



Governance Committee Agenda

REGULAR MEETING

TUESDAY, AUGUST 24, 2021

TIME: 9:00 A.M.

MEETING LOCATION:

In conformity with the Governor's Executive Order N-08-21 (June 11, 2021) and due to the concerns over COVID-19, the LACERS Governance Committee's August 24, 2021, meeting will be conducted via telephone and/or videoconferencing.

Important Message to the Public

Information to call-in to listen and/or participate:

Dial: (669) 900-6833 or (346) 248-7799

Meeting ID# 859 3195 0635

Instructions for call-in participants:

- 1- Dial in and enter Meeting ID
- 2- Automatically enter virtual "Waiting Room"
- 3- Automatically enter Meeting
- 4- During Public Comment, **press *9** to raise hand
- 5- Staff will call out the last 3-digits of your phone number to make your comment

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

Chair: Nilza R. Serrano

Committee Members: Annie Chao
Cynthia M. Ruiz

Manager-Secretary: Neil M. Guglielmo

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. For assistance, please contact the Ethics Commission at (213) 978-1960 or 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, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at **(213) 855-9348** and/or email at ani.ghoukassian@lacers.org.

Disclaimer to participants

Please be advised that all LACERS Board and Committee Meeting proceedings are audio recorded.

[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 – THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT - PRESS *9
TO RAISE HAND DURING PUBLIC COMMENT PERIOD**

- II. [APPROVAL OF MINUTES FOR THE MEETING OF JUNE 22, 2021 AND POSSIBLE COMMITTEE ACTION](#)
- III. [PROPOSED REVISION TO THE MARKETING CESSATION 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 while public health concerns relating to the novel coronavirus continue.
- VI. ADJOURNMENT



Board of Administration Agenda

SPECIAL MEETING

TUESDAY, AUGUST 24, 2021

TIME: 9:00 A.M.

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President: Cynthia M. Ruiz
Vice President: Sung Won Sohn

Commissioners: Annie Chao
Elizabeth Lee
Sandra Lee
Nilza R. Serrano
Michael R. Wilkinson

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghoukassian

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

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

**AGENDA – THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT - PRESS *9
TO RAISE HAND DURING PUBLIC COMMENT PERIOD**

- II. APPROVAL OF MINUTES FOR THE MEETING OF JUNE 22, 2021 AND POSSIBLE COMMITTEE ACTION
- III. PROPOSED REVISION TO THE MARKETING CESSATION POLICY AND POSSIBLE COMMITTEE ACTION
- IV. OTHER BUSINESS
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- VI. ADJOURNMENT

MINUTES OF THE REGULAR MEETING
GOVERNANCE COMMITTEE
 LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

In conformity with the Governor's Executive Order N-08-21
 (June 11, 2021) and due to the concerns
 over COVID-19, the LACERS Governance Committee's
 June 22, 2021, meeting was conducted
 via telephone and/or videoconferencing.

June 22, 2021

9:15 a.m.

PRESENT via Videoconferencing: Chair:	Nilza R. Serrano
Committee Members:	Annie Chao Cynthia M. Ruiz
Manager-Secretary:	Neil M. Guglielmo
Legal Counselor:	Anya Freedman
PRESENT at LACERS Offices: 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 – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT* – **PRESS *9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD** – Chair Serrano asked if any persons wished to speak on matters within the Committee's jurisdiction, to which there was no response.

II

APPROVAL OF MINUTES FOR THE MEETING OF MAY 25, 2021 AND POSSIBLE COMMITTEE ACTION – Committee Member Ruiz moved approval of the minutes for the Meeting of May 25, 2021, and adopted by the following vote: Ayes, Committee Members Chao, Ruiz, and Chair Serrano -3; Nays, None.

III

PROPOSED REVISION TO THE MARKETING CESSATION POLICY AND POSSIBLE COMMITTEE ACTION – Julie Guan, Management Analyst, presented and discussed this item with the Committee. After a 40 minute discussion, the Committee members requested revisions to the policy and for staff to bring this back to the Committee for review and approval.

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 while response to public health concerns relating to the novel coronavirus continue.

VI

ADJOURNMENT – There being no further business before the Committee, Chair Serrano adjourned the Meeting at 9:50 a.m.

