

LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

**Governance Committee Agenda
REGULAR MEETING
TUESDAY, August 25, 2026
9:30 A.M.
LACERS BOARDROOM
977 N. Broadway
Los Angeles, CA 90012**

Chair:

Janna Sidley

Committee Members:

Thuy Huynh

Susan Liem

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

Legal Counsel:

City Attorney's Office Public Pensions General Counsel Division

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The Committee may take action on any item appearing on this agenda, regardless of whether it is listed as an action item. Cal. Gov. Code § 54954.2.

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REQUEST FOR SERVICES

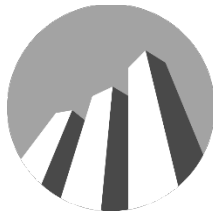
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- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA
- II. APPROVAL OF MINUTES FOR THE MEETING ON JUNE 23, 2026 AND POSSIBLE COMMITTEE ACTION
- III. BOARD POLICY REVIEW: OPERATIONAL RISK MANAGEMENT POLICY AND POSSIBLE COMMITTEE ACTION
- IV. OTHER BUSINESS
- V. 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.
- VI. ADJOURNMENT



LACERS
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**Board of Administration Agenda
SPECIAL MEETING
TUESDAY, AUGUST 25, 2026
9:30 A.M.
LACERS BOARDROOM
977 N. Broadway
Los Angeles, CA 90012**

President:

Vacant

Vice President:

Sung Won Sohn

Commissioners:

Thuy Huynh

Susan Liem

Thomas Moutes

Gaylord "Rusty" Roten

Janna Sidley

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

Legal Counsel:

City Attorney's Office Public Pensions General Counsel Division

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- III. BOARD POLICY REVIEW: OPERATIONAL RISK MANAGEMENT POLICY AND POSSIBLE COMMITTEE ACTION
- IV. OTHER BUSINESS
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- VI. ADJOURNMENT

Governance Committee Agenda of: August 25, 2026
Item No.: II
MINUTES OF THE REGULAR MEETING
GOVERNANCE COMMITTEE
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
June 23, 2026
12:40 P.M.

Present:

Janna Sidley, Chair

Thuy Huynh, Committee Member

Susan Liem, Committee Member

Legal Counselor:

Miguel Bahamon

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

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

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Chair Sidley 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 MAY 26, 2026 AND POSSIBLE COMMITTEE ACTION – Committee Member Liem moved approval, and adopted by the following vote: Ayes, Committee Members Huynh, Liem, and Chair Sidley -3; Nays, None.

III

BOARD POLICY REVIEW: INFORMATION SECURITY POLICY AND POSSIBLE COMMITTEE ACTION – Todd Bouey, General Manager, and Lisa Li, Management

Analyst, presented and discussed this item with the Committee for two minutes. Committee Member Huynh moved approval, and adopted by the following vote: Ayes, Committee Members Huynh, Liem, and Chair Sidley -3; Nays, None.

IV

OTHER BUSINESS – There was no other business.

V

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.

VI

ADJOURNMENT – There being no further business before the Committee, Chair Sidley adjourned the meeting at 12:44 P.M.

Janna Sidley, Chair
Todd Bouey, Manager-Secretary



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REPORT TO GOVERNANCE COMMITTEE

MEETING: AUGUST 25, 2026

FROM: Todd Bouey, General Manager

ITEM: III

**SUBJECT: BOARD POLICY REVIEW: OPERATIONAL RISK
MANAGEMENT POLICY AND POSSIBLE COMMITTEE ACTION**

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

Recommendation

That the Governance Committee (Committee):

1. Review and approve the Operational Risk Management Policy; and,
2. Upon Committee approval, send the policy document to the Board of Administration (Board) for final review and adoption.

Executive Summary

The 2022 Management Audit recommended that LACERS strengthen its governance framework by adopting additional best-practice policies, including developing a formal Operational Risk Management Policy. Staff now present the proposed policy to the Committee for consideration.

Discussion

Staff recommend approval of this policy, which is intentionally introductory, designed to provide visibility into operational risks and to support the future development of a more mature risk management program.

LACERS 2024 Strategic Plan's Governance Goal calls for creation of a chief compliance officer and development of an enterprise-wide compliance framework that would effectuate this policy and ultimately grow it. The requirements and approach to achievement of this goal will be further developed in the current fiscal year.

With the Committee's approval and upon Board adoption, the Operational Risk Management Policy will be incorporated into Article II – Board Administrative Policies, Section 3.0 of the Board Manual. The Operational Risk Management Policy will be added as the eighth policy in the Financial and Administrative Oversight section.

Prepared By:

Chhintana Kurimoto, Management Analyst

TB:VJ:LL:CK

ATTACHMENT(S): 1. Article II, Section 3.8 Operational Risk Management Policy

GOVERNANCE COMMITTEE MEETING: AUGUST 25, 2026

ITEM: III

ATTACHMENT

Section 3.0 FINANCIAL AND ADMINISTRATIVE OVERSIGHT

3.8 OPERATIONAL RISK MANAGEMENT POLICY

Purpose

LACERS operates in an increasingly complex and evolving risk environment. To maintain resiliency, transparency, and the ability to deliver promised benefits to Members and beneficiaries, LACERS is committed to an enterprise-wide approach to operational risk management.

This policy establishes foundational guidance for the LACERS Board of Administration ("Board") to ensure organizational awareness of operational risks and to support long-term sustainability.

I. Scope

This policy applies to all LACERS operational activities that may affect the system's ability to deliver promised benefits or maintain organizational resilience. This includes but is not limited to:

- Benefits Administration and Member Services
- Financial and Administrative Operations
- Investment Management
- Information Technology and Cybersecurity
- Governance and Fiduciary Oversight
- Human Resources
- Third-party and vendor management
- Strategic and Business Planning

To ensure operational resilience and effective delivery of services, the following roles and responsibilities apply across all LACERS functions:

- **Board of Administration** - Provides oversight and ensures that operational risks are visible at the governance level. Supports the development of a mature risk management program over time.
- **Executive Management** - Implements the policy and ensures staff understand operational risk expectations. Maintains internal practices for identifying, assessing, mitigating, and reporting risks.
- **Senior Management** – Guides risk-related decisions and ensures practices that reinforce operational stability.

Section 3.0 FINANCIAL AND ADMINISTRATIVE OVERSIGHT

- **All LACERS Staff** - Contribute to risk identification and mitigation within their functional areas. Follow established procedures that support operational resilience.

II. Policy Guidelines

A. Operational Risk Identification and Assessment

- LACERS General Manager shall maintain an internal framework to guide operational risk identification, assessment, and management, embedding risk awareness into all business practices.
- Executive leadership will periodically review operational risks and evaluate whether existing measures are sufficient to address them.

B. Risk Mitigation and Business Continuity Measures

- Senior management is responsible for implementing practical steps to address identified risks and supporting ongoing improvements across operations as needed.
- LACERS maintains business continuity practices to ensure essential functions can continue or resume in a timely manner in the event of disruptions.

III. Policy Review

The policy will be reviewed periodically to ensure its ongoing relevance and alignment with LACERS' operational environment.