQs*

NO.	DESCRIPTION	MARKETING CESSATION STATUS AND VENDOR RESPONSES
3	High Yield Fixed Income and Hybrid High Yield Fixed Income / U.S. Floating Rate Bank Loan Mandate Search	<p>RFP Release Date: February 25, 2019</p> <p>Submission Deadline: April 12, 2019</p> <p>Status: In progress</p> <p>List of Respondents: Ares Management LLC, Arena Capital Advisors, LLC, Guggenheim Partners Investment Management, LLC, Aegon Asset Management US, MacKay Shields LLC, Post Advisory Group, LLC, Diamond Hill Capital Management, Inc., AXA Investment Managers, Pacific Asset Management, Mesirow Financial Investment Management, Inc., DDJ Capital Management, LLC, Par-Four Investment Management, LLC, PGIM Fixed Income, Beach Point Capital Management LP, KKR Credit, Barrings LLC, Eaton Vance Management, Brigade Capital Management, LP, Morgan Stanley Investment Management, Lord, Abnett & Co. LLC, BlackRock, Inc., L & S Advisors, Inc., Mellon Investments Corporation, Seix Investment Advisors LLC, Legal & General Investment Management, Principal Global, Bain Capital Credit, LP, Princeton Asset Management, LLC, Symphony Asset Management, LLC, PIMCO, The Capital Group Companies, Inc., Loomis, Sayles & Company, L.P., Credit Suisse Asset Management, LLC, J.P. Morgan Asset Management, Hotchkis and Wiley Capital Management, LLC, Northern Trust, CVC Credit Partners, LLC</p>
4	Emerging Market Small Cap Equities Mandate Search	<p>RFP Release Date: June 10, 2019</p> <p>Submission Deadline: July 22, 2019</p> <p>Status: In progress</p> <p>List of Respondents: LMCG Investments, LLC, AQR Capital Management, LLC, Dimensional Fund Advisors LP, EAM Investors, LLC, Ashmore, Cedar Street Asset Management LLC, Copper Rock Capital Partners, LLC, FIAM LLC, Macquarie Investment Management, RBC Global Management, Inc., Capital, River and Mercantile LLC, Schroder Investment Management North America Inc., Somerset Capital Management LLP, Wasatch Advisors, Inc., Kayne Anderson Rudnick Investment Management, Franklin Templeton Investments, Globeflex Capital, LP, Quantitative Management Associates, LLC, LLC, State Street Global Advisors Distributor, LLC</p>
5	Emerging Market Debt Mandate Search	<p>RFP Release Date: June 10, 2019</p> <p>Submission Deadline: July 22, 2019</p> <p>Status: In progress</p> <p>List of Respondents: Eaton Vance Management, Ashmore Investment Management, Capital Group, Fidelity Institutional Asset Management, GAM USA, INC., Northwest Passage Capital Advisors LLC, Payden & Rygel, PGIM Fixed Income, Schroder Investment Management North America Inc., Stone Harbor Investment Partners LP, LM Capital Group, Wellington Management Company LLP, Manulife Investment Management, Global Evolution USA LLC, GoldenTree Asset Management LP, Goldman Sachs Asset Management L.P., Investec Asset Management, Nuveen, A TIAA Company</p>

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM **ATTACHMENT 2**
 CONTRACTS LIST FOR THE AUGUST 13, 2019 BOARD MEETING

ACTIVE RFPs AND RFQs*

NO.	DESCRIPTION	MARKETING CESSATION STATUS AND VENDOR RESPONSES
6	Outside Health Law and Data Privacy Counsel	RFP Release Date: January 7, 2019
		Submission Deadline: January 28, 2019
		Status: In progress
		List of Respondents: Clark Hill PLC, Foley & Lardner LLP, Groom Law Group Chartered, Hanson Bridgett LLP, Lewis Brisbois Bisgaard & Smith LLP, Nossaman LLP, Orrick Herrington & Sutcliffe LLP, Polsinelli LLP, Reed Smith LLP
7	Actuarial Consulting Services	RFP Release Date: March 15, 2019
		Submission Deadline: May 8, 2019
		Status: In process
		List of Respondents: Cheiron, Gabriel, Roeder, Smith & Company, Milliman, The Segal Company.
8	Disability Medical Evaluations Services	RFP Release Date: March 29, 2019
		Submission Deadline: April 30, 2019
		Status: In process
		List of respondents: Genex, Mitchell MCN, National Disability Evaluations, QTC.

PROPOSAL OR REQUEST FOR QUALIFICATIONS:

Start Date - The restricted period commences on the day the Request for Proposal is released.

End Date - The restricted period ends on the day the contract is executed.

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM (LACERS)
TRAVEL/CONFERENCE EVALUATION REPORT**

Name of Attendee: Elizabeth Lee	
Title of Conference/Seminar: SACRS Public Pension Investment Management Program 2019	
Location: Berkeley, CA	
Event Sponsor: SACRS	Date(s) Held: 7/22 to 7/24/19

Report for:

Travel

Conference/Seminar Attendance Only

I. Nature/Purpose of Travel (if applicable):

Attend the SACRS Modern Investment Theory & Practice for Retirement Systems

II. Significant Information Gained:

Advanced portfolio analysis with risk factors; real estate; private equity; asset allocation; trustee duties and leadership

III. Benefits to LACERS:

Industry professionals and UC Berkeley Haas business school faculty shared best practices and key takeaways from research related to investment risks, active versus passive management, asset allocation, etc.

IV. Additional Comments:

SUBMIT TO THE LACERS COMMISSION EXECUTIVE ASSISTANT, 202 W. FIRST STREET, SUITE 500
WITHIN 30 DAYS AFTER ATTENDING THE CONFERENCE/SEMINAR



REPORT TO BOARD OF ADMINISTRATION

From: Audit Committee
Elizabeth Lee, Chair
Michael R. Wilkinson
Sung Won Sohn

MEETING: AUGUST 13, 2019
ITEM: VI-B

SUBJECT: CONSIDERATION OF CONTRACTOR DISCLOSURE REPORTING POLICY AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board approves the enhanced LACERS' Contractor Disclosure Reporting Policy (Attachment 1).