Nilza R. Serrano
Chair

Neil M. Guglielmo
Manager-Secretary



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



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

Neil M. Guglielmo

MEETING: AUGUST 24, 2021
ITEM: III

SUBJECT: PROPOSED REVISION TO THE MARKETING CESSATION POLICY AND POSSIBLE COMMITTEE ACTION

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

Recommendation

That the Committee recommend to the Board adoption of revisions to the Marketing Cessation Policy (MCP) section of the LACERS Board Administrative Policies and to the Marketing Cessation Report (MCR).

Executive Summary

On June 22, 2021, staff presented to the Governance Committee proposed revisions to the MCP and the MCR; the Committee suggested improvements to the policy. Further revisions to the MCP are proposed to provide clarity as to how, when, and to whom the policy applies. The recommended changes include: 1) expounding on how the MCP is used in creating a transparent and fair contracting process; 2) policy name alternatives; 3) explaining when there would be a conflict of interest between potential vendors and LACERS Commissioners, staff, and consultants; and 4) providing additional streamlined options for the MCR.

Discussion

Accomplishing A Fair and Transparent Process

The overall goal of creating a transparent and fair contracting process is accomplished through the City's Governmental Ethics Ordinance and a set of policies and practices. LACERS' policies include the MCP, the Third Party Marketer Compliance Policy, the Contractor Disclosure Policy, and the Conflict Governance Policy (see Attachment 4 for more details). All are utilized in conjunction to protect the Board and LACERS from undue influence and to provide transparency. Additionally, various strategies are used by LACERS to expand outreach efforts to reach a diverse pool of candidates by posting Requests for Proposals (RFPs) in multiple spaces: the Los Angeles Business Assistance Virtual Network (LABAVN), multiple publications (*Pension & Investments*, *Emerging Manager Monthly*, etc.), websites of emerging manager-focused organizations, LACERS' website, and mass email communications to contact databases.

The main purpose of the MCP is to focus on eliminating unfair advantages in the time period before a contract is awarded. The policy helps prevent, and avoid the appearance of, undue influence on Board Members in the award of investment related and other service contracts by placing restrictions on communications between firms seeking contracts and those involved in contract award and the contract process.

Policy Name Alternatives

The phrase “Marketing Cessation Policy” itself is an industry term heavily used in other sectors, such as investments. Given that approximately 50% of LACERS contracts are executed for investment purposes, it was adopted as the de facto name of the policy alongside LACERS’ sister pension system, Los Angeles Fire & Police Pensions.

A survey of peer pension systems yielded a variety of potential alternative names for similar policies. Results of the survey were presented to investment and senior-level staff in an informal internal poll. Those names and the outcome of the staff poll are listed below for the Committee’s reference.

Potential Name	Rank	Pension System(s)
Quiet Period Policy	1	LACERA SDCERA OCERS
Pre-Contract Communication Restrictions Policy	2	-
No Contact Policy	3	CalSTRS
Ethical Contract Compliance Policy	4	-
Communications with Third Parties Policy	5	CalPERS
Marketing Cessation Policy	5	LAFPP

LACERS staff will take direction from the Committee on any desired change to the MCP name and incorporate it to associated documentation and communications.

Role Clarification

Proposed additions to the Purpose and Parties Affected sections of the MCP identifies who would be subject to this policy, and under which circumstances.

A proposed addition to the Communication Restrictions section specifies that communications on partnership agreements are acceptable between staff and potential contractors in certain circumstances. This is chiefly driven by instances in which an investment opportunity has been identified by one of LACERS’ investment consultants for a possible commitment of capital but requires continued due diligence (or other investment-related communications) to make a final investment assessment prior to the execution of a partnership or contract agreement. Such necessary communications, occurring between the investment manager or general partner of that investment opportunity and the consultant or LACERS staff, were not prohibited by policy, but the proposed addition will provide clear direction that this practice is allowable.

Furthermore, there is a list of communications under Communication Restrictions that note additional circumstances in which interactions between potential contractors and LACERS Board or staff are acceptable.

Also, the proposed addition to the MCP under the Restricted Period section specifies where to find the most current record of firms or representatives who are “restricted sources.”

Streamlined Reporting Options

The proposed revisions to the MCP simplify and streamline the information presented to the Board concerning firms or representatives who are “restricted sources.” The succinct nature of the revised report directly translates to both Board Member and staff efficiency. An additional benefit is an embedded hyperlink to a live website hosting the same information that Board Members will be able to access from any device, providing them with real time data.

