

## **Governance Committee Agenda**

### **REGULAR MEETING**

**TUESDAY, AUGUST 26, 2025**

**TIME: 9:15 A.M.**

### **MEETING LOCATION:**

LACERS Boardroom  
977 N. Broadway  
Los Angeles, California 90012

#### **Important Message to the Public**

An opportunity for the public to address the Committee in person from the Boardroom and provide comment on items of interest that are within the subject matter jurisdiction of the Committee or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

Members of the public who do not wish to attend the meeting in person may listen to the live meeting via YouTube streaming at the following link: [LACERS Livestream](https://www.lacERS.org/Livestream).

#### **Disclaimer to Participants**

Please be advised that all LACERS Committee meetings are recorded.

#### **LACERS Website Address/link:**

[www.LACERS.org](https://www.LACERS.org)

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Committee in advance of the meeting may be viewed by clicking on LACERS website at [www.LACERS.org](https://www.LACERS.org), at LACERS' offices, or at the scheduled meeting. In addition, if you would like a copy of a public record related to an item on the agenda, please call (213) 855-9348 or email at [lacers.board@lacers.org](mailto:lacers.board@lacers.org).

Chair: Janna Sidley

Committee Members: Thuy Huynh  
Thomas Moutes

Manager-Secretary: Todd Bouey

Executive Assistant: Ani Ghoukassian

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

#### **Notice to Paid Representatives**

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at [ethics.lacity.org/lobbying](https://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto:ethics.commission@lacity.org).

#### **Request for Services**

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.

Sign Language Interpreters, Communications Access Real-Time Transcription, Assisted Listening Devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, please 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 (800) 779-8328 or RTT (888) 349-3996.

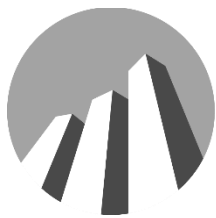
Si requiere servicios de traducción, llámenos tres días (72 horas) antes de la reunión o evento al (800) 779-8328.

For additional information, please contact: Board of Administration Office at (213) 855-9348 and/or email at [lacers.board@lacers.org](mailto:lacers.board@lacers.org).

### **[CLICK HERE TO ACCESS BOARD REPORTS](#)**

- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA

- II. [APPROVAL OF MINUTES FOR THE MEETING OF MAY 27, 2025 AND POSSIBLE COMMITTEE ACTION](#)
- III. [TRIENNIAL BOARD POLICY REVIEW: ARTICLE II, SECTION 1.2 BOARD EDUCATION AND TRAVEL POLICY AND POSSIBLE COMMITTEE ACTION](#)
- IV. [TRIENNIAL BOARD POLICY REVIEW: CONTRACT RENEWAL POLICY AND POSSIBLE COMMITTEE ACTION](#)
- V. [CHARTER CHANGE OPPORTUNITIES FOR CONSIDERATION IN THE CITY OF LOS ANGELES CHARTER REFORM AND POSSIBLE COMMITTEE ACTION](#)
- VI. OTHER BUSINESS
- VII. NEXT MEETING: The next Governance Committee meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.
- VIII. ADJOURNMENT



## ***Board of Administration Agenda***

### **SPECIAL MEETING**

**TUESDAY, AUGUST 26, 2025**

**TIME: 9:15 A.M.**

### **MEETING LOCATION:**

LACERS Boardroom  
977 N. Broadway  
Los Angeles, California 90012

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President: Annie Chao  
Vice President: Janna Sidley

Commissioners: Thuy T. Huynh  
Thomas Moutes  
Gaylord "Rusty" Roten  
Sung Won Sohn

Manager-Secretary: Todd Bouey

Executive Assistant: Ani Ghoukassian

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

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- VI. OTHER BUSINESS
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- VIII. ADJOURNMENT

MINUTES OF THE REGULAR MEETING

GOVERNANCE COMMITTEE

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

May 27, 2025

9:32 a.m.

PRESENT:	Presiding Officer:	Sung Won Sohn
	Committee Members:	Thuy Huynh
	Manager-Secretary:	Todd Bouey
	Legal Counselor:	Miguel Bahamon
	Executive Assistant:	Ani Ghoukassian
ABSENT:	Chair:	Michael R. Wilkinson

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

Commissioner Roten joined the Governance Committee meeting at 9:35 a.m. Any votes were taken by Governance Committee members only.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE’S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Presiding Officer Sohn asked if any persons wished to speak on matters within the Committee’s jurisdiction, and there were no public comment cards submitted.

II

APPROVAL OF MINUTES FOR THE MEETING OF JANUARY 28, 2025, AND POSSIBLE COMMITTEE ACTION – Committee Member Sidley moved approval, and adopted by the following vote: Ayes, Committee Members Sidley, and Presiding Officer Sohn -2; Nays, None.

III

TRIENNIAL BOARD POLICY REVIEW: ARTICLE II, SECTION 3.2 VOLUNTARY BENEFIT PAYROLL DEDUCTIONS POLICY AND POSSIBLE COMMITTEE ACTION – Jo Ann Peralta, Departmental Chief Accountant IV, presented and discussed this item with the Committee for two minutes. Committee Member Sidley moved approval, and adopted by the following vote: Ayes, Committee Members Sidley, and Presiding Officer Sohn -2; Nays, None.

IV

BOARD PROCEDURES RELATED TO THE BOARD MEETING MANAGER-SECRETARY ROLE AND POSSIBLE COMMITTEE ACTION – Chhintana Kurimoto, Management Analyst, presented and

discussed this item with the Committee for two minutes. Committee Member Sidley moved approval, and adopted by the following vote: Ayes, Committee Members Sidley, and Presiding Officer Sohn -2; Nays, None.

V

OTHER BUSINESS – There was no other business.

VI

NEXT MEETING: The next Governance Committee meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.

VII

ADJOURNMENT – There being no further business before the Committee, Presiding Officer Sohn adjourned the meeting at 9:36 a.m.

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Sung Won Sohn  
Presiding Officer

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Todd Bouey  
Manager-Secretary



**REPORT TO GOVERNANCE COMMITTEE**  
**From: Todd Bouey, Interim General Manager**

**MEETING: AUGUST 26, 2025**  
**ITEM: III**

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**SUBJECT: TRIENNIAL BOARD POLICY REVIEW: ARTICLE II, SECTION 1.2 BOARD EDUCATION AND TRAVEL POLICY AND POSSIBLE COMMITTEE ACTION**

ACTION: ☒ CLOSED: ☐ CONSENT: ☐ RECEIVE & FILE: ☐

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### **Recommendation**

That the Governance Committee (Committee):

1. Approve the proposed amendments to the Board Governance and Administrative Policy, Article II, Section 1.2 Board Education Policy;
2. Approve the proposed amendments to the Board Governance and Administrative Policy, Article II, Section 1.3 Board Travel Policy;
3. Renumerate the current Board Communications Policy to Article II, Section 1.4; and,
4. Upon Committee approval, send the entire revised policy sections to the Board of Administration (Board) for final review and adoption.

### **Executive Summary**

Historically, the Board Governance and Administrative Policy, Article II, Section 1.2 Board Education and Travel Policy has been maintained as a single framework. However, on May 14, 2024, the Board expressed interest in bifurcating the policy into two distinct policies with the intention of providing greater clarity, enhancing policy focus, and allowing for more effective oversight in each respective area.

This staff report presents the restructuring of the Board Education and Travel policy to the Committee for its consideration and action.

### **Discussion**

To enhance clarity and further strengthen role alignment, staff have divided the original Board Education and Travel policy into two policies. The current adopted version references both Board and staff travel, which may create confusion about which provisions apply to whom; also the overall format of the Travel policy appendices may be difficult to follow.

The first policy, now refocused solely on Board Education, has undergone minor formatting revisions, including clarifying language to support a clearer understanding. No substantive changes have been

made to its intent or content. The policy's division is largely structural, and no new major provisions have been added beyond formatting for improved clarity, as shown in the redline attachments.

The second policy now exclusively focuses on Board travel, which outlines provisions applicable to LACERS Board Members. Additionally, proposed enhancements have been made to the LACERS Travel Reimbursement Policy (Attachment 2, Appendix A), including formatting improvements and updates to the reimbursable limits for certain items based on updated guidance from the City Controller's Travel Policy.

Minor updates to the travel policy include changes to airport parking reimbursement limits, adding reimbursement for internet service for LACERS business, supplies, telephone calls, and other necessary expenses that align with the Controller's Travel Policy. Lastly, the Travel Expense Reimbursement Policy has a condensed Board Travel Reimbursement Checklist (Attachment 2, Appendix B) that can serve as a travel planning tool.

Any staff travel provisions have been removed from the main travel policy, while delineating the few provisions in the LACERS Travel Expense Reimbursement Policy that apply directly to staff as established by the Board. However, the main policy still retains guidance on the Board's role in approving staff travel when such matters are brought forward.

Adoption of the restructured policy will be renamed to Section 1.2 as Board Education Policy, and a new Section 1.3 for Board Travel Policy will be added to Article II of the Board Governance and Administrative Policy. The Board Communication Policy, currently numbered Section 1.3, will be renumbered to Section 1.4.

Prepared By: Horacio Arroyo, Senior Management Analyst II

TB/EA/HA

Attachments:       1. Article II, Section 1.2 Board Education Policy  
                          2. Article II, Section 1.3 Board Travel Policy



## Section 1.0 GUIDANCE FOR BOARD MEMBERS

### 1.2 BOARD EDUCATION POLICY

Adopted: May 26, 2009; Revised: June 22, 2010; December 13, 2011; March 11, 2014; September 23, 2014; February 12, 2019; January 14, 2020; May 14, 2024, TBD

#### I. STATEMENT OF PURPOSE

Los Angeles City Charter Section 1106(c), consistent with Article XVI, Section 17 of the California Constitution requires the Board to exercise a *Prudent Person Standard* when discharging their duties with respect to its system, with care, skill, prudence, and diligence. It is imperative that LACERS Board Members maintain a broad and current understanding of issues affecting the administration of public pension systems to fulfill their fiduciary duties. This policy recognizes and affirms the role of education in ensuring Trustees have the knowledge to successfully discharge their duties as fiduciaries.

As its standard, tThe Board establishes a standard of a minimum of 24 hours of Board Member education within the first two years of assuming office and for every subsequent two-year period in which the Board Members continue to hold membership on the Board. A report detailing the training and education received by the respective Board Members during the two-year periods will be published on the LACERS website.

#### II. EDUCATIONAL OBJECTIVES

This policy defines a *Prudent Person Standard* for Trustees as a general understanding of:

- A. The role of the Board Members and the role of staff
- B. The obligations and role of fiduciary and the paramount duties of loyalty and prudence
- C. The business model (including knowledge of true measure of success, the driving factors that determine success and the major business risks associated with public pension systems; namely, in the areas of investments and benefit administration);
- D. Governance principles
- E. The legal and legislative environment
- F. Actuarial principles
- G. Plan design and other benefit program
- H. Investment and asset allocation strategies

#### III. NEW TRUSTEE ORIENTATION PROGRAM

To ensure that newly appointed and elected LACERS Board Members are securely grounded in their role as fiduciaries at the outset of assuming such an important responsibility, each shall participate in the New Trustee Orientation Program which offers critical background information and education on the Board's governance responsibilities, the knowledge of which is essential for the fullest possible engagement of each Board Member in every aspect of pension fund management.

The structure-content of the orientation will generally be as follows:

##### A. Day 1

##### Morning

- History and overview of LACERS
- Fiduciary Responsibility
- Ethics Training

##### Afternoon

- Board Governance

### Section 1.0 GUIDANCE FOR BOARD MEMBERS

- Benefits and Services
- ~~Actuarial Concepts~~
- ~~Day 2~~
- Investment Concepts
- Operations
- Legal Representation and Law
- Current Topics for LACERS
- Tour of the offices and boardroom

#### IV. IN-HOUSE EDUCATION PROGRAM

To provide updates on various issues affecting the administration of public pension systems, in-house education sessions will occur periodically at regular Board meetings or organized as stand-alone sessions. The General Manager will arrange in-house training for the Board based on the schedule below and as-needed:

##### A. Mentoring

Any new Board Members may request a mentor to assist ~~him or her~~ them in becoming familiar with their ~~his or her~~ responsibilities on the Board. If a request is made, the Board President will designate an experienced Board Member to be a mentor to the new Board Member for a period of one year.

##### B. Investment Education

At least once per fiscal year, an investment educational session for all Board Members shall be conducted. The General Manager shall survey the Board to identify specific investment topics of interest.

##### C. Fiduciary Education Sessions ~~by Fiduciary Counsel~~

Each year, ~~outside Fiduciary~~ Counsel will provide fiduciary education to the Board.

##### D. Actuarial Education

Each year, an actuarial education session will be provided to the Board.

##### E. Healthcare Benefits Education

Each year, a healthcare benefits education session will be provided to the Board.

##### F. Retirement Benefits

Each year, an update of the issues regarding retirement benefits will be provided to the Board.

##### G. Ethics Training

Board Members are required to participate or attend the City's Ethics training during the first year of appointment and then once every two years. Refresher ethics training will be provided to the Board annually.

##### H. Other As-needed Topics

Staff will periodically coordinate educational sessions for the Board on topics of general interest or topics that Board Members may request.

#### V. EDUCATIONAL CONFERENCES/SEMINARS

The complexities of sound management of the assets and liabilities of a trust fund impose

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

a continuing need for all Members of the LACERS Board to attend professional and educational conferences, seminars, and other educational events that will better prepare them to perform their fiduciary duties.

### A. Annual Approved List of Educational Seminars

Prior to the beginning of each fiscal year, the General Manager shall formally solicit requests from the Board for any additions or deletions to the Approved List of Educational Seminars (Appendix A) for the upcoming year. After receiving the Board's input, staff will prepare a report detailing the requested seminars together with staff recommendations complete with descriptions and estimated registration costs. This report will be brought before the Board for its review and adoption to establish the Approved List of Seminars for the upcoming year.

The list shall identify recommended conferences for new trustees, and make a concerted effort to reflect educational opportunities at Southern California universities available for pension trust fiduciaries.

Board Members are encouraged to attend a minimum of one educational conference or seminar per fiscal year from this list.

The General Manager will prepare an annual blanket authority for Board approval for conferences included in the Approved List of Educational Seminars.

Every Board Member's participation in a pre-approved conference shall be noticed on the Board agenda following submission of the required Board Education Evaluation form.

### B. Conference Invitations Received by a Board Member

To provide all the Trustees with the same conference and seminar opportunities, the individual Board Member shall forward invitations they receive to a conference or seminar, to the General Manager or the Board Executive Assistant. LACERS will consult with the Office of the City Attorney or the City Ethics Commission for compliance with gift and disclosure requirements. If the conference or seminar clears the ethics compliance process, the Board Executive Assistant shall disseminate the conference or seminar invitation to all Board Members.

