

Section 3.0 FINANCIAL AND ADMINISTRATIVE OVERSIGHT**3.4 WHISTLEBLOWER POLICY***Adopted: January 27, 2026***Purpose**

The LACERS Board and Staff are expected to adhere to a code of ethical responsibility in their duties for the Retirement System and discharge their duties with respect to the System and the Plan solely in the interest of the Members and their beneficiaries, with the exclusive purpose of providing benefits to Members and beneficiaries and defraying reasonable expenses of administering the Plan.

This policy outlines the process for reporting suspected misconduct, fraud, violation of policies and regulations, or unethical behavior related to LACERS' operations. It encourages individuals such as Board Members, LACERS Staff, and Other Persons to report any wrongdoing without fear of retaliation and ensures protection while engaging in proper whistleblowing activities under California's Whistleblower Statute, as outlined in California Labor Code Section 1102.5.

This policy is separate from and does not replace existing grievance or complaint resolution procedures provided in an applicable employee Memorandum of Understanding (MOU) agreement.

I. Scope

This policy applies to:

- A. Board Members
- B. LACERS Staff
- C. Other Persons defined as:
 - Members of the System
 - Contractors, consultants, and vendors
 - Any other stakeholders engaging with the System

II. Guidelines

- A. It is the policy of the Board that no LACERS Board Member or LACERS Staff may retaliate against anyone who engages in proper whistleblowing activity outlined within the whistleblower provision of the Labor Code.
- B. An individual acting in good faith in reporting suspected misconduct, fraud, violations of policies and regulations, or unethical behavior related to LACERS' operations will not be subject to any retaliation, threats, coercion, or similar acts for having disclosed such activities.
- C. All individuals covered by this policy shall promptly report any suspected misconduct, fraud, violations of policies and regulations, or unethical behavior related to LACERS' operations.

III. Reportable Activities

Examples of reportable misconduct include, but are not limited to:

Section 3.0 FINANCIAL AND ADMINISTRATIVE OVERSIGHT

- A. Fraud, waste, or abuse of System resources
- B. Misappropriation of funds, securities, supplies, or other assets
- C. Misconduct in investment selection or oversight
- D. Conflict of interest or ethics violations
- E. Violation of fiduciary duty
- F. Disclosing confidential and proprietary information to outside parties
- G. Violation of applicable laws or regulations
- H. Retaliation against whistleblowers

IV. Reporting Procedures

- A. All LACERS staff or members of the public are encouraged to submit any claims or allegations of wrongdoing to LACERS' General Manager or the Human Resources Director. Alternatively, reports may be submitted to LACERS' Public Pension General Counsel or a Board Member if the information involves the General Manager or the Human Resources Director.

LACERS Staff may also submit reports to their direct supervisor or any Executive Management Staff (Assistant General Manager, Chief Investment Officer, or Departmental Auditor Manager) if the information involves the direct supervisor or the Executive Management Staff within their group. Supervisors or Executive Management Staff will be responsible for documenting the report if it is verbal, and will maintain the confidentiality of the employee to the extent possible. All reports will be forwarded to the appropriate personnel by the following business day for evaluation and follow-up. Supervisors must not attempt to investigate the matter themselves.

- B. Alternative reporting and other types of allegations:

1. The City has established a Fraud, Waste, and Abuse Unit (FWA Unit) within the Controller's Office. Individuals may submit an online report regarding allegations of fraud, waste, and abuse that relate to or impact City resources at the Controller's Office website at controller.lacity.gov/fwa or by calling the Controller's Fraud Hotline during business hours at (866) 428-1514.
2. Allegations relating to violations of state and City laws regarding campaign financing, lobbying, governmental ethics, misuse of City position, and conflicts of interest may be reported to the City Ethics Commission at ethics.lacity.org/enforcement/#reportaviolation.
3. The California Whistleblower Protection Act authorizes the California State Auditor to receive complaints from state employees and members of the public who wish to report improper governmental activity. Individuals may submit a report using the [online form](#) or by calling the Whistleblower Hotline at (800) 952-5665.
4. Allegations relating to harassment and discrimination may be reported to the Personnel Department Office of Workplace Equity. To make a report, contact the Personnel department via the MyVoiceLA website at myvoicela.org.

Section 3.0 FINANCIAL AND ADMINISTRATIVE OVERSIGHT**V. Investigation Process**

LACERS will take all appropriate steps to thoroughly evaluate any allegations of improper conduct brought to its attention. All reports are taken seriously, investigated promptly, and acted upon appropriately. The investigation is fact-finding in nature, not disciplinary.

- A. All claims or allegations of wrongdoing will be investigated or referred to the appropriate agency or group.
- B. Pursuant to Section 3.6.1 of the Board Governance Statement (specifically the Audit Committee Charter), the Audit Committee helps the Board carry out its fiduciary duties. It does this by overseeing and guiding investigations that fall within its responsibilities, such as those involving financial reporting, legal compliance, ethical conduct, and related risks, as defined by the Board. Depending on the nature of the claim, the Audit Committee may facilitate the investigation process under the Board's direction.
- C. The Public Pensions General Counsel will review the investigative materials and advise the Board and/or General Manager of any legal measures that may impact LACERS.
- D. LACERS Staff shall cooperate with any investigation under this policy.

VI. Confidentiality

- A. If desired, all claims or allegations of wrongdoing may be made anonymously, and reasonable efforts will be made to maintain the confidentiality of parties involved. However, the claimant's identity might need to be disclosed to conduct a complete investigation or comply with the law.
- B. LACERS Staff or any person who is interviewed or otherwise involved in the investigation process is required to keep all information strictly confidential, unless specifically authorized to do so by the investigative team. Failure to comply may result in disciplinary action.