



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
February 12, 2020
9:00 a.m.

Board Conference Room
1200 Concord Avenue, Suite 350
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Recognition of Luz Winkler for 20 years of service.
3. Accept comments from the public.
4. Approve minutes from the January 8, 2020 meeting.
5. Routine items for February 12, 2020.
 - a. Approve certifications of membership.
 - b. Approve service and disability allowances.
 - c. Accept disability applications and authorize subpoenas as required.
 - d. Approve death benefits.
 - e. Accept travel report.
 - f. Accept asset allocation report.
 - g. Accept liquidity report.

CLOSED SESSION

6. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code Section 54957.6)

Agency designated representative:
Gail Strohl, Chief Executive Officer

Unrepresented Employees: All CCCERA unrepresented positions

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

7. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Monica Kang	Service Connected	Service Connected
b. Peter Marshall	Service Connected	Service Connected
c. Lance Morrison	Service Connected	Service Connected
d. Cynthia Simonetti	Service Connected	Service Connected
e. Sally Melgoza-Moore	Non-Service Connected	Non-Service Connected

8. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:

- a. *Nowicki v. CCCERA, et al.*, Contra Costa County Superior Court, Case No. C17-01266

OPEN SESSION

9. Presentation from PARS (Public Agency Retirement Services) regarding the I.R.C. Section 115 Trust for Other Post-Employment Benefits for CCCERA employees.
10. Presentation on travel reimbursement and educational tracking process.
11. Consider and take possible action to amend the CCCERA Travel Expense Reimbursement Policy.
12. Consider and take possible action to amend the CCCERA Records Retention Policy.
13. Consider and take possible action to amend the CCCERA Internal Revenue Code Compliance Policy.
14. Consider authorizing the attendance of Board:
- a. Day of Education in Private Equity Conference, NASP, March 26, 2020, Los Angeles, CA.
 - b. 2020 Public Funds Roundtable, Institutional Investor, April 28 – May 1, 2020, Los Angeles, CA.
15. Miscellaneous
- a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
January 8, 2020
9:00 a.m.

Board Conference Room
1200 Concord Avenue, Suite 350
Concord, California

Present: Candace Andersen, Donald Finley, Scott Gordon, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, William Pigeon, Mike Sloan, Todd Smithey and Russell Watts

Absent: Jerry Holcombe

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Timothy Price, Chief Investment Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Anne Sommers, Administrative/HR Manager; Henry Gudino, Accounting Manager; Tim Hoppe, Retirement Services Manager; and Jasmine Lee, Member Services Manager

Outside Professional Support: Representing:

None

1. Pledge of Allegiance

The Board, staff and audience joined in the *Pledge of Allegiance*.

2. Recognition of Elise Diliberto for 5 years of service and Ruchele Durbin for 30 years of service

Smithey recognized and congratulated Elise Diliberto for her 5 years of service and Ruchele Durbin for her 30 years of service.

3. Accept comments from the public

No member of the public offered comment.

4. Approval of minutes

It was **M/S/C** to approve the minutes of the December 11, 2019 Board meeting. (Yes: Andersen, Finley, Gordon, Kroll, Kwon, MacDonald, Phillips, Smithey and Watts).

5. Routine Items

It was **M/S/C** to approve the routine items of the January 8, 2020 meeting. (Yes: Andersen, Finley, Gordon, Kroll, Kwon, MacDonald, Phillips, Smithey and Watts)

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957.

The Board moved into open session.

6. It was **M/S/C** to accept the Medical Advisor's recommendation and grant the following disability benefits:
 - a. Jack Sheppard – Service Connected (Yes: Andersen, Finley, Gordon, Kroll, Kwon, MacDonald, Phillips, Smithey and Watts)

7. **Consider and take possible action regarding non-service connected disability retirement allowance of deceased member Saenyuan Pharn**

Hoppe provided background on the events leading up to the death of Mr. Pharn noting that prior to his death, Mr. Pharn had filed a Member Election Form for Non-Service Connected Disability in the Event of Death During Active Membership. The medical records were analyzed by the Board's medical advisor, who concluded that the evidence supported that Mr. Pharn was totally disabled from any employment prior to his death. He recommended the Board grant Mr. Pharn a non-service connected disability retirement, effective July 13, 2018.

After a discussion, it was **M/S** to deny the non-service connected disability retirement.

Pigeon was present for subsequent discussion and voting.

After a lengthy discussion, a substitute motion was **M/S/C** that the member was permanently unable to engage in any substantial gainful employment and to grant a non-service connected disability retirement, effective July 13, 2018, and grant the member's beneficiaries benefits pursuant to Government Code Section 31764, an Optional Settlement 4 allowance. (Yes: Kroll, MacDonald, Pigeon, Smithey and Watts. No: Andersen, Gordon, Kwon and Phillips)

The Board requested a follow-up workshop on this subject be provided for discussion at a future meeting.

8. **Retirement overview session**

Brianne Wilkins, Senior Retirement Counselor, gave a retirement overview presentation being provided to members within CCCERA's retirement system. The topics include key terms used in communicating with members, membership requirements, tiers, contributions, final average salary, service credits, reciprocity and using the calculator on CCCERA's website.

9. **Consider and take possible action to approve the assignment of CCCERA's agreement with LRWL Inc. to Segal Consulting**

Strohl reported that CCCERA was notified on December 9, 2019 of Segal Consulting's intention to purchase LRWL Inc. She stated CCCERA has been assured there will be no change to the services agreed to in the contract and all LRWL Inc. employees and the team assigned to CCCERA will continue to remain the same.

Strohl introduced Chris Fikes from LRWL Inc. who discussed the purchase and transition of LRWL Inc. by Segal Consulting. He also gave an update on the progress made since they began work on the project and noted they are currently on schedule.

After a lengthy discussion, it was **M/S/C** to approve the assignment of CCCERA's agreement with LRWL Inc. to Segal Consulting. (Yes: Andersen, Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

10. Consider and take possible action to adopt the CCCERA position pay schedules for classifications represented by AFSCME, Local 2700

Strohl reported the position pay schedules are related to the increases in base pay in the Memorandum of Understanding between CCCERA and AFSCME, Local 2700 that was adopted on February 13, 2019 and covers the period of January 1, 2019 through December 31, 2023.

It was **M/S/C** to adopt the CCCERA position pay schedules for classifications represented by AFSCME, Local 2700. (Yes: Andersen, Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

11. Consider and take possible action to authorize the members of the Audit Committee to participate in the interview of the final candidate(s) for the newly created position of internal auditor

Strohl reported the Audit Committee Charter does not currently include a provision for the Committee to participate in interviews and will be amending the Charter in the future.

It was **M/S/C** to authorize the members of the Audit Committee to participate in the interview of the final candidate(s) for the newly created position of internal auditor. (Yes: Andersen, Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

12. Consider authorizing the attendance of Board:

- a. There was no action taken on this item. 2020 Risk & Liquidity Forum, Institutional Investor Forums, January 28-29, 2020, San Francisco, CA.

13. Miscellaneous

- (a) Staff Report –

Strohl reported January 1st was the 5-year anniversary of CCCERA becoming an independent employer.

- (b) Outside Professionals' Report -

None

- (c) Trustees' comments –

Phillips reported on the key takeaways from the Markets Group 7th Annual California Institutional Forum that he and Smithey attended.

It was **M/S/C** to adjourn the meeting. (Yes: Andersen, Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Meeting Date
02/12/20
Agenda Item
#5

BOARD OF RETIREMENT

Page 1

February 12, 2020

Items requiring Board Action

A. Certifications of Membership – see list and classification forms.

B. Service and Disability Retirement Allowances:

<u>Name</u>	<u>Number</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Tier</u>	<u>Selected</u>
Azzopardi, Mary-Rose	66142	11/30/19	SR	Tier III	Unmodified
Bridges, Karen	64979	09/20/19	SR	Tier I	Unmodified
Cheda, Lori	D9500	10/05/19	SR	Tier II and III	Unmodified
Concannon, Corinne	56407	12/31/19	SR	Tier II and III	Unmodified
Duckett, Mark	60920	09/17/19	SR	Tier II and III	Option 2
Fathollahi, Yadollah	66333	12/27/19	SR	Tier I	Unmodified
Fenty, Brian	55094	11/22/12	SR	Tier II	Unmodified
Flores, Dennis	60955	12/09/19	SR	Safety A	Unmodified
Khawaja, Ambreen	70235	10/01/19	SR	Tier III	Unmodified
King, Stephen	71402	09/14/19	SR	Tier III	Unmodified
MacLennan, Ryan	56156	09/30/19	SR	Safety A	Option 1
Marquez, Maria	53499	10/01/19	SR	Tier II and III	Unmodified
Nasseh, Siamak	D9990	10/01/19	SR	Tier I	Unmodified
Page, Patrick	64912	11/21/19	SR	Tier II and III	Unmodified
Radliff, Kenneth	42003	12/17/19	SR	Safety A	Unmodified
Sinclair, David	63851	11/04/19	SR	Tier II and Safety A	Unmodified
Terry, Alonzo	44986	10/29/19	SR	Tier II and III	Unmodified
Weadon, Lori	70133	11/30/19	SR	Tier III	Unmodified
Winrow, Claudia	72183	08/01/19	SR	Tier III	Unmodified

C. Disability Retirement Applications: The Board's Hearing Officer is hereby authorized to issue subpoenas in the following cases involving disability applications:

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Conway, Vicki	56770	12/31/19	NSCD
Demichiel, Kirt	71160	12/23/19	SCD
Rubio, Fermin	79651	01/03/20	SCD

Option Type

NSP = Non-Specified
SCD = Service Connected Disability
SR = Service Retirement
NSCD = Non-Service Connected Disability
* = County Advance
Selected w/option

Tier

I = Tier I
II = Tier II
III = Tier III
S/A = Safety Tier A
S/C = Safety Tier C

Pepra 4.2 = Pepra Tier 4 (2% COLA)
Pepra 4.3 = Pepra Tier 4 (3% COLA)
Pepra 5.2 = Pepra Tier 5 (2% COLA)
Pepra 5.3 = Pepra Tier 5 (3% COLA)
S/D = Pepra Safety Tier D
S/E = Pepra Safety Tier E

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

D. Deaths:

<u>Name</u>	<u>Date of Death</u>	<u>Employer as of Date of Death</u>
Bohorquez, Christine	01/16/20	Contra Costa County
Bracey, Dorothy	10/29/19	Contra Costa County
Carter, Matthew	12/15/19	Contra Costa County Housing Authority
Coleman, Richard	01/27/20	Contra Costa County
Covey, Clarence	01/03/20	Central Contra Costa Sanitary District
Crutch, Albert	12/18/19	Contra Costa County
Garland, Genevieve	12/20/19	Contra Costa County
Henry, Odell	11/06/19	Contra Costa County
Imfeld, Kathryn	12/21/19	Contra Costa County
Lewis, Dorothy	11/27/19	Contra Costa County
Majalca, Mary	10/16/19	Contra Costa County
Pappas, Dennis	01/12/20	West County Fire District
Platis, Norma	01/03/20	Contra Costa County
Rice, Helen	01/17/20	Contra Costa County
Roach, Margaret	01/17/20	Contra Costa County
Ruddick, Ann	01/22/20	Contra Costa County
Runnion, Linda	12/24/19	Contra Costa County
Scott, Margaret	10/24/19	Contra Costa County
Thomas, Leticia	12/26/19	Contra Costa County
Wood, Clara	12/21/19	Contra Costa County

Option Type

NSP = Non-Specified
 SCD = Service Connected Disability
 SR = Service Retirement
 NSCD = Non-Service Connected Disability
 * = County Advance
 Selected w/option

Tier

I = Tier I
 II = Tier II
 III = Tier III
 S/A = Safety Tier A
 S/C = Safety Tier C

Pepra 4.2 = Pepra Tier 4 (2% COLA)
 Pepra 4.3 = Pepra Tier 4 (3% COLA)
 Pepra 5.2 = Pepra Tier 5 (2% COLA)
 Pepra 5.3 = Pepra Tier 5 (3% COLA)
 S/D = Pepra Safety Tier D
 S/E = Pepra Safety Tier E

CERTIFICATION OF MEMBERSHIPS

Name	Employee Number	Tier	Membership Date	Employer
Alonzo, Rowena	88964	P5.2	12/01/19	Contra Costa County
Arroyo-Mendoza, Raul	88975	P5.2	12/01/19	Contra Costa County
Bano, Shamim	84354	P5.2	12/01/19	Contra Costa County
Battle, Alexander	88950	P5.2	12/01/19	Contra Costa County
Berger, Carol	88899	P5.2	12/01/19	Contra Costa County
Bernal, Evelin	88934	P5.2	12/01/19	Contra Costa County
Beronilla, Mercedes	88911	P5.2	12/01/19	Contra Costa County
Butler, Sherron	86902	P5.2	12/01/19	Contra Costa County
Buenafior, Cherie	88965	P5.2	12/01/19	Contra Costa County
Campbell, Desiree	88942	P5.2	12/01/19	Contra Costa County
Castro, Jennifer	88832	P5.2	12/01/19	Contra Costa County
Chambers, Matthew	D3406	P4.3	12/01/19	Central Contra Costa Sanitary District
Chaney, Morgan	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Chanthavee, Khanlai	80753	P5.2	12/01/19	Contra Costa County
Chinwike, Aghogho	87112	P5.2	12/01/19	Contra Costa County
Chipley, Kristen	88869	P5.2	12/01/19	Contra Costa County
Cloy, Brianna	88924	P5.2	12/01/19	Contra Costa County
Cobos Acosta, Raquel	80478	P5.2	12/01/19	Contra Costa County
Cristofani, Gary	64775	P5.2	12/01/19	Contra Costa County
Diaz, Stefani	88200	S/E	12/01/19	Contra Costa County
Fischer, Susan	88944	P5.2	12/01/19	Contra Costa County
Flores, Omar	88896	P5.2	12/01/19	Contra Costa County
Froilan, Philip	88907	P5.2	12/01/19	Contra Costa County
Henry, Shavon	87357	P5.2	12/01/19	Contra Costa County
Hornbaker, Shawna	88919	P5.2	12/01/19	Contra Costa County
Huntington Jr., George	81024	P5.2	12/01/19	Contra Costa County
Jackson, Taska	88929	P5.2	12/01/19	Contra Costa County
James, Karatina	88925	P5.2	12/01/19	Contra Costa County
Jenkins, Andre	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Leschot, Erin	87231	P5.2	12/01/19	Contra Costa County
Llanes, Marlon	87373	P5.2	12/01/19	Contra Costa County
Loquiao, Salustia	88922	P5.2	12/01/19	Contra Costa County
Lung, Calvin	88874	P5.2	12/01/19	Contra Costa County
Markiewith, Mary	87290	P5.2	12/01/19	Contra Costa County
Miranda, Ameyalli	88923	P5.2	12/01/19	Contra Costa County
Monterrosa, Marvin	88837	P5.2	12/01/19	Contra Costa County
Naylor, Rechelle	88900	P5.2	12/01/19	Contra Costa County
Najera, Leticia	D7830	P4.3	12/01/19	San Ramon Valley Fire Protection District
O'Grady, Ashton	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Olsen, Caroline	88937	P5.2	12/01/19	Contra Costa County
Patrick, Jessica	85317	P5.2	12/01/19	Contra Costa County