Executive Summary

At its May 14, 2019 meeting, the Audit Committee (Committee) reviewed and concurred with staff's proposal to enhance LACERS' current disclosure policy with periodic reporting. The new policy would require LACERS contractors to disclose all potential conflicts of interest issues that may occur after contracts are awarded, and/or during the period of engagement with LACERS.

The draft has been preliminarily reviewed by the City Attorney and recommended changes were incorporated into the policy. The Committee initially discussed this proposal on March 26, 2019, and then on May 14, 2019, and now recommends Board's approval. Should the Board have further suggestions to enhance the policy, staff will incorporate those changes in consultation with the City Attorney before finalizing the policy.

Discussion

Conflicts can occur between the interests of clients, the interests of employers, and employee's own personal interests. Identifying and managing these conflicts is critical for organizations. Best practice is to avoid actual conflicts or the appearance of conflicts of interest when possible. However, when conflicts cannot be reasonably avoided, clear and complete disclosure of their existence is necessary.

Like many other pension systems, LACERS has Board policies related to disclosure of potential conflicts-of-interests involving its fiduciaries (trustees, key staff, and key consultants). However,

disclosures are generally requested during the contracting process. Once a firm is engaged, LACERS does not currently require periodic disclosure. As a result, it is difficult to discover and evaluate any new potential conflicts of interest issues that may occur after contracts are awarded, and/or during the period of engagement.

A review of the other City pension systems' disclosure requirements indicate that transparency may be strengthened by requiring contractors and consultants, on an ongoing basis, to disclose new relationships and/or matters that could reasonably be expected to impair independence and objectivity. On an annual basis, LADWP Retirement Plan requests a certification from its investment managers indicating that their officers and employees were not approached by any member of the Retirement Plan's fiduciaries during the year ended in connection with any matter other than ordinary business matters within the scope of their agreement with the Plan. LAFPP requires more frequent disclosure. With the exception of private equity general partnerships who reports annually, most Contractors are required to disclose gifts, payments, contributions, financial benefits and/or campaign contributions made by any current contractor or future proposer to any Trustee, Commissioner, Executive Level Staff, Consultant, Elected/Appointed Official and/or Family Members thereof on a quarterly basis. LAFPP's Internal Audit Section is responsible for reporting to LAFPP Board on all disclosures received.

Staff found LAFPP's periodic disclosure to be comprehensive and more transparent, and thus recommends that the Board consider supplementing LACERS' current procedures with similar periodic reporting requirement. Staff is proposing two key differences from LAFPP's policy to make implementation and compliance easier for LACERS Contractors and Consultants. First, staff propose a semi-annual reporting frequency rather than quarterly (annually for private equity partnerships). Second, in recognition of investment managers' heavy workload activities around quarter-end and year-end closings, staff propose a reporting due date of 45 days after closings rather than 21 days required by LAFPP.

One concern raised during the discussion of this proposal was whether this policy would prevent LACERS from attracting top-tier investment managers, particularly in the private equity space. Staff reached out to LAFPP investment management to learn about their experience since LAFPP implemented the disclosure policy a number of years ago. LAFPP investment staff indicated that, while they also initially thought LAFPP would get locked out of some private equity funds due to this policy, actual experience since 2012 is that no managers has locked out LAFPP primarily due to this policy. According to their Board reports, LAFPP consistently gets over 90% compliance rate from their contractors, including from private equity general partnerships. This is not surprising, as disclosure of conflicts/financial incentives to clients is consistent with code of conduct and ethical standards for investment professionals around the globe.

The Committee initially discussed this proposal on March 26, 2019, and then on May 14, 2019, and now presents it for Board's consideration and approval. If approved, Internal Audit Section will be responsible for evaluating and reporting to the Board on disclosures received. Staff anticipate implementing the policy effective this fall, with the first semi-annual disclosure reports due from Contractors after December 2019 year-end closings.

Strategic Plan Impact Statement

Periodic disclosure policy would assist the Board in meeting its Governance Goal to “uphold good governance practices which affirm transparency, accountability and fiduciary duty,” by providing an ongoing mechanism for the Board to evaluate conflicts of interest that could potentially affect fiduciaries’ independence and objectivity with respect to their duties to LACERS.

Prepared By: Rahoof “Wally” Oyewole, Departmental Audit Manager

NMG/RO

Attachment:1) LACERS DRAFT Contractor Disclosure Reporting Policy

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

CONTRACTOR DISCLOSURE REPORTING POLICY

A. PURPOSE

It is LACERS' policy for Contractors to disclose conflicts of interest - - actual, potential, and perceived.

The goal of this Policy is to prevent impropriety or the appearance of impropriety, to provide transparency and confidence in LACERS' decision-making process, and to help ensure that investment and procurement decisions are made solely on the merits of the goods or services proposed to be provided by Contractors to LACERS.

This Policy sets forth the circumstances under which LACERS requires the full and timely periodic disclosure of ex parte communications with, relationships with, and payments to, entities such as placement agents, third party marketers, lobbyists, and other Intermediaries. This Policy is intended to apply broadly to all Contractors with whom LACERS conducts business.

This Policy shall apply in addition to, and is intended to supplement, LACERS' Marketing Cessation policy, Third Party Marketer Compliance policy, Conflict Governance policy; any applicable state and City ethics, campaign finance, and lobbying laws found in the City's Charter, Governmental Ethics, Lobbying, and Campaign Finance Ordinances; the California Political Reform Act; and the California Constitution. Unless otherwise specified or required by the context, all terms used but not defined herein shall have the same meanings ascribed to them in **Appendix A.**

The Board recognizes that the flow of communication through staff between Contractors or Consultants and Board members is beneficial to the conduct of LACERS business. However, there are instances wherein Contractors or Consultants may have ex parte communications directly with Board members. In those instances where the ex parte communication reasonably might give the appearance of being an attempt to influence the outcome of a Board or staff decision or Consultant recommendation, the Board recognizes that there might be the potential for misunderstanding, misinformation, or conflicting instructions, and therefore such communications reasonably could be interpreted as inappropriately affecting the Board, staff, or Consultant. Such communications do not always rise to the level of "Undue Influence" as defined in this policy, but nevertheless are subject to disclosure.