There are six attachments to this report: (1) a red-line version of the MCP showing the proposed changes; (2) a clean version of the proposed MCP accepting the changes to the red-line version; (3A) a reworked MCR disclosing the names of restricted sources, their services provided, the dates of their current contract, and the Division overseeing their contract; (3B) a reworked MCR disclosing the names of restricted sources and their services provided; (3C) a reworked MCR disclosing the names of restricted sources; and (4) a listing of other policies that guide LACERS when ethics and conflicts of interest are involved.

Staff is seeking Committee’s feedback and/or approval. Upon the Committee’s finalization of the proposed revised MCP and MCR, they will be presented to the Board for further consideration and approval.

Strategic Plan Impact Statement

The Committee’s action on this item aligns with the LACERS Strategic Plan Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Julie Guan, Management Analyst, Administrative Services Division

NMG/DW:IC:JG

- Attachments:
1. Marketing Cessation Policy – Redline Version
 2. Marketing Cessation Policy – Clean Version
 - 3A. Marketing Cessation Report – Option 1
 - 3B. Marketing Cessation Report – Option 2
 - 3C. Marketing Cessation Report – Option 3
 4. Summary of Various Ethics, Conflict of Interest Policies, and Statutes

2.1 MARKETING CESSATION POLICY

Adopted: April 24, 2007; Revised: June 10, 2014; August 24, 2021

Purpose

The purpose of this policy is to ~~ensure support~~ a transparent and fair contracting process which provides equal information and opportunity to all parties interested in contracting with LACERS.

The policy primarily concerns the conduct of those seeking a new contract or contract extension/renewal. It aims to help prevent, and avoid the appearance of, undue influence ~~by those seeking a contract or contract extension/renewal~~ on the Board, ~~or any of its individual Board Members, LACERS Staff, and City Consultants~~ in the award of investment-related and other service contracts, by placing restrictions on communications between parties seeking contracts and those involved in awarding contracts ~~award~~ and the contracting process.

This policy is intended to align with the City's Governmental Ethics Ordinance, Section 49.5.11(A) which states "Except at a public meeting, a member of a City board or commission shall not participate in the development, review, evaluation, or negotiation of or the recommendation process for bids, proposals, or any other requests for the award or termination of a contract, amendment, or change order involving that board, commission, or agency. This does not preclude individual [Board] members from reviewing documents and other information provided by agency staff [or consultants] when preparing for a public meeting at which the matter will be considered."

Parties Affected

Any firm or representative seeking a contract or contract extension/renewal with LACERS is a "Restricted Source" as defined by the City's Governmental Ethics Ordinance, and is subject to this policy.

Any Board Member, Staff member, City Attorney, LACERS consultant, or anyone working on LACERS' behalf which has any privileged information about the potential contract is subject to this policy. The marketing cessation period applies to all aforementioned entities in all communications with potential or current contractors who participate in either traditional Request for Proposals or private market opportunities, except when Staff, City Attorneys, or LACERS consultants are engaged in necessary communications as allowed under Communication Restrictions: Exceptions — Permitted Communications.

Notification

All firms responding to a Request for Proposal are notified of the Department's Marketing Cessation Policy through the Request for Proposal solicitation. All firms whose contracts are approaching expiration are additionally notified of the Marketing Cessation Policy through their contract provisions.

Restricted Period

Restrictions apply from the time the Request for Proposal is released until a contract is executed. All Restricted Sources will be listed on the Marketing Cessation Report, which is to be updated and presented to the Board on a monthly basis.

Restrictions:

Communication Restrictions

During the Restricted Period, a All firms that are potential candidates for the award of a contract, or extension of an existing contract, are prohibited from engaging in any direct or indirect marketing of their services except through the process set forth in the Request for Proposal. This prohibition includes all ~~prohibition on~~ conversations about the contract or the process to award it, unless exception is permitted herein.

Exceptions – Permitted Communications:

- ~~but does not exclude Board or staff~~ conversations with restricted sources about generic topics at group social events, educational seminars, conferences, or charitable events.
- Communications between staff with firms who currently have contracts with LACERS are acceptable when they are related to the performance or administration of the existing contract.
- Communications initiated by staff with firms when related to the due diligence process or research.
- Communications initiated by staff with firms that were not subject to a competitive proposal process where contract negotiations are necessary prior to execution of a final agreement.
- Communications initiated by staff with a firm that is actively negotiating a contract with LACERS for the purposes of collecting documentation necessary for the execution of the final agreement.