Key:

I = Tier I	P4.2 = PEPRA Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPRA Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPRA Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPRA Tier 5 (3% COLA)	S/E = Safety Tier E

CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Romero de Hernandez, Maria	87163	P5.2	12/01/19	Contra Costa County
Rothstein, Lauren	88884	P5.2	12/01/19	Contra Costa County
Rovero, Carolina	88910	P5.2	12/01/19	Contra Costa County
Sagar, Nitin	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Saliba, Edward	88833	P5.2	12/01/19	Contra Costa County
Schwartz, Justin	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Shrestha, Tenzin	88872	P5.2	12/01/19	Contra Costa County
Silva, Andrew	88893	P5.2	12/01/19	Contra Costa County
Straiten Jr., Mark	D9500	P5.3	12/01/19	Contra Costa County Superior Courts
Stull, Tyler	88961	P5.2	12/01/19	Contra Costa County
Thompson, Shannon	88917	S/D	12/01/19	Rodeo-Hercules Fire Protection District
Tovar, Denisse	88873	P5.2	12/01/19	Contra Costa County
Trapps, LaReisha	88909	P5.2	12/01/19	Contra Costa County
Tsang, Suzanne	88901	P5.2	12/01/19	Contra Costa County
Vasquez, Danielle	88885	P5.2	12/01/19	Contra Costa County
Vasquez, Maria	88908	P5.2	12/01/19	Contra Costa County
Wilborn, Tia	88939	P5.2	12/01/19	Contra Costa County
Wockner, Bailey	88892	P5.2	12/01/19	Contra Costa County
Wong, Ana	88882	P5.2	12/01/19	Contra Costa County
Wong, Megan	88912	P5.2	12/01/19	Contra Costa County

Key:

I = Tier I	P4.2 = PEPRA Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPRA Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPRA Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPRA Tier 5 (3% COLA)	S/E = Safety Tier E

TIER CHANGES

<i>Name</i>	<i>Employee Number</i>	<i>Old Tier</i>	<i>New Tier</i>	<i>Effective Date</i>	<i>Employer</i>	<i>Reason for Change</i>
Bianucci, Nicolas	80779	S/E	P5.2	12/01/19	Contra Costa County	Demotion to Sheriff Ranger
Drolette, Brandon	88252	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Eagen, Jonathan	88193	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Fallon, Cassaundra	88244	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Golden, Cody	88208	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Gutierrez, Katidia	88222	III	S/A	12/01/19	Contra Costa County	Promotion to Safety Tier
Hoekwater, Ashley	83270	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Hoffie, Michael	88250	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Kruppa, Michael	88194	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Madsen, Nathaniel	83509	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Malone, Austin	88205	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Railton, Matthew	88196	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Ramirez Kirgan, Robert	88243	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Smith, Eric	88192	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Swanson, Eileen	88206	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Sylwesiuk, Garrett	88198	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Vieira, Christopher	88247	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Ward, Todd	88249	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
White, Devann	88253	P5.2	S/E	12/01/19	Contra Costa County	Promotion to Safety Tier
Williams, Alicia	78005	P4.2	I	10/01/19	Contra Costa County Fire Protection District	Recip In Age and Tier Change

Key:

I = Tier I	P4.2 = PEPR A Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPR A Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPR A Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPR A Tier 5 (3% COLA)	S/E = Safety Tier E

CCCERA Board of Trustees
 Training & Educational Conference Expenses Paid During
 Quarter 4 2019 (October- December)

Meeting Date
02/12/20
Agenda Item
#5

Trustee:	Conference Name/Purpose:	Location:	Dates:	Total
Candace Andersen	NONE			
Donald Finley	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	576.88
Scott Gordon	Torchlight 2019 Annual Investment Summit	New York, NY	Nov 6-7, 2019	1,708.05
Jerry Holcombe	NONE			
Louie Kroll	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	1,010.67
Jay Kwon	CALAPRS Trustees' Roundtable	Oakland, CA	Oct 25, 2019	167.02
David J. MacDonald	17th Annual Global ARC Conference	Boston, MA	Oct 28-30, 2019	2,113.81
	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	970.73
	NCPERS 2020 Legislative Conference-PREPAID REG	Washington, DC	Jan 26-28, 2020	565.00
John Phillips	IFEBP (TMP) Trustees Master Program	San Diego, CA	Oct 19-20, 2019	882.16
	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	1,034.66
	Markets Group 7th Annual CA Institutional Forum	Santa Rosa, CA	Dec 4, 2019	563.78
William Pigeon	NONE			
Mike Sloan	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	957.81
Todd Smithey	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	781.92
	Markets Group 7th Annual CA Institutional Forum	Santa Rosa, CA	Dec 4, 2019	326.77
Russell V. Watts	SACRS Fall 2019 Conference	Monterey, CA	Nov 12-15, 2019	731.63

Contra Costa County Employees' Retirement Association
Asset Allocation as of December 31, 2019

Meeting Date
02/12/20
Agenda Item
#5

	Market Value	Percentage of Total Fund	Current Target Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Liquidity						
Insight	956,150,002	10.2%	12.0%	-1.8%		
Sit	539,042,631	5.8%	6.0%	-0.2%		
Dimensional Fund Advisors	460,934,054	4.9%	6.0%	-1.1%		
Total Liquidity	1,956,126,688	20.9%	24.0%	-3.1%	24.0%	-3.1%

Range
16% - 28%

	Market Value	Percentage of Total Fund	Current Target Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Growth						
Domestic Equity						
Boston Partners	251,080,501	2.7%	2.5%	0.2%		
Jackson Square	244,269,952	2.6%	2.5%	0.1%		
BlackRock Index Fund	204,604,006	2.2%	2.0%	0.2%		
Emerald Advisors	159,009,461	1.7%	1.5%	0.2%		
Ceredex	160,524,993	1.7%	1.5%	0.2%		
Total Domestic Equity	1,019,488,911	10.9%	10.0%	0.9%	5.0%	5.9%

Global & International Equity

Pyrford (BMO)	485,671,948	5.2%	5.0%	0.2%		
William Blair	500,334,604	5.3%	5.0%	0.3%		
First Eagle	390,136,719	4.2%	4.0%	0.2%		
Artisan Global Opportunities	404,024,936	4.3%	4.0%	0.3%		
PIMCO/RAE Emerging Markets	369,299,185	3.9%	4.0%	-0.1%		
TT Emerging Markets	360,880,373	3.9%	4.0%	-0.1%		
Total Global & International Equity	2,510,347,766	26.8%	26.0%	0.8%	24.0%	2.8%

Private Equity	1,024,924,786	10.9%	11.0%	-0.1%	11.0%	-0.1%
Private Credit	539,105,455	5.8%	5.0%	0.8%	12.0%	-6.2%
Real Estate - Value Add	163,789,623	1.7%	4.0%	-2.3%	4.0%	-2.3%
Real Estate - Opportunistic & Distressed	466,532,141	5.0%	4.0%	1.0%	4.0%	1.0%
Real Estate - REIT (Adelante)	80,205,371	0.9%	1.0%	-0.1%	1.0%	-0.1%
High Yield (Allianz)	208,839,867	2.2%	2.0%	0.2%	0.0%	2.2%
Risk Parity			5.0%	-0.1%	5.0%	-0.1%
AQR GRP EL	236,618,370	2.5%				
PanAgora	223,192,334	2.4%				
Total Other Growth Assets	2,943,207,947	31.4%	32.0%	-0.6%	37.0%	-5.6%

Total Growth Assets	6,473,044,624	69.1%	68.0%	1.1%	66.0%	3.1%
----------------------------	----------------------	--------------	--------------	-------------	--------------	-------------

Range
60% - 80%

	Market Value	Percentage of Total Fund	Current Target Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Risk Diversifying						
AFL-CIO	334,559,218	3.6%	3.5%	0.1%	3.0%	0.6%
Parametric Defensive Equity	204,710,656	2.2%	2.5%	-0.3%	3.5%	-1.3%
Wellington Real Total Return	190,367,799	2.0%	2.0%	0.0%	3.5%	-1.5%
Total Risk Diversifying	729,637,673	7.8%	8.0%	-0.2%	10.0%	-2.2%

Range
0% - 10%

	Market Value	Percentage of Total Fund	Current Target Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Cash and Overlay						
Overlay (Parametric)	39,093,253	0.4%		0.4%		
Cash	168,995,241	1.8%		1.8%		
Total Cash and Overlay	208,088,494	2.2%	0.0%	2.2%	0.0%	2.2%

Total Fund	9,366,897,478.77	100%	100%		100%	
-------------------	-------------------------	-------------	-------------	--	-------------	--

*Current targets and ranges reflect asset allocation targets accepted by the Board on June 26, 2019 (BOR Resolution 2019-4)

**Private Market Investments
As of December 31, 2019**

REAL ESTATE - Value Add									
Inception Date	Target Termination	# of Extension in full liq.	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment	
Invesco IREF II	05/30/07	12/31/15			85,000,000	1	0.00%		
Invesco IREF III	08/01/13	08/01/20			35,000,000	1,427,815	0.02%		
Invesco IREF IV	12/01/14	12/01/21			35,000,000	16,144,889	0.17%	5,191,261	
Invesco IREF V	09/11/18	09/11/25			75,000,000	23,091,307	0.25%	52,482,955	
Long Wharf FREG IV	08/14/13	09/30/21			25,000,000	6,317,367	0.07%		
Long Wharf FREG V	10/31/16	09/30/24			50,000,000	40,988,577	0.44%	3,946,000	
LaSalle Income & Growth Fund VI	01/31/12	01/31/19			75,000,000	25,305,992	0.27%	18,340,431	
LaSalle Income & Growth Fund VII	10/31/16	09/30/24			75,000,000	50,513,675	0.54%		
Outstanding Commitments					580,000,000	163,789,623	1.75%	79,960,647	
Total						243,750,270			

Outstanding Commitments
Total

REAL ESTATE - Opportunistic & Distressed									
Inception Date	Target Termination	# of Extension in full liq.	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment	
DJ Real Estate Capital Partners, L.P. III	06/30/05	06/30/14			75,000,000	21,069,138	0.22%	4,031,338	
DJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/18			100,000,000	78,589,326	0.84%	3,162,610	
DJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22			75,000,000	45,002,375	0.48%	20,556,753	
DJ Real Estate Capital Partners, L.P. VI	02/28/19	01/31/29			50,000,000	23,527,733	0.25%	25,050,462	
Oaktree Real Estate Opportunities Fund V	02/01/11	02/01/21			50,000,000	4,320,553	0.05%	25,750,000	
Oaktree Real Estate Opportunities Fund VI	09/30/13	09/30/20			80,000,000	29,268,505	0.31%	18,400,000	
Oaktree Real Estate Opportunities Fund VII	02/28/15	02/28/23			65,000,000	53,189,163	0.57%	18,720,000	
Siguler Guff Distressed Real Estate Opp. Fund	07/30/11	07/30/22			75,000,000	33,502,236	0.36%	5,625,000	
Siguler Guff Distressed Real Estate Opp. Fund II	08/31/13	08/31/25			70,000,000	48,655,206	0.52%	8,015,000	
Siguler Guff Distressed Real Estate Opp. II Co-Inv	01/31/16	10/31/25			25,000,000	18,824,214	0.20%	4,462,138	
Paulson Real Estate Fund II	11/10/13	11/10/20			20,000,000	24,465,088	0.26%	654,377	
Angelo Gordon Realty Fund VIII	12/31/11	12/31/18			80,000,000	22,192,554	0.24%	12,334,302	
Angelo Gordon Realty Fund IX	10/10/14	10/10/22			65,000,000	63,926,050	0.68%	12,122,500	
Outstanding Commitments					830,000,000	466,532,141	4.98%	158,884,480	
Total						625,416,621			

Outstanding Commitments
Total

PRIVATE CREDIT									
Inception Date	Target Termination	# of Extension 2nd 1 YR	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment	
Torchlight Debt Opportunity Fund III	09/30/08	06/30/16			75,000,000	0	0.00%	0	
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20			60,000,000	10,230,704	0.11%	0	
Torchlight Debt Opportunity Fund V	12/31/14	09/17/22	LP	06/30/18	75,000,000	25,226,806	0.27%	15,000,000	
Angelo Gordon Energy Credit Opportunities	09/10/15	09/10/20			16,500,000	4,310,949	0.05%	2,319,783	
CCCERA StepStone	12/01/17	11/30/27			920,000,000	499,336,996	5.33%	455,256,439	
Outstanding Commitments					1,274,500,000	539,105,455	5.76%	472,576,222	
Total						1,011,681,677			