B. APPLICATION AND EXCLUSIONS

1. APPLICATION

This policy applies to all agreements with Contractors that are entered into after the date this Policy is adopted. Additionally, this Policy applies to existing agreements with Contractors if, after the date this Policy is adopted, (a) the term of the agreement is extended, (b) there is any increased commitment of funds by LACERS pursuant to the existing agreement, or (c) there is an amendment to the substantive terms of an existing

Los Angeles City Employees' Retirement System

ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER, LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS

agreement, including the fees or compensation payable to the Contractor to the extent that LACERS' consent is required.

2. EXCLUSIONS

The following contracts are excluded from this Policy:

- 1) Contracts in the amount of \$20,000 or less and for not more than a one-year period for which the Board has authorized the General Manager to approve service agreements, pursuant to Administrative Code section 10.1.1.
- 2) Low cost equipment maintenance agreements and service for equipment repair. "Low cost" is defined as \$2,000 or less.
- 3) Contracts for which contract terms are less than 3 months in duration.
- 4) City or state contracts/agreements for which LACERS utilizes the existing City or state contract or agreement.

C. CAMPAIGN CONTRIBUTION - PERIODIC DISCLOSURE

Except as otherwise provided in this policy, every Contractor shall disclose any and all monetary contributions and/or other financial benefits made directly or indirectly by such Contractor and/or any of its Officers, marketing representatives, relationship representatives, portfolio managers, members of the investment committee, and/or Intermediaries (and, in the case of individuals, the Family Members of any of them) that are involved with the product or service provided, or sought to be provided, to LACERS, to any Elected Official, Candidate, Appointed Official or Applicable City Employee (collectively, "Contractor Campaign Contribution Disclosure"). Such Contractor Campaign Contribution Disclosures shall include contributions made during the twenty-four month period prior to Board approval of a new agreement or investment, or extension of or amendment to an existing agreement, or an increase in funding of an existing investment commitment. For private equity partnerships, disclosure information for the prior twenty-four month period shall be provided at the time that Staff and Consultants consider a new or additional investment in a private equity fund, and annually afterwards. All other Contractors shall disclose campaign contributions made during the terms of the agreement semi-annually.

For each such monetary contribution or financial benefit, the Contractor Campaign Contribution Disclosure shall include the following information:

- (1) The name and address of the contributor and the connection to the Contractor;
- (2) The name and title of each person receiving the contribution and the name of the Elected Official, Candidate, or Appointed Official or person for whose benefit the contribution was made;
- (3) The amount of the monetary contribution or financial benefit; and
- (4) The date of the monetary contribution or financial benefit.

Exemption: Monetary contributions and/or financial benefits given by any person to an Elected Official or Candidate for whom such person was entitled to vote at the time of the contributions and which in the aggregate do not exceed \$100 to any one Elected Official or Candidate per election are not required to be reported pursuant to this disclosure policy.

ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER, LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS

D. OTHER CONTRIBUTIONS/PAYMENTS - PERIODIC DISCLOSURE

Every Contractor shall disclose any and all monetary contributions and/or other financial benefits, including but not limited to contributions to charitable organizations, not covered by other sections of this Policy. The contributions/benefits to be disclosed can be made directly or indirectly by such Contractor and/or any of its Officers, marketing representatives, relationship representatives, portfolio managers, investment committee members, and/or Intermediaries (and, in the case of individuals, the Family Members of any of them) that are involved with the product or service provided, or sought to be provided, to LACERS.

Disclosure shall include monetary contributions and/or other financial benefits which were solicited directly or indirectly by any Elected Official, Candidate, Appointed Official, or Applicable City Employee. Disclosure shall also include situations where contributions/benefits were made to an organization of which any Elected Official, Candidate, Appointed Official or Applicable City Employee is, to the best knowledge of the person paying the monetary contribution or financial benefit, an officer, employee, or member of the board of directors, advisory board, or any similar board or committee (collectively, "Contractor Miscellaneous Contribution Disclosures").

Such Contractor Miscellaneous Contribution Disclosures shall include contributions made during the twenty-four month period prior to Board approval of a new agreement or investment, or extension of or amendment to an existing agreement, or an increase in funding of an existing investment commitment. For private equity partnerships, disclosure information for the prior twenty-four month period shall be provided at the time that Staff and Consultants consider a new or additional investment in a private equity fund, and annually afterwards. All other Contractors shall also disclose any monetary contributions and/or financial benefits paid during the term of the agreement or investment semi-annually.

For each such monetary contribution and/or financial benefit, the Contractor Miscellaneous Contribution Disclosure shall include the following information:

- (1) The name and address of the contributor and the connection to the Contractor;
- (2) The name of the organization and the name and title of each person receiving the contribution, and the name of the Elected Official, Candidate, or Appointed Official or person for whose benefit the contribution was made;
- (3) The amount of the monetary contribution or financial benefit; and
- (4) The date of the monetary contribution or financial benefit.

Exemption: Value of food and beverage items provided to LACERS staff or Consultants at networking events, annual general meetings and/or advisory meetings that are open to general public or other investors, and which in aggregate do not exceed annual limit of \$50 are not required to be reported pursuant to this disclosure policy.

E. APPLICABILITY OF SECTIONS C AND D

Disclosures required by Sections C and D of this Policy include, but are not limited to, any monetary contribution or financial benefit to any of the following:

ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER, LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS

1. Any Elected Official (and any of his or her controlled committees), Candidate (and any of his or her controlled committees), Appointed Official, or Applicable City Employee.
2. Any account or trust set up through motion of the Los Angeles City Council that would seek funds controlled by an Elected Official or Candidate.
3. Any third party at the behest of an Elected Official, Candidate, or Appointed Official or for the purpose of supporting or opposing an Elected Official, Candidate, or City ballot measure.
4. Any Elected Official, Candidate, Appointed Official, or Applicable City Employee for the sale of private property.
5. Any charitable or other organization or individual at the behest of an Elected Official, Candidate, Appointed Official, or Applicable City Employee.