### C. Board Education Limitations

Board Member travel shall adhere to the following guidelines:

- Board Members shall attend conferences or seminars that have a solid reputation for quality program content (see Appendix A); i.e., agendas with a minimum of five hours of substantive educational content. Content shall not be geared toward marketing or the promotion of investment management and related sponsors. Topics covered during the conference or seminar must be related to the pension fund industry.
- The Board education and travel budget per Trustee shall not exceed \$10,000 per fiscal year for conference fees and travel expenses. Expenses which exceed this annual allocation shall be the personal responsibility of the Board Member unless the Board approves an additional education and travel budget allocation prior to the conference.

Section 1.0 GUIDANCE FOR BOARD MEMBERS

- ~~Board Members shall provide notification to the Board Executive Assistant of their interest to attend a conference or seminar at least sixty (60) days prior to the travel date.~~ Board Members shall provide notification of their interest to attend a conference or seminar as early as possible to take advantage of any early bird discounts.

**D. Reports to the Board**

Monthly Report on Seminars and Conferences Attended by Board Members on Behalf of LACERS

There may be occasions where a Board Member attends seminars or conferences as a LACERS representative or in the capacity of a LACERS Board Member which are either complimentary (no cost involved) or with expenses fully covered by the Board Member.\* Since there is no expense incurred to LACERS, these seminars or conferences do not require Board approval. However, for the purpose of transparency and to avoid the appearance of impropriety, Board Members are required to report to the Board, on a monthly basis at the last Board meeting of each month, such conferences or seminars attended. Monthly reports will include conferences or seminars attended during the period preceding the said Board meeting.

\*Please consult the City Ethics Commission for gift reporting limitations and reporting requirements.

**E. Meeting for Business Purpose in Compliance with the Ralph M. Brown Act**

In accordance with the Ralph M. Brown Act, a quorum comprising of majority of the members of the LACERS' Board or Committee to hear, discuss, or deliberate upon any matter which is under the subject matter jurisdiction of LACERS are meetings subject to the Brown Act. Board Members must be cognizant of this requirement and avoid discussing LACERS' business when in meetings or discussions with other Members of the Board.

**F. Event Participation Report**

Whenever ~~a~~ Trustees attends a conference or other event at the expense of the Fund, it shall be ~~his or her~~ their responsibility to complete the Board Members Education Evaluation Form (Appendix B) and to provide the Board information on concerns with the event, which they believe are of significance to the System. The evaluation form must be submitted with the request for reimbursement of expenses associated with each conference attended. A reimbursement will not be made without a completed evaluation form.

**VI. APPENDICES**

- A. Appendix A – List of Educational Seminar Schedule
- B. Appendix B – Education Evaluation Report

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

**APPENDIX A**  
**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM**  
**LIST OF EDUCATIONAL SEMINARS – FISCAL YEAR 2025-26**

\*Local Conference

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL
		A	Excellent	<ul style="list-style-type: none"><li>▪ Introductory</li><li>▪ Intermediate</li><li>▪ Advanced</li></ul>
		B	Very Good	
		C	Good	
		D	Not Beneficial	
<b>CALAPRS</b> – Advanced Principles of Pension Governance For Trustees <ul style="list-style-type: none"><li>▪ Date and Location (TBD)</li><li>▪ Registration Fee: \$3,000.00</li></ul>	<ul style="list-style-type: none"><li>▪ Benefits Admin</li><li>▪ Investments</li><li>▪ Corporate Governance</li><li>▪ Audit &amp; Strategic Planning</li></ul>			Advanced
California Association of Public Retirement Systems ( <b>CALAPRS</b> ) – General Assembly <ul style="list-style-type: none"><li>▪ March 8-11, 2026 (Carlsbad, CA)</li><li>▪ Registration Fee: \$250.00</li></ul>	<ul style="list-style-type: none"><li>▪ Benefits Admin</li><li>▪ Investments</li><li>▪ Corporate Governance</li><li>▪ Audit &amp; Strategic Planning</li></ul>	A	(Sohn, 2016)  (Wilkinson 2018, 2021)  (Chao, Sohn 2020) A (Sidley, 2025)	Intermediate
<b>CALAPRS</b> – Principles of Pension Governance for Trustees <ul style="list-style-type: none"><li>▪ Date and Location (TBD)</li><li>▪ Registration Fee: \$3,000.00</li></ul>	<ul style="list-style-type: none"><li>▪ Benefits Admin</li><li>▪ Investments</li><li>▪ Corporate Governance</li><li>▪ Audit &amp; Strategic Planning</li></ul>	A	(Serrano, Wilkinson 2015)	Intermediate
<b>CALAPRS</b> – Trustees’ Roundtable <ul style="list-style-type: none"><li>▪ October 3, 2025 (Virtual)</li><li>▪ Registration Fee: \$500.00</li></ul>	<ul style="list-style-type: none"><li>▪ Benefits Admin</li><li>▪ Investments</li><li>▪ Corporate Governance</li><li>▪ Audit &amp; Strategic Planning</li></ul>	B	(Chao, 2016)	Intermediate
Council of Institutional Investors ( <b>CII</b> ) – Conferences <ul style="list-style-type: none"><li>- <b>Fall Conference:</b><ul style="list-style-type: none"><li>▪ September 8-10, 2025 (San Francisco, CA)</li><li>▪ September 30 – October 2, 2026 (Boston, MA)</li><li>▪ No registration cost</li></ul></li><li>- <b>Spring Conference:</b><ul style="list-style-type: none"><li>▪ March 9-11, 2026 (Washington, DC)</li><li>▪ March 8-10, 2027 (Washington, DC)</li><li>▪ No registration cost</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Benefits Admin</li><li>▪ Investments</li><li>▪ Corporate Governance</li><li>▪ Audit &amp; Strategic Planning</li></ul>	A	(Chao, 2017)	Intermediate
		B	(Wilkinson 2015)	Advanced
		A	(Sohn, 2025)	Intermediate

ARTICLE II. BOARD ADMINISTRATIVE POLICIES

Section 1.0 GUIDANCE FOR BOARD MEMBERS

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL  ▪ <i>Introductory</i> ▪ <i>Intermediate</i> ▪ <i>Advanced</i>
		<i>A</i>	<i>Excellent</i>	
		<i>B</i>	<i>Very Good</i>	
		<i>C</i>	<i>Good</i>	
		<i>D</i>	<i>Not Beneficial</i>	
Harvard Business School ( <b>HBS</b> ) – Driving Strategic Decisions previously known as Behavioral Economics  ▪ January 14 – February 25, 2026 (Virtual) ▪ Registration Fee: \$7,250.00	▪ Investments ▪ Corporate Governance		(Sohn, 2022)	
Harvard Business School ( <b>HBS</b> ) – Competing in the Age of AI-Virtual  ▪ Date and Location (TBD) ▪ Registration Fee (TBD)		<b>A</b>	(Sohn, 2024)	Intermediate
Harvard Kennedy School ( <b>HKS</b> ) – Leadership Decision Making: Optimizing Organizational Performance  ▪ September 7-12, 2025 (Cambridge, MA) ▪ Registration Fee: \$11,200.00 ▪ January 5-16, 2026 (Virtual) ▪ Registration Fee: \$6,600.00	▪ Public Leadership and Public Policy		(S. Lee, 2021) (Sohn, 2022)	Advanced
Harvard Kennedy School ( <b>HKS</b> ) – Infrastructure Financing Regulation and Management  ▪ May 3-8, 2026 (Cambridge, MA) ▪ Registration Fee: \$10,600				
International Atlantic Economic Society ( <b>IAEC</b> ) – International Atlantic Economic Society Annual Conference  ▪ Date and Location (TBD) ▪ Registration Fee (TBD)				
International Atlantic Economic Society ( <b>IAEC</b> ) – International Atlantic Economic Society North American Conference  ▪ Date and Location (TBD) ▪ Registration Fee (TBD)				

ARTICLE II. BOARD ADMINISTRATIVE POLICIES

Section 1.0 GUIDANCE FOR BOARD MEMBERS

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL  ▪ <i>Introductory</i> ▪ <i>Intermediate</i> ▪ <i>Advanced</i>
		<i>A</i>	<i>Excellent</i>	
		<i>B</i>	<i>Very Good</i>	
		<i>C</i>	<i>Good</i>	
		<i>D</i>	<i>Not Beneficial</i>	
International Foundation of Employee Benefit Plans (IFEBP) – The Wharton School Advanced Investments Management  ▪ Date and Location (TBD) ▪ Registration Fee: \$6,150.00	▪ Investments	<b>B</b>	(E. Lee, 2024)	Intermediate
International Foundation of Employee Benefit Plans (IFEBP) – Advanced Trustees and Administrators Institute  ▪ Date and Location (TBD) ▪ Registration Fee: \$1,750.00	▪ Benefits Admin ▪ Investments ▪ Plan Admin			
International Foundation of Employee Benefit Plans (IFEBP) – The Wharton School Alternative Investment Strategies  ▪ Date and Location (TBD) ▪ Registration Fee: \$4,495.00	▪ Investments ▪ Corporate Governance			
International Foundation of Employee Benefit Plans (IFEBP) – Annual Employee Benefits Conference  ▪ November 9-12, 2025 (Honolulu, HI) ▪ Registration Fee: \$1,850.00	▪ Benefits Admin ▪ Investments ▪ Plan Admin			
International Foundation of Employee Benefit Plans (IFEBP) – Health Benefit Plan Basics – Certificate Series  ▪ July 14-15, 2025 (Chicago, IL) ▪ Registration Fee: \$1,400.00 ▪ October 8-9, 2025 (Austin, TX) ▪ Registration Fee: \$1,400.00	▪ Benefits Admin			
International Foundation of Employee Benefit Plans (IFEBP) – Investments Institute  ▪ Date and Location (TBD) ▪ Registration Fee: \$1,750.00	▪ Investments			

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL
		A	Excellent	
		B	Very Good	
		C	Good	
		D	Not Beneficial	
International Foundation of Employee Benefit Plans (IFEBP) – New Trustees Institute  <ul style="list-style-type: none"> <li>- <b>Level I: Core Concepts:</b> <ul style="list-style-type: none"> <li>▪ November 7-9, 2025 (Honolulu, HI)</li> <li>▪ Registration Fee: \$1,750.00</li> </ul> </li> <li>- <b>Level II: Concepts in Practice:</b> <ul style="list-style-type: none"> <li>▪ November 8-9, 2025 (Honolulu, HI)</li> <li>▪ Registration Fee: \$1,750.00</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Benefits Admin</li> <li>▪ Investments</li> <li>▪ Plan Admin</li> </ul>			
International Foundation of Employee Benefits Plan (IFEBP) – The Wharton School Portfolio Concepts and Management Course  <ul style="list-style-type: none"> <li>▪ Date and Location (TBD)</li> <li>▪ Registration Fee: \$6,350.00</li> </ul>	<ul style="list-style-type: none"> <li>▪ Investments</li> </ul>	A A	(Huynh, 2024) (Sidley, 2024)	
National Conference on Public Employee Retirement Systems (NCPERS) – Annual Conference & Exhibition  <ul style="list-style-type: none"> <li>▪ Date and Location (TBD)</li> <li>▪ Registration Fee: \$1,100.00</li> </ul>	<ul style="list-style-type: none"> <li>▪ Benefits Admin</li> <li>▪ Investments</li> <li>▪ Corporate Governance</li> </ul>	A B	(Wilkinson, 2017, (Sohn, 2018)  (Ruiz, 2016) (Chao, 2024)	Intermediate
National Conference on Public Employee Retirement Systems (NCPERS) – Legislative Conference  <ul style="list-style-type: none"> <li>▪ January 26-28, 2026 (Washington, DC)</li> <li>▪ Registration Fee: \$650.00</li> </ul>	<ul style="list-style-type: none"> <li>▪ Benefits Admin</li> <li>▪ Investments</li> <li>▪ Corporate Governance</li> </ul>	A	(Huynh, 2025)	Intermediate
National Conference on Public Employee Retirement Systems (NCPERS) – Trustee Educational Seminar (TEDS)  <ul style="list-style-type: none"> <li>▪ Date and Location (TBD)</li> <li>▪ Registration Fee: \$500.00</li> </ul>	<ul style="list-style-type: none"> <li>▪ Benefits Admin</li> <li>▪ Investments</li> <li>▪ Corporate Governance</li> </ul>	C A	(Roten, 2024) (Sohn, 2016)	Intermediate
Nossaman Annual Public Pensions and Investments' Fiduciaries' Forum Annual Update  <ul style="list-style-type: none"> <li>▪ Date and Location (TBD)</li> <li>▪ Registration Fee: \$425.00</li> </ul>	<ul style="list-style-type: none"> <li>▪ Legislative Governance</li> </ul>			



## ARTICLE II. BOARD ADMINISTRATIVE POLICIES

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL
		A	Excellent	
		B	Very Good	
		C	Good	
D	Not Beneficial			
Pacific Pension & Investments Institute (PPI)  - Summer Roundtable: ▪ July 23-24, 2025 (Salt Lake City, UT) ▪ Registration Fee: \$900.00 - Winter Roundtable: ▪ Date and Location (TBD) ▪ Registration Fee: \$900.00	▪ Investments ▪ Corporate Governance			▪ Introductory ▪ Intermediate ▪ Advanced
Pension Real Estate Association (PREA) Annual Institutional Investor Conference  ▪ October 22-24, 2025 (Boston, MA) ▪ Registration Fee: \$150.00	▪ Investments	A	(Chao, 2017)	Intermediate
Pension Real Estate Association (PREA) Spring Conference  ▪ March 26-27, 2026 (Nashville, TN) ▪ Registration Fee: (TBD)	▪ Investments	A	(Chao, 2017)	Intermediate
Robert F. Kennedy (RFK) Human Rights Compass Conference  ▪ Date and Location (TBD) ▪ Registration Fee: No registration cost	▪ Investments ▪ Corporate Governance			
State Association of County Retirement Systems (SACRS) Conference  - Fall Conference: ▪ November 11-14, 2025 (Huntington Beach, CA) ▪ November 10-13, 2026 (Rancho Mirage, CA) ▪ Registration Fee: \$290.00 - Spring Conference: ▪ May 12-15, 2026 (Ranchi Mirage, CA) ▪ Registration Fee: \$290.00	▪ Benefits Admin ▪ Investments ▪ Corporate Governance	A B B	(Wilkinson, 2015, 2017, 2018) (E. Lee, 2021) (Sohn, 2022)  (Chao, 2017)  (Sohn, 2024)	Intermediate
State Association of County Retirement Systems (SACRS) / UC Berkeley Program – Public Pension Investment Management Program  ▪ July 13-16, 2025 (Berkeley, CA) ▪ Registration Fee: \$3,500.00	▪ Investments	A	(Wilkinson, 2015)	Intermediate