Outstanding Commitments
Total

**Private Market Investments
As of December 31, 2019**

PRIVATE EQUITY	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Adams Street Partners	12/22/95	12/22/25				244,310,534	145,943,253	1.56%	25,255,080
Adams Street Secondary II	12/31/08	12/31/20				28,365,000	6,803,533	0.07%	1,635,000
Adams Street Secondary V	10/31/12	10/31/22				30,611,900	20,357,180	0.22%	9,388,100
Adams Street Venture Innovation Fund	03/09/16	03/09/28				45,412,500	54,113,494	0.58%	29,587,500
AE Industrial Partners Fund II	05/18/18	05/18/28				5,103,684	4,635,156	0.05%	29,896,316
Bay Area Equity Fund	06/14/04	12/31/14	2nd 2 YR	LP	12/31/2017	10,000,000	2,405,548	0.03%	0
Bay Area Equity Fund II	2/29/09	12/31/19				10,000,000	12,029,163	0.13%	0
Carpenter Community BancFund	10/31/09	10/31/19				29,314,657	0	0.00%	0
EIF USPF II	06/15/05	06/15/15	3rd 1 YR	LP	06/15/18	65,029,556	6,665,595	0.07%	0
EIF USPF III	02/28/07	02/28/17	1st 1 YR	LP	02/28/18	71,409,097	16,646,603	0.18%	0
EIF USPF IV	06/28/10	06/28/20				63,746,288	43,497,299	0.46%	4
Ares EIF V	09/09/15	11/19/25				47,434,111	42,950,247	0.46%	9,566,328
Genstar Capital Partners IX, L.P.	02/21/19					11,588,302	11,355,539		38,411,698
Oaktree Private Investment Fund 2009	02/28/10	12/15/19				34,816,729	2,003,266	0.02%	6,308,961
Ocean Avenue Fund II	05/07/14	05/07/24				26,100,000	29,681,342	0.32%	3,900,000
Ocean Avenue Fund III	12/09/15	12/09/25				43,500,000	54,339,183	0.58%	6,500,000
Paladin III	08/15/08	08/15/18				33,767,853	32,702,600	0.35%	256,983
Pathway	11/09/98	05/31/21				124,872,985	15,368,079	0.16%	10,921,435
Nogales Investment	02/15/04	02/15/14			sold last inv.	18,026,408	0	-	0
Pathway 2008	12/26/08	12/26/23				29,176,161	18,849,303	0.20%	3,232,490
Pathway 6	05/24/11	05/24/26				37,949,925	35,750,927	0.38%	4,287,760
Pathway 7	02/07/13	02/07/23				64,259,537	68,157,777	0.73%	8,769,962
Pathway 8	11/23/15	11/23/25				36,878,846	45,186,187	0.48%	15,181,303
Siguler Guff CCCERA Opportunities	06/03/14	05/31/25				147,355,741	168,022,347	1.79%	60,224,772
Siguler Guff Secondary Opportunities	12/31/16	12/31/26				29,999,802	169,034	0.00%	46,394,813
Siris Partners IV	05/18/18	05/18/28				16,204,485	16,126,886	0.17%	18,795,515
TPG Healthcare Partners, L.P.	06/28/19					617,686	0		23,382,314
Trident VIII, L.P.	05/24/19					0	0		40,000,000
Real Assets									
Aether III & III Surplus	11/30/13	11/30/20				72,879,887	71,063,705	0.76%	7,224,092
Aether IV	01/01/16	01/01/28				36,955,325	39,010,919	0.42%	15,187,389
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				43,324,995	41,612,032	0.44%	6,675,005
Wastewater Opportunity Fund	12/31/15	11/30/22				22,288,924	19,478,590	0.21%	2,733,302
Outstanding Commitments						1,520,261,197	1,024,924,786	12.38%	423,716,123
Total							1,448,640,910		

Market value equals the most recent reported net asset value, plus capital calls after net asset value date, less distributions after net asset value date. The Target Termination column is the beginning of liquidation of the fund, however, some funds may be extended for an additional two or three years.



Meeting Date
02/12/20
Agenda Item
#5

Contra Costa County Employees' Retirement Association
Liquidity Report – December 2019

December 2019 Performance

	Cash Flow	Coverage Ratio
Benefit Cash Flow Projected by Model	\$43,000,000	
Liquidity Sub-Portfolio Cash Flow	\$43,000,000	100%
Actual Benefits Paid	\$40,876,752	105%
Next Month's Projected Benefit Payment	\$42,500,000	

Monthly Manager Positioning – December 2019

	Beginning Market Value	Liquidity Program Cash Flow	Market Value Change/Other Activity	Ending Market Value
Sit	\$539,922,001	(\$1,250,000)	\$370,630	\$539,042,631
DFA	\$474,701,746	(\$15,000,000)	\$1,232,308	\$460,934,054
Insight	\$980,197,021	(\$26,750,000)	\$2,702,981	\$956,150,002
Liquidity	\$1,994,820,769	(\$43,000,000)	\$4,305,919	\$1,956,126,688
Cash	\$146,283,055	\$2,123,248	\$20,588,938	\$168,995,241
Liquidity + Cash	\$2,141,103,823	(\$40,876,752)	\$24,894,857	\$2,125,121,929

Functional Roles

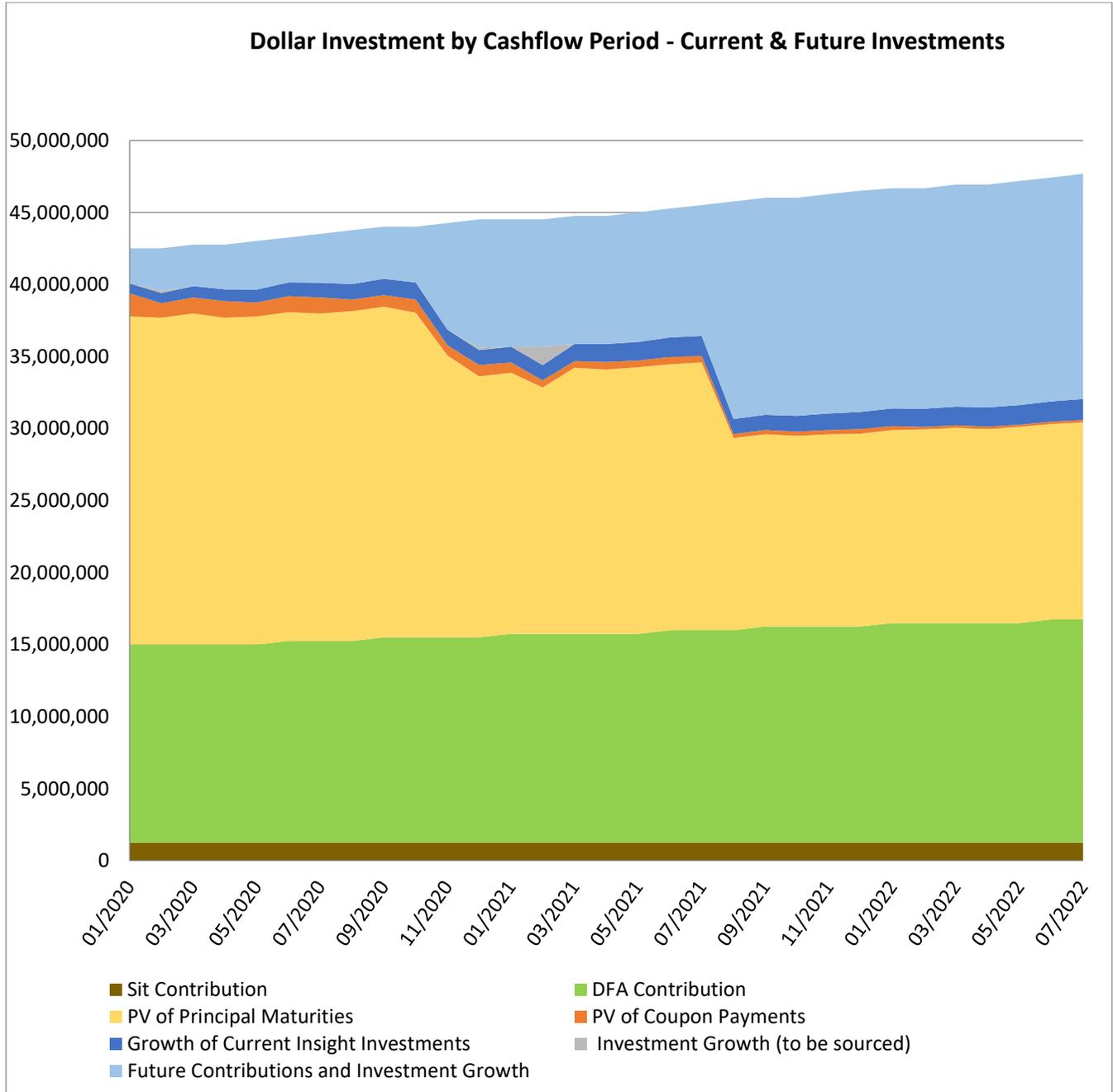
Manager	Portfolio Characteristics	Liquidity Contribution
Sit	High quality portfolio of small balance, government guaranteed mortgages with higher yields.	Pays out net income on monthly basis.
DFA	High quality, short duration portfolio of liquid, low volatility characteristics.	Pays out a pre-determined monthly amount. DFA sources liquidity from across their portfolio.
Insight	Buy and maintain (limited trading) portfolio of high quality, short duration, primarily corporates.	Completion portfolio makes a payment through net income and bond maturities that bridges the gap between other managers and projected payment.
Cash	STIF account at custodial bank.	Buffer in the event of any Liquidity shortfall/excess.

Notes

The twelfth cash flow for 2019 from the liquidity program was completed on December 23rd. The actuarial model cash flow was slightly higher than actual experience, producing \$2,123 thousand more than the actual benefits paid.

Cash Flow Structure

The chart below shows the sources of cash flow for the next several years of CCCERA’s projected benefit payments. This table will change slightly as the model is tweaked and as the portfolios receive new rounds of funding each August as part of the Annual Funding Plan.





Meeting Date
02/12/20
Agenda Item
#9

MEMORANDUM

Date: February 12, 2020
To: CCCERA Board of Retirement
From: Gail Strohl, Chief Executive Officer
Subject: Presentation from PARS (Public Agency Retirement Services) regarding the I.R.C. Section 115 Trust for Other Post-Employment Benefits for CCCERA employees.

Background

At the November 28, 2018 Board of Retirement (BOR) Meeting, the Board authorized the CEO to execute a contract with PARS (Public Agency Retirement Services) for Other Post-Employment Benefit ("OPEB") Trust Fund Management Services and adopted BOR Resolution 2018-4 approving the adoption of the PARS Public Agencies Post-Employment Benefits Trust (Trust).

On January 23, 2019 the Board of Retirement adopted BOR Resolution 2019-1, Funding of I.R.C. Section 115 Trust for Other Post-Employment Benefits. This Resolution was later amended and superseded by BOR Resolution 2019-5 at the July 24, 2019 meeting, in order to annually fund the ADC on an amortization schedule designed to achieve full funding over a 10 year period (instead of a 30 year period).

On an annual basis, PARS will provide a report to the Board regarding the performance of the Trust, net of trustee administration and investment management fees, and showing the CCCERA account balance. The December 31, 2019 account balance shown in the PARS report does not include 2019 costs for retiree health benefit payments and actuarial services of approximately \$63K that will be accrued for and shown in the 2019 CAFR prepared by CCCERA. This is the first annual presentation for the Board.

Recommendation

Informational only. No action is necessary.

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

OPEB Pre-Funding Trust Program Client Review
February 12, 2020

CONTACTS



Jennifer Meza
Manager, Consulting
(800) 540-6369 x141
jmeza@pars.org

Andrew Brown, CFA
Director, Senior Portfolio Manager
(415) 705-7605
andrew.brown@highmarkcapital.com

Nik Weigand
Senior Coordinator, Client Services
(800) 540-6369 x150
nweigand@pars.org

PARS TRUST TEAM

Trust Administrator & Consultant



TRUSTED SOLUTIONS. LASTING RESULTS.

- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

36

Years of Experience
(1984-2020)

1,400+

Plans under
Administration

900+

Public Agency
Clients

500 k+

Plan Participants

\$4.1B

Assets under
Administration

Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts.
- Safeguard plan assets,
- Oversight protection as plan fiduciary
- Custodian of assets

157

Years of Experience
(1863-2020)

\$5.0T

Assets under
Administration

Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

101

Years of Experience
(1919-2020)

\$16.4B

Assets under
Management

SUMMARY OF AGENCY'S OPEB PLAN

Plan Type: IRC Section 115 Irrevocable Exclusive Benefit Trust

Trustee Approach: Discretionary

Plan Effective Date: December 1, 2018

Plan Administrator: Gail Strohl, Chief Executive Officer

Current Investment Strategy: Custom (Active) Strategy; Individual Account

Eligibility: Employees of CCCERA that retire after December 31, 2014

AS OF DECEMBER 31, 2019:

Initial Contribution: December 2018: \$2,542,476

Additional Contributions: \$828,300

Total Contributions: \$3,370,776

Disbursements: \$0

Expenses: (\$16,934)

Total Investment Earnings: \$345,111

Account Balance: \$3,698,953

OPEB ACTUARIAL RESULTS

- We have received the actuarial report by Milliman dated February 18, 2019 with a measurement date as of December 31, 2018. In the table below, we have summarized the results.

Demographic Study		Measurement Date: December 31, 2018
Actives		52
Retirees		4
Total		56
Average Active Age		47.00
Average Active Agency Service		9.98

OPEB ACTUARIAL RESULTS

	Measurement Date: December 31, 2018 (Prefunding) Discount Rate: 6.75%
Total OPEB Liability (TOL) <i>Actuarial Accrued Liability (AAL)</i>	\$4,710,000
Plan Fiduciary Net Position <i>Actuarial Value of Assets</i>	\$2,542,000
Net OPEB Liability (NOL) <i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$2,168,000
Funded Ratio (%)	54.0%
Annual Determined Contribution (ADC) <i>Annual Required Contribution (ARC)</i>	\$536,000
Annual Benefit Payments <i>(Pay-as-you-Go)</i>	\$50,000

Rule of thumb: For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

HIGHMARK CAPITAL MANAGEMENT INVESTMENT REVIEW

CCCERA OPEB PLAN

Fourth Quarter 2019

**Presented by
Andrew Brown, CFA**

HIGHMARK 2020 FORECAST

2020	
GDP	1.9% - 2.5%
S&P500 earnings	\$172 – \$178
Unemployment	3.70%
Core PCE Inflation	1.7% - 2.0%
Fed Funds Target	1.25% - 1.75%