F. GIFTS - PERIODIC DISCLOSURE

1. GIFTS MADE BY CONTRACTORS

Every Contractor shall disclose all Gifts made directly or indirectly by such Contractor and/or any of its Officers (and the Family Members of any of them), or made directly or indirectly by marketing representatives, relationship representatives, portfolio managers, investment committee members, and/or Intermediaries (and, in the case of individuals, the Family Members of any of them) that are involved with the product or service provided, or sought to be provided to LACERS, to any Elected Official, Candidate, Appointed Official, or Applicable City Employee, or to LACERS' private equity Consultant, general investment Consultant, or real estate Consultant.

For each such Gift, the Contractor shall disclose:

- (1) The name and address of each person providing the Gift and each such person's connection to the Contractor;
- (2) The name and title of each person receiving the Gift;
- (3) The value of the Gift;
- (4) A description of the Gift; and
- (5) The date of the presentation of the Gift.

Such disclosures shall include Gifts made during the term of the agreement or investment (as applicable) and during the twenty-four month period prior to Board approval of a new agreement or investment, or extension of and/or amendment to an existing contract, or an increase in funding of an existing investment commitment. Disclosures shall be made **semi-annually** for all Contractors (end of June and December of each year); except for private equity partnerships and their general partners, which shall be required to make such disclosures **annually**, no later than 45 calendar days after December 31st each year.

ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER, LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS

2. FINANCIAL INCENTIVES AND GIFTS RECEIVED BY INVESTMENT CONSULTANTS

- (a) LACERS' private equity Consultant, general investment Consultant, and real estate Consultant (each individually, an "Investment Consultant") shall disclose all Gifts received directly or indirectly from Contractors and/or any of their Officers (and the Family Members of any of them), or directly or indirectly from their marketing representatives, relationship representatives, portfolio managers, investment committee members, and/or Intermediaries (and, in the case of individuals, the Family Members of any of them) that are involved with any product or service provided, or sought to be provided, to LACERS.

For each such Gift, the Investment Consultant shall disclose:

- (1) The name and address of each person providing the Gift and each such person's connection to the Contractor;
- (2) The name and title of each person receiving the Gift;
- (3) The value of the Gift;
- (4) A description of the Gift; and
- (5) The date of the presentation of the Gift.

- (b) Investment Consultants shall also report any financial incentive, compensation, consideration, or benefit received from others in connections with Investment Consultant's recommendations of funds, products, or services made to LACERS.

For each such financial incentive or compensation, the Investment Consultant shall disclose:

- (1) The name and address of the firm or organization providing the incentive;
- (2) A description of the financial incentive arrangement;
- (3) The value of the incentive;
- (4) The alternative fund(s), product(s), or service(s) considered along with the recommended fund, product, or service;
- (5) Factors used to select the recommended fund, service, or product over the alternative(s).

Such disclosures shall include Gifts and/or financial incentives received during the term of the Investment Consultant's service agreement with LACERS, and shall be made semi-annually by the private equity Consultant; and annually by the general investment Consultant and real estate Consultant with regard to all Contractors, and otherwise as required by LACERS in relation to any particular contracting process.

Exemption: Value of food and beverage items provided to LACERS staff or Consultants at networking events, annual general meetings and/or advisory meetings that are open to general public or other investors, and which in aggregate do not exceed annual limit of \$50 are not required to be reported pursuant to this disclosure policy.

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

G. RESPONSIBILITIES

1. Each Contractor is responsible for:
 - a. Providing to Staff, as part of the Contractor Disclosure, the following information for existing agreements and prior to hiring for new agreements:
 - (1) A statement whether the Contractor, or any of its marketing or relationship representatives, portfolio managers, or members of the investment committee (or any Family Members of any of them) that are involved with the product or service provided to LACERS, or any of its Officers (or Family Members of any of them), within the twenty-four month period prior to either (a) Board approval of a new agreement or investment, or (b) extension of or amendment to an existing agreement, or (c) an increase in funding of an existing investment commitment, has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by the Contractor) or entity to act as an Intermediary in connection with any investment or procurement by LACERS.
 - (2) Notice to LACERS that if any person working on behalf of the Contractor with, or assigned on behalf of the Contractor to, a LACERS contract is a current or former LACERS Board member, employee or Consultant or a Family Member of any such person.
 - (3) A description of all compensation provided or agreed to be provided directly or indirectly by the Contractor to any Intermediary or to any employee of the Contractor who was hired specifically to solicit an investment or other business with LACERS or is compensated on the basis of the procurement of any such investment or business. The description of such compensation shall include the nature, timing and amount thereof and any condition precedent to receiving the compensation.
 - (4) For investment and consulting contracts, a List of Contacts made by the Contractor with Appointed or Elected Officials within either 1) the three month period prior to the interview regarding a new agreement or investment; or, 2) the search period; whichever is longer. The List of Contacts shall include the date and names of the contact(s) and the nature of the contact.
 - (5) For investment and consulting contracts and except for private equity partnerships who are required to disclose annually, Contractors shall also disclose any contacts with Appointed or Elected Officials ***during the term of the agreement, contract, or investment on a semi-annual basis.***