Gift Restrictions

In addition to all other applicable gift restrictions, Board Members, and Staff, and LACERS consultants will accept no not accept entertainment or gifts of any kind from any Restricted Source, or nor any intermediary or affiliate, during the restricted period. An incumbent firm is also restricted from providing any type of gift or entertainment to Board Members, or Staff, or other LACERS consultants during the three months prior to renewal of the existing contract or during the restricted period, whichever is longer.

Proposer Disclosure

All Proposers shall provide the following disclosures with their RFP response. All recommendations to the Board to award a contract shall include a copy of such disclosures:

1. All respondents are required to submit a statement listing all contacts with Board Members, Staff, and Consultants during the restricted period.
2. All respondents shall provide information regarding any personal or business relationship between their personnel and any Member of the Board, Staff of LACERS, or Consultants who are designated as Form 700 filers in the Department's Conflict of Interest Code.
3. All respondents shall disclose any payments for marketing or placement services to any person, firm, or entity to assist in seeking the LACERS contracting opportunity.

Penalties

Any failures to disclose, or false disclosures, are a violation of this policy shall result in automatic disqualification of the firm involved.

This policy shall be reviewed by the Board every three years or earlier if necessitated by a change in local, State, or Federal statutes.

2.1 MARKETING CESSATION POLICY

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Purpose

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LACERS' MARKETING CESSATION REPORT
SUBJECT TO THE MARKETING CESSATION POLICY FOR JUNE—JULY 2021

RESTRICTED SOURCES

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

Name	Description	Inception	Expiration	Division
Anthem 2021	Medical HMO & PPO	January 1, 2020	December 31, 2020	Health Benefits Administration
Kaiser 2021	Medical HMO	January 1, 2020	December 31, 2020	Health Benefits Administration
SCAN 2021	Medical HMO	January 1, 2020	December 31, 2020	Health Benefits Administration
United Healthcare 2021	Medical HMO	January 1, 2020	December 31, 2020	Health Benefits Administration
Delta Dental 2021	Dental PPO and HMO	January 1, 2020	December 31, 2020	Health Benefits Administration
Anthem Blue View Vision 2021	Vision Services Contract	January 1, 2020	December 31, 2020	Health Benefits Administration
The Northern Trust Company	Master Custody Services	August 1, 2018	July 31, 2021	Investments
The Northern Trust Company	Securities Lending Services	August 1, 2018	July 31, 2021	Investments
The Northern Trust Company	Compliance Analyst Service and/or Event Analyst Services	August 1, 2018	July 31, 2021	Investments
The Northern Trust Company	Risk Services	August 1, 2018	July 31, 2021	Investments
The Northern Trust Company	Integrated Disbursement Services	August 1, 2018	July 31, 2021	Investments
The Northern Trust Company	Private Monitor Analytical Services (Core Services)	August 1, 2018	July 31, 2021	Investments

Also viewable online [here](#).