Asset Allocation Committee Key Global Investment Themes

<p style="text-align: center;">Global Economy Resets</p>	<ul style="list-style-type: none"> • Economic growth decelerating as the cycle ages and geopolitical tensions increase • Corporate profit growth weak, margins under pressure from tariffs and higher labor costs • Soft landing expected as manufacturing weakness may be bottoming • US consumer confidence remains healthy / acting as a stabilizer
<p style="text-align: center;">Monetary Policy Accommodative</p>	<ul style="list-style-type: none"> • Global central banks have retreated to easing bias as economy slows under tighter financial conditions • The Fed responded to market fears of slowing economic growth with 3 cuts in 2019 • Weak inflation provides cover opportunity for Fed to lower rates • Proactively easing policy may extend the cycle, but limits counter measures central banks can deploy during contractions
<p style="text-align: center;">Leverage Increasing</p>	<ul style="list-style-type: none"> • Deleveraging in the household sector offset by increasing debt burden in public and corporate sectors • US budget deficit over 4% of GDP (uncommon outside of recessions and war time) • High debt levels will weigh on economic growth potential • Debt saturation followed by rate normalization will increase risk of credit events – possible rescission trigger
<p style="text-align: center;">Trade Tensions Thaw</p>	<ul style="list-style-type: none"> • US / China make progress on trade negotiations with partial “phase one” deal • Headlines on progress or setbacks will continue to sway sentiment • Administration incentivized not to risk economic harm as election approaches • Trade war will loom over corporate investment decisions without permanent resolution
<p style="text-align: center;">Political Climate</p>	<ul style="list-style-type: none"> • US presidential election year will highlight the increasing polarity in Washington • Democratic candidates range from progressive to centrist representing a wide spectrum of policy perspectives • An increase in probability of a progressive candidate taking office may be met with worry by investors • The likelihood of major policy changes in either direction is low under the expectation of a divided congress
<p style="text-align: center;">China Transitions</p>	<ul style="list-style-type: none"> • Global growth highly levered to emergence of Chinese middle class • Economy being weaned off investment spending to become more reliant on consumption • Government reigning in excessive credit expansion, yet needs to reengage stimulus to maintain a “safe” deceleration • Hard landing would have significant ripple effects across the global economy

Selected Period Performance

PARS/CCCERA 115P

Account 6746060500

Period Ending: 12/31/2019

	3 Months	Inception to Date
Cash Equivalents	.41	1.88
<i>Lipper Money Market Funds Index</i>	.38	1.78
Total Fixed Income	.00	6.01
<i>BBG Barclays US Aggregate Bd Index</i>	.18	7.57
<i>ICE BofA 1-3 Yr US Corp/Govt</i>	.61	3.67
<i>BBG Barclays Intermediate US Treas Bd Index</i>	.01	4.77
Total Equities	8.57	15.99
Large Cap Funds	8.90	22.32
<i>S&P 500 Composite Index</i>	9.07	21.73
Small Cap Funds	8.20	13.87
<i>Russell 2000 Index</i>	9.94	12.83
International Equities	9.78	12.48
<i>MSCI EAFE Index</i>	8.17	14.49
<i>MSCI EM Free Index</i>	11.84	8.89
Real Estate - ETFs / Sctr Fds	.68	15.96
<i>Wilshire REIT Index</i>	-1.14	12.83
Total Managed Portfolio	5.12	12.06
Total Account Net of Fees	5.03	11.75
<i>CCCERA OPEB Policy Benchmark</i>	5.77	11.64

Account Inception: 02/01/2019

The investment program was initiated on January 15, 2019. Performance Inception is as of February 1, 2019. Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value. CCCERA Policy Benchmark consists of 20% S&P 500 Composite Index, 20% MSCI EAFE Index, 15% MSCI EM Free Index, 15% ICE BofAML 1-3 Yr US Corp/Govt, 8% BBG Barclays Intermediate US Treas Bd Index, 5% Russell 2000 Index, and 2% Wilshire REIT Index.

Asset Allocation – CCCERA OPEB

As of December 31, 2019

Current Asset Allocation	Investment Vehicle		
Equity	62.03%	Range: 55%-75%	2,293,190
Large Cap Core	IVV	iShares Core S&P 500 ETF	628,379
Large Cap Value	IVE	iShares S&P 500 Value ETF	110,577
Small Cap	VB	Vanguard Small-Cap ETF	183,198
International Core	VEA	Vanguard FTSE Developed Markets ETF	741,442
Emerging Markets	VWO	Vanguard FTSE Emerging Markets ETF	517,320
Real Estate	VNQ	Vanguard Real Estate ETF	112,276
Fixed Income	37.27%	Range: 25%-45%	1,377,941
Short-Term	BSV	Vanguard Short-Term Bond ETF	369,436
Intermediate-Term	DBLFX	DoubleLine Core Fixed Income I	237,637
	PTRX	PIMCO Total Return Instl	238,422
	PTRQX	PGIM Total Return Bond R6	239,065
	GOVT	iShares US Treasury Bond ETF	293,381
Cash	0.70%	Range: 0%-20%	25,789
	FGZXX	First American Government Oblig Z	25,789
TOTAL	100.00%		3,696,920

CCCERA

For Period Ending December 31, 2019

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
iShares Core S&P 500 ETF	3.01	9.05	31.44	31.44	15.23	11.65	13.49
iShares S&P 500 Value ETF	3.10	9.88	31.71	31.71	11.31	9.35	11.97
SMALL CAP EQUITY FUNDS							
Vanguard Small-Cap ETF	2.19	8.14	27.37	27.37	10.32	8.89	12.81
INTERNATIONAL EQUITY FUNDS							
Vanguard FTSE Developed Markets ETF	3.48	8.35	22.08	22.08	9.70	6.19	5.75
Vanguard FTSE Emerging Markets ETF	6.95	11.31	20.40	20.40	10.56	5.03	3.46
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	0.80	0.60	28.91	28.91	8.36	7.17	11.97
BOND FUNDS							
PIMCO Total Return Instl	-0.25	-0.30	8.26	8.26	4.31	3.25	4.19
iShares US Treasury Bond ETF	-0.57	-0.87	6.71	6.71	3.18	2.24	--
DoubleLine Core Fixed Income I	0.23	0.32	7.99	7.99	4.16	3.44	--
PGIM Total Return Bond R6	0.08	0.35	11.13	11.13	5.62	4.33	5.52
Vanguard Short-Term Bond ETF	0.16	0.44	4.92	4.92	2.47	1.95	2.02
BBgBarc US Agg Bond TR USD	-0.07	0.18	8.72	8.72	4.03	3.05	3.75

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

GASB 74/75 REPORTING

- **To assist our public agency clients with GASB 74/75, PARS will be providing the following:**
 - An individual trust statement of each agency's plan assets that shows a reconciliation of assets held at the beginning of the fiscal year through the end of the fiscal year, breaking out the appropriate plan contributions, benefit payments, expenses, and investment earnings
 - Year-end audited financial statements of the Trust as a whole including Schedule of Changes in Fiduciary Net Position by Employer completed by White Nelson Diehl Evans that is intended to be compliant with GASB 74/75 requirements.
 - Supporting SOC 1-Type 2 report on the controls over the calculation and allocation of additions and deductions to employer accounts within the Trust
 - Investment allocation data and information on investment policies including target asset allocations and allowable asset class allocation ranges

Travel Reimbursement and Education Tracking Process

February 12, 2020

Meeting Date
02/12/20
Agenda Item
#10



Anne Sommers

Admin/HR Manager

Education Requirements

- The County Employees Retirement Law of 1937 (CERL) requires that Board members receive 24 hours of education within the first 2 years of assuming office and for every subsequent 2-year period in which the Board member serves on the Board. (Government Code §31522.8.)
- The CCCERA Fiduciary Education Policy outlines the need for Board members to develop and maintain an appropriate level of knowledge and skill necessary to administer the retirement system prudently.
- Board members are required to receive ethics training within one year of assuming office and then every two years following. (Government Code §53235.)
- Newly elected or appointed Board members are required to receive sexual harassment prevention training and education (Government Code Sections 53237-53237.5). Each Board member must receive at least two hours of sexual harassment prevention training within the first six months of taking office, and every two years thereafter.

CCCERA's Travel Expense Reimbursement Policy

- Sets the travel guidelines
- Sets reimbursement guidelines
- Delegates to CEO the authority to approve CCCERA staff travel

CCCERA's Travel Expense Reimbursement Policy

- The Board is charged with defraying reasonable expenses of administering the system.
- Reimbursement for expenses must not exceed that which is reasonable and necessary for travel.

How is a Board member approved for travel?

- Travel items that meet the following criteria are included on an Agenda of the Board of Retirement for approval:
 - Authorization may be granted if the necessary funds are available.
 - If the program includes subject matter directly related to retirement issues.
 - The Retirement Association will benefit from the attendance.

How many board members can be approved to attend a conference?

Is the conference open to the public?

No, the conference only allows affiliated organizations / individuals to register.

- If the conference is not open to the public than the maximum number of Board members that can attend is 4.

Yes, the conference allows members of the public to register for the conference.

- The conference is open to the public than all Board members can attend. Board members should take caution not to discuss CCCERA business among themselves.

Examples of Conferences that are Open to the Public:



California Association of Public Retirement Systems



STATE ASSOCIATION of
COUNTY RETIREMENT SYSTEMS



The Board has approved the Travel - now what?

- During the Board meeting, Administration staff note which Board members express interest in attending each travel item presented for approval on the agenda.
- The Board members that expressed interest will receive an email from an Administration staff member requesting travel information including:
 - Flights
 - Hotel night stays
 - Additional information that the Conference may need for attendees

Travel Arrangements

- Administration staff are available to make the travel arrangements for the Board members using a CCCERA issued credit card.
- Administration staff completes the registrations for all Board members prior to the conference.

Transportation Considerations

- Transportation is at the most reasonable and cost effective rate and mode of travel.
- Mileage is reimbursed at the current IRS rate, which does not exceed the cost of round trip airfare plus reasonable expenses associated with air travel.



Lodging Considerations

- Reservations will be at the single occupancy, regular rate, plus room taxes and related fees.
- Personal items i.e. in-room movies, meals for anyone other than the employee, alcohol, personal clothing or toiletries, etc. will not be reimbursed.

If these items are charged to the CCCERA VISA, a check should be submitted immediately upon return. The check should be made payable to CCCERA.

Meal Considerations

- Mini bars in hotels are not reimbursed.
- Reimbursement is provided when traveling during a meal period or the conference requires an overnight stay (e.g. dinner the night before).
- Tips on meals up to 20% are reimbursed.
- The maximum amount reimbursed for all meals in a single day is \$100.
- Reimbursement will not be provided for alcoholic beverages.

Other Considerations

- Bridge Tolls, portage, and public transportation are reimbursable items.
- Parking, airport transportation, taxi, and transportation services are reimbursable items for business reasons, i.e. transportation to and from the conference.
- Reasonable tips and gratuities are reimbursable.

The travel has been arranged - what's next?

- Administration staff will provide you with a Travel Itinerary with your confirmation numbers.
- If you are flying, you are responsible for checking-in for your flight.
- If you are staying at a hotel, you will need to provide your identification and a credit card for them to keep on file.
 - CCCERA provides a credit card authorization to the hotel for lodging booked with the CCCERA credit card. The hotel should be instructed at check-in to use the card on file for the approved charges.
- In the Travel Itinerary packet, there will be a Continuing Education Submission form.

Continuing Education Submission Form

The CERL requires the Board to maintain a record of board member compliance with the education policy, and post the policy and an annual report on Board member compliance with the policy on the retirement system's website.

- In order to comply with this requirement, CCCERA logs all continuing education hours submitted by Board members.
- Annually in January, the log is posted on the CCCERA website.
- Prior to posting the log, Administration will provide a list of all of the educational hours logged for you. Please review your log to ensure educational hours that have been reported are included on the log.

The travel is over.....

Getting Reimbursed:

- Complete a travel demand and attach all itemized receipts including hotel charge receipts and meal receipts.
- Complete and submit the Continuing Education Submission Form (if applicable).
- If a certificate was provided at the training, please provide a copy to Administration staff for your file.

The travel is over.....

- Report to the Retirement Board at the next meeting the pertinent information obtained at the conference.
- If multiple Board members attend a conference, at least one of the attending Board members report on the educational event on behalf of all Board member attendees.

Tips on completing the travel demand...

QUESTIONS???



Meeting Date
02/12/20
Agenda Item
#11

MEMORANDUM

Date: February 12, 2020
To: CCCERA Board of Retirement
From: Gail Strohl, Chief Executive Officer
Subject: Consider and take possible action to amend the CCCERA Travel Expense Reimbursement Policy.

Background

The CCCERA Travel Expense Reimbursement Policy was last amended by the Board on November 26, 2013. Travel may be necessary at times for the Board and staff to receive relevant education and training in order to administer the system as well as to receive the required Board education hours. Reasonable and necessary expenses can be reimbursed by the fund for such a purpose. It is important to have a policy which provides guidance for travelers for the prudent management of the fund. The enclosed amended draft of the Policy includes edits to clarify items, remove outdated information, and provide further guidance on travel requirements.

The key changes include:

- Section V.C. has been revised so that Board members and CCCERA employees will not be reimbursed for meals if the meals are provided by the conference. Exceptions include medical dietary restrictions or when the traveler must work while the meal is being served at the conference.
- In section V.D., a brief telephone call home once at destination has been deleted as it is outdated and has not been used in years.
- In section V.E., “original” has been added to the requirement of substantiating the expense with the submission of detailed, itemized receipts. Original itemized receipts, rather than duplicates, should be included with reimbursement requests. This is required in order to ensure compliance with the policy (e.g. to ensure no alcoholic beverages have been purchased). It is also required to avoid duplicate reimbursement requests.
- In section V.E., the once a quarter waiver of reimbursement without a receipt is now limited to under \$75, to comply with IRS guidance on the potential taxability of reimbursement of items \$75 and over without a receipt.

- In section VII., the timeframe for submitting travel demands would change from monthly to within 60 days after completing the travel or 30 days within the year-end, whichever occurs first.

An amended Travel Expense Reimbursement Policy is enclosed for Board consideration (see Attachment A). A redline copy of this policy is also enclosed (see Attachment B).

Recommendation

Consider and take possible action to amend the CCCERA Travel Expense Reimbursement Policy.

Attachment

A

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TRAVEL EXPENSE REIMBURSEMENT POLICY

This document provides Retirement Board policies concerning authorized travel for its employees and for members of the Board and recommended procedures for payment of travel expenses.

The guidelines contained herein apply to travel expenses incurred both within and outside the state of California, while on official Retirement Association business to attend and participate in meetings, conferences, seminars, training and other events that benefit the Association.

I. GENERAL AUTHORITY OF THE BOARD.

The California Constitution charges the Board with sole and exclusive authority and responsibility for administration of the Retirement System Trust. In this capacity, and under the specific authority of its governing statutes, the Board must approve the attendance of its members and staff as representatives of the Association at conferences and meetings, and the reasonable expenditure of funds to accomplish this. (Calif. Const. Art. XVI, Section 17, Calif. Gov. Code Sections 31520, 31580.2)

A. Authorization for Attendance at Meetings at Retirement Association Expenses.

Authorization may be granted if the necessary funds are available, if the program includes subject matter directly related to retirement issues, and if the Retirement Association will benefit from attendance. Board members attending meetings, seminars, conferences or otherwise pursuing their fiduciary education at Retirement Association expense shall report pertinent information obtained at these events at the next regular meeting of the Board. When Board members attend educational events such as a SACRS conference or CALAPRS General Assembly that are typically attended by several Board members, at least one of the attending Board members may report on the educational event on behalf of all Board attendees. When possible, Board members should not attend educational activities that conflict with regularly scheduled Board meetings.