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

- (6) With regard to each Intermediary identified pursuant to Section G.1.a (3) above, each Contractor shall provide:
- (i) A description of the services to be performed by the Intermediary and a statement as to whether the Intermediary is utilized by the Contractor with all prospective clients or only with a subset of the Contractor's prospective clients (and if a subset, describe the subset), and a resume of each officer, partner, and principal of the Intermediary detailing the person's education, professional designation, regulatory licenses, and investment work experience. Work experience need not be provided in connection with agreements unrelated to investments.
 - (ii) With regard to procurement of business from LACERS, a copy of all written agreements between the Contractor and the Intermediary and a description of any agreement that is not in writing.
 - (iii) A List of Contacts made by the Intermediary, on behalf of the Contractor, with Appointed Officials, Elected Officials, or staff within the 24 months period prior to Board approval of a new agreement or investment. The List of Contacts shall include the date and names of the contact(s) and intermediary(ies).
 - (iv) The names of all persons who suggested the retention of the Intermediary and a description of how the Intermediary was selected.
 - (v) A listing for the Intermediary and/or any of its affiliates showing registration with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar regulatory agency or self-regulatory organization outside the United States, and either the details of any such registration or an explanation of why registration is not required.
 - (vi) A listing for the Intermediary, and/or any of its affiliates, showing registration as a lobbyist with any local, state or national government and the details of any such registration.
- b. Providing a representation and warranty signed by the Contractor's chief executive officer or head of the business unit that provides, or will be providing, the service to LACERS, of the accuracy of the information included in the Contractor Disclosure in any final written agreement.

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

- c. All information required in the Contractor Disclosure shall be sent to LACERS internal audit staff as follows:

Los Angeles City Employees' Retirement System
Internal Audit Section
202 West First Street, Suite 500
Los Angeles, CA 90012
Office: 800-779-8328
Email address: audit@LACERS.org

The Contractor Disclosure of all contacts, monetary contributions, other financial benefits, and/or Gifts, as required pursuant to this Disclosure Policy, **is due 45 calendar days** after June 30th or December 31st of each year, as applicable.

2. LACERS Staff are responsible for all of the following:
- a. Section managers are responsible for providing Contractors with a copy of this Policy with all Requests for Proposals at the time that due diligence in connection with a prospective investment or engagement begins.
 - b. Section managers are responsible for confirming that the Contractor Disclosure has been received prior to the completion of due diligence and any recommendation to proceed with the engagement of the Contractor or the decision to make any investment or procurement.
 - c. For new agreements and/or amendments to agreements existing as of the date of the Policy, Section managers are responsible for confirming that the final written agreement between LACERS and the Contractor provides that the Contractor shall be solely responsible for, and LACERS shall not pay (directly or indirectly), any fees, compensation or expenses for any Intermediary used by the Contractor.
 - d. Section managers are responsible for excluding any Contractor or Intermediary from the solicitation of new investments or business from LACERS for a time period determined by the Board up to a maximum of 5 years after they have committed a material violation of this Policy, as determined by the Board in its sole discretion, and promptly informing the Board of any such action. Refer to Penalties in Section H.
 - e. Staff of the section responsible for the administration of the contract will provide the Board, including the relevant Committee, with a copy of the Contractor Disclosure information prior to the Board making or approving any decision to invest or procure with a Contractor.
 - f. LACERS internal audit staff will compile a semi-annual Board report containing the names and amount of compensation agreed to be provided

ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER, LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS

to each Intermediary by each Contractor; the campaign contributions and Gifts of each Contractor as reported in the Contractor Disclosures; the List of Contacts; and the List of Exclusions.

- g. Reporting to the Board immediately any conduct that the Staff reasonably believes constitutes a material violation of the Policy, to enable the Board to make a determination whether the conduct constitutes a material violation.
- 3. Contractors shall comply with the Policy and cooperate with Staff in meeting Staff's obligations under this Policy. All parties responsible for implementing, monitoring and complying with this Policy should consider the spirit as well as the literal expression of the Policy. In cases where there is uncertainty whether a disclosure should be made pursuant to this Policy, the Policy shall be interpreted to require disclosure.

H. PENALTIES

For new agreements and/or amendments to agreements existing as of the date of this Policy, the Contractor, in the final written agreement with LACERS, will agree to provide LACERS with any or all of the following remedies in the event that there was or is a material omission or inaccuracy in the Contractor Disclosure or any other violation of this Policy, as determined by the Board in its sole discretion:

- 1. Whichever is greater, the reimbursement of any contractor, management or advisory fees paid by LACERS for one year or an amount equal to the amounts that the Contractor has paid or promised to pay to the Intermediary in respect of LACERS.
- 2. LACERS shall have the authority to terminate the agreement, without penalty.
- 3. The Board of Administration may take action to ban Contractor and/or the Intermediary who materially violated this Policy from future contracting opportunities with LACERS for a period of up to five years. However, the prohibition may be reduced by a majority vote of the Board at a public session upon showing of good cause.

I. NO RIGHT OF CONFIDENTIALITY

All Contractor Disclosures and attachments thereto shall be public records subject to disclosure under the California Public Records act and the Ralph M. Brown Act. No confidentiality restrictions shall be placed on any Contractor Disclosures or any information provided by Contractors pursuant to this Policy.

REVIEW

This policy shall be reviewed every 3 years.

See APPENDIX A – DEFINITIONS

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

APPENDIX A – DEFINITIONS

Definitions are based on current laws. To the extent that Board policies are not updated subsequent to changes in law, each Board Member, LACERS employee and Consultant is responsible to comply with current laws and changes thereto.

Applicable City Employee

(1) A LACERS employee or (2) a lawyer in the Public Pension General Counsel, the Outside Counsel Oversight Division of the Los Angeles City Attorney's Office, or one who is in the direct supervisory chain of command over the lawyers in those divisions

Appointed Official

An appointed LACERS Board Member (including a person who has been appointed to the LACERS Board, pending confirmation)

Candidate

A person who has filed to run for an Elected Office

City

The City of Los Angeles

Consultant

A Contractor that is hired to provide advice or recommendations to LACERS on the selection of investment funds/strategies, fund managers, or the procurement of goods and/or services from other firms. All LACERS Consultants are also considered Contractors under the terms of this Policy.

Contractor

A person who, or entity that, seeks to be and/or is hired to provide goods and/or services to LACERS. The individuals with reporting responsibility are those at a firm that would have any contact with or responsibility for a LACERS investment or agreement.