# ARTICLE II. BOARD ADMINISTRATIVE POLICIES

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

CONFERENCE / SEMINAR / MEETING	SUBJECT MATTER	TRUSTEE EVALUATION		
		TRUSTEE RATING Rate seminar with:		LEVEL
		<i>A</i>	<i>Excellent</i>	▪ <i>Introductory</i>
		<i>B</i>	<i>Very Good</i>	▪ <i>Intermediate</i>
		<i>C</i>	<i>Good</i>	▪ <i>Advanced</i>
		<i>D</i>	<i>Not Beneficial</i>	
United Nations Principles in Responsible Investing (PRI) in Person <ul style="list-style-type: none"> <li>▪ November 4-6, 2025 (Sao Paulo, Brazil)</li> <li>▪ Registration Fee: No registration cost</li> </ul>	<ul style="list-style-type: none"> <li>▪ Investments</li> <li>▪ Corporate Governance</li> </ul>			
Western Economic Association International – Annual Conference <ul style="list-style-type: none"> <li>▪ June 29 – July 3, 2026 (Denver, CO)</li> <li>▪ Registration Fee: (TBD)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Investments</li> </ul>	<b>A</b>	(Sohn, 2024)	Advanced
Women’s Alternative Investment Summit <ul style="list-style-type: none"> <li>▪ Date and Location (TBD)</li> <li>▪ Registration Fee: (TBD)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Investments</li> </ul>			
Women’s Private Equity Summit <ul style="list-style-type: none"> <li>▪ March 8-11, 2026 (Biltmore, AZ)</li> <li>▪ Registration Fee: No registration cost</li> </ul>	<ul style="list-style-type: none"> <li>▪ Investments</li> </ul>			

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

## APPENDIX B

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM (LACERS)  
EDUCATION EVALUATION REPORT**

Name of Attendee:		
Title of Conference/Seminar:		
Location:		No. of Education Hours:
Trustee Rating: (A-Excellent, B-Very Good, C-Good, D-Not Beneficial)		Level: (Introductory, Intermediate, or Advanced)
Event Sponsor:		Date(s) Held:

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

II. Significant Information Gained:

III. Benefits to LACERS:

IV. Additional Comments:

SUBMIT TO THE LACERS COMMISSION EXECUTIVE ASSISTANT, 977 N. BROADWAY, LOS ANGELES,  
CA WITHIN 30 DAYS AFTER ATTENDING THE CONFERENCE/SEMINAR

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

**1.3 BOARD TRAVEL POLICY**

*Adopted: May 26, 2009; Revised: June 22, 2010; December 13, 2011; March 11, 2014; September 23, 2014; February 12, 2019; January 14, 2020; May 14, 2024, TBD*

**I. STATEMENT OF PURPOSE**

The Office of the City Attorney has affirmed the LACERS Board's plenary authority and fiduciary responsibility for investment of trust assets and administration of the System as codified in the California Constitution (Section 17 of Article 16). The position is further strengthened by the Los Angeles City Charter §1110(b):

*The board of each pension and retirement system shall have control over their respective funds. Transfers or expenditures shall be drawn upon funds only upon demands signed by the chief accounting employee of the board. All payments from the funds shall be made upon demands prepared and approved in accordance with the provisions of the Charter.*

**A. Travel Requiring Explicit Board Approval**

Subject to explicit approval of the Board for each conference, the requesting Board Member shall provide appropriate justification to the Board for consideration of:

1. Requests to travel to conferences ~~outside not included in~~ the List of Educational Seminars (Section 1.2, Appendix A) will be submitted to the Board for approval, so long as the trustee's education and travel budget allocation is not exceeded.
2. Requests for travel outside the United States.

**B. Travel Outside the United States**

All conferences and seminars which involve travel to a destination outside the United States must be approved by the Board. Each Board Member may attend no more than one conference which involves international travel in any 12-month period.

**C. Travel to Washington D.C. or Sacramento**

The Mayor requires notification of any travel to Washington D.C. or Sacramento. Staff will process the appropriate forms on behalf of the Trustees.

**D. Board Travel Arrangements**

Board Members shall provide notification to the Board Executive Assistant of their interest to attend a conference or seminar at least sixty (60) days prior to the travel date.

**E. Reports to the Board**

An educational travel expenditure report shall be provided to the Board on a quarterly basis, covering cumulative Board Member and staff travel for the fiscal year.

**II. TRAVEL EXPENSE REIMBURSEMENT POLICIES****A. Authorities**

LACERS acknowledges the Los Angeles City Controller's Travel Policy applies to most other City departments. However, LACERS Board and its designees retain their plenary authority to approve all education and related travel expenditures which are reasonable and appropriate for ~~the conducting of~~ official LACERS business. LACERS will consider the Controller's Travel Policy and will incorporate similar rules if appropriate.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

The LACERS Board of Administration has full authority over the trust fund expenditures including the payment of all education and related travel expenditures which it deems reasonable and appropriate ~~for the conduct of~~ to conduct official LACERS business.

The City's travel policies as set forth in Division 4, Chapter 5, Article 4 of the Los Angeles Administrative Code (LAAC) provide the definitions, parameters, and guidance for the majority of travel circumstances encountered for LACERS travel and will be referenced as LACERS primary travel policy. ~~The~~ LACERS departmental travel expense reimbursement policy is meant to facilitate official business and to be ~~in compliance-compliant~~ with and augment the LAAC travel ~~and augment the policy to facilitate LACERS business~~. ~~The~~ LACERS travel reimbursement policy establishes standards of reasonableness, appropriateness, and necessity for ~~the conducting of~~ LACERS business, and applies to all travel expenditures paid by LACERS. Expenditures which are certified as to reasonableness and appropriateness by the Department Head are to be paid by the City Controller upon demand.

The Board authorizes by resolution, authority to certify travel expenditures as required by the LAAC, to the Board President for Board Member and General Manager travels; the Board Vice President for Board President travel; and the General Manager for staff, City Attorney-Public Pensions General Counsel~~Retirement Benefit Office counsel~~, and consultant travel.

### B. Reimbursable Expenses~~LACERS Travel Expense Reimbursement Policy~~

LACERS Travelers are entitled to reimbursement of travel expenses when on official LACERS business, including reimbursement of all transportation costs, registration or attendance fees, subsistence, costs and other costs reasonably and necessarily incurred on official business, subject to the guidelines outlined in this policy and in compliance with the Internal Revenue Service accountable plan rules for travel reimbursements.

Appendix A of the document outlines the LACERS Travel Expense Reimbursement Policy, providing detailed guidelines for Board Members and staff on allowable travel expenses, required approvals, and documentation. It covers general travel definitions, air travel rules including booking procedures and permissible upgrades, use of personal vehicles and other transportation modes with pre-approval requirements, lodging standards emphasizing economical and practical accommodations, meal and incidental expense allowances compliant with IRS rules, and policies on other reimbursable and non-reimbursable expenses. The appendix ensures travel is conducted efficiently, reasonably, and in compliance with both LACERS and City regulations. A list of reimbursable expenses is included in Appendix B, which includes a summary of allowable reimbursements under the LAAC and the corresponding LACERS policy establishing standards for reasonableness, appropriateness, and necessity.

### C. Non-Reimbursable Expenses~~Board Travel Reimbursement Checklist~~

The Board Travel Reimbursement Checklist (Appendix B) guides Board Members through the steps required for travel approval and reimbursement. It details the process from submitting event information and estimated expenses to booking flights and registering for conferences, including requirements for pre-approval of certain

Section 1.0 GUIDANCE FOR BOARD MEMBERS

expenses. The appendix also lists allowable travel costs—such as air travel, other transportation, registration fees, lodging, meals, incidental expenses, and miscellaneous costs—and specifies the necessary documentation for each, such as receipts, justifications, and expense statements, ensuring compliance with LACERS policies and proper financial accountability.~~Expenditures which are incurred by a Board Member or staff that are not substantive to LACERS' business will not be reimbursed by LACERS. A list of non-reimbursable travel expenses is included in Appendix B.~~

**III. APPENDICES**

- A. Appendix A – LACERS Travel Expense Reimbursement Policy
- B. Appendix B – Board Travel Reimbursement Checklist

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

## APPENDIX A

**LACERS TRAVEL EXPENSE REIMBURSEMENT POLICY  
AND RELATED PROVISIONS OF CITY TRAVEL POLICY  
(LAAC Chapter 5, Article 4, §§ 4.242.1-4.242.9)**

*Approved March 11, 2014;*

*Revised September 23, 2014; February 12, 2019; November 24, 2020; May 14, 2024*

**I. GENERAL GUIDELINES**

A copy of the Travel and Education Policy including the Guidelines for Travel and Personal Expenses will be provided to new Board Members and staff before processing their first travel request.

**A. LACERS considers an individual traveling if:**

- i) the travel is outside the geographic boundaries of Los Angeles County [LAAC §4.242.2]; and more than 50 miles away from both LACERS' offices and the traveler's home; and
- ii) the duties require the individual to be away from the general area of the individual's primary residence substantially longer than an ordinary day's work; or
- iii) the individual needs to sleep or rest to meet the demands of work while away from the primary residence.

**B. Costs incurred on travel days which are not conference days are allowable (subject to limitations covered in the applicable sections of the guidelines):** (i) on the day before the first educational session of the conference or seminar if transportation on the first conference day would require the traveler to leave his/her point of departure (e.g., home) earlier than 9:00 a.m.; or (ii) on the day after the last educational session of the conference or seminar if transportation on the last conference day would cause the traveler to get to his/her-their final destination (e.g., home) after 8:00 p.m.**C. Board approval of travel is required prior to payment of any related fees.** If a Traveler elects to personally incur travel-related fees prior to the Board's approval, the Traveler assumes personal financial liability that his or her expenses may not be reimbursed.**II. TRANSPORTATION****A. Air Travel**

- i) Air travel may be used when it is the most efficient means of travel.
- ii) Travelers are strongly encouraged to use the City's authorized business travel service, CI Azumano, to book airline reservations, but may use another travel service or reserve directly with an airline.
- iii) Purchase of airline tickets outside of CI Azumano is allowed and will be reimbursed at the lower of the actual cost of the ticket or 150% of the lowest cost one-stop airfare for the same days of travel (personal travel days excluded). Traveler is responsible for the handling of any changes, cancellations, refunds, and credits involving non-CI Azumano reservations. Purchase of traveler's insurance is recommended for such reservations. Traveler bears this cost, not LACERS.
- iv) Air travel shall be at coach or economy fare. Coach or economy fare is presumed to be the lowest regular fare available for regularly scheduled airlines. Airfare quotes from several airlines are not necessary.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

- v) Airfare other than coach or economy class may be allowed under the following conditions:
  - a. Flight upgrades from economy class to business class are allowable on flights where the origin and/or destination are outside of the Continental United States and the scheduled flight time, including non-overnight layovers and changes of planes, is in excess of 14 hours and the traveler is required to report for duty the following day or sooner.

*Applicable to LACERS Investment Officers only:*

- b. Flight upgrades from economy class to premium economy class are allowable for staff travel tied to specific investment work, subject to the approval of the Chief Investment Officer or designee. This would be allowed on flights less than 14 hours, but greater than 4 hours in duration, and would require the traveler to report for duty the same day. Examples of travel tied to investment work would include travel to Advisory Committee or other limited partner (LP) meetings, due diligence visits, and as an agendized speaker at an investment event, but would not extend to travel for training purposes even if it were for investments training.
- vi) Non-stop flights are permissible if the airline ticket is coach or economy class and if the cost is no more than 50% higher than the lowest cost flight with one stop.
- vii) If the airline ticket is purchased from a travel service other than CI Azumano or directly from the airline, the traveler is required to obtain a quote from CI Azumano generated on the same day the flight was booked or no later than 72 hours after the air travel reservation was made. The quote shall be for a one-stop coach/economy class ticket from any airline for the same days of travel. It will be used for cost comparison purposes as part of the reimbursement process.
- viii) When the airfare receipt shows an upgrade to business or first class accommodation,
  - a. Without further justification, the traveler may be reimbursed at the lower of the lowest regular fare rate available<sup>1</sup> and actual cost, or
  - b. the traveler shall provide a memo stating the case of official necessity, for approval by the Department Head<sup>2</sup>.
- ix) LACERS will pay directly for airfare booked with the City's authorized business travel service, CI Azumano.
- x) If CI Azumano is not used, LACERS travelers must use their personal credit card to book flights or other modes of transportation.
- xi) Consistent with Federal and City travel standards, coupons, or promotional mileage credits earned by the traveler during the course of LACERS business travel may be used for LACERS or personal business. The traveler will not be reimbursed for such coupons or promotional mileage credits used for LACERS travel.
- xii) Fees for one checked bag and one carry-on bag will be reimbursed, as will seat selection fees not to exceed \$200 (each way) on long-haul (intercontinental) international flights, and not to exceed \$100 (each way) on all non-long-haul international (North American flights including Canada and Mexico) and all domestic

<sup>1</sup> The acceptable amount will be the fare verified by the Accounting staff prior to encumbrance of the travel request.

<sup>2</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.



## Section 1.0 GUIDANCE FOR BOARD MEMBERS

flights. Fees for additional checked baggage may be reimbursed if a justification for an official business need is approved.

xiii) The cost of air flight insurance is not eligible for reimbursement.

xiv) With pre-approval of the Department Head, refundable airline tickets may be purchased if the traveler provides acceptable justification that the benefit of booking a refundable ticket outweighs the risk of changes in travel plans.

B. Personal Vehicle or Non-Air Transportation

i) Pre-approval by the Department Head is required for all non-air travel in advance of travel. Travelers must submit the following items for pre-approval:

a. For travelers using personal automobiles for business purposes – Provide proof of automobile insurance at minimum coverage levels as follows: \$25,000 injury to or death of one person; and, \$50,000 injury to or death of more than one person; and, \$5,000 property damage for any one accident.

b. Cost comparisons are required for all non-air travel, with exceptions listed below:

i) Traveler shall submit: a quote for the lowest regular fare available for regularly scheduled airlines to the destination for the date and time selected; and the cost for regular fare on the alternative mode of transportation.

ii) Exceptions (no cost comparison is required):

a. If traveling by vehicle to neighboring counties of Orange, Riverside, San Diego, San Bernardino, Ventura, Kern, Santa Barbara, and San Luis Obispo, ~~or to the San Francisco Employees Retirement System to transport sensitive computer equipment for the LACERS emergency hot/warm site.~~

ii) Receipts for alternate modes of travel are required. Reimbursement will be for the lower of the actual cost of transportation or lowest regular airfare verified by Accounting prior to encumbrance of the travel request.

iii) Mileage reimbursement is provided when personal vehicle is used for ground transportation.

a. Mileage reimbursement for the Board will be calculated on a roundtrip basis between official's residence and official destination.

b. Commissioner's mileage reimbursement for ground transportation to/from airport will be computed based on roundtrip miles from residence to airport.