B. Authorization for Attendance Without Expense Reimbursement.

Authorization for attendance without travel expense reimbursement, but on Retirement Association time, may be granted when the meeting concerns work in which the Board member or employee is engaged, and both the Board member or employee, and the Retirement Association will benefit from attendance.

II. DELEGATION.

The Board has delegated authority to its Chief Executive Officer to approve employee travel.

III. AUTHORIZATION FOR IN-STATE TRAVEL

- A. Employees. All in-state travel by employees shall be requested and approved before the trip. A Trip Authorization Form shall contain sufficient explanation under “Reason for Making Trip” so that an evaluation of the request may be made for conformance with established policies.

The Chief Executive Officer shall review the request and shall approve or deny the request, taking into account the following criteria:

1. Funds are available;
2. The travel request has priority in relationship to other travel requests;
3. The number of nights authorized for overnight lodging is held to the period of the meeting plus timely travel and availability of public transportation;
4. The timing of the travel does not interfere with completing critical work items;
5. The information to be gained and/or contributed is relevant to the responsibilities of the employee.

- B. Board Members. All in-state travel by Board members should be requested and approved before the trip is made in the same fashion as out-of-state travel (Section IV).

IV. AUTHORIZATION FOR OUT OF STATE TRAVEL

- A. All out-of-state travel, including international travel, by Board members and employees shall be requested and approved in the same way as for in-state travel.

B. A request from a Board Member shall be submitted to the Chief Executive Officer for review and included in the Retirement Board meeting agenda and shall be considered for approval by the Board in open meeting. Sufficient information about the trip shall be provided to allow adequate evaluation.

- C. The Retirement Board minutes shall reflect approval of the travel for audit purposes.

V. REIMBURSABLE EXPENSES

In all cases, expenses will be reimbursed to the extent they are reasonable and necessary. Reimbursement requests for expenses that are not deemed to be reasonable and necessary may be denied.

A. Transportation

1. Personal auto mileage will be reimbursed at the prevailing IRS rate. In no event shall personal auto mileage reimbursement exceed the cost of round trip airfare plus reasonable expenses associated with air travel.
2. Air travel will be reimbursed at coach/economy class rate, not to exceed the actual amount paid. For commercial flights having a scheduled non-stop flight time of six

hours or more, CCCERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room (e.g, economy plus). Incidentals deemed necessary such as checked luggage and early check-in fee will be reimbursed by CCCERA.

3. Public transportation will be reimbursed at actual cost.
4. If a member of the Board or staff travels by an indirect route for his/her own convenience (including when traveling by automobile instead of by available aircraft) and incurs additional food and/or lodging expenses, any extra cost shall be borne by the traveler and reimbursement for expense shall be based only on such charges as would have been incurred by the most direct and usually traveled route and method.
5. A rental car may be considered if the use of such is less than or equal to the cost of public transportation, including taxis and shuttles, or if public transportation is clearly inadequate.

B. Lodging

1. Generally, hotel and motel accommodations are made at the conference site. Reimbursement will be made at the lowest rate offered to conference attendees.
2. If an overnight stay is required, reimbursement will be at the single occupancy, regular rate, plus room taxes and related fees.
3. Itemized lodging receipts are required for reimbursement.

C. Meals

1. Actual and reasonable expenses for meals will be reimbursed while in travel status, not to exceed \$100.00 per day.
2. Tips to a maximum of 20% are reimbursable.
3. No claims will be reimbursed for alcoholic beverages.
4. Reimbursement is not provided for meals purchased in lieu of meals included during a conference unless:
 - Medical dietary restrictions apply, or
 - It is necessary for the traveler to work during the time the conference is serving the meal.

D. Other Expenses

1. Bridge, tolls, parking, portage, airport transportation, taxi, bus, rental car, tips and gratuities in accord with local custom will be reimbursed.
2. Laundry and pressing costs are not reimbursable unless in travel status for 5 days or more.
3. Room service and in-room amenities are not reimbursable unless they are in lieu of expenses which would be reimbursable otherwise (i.e., meals).
4. Conference/seminar registration fees are reimbursable.

E. Receipts

In accordance with Government Code section 53232.3(c), detailed, itemized original receipts documenting each expense are required for reimbursement; provided, however, that requests for reimbursements under \$75 for (i) items such as tolls and portage, as to which official receipts are typically not issued, and (ii) items as to which a receipt was lost, but whose price may be independently verified, may, at the discretion of the Chief Executive Officer and no more frequently than once per quarter, be documented to CCCERA by written request prepared by the Board member or employee who is requesting reimbursement.

F. Miscellaneous

Sometimes airfare is cheaper if a Saturday stay is involved. Cost of meals and lodging for extra days in travel status to take advantage of this lower cost fare will be reimbursed if a net cost saving can be documented. Appropriate documentation to support this cost saving should be attached to the Travel Demand.

This policy is not intended to imply that the traveler is compelled to stay in travel status longer than required, but merely to allow this alternative should the traveler desire.

VI. TRAVEL ADVANCES

The traveler may request a travel advance, in the form of a check payable to the traveler, to defray reimbursable expenses of travel that would otherwise be paid out-of-pocket. A "Travel Demand" form should be completed for this purpose. For staff, the Employee Travel Demand form shall be approved by the employee's supervisor in advance to allow for payment processing time.

The amount to be advanced shall be a maximum of \$100 and if requested more than that amount computed assuming reasonable daily meal and transportation expenses for the area to which the traveler is going.

Immediately upon conclusion of travel, any unspent travel advance shall be returned to the Association. Detail of the traveler's actual expenses shall be provided and reimbursement of any expenses greater than the travel advance shall be paid, as part of the normal travel reimbursement process.

VII. CLAIMING REIMBURSEMENT

Travel demands should be submitted for review and approval by the Chief Executive Officer or designee within 60 days after completing the travel or 30 days after the year-end, whichever occurs first. Extensions to this deadline may be granted upon showing good cause. Airfare vouchers, itemized hotel, rental car, taxi, transportation service, van (or other conveyance), parking and registration receipts for which reimbursement is requested **must** be attached to the

travel demand. Original receipts for other expenses incurred must also be provided in accordance with Section V. (E) above.

The Chief Executive Officer will provide a copy of all his or her travel demands to the Board Chairman on a quarterly basis.

VIII. NON-REIMBURSABLE EXPENSES

In many cases where the traveler's hotel expenses are placed on the Association's credit card, personal non-reimbursable expenses are included in the hotel bill. In these cases, non-reimbursable expenses shall be identified by the traveler and reimbursed to the Association. Employees shall reimburse personal non-reimbursable expenses upon their return from travel. Board members shall reimburse personal non-reimbursable expenses before the Board Meeting following their return from travel. Expenses for non-employee and non-Board member travel will not be reimbursed.

IX. REVIEW

This policy shall be reviewed by the Board at least every (5) years and may be amended at any time.

X. HISTORY

This policy was adopted on: 12/12/89

Amended: 04/09/96, 01/11/00, 12/12/00, 02/12/02, 03/09/05, 11/07/07, 07/14/10, 09/08/10,
11/26/13, __/__/20

Attachment

B

**CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION**

TRAVEL EXPENSE REIMBURSEMENT POLICY

~~APPROVED: 12/12/89~~
~~Amended: 04/09/96~~
~~Amended: 01/11/00~~
~~Amended: 12/12/00~~
~~Amended: 02/12/02~~
~~Amended: 03/09/05~~
~~Amended: 11/07/07~~
~~Amended: 07/14/10~~
~~Amended: 09/08/10~~
~~Amended: 11/26/13~~
~~Amended: 02/12/2020~~

This document provides Retirement Board policies concerning authorized travel for its employees and for members of the ~~Retirement~~ Board and recommended procedures for payment of travel expenses.

The guidelines contained herein apply to travel expenses incurred both within and outside the state of California, while on official Retirement Association business to attend and participate in meetings, conferences, seminars, training and other events ~~or field visits~~ that benefit the Association.

I. GENERAL AUTHORITY OF THE BOARD.

~~+~~ The California Constitution charges the ~~Retirement~~ Board with sole and exclusive authority and responsibility for administration of the Retirement System Trust. In this capacity, and under the specific authority of its governing statutes, the ~~Retirement~~ Board must approve the attendance of its members and staff as representatives of the Association at conferences and meetings, and the reasonable expenditure of funds to accomplish this. (Calif. Const. ~~Ar~~te. XVI, Section 17, Calif. Gov. Code Sections 31520, 31580.2)

A. Authorization for Attendance at Meetings at Retirement Association Expenses. Authorization may be granted if the necessary funds are available, if the program includes subject matter directly related to retirement issues, and if the Retirement Association will benefit from attendance. ~~Individuals-Board members~~ attending meetings, seminars, conferences or otherwise pursuing their fiduciary education at Retirement Association expense shall report ~~to Retirement Board members and staff~~ pertinent information obtained at these events at the next regular meeting of the Board. When Board members attend educational events such as a SACRS conference or CALAPRS General Assembly that are typically attended by several Board members, at least one of the attending Board members may report on the educational event on behalf of all Board attendees. When possible,

Formatted: Font: Times New Roman, 12 pt
Formatted: Left: 1", Right: 1", Top: 1", Bottom: 1"
Formatted: Font: Times New Roman, 12 pt
Formatted: Title, Left, Right: 0", Space After: 12 pt

Formatted: Indent: Left: 0"

Formatted: Font: Times New Roman, 12 pt
Formatted: Indent: Left: 0.25", No bullets or numbering

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.25", Tab stops: 0.5", List tab + Not at 0.81" + 1.5"
Formatted: Indent: Left: 0.5", Tab stops: 0.5", Left + Not at 1" + 1.5"

Board members should not attend educational activities that conflict with regularly scheduled Board meetings.

Commented [WD1]:
Formatted: Font: Times New Roman, 12 pt

B. Authorization for Attendance Without Expense Reimbursement.

Authorization for attendance without travel expense reimbursement, but on Retirement Association time, may be granted when the meeting concerns work in which the Board member or employee is engaged, and both the Board member or employee, and the Retirement Association will benefit from attendance.

Formatted: Indent: Hanging: 1.25", Tab stops: 0.5", Left + 0.88", Left

Formatted: Indent: Left: 0.5", Tab stops: 0.5", Left + 0.56", Left + Not at 1" + 1.5"

Formatted: Font: Times New Roman, 12 pt

Commented [WD2]: Removed "of Retirement" to be consistent with edits earlier in the policy document.

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt, Font color: Red, Strikethrough

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.25", No bullets or numbering, Tab stops: 0.25", Left + Not at 1.75"

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0", Hanging: 0.25", Tab stops: 0.25", List tab + Not at 1"

Formatted: Indent: Left: 0.25", Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.38" + Indent at: 0.63", Tab stops: 0.5", Left + 0.69", Left

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.5", Tab stops: 0.56", Left + Not at 1.25"

Formatted: Indent: Hanging: 0.25", Tab stops: 0.5", Left

Formatted: Indent: Hanging: 0.75", Tab stops: 1.25", Left

Formatted: Indent: Left: 0.75", Tab stops: 0.5", Left + 1", List tab + Not at 1.5"

Formatted: Tab stops: 0.5", Left

Formatted: Indent: Left: 0.75", Tab stops: 0.5", Left + 1", List tab + Not at 1.5"

Formatted: Indent: Left: 0.75", Tab stops: 0.5", Left

Formatted: Indent: Left: 0.75", Tab stops: 0.5", Left + Not at 1.5"

Formatted: Indent: Hanging: 0.25", Tab stops: 0.5", Left

Formatted: Indent: Left: 0.31", Hanging: 0.19", Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.38" + Indent at: 0.63", Tab stops: 0.5", Left + Not at 1" + 1.75" + 3.25"

Formatted: Font: Times New Roman, 12 pt

II. DELEGATION AUTHORITY.

The Board of Retirement has delegated authority to its Chief Executive Officer to approve employee travel. ~~The Chief Executive Officer shall regularly report on staff travel and on their attainment of professional certifications in the pension and benefits industry.~~

III. AUTHORIZATION FOR IN-STATE TRAVEL

~~A. Employees.~~ All in-state travel by employees shall be requested and approved before the trip. A ~~request Trip Authorization Form~~ shall contain sufficient explanation under "Reason for Making Trip" so that an evaluation of the request may be made for conformance with established policies.

~~A.~~

The Chief Executive Officer shall review the request and shall approve or deny the request, taking into account the following criteria:

1. Funds are available;
2. The travel request has priority in relationship to other travel requests;
~~3. A minimum number of persons from the retirement association will be authorized to attend the same event;~~
3. The number of nights authorized for overnight lodging is held to the period of the meeting plus timely travel and availability of public transportation;
4. The timing of the travel does not interfere with completing critical work items;
5. The information to be gained and/or contributed is relevant to the responsibilities of the employee.

B. Board Members. All in-state travel by Board members should be requested and approved before the trip is made in the same fashion as out-of-state travel (Section IV). ~~If prior~~

approval is not requested, and the claim for reimbursement is in excess of \$200, the Chief Executive Officer shall place the request in the agenda for Board action at its next regular meeting. If prior approval is not requested and the claim for reimbursement is \$200 or lower, the Chief Executive Officer shall review and approve the claim in the same manner as all other travel reimbursement demands.

IV. AUTHORIZATION FOR OUT OF STATE TRAVEL

- A. All out-of-state travel, including international travel, by Board members and employees shall be requested and approved in the same way as for in-state travel. (Section III.A).
- B. A request from a Board Member shall be submitted to the Chief Executive Officer for review and included in the Retirement Board meeting agenda and approved shall be considered for approval by the Board in open meeting. Sufficient information about the reason for the trip shall be provided to allow adequate evaluation.
- C. The Retirement Board minutes shall reflect approval of the travel for audit purposes.

V. REIMBURSABLE EXPENSES

In all cases, the most reasonable and cost effective mode of travel should be chosen. Expenses will be reimbursed to the extent they are reasonable and necessary. Reimbursement requests for expenses that are not deemed to be reasonable and necessary may be denied.