Contractor Disclosure

Collectively, the information required from Contractors as described in Sections **C through G** of this Policy.

Elected Official or Office

Mayor of the City of Los Angeles
Members of the Los Angeles City Council
Los Angeles City Attorney
Los Angeles City Controller
Elected LACERS Board Member

Family Member

The spouse or domestic partner of a Contractor or Intermediary.

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

Financial Benefits

Other financial benefits include having direct or indirect financial relationship with or beneficial ownership in securities, investments, funds, companies or products being recommended to LACERS.

Gift

Pursuant to **Los Angeles Municipal Code Section 49.5.8 et seq., which references the Political Reform Act and California Constitution, and Section 82028 of the Political Reform Act 2019, a “Gift”** means, except as otherwise provided in this definition, any payment that confers a personal benefit on the recipient, to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Any person, other than a defendant in a criminal action, who claims that a payment is not a gift by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value. The term “gift” does not include:

- (1) Informational material such as books, reports, pamphlets, calendars, periodicals. No payment for travel or reimbursement of any expenses shall be deemed “informational material.”
- (2) Gifts which are not used and which, within 30 days after receipt, are either returned to the donor or delivered to a nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code without being claimed as a charitable contribution for tax purposes.
- (3) Gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person; provided that a gift from any such person shall be considered a gift if the donor is acting as an agent or Intermediary for any person not covered by this paragraph.
- (4) Campaign contributions required to be reported under Chapter 4 of the Political Reform Act of 1974, as amended.
- (5) Any devise or inheritance.
- (6) Personalized plaques and trophies with an individual value of less than two hundred fifty dollars (\$250).

Intermediary

A person or entity (1) who is hired, engaged or retained by or acting on behalf of a Contractor as a placement agent, finder, lobbyist, solicitor, marketer, consultant, broker or other type of agent to raise money or investments from or obtain access to LACERS, directly or indirectly, and (2) who engages in, either personally or through an agent, any written or oral direct communication with any LACERS representative in furtherance of obtaining an investment or a contract with LACERS. This definition also includes agents of Intermediaries commonly referred to as sub-agents.

Investment Consultant

LACERS' private equity Consultant, general investment Consultant, and real estate Consultant. Investment Consultants are also considered Contractors under the terms of this Policy.

**ETHICS RESPONSIBILITIES FOR BOARD MEMBERS, THE GENERAL MANAGER,
LACERS STAFF, CONTRACTORS, AND INVESTMENT CONSULTANTS**

LACERS

The Los Angeles City Employees' Retirement System.

Officers

The Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or functional equivalent in the Contractor's firm.

Undue Influence

The employment of any improper or wrongful pressure, scheme, or threat by which one's will is overcome and he or she is induced to do or not to do an act which he or she would not do, or would do, if left to do freely.

DRAFT



REPORT TO BOARD OF ADMINISTRATION

MEETING: AUGUST 13, 2019

From: Neil M. Guglielmo, General Manager

ITEM: VII - A

Neil M. Guglielmo

SUBJECT: GENERAL MANAGER DESIGNEE SIGNATURE AUTHORITY AND POSSIBLE BOARD ACTION

ACTION: **CLOSED:** **CONSENT:** **RECEIVE & FILE:**

Recommendation

That the Board adopt the proposed General Manager Designee Signature Authority Resolution, effective upon adoption, superseding prior delegations.

Discussion

The General Manager has the authority to administer the affairs of the department as its Chief Administrative Officer inclusive of certification of expenditures pursuant to the Los Angeles City Charter (LACC) Section 509, and authority to execute contracts delegated by the Board. The Board may also delegate authority, under LACC Section 511(a), to the necessary deputies, assistants, and employees of the department and define their duties. In the event that the General Manager is absent or unable to act, assigning signature authority to General Manager Designees would assure that business transactions are addressed promptly and without affecting the continuity of services.

This update of the General Manager Designee Signature Authority, adds two managers at the second-level from the General Manager (Chief-level), to approve expenditures and contracts in their areas of responsibility. The resolution further delegates authority to managers at the third-level from the General Managers (Senior Management Analyst II level) for limited purposes as specified in the resolution. Delegation of authority to additional levels of management elevates the designees' responsibility to be accountable for these expenditures. These delegations will improve efficiency and timeliness of processing of the referenced documents, and allow greater dedication of time to perform document reviews.

Strategic Plan Impact Statement

The update of the General Manager Designee Signature Authority supports the Strategic Plan Organizational Goal of maximizing organizational effectiveness and efficiency.

Prepared By: Isaias Cantú, Senior Management Analyst II

NG:DWN:IC

Attachment: 1. Signature Authority for General Manager Designees Proposed Resolution

SIGNATURE AUTHORITY
FOR GENERAL MANAGER DESIGNEES

PROPOSED RESOLUTION

WHEREAS, the Board may delegate authority to the necessary deputies, assistants, and employees of the department and define their duties under Los Angeles City Charter (LACC) Section 511(a); and,

WHEREAS, the General Manager is authorized under LACC Section 509 to administer the affairs of the department as its Chief Administrative Officer; and,

WHEREAS, the General Manager determines it is in the best interest of the department to ensure department business is transacted expeditiously on occasions when absent or unable to act through the assignment of signature authorities over specific areas of expertise;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the signature authority resolution for the General Manager designees. If practicable, designees shall seek verbal concurrence from the General Manager. Authority is assigned to the position, rather than the individual. This resolution shall be endorsed by the designees and should there be a change in personnel, a new endorsement certificate may be made and kept on file in the Board office; filed with any other necessary office of City government; or any agencies involved in processing LACERS' investment transactions and custodial responsibilities for the securities of LACERS. The proposed resolution will supersede any previously adopted resolutions related to General Manager Designee signature authority and is effective upon adoption.