LACERS' MARKETING CESSATION REPORT
SUBJECT TO THE MARKETING CESSATION POLICY FOR JUNE—JULY 2021

ACTIVE RFPs

Description	Respondents	Inception	Expiration	Division
Private Credit Mandate Search	Alcentra Limited, Barings LLC, MB Global Partners, LLC, Backcast Partners Management LLC, BlackRock, Inc., CLSA Capital Partners (HK) Limited, Cross Ocean Adviser LLP, Clearwater Capital Partners (Fiera Capital Corporation), Guggenheim Partners, LLC, Goldman Sachs Asset Management, L.P., Pemberton Capital Advisors LLP, Kayne Anderson Capital Advisors, L.P., Maranon Capital, L.P., Bain Capital Credit, LP, Breakwater Management LP, Carlyle Global Credit Investment Management L.L.C., Crescent Capital Group LP, MV Credit Partners LLP, New Mountain Capital, LLC, Park Square Capital USA LLC, Tor Investment Management (Hong Kong) Limited, AlbaCore Capital LLP, Muzinich & Co., Inc., Kartesia Management S.A., Medalist Partners, LP, NXT Capital Investment Advisers, LLC, Owl Rock Capital Partners, PennantPark Investment Advisers, PIMCO Investments LLC, Deerpath Capital Management, LP, Brightwood Capital Advisors, Magnetar Capital LLC, MC Credit Partners LP, Oaktree Capital Management, L.P., THL Credit Advisors LLC, White Oak Global Advisors, LLC, Benefit Street Partners L.L.C., EntrustPermal / Blue Ocean GP LLC, Willow Tree Credit Partners LP, Monroe Capital LLC, Runway Growth Capital LLC, Stellus Capital Management, LLC	December 10, 2018	January 18, 2019	Investments
Core Fixed Income Mandate Search	Amundi Pioneer Institutional Asset Management, Inc., Baird Advisors, BlackRock, Inc., BMO Global Asset Management, Brown Brothers Harriman & Co., C.S. McKee, L.P., Calvert Research and Management (Calvert or CRM), Conning, Dimensional Fund Advisors LP, Dodge & Cox, EARNEST Partners, LLC, FIAM LLC, Galliard Capital Management, Garcia Hamilton & Associates, L.P., Goldman Sachs Asset Management L.P., Guggenheim Partners Investment Management, LLC, Income Research & Management, Integrity Fixed Income, Management, LLC, Invesco Advisers, Inc., J.P. Morgan Asset Management, Jennison Associates LLC, Lazard Asset Management LLC, LM Capital Group, LLC, Longfellow Investment Management Co., LLC, Loomis, Sayles & Company, L.P., Manulife Investment Management, MFS Institutional Advisors, Inc., Morgan Stanley Investment Management, National Investment Services, Neuberger Berman, Nuveen, LLC, Payden & Rygel, PGIM Fixed Income, Piedmont Investment Advisors, Inc., PIMCO, Princeton Asset Management, LLC, Progress Investment Management Company, LLC, Pugh Capital Management, Inc., Quadratic Capital Management LLC, Ramirez Asset Management, Schroder Investment Management North America Inc., Securian Asset Management, Inc., Segall Bryant & Hamill, Sit Investment Associates, Inc. (Sit), SLC Management, Smith Graham & Co., Investment Advisors, L.P., Sterling Capital Management LLC, T. Rowe Price Associates, Inc., TCW Group, Inc., The Capital Group Companies, Inc., Voya Investment Management (Voya IM), Wellington Management Company LLP, Wells Fargo Asset Management, Western Asset Management Company, LLC	August 19, 2019	October 4, 2019	Investments
Investigative Services	JHRI, Inc., Frasco, Inc., TruView BSI, LLC, RJN Investigations, Inc.	April 20, 2021	May 28, 2021	Retirement Services
Outside Investment & Real Estate Counsel	Ice Miller LLP, Polsinelli LLP, Nossaman LLP, Kutak Rock LLP, K&L Gates LLP	February 1, 2021	February 22, 2021	City Attorneys
On-Call Professional Consultants in the Audit Service Category		May 27, 2021	June 24, 2021	Internal Audit

Also viewable online [here](#).

LACERS' MARKETING CESSATION REPORT
SUBJECT TO THE MARKETING CESSATION POLICY FOR JUNE—JULY 2021

RESTRICTED SOURCES

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Investment Contracts	Description
The Northern Trust Company	Master Custody Services
The Northern Trust Company	Securities Lending Services
The Northern Trust Company	Compliance Analyst Service and/or Event Analyst Services
The Northern Trust Company	Risk Services
The Northern Trust Company	Integrated Disbursement Services
The Northern Trust Company	Private Monitor Analytical Services (Core Services)

Non-Investment Contracts	Description
Anthem 2021	Medical HMO & PPO
Kaiser 2021	Medical HMO
SCAN 2021	Medical HMO
United Healthcare 2021	Medical HMO
Delta Dental 2021	Dental PPO and HMO
Anthem Blue View Vision 2021	Vision Services Contract

Also viewable online in more detail [here](#).

LACERS' MARKETING CESSATION REPORT
SUBJECT TO THE MARKETING CESSATION POLICY FOR JUNE—JULY 2021

ACTIVE RFPs

Description	Respondents
Private Credit Mandate Search	Alcentra Limited, Barings LLC, MB Global Partners, LLC, Backcast Partners Management LLC, BlackRock, Inc., CLSA Capital Partners (HK) Limited, Cross Ocean Adviser LLP, Clearwater Capital Partners (Fiera Capital Corporation), Guggenheim Partners, LLC, Goldman Sachs Asset Management, L.P., Pemberton Capital Advisors LLP, Kayne Anderson Capital Advisors, L.P., Maranon Capital, L.P., Bain Capital Credit, LP, Breakwater Management LP, Carlyle Global Credit Investment Management L.L.C., Crescent Capital Group LP, MV Credit Partners LLP, New Mountain Capital, LLC, Park Square Capital USA LLC, Tor Investment Management (Hong Kong) Limited, AlbaCore Capital LLP, Muzinich & Co., Inc., Kartesia Management S.A., Medalist Partners, LP, NXT Capital Investment Advisers, LLC, Owl Rock Capital Partners, PennantPark Investment Advisers, PIMCO Investments LLC, Deerpath Capital Management, LP, Brightwood Capital Advisors, Magnetar Capital LLC, MC Credit Partners LP, Oaktree Capital Management, L.P., THL Credit Advisors LLC, White Oak Global Advisors, LLC, Benefit Street Partners L.L.C., EntrustPermal / Blue Ocean GP LLC, Willow Tree Credit Partners LP, Monroe Capital LLC, Runway Growth Capital LLC, Stellus Capital Management, LLC
Core Fixed Income Mandate Search	Amundi Pioneer Institutional Asset Management, Inc., Baird Advisors, BlackRock, Inc., BMO Global Asset Management, Brown Brothers Harriman & Co., C.S. McKee, L. P., Calvert Research and Management (Calvert or CRM), Conning, Dimensional Fund Advisors LP, Dodge & Cox, EARNEST Partners, LLC, FIAM LLC, Galliard Capital Management, Garcia Hamilton & Associates, L.P., Goldman Sachs Asset Management L.P., Guggenheim Partners Investment Management, LLC, Income Research & Management, Integrity Fixed Income, Management, LLC, Invesco Advisers, Inc., J.P. Morgan Asset Management, Jennison Associates LLC, Lazard Asset Management LLC, LM Capital Group, LLC, Longfellow Investment Management Co., LLC, Loomis, Sayles & Company, L.P, Manulife Investment Management, MFS Institutional Advisors, Inc., Morgan Stanley Investment Management, National Investment Services, Neuberger Berman, Nuveen, LLC, Payden & Rygel, PGIM Fixed Income, Piedmont Investment Advisors, Inc., PIMCO, Princeton Asset Management, LLC, Progress Investment Management Company, LLC, Pugh Capital Management, Inc., Quadratic Capital Management LLC, Ramirez Asset Management, Schroder Investment Management North America Inc., Securian Asset Management, Inc., Segall Bryant & Hamill, Sit Investment Associates, Inc. (Sit), SLC Management, Smith Graham & Co., Investment Advisors, L.P., Sterling Capital Management LLC, T. Rowe Price Associates, Inc., TCW Group, Inc., The Capital Group Companies, Inc., Voya Investment Management (Voya IM), Wellington Management Company LLP, Wells Fargo Asset Management, Western Asset Management Company, LLC
Investigative Services	JHRI, Inc., Frasco, Inc., TruView BSI, LLC, RJN Investigations, Inc.
Outside Investment & Real Estate Counsel	Ice Miller LLP, Polsinelli LLP, Nossaman LLP, Kutak Rock LLP, K&L Gates LLP
On-Call Professional Consultants in the Audit Service Category	

Also viewable online in more detail [here](#).

**LACERS' MARKETING CESSATION REPORT
SUBJECT TO THE MARKETING CESSATION POLICY FOR JUNE—JULY 2021**

RESTRICTED SOURCES

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

Description	Vendor/Consultant
Contracts (Investments)	The Northern Trust
Contracts (Non-Investments)	Kaiser 2021, SCAN 2021, United Healthcare 2021, Delta Dental 2021, Anthem Blue View Vision 2021
Request for Proposals (Investments)	Amundi Pioneer Institutional Asset Management, Inc., Baird Advisors, BlackRock, Inc., BMO Global Asset Management, Brown Brothers Harriman & Co., C.S. McKee, L. P., Calvert Research and Management (Calvert or CRM), Conning, Dimensional Fund Advisors LP, Dodge & Cox, EARNEST Partners, LLC, FIAM LLC, Galliard Capital Management, Garcia Hamilton & Associates, L.P., Goldman Sachs Asset Management L.P., Guggenheim Partners Investment Management, LLC, Income Research & Management, Integrity Fixed Income, Management, LLC, Invesco Advisers, Inc., J.P. Morgan Asset Management, Jennison Associates LLC, Lazard Asset Management LLC, LM Capital Group, LLC, Longfellow Investment Management Co., LLC, Loomis, Sayles & Company, L.P, Manulife Investment Management, MFS Institutional Advisors, Inc., Morgan Stanley Investment Management, National Investment Services, Neuberger Berman, Nuveen, LLC, Payden & Rygel, PGIM Fixed Income, Piedmont Investment Advisors, Inc., PIMCO, Princeton Asset Management, LLC, Progress Investment Management Company, LLC, Pugh Capital Management, Inc., Quadratic Capital Management LLC, Ramirez Asset Management, Schroder Investment Management North America Inc., Securian Asset Management, Inc., Segall Bryant & Hamill, Sit Investment Associates, Inc. (Sit), SLC Management, Smith Graham & Co., Investment Advisors, L.P., Sterling Capital Management LLC, T. Rowe Price Associates, Inc., TCW Group, Inc., The Capital Group Companies, Inc., Voya Investment Management (Voya IM), Wellington Management Company LLP, Wells Fargo Asset Management, Western Asset Management Company, LLC
Request for Proposals (Non-Investments)	JHRI, Inc., Frasco, Inc., TruView BSI, LLC, RJN Investigations, Inc., Ice Miller LLP, Polsinelli LLP, Nossaman LLP, Kutak Rock LLP, K&L Gates LLP

Also viewable online in more detail here.

Summary of Various Ethics, Conflict of Interest Policies, and Statutes

Marketing Cessation Policy

Places restrictions on communications between parties seeking contracts and those involved in contract award and the contract process to prevent, and avoid the appearance of, undue influence on the Board or any of its Members in the award of LACERS contracts.

- Limits actions of: Proposers seeking to do business with LACERS or in the process of contract renewal
- Period covered:
 - For an RFP: Release of the RFP until final contract execution.
 - For a contract renewal: three months prior to the contract renewal until final contract execution.

LA City's Governmental Ethics Ordinance, Section 49.5.11(A)

States that Board Members may not engage in contract-making outside of a public meeting.

Limits actions of: Individual Board Members

Period covered: Overall contract-making period

Third Party Marketer Compliance Policy

Requires firms submitting proposals for consideration to LACERS to disclose the identity of all Placement Agents and/or individuals by whom the firm was referred to LACERS, and further indicate those so identified that stand to receive fees or other considerations if a contract between the firm and LACERS is secured.

- Limits actions of: All investment partners with whom LACERS does business, including, but not limited to, private equity funds, real estate funds, and infrastructure funds, as well as investment managers retained pursuant to a contract.
- Period covered: Within 45 days of the time investment discussions are initiated by the External Manager or LACERS but in any event prior to the completion of due diligence. Any changes to the information provided to LACERS must be disclosed within 14 calendar days of the occurrence of the change in information. In the case of amendments to an existing agreement, this information is required prior to execution of the amendment.

Contractor Disclosure Policy

Requires the full and timely periodic disclosure of ex parte communications with, relationships with, and payments to, entities such as placement agents, third party marketers, lobbyists, and other Intermediaries.

- Limits actions of: LACERS contractors who are required to disclose ex parte communications directly with Board members; campaign contributions or gifts to any City Official/employee, or candidate.
- Period covered: Disclosure required upon contract initiation and semi-annually, throughout the term of the contract with LACERS.

Conflict Governance Policy

Remain cognizant of statutory laws regarding financial conflicts of interest:

- ✓ California Government Code Section 1090 – Prohibits public officers or employees from being financially interested in any City contract;
- ✓ California Government Code Section 87100 – Prohibits a City officer or employee from making, participating in making, or attempting to use his or her official position to influence any governmental decision in which he or she knows or has reason to know they have a financial interest;
- ✓ City Charter Section 222 – Authorizes the City Attorney to provide written advice “where it would violate state law or where it may not be in the public interest” for the officer or employee “to act in a particular matter, contract, sale, or transaction.”
 - Limits actions of: Individual Board Members
 - Period covered: Duration of Commissioners’ discharge of LACERS’ duties