*Applicable to LACERS Staff only:*

~~c.~~ Mileage reimbursement for staff will be based on the distance in excess of home to City office for travels during regular work days; for other days, reimbursement will be based on a roundtrip between staff's residence and official destination.

iv) Additional travel time and expenses (such as meals and lodging) incurred in choosing other than the fastest and most direct mode of transportation are at the traveler's own personal time and expense.

v) Claims for repairs, replacements, towage, gas and car insurance are not reimbursable.

vi) Ground transportation refers to transportation from home to airport, airport to hotel and/or conference/ meeting/seminar location, and back. This includes taxis, shuttles, limousines, rideshare (e.g. Uber, Lyft), and private vehicles.

vii) ~~Mileage reimbursement is provided when personal vehicle is used for ground transportation to/from airport. Commissioner's mileage reimbursement will be~~

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

~~computed based on roundtrip miles from residence to airport. Staff mileage reimbursement will be computed based on the distance in excess of home to City office for travels during regular work day; and roundtrip miles from residence to airport on non-work days.~~

## C. Ground Transportation

- i) Reimbursement for airport parking at any Southern California airport, is actual amount, shall not to exceed \$20 per day or up to 125% of the lowest parking lot rate that's officially operated by that airport. Pre-approval is not required. Reimbursement for actual amounts in excess of the allowed amount \$20 per day requires the traveler to submitting a memo to justifying the expense based on time, availability, and personal safety or health.
- ii) Reimbursement for use of taxi, shuttle, private car, or limousine service is limited to the lesser of roundtrip taxi fare (<http://www.taxifarefinder.com>) or shuttle fare (<http://www.shuttlefare.com>).

## D. Automobile Rental

- i) Pre-approval by the Department Head is required. Travelers must provide written justification that traveling by car is less expensive or more efficient in conducting LACERS business than by use of taxi or bus.
- ii) The traveler will not be reimbursed for car rental insurance within the United States. Car rental insurance costs required in foreign countries may be claimed for reimbursement.

**III. LODGING, MEALS, AND INCIDENTAL EXPENSE ALLOWANCE**

## A. Lodging

- i) Acceptable documentation shall include original itemized hotel receipt marked 'Paid in Full' or showing a zero balance; otherwise, proof of payment is also required.
- ii) Reimbursement for lodging in a hotel where the meeting or convention to be attended is deemed the most practical accommodation and permissible.
- iii) A traveler may elect to stay in a hotel sponsored by the conference as it is presumed to be the most practical or convenient. The reimbursement will be limited to the lesser of the actual hotel costs incurred or the conference hotel rate.
- iv) For any official travel for training, due diligence trips, meetings with investment managers, or training where hotels are not pre-designated, the traveler should select the most economical lodging taking into consideration the proximity of the selected place to conduct the official System business, traveler's safety, time and transportation costs and other relevant factors. Any of the following methods are acceptable for determining "moderately priced establishments of acceptable quality", "the most economical and practical accommodations", and those which would be presumed not to meet the IRS definition of "lavish and extravagant" accommodations:
  - a. Lodging does not exceed the highest Federal domestic lodging per diem rate; cost comparison is not necessary; or
  - b. The most economical hotel identified using the City traveler provider website ([www.concursolutions.com/](http://www.concursolutions.com/)), with availability, with at least a 3 star rating on a 5 star scale travel, and within walking distance or no less than ½ mile radius of the first business location; or
  - c. The most practical hotel on the above list with acceptable written justification; or
  - d. Any lodging expenses may be reimbursed provided that the expense does not exceed 300% of the lodging per diem and traveler must clearly demonstrate no

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

other acceptable alternative lodging was available, as in the event of a state of emergency, or other justifiable reason reviewed and certified by the Department Head as reasonable and proper, and incurred in the pursuit of System business.

- v) Reimbursement is limited to single occupancy room rate, as documented on hotel letterhead or the hotel's room rates listing, plus applicable taxes and charges unless additional occupants are LACERS trustees/staff on official LACERS business.
- B. Meals and Incidental Expenses (M&IE)
  - i) LACERS intends to be compliant with IRS accountable plan rules; therefore M&IE allowance will be provided only when business travel results in a necessity for lodging. LACERS will provide travelers with a standard meal allowance at the Federal per diem rate per locale. The allowance, in lieu of providing receipts, is acceptable under the IRS accountable plan rules. The IRS (Publication 463) defines meals and incidental expenses include: meals, transportation to acquire meals, fees/tips to porters, baggage carriers, bellhops, hotel maids, wait staff, and other service providers.
  - ii) No meal allowance will be paid when meals are provided throughout the day by the host or at the conference.
  - iii) Prorating the standard meal allowance – The IRS permits LACERS to adopt its own rules for prorating the standard meal allowance on partial days of travel so long as we consistently apply the method in accordance with reasonable business practice. The meal and incidental expense allowance will be prorated from a daily allowance to a per meal period allowance on partial days of travel; and when some meals are prepaid/to be paid by LACERS (complimentary breakfast provided at the hotel, meals at the conference, or pre-paid to comply with the City/LACERS gift restrictions. The M&IE allowance = incidental expense + breakfast allowance (if traveling between 1AM – 9AM) + lunch allowance (if traveling between 9AM – 5PM) + dinner allowance (if traveling between 5PM – 1AM). Utilize the M&IE per travel locale and provide an allowance for each meal period the traveler is away from home (based on the current Federal General Services Agency M&IE allowance) located here: <https://www.gsa.gov/travel/plan-and-book/per-diem-rates/mie-breakdowns?gsaredirect=mie>
  - iv) Gratuities are included in the IRS definition of “incidental” expenses and are therefore subject to per diem limits. Reimbursement for restaurant gratuities are calculated as up to 15 percent of the restaurant bill exclusive of taxes, except when the gratuity percentage is required and the amount is added on the bill by the service provider.

IV. **OTHER EXPENSES**

- A. Other travel expenses are allowable when deemed necessary in the conduct of System business provided such expenses are reviewed and certified by the Department Head as reasonable, proper, and incurred in pursuit of ~~System~~ LACERS business. Otherwise, these expenses become personal expenditures.
- B. Travel Interruptions – When there is an interruption or deviation from planned travel due to bona fide public emergencies outside of the traveler's control, such as weather or shutdown of air travel, travelers may be reimbursed at full cost for emergency lodging, meals, and incidental expenses.
- C. Indirect Travel - ~~Whether~~ Whether for the traveler's personal leave or for convenience, expenses allowable will not exceed those that would have been incurred for uninterrupted travel utilizing the direct travel route or travel days. Supporting documentation showing the cost for direct travel and the deviation should be provided by the traveler.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

- D. Internet Service – Travelers may request reimbursement for internet connection services if free internet service is not available to conduct LACERS business.
- E. Laundry service when travel is for less than four consecutive nights may be authorized when traveling conditions or special circumstances dictate.
- G.F. Other travel expenses such as meeting fees, telephone calls, parking fees, and supplies can be reimbursed if necessary for the conduct of official LACERS business.

V. **NON-REIMBURSABLE TRAVEL EXPENSES**

- A. Expenditures which are not substantive to LACERS business will not be reimbursed by LACERS, such as:
  - i) Any expenses related to entertainment and recreational activities;
  - ii) Flight upgrade fees except those expressly authorized within the Air Travel portion of this policy;
  - iii) Internet usage fees (unless the internet is used for City business);
  - iv) Any expenses related to alcohol and tobacco;
  - v) Traveler's insurance.
- B. The traveler must submit reimbursement for personal expenditures paid by LACERS. If there are portions of the conference or seminar that are entertainment in nature and not business-related (e.g., golf tournaments, musical performances or concerts, etc.), the traveler is required to reimburse LACERS for the cost of these recreational activities.

VI. **OTHER RULES AND RESTRICTIONS**

- A. Documentation of Expenses – Personal Expense Statements
  - i) All expenses claimed for reimbursement must be itemized on the Personal Expense Statement (PES - Form Gen. 16).
  - ii) The traveler is responsible for verifying all charges on receipts before making payment. Charges made in error will not be reimbursed.
  - iii) Original receipts are required for any single expenditure in excess of \$25. Receipts are not required for a meal and incidental expense allowance, regardless of amount, when the Federal per diem rate per locale is provided to the traveler and prorated in accordance with LACERS' policy.
- B. Travel Advances
  - i) For trips of one night or more, a travel advance may be requested. The amount advanced is limited to the lodging, meal and incidental expenses per diem. Only 90% of the total travel estimate is advanced. A travel advance will not be issued if this amount is less than \$500 in total.
  - ii) Written requests for the travel advance are to be submitted by the Traveler to the CEA/travel coordinator for approval at least fifteen (15) business days prior to the date of travel but no earlier than thirty (30) calendar days prior to travel. The request must include a statement certifying that the traveler has no outstanding cash advances.
  - iii) A cash advance request will be denied if a traveler has an outstanding cash advance for past travel with does not comply with the procedures.
  - iv) Regular travel advances will be released no earlier than one (1) week before travel.

*Applicable to LACERS Staff only:*

- v) Outstanding travel advances not accounted for and delinquent over 120 days will be included as part of an to the employee's wages on the first payroll period of the subsequent calendar quarter following the end of the 120 calendar days; and,

**Section 1.0 GUIDANCE FOR BOARD MEMBERS**

for non-City employees, IRS Form 1099-Misc will be issued per IRS Federal, State, Local Government Taxable Fringe Benefit Guide. Nothing herein eliminates the traveler's obligation to return to the Fund any excess monies that were received that were not used for approved travel expenses.

- vi) Future travel advances will not be processed for traveler(s) with delinquent PES over 30 days. Requests for reimbursement may be processed in advance of the travel for expenditures such as registration fees, and/or one-night hotel deposit. To ensure timely processing of the reimbursement, such requests along with supporting documents and proof of payment (credit card statement, etc.) must be submitted to the CEA/travel coordinator, in writing, at least fifteen (15) working days before the date of travel.
- vii) Advanced payment for cancelled travel: Any amount that was paid by department in advance of travel is considered an advance. In the event of the need to cancel the trip, the traveler is responsible for notifying all payees to as soon as possible to avoid/minimize cancellation fees.
  - a. If cancellation was due to personal reasons, the traveler must personally reimburse the department for any amount not recovered (net of cancellation fees). If the refund or credit was issued directly to the traveler, traveler must pay LACERS the entire amount of credit received within 14 calendar days from the credit issued date.
  - b. If travel was cancelled due to the business or public reason, traveler is responsible to submit a justification along with the proper documentation to the General Manager within 14 calendar days from the cancelled date.
  - c. Unrecovered amounts are reported as taxable income to the traveler. The traveler may be required to pay for future airfare using their own credit card, and LACERS will reimburse airfare upon completion of the travel.

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## II. TRANSPORTATION

A. AIR TRAVEL	
LAC Requirement	LACERS Policy
<p>Except in the case of official necessity, air travel expenses are allowable only for the lowest regular fare available for regularly scheduled airlines for the date and time selected [§4.242.2(a)(1)]</p> <p>Claims for reimbursement of higher fare or extra charges for transportation by schedule airlines are allowable only if certified by the Department Head<sup>3</sup> that he or she has reviewed and concurs with the facts constituting the official necessity. [§4.242.2(a)(1)]</p>	<ol style="list-style-type: none"> <li>1. Air travel may be used when it is the most efficient means of travel.</li> <li>2. Travelers are strongly encouraged to use the City's authorized business travel service, CI Azumano, to book airline reservations, but may use another travel service or reserve directly with an airline.</li> <li>3. Purchase of airline tickets outside of CI Azumano is allowed and will be reimbursed at the lower of the actual cost of the ticket or 150% of the lowest cost one-stop airfare for the same days of travel (personal travel days excluded). Traveler is responsible for the handling of any changes, cancellations, refunds, and credits involving non-CI Azumano reservations. Purchase of traveler's insurance is recommended for such reservations. Traveler bears this cost, not LACERS.</li> <li>4. Air travel shall be at coach or economy fare. Coach or economy fare is presumed to be the lowest regular fare available for regularly scheduled airlines. Airfare quotes from several airlines are not necessary.</li> <li>5. Airfare other than coach or economy class may be allowed under the following conditions: <ol style="list-style-type: none"> <li>a. Flight upgrades from economy class to business class are allowable on flights where the origin and/or destination are outside of the Continental United States and the scheduled flight time, including non-overnight layovers and changes of planes, is in excess of 14 hours and the traveler is required to report for duty the following day or sooner.</li> <li>b. Flight upgrades from economy class to premium economy class are allowable for staff travel tied to specific investment work, subject to the approval of the Chief Investment Officer or designee. This would be allowed on flights less than 14</li> </ol> </li> </ol>

<sup>3</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

	<p><del>hours, but greater than 4 hours in duration, and would require the traveler to report for duty the same day. Examples of travel tied to investment work would include travel to Advisory Committee or other limited partner (LP) meetings, due diligence visits, and as an agendized speaker at an investment event, but would not extend to travel for training purposes even if it were for investments training.</del></p> <p><del>6. Non-stop flights are permissible if the airline ticket is coach or economy class and if the cost is no more than 50% higher than the lowest cost flight with one stop.</del></p> <p><del>7. If the airline ticket is purchased from a travel service other than CI Azumano or directly from the airline, the traveler is required to obtain a quote from CI Azumano generated on the same day the flight was booked or no later than 72 hours after the air travel reservation was made. The quote shall be for a one-stop coach/economy class ticket from any airline for the same days of travel. It will be used for cost comparison purposes as part of the reimbursement process.</del></p> <p><del>8. When the airfare receipt shows an upgrade to business or first class accommodation,</del></p> <p><del>a. Without further justification, the traveler may be reimbursed at the lower of the lowest regular fare rate available<sup>4</sup> and actual cost, or</del></p> <p><del>b. the traveler shall provide a memo stating the case of official necessity, for approval by the Department Head<sup>1</sup>.</del></p> <p><del>9. LACERS will pay directly for airfare booked with the City's authorized business travel service, CI Azumano.</del></p> <p><del>10. If CI Azumano is not used, LACERS travelers must use their personal credit card to book flights or other modes of transportation.</del></p> <p><del>11. Consistent with Federal and City travel standards, coupons, or promotional mileage credits earned by the traveler during the course of LACERS business travel may be used for LACERS or personal business. The traveler will not be reimbursed for such coupons or promotional mileage credits used</del></p>
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<sup>4</sup> The acceptable amount will be the fare verified by the Accounting staff prior to encumbrance of the travel request.



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	<p>for LACERS travel.</p> <p><del>12. Fees for one checked bag and one carry-on bag will be reimbursed, as will seat selection fees not to exceed \$200 (each way) on long-haul (intercontinental) international flights, and not to exceed \$100 (each way) on all non-long-haul international (North American flights including Canada and Mexico) and all domestic flights. Fees for additional checked baggage may be reimbursed if a justification for an official business need is approved.</del></p> <p><del>13. The cost of air flight insurance is not eligible for reimbursement.</del></p> <p><del>14. With pre-approval of the Department Head<sup>1</sup>, refundable airline tickets may be purchased if the traveler provides acceptable justification that the benefit of booking a refundable ticket outweighs the risk of changes in travel plans.</del></p>
<b><del>B. PERSONAL VEHICLE OR NON-AIR TRANSPORTATION</del></b>	
<b><del>LAAC Requirement</del></b>	<b><del>LACERS Policy</del></b>



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<p><del>In all instances where a mode of transportation other than regularly scheduled airlines is chosen, the Department Head<sup>1</sup> shall authorize such alternate mode of transportation in advance and the allowable cost shall be the actual cost of the alternate mode of transportation or the cost allowable under Subsection (a)1, whichever is less. [§4.242.3.(a)(2)]</del></p> <p><del>In the case of travel by modes of transportation other than regularly scheduled airlines, transportation costs shall be the regular fare for the mode of transportation chosen. [§4.242.3(a)]</del></p> <p><del>In the instance of the use of private automobile, mileage shall be in accordance</del></p>	<p><del>15. Pre-approval by the Department Head<sup>1</sup> is required for all non-air travel in advance of travel. Travelers must submit the following items for pre-approval:</del></p> <p><del>a. For travelers using personal automobiles for business purposes— Provide proof of automobile insurance at minimum coverage levels as follows: \$25,000 injury to or death of one person; and, \$50,000 injury to or death of more than one person; and, \$5,000 property damage for any one accident.</del></p> <p><del>b. Cost comparisons are required for all non-air travel, with exceptions listed below:</del></p> <p><del>Traveler shall submit: a quote for the lowest regular fare available for regularly scheduled airlines to the destination for the date and time selected; and the cost for regular fare on the alternative mode of transportation.</del></p> <p><del>Exceptions (no cost comparison is required):</del></p> <p><del>If traveling by vehicle to neighboring counties of Orange, Riverside, San Diego, San Bernardino, Ventura, Kern, Santa Barbara, and San Luis Obispo, or to the San Francisco Employees Retirement System to transport sensitive computer equipment for the LACERS emergency hot/warm site.</del></p> <p><del>16. Receipts for alternate modes of travel are required. Reimbursement will be for the lower of the actual cost of transportation or lowest regular airfare verified by Accounting prior to encumbrance of the travel request.</del></p> <p><del>17. Mileage reimbursement</del></p> <p><del>a. Mileage reimbursement for the Board will be calculated on a roundtrip basis</del></p>
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<sup>1</sup>Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

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<p><del>with mileage provisions of Division 4, Chapter 5, Article 2 of the Administrative Code. [§4.242.3.(a)(2)]</del></p>	<p><del>between official's residence and official destination.</del></p> <p><del>b. Mileage reimbursement for staff will be based on the distance in excess of home to City office for travels during regular work days; for other days, reimbursement will be based on a roundtrip between staff's residence and official destination.</del></p> <p><del>18. Additional travel time and expenses (such as meals and lodging) incurred in choosing other than the fastest and most direct mode of transportation are at the traveler's own personal time and expense.</del></p> <p><del>19. Claims for repairs, replacements, towage, gas and car insurance are not reimbursable.</del></p> <p><del>20. Ground transportation refers to transportation from home to airport, airport to hotel and/or conference/ meeting/seminar location, and back. This includes taxis, shuttles, limousines, rideshare (e.g. Uber, Lyft), and private vehicles.</del></p> <p><del>21. Mileage reimbursement is provided when personal vehicle is used for ground transportation to/from airport. Commissioner's mileage reimbursement will be computed based on roundtrip miles from residence to airport. Staff mileage reimbursement will be computed based on the distance in excess of home to City office for travels during regular work day; and roundtrip miles from residence to airport on non-work days.</del></p>
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## Section 1.0 GUIDANCE FOR BOARD MEMBERS

<b>C. GROUND TRANSPORTATION</b>	
<b>LACERS Requirement</b>	<b>LACERS Policy</b>
<p><del>The least expensive and most practical form of public transportation shall be used, taking into consideration such factors as time, availability, and personal safety or health. [§4.242.3.(c)]</del></p>	<p><del>22. Reimbursement for airport parking is actual amount, not to exceed \$20 per day. Pre-approval is not required. Reimbursement for actual amounts in excess of \$20 per day requires the traveler submitting a memo to justify the expense based on time, availability, and personal safety or health.</del></p> <p><del>23. Reimbursement for use of taxi, shuttle, private car or limousine service is limited to the lesser of roundtrip taxi fare (<a href="http://www.taxifarefinder.com">http://www.taxifarefinder.com</a>)<sup>21</sup> or shuttle fare (<a href="http://www.shuttlefare.com">http://www.shuttlefare.com</a>)<sup>2</sup>.</del></p>
<b>D. AUTOMOBILE RENTAL</b>	
<b>LACERS Requirement</b>	<b>LACERS Policy</b>
<p><del>Such expenses are allowable if traveling by car is less expensive or more appropriate for the efficient conduct of City business than by taxi or bus. [§4.242.3.(d)]</del></p>	<p><del>24. Pre-approval by the Department Head<sup>1</sup> is required. Travelers must provide written justification that traveling by car is less expensive or more efficient in conducting LACERS business than by use of taxi or bus.</del></p> <p><del>25. The traveler will not be reimbursed for car rental insurance within the United States. Car rental insurance costs required in foreign countries may be claimed for reimbursement.</del></p>

<sup>1</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

<sup>2</sup> The acceptable amount will be the fare verified by the Accounting staff prior to encumbrance of the travel request.

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**III. LODGING, MEALS AND INCIDENTAL EXPENSE ALLOWANCE**

<b>A. LODGING</b>	
<b>LAAC Requirement</b>	<b>LACERS Policy</b>
<p>This section is not intended to preclude an employee or elected official from staying in a hotel where the meeting or convention to be attended is held. [§4.242.3.(b)(1)]</p>	<p><del>26. Acceptable documentation shall include original itemized hotel receipt marked 'Paid in Full' or showing a zero balance; otherwise, proof of payment is also required.</del></p> <p><del>27. Reimbursement for lodging in a hotel where the meeting or convention to be attended is deemed the most practical accommodation and permissible.</del></p> <p><del>28. A traveler may elect to stay in a hotel sponsored by the conference as it is presumed to be the most practical or convenient. The reimbursement will be limited to the lesser of the actual hotel costs incurred or the conference hotel rate.</del></p> <p><del>29. For any official System travel for training, due diligence trips, meetings with investment managers, or training where hotels are not pre-designated, the traveler should select the most economical lodging taking into consideration the proximity of the selected place to conduct the official System business, traveler's safety, time and transportation costs and other relevant factors. Any of the following methods are acceptable for determining "moderately priced establishments of acceptable quality", "the most economical and practical accommodations", and those which would be presumed not to meet the IRS definition of "lavish and extravagant" accommodations:</del></p> <p><del>(i) Lodging does not exceed the highest Federal domestic lodging per diem rate; cost comparison is not necessary; or</del></p> <p><del>(ii) The most economical hotel identified using the City traveler provider website (<a href="http://www.concursolutions.com/">www.concursolutions.com/</a>), with availability, with at least a 3 star rating on a 5 star scale travel, and within walking distance or no less than 1/2 mile radius of the first business location; or</del></p>

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

<p><del>In the selection of restaurants and hotel rooms, it is expected that individuals will seek moderately priced establishments of acceptable quality. [LAAC §4.242.3.(b)]</del></p> <p><del>An employee or elected official must consider transportation costs, time, and other relevant factors in selecting the most economical and practical accommodations. [§4.242.3.(b)(1)]</del></p>	<p><del>(iii) The most practical hotel on the above list with acceptable written justification; or</del></p> <p><del>(iv) Any lodging expenses may be reimbursed provided that the expense does not exceed 300% of the lodging per diem and traveler must clearly demonstrate no other acceptable alternative lodging was available, as in the event of a state of emergency, or other justifiable reason reviewed and certified by the Department Head<sup>2</sup> as reasonable and proper, and incurred in the pursuit of System business.</del></p> <p><del>30. Reimbursement is limited to single occupancy room rate, as documented on hotel letterhead or the hotel's room rates listing, plus applicable taxes and charges unless additional occupants are LACERS trustees/staff on official LACERS business.</del></p>
<b>B. MEALS AND INCIDENTAL EXPENSES (M&amp;IE)</b>	
LAAC Requirement	LACERS Policy
<p><del>Expenses incurred by an employee or elected official for food and beverage served at meals, scheduled receptions, or other functions necessary for the conduct of City business are allowable to a maximum of three meals a day. [§4.242.3.(b)(2)]</del></p>	<p><del>31. LACERS intends to be compliant with IRS accountable plan <u>rules</u>; therefore M&amp;IE allowance will be provided only when business travel results in a necessity for lodging. LACERS will provide travelers with a standard meal allowance at the Federal per diem rate per locale. The allowance, in lieu of providing receipts, is acceptable under the IRS accountable plan rules. The IRS (Publication 463) defines meals and incidental expenses include: meals, transportation to acquire meals, fees/tips to porters, baggage carriers, bellhops, hotel maids, wait staff, and other service providers.</del></p> <p><del>32. No meal allowance will be paid when meals are provided throughout the day by the host or at the conference.</del></p> <p><del>33. Prorating the standard meal allowance— The IRS permits LACERS to adopt its own</del></p>

<sup>2</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

	<p><del>rules for prorating the standard meal allowance on partial days of travel so long as we consistently apply the method in accordance with reasonable business practice.</del></p> <p><del>The meal and incidental expense allowance will be prorated from a daily allowance to a per meal period allowance on partial days of travel; and when some meals are prepaid/to be paid by LACERS (complimentary breakfast provided at the hotel, meals at the conference, or pre-paid to comply with the City/LACERS gift restrictions.</del></p> <p><del>The M&amp;IE allowance = incidental expense + breakfast allowance (if traveling between 1AM—9AM) + lunch allowance (if traveling between 9AM—5PM) + dinner allowance (if traveling between 5PM—1AM).</del></p> <p><del>Utilize the M&amp;IE per travel locale and provide an allowance for each meal period the traveler is away from home (based on the current Federal General Services Agency M&amp;IE allowance) located here:</del></p> <p><del><a href="https://www.gsa.gov/travel/plan-and-book/per-diem-rates/mie-breakdowns?gsaredirect=mie">https://www.gsa.gov/travel/plan-and-book/per-diem-rates/mie-breakdowns?gsaredirect=mie</a></del></p>
<p><del><b>Gratuities.</b> Such expenses, not exceeding 15%, are allowable where reasonable and customary. [§4.242.3.(h)]</del></p>	<p><del>34. Gratuities are included in the IRS definition of “incidental” expenses and are therefore subject to per diem limits. Reimbursement for restaurant gratuities are calculated as up to 15 percent of the restaurant bill exclusive of taxes, except when the gratuity percentage is required and the amount is added on the bill by the service provider.</del></p>

Section 1.0 GUIDANCE FOR BOARD MEMBERS

~~IV. OTHER EXPENSES~~

<del>LAAC Requirement</del>	<del>LACERS Policy</del>
<p><del>(j) Other Expenses. Expenses not specifically set forth in other subsections of this section that are incurred by an employee or an elected official are allowable where deemed necessary in the conduct of City business; provided that such expenses have been reviewed and certified by the Department Head<sup>8</sup> as reasonable and proper and incurred in pursuit of City business. Wherever the type of expenditure is not specifically listed in this section, the employee or elected official should be prepared to absorb the cost as a personal expenditure in the event that such expense is not certified by the Department Head<sup>1</sup>. [§4.242.3.(j)]</del></p>	<p><del>35. Other travel expenses are allowable when deemed necessary in the conduct of System business provided such expenses are reviewed and certified by the Department Head<sup>1</sup> as reasonable, proper, and incurred in pursuit of System business. Otherwise, these expenses become personal expenditures.</del></p> <p><del>36. Travel Interruptions — When there is an interruption or deviation from planned travel due to bona fide public emergencies outside of the traveler's control such as weather or shutdown of air travel, travelers may be reimbursed at full cost for emergency lodging, meals, and incidental expenses.</del></p> <p><del>37. Indirect Travel — whether for the traveler's personal leave or for convenience, expenses allowable will not exceed those that would have been incurred for uninterrupted travel utilizing the direct travel route or travel days. Supporting documentation showing the cost for direct travel and the deviation should be provided by the traveler.</del></p>

<sup>8</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures ; the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

**~~V. NON-REIMBURSABLE TRAVEL EXPENSES~~**

LAAC Requirement	LACERS Policy
<p><del>Expenditures which are incurred by an employee or elected official that are of a purely personal nature will not be reimbursed by the City.</del></p> <ul style="list-style-type: none"> <li><del>a) Auto repairs, replacement or towage to personal vehicle when such use has been authorized (see established City procedures for repair to City vehicle);</del></li> <li><del>b) Flight insurance;</del></li> <li><del>c) Personal telephone calls (except those specified in Section 4.242.3 (g) of this article);</del></li> <li><del>d) Expenses for persons other than the employee or elected official, except as specified in Section 4.242.3 (b) 2. [§4.242.4]</del></li> </ul>	<p><del>38. Expenditures which are not substantive to LACERS business will not be reimbursed by LACERS, such as:</del></p> <ul style="list-style-type: none"> <li><del>a) Any expenses related to entertainment and recreational activities;</del></li> <li><del>b) Flight upgrade fees except those expressly authorized within the Air Travel portion of this policy;</del></li> <li><del>c) Internet usage fees (unless the internet is used for City business);</del></li> <li><del>d) Any expenses related to alcohol and tobacco.</del></li> <li><del>e) Traveler's insurance.</del></li> </ul> <p><del>39. The traveler must submit reimbursement for personal expenditures paid by LACERS.</del></p> <p><del>If there are portions of the conference or seminar that are entertainment in nature and not business-related (e.g., golf tournaments, musical performances or concerts, etc.), the traveler is required to reimburse LACERS for the cost of these recreational activities.</del></p>



Section 1.0 GUIDANCE FOR BOARD MEMBERS

**VI. ~~OTHER RULES AND RESTRICTIONS~~**

<b><del>A. DOCUMENTATION OF EXPENSES – PERSONAL EXPENSE STATEMENTS</del></b>	
<del>LAAC Requirement</del>	<del>LACERS Policy</del>
<p><del>All expenses claimed shall be listed on separate forms provided and used for required documentation of travel expense.</del></p> <p><del>Completed travel expense forms shall be forwarded to the Controller within thirty (30) days of the conclusion of the trip.</del></p> <p><del>The Department Head<sup>9</sup> shall certify that all expenditures were incurred in pursuit of City business. Falsification of such certification shall be grounds for appropriate disciplinary action and such other sanctions provided by law.</del></p> <p><del>Receipts shall be provided for transportation costs incurred under Section 4.242.3(a), lodging, and for any single item of expenditure in excess of \$25.00. Receipts for expenditures under \$25.00 should be presented when available. [LAAC § 4.242.7]</del></p>	<p><del>40. All expenses claimed for reimbursement must be itemized on the Personal Expense Statement (PES – Form Gen. 16).</del></p> <p><del>41. The traveler is responsible for verifying all charges on receipts before making payment. Charges made in error will not be reimbursed.</del></p> <p><del>42. Original receipts are required for any single expenditure in excess of \$25. Receipts are not required for a meal and incidental expense allowance, regardless of amount, when the Federal per diem rate per locale is provided to the traveler and prorated in accordance with LACERS' policy.</del></p>
<b><del>B. TRAVEL ADVANCES</del></b>	
<del>LAAC Requirement</del>	<del>LACERS Policy</del>
<p><del>Requests for an advance for funds shall be submitted to the Controller, where feasible, at least ten (10) days in advance of the beginning of the planned expenditure of funds and such request shall include the persons traveling, period covered, and the destination. In addition, the request should state the purpose of the trip, the nature of the City business to be conducted on the trip, and the proposed total estimated expenditure. Documentation of actual expenses incurred shall be submitted to the Controller in conformance with Section 4.242.7.</del></p>	<p><del>43. For trips of one night or more, a travel advance may be requested. The amount advanced is limited to the lodging, meal and incidental expenses per diem. Only 90% of the total travel estimate is advanced. A travel advance will not be issued if this amount is less than \$500 in total.</del></p> <p><del>44. Written requests for the travel advance are to be submitted by the Traveler to the GEA/travel coordinator for approval at least fifteen (15) business days prior to the date of travel but no earlier than thirty (30) calendar days prior to travel. The request must include a statement certifying that the traveler has no outstanding cash advance.</del></p> <p><del>45. A cash advance request will be denied if</del></p>

<sup>9</sup> Pursuant to Board Resolution 140311-C, Department Head authority to approve and certify travel expenditures is delegated as follows: the Board President approves Board Member and General Manager expenditures, the Vice President approves Board President expenditures; the General Manager approves staff expenditures.

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

	<p><del>a traveler has an outstanding cash advance for past travel with does not comply with the procedures.</del></p> <p><del>46. Regular travel advances will be released no earlier than one (1) week before travel.</del></p> <p><del>47. Outstanding travel advances not accounted for and delinquent over 120 days will be included as part of an employee's wages on the first payroll period of the subsequent calendar quarter following the end of the 120 calendar days; and, for non-City employees, IRS Form 1099-Misc will be issued per IRS Federal, State, Local Government Taxable Fringe Benefit Guide. Nothing herein eliminates the traveler's obligation to return to the Fund any excess monies that were received that were not used for approved travel expenses.</del></p> <p><del>48. Future travel advances will not be processed for traveler(s) with delinquent PES over 30 days. Requests for reimbursement may be processed in advance of the travel for expenditures such as registration fees, and/or one-night hotel deposit. To ensure timely processing of the reimbursement, such requests along with supporting documents and proof of payment (credit card statement, etc.) must be submitted to the CEA/travel coordinator, in writing, at least fifteen (15) working days before the date of travel.</del></p> <p><del>49. Advanced payment for cancelled travel: Any amount that was paid by department in advance of travel is considered an advance. In the event of the need to cancel the trip, the traveler is responsible for notifying all payees to as soon as possible to avoid/minimize cancellation fees</del></p> <p><del>a. If cancellation was due to personal reasons, the traveler must personally reimburse the department for any amount not recovered (net of cancellation fees). If the refund or credit was issued directly to the traveler, traveler must pay LACERS the entire</del></p>
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Section 1.0 GUIDANCE FOR BOARD MEMBERS

	<p><del>amount of credit received within 14 calendar days from the credit issued date.</del></p> <p><del>b. If travel was cancelled due to the business or public reason, traveler is responsible to submit a justification along with the proper documentation to the General Manager within 14 calendar days from the cancelled date.</del></p> <p><del>c. Unrecovered amounts are reported as taxable income to the traveler. The traveler may be required to pay for future airfare using their own credit card, and LACERS will reimburse airfare upon completion of the travel.</del></p>
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## Section 1.0 GUIDANCE FOR BOARD MEMBERS

### APPENDIX B BOARD TRAVEL REIMBURSEMENT CHECKLIST

*Revised Dates: August 26, 2025*

*Use this checklist as a guide for key travel-related information and receipts that must be submitted to the Commission Executive Assistant (CEA).*

**STEP 1: EVENT DETAILS**

**Traveler Name:** \_\_\_\_\_ **Event Name:** \_\_\_\_\_

*Submit all event details to the Board Executive Assistant 60 days prior to the travel dates.*

**Event Early Bird Deadline (if any):** \_\_\_\_/\_\_\_\_/\_\_\_\_ **Event Fee (if any):** \$ \_\_\_\_\_

*Commissioners may elect to pay any registration fees or have LACERS pay fees on their behalf (recommended).*

**Location (City/State):** \_\_\_\_\_ **Event Dates:** \_\_\_\_\_

**Preapproved List:** ☐ Yes ☐ No      **International:** ☐ Yes ☐ No      **Board Approved:** ☐ Yes ☐ No

**STEP 2: ANTICIPATED TRAVEL EXPENSES**

- ☐ Travel to events not included in the List of Educational Seminars or involving international travel requires Board approval.
- ☐ Lodging and meal reimbursement are available for non-local travel exceeding 50 miles from LACERS or home residence.
- ☐ A travel advance up to 90% of anticipated costs can be requested. Requests must be made at least 15 days in advance.

**Air Travel:**

- ☐ Airfare reimbursements are at the lower of the actual cost OR 150% of the lowest cost airfare for the same days of travel (personal days excluded). Airfare shall be coach or economy class. See policy for exceptions.
- ☐ CEA must generate a cost-comparison quote within 72 hours of the purchased airfare to determine reimbursement limits.
- ☐ Fees for one checked bag, one carry-on bag, and seat selection fees may be reimbursed. See the policy for current limits.

**a) Departure Date & Time:** \_\_\_\_\_ **Return Date & Time:** \_\_\_\_\_

**Flight #:** \_\_\_\_\_ **Airline:** \_\_\_\_\_ **Purchased by:** ☐ Commissioner ☐ LACERS

*Official travel dates can be the day before or a day after the event start/end dates. See policy for more details.*

**b) First date of travel and estimated travel start time:** \_\_\_\_/\_\_\_\_/\_\_\_\_ **Time:** \_\_\_\_\_

*Costs incurred on the day before the start of the event may be reimbursable. See policy for more details.*

**c) Last date of travel and estimated travel end time:** \_\_\_\_/\_\_\_\_/\_\_\_\_ **Time:** \_\_\_\_\_

*Costs incurred on the day after the last day of the event may be reimbursable. See policy for more details.*

**Personal Vehicle or Non-Air Transportation**

- ☐ An airfare cost comparison for travel outside of neighboring counties will be completed by the CEA to determine the most economical method of travel. Reimbursement will be at the lower of the lowest travel option.
- ☐ Mileage reimbursement is calculated between the Commissioner's residence and official destination.

**a) Airport Parking Fees:** \$ \_\_\_\_\_ x \_\_\_\_\_ days = \$ \_\_\_\_\_

*Reimbursement shall not exceed \$20/day or up to 125% of the lowest parking rate operated by the airport.*

**b) Taxi or Rideshare Services:** \$ \_\_\_\_\_

*Gratuities of up to 15% will be reimbursed on the base fee.*

**c) Public Transportation:** \$ \_\_\_\_\_

*The least expensive and most practical form of public transportation, such as bus, shuttle, or rail services, shall be used, taking into consideration factors such as time, availability, personal safety, or health.*

**d) Pre-Approved Rental Car:** \$ \_\_\_\_\_

*Requires an approved memo that justifies a rental car being more efficient/economical than other alternatives.*

**e) Mileage reimbursement roundtrip miles (Home --> Destination):** \_\_\_\_\_ ☐ One-Way

*Travelers using personal vehicles must provide proof of insurance (\$25,000 for injury, \$5,000 property damage).*

Section 1.0 GUIDANCE FOR BOARD MEMBERS

**STEP 3: ANTICIPATED LODGING AND MEALS & INCIDENTAL (M&IE) EXPENSES**

- ☐ Reimbursement for lodging where the event takes place is preferred. If lodging is not pre-designated by the event, the most economical lodging option near the event location must be selected. See the policy for more detailed criteria.
- ☐ An M&IE allowance applies when traveling requires lodging. M&IE includes meals, transportation to acquire meals, tips, and other related services.
- ☐ Other reimbursable expenses may require an approved justification memo. Expenses may include emergency lodging and food expenses caused by a travel interruption, internet service fees used to conduct LACERS business, supplies, meeting fees, etc. See the policy for more details.

a) **Lodging Early Bird Deadline (if any):** \_\_\_\_/\_\_\_\_/\_\_\_\_ **Payee:** ☐ Commissioner ☐ LACERS  
*Commissioners may elect to pay any lodging fees (recommended) or have LACERS pay fees on their behalf.*

b) **Per Diem Allowance**

*The prorating of the daily M&IE allowance will depend on the qualifying travel dates and times from STEP 2.*

Travel Days	Per Diem Allowance
Departing Day	\$
Event Days (#____)	\$
Returning Day	\$
<b>TOTAL</b>	<b>\$</b>

**STEP 4: SUBMIT REPORTS AND RECEIPTS**

- ☐ Submit an Event Evaluation Form to the Commission Executive Assistant within 30 days of completing travel.
- ☐ Submit receipts to the Executive Commission Assistant within 30 days of completing travel.
- ☐ Complete any required memos for other costs reasonably and necessarily incurred on official business.
- ☐ Expenses not substantive to LACERS business will not be reimbursed.

ADMINISTRATIVE TASKS

*(to be completed by the Commissioner Executive Assistant only)*

- |   |  |
|---|--|
| <input type="checkbox"/> Provided Ethics Compliance Language to Commissioner: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Notice to Administration:                            | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Send PES to Fiscal:                                  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Event Evaluation Completed:                          | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Receipts Sent to Fiscal:                             | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Notice to Admin Div. for Ethics Compliance:          | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Final Documents sent to Commissioner:                | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Invoice sent to Fiscal:                              | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Invoice Paid:  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Check Mailed to Commissioner:                        | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Section 1.0 GUIDANCE FOR BOARD MEMBERS

**APPENDIX B**  
**BOARD TRAVEL REIMBURSEMENT CHECKLIST**

*Adoption Date: May 26, 2009*

*Revised Dates: June 22, 2010; December 13, 2011; March 11, 2014; November 24, 2020; May 14, 2024*

**I. STEPS FOR TRAVEL APPROVAL AND REIMBURSEMENT:**

~~Step 1: Provide details of the educational event to the Commission Executive Assistant (CEA)~~

~~Step 2: Submit information on estimated expenses to the CEA~~

***Fees Paid Directly By LAGERS:***

~~Step 3: Register for the Conference~~

- ~~• Conference registration and registration fees can be arranged through the CEA prior to the conference date. Registration fees are paid directly by LAGERS with no out-of-pocket expenses for the traveler;~~
- ~~• Under State and City gift laws, complimentary conferences or conference-related events could be considered gifts. LAGERS will evaluate the circumstances with the assistance of the City Ethics Commission and may be required to pay a pro-rata share of conference expenses provided by the hosting organization.~~
- ~~• Or, after the fact, submit a receipt showing a zero balance as proof of payment.~~

~~Step 4: Book flight~~

- ~~• Provide desired flight numbers, dates, and times to the CEA. The CEA will book the flight. The City's travel service may also provide a flight credit if the traveler is unable to fly and proper notification is given depending on specific airline's policy.~~
- ~~• Or after the fact, submit a receipt for the purchase of the airline ticket and, for cost comparison, the CI Azumano quote for one-stop coach/economy class ticket from any airline and for the same days of travel generated on the same day the flight was booked or no later than 72 hours after the air travel reservation was made. Reimbursement is limited to the lowest regular fare/economy rate unless otherwise stipulated within the Air Travel portion of Appendix B~~

***Items Requiring Pre-Approval for Expenditure Reimbursement:***

~~Step 5: Submit written justification for items requiring pre-approval from the Board President or Vice President. If approval is not secured prior to incurring the expense, reimbursement may not be granted.~~

- ~~• Requests for reimbursement of airfare which is more than 150% of the lowest cost one-stop airfare — justification should demonstrate the official necessity of the selected flight.~~
- ~~• Requests for transportation other than air flight — justification should indicate reasons for use of the alternate mode of transportation.~~
- ~~• Requests for cash advances to cover lodging and per diem for meals must be submitted 15 business days, but no earlier than 30 calendar days, prior to the commencement of travel. See further instructions below.~~

***After the Travel has been completed, submit report and receipts:***

~~Step 6: Submit an Event Evaluation Report within thirty (30) days of the conclusion of the trip~~

- ~~• The report is required prior to reimbursement~~

## Section 1.0 GUIDANCE FOR BOARD MEMBERS

~~Step 7: Submit a Personal Expense Statement (PES) within thirty (30) days of the conclusion of the trip:~~

- ~~• Itemize all reimbursable daily expenses for lodging, transportation, and miscellaneous expenses; list the per diem for meals and incidentals.~~
- ~~• Report expenses paid directly by LACERS as a deduction to the total reimbursable amount~~
- ~~• See further instructions on the following checklist~~

## ~~II. REIMBURSEMENT CHECKLIST:~~

### ~~ALLOWABLE TRAVEL COSTS~~

### ~~REQUIRED DOCUMENTS~~

<del>AIR TRAVEL</del>	
<p><u><del>Air Travel</del></u></p> <p><del>Air travel expenses are only allowable for the lowest regular fare available unless otherwise stipulated in the Air Travel portion of Appendix B. If the flight with the lowest regular fare is not booked, reimbursement will only be for the lowest regular fare.</del></p> <p><del>If three fare quotes are not submitted, the lowest regular fare will be determined by a quote from the City's travel agent for a direct flight, coach class, 14 days prior to the date of business travel. The CEA will determine the reasonable flights to be quoted which best meet the conference dates and times.</del></p> <p><del>Exceptions allowing reimbursement for a higher cost fare may be approved by the General Manager for "official necessity." Official necessity means there is a bona fide benefit to LACERS for taking the selected flight which outweighs the cost of the higher fare.</del></p>	<p><u><del>Transportation Expenses</del></u></p> <p><del><input type="checkbox"/> Submit a receipt showing a zero balance as proof of payment for airfare.</del></p> <p><del><input type="checkbox"/> If purchasing outside of CI Azumano, provide the airline ticket receipt and CI Azumano quote demonstrating that the cost of the booked flight is no more than 50% higher than the quote, for the same days of travel, from CI Azumano.</del></p> <p><del><input type="checkbox"/> Provide written justification of the "official necessity" for any higher cost fare if seeking reimbursement above the lowest fare rate. The General Manager must concur for the expense to be submitted for reimbursement.</del></p>
<del>OTHER TRANSPORTATION</del>	
<p><u><del>Bus or Rail Travel</del></u></p> <p><del>The allowable cost shall be the actual cost for the regular fare for the bus/rail travel.</del></p> <p><u><del>Automobile Rental</del></u></p> <p><del>Automobile rental expenses are allowable if traveling by automobile is less expensive or more appropriate than by other modes of transportation.</del></p>	<p><del><input type="checkbox"/> Submit request for pre-approval from the General Manager for all modes of transportation other than regularly scheduled airlines.</del></p> <p><del><input type="checkbox"/> Submit request for pre-approval from the General Manager demonstrating that traveling by rental car is less expensive or more appropriate for the efficient conduct of City business than by taxi or bus.</del></p>

Section 1.0 GUIDANCE FOR BOARD MEMBERS

<p><b><u>Private Automobile</u></b>  <del>The allowable cost shall be the actual total mileage rate allowance as determined by the Internal Revenue Service (IRS).</del></p>	<p><del><input type="checkbox"/> Submit request for pre-approval from the General Manager, and include a satisfactory liability insurance policy covering the full use and operation of the vehicle. The limits of liability on any such policy in accordance with LAAC Section 4.232 shall not be less than \$25,000 in the case of injury to or death of one person, and \$50,000 in the case of injury to or death of more than one person; and in the case of property damage, not less than \$5,000 in any one accident.</del></p> <p><del><input type="checkbox"/> Submit airfare confirmation (provided by Cl Azumano, other travel service, and airline); rail travel confirmation notice or transportation receipt from taxi, shuttle, or private car service.</del></p>
<p><b>REGISTRATION FEES</b></p>	
<p><b><u>Registration Fees</u></b>  <del>Reimbursable if paid by the Trustee</del></p>	<p><del><input type="checkbox"/> Submit a receipt showing a zero balance as proof of payment</del></p>
<p><b>LODGING</b></p>	
<p><del>Hotels generally offer specially rated room blocks for conference participants. The Trustee may stay at an "off-site" hotel if the room blocks are exhausted.</del></p> <p><del>Transportation costs, time, and other relevant factors must be considered in selecting the most economical and practical accommodations.</del></p> <p><del>An extra night stay is allowable if it sufficiently reduces the airfare, or if the conference commences early in the morning or adjourns late in the evening.</del></p>	<p><del><input type="checkbox"/> Submit receipt showing a zero balance as proof of payment. Personal credit card information must be redacted from the receipt.</del></p> <p><del><input type="checkbox"/> If lodging is for other than single occupancy, secure a rate sheet or other documentation of the single occupancy rate.</del></p>
<p><b>MEALS &amp; INCIDENTAL EXPENSES</b></p>	
<p><del>○ The meal and incidental per diem for domestic travel is currently based on the federal per diem rate for the destination.</del></p> <p><del>○ Incidental expenses are fees and gratuities provided to service workers,</del></p>	<p><del>Receipts for meals and incidental expenses are not required.</del></p>



Section 1.0 GUIDANCE FOR BOARD MEMBERS

<p>and for transportation costs in acquiring meals.</p> <ul style="list-style-type: none"> <li>○ The meal allowance is based on the meal period allowance per the M&amp;IE breakdown of the federal per diem rate (refer to Appendix B—Section III(B)(33) for details), on days of travel or if some meals are provided in the conference.</li> <li>○ No meal allowance is provided when meals are provided throughout the day by the hosting organization.</li> <li>○ The rate for international travel is in accordance with current Federal per diem rate guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>☐ Submit justification letter if claiming reimbursement for expenses exceeding the per diem allowance.</li> </ul>
<p style="text-align: center;"><b>MISCELLANEOUS EXPENSES</b></p>	
<p><b><u>Checked Baggage Fees</u></b> Such expenses are allowable when the Trustee is charged for the first checked bag.</p> <p><b><u>Laundry Service</u></b> Such expenses are allowable if the duration of the trip, traveling conditions, or some other special circumstances dictate.</p> <p><b><u>City Business Telephone Calls</u></b> Such expenses are allowable if the telephone calls are relevant to appropriate City business.</p> <p><b><u>Personal Telephone Calls</u></b> Such expenses are allowable for one call to the Trustee's immediate family if they are located within the locale of their residence.</p> <p>If travel is in excess of three (3) days, one such call is permitted for each successive three (3) days thereafter.</p> <p>Each call should last a reasonable amount of time, such as 10 minutes per call.</p> <p><b><u>Ground Transportation</u></b> Transportation between the traveler's residence and airport, and transportation between the airport and conference location.</p>	<ul style="list-style-type: none"> <li>☐ Baggage fees for second and additional items require a justification memo <u>explaining</u> that it meets a business purpose.</li> <li>☐ Submit receipts for all miscellaneous expenses.</li> </ul>



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO GOVERNANCE COMMITTEE**  
**From: Todd Bouey, Interim General Manager**

**MEETING: AUGUST 26, 2025**  
**ITEM: IV**

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**SUBJECT: TRIENNIAL BOARD POLICY REVIEW: CONTRACT RENEWAL POLICY AND POSSIBLE COMMITTEE ACTION**

ACTION: ☒ CLOSED: ☐ CONSENT: ☐ RECEIVE & FILE: ☐

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### **Recommendation**

That the Governance Committee (Committee):

1. Review and approve the updated Contract Renewal Policy; and,
2. Upon Committee approval, send the entire revised policy to the Board of Administration (Board) for final review and adoption.

### **Executive Summary**

In January 1999, LACERS Board adopted a Contract Renewal Policy to provide advice and guidance on contract renewal decisions. Staff, with advice from the Public Pensions General Counsel, have reviewed the previously adopted language and have made recommendations to further guide LACERS staff and the Board on contract renewal decisions.

The updated policy outlines procedures for renewing contracts with LACERS' contract partners, including investment managers, consultants, actuaries, auditors, and other service providers. The goal is to ensure the Board prudently exercises fiduciary authority over expiring contracts, requiring high service and performance standards for LACERS' contractors.

Once approved by the Board, the Contract Renewal Policy would be included as a new entry in the Board Governance Manual under Article II – Board Administrative Policies.

### **Discussion**

The policy draft in Attachment 1 includes various enhancements to the previously adopted language from January 1999 (Attachment 2). Section I of the policy now discusses the Board's plenary authority over investment-related contracts and certain benefits administration services.

Additionally, Section I provides the Board opportunity to review expiring contracts, allowing sufficient time to direct staff to conduct a competitive bidding process when it is otherwise exempt from the City's competitive bidding requirements. To meet this requirement, staff will prepare a contract schedule for the Board to review as part of the annual budgetary process going forward.

Other enhancements include clarifications and policy governance references to aid the Board in contract renewal discussions. These include:

1. Governance language to emphasize the Board's fiduciary responsibility, articulate legal compliance requirements, and establish a formal approval process for all contract decisions.
2. The identification of contracts that relate directly to the administration of benefits and therefore fall under the Board's plenary authority for renewal decisions (Section I.B), as well as the City Attorney's role in conducting this analysis.
3. Explicit references to the fiduciary analysis required for all renewing contracts, including those without a new competitive bidding process.
4. A clarification that an RFP or a Request for Information (RFI) may be initiated for a contracted service at any time as required by the Board.
5. A new section (Section II) that articulates contract renewal guidelines for services that are subject to the City's contracting requirements.

Staff recommends approval of this updated policy document, which includes a more detailed and formalized policy framework for contract renewals. With Board approval, the updated Contract Renewal Policy document (Attachment 1) will be incorporated into Article II – Board Administrative Policies as Section 2.3 of the Board Manual and will be subject to review on a triennial basis.

Upon adoption of this policy, staff will provide an annual contract schedule as part of the Board's budget approval process that will include contract terms and expirations to facilitate Board review and direction.

Prepared By: Horacio Arroyo, Senior Management Analyst II

TB/EA/HA

Attachments:           1. Article II, Section 2.3 Contract Renewal Policy Draft  
                              2. Previous Contract Renewal Policy, Adopted January 12, 1999

**Section 2.0 CONTRACT ADMINISTRATION****2.3 CONTRACT RENEWAL POLICY***Adopted: January 12, 1999; Revised: TBD***Purpose**

The purpose of this policy is to ensure a thorough and consistent review process for the renewal of contracts with active managers of publicly traded securities, index managers, consultants, auditors, actuaries, custodians, and other service providers. This policy aims to maintain high standards of service and performance while considering factors such as investment performance, key personnel changes, and organizational changes. To ensure compliance with the Board's Fiduciary responsibilities and to engage in a prudent delegation of its duties and powers, LACERS facilitates a competitive bidding process for contractual services, which aims to identify the best services, vendors, and pricing. In limited circumstances, a competitive process is impracticable or impossible.

**I. Contracts Under LACERS' Plenary Authority**

Charter Section 1106 and Section 17 of Article XVI of the California Constitution grant the Board plenary authority and fiduciary responsibility for the investment of LACERS' assets. Investment contracts, contracts for investment managers and consultants, custodial banking services, and actuarial services must comport with the Board's fiduciary principles, but because they fall under the Board's plenary authority, they are not subject to the City's contracting requirements for competitive bidding, contract term limits, contract amounts, or required approvals by City Council.

Additionally, the Board has plenary authority and fiduciary responsibility for the administration of benefits to system participants and their beneficiaries to assure the prompt delivery of LACERS benefits and related services, including Disability Medical Evaluation Services and certain health consultant services (i.e. services that are specific to benefits administration, such as claims processing for the self-funded program, health plan premium renewal underwriting and negotiations, and other services upon concurrence with legal counsel). General service contracts that do not have a direct connection to the administration of benefits do not fall under the Board's plenary authority and are subject to the City's contracting requirements. Determining whether a service falls under the Board's plenary authority requires consultation with counsel.

The determination to exercise plenary authority rests solely with the Board and exercise of that authority requires a fiduciary analysis. Expiring contracts shall be brought to the Board with sufficient advanced time to allow for a competitive bid process should the Board direct.

**A. Active Managers of Publicly Traded Securities**

Active managers apply proprietary models or decision-making strategies to investment products. Replacement of these managers may involve a costly unwinding and liquidation of their portfolios. Contract renewal requires careful review of each manager's investment performance and consideration of other factors such as key personnel changes or changes in investment style or process. Subject to successful review, contracts are renewed. Active investment management relationships are normally terminated due to long-term investment underperformance, significant changes in management, changes in investment style or process, or in response to changes in the Board's asset allocation.

**Section 2.0 CONTRACT ADMINISTRATION**

**B. Index Managers, Consultants, Auditors, Actuaries, and Custodians**

These contractors play crucial roles in supporting LACERS' operations and investment strategies. As with active managers, contract renewal requires a review of the contractor's services and consideration of factors such as key personnel changes or changes in ownership or organizational structure. If the Board is satisfied following its review, it may renew the contract after the initial contract period for an additional period of one to five years. Upon conclusion of the renewal period, the Board re-examines the marketplace by issuing a Request for Proposal (RFP) or Request for Information (RFI). The Board may initiate the RFP or RFI process at any time.

**II. Requirements for All Other Contracts**

Consistent with the requirements provided in the Charter and Administrative Code, contracts for general services are awarded to contractors following a competitive process, unless the total dollar amount for the contract falls below a certain threshold or the services fall under an exception, such as highly technical services that have a single supplier (sole source). Other contracts for specialized professional services can only be renewed without conducting a new competitive process if (a) the Board determines that the contractor has provided satisfactory service, (b) an exception applies to limitations on contract renewals provided in the Charter and Administrative Code, and (c) a separate fiduciary analysis supports renewal.

All contracts or documents committing LACERS resources must be approved by the Board and/or the General Manager (or designee) as outlined in the annual delegation of authority that is approved by the Board and consistent with Charter and Administrative Code requirements.

## CONTRACT RENEWAL POLICY

### 1. ACTIVE MANAGERS OF PUBLICLY TRADED SECURITIES

Active managers apply proprietary models or decision-making strategies to investment products. Replacement of these managers involves a costly unwinding and liquidation of their portfolios. Contract renewal requires a careful review of each manager's investment performance, and consideration of other factors such as key personnel changes, or changes in investment style or process. Subject to successful review, contracts are renewed.

Active investment management relationships are normally terminated because of long-term investment underperformance, a significant change in management, a change in investment style or process, or in response to a change in the Board's asset allocation.

### 2. INDEX MANAGERS, CONSULTANTS, AUDITORS, ACTUARIES, AND CUSTODIANS

Contractors such as index managers, consultants, auditors, actuaries, and custodians provide products that are more standardized. As with active managers, contract renewal requires a review of the contractors services, and consideration of other factors such as key personnel changes, or changes in ownership or organizational structure. If the Board is satisfied with its review of these contractors, it normally renews the contract after the initial three-year period for an additional three-year period. Upon conclusion of the three-year renewal, the Board re-examines the marketplace by issuing a Request For Proposal or Request For Information.

### 3. OTHER SERVICES

Other contracts, for specialized professional services such as developing and maintaining specially developed computer applications are normally renewed subject to provision of satisfactory service at competitive costs.

Approved 1/12/99



**LACERS**  
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**REPORT TO GOVERNANCE COMMITTEE**

**From: Todd Bouey, Interim General Manager**

**MEETING: AUGUST 26, 2025**

**ITEM: V**

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**SUBJECT: CHARTER CHANGE OPPORTUNITIES FOR CONSIDERATION IN THE CITY OF LOS ANGELES CHARTER REFORM AND POSSIBLE COMMITTEE ACTION**

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

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**Recommendation**

That the Governance Committee (Committee):

1. Consider the potential LACERS-related changes to the City Charter contained in this report; and,
2. Direct Staff to submit selected proposals to the Board for final consideration regarding its response to Charter reform.

**Executive Summary**

In 2024, Ordinance No. 188303 was adopted, establishing the Charter Reform Commission to review the entire City Charter and specific issues and provisions referred by the City Council. On August 4, 2025, the Charter Reform Commission developed and transmitted to the City Council an Outreach and Engagement Plan, setting in motion a structured process for soliciting Charter reform proposals from City Departments. City Charter sections governing the provisions of Boards and Commissions, retirement system and benefit structures, and staff employment were the primary areas of concern for LACERS' proposed changes.

**Discussion**

Guided by the Management Audits, staff have identified three areas where changes to the Charter may be considered according to the City's own auditor. These proposed revisions are intended to exhibit best governance practices that will allow LACERS to operate effectively and efficiently.

1. The authority for LACERS to determine its own staff hiring and compensation

Charter Section 1000 states:

The provisions of this Article [Article X Employment Provisions] shall apply to all employees of the City, except for those specifically exempted in Section 1001.

At present, LACERS operates under this provision and is subject to the City's classifications of positions and salary structure. While this structure ensures consistency across departments, it hinders LACERS' recruiting and retention efforts due to its unique fiduciary and operational needs. The lack of an independent salary compensation structure poses a potential problem with professional and investment staff salaries not keeping up with the market. Other public pension funds have been granted authority by their respective legislatures to have independence over their staff hiring and compensation to ensure those plans are properly managed.

2. The authority for LACERS to determine its own frequency and timing of its board meetings

Charter Section 503(b) states:

**Meetings.** Each board shall hold a regular meeting at least twice a month. All meetings shall be in a municipal or other facility open to the public.

Currently, LACERS' regular board meetings are held twice a month on the second and fourth Tuesdays. The Management Audit report states this frequency is unusual compared to current best practices and creates a significant time and resource burden for both Board members and staff. In the 2022 Management Audit, Board members indicated there was no need to reduce the number of meetings, which may incur longer meeting days due to meeting less often. Amending the City Charter to allow the LACERS Board of Administration to set its own meeting schedule would enable more flexibility to adopt modern governance practices, improve efficiency, and lessen administrative burdens, while still maintaining the option for frequent meetings if necessary.

3. Board Member removal for cause

Charter Section 502(d) states:

**Removal.** Members of a board or commission, other than the City Ethics Commission and the Police Commission, who are appointed by the Mayor subject to approval by the Council, may be removed by the Mayor without Council confirmation. Members of the Police Commission may be removed by the Mayor, but a removed member may, within ten calendar days of the removal, appeal the action to the Council. Within ten Council meeting days of receipt of the appeal, the Council may reinstate the commissioner by a two-thirds vote of the Council. Failure of the Council to reinstate the commissioner during this time period shall constitute a denial of the appeal. Action on an appeal shall be by an action separate from the approval of the appointment of a successor to the removed member. Members of the City Ethics Commission may be removed in accordance with Section 700. Members of the Independent Redistricting Commission may be removed in accordance with Section 483.

Pursuant to this Charter section, the Mayor has the authority to remove Board Members mid-term without Council confirmation, which may be disruptive to Board and staff operations. While it is appropriate for the plan sponsor to have the authority to remove Board Members prior to the end of their term, it should only be for cause relating to the Commissioner's fiduciary responsibilities. This revision will prevent abrupt changes that may harm investment oversight or organizational strategy.



In addition to the Management Audits, staff have identified two additional areas where LACERS-related changes to the Charter have been previously brought to the Board or Council for consideration. The first area, pertaining to Charter Section 1164, was previously brought to the Board in 2006 for consideration when another Charter reform was underway (Attachment 1). The item was approved by the Board for submission to the City Administrative Office for incorporation into the Charter reform initiative. Note that this 2006 report also included consideration of the authority for LACERS to select its own legal counsel; however, records indicate that the Board did not approve moving this forward, rather referred for further discussion.

The other instance was a motion brought to Council in 2013 that concerns changes to the City's retirement benefits through the initiative process. No substantive actions resulted at the time for both items, so staff are now reintroducing these items for the Committee's current review and direction.

1. Clarifying language in Charter Section 1164 to be in line with the 2023 interpretation

Charter Section 1164(a) states:

**Prohibition.** No person who shall have been retired from the service and employment of the City pursuant to the provisions of this System shall thereafter be paid for any service rendered as an officer or employee of the City, except for service rendered as an election officer, as an officer elected by the electors of the City, or as a Retired Member of the Board of Administration.

Section 1164 provides exceptions to the prohibition mentioned above, including temporary service not to exceed 120 days in a fiscal year, service as an election employee not to exceed 120 days in a calendar year, and retired Members who have been appointed to a Board or Commission receiving attendance fees. Other than these exceptions, retired LACERS Members are precluded from City employment. In 2023, to resolve an ambiguity in this Charter section, the administrative interpretation was revised to clarify that the term "officer or employee of the City" is limited to positions covered by LACERS, consistent with the provision's placement in the part of the Charter that applies specifically to LACERS, the historical distinction between how employees of LACERS-covered departments versus other departments covered by LAFPP and WPERP were referenced in the Charter, and the Board's obligation to resolve ambiguous plan provisions in favor of members. Accordingly, staff propose to amend the Charter section to clarify the ambiguity, specifically align its language with the latest administrative interpretation, and to prevent operational uncertainty in the future.

2. Requirements for actuary study on pension system initiatives

Draft Charter Section 1121.

Prior to the City Attorney providing a title and summary pursuant to Section 451(a) for any proposed changes to City employee retirement benefits pursuant to the initiative process whether by ordinance or Charter amendment, each affected pension system shall complete an actuarial study delineating the cost and or savings of proposed changes to the affected pension system. The study shall be completed by the affected pension system's contract actuary and shall use existing system actuarial assumptions and actuarial data to the greatest extent possible. The proponents of the initiative shall pay for such studies in accordance with the terms and conditions of the existing contract between the affected pension system and the actuary,

and prior to the actuary beginning such studies. Such studies shall include a fiscal summary of the proposed changes. This fiscal summary shall be included in the petition for such proposed changes, so that voters reviewing the petition have information on the costs and or savings of proposed changes.

Charter Section 1168(b) states, in part, “As a further condition to the final adoption of benefit modifications, it shall be required that the Council be advised in writing by an enrolled actuary as to the cost of benefit increases.”

Charter Section 1168(b) requires Council to be advised in writing by an enrolled actuary as to cost-benefit increases; however, this requirement is not extended to pension reform measures within the initiative process. In 2013, Council File 13-1300-S4 was made with a motion to amend the Charter to require actuary studies to be included with proposals to change any of the City’s retirement benefits through the initiative process. The proposed Charter language at that time is provided above with the intention of promoting transparency to the public to uphold the financial integrity of the City and its retirement systems.

Prepared By: Lisa Li, Management Analyst

TB/CK/LL

Attachments: 1. Potential LACERS-Related Changes to the City Charter Board Report dated July 25, 2006  
2. Council File: 13-1300-S4 Motion

# LACERS

*Los Angeles City Employees' Retirement System*



## *Report to Board of Administration*

From: Robert Aguillo, Jr., General Manager

Agenda of: **JULY 25, 2006**

ITEM: **IX-A**

**SUBJECT: POTENTIAL LACERS-RELATED CHANGES TO THE CITY CHARTER**

### Recommendation:

That the Board consider the potential LACERS-related changes to the City Charter contained in this report and direct staff regarding its response to the Mayor and City Administrative Officer.

### Discussion:

On July 7, 2006, LACERS received a memorandum (attached) from City Administrative Officer (CAO) William T Fujioka. That memo solicits proposed changes to the Los Angeles City Charter for potential inclusion on the March 6, 2007 ballot and sets a July, 31, 2006 date for proposed Charter changes to be submitted to the Mayor and CAO.

Staff has identified three areas where changes to the Charter may be desirable:

#### *1. Employment by the City of a Retired Member of LACERS*

Charter Section 1164(a) states:

**Prohibition.** No person who shall have been retired from the service and employment of the City pursuant to the provisions of this System (LACERS) shall thereafter be paid for any service rendered as an officer or employee of the City, except for service rendered as an election officer, as an officer elected by the electors of the City, or as a Retired Member of the Board of Administration.

Section 1164 provides a couple of exceptions to the prohibition mentioned above including temporary service not to exceed 90 days in a fiscal year, service as an election employee not to exceed 120 days in a calendar year, and retired members who have been appointed to a board or commission and who receive attendance fees.

Other than in the exceptional situations listed above, retired LACERS members are precluded from City employment. This preclusion exists despite the fact that retired members of the City's Fire and Police Pension System and the Water and Power Employees' Retirement Plan are allowed to work in LACERS-covered employment after their retirements from their respective City retirement systems.

Not only is the preclusion of further City employment for retired LACERS members inconsistent with the provisions of the other retirement systems in the City, but also is potentially inefficient, especially in light of the term limits for elected City officials, who may desire to bring retired members with valuable institutional knowledge back to City employment for more than just a very limited period of time. Currently, if a member retires from LACERS, he/she is ineligible to be hired back into City service even if the Mayor or a department head believes he/she would be the best person for a position.

## *2. The Authority for LACERS to Select Its Own Outside Legal Counsel*

Charter Section 275 states:

“Upon recommendation of a board enumerated in Section 272(c) (which included LACERS), and the written consent of the City Attorney, the City may contract with attorneys outside of the City Attorney’s Office to assist the City Attorney in providing legal services to that department. The City may otherwise contract with outside legal counsel to assist the City Attorney in the discharge of his or her duties under the Charter only upon written approval of the Council and City Attorney, and consistent with budgetary appropriations.”

Currently, pursuant to this Charter section LACERS participates when asked by the City Attorney when selecting outside fiduciary, tax, and investment counsel for LACERS. This has proven to be an inefficient methodology as evidenced by the recent period of several months during which LACERS was without needed outside counsel. If LACERS had the authority to select its own outside legal counsel, such gaps in necessary services would not occur. In order to fully carryout its fiduciary responsibilities, most pensions funds select their own outside counsel which provides them with more control and transparency of the selection process.

## *3. The Authority for LACERS to Select Its Own Inside Legal Counsel*

Charter Section 1106 states, in part,

“Consistent with Article XVI, Section 17 of the California Constitution, and any successor constitutional provision, and subject to the limitations set forth elsewhere in the Charter concerning anything other than pension and retirement system administration and control over system investments, each pension and retirement board of the City shall:

(a) Administration of the Pension or Retirement System. Have sole and exclusive responsibility to administer its system for the following purposes:

- (1) to provide benefits to system participants and their beneficiaries and to assure prompt delivery of those benefits and related services;
- (2) to minimize City contributions; and
- (3) to defray the reasonable expenses of administering the system.

The duty to system participants and their beneficiaries shall take precedence over any other duty.”

Charter Section 271(b) states, in part, “The City Attorney shall be the legal advisor to the City, and to all City boards, departments, officers, and entities.”

Charter Section 274 states, in part, “The City Attorney may appoint assistants, deputies, clerks and other persons as the Council shall prescribe by ordinance.”

Charter Sections 271(b) and 274 could be perceived to be inconsistent with the Board's responsibilities as delineated in Charter Section 1106. Without a mechanism to help ensure the alignment of interests in administering the System, the present authority regarding the hiring of legal counsel may create a less effective environment for such administration than would otherwise be possible. A change in this authority would allow for more effective in-house legal resources that would be available to the Board and staff and would minimize competing priorities by the City Attorney's Office.

RA:TM:kv

Attachment

**CITY OF LOS ANGELES**  
**INTER-DEPARTMENTAL CORRESPONDENCE**

Date: July 7, 2006

To: HEADS OF ALL DEPARTMENTS

From: William T Fujioka, City Administrative Officer

Subject: **PROPOSED CHARTER CHANGES**

WTF  
by m +

The next Citywide election will be held on March 6, 2007. This election provides an opportunity to present proposed Charter changes to the voters which can improve City government by making our operations more efficient and more effective. If you have any suggested Charter changes, please submit the following information:

- Proposed Charter revision (cite specific Charter section and proposed language change/addition/deletion);
- A brief description of the operational benefits or efficiencies to be gained from the proposed change;
- A brief description of any issues or concerns that might be raised as a result of the proposed change;
- A listing of affected agencies, constituents groups, etc.;
- Related Charter changes should be grouped together

Proposed Charter changes are to be sent to both the Mayor's Office and the City Administrative Officer, as follows:

Karen Sisson, Deputy Mayor  
Office of the Mayor

City Administrative Officer  
Attention: Ellen Sandt, Assistant City Administrative Officer

You are directed to submit your proposed Charter changes no later than July 31, 2006. The Mayor's Office, with the assistance of the CAO, will review the proposed Charter changes and may contact you for additional information. A consolidated list of recommended Charter changes will be submitted to the City Council in late August for consideration to be included on the March 2007 ballot.

Please contact Ellen Sandt in the Office of the City Administrative Officer at (213) 485-6637 if you have any questions or need additional information.

AV:EFS:ar

u/exec/sandt/2006/efs1.doc

13-1300-54

**MOTION**

**RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS**

**JAN 9 2013**

Whenever the City Council changes pension benefits, the City Charter requires that the Council be advised in writing by an enrolled actuary as to the cost of benefit increases. The State Government Code also requires local employers to obtain an actuary report whenever a local agency modifies benefits. Obtaining a report from a qualified actuary is an important part of the process to change pension plans. Given the complexity of pension financing and the importance of understanding how changes will impact government finances, it is understandable why these laws are necessary. When the City Charter and the State Government Code provisions were written, they did not contemplate that the initiative process would allow a pension reform measure to move forward without a financial analysis to identify the long and short term impacts of a proposal.

When initiatives are proposed, there are compelling government interests to require that pension change proposals be accompanied by a study of the changes from a qualified actuary. Future taxpayers are impacted adversely if pension systems are not properly funded. Such studies will help preserve the fiscal integrity of the pension systems and the City. The proponents of the initiative will be held to the same standard as the City when it considers making pension changes, and the cost for the studies is small in light of the overall costs to fund an initiative, while the return in value to taxpayers, the pension systems, and the City is very large.

Actuarial studies and ensuing analyses are an integral part of running and maintaining a healthy pension system. Every year the City pension systems conduct actuary valuations and every three years go through in depth studies of economic and non-economic experience. These credentials make affected pension systems ideal for conducting studies of proposed pension changes, including: choosing the actuary, using established assumptions to perform the studies and approving the final report. Such studies should include a fiscal summary that would be a part of the petition that voters would be asked to sign.

I THEREFORE MOVE that the City Attorney be directed to draft a resolution for a proposed Charter Amendment to be placed on an election ballot to require that actuary studies be included with proposals to change any of the City's retirement benefits through the initiative process, as early as the May 2013 ballot.. Proposed draft Charter language to accomplish this is attached.

PRESENTED BY:

*Herb J. Wesson, Jr.*  
HERB J. WESSON, JR.

Councilmember, 10th District

SECONDED BY:

*Paul Keen*  
Paul Keen

*Paul Keen*  
Paul Keen

*Paul Keen*  
Paul Keen

*Paul Keen*  
Paul Keen

**ORIGINAL**

JAN 9 2013

*SPR*

**Sec. 1121. Requirements for Actuary Study on Pension System Initiatives.**

Prior to the City Attorney providing a title and summary pursuant to Section 451(a) for any proposed changes to City employee retirement benefits pursuant to the initiative process whether by ordinance or Charter amendment, each affected pension system shall complete an actuarial study delineating the cost and or savings of proposed changes to the affected pension system. The study shall be completed by the affected pension system's contract actuary and shall use existing system actuarial assumptions and actuarial data to the greatest extent possible. The proponents of the initiative shall pay for such studies in accordance with the terms and conditions of the existing contract between the affected pension system and the actuary, and prior to the actuary beginning such studies. Such studies shall include a fiscal summary of the proposed changes. This fiscal summary shall be included in the petition for such proposed changes, so that voters reviewing the petition have information on the costs and or savings of proposed changes.