1. Assistant General Manager(s) – for the approval of contracts in compliance with the contracting limitations established in the LACC; approval of expenditures; and approval of benefit payments and related transactions;
2. Chief Benefits Analyst of Administration Division – for the approval of contracts in compliance with the contracting limitations established in the LACC; approval of expenditures within the budget approved by the Board; and for the approval of service purchase contracts, certifications of service, and related Member transactions. The Chief Benefits Analyst (CBA) further delegates to the Senior Management Analyst II in the Administrative Services Office, approval of office expense expenditures within the Administration Division budget. The CBA may establish thresholds via memorandum filed with the Chief Accounting Employee of LACERS. The CBA further delegates to the Senior Management Analyst II in the Active Member-Service Purchase Section, approval and execution of service purchase contracts, certifications of service, and related Member transactions.

3. Chief Benefits Analyst of Health Benefits Administration and Communications Division – for the approval of benefit payments and related transactions; and approval of expenditures within the Health Benefits Administration and Communications Division’s approved budget.
4. Chief Benefits Analyst of Retirement Services Division – for the approval of benefit payments and related transactions; and approval of expenditures authorized in the Retirement Services Division’s approved budget. The Chief Benefits Analyst further delegates to the Senior Management Analyst IIs, approval of Retirement Services Division expenditures, and may establish thresholds via memorandum filed with the Chief Accounting Employee of LACERS.
5. Information Systems Manager – for the approval of expenditures within the System Division’s approved budget.
6. Chief Investment Officer or Investment Officer III – for the approval of investment transactions required within the scope of the contracts approved by the Board; and approval of expenditures within the Investment Division’s approved budget.

Endorsed: _____
Lita Payne
Assistant General Manager

Endorsed: _____
Todd Bouey
Assistant General Manager

Endorsed: _____
Dale Wong-Nguyen
Chief Benefits Analyst of Administrative Services

Endorsed: _____
Karen Freire
Chief Benefits Analyst of Retirement Services

Endorsed: _____
Alex Rabrenovich
Chief Benefits Analyst of Health Benefits Administration and Communications

Endorsed: _____
Rodney June
Chief Investment Officer

Endorsed: _____
Thomas Ma
Information Systems Manager

Endorsed: _____
Bryan Fujita
Investment Officer III

Endorsed: _____
Wilkin Ly
Investment Officer III

Endorsed: _____
Isaias Cantú
Senior Management Analyst II

Endorsed: _____
Edeliza Fang
Senior Management Analyst II

Endorsed: _____
Ann Seales

Senior Management Analyst II

Endorsed:

Ferralyn Sneed
Senior Management Analyst II



REPORT TO BOARD OF ADMINISTRATION
From: Neil M. Guglielmo, General Manager

MEETING: AUGUST 13, 2019
ITEM: VII-B

Neil M. Guglielmo

SUBJECT: TRAVEL AUTHORITY – COMMISSIONER ANNIE CHAO; NATIONAL CONFERENCE OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS PUBLIC PENSION FUNDING FORUM, NEW YORK, NEW YORK; SEPTEMBER 11-13, 2019 AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board authorize Commissioner Chao to attend the National Conference of Public Employee Retirement Systems Public Pension Funding Forum on September 11-13, 2019 (travel dates September 10-13, 2019) in New York, New York; and authorize the reimbursement of up to \$3,000 for reasonable expenses in connection with participation.

Discussion

Commissioner Chao has expressed interest in attending the above-mentioned educational conference, and this Board report is prepared on her behalf. Commissioner Chao has been provided a copy of LACERS Board Education and Travel Policy.

Strategic Plan Impact Statement

As stipulated in the Policy, the sound management of the assets and liabilities of a trust fund imposes a continuing need for all Board Members to attend professional and educational conferences, seminars and other educational events that will better prepare them to perform their fiduciary duties.

For Fiscal Year 2019-20, Commissioner Chao has an education travel budget of \$10,000.

Prepared By: Ani Ghokassian, Commissioner Executive Assistant II

NMG/ag

- Attachments: 1. Estimate of Reimbursable Expenses
2. Proposed Resolution
3. Tentative Schedule/Agenda

**CITY OF LOS ANGELES
Intra-Departmental Correspondence**

DATE: August 5, 2019
TO: Accounting Section
 LACERS
FROM: Ani Ghoukassian, Commission Executive Assistant II
SUBJECT: ESTIMATE OF REIMBURSABLE EXPENSES

Name of Attendee Title	ANNIE CHAO, COMMISSIONER	
Event	PUBLIC PENSION FUNDING FORUM	
Organization	NATIONAL CONFERENCE OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS (NCPERS)	
Date(s) of Event	September 11-13 (Conference) September 10-13, 2019 (Travel Dates)	
Location of Event	NEW YORK, NY	
ESTIMATED EXPENSES:	Registration: \$685.00 (Early Bird through August 20, 2019) \$785.00 (After August 20, 2019)	\$785.00
	Conference Hotel: \$425/ Night x 3 (including taxes)	\$1,275.00
	Miscellaneous: (\$30 per day) x 4 days	\$120.00
	Meal/Incidental Allowances: Sept. 10 - \$57.00 Sept. 11 - \$76.00 Sept. 12 - \$39.00 Sept. 13 - \$39.00	\$211.00
	Parking: \$20/day x 4	\$80.00
	Airfare (RT) LAX/JFK	\$300.00
	TOTAL ESTIMATE:	\$2,771.00

**TRAVEL AUTHORITY
NATIONAL CONFERENCE OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS
PUBLIC PENSION FUNDING FORUM
SEPTEMBER 11-13, 2019
NEW YORK, NEW YORK**

PROPOSED RESOLUTION

WHEREAS, Board approval is required for all international travel requests and travel not included in the Approved List of Educational Seminars;

WHEREAS, the National Conference of Public Employee Retirement Systems (NCPERS) Public Pension Funding Forum in New York, NY is not included in the Approved List of Educational Seminars, and therefore requires individual approval;

WHEREAS, the sound management of the assets and liabilities of a trust fund imposes a continuing need for all Board Members to attend professional and educational conferences, seminars, and other educational events that will better prepare them to perform their fiduciary duties;

THEREFORE, BE IT RESOLVED, that Commissioner Chao is hereby authorized to attend the NCPERS Public Pension Funding Forum from September 11-13, 2019 in New York, NY;

BE IT FURTHER RESOLVED, that the reimbursement of up to \$3,000 is hereby authorized for reasonable expenses in connection with participation.



The Voice for Public Pensions

2019 PUBLIC PENSION FUNDING FORUM

September 11 – 13
New York Marriott Downtown
New York, NY

FINAL AGENDA

WEDNESDAY, SEPTEMBER 11

- 4:00 pm – 6:30 pm **REGISTRATION**
- 4:30 pm – 5:30 pm **SPECIAL PRESENTATION ON THE SUSTAINABILITY OF
STATE AND LOCAL GOVERNMENT PENSIONS**
Michael Kahn, NCPERS
Byron Lutz, Federal Reserve Board of Governors
- 5:30 pm – 6:30 pm **WELCOME RECEPTION**

THURSDAY, SEPTEMBER 12

- 7:30 am – 5:00 pm **REGISTRATION**
- 7:30 am – 8:30 am **BREAKFAST**
- 8:30 am – 5:00 pm **GENERAL SESSION I**
- 8:30 am – 9:30 am **Welcome & Opening Remarks**
Hank Kim, NCPERS
- Pension Landscape and Trends**
Anna Petrini, National Conference of State Legislatures
Dana Bilyeu, National Assoc. of State Retirement Administrators

- 9:30 am – 10:30 am Trends in State and Local Revenues and Expenditure:
Opportunities to Improve Pension Funding
Session Chair –
Nicholas Johnson, Center on Budget and Policy Priorities
Matt Gardner, Institute on Tax and Economic Policy
- 10:30 am – 11:00 am Corporate Governance Effects on Fund Performance
Session Chair –
Ken Bertsch, Council of Institutional Investors
- 11:00 am – 11:15 am BREAK
- 11:15 am – 12:15 am Public Pension Plan Volatility: What Can We Do? An Actuary's
Perspective
Session Chair –
Gene Kalwarski, Cheiron Inc.
Brian Grinnell, State Teachers Retirement System of Ohio
- 12:15 pm – 1:15 pm NETWORKING LUNCH
- 1:15 pm – 2:00 pm Improving Funding Status through Risk Management
Session Chair – Hank Kim, NCPERS
Dan Bienvenue, COIO, CalPERS
- 2:00 pm – 3:30 pm Protecting and Enhancing Public Pensions through Advocacy
Session Chair – Bridget Early, National Public Pension Coalition
Casey McCabe, New Hampshire
Ellen Yonts Suetholz, Kentucky
Kris Masterman, Oklahoma
- 3:30 pm – 3:45 pm BREAK
- 3:45 pm – 5:00 pm Various Ways to Close Funding Gap without Dismantling Public Pensions
Session Chair - Michael Kahn, NCPERS
Sanford Rich, NYC Board of Education Retirement System
Susan Kennedy, Kennedy Consulting
Richard Sims, Institute on Applied Economics
- 5:30 pm – 6:30 pm NETWORKING RECEPTION

FRIDAY, SEPTEMBER 13

- 7:30 am – 2:00 pm REGISTRATION

7:30 am – 8:30 am BREAKFAST

8:30 am – 1:30 pm GENERAL SESSION II

8:30 am – 10:00 am Exploring Pension Policy on Auto-Pilot
Session Chair –
Eric Atwater, Aon Hewitt
Jana Steele, Osler, Hoskin & Harcourt – New Brunswick Plan
Bob Conlin, Wisconsin Retirement System
Sandy Matheson, Maine Public Employees Retirement System

10:00 am – 10:45 am Politics of Assault on Public Pensions – What Can We Do?
Session Chair – Hank Kim, NCPERS
Robert Johnson, Institute on New Economic Thinking

10:45 am – 12:00 am Closing the Funding Gap without Dismantling Pensions
Session Chair –
Ryan Shelby, Wells Fargo Asset Management
Randy Schwimmer, Nuveen
Biagio, Manieri, PFM Asset Management
Dan Doonan, National Institute on Retirement Security

12:00 am – 1:00 pm NETWORKING LUNCH

1:00 pm – 2:00 pm Volatility and Risk Management
Session Chair – Hank Kim, NCPERS
Robert Engle, NYU, Nobel Laureate in Economics

2:00 pm Closing Remarks and Next Steps
Hank Kim, NCPERS
Michael Kahn, NCPERS

THANK YOU TO OUR SPONSORS

PLATINUM

Cheiron Inc.

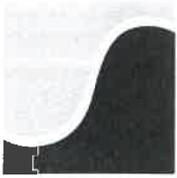
GOLD

PFM

Wells Fargo Asset Management

SILVER

Nuveen



REPORT TO BOARD OF ADMINISTRATION
From: Neil M. Guglielmo, General Manager

MEETING: AUGUST 13, 2019
ITEM: VIII-B

Neil M. Guglielmo

SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN BROADVIEW REAL ESTATE PARTNERS FUND, LP

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board receive and file this notice of the commitment of up to \$20 million in Broadview Real Estate Partners Fund, LP

Executive Summary

On May 28, 2019, the Board approved a commitment of up to \$20 million in Broadview Real Estate Partners Fund, LP. The investment closed on July 26, 2019.

Discussion

On May 28, 2019, the Board, in closed session pursuant to Government Code Section 54956.81, approved a commitment of up to \$20 million in the following private real estate fund: Broadview Real Estate Partners Fund, LP. The investment closed on July 26, 2019. Board vote: Ayes 5 (Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, Greenwood), Nays 0.

Strategic Plan Impact Statement

Investment in Broadview Real Estate Partners Fund, LP will allow LACERS to maintain exposure to diversified real estate, pursuant to the Real Estate Investments Fiscal Year 2019-2020 Strategic Plan, which is expected to help LACERS optimize long-term risk adjusted investment returns (Goal IV).

Prepared By: Eduardo Park, Investment Officer I, Investment Division

RJ/BF/WL/EP:sg