A. Transportation

- 1. In all cases, the most reasonable and cost effective mode of travel should be chosen.
- 2.1. Personal auto mileage will be reimbursed at the prevailing IRS rate, except that personal auto mileage for the Chief Executive Officer will be reimbursed at the rate paid to County department heads. In no event shall personal auto mileage reimbursement exceed the cost of round trip airfare plus reasonable expenses associated with air travel.
- 2.2. Air travel will be reimbursed at coach/economy class rate, not to exceed the actual amount paid. For commercial flights having a scheduled non-stop flight time of six hours or more, CCCERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room (e.g, economy plus). Incidentals deemed necessary such as checked luggage and early check-in fee will be reimbursed by CCCERA.
- 2.3. Public transportation will be reimbursed at actual cost.
- 2.4. If a member of the Board or staff travels by an indirect route for his/her own convenience (including when traveling by automobile instead of by available air-craft) and incurs additional food and/or lodging expenses, any extra cost shall be borne by the

Formatted: Heading 2, Indent: Left: 0", Hanging: 0.25", Right: 0", Tab stops: 0.25", List tab + Not at 1" + 1.75" + 3.25"

Formatted: Indent: Left: 0.25", First line: 0", Tab stops: 0.5", List tab + Not at 0.75", Left + Not at 1" + 1.25"

Formatted: Indent: Left: 0.25", Tab stops: 0.5", List tab

Formatted: Indent: Left: 0.25", First line: 0", Tab stops: 0.5", List tab + Not at 1.31"

Formatted: Indent: Left: 0.25", Tab stops: 0.5", List tab

Formatted: Indent: Left: 0.25", First line: 0", Tab stops: 0.5", List tab + Not at 1.25" + 1.31"

Formatted: Font: Times New Roman, 12 pt, No underline

Formatted: No bullets or numbering, Tab stops: 0.25", Left + Not at 1.75"

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt, No underline

Formatted: Heading 2, Indent: Left: 0.25", Right: 0", No bullets or numbering, Tab stops: 0.94", Left + Not at 3.25"

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Hanging: 0.88"

Formatted: Indent: Hanging: 0.88", Tab stops: 0.44", List tab + Not at 1.13"

Formatted: Indent: Hanging: 0.13", Tab stops: 0.75", Left

Formatted: Indent: Left: 0.56", Tab stops: 0.75", Left + Not at 1.5" + 3.25"

Formatted: Indent: Left: 0.56", Hanging: 0.19", Tab stops: Not at 1.56"

traveler and reimbursement for expense shall be based only on such charges as would have been incurred by the most direct and usually traveled route and method.

~~65.~~ _____ A rental car may be considered if the use of such is less than or equal _____ to the cost of public transportation, including taxis and shuttles, or if _____ public transportation is clearly inadequate.

B. Lodging

1. Generally, hotel and motel accommodations are made at the conference site. Reimbursement will be made at the lowest rate offered to conference attendees.
2. If an overnight stay is required, reimbursement will be at the single occupancy, regular rate, plus room taxes and related fees.
3. Itemized lodging receipts are required for reimbursement.

C. Meals

1. Actual and reasonable expenses for meals will be reimbursed while in travel status, not to exceed \$100.00 per day, ~~excluding taxes, tips and service charges.~~
2. Tips to a maximum of 20% are reimbursable.
3. No claims will be reimbursed for alcoholic beverages.
4. ~~It is expected that CCCERA employees will not seek R~~ reimbursement is not provided for meals purchased in lieu of meals ~~provided-included during by~~ a conference, unless:
 - ~~M~~medical dietary restrictions apply, ~~or, subject to any existing MOUs applicable to a particular employee~~
 - ~~It is necessary for the traveler to work during the time the conference is serving the meal.~~

D. Other Expenses

1. Bridge, tolls, parking, portage, airport transportation, taxi, bus, rental car, tips and gratuities in accord with local custom will be reimbursed.
2. ~~Personal telephone calls will not be reimbursed except for a brief call home upon arrival at the meeting location. Up to \$20 will be reimbursed for this first call home. Alternatively, a \$10 phone card will be made available for overnight travel ??.~~
3. ~~2.~~ Laundry, ~~valet~~ and pressing costs are not reimbursable unless in travel status for 5 days or more.
4. ~~3.~~ Room service and in-room amenities are not reimbursable unless they are in lieu of expenses which would be reimbursable otherwise (~~i.e.,~~ meals).
4. ~~4.~~ Conference/seminar registration fees are reimbursable.

E. Receipts

Formatted: Indent: Left: 0.5", First line: 0", Tab stops: 0.75", Left + 0.81", Left

Formatted: Indent: Left: 0.31", Hanging: 0.19", Tab stops: 0.5", List tab + Not at 1.25"

Formatted: Indent: Left: 0.5"

Formatted: Indent: Hanging: 0.94", Tab stops: 0.5", List tab + Not at 1.25"

Formatted: Font: Times New Roman, 12 pt, No underline

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 1.25", No bullets or numbering

Formatted: Indent: Left: 0.5", Hanging: 0.31", Tab stops: 0.81", List tab + Not at 1.5"

Formatted: Indent: Hanging: 1", Tab stops: 0.81", List tab + Not at 1.5"

Formatted: Indent: Left: 0.5", Hanging: 0.31", Tab stops: 0.81", List tab

Formatted: Indent: Hanging: 1", Tab stops: 0.81", List tab + 1.25", Left + Not at 1.75"

Formatted: Indent: Left: 1", Bulleted + Level: 1 + Aligned at: 1.75" + Indent at: 2", Tab stops: 0.81", List tab + 1.25", Left + Not at 1.75" + 3.25"

Formatted: Indent: Hanging: 1"

Formatted: Indent: Hanging: 0.94", Tab stops: 0.56", List tab + Not at 1.25"

Formatted: Indent: Left: 0.5", Hanging: 0.31", Tab stops: 0.81", Left + Not at 1.5" + 1.75"

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.88", No bullets or numbering, Tab stops: 0.81", Left + Not at 1.75"

Formatted: Indent: Left: 0"

Formatted: Indent: Hanging: 0.94", Tab stops: 0.56", List tab + Not at 1.25"

Formatted: Indent: Hanging: 0.94"

In accordance with Government Code section 53232.3(c), detailed, itemized original receipts documenting each expense are required for reimbursement; provided, however, that requests for reimbursements under \$75 for (i) items such as ~~personal auto mileage, tolls, taxis~~ and portage, as to which official receipts are typically not issued, and (ii) items as to which a receipt was lost, but whose price may be independently verified, may, at the discretion of the Chief Executive Officer and no more frequently than once per quarter, be documented to CCCERA by written request prepared by the Board member or employee who is requesting reimbursement.

Formatted: Indent: Left: 0.56"

F. Miscellaneous

Formatted: Indent: Hanging: 0.88", Tab stops: 0.56", List tab + Not at 1.25"

Sometimes airfare is cheaper if a Saturday stay is involved. Cost of meals and lodging for extra days in travel status to take advantage of this lower cost fare will be reimbursed if a net cost saving can be documented. Appropriate documentation to support this cost saving should be attached to the Travel Demand.

Formatted: Indent: Left: 0.56", Tab stops: 1", Left + 1.69", Left

This policy is not intended to imply that the traveler is compelled to stay in travel status longer than required, but merely to allow this alternative should the traveler desire.

Formatted: Indent: Left: 1.25", First line: 0"

Formatted: Indent: Left: 0.56"

VI. TRAVEL ADVANCES

Formatted: Indent: Left: 0", Hanging: 0.25"

The traveler may request ~~an advance of cash~~ travel advance, in the form of a check payable to the traveler, to defray reimbursable expenses of travel that would otherwise be paid out-of-pocket. A "Travel Advance Demand" form should be completed for this purpose. For ~~Retirement Office~~ staff, the Employee Travel Demand form advance shall be approved by the employee's supervisor in advance to allow for payment processing time.

Formatted: Indent: Left: 0.25"

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

The amount ~~of cash~~ to be advanced shall be a maximum of \$100 and if requested more than that amount computed assuming reasonable daily meal and transportation expenses for the area to which the traveler is going.

Formatted: Indent: Left: 0.25"

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Immediately upon conclusion of travel, any unspent travel advance shall be returned to the Association. Detail of the traveler's actual expenses shall be provided and reimbursement of any expenses greater than the travel advance shall be paid, as part of the normal travel reimbursement process.

Formatted: Indent: Left: 0.25", Tab stops: 1.69", Left + Not at 1.75"

VII. CLAIMING REIMBURSEMENT

Formatted: Indent: Left: 0", Hanging: 0.25", Right: 0"

~~A credit card will be maintained by the Association for reservations made for approved travel.~~

Formatted: Indent: Left: 0.25"

~~The traveler may either pay all expenses and request reimbursement or may request that all reimbursable expenses be charged directly to the Association credit card.~~

Travel demands should be submitted for review and approval by the Chief Executive Officer or designee monthly within 60 days after completing the travel or 30 days after the year-end, whichever occurs first. Extensions to this deadline may be granted upon showing good

Formatted: Indent: Left: 0.25"

~~cause for review and approval by the Chief Executive Officer.~~ Airfare vouchers, itemized hotel, rental car, taxi, transportation service, van (or other conveyance), parking and registration receipts for which reimbursement is requested **must** be attached to the travel demand. Original R receipts for other expenses incurred must also be provided in accordance with Section V.(E) above.

Formatted: Font: Times New Roman, 12 pt

The Chief Executive Officer will provide a copy of all his or her travel demands to the Board Chairman on a quarterly basis.

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.25"

Formatted: Indent: Left: -0.06", Hanging: 0.31"

VIII. NON-REIMBURSABLE EXPENSES

In many cases where the traveler's hotel expenses are placed on the Association's credit card, personal non-reimbursable expenses are included in the hotel bill. In these cases, non-reimbursable expenses shall be identified by the traveler and reimbursed to the Association. Employees shall reimburse personal non-reimbursable expenses upon their return from travel. Board members shall reimburse personal non-reimbursable expenses before the Board Meeting following their return from travel. Expenses for non-employee and non-Board member travel will not be reimbursed.

Formatted: Indent: Left: 0.25"

IX. REVIEW

This policy shall be reviewed by the Board at least every (5) years and may be amended at any time.

Formatted: Indent: Left: -0.06", Hanging: 0.31"

Formatted: Font: Times New Roman, 12 pt, No underline

Formatted: Indent: Left: -0.25"

Formatted: Font: Times New Roman, 12 pt

X. HISTORY

- This policy was adopted on Approved: 12/12/89
- Amended: 04/09/96.
- Amended: 01/11/00.
- Amended: 12/12/00.
- Amended: 02/12/02.
- Amended: 03/09/05.
- Amended: 11/07/07.
- Amended: 07/14/10.
- Amended: 09/08/10.
- Amended: 11/26/13.
- Amended: 02/12/20.

Formatted: Indent: Left: -0.06", Hanging: 0.31"

Formatted: Indent: Left: 0.25", Hanging: 0.06", Tab stops: 0.5", Left + Not at 1.75"

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt

Formatted: Indent: Left: 0.25", Hanging: 0.06", Tab stops: 1", Left + Not at 1.75"

Formatted: Font: Times New Roman, 12 pt

Formatted: Font: Times New Roman, 12 pt, No underline

Formatted: Font: Times New Roman, 12 pt



<i>Meeting Date</i> 02/12/20 <i>Agenda Item</i> #12
--

MEMORANDUM

Date: February 12, 2020
To: CCCERA Board of Retirement
From: Karen Levy, General Counsel
Subject: Consider and take possible action to amend CCCERA's Records Retention Policy

Background

The Board of Retirement adopted a Records Retention Policy on May 6, 2009 to establish retention periods and record maintenance processes for CCCERA records.

CCCERA staff has recently completed a review of this policy. Enclosed, for the Board's consideration, is an amended Records Retention Policy that contains non-substantive changes. (See Attachment A.) A redline reflecting all suggested changes is enclosed as Attachment B.

Recommendation

Consider and take possible action to amend CCCERA's Records Retention Policy.

Attachment

A

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
RECORDS RETENTION POLICY

PURPOSE

The Board of Retirement (“Board”) of the Contra Costa County Employees’ Retirement Association (“CCCERA”) adopts this policy to establish guidelines and procedures for the retention and disposition of the records of CCCERA in accordance with their administrative, legal, fiscal and historical value.

The Board and all CCCERA employees are required to comply with the policies and procedures set forth in this document.

AUTHORITY

The County Employees Retirement Law of 1937 (“CERL”) provides: “The board may establish efficient records management procedures, which may include, but need not be limited to, maintenance and, when determined by the board to be necessary, disposal of records in its jurisdiction.” Govt. Code section 31537.

Additionally, the California State Records Management Act (Government Code Section 14740) establishes procedures for maintaining and discarding public records, but does not apply to local government, county or city government agencies. To address this gap, the 1999 legislature added Section 12236 to the Government Code, which directs the Secretary of State to develop a Local Government Records Program to establish guidelines for local government record retention. CCCERA has relied on these guidelines where applicable in developing this Records Retention Policy.

POLICY

This policy establishes retention period and record maintenance processes for all CCCERA records, as set forth below.

1. The record retention schedule will be administratively reviewed and updated as necessary. Changes to the retention policy require Board action.
2. The minimum retention period of a record must be consistent with applicable laws, orders, rules or regulations. When no such criteria exist a reasonable retention period will be established based on CCCERA’s needs and the usefulness of the information.
3. Once records have fulfilled their administrative, fiscal, or legal function they will be disposed of as soon as practical in accordance with the Records Retention Schedule (“Retention Schedule”, Exhibit A), unless they have enduring historical value.
4. Board action is not required for the destruction of documents in accordance with the Records Retention Schedule.

5. Exceptions to the published retention policy may be made by the appropriate Manager in consultation with the Chief Executive Officer. Exceptions should weigh the need for retaining the record against the cost to store and retrieve the record.
6. Retained information must be stored in a manner designed to ensure its accessibility, integrity, confidentiality, authenticity, and legibility.
7. Preliminary drafts, notes, and interagency or intra-agency correspondence may be destroyed if they are no longer needed and there is no legal or policy requirement that they be retained.
8. Copies or duplicates of Original Records may be maintained by CCCERA employees in their own offices or elsewhere for convenient reference or other purposes. Such copies may be in the same or different format or medium as the Original Record. Copies of an Original Record may be kept no longer than the retention period set forth in the Records Retention Schedule, and may be destroyed at any time prior to the expiration of the original record.
9. A duplicate record can become a "new" record and become subject to the records retention policy when annotations of substantive nature are made to a duplicate record giving it added value as a separate record.
10. Imaged files or other electronic reproduction of records shall be deemed to be an "original" record of the "paper" record, and the "paper" records may be destroyed, upon a determination by the Chief Executive Officer that:
 - a) The records were electronically imaged or recorded on a medium that is a trusted system and that does not permit additions, deletions, or changes to the original document;
 - b) The device used to reproduce the record, paper, or document on the medium is one which accurately and legibly reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images;
 - c) The imaged or reproduced records are used by CCCERA in the ordinary conduct of its business in lieu of the "paper" records, and made as accessible for public reference as the "paper" records were;
 - d) A true copy of archival quality of the reproduction medium shall be kept in a safe and separate place for security purposes; and

- e) No pages of any record shall be destroyed if any page cannot be reproduced with full legibility. Every unreproducible page shall be permanently preserved in a manner that will afford easy reference.¹
- 11. Non-records may be disposed of at any time. However, if a non-record is retained as an integral part of a file or in conjunction with Original Records, then it will be retained in accordance with the appropriate retention schedule.
- 12. Electronic communications, including e-mail, are considered transitory in nature, and are not customarily kept or retained by CCCERA as the primary means for preserving information for future reference. E-mail may be periodically or routinely purged from the system without any necessary action by the sender or the recipient of the communication. In addition, employees are encouraged to delete messages daily, immediately after reading, replying, or taking other action concerning them. **Exception** - If the content of an e-mail message is necessary for, or convenient to, the conduct of CCCERA business and was made for the purpose of preserving its informational content, employees are required to store the e-mail in the relevant hard copy or electronic file, to be kept in accordance with the Records Retention Schedule.

RESPONSIBILITIES

Departments

Employees in each of CCCERA's departments are directly responsible for the management of that department's records, documents, files, data, and other information pertaining to CCCERA's official business. To fulfill this responsibility, the managers of each department must:

1. Ensure that each person within the department implements the Records Retention Policy.
2. Conduct one or more Records Purge Days per year.
3. Dispose of all expired records, as required by the Records Retention Schedule.
4. Work with CCCERA General Counsel to periodically update the Records Retention Schedule.
5. Prevent the disposal of records or information following notification by CCCERA General Counsel that disposal must be suspended for litigation or other reasons.

¹ See e.g. Government Code sections 26205 and 26205.5.

Administration Services

In addition to responsibilities set forth above, the Human Resources/Administration Manager (or others as designated by the Chief Executive Officer) is responsible for the following:

1. Assisting with the development, maintenance and periodic review of the records retention program. The program will consist of this Policy, the Records Retention Schedule and the records inventory.
2. Coordinating the use of and offsite storage facilities for the storage and retrieval of records.
3. Maintaining a master inventory of records stored in off-site locations.

CCCERA General Counsel

CCCERA General Counsel is responsible for the following:

1. Assisting with the development, maintenance and periodic review of the Records Retention Schedule.
2. Advising departments and employees, as appropriate, of actual or potential litigation, government investigations, or other circumstances that may affect records retention or disposal actions. For example, pre-trial discovery proceedings may prohibit destruction of all relevant records - including non-records, or records that should have been destroyed previously in accordance with the Records Retention Schedule.
3. Issuing Disposal Suspensions that formally suspend records disposal, specifying the types of records to which these suspensions relate, and removing these suspensions when appropriate. A Disposal Suspension means, among other reasons, that the information contained in the records is or may be subject to production under a subpoena or document discovery order and that disposal under authority of the Records Retention Schedule is not authorized.
4. Providing legal advice to all departments concerning all matters related to the legal aspects of the Records Retention Policy and Schedule.

PROCEDURES

A. On-Site Storage

For the on-site storage time period specified in the Retention Schedule, records should be retained under the control of the Human Resources/Administratoin Manager (or others as designated by the Chief Executive Officer).

B. Off-Site Storage

For records to be stored off-site according to the record retention policy, the Human Resources/Administration Manager (or others as designated by the Chief Executive Officer) should prepare them for off-site storage. The records should be inventoried, boxed and clearly labeled, including a final disposal date or “retain indefinitely” designation. The Human Resources/Administration Manager will be responsible for coordinating delivery to the off-site storage facility and will maintain a detailed and current inventory of all records stored off-site.

C. Retrieval from Off-Site Storage

To request a record from offsite storage, submit a request form to the Human Resources/Administration Manager (or designee). The request form must include the corresponding box number.

D. Destruction / Disposal of Off-Site Documents

The Human Resources/Administration Manager (or designee) will designate at least one day each year for the destruction and disposal of off-site records that have expired and will provide the appropriate Manager with a comprehensive list of documents scheduled to be destroyed. Managers should review the list and provide notice to the Human Resources/Administration Manager (or designee) the records that are ready for destruction and disposal and the records whose retention date should be extended or made permanent. For records with an extended destruction date the notice must include a justification for the change and a new “dispose of” date or permanent retention designation.

E. Disposal of on-site Documents

At least once per year, each department must dispose of expired on-site records. The department manager will coordinate the effort.

VI. DEFINITIONS

Administrative Value - Records created to help accomplish the day-to-day functions of all offices, and that are needed only as long as they assist the organization in performing current or future work.

Appraisal - The process of determining the need to retain or dispose of records.

Convenience File - Extra copies of records, personal papers, or publications maintained for ease of access and reference. Also known as a personal file.

Copy - A reproduction of the contents of an original document prepared simultaneously or separately.

Correspondence - Letters, postcards, memoranda, notes, telecommunications, e-mails, and any other form of addressed, written communications sent or received.

Current records - A record that is in force even though there is no activity or ongoing process directly related to it. Policies, procedures, standards, guidelines and organizational charts (the record copy or original with the background material) would be "current" until revised, superseded or rescinded.

Discovery – The pretrial disclosure of pertinent facts or documents by one or both parties to a civil or criminal action or proceeding. Nothing requested during discovery may be destroyed – even non-records and records that should have been destroyed earlier. Discovery effectively freezes selected holdings until released by Counsel.

Disposal - Physical movement of records for destruction or recycling, or for transfer to a storage facility.

Disposition - The actions taken with regard to records following their appraisal. The term includes but is not synonymous with disposal.

Document - Recorded information regardless of the medium or physical characteristics. Frequently used interchangeably with record. See also RECORDS.

Electronic records - Those records in a form that only a computer can process and store. Databases and other data compilations that are used for multiple purposes are records. Computer back-up tapes and other duplicate computer files are non-records. Electronic mail, voice mail and word processing files are non-records when destroyed or, for word-processing files, when they are superseded by more recent versions or when they are printed. The final printed outputs are records. When computer information is characterized as a record material, it must be retained according to CCCERA records retention schedule.

Expired Records – On or off-site records whose retention period has passed.

Fiscal Value - Fiscal records pertain to the financial transactions of the agency, such as budgets, ledgers, allotments, payrolls and vouchers. After some records have served a basic administrative function, they may still have sufficient fiscal value to justify additional retention.

Historical Records – Records that document the history and development of an agency or contain data that can be useful for research.

Historical Value – The determination by appraisal that historical records are worthy of permanent preservation.

Legal Value - Records with legal value contain evidence of legally enforceable rights or obligations of the agency. Examples are records that provide the basis for action, such as agency decisions and legal opinions; fiscal documents representing agreements, such as leases, titles and contracts; and records of action in particular cases, such as claim papers and legal dockets.

Non-Records - Material not usually included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers, appointment logs, stocks of publications, requests for printed material after the requests have been filled, transmittal letters and acknowledgments that do not contribute any information to the material transmitted, shorthand notes and dictating media that have been transcribed and miscellaneous notices of agency affairs, meetings, holidays and the like. Also, documents such as rough notes, calculations or drafts used in the preparation or analysis of other documents.

Permanent Records – Records that are required in perpetuity, usually identified by statute or other written guidance.

Public Records - Any information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

Records - All papers, maps, exhibits, magnetic or paper tapes, photographic films and prints, electronic documents and other documents produced, received, owned or used by CCCERA, regardless of physical form or characteristics. Supplies of publications and printed blank forms are not defined as records.

Records Management – Record creation, storage and destruction.

Records Retention Schedule – A document governing, on a continuing basis, the mandatory disposition of the records of an organization or agency. It lists all records produced or maintained by an organization and the actions taken with regard to those records. A retention schedule is an organization's legal authority to receive, create, retain, and dispose of official public records. It assists the organization by documenting which records require office or temporary storage, have historic or research value, or should be destroyed because they no longer have administrative, fiscal, or legal value.

Retention Period – The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function.

VII. APPENDIX

Exhibit A – Retention Schedule

VIII. HISTORY

Adopted: May 6, 2009

Amended: ____, 2020.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

EXHIBIT A – RECORDS RETENTION SCHEDULE

Adopted 05/06/2009

Revised 01/27/2020

LEGEND:							
AU: Audit		CU: Current		PERM: Permanent	CL: Closed/Completed	EOE: End of Employment	
	DESCRIPTION	RETENTION PERIOD (In Years)	PRIOR BOARD ACTION	REFERENCE / REMARKS			
	Accounting						
ACC-1	Accounting Cash Reconciliation Worksheet	AU+7		G.C. § 31537			
ACC-2	Accounts Payable	AU+7		G.C. § 31537			
ACC-3	Administrative Expense Records	AU+7		G.C. § 31537			
ACC-4	Period End Audit Records	AU+7		G.C. § 31537; OMB A-133 recommends 3yrs for certain audit records			
ACC-5	System Trial Balances & General Ledgers	PERM	11/4/97	G.C. § 31537			
ACC-6	Bank Statements/Reports/Redeemed checks – operating and retirement payroll accts	CL+7		G.C. § 31537; 7 yrs after all benefit obligations regarding the participant or alternate payee have been satisfied			
ACC-8	Comprehensive Annual Financial Report	PERM		G.C. § 31537			
ACC-10	Custodian Bank Investment Reports, Statements	7	1/13/98	G.C. § 31537			
ACC-14	Investment (Real Estate, Alternative) reports/spreadsheets/worksheets dev. By Acctg.	7		G.C. § 31537			
ACC-15	Investment Capital Calls and Transfer Letters	7		G.C. § 31537			
ACC-16	Investment Monthly Financial Reports	7	1/11/94	G.C. § 31537			
ACC-17	Prepayment Agreements	L+4		G.C. § 31537			
ACC-18	State Controllers Reports	7	11/4/97	G.C. § 31537			
ACC-22	Final Operating Budgets	7		G.C. § 31537			
ACC-23	Travel Expense Records	1	3/12/1996	G.C. § 31537			
	Administration						
ADM-1	Actuarial Experience Study	PERM		G.C. § 31537			
ADM-2	Actuarial Valuations	PERM		G.C. § 31537			
ADM-3	Board Agendas and Packets	PERM		G.C. § 31537			
ADM-4	Board Elections	PERM		G.C. § 31537			
ADM-5	Board Member Files	PERM		G.C. § 31537			
ADM-6	Board Minutes	PERM		G.C. § 31537			

ADM-9	Contracts	L + 4		G.C. § 31537; Life of Contract + 4 yrs after expiration; contracts include the RFPs/RFIs/RFQs and responses thereto by the chosen party.
ADM-10	Terminated Employer Records, Files (Incl. Corr.)	PERM		G.C. § 31537
ADM-11	Establishment of Retirement System	PERM		G.C. § 31537
ADM-14	Grand Jury Documents related to CCCERA	PERM		G.C. § 31537
ADM-15	Historical Files System Administration	PERM		G.C. § 31537
ADM-16	Insurance Policies	L + 5		G.C. § 31537; Contracts Statute of Limitations is 4 years; C.C.P. 337
ADM-17	Internal Revenue Code Qualification	PERM		G.C. § 31537
ADM-18	CCCERA MOUs and Employee Contracts	PERM		G.C. § 31537
ADM-20	Pension Obligation Bonds	PERM		C.C.P. 337.5; G.C. § 31537
ADM-25	Personnel Records (active)	EOE + 7		Title VII of the Civil Rights Act of 1964, including the Pregnancy Discrimination Act (Title VII), 42 U.S.C. § 2000e et seq., FEHA §7287.0, ADA 29 C.F.R. § 1602.14., ADEA 29 C.F.R. § 1627.3(b).
ADM-26	Board Policies, Procedures, Guidelines	PERM		G.C. § 31537
ADM-27	Public Records Requests and Responses	7		G.C. § 31537
ADM-28	Recruitment Files, Job Applications, Resumes	2		Title VII, FEHA, ADA, ADEA
ADM-29	Requests For Proposals, Requests For Interest, requests for quotation (RFPs/RFIs/RFQs)	L + 4		G.C. § 31537
ADM-30	RFPs/RFIs/RFQs Responses of parties that are not awarded a contract	3		G.C. § 31537; retention of responses to RFPs/RFIs/RFQs of chosen parties is under “contracts” above
ADM-31	Participating Employer Files	PERM		G.C. § 31537
ADM-33	Trip Authorization	CU+1		G.C. § 31537
	Member Services			
MEM-5	Differentials	PERM		G.C. § 31537
MEM-12	Member & Emplr Contribution Reports	PERM		G.C. § 31537
MEM-19	Year End Statements	3		G.C. § 31537
MEM-20	Terminated Members	9	6/9/1998	G.C. § 31537; min 7yrs after all benefit obligations regarding the participant or alternate payee have been satisfied

	Retirement Services/Benefits			
BEN-1	1099Rs	7	1/10/98	26 U.S.C. § 6501; G.C. § 31537
BEN-3	Active Deceased Member	7	9/3/94	G.C. § 31537; at minimum must be retained 7 yrs after all benefit obligations regarding a participant or beneficiary have been satisfied
BEN-6	Disability Medical Records	7	1/11/94	Keep 7 yrs from final action
BEN-7	Early Retirement Incentives	PERM		G.C. § 31537
BEN-9	Member Files (Including Member Corr.)	PERM		G.C. § 31537; at minimum must be retained 7yrs after all benefit obligations regarding a participant or beneficiary have been satisfied
BEN-16	Microfiche	PERM	9/13/94	G.C. § 31537
BEN-18	Tier III Implementation	PERM		G.C. § 31537
	Information Technologies			
IT-1	Computer Backup Media	CU+2		G.C. § 31537
IT-2	Computer Hardware Warranties	CU		G.C. § 31537
IT-3	Computer Software Licenses	CU		G.C. § 31537
	Investments			
INV-1	Investment Consultant quarterly Reports	PERM		G.C. § 31537
INV-2	Investment Managers Quarterly Reports	L+2		G.C. § 31537
INV-3	Investment Managers Search (finalists only)	1		G.C. § 31537
INV-4	Investment Managers Presentations (after hired)	L+2		G.C. § 31537
	Legal			
LEG-1	County Employees Retirement Law of 1937 Books	CU		G.C. § 31537; 20 CFR 1627.3(b)(2)
LEG-2	Legal Opinions	PERM		G.C. § 31537
LEG-3	Legislation	CU		G.C. § 31537
LEG-4	Litigation	20		G.C. § 31537; C.C.P. 583.320(a); if disposition effects member benefits retain at minimum 7 yrs after all benefit obligations regarding a participant or beneficiary have been satisfied
LEG-5	Resolutions, Regulations, Ordinances	PERM		G.C. § 31537; 29 CFR 1627.3(b)(2)
LEG-6	Subpoenas	1		G.C. § 31537

Attachment

B

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Formatted: Font: (Default) Times New Roman, 12 pt

RECORDS RETENTION POLICY

Formatted: Font: (Default) Times New Roman, 12 pt

~~(Adopted 5/6/2009)~~

Formatted: Font: (Default) Times New Roman

PURPOSE

The Board of Retirement ("Board") of the Contra Costa County Employees' Retirement Association ("CCCERA") adopts this policy to establish guidelines and procedures for the retention and disposition of the records of CCCERA in accordance with their administrative, legal, fiscal and historical value.

The Board and all CCCERA employees are required to comply with the policies and procedures set forth in this document.

AUTHORITY

The County Employees Retirement Law of 1937 ("CERL") provides: "The board may establish efficient records management procedures, which may include, but need not be limited to, maintenance and, when determined by the board to be necessary, disposal of records in its jurisdiction." Govt. Code section 31537.

Additionally, the California State Records Management Act (Government Code Section 14740) establishes procedures for maintaining and discarding public records, but does not apply to local government, county or city government agencies. To address this gap, the 1999 legislature added Section 12236 to the Government Code, which directs the Secretary of State to develop a Local Government Records Program to establish guidelines for local government record retention. CCCERA has relied on these guidelines where applicable in developing this Records Retention Policy.

POLICY

This policy establishes retention period and record maintenance processes for all CCCERA records, as set forth below.

1. The record retention schedule will be administratively reviewed and updated as necessary. Changes to the retention policy require Board action.
2. The minimum retention period of a record must be consistent with applicable laws, orders, rules or regulations. When no such criteria exist a reasonable retention period will be established based on CCCERA's needs and the usefulness of the information.
3. Once records have fulfilled their administrative, fiscal, or legal function they will be disposed of as soon as practical in accordance with the Records Retention Schedule ("Retention Schedule", Exhibit A), unless they have enduring historical value.
4. Board action is not required for the destruction of documents in accordance with the Records Retention Schedule.
5. Exceptions to the published retention policy may be made by the appropriate Manager in consultation with the Chief Executive Officer. Exceptions should weigh the need for retaining the record against the cost to store and retrieve the record.
6. Retained information must be stored in a manner designed to ensure its accessibility, integrity, confidentiality, authenticity, and legibility.
7. Preliminary drafts, notes, and interagency or intra-agency correspondence may be destroyed if they are no longer needed and there is no legal or policy requirement that they be retained.
8. Copies or duplicates of Original Records may be maintained by CCCERA employees in their own offices or elsewhere for convenient reference or other purposes. Such copies may be in the same or different format or medium as the Original Record. Copies of an Original Record may be kept no longer than the retention period set forth in the Records Retention Schedule, and may be destroyed at any time prior to the expiration of the original record.
9. A duplicate record can become a "new" record and become subject to the records retention policy when annotations of substantive nature are made to a duplicate record giving it added value as a separate record.
10. Imaged files or other electronic reproduction of records shall be deemed to be an "original" record of the "paper" record, and the "paper" records may be destroyed, upon a determination by the Chief Executive Officer that:

- a) The records were electronically imaged or recorded on a medium that is a trusted system and that does not permit additions, deletions, or changes to the original document;
- b) The device used to reproduce the record, paper, or document on the medium is one which accurately and legibly reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images;
- c) The imaged or reproduced records are used by CCCERA in the ordinary conduct of its business in lieu of the “paper” records, and made as accessible for public reference as the “paper” records were;
- d) A true copy of archival quality of the reproduction medium shall be kept in a safe and separate place for security purposes; and
- e) No pages of any record shall be destroyed if any page cannot be reproduced with full legibility. Every unreproducible page shall be permanently preserved in a manner that will afford easy reference.¹

Formatted: Indent: Left: 0.5"

- 11. Non-records may be disposed of at any time. However, if a non-record is retained as an integral part of a file or in conjunction with Original Records, then it will be retained in accordance with the appropriate retention schedule.
- 12. Electronic communications, including e-mail, are considered transitory in nature, and are not customarily kept or retained by CCCERA as the primary means for preserving information for future reference. E-mail may be periodically or routinely purged from the system without any necessary action by the sender or the recipient of the communication. In addition, employees are encouraged to delete messages daily, immediately after reading, replying, or taking other action concerning them. **Exception** - If the content of an e-mail message is necessary for, or convenient to, the conduct of CCCERA business and was made for the purpose of preserving its informational content, employees are required to store the e-mail in the relevant hard copy or electronic file, to be kept in accordance with the Records Retention Schedule.

Formatted: Font: (Default) Times New Roman

Formatted: Font: (Default) Times New Roman

RESPONSIBILITIES

Departments

Employees in each of CCCERA’s departments are directly responsible for the management of that department’s records, documents, files, data, and other information pertaining to CCCERA’s official business. To fulfill this responsibility, the managers of each department must:

¹ See e.g. Government Code sections 26205 and 26205.5.

~~43.1.~~ Ensure that each person within the department implements the Records Retention Policy.

Formatted: Indent: Left: 0", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1.5" + Indent at: 1.75"

~~44.2.~~ Conduct one or more Records Purge Days per year.

~~45.3.~~ Dispose of all expired records, as required by the Records Retention Schedule.

~~46.4.~~ Work with CCCERA General Counsel to periodically update the Records Retention Schedule.

~~47.5.~~ Prevent the disposal of records or information following notification by CCCERA General Counsel that disposal must be suspended for litigation or other reasons.

Administration Services

Formatted: Font: (Default) Times New Roman

Formatted: Num Continue

In addition to responsibilities set forth above, the ~~Administrative Services~~Human Resources/Administration Manager (or others as designated by the Chief Executive Officer) is responsible for the following:

~~48.1.~~ Assisting with the development, maintenance and periodic review of the records retention program. The program will consist of this Policy, the Records Retention Schedule and the records inventory.

Formatted: Indent: Left: 0", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

~~49.2.~~ Coordinating the use of and offsite storage facilities for the storage and retrieval of records.

~~20.3.~~ Maintaining a master inventory of records stored in off-site locations.

CCCERA General Counsel

CCCERA General Counsel is responsible for the following:

- ~~24~~.1. Assisting with the development, maintenance and periodic review of the Records Retention Schedule.
- ~~22~~.2. Advising departments and employees, as appropriate, of actual or potential litigation, government investigations, or other circumstances that may affect records retention or disposal actions. For example, pre-trial discovery proceedings may prohibit destruction of all relevant records - including non-records, or records that should have been destroyed previously in accordance with the Records Retention Schedule.
- ~~23~~.3. Issuing Disposal Suspensions that formally suspend records disposal, specifying the types of records to which these suspensions relate, and removing these suspensions when appropriate. A Disposal Suspension means, among other reasons, that the information contained in the records is or may be subject to production under a subpoena or document discovery order and that disposal under authority of the Records Retention Schedule is not authorized.
- 4. Providing legal advice to all departments concerning all matters related to the legal aspects of the Records Retention Policy and Schedule.

Formatted: Indent: First line: 0"

Formatted: Indent: Left: 0", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.25"

24. —

PROCEDURES

A. On-Site Storage

For the on-site storage time period specified in the Retention Schedule, records should be retained under the control of the ~~Administrative Services~~Human Resources/Administratoin Manager (or others as designated by the Chief Executive Officer).

B. Off-Site Storage

For records to be stored off-site according to the record retention policy, the ~~Administrative Services~~Human Resources/Administration Manager (or others as designated by the Chief Executive Officer) should prepare them for off-site storage. The records should be inventoried, boxed and clearly labeled, including a final disposal date or “retain indefinitely” designation. The ~~Administrative Services~~Human Resources/Administration Manager will be responsible for coordinating delivery to the off-site storage facility and will maintain a detailed and current inventory of all records stored off-site.

Formatted: Indent: First line: 0"

C. Retrieval from Off-Site Storage

To request a record from offsite storage, submit a request form to the ~~Administrative Services~~ Human Resources/Administration Manager (or designee). The request form must include the corresponding box number.

D. Destruction / Disposal of Off-Site Documents

The ~~Administrative Services~~ Human Resources/Administration Manager (or designee) will designate at least one day each year for the destruction and disposal of off-site records that have expired and will provide ~~Management~~ the appropriate Manager with a comprehensive list of documents scheduled to be destroyed. Managers should review the list and provide notice to ~~Administrative Services~~ the Human Resources/Administration Manager (or designee) ~~the for any~~ records that are ready for destruction and disposal and the records whose retention date should be extended or made permanent. For records with an extended destruction date ~~the~~ notice must include a justification for the change and a new "dispose of" date or permanent retention designation.

E. Disposal of on-site Documents

At least once per year, each department must dispose of expired on-site records. The department manager will coordinate the effort.

VI. DEFINITIONS

Administrative Value - Records created to help accomplish the day-to-day functions of all offices, and that are needed only as long as they assist the agency organization in performing current or future work.

Appraisal - The process of determining the need to retain or dispose of records.

Convenience File - Extra copies of records, personal papers, or publications maintained for ease of access and reference. Also known as a personal file.

Copy - A reproduction of the contents of an original document prepared simultaneously or separately.

Correspondence - Letters, postcards, memoranda, notes, telecommunications, e-mails, and any other form of addressed, written communications sent or received.

Current records - A record that is in force even though there is no activity or ongoing process directly related to it. Policies, procedures, standards, guidelines and organizational charts (the record copy or original with the background material) would be "current" until revised, superseded or rescinded.

Formatted: Indent: First line: 0"

Formatted: Indent: First line: 0"

Discovery – The pretrial disclosure of pertinent facts or documents by one or both parties to a civil or criminal action or proceeding. Nothing requested during discovery may be destroyed – even non-records and records that should have been destroyed earlier. Discovery effectively freezes selected holdings until released by Counsel.

Disposal - Physical movement of records for destruction or recycling, or for transfer to a storage facility.

Disposition - The actions taken with regard to records following their appraisal. The term includes but is not synonymous with disposal.

Document - Recorded information regardless of the medium or physical characteristics. Frequently used interchangeably with record. See also RECORDS.

Electronic records - Those records in a form that only a computer can process and store. Databases and other data compilations that are used for multiple purposes are records. Computer back-up tapes and other duplicate computer files are non-records. Electronic mail, voice mail and word processing files are non-records when destroyed or, for word-processing files, when they are superseded by more recent versions or when they are printed. The final printed outputs are records. When computer information is characterized as a record material, it must be retained according to CCCERA records retention schedule.

Expired Records – On or off-site records whose retention period has passed.

Fiscal Value - Fiscal records pertain to the financial transactions of the agency, such as budgets, ledgers, allotments, payrolls and vouchers. After some records have served a basic administrative function, they may still have sufficient fiscal value to justify additional retention.

Historical Records – Records that document the history and development of an agency or contain data that can be useful for research.

Historical Value – The determination by appraisal that historical records are worthy of permanent preservation.

Legal Value - Records with legal value contain evidence of legally enforceable rights or obligations of the agency. Examples are records that provide the basis for action, such as agency decisions and legal opinions; fiscal documents representing agreements, such as leases, titles and contracts; and records of action in particular cases, such as claim papers and legal dockets.

Non-Records - Material not usually included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers, appointment logs, stocks of publications, requests for printed material after the requests have been filled, transmittal letters and acknowledgments that do not contribute any information to the material transmitted, shorthand notes and dictating media that have been transcribed and miscellaneous

notices of agency affairs, meetings, holidays and the like. Also, documents such as rough notes, calculations or drafts used in the preparation or analysis of other documents.

Permanent Records – Records that are required in perpetuity, usually identified by statute or other written guidance.

Public Records - Any information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

Records - All papers, maps, exhibits, magnetic or paper tapes, photographic films and prints, electronic documents and other documents produced, received, owned or used by CCCERA, regardless of physical form or characteristics. Supplies of publications and printed blank forms are not defined as records.

Records Management – Record creation, storage and destruction.

Records Retention Schedule – A document governing, on a continuing basis, the mandatory disposition of the records of an organization or agency. It lists all records produced or maintained by an agency-organization and the actions taken with regard to those records. A retention schedule is an agency's-organization's legal authority to receive, create, retain, and dispose of official public records. It assists the agency-organization by documenting which records require office or temporary storage, have historic or research value, or should be destroyed because they no longer have administrative, fiscal, or legal value.

Retention Period – The length of time a record must be retained to fulfill its administrative, fiscal and/or legal function.

VII. APPENDICES

Exhibit A – Retention Schedule

VIII. HISTORY

Adopted: May 6, 2009

Amended: _____, 2020.

Formatted: Font: (Default) Times New Roman, Bold

Formatted: Font: (Default) Times New Roman, Bold

Formatted: Indent: First line: 0"

Formatted: Font: (Default) Times New Roman, Bold, Underline

Formatted: Font: (Default) Times New Roman



Meeting Date
02/12/20
Agenda Item
#13

MEMORANDUM

Date: February 12, 2020
To: CCCERA Board of Retirement
From: Karen Levy, General Counsel
Subject: Consider and take possible action to amend Policy on Internal Revenue Compliance.

Background

1. The Internal Revenue Service (IRS) generally requires that when deferred members reach a certain age prescribed by law, they begin receiving required minimum distributions from the plan. The federal Setting Every Community Up for Retirement Enhancement Act (SECURE Act) was enacted on December 20, 2019. The SECURE Act changed the beginning age at which minimum distributions are required to begin effective in 2020. Instead of age 70 ½, the Act specifies the age of 72. Specifically, for members who turn 70 ½ on or after January 1, 2020, the CCCERA plan is now required to begin distributions by the later of:

- a. April 1 following the calendar year in which the member attains age 72 for distributions required to be made on or after January 1, 2020; or
- b. April 1 of the year following the calendar year in which the member terminates.

(Internal Revenue Code Section 401(a)(9)(C)(i)(I).)

2. Additionally, the IRS allows the member to rollover the distribution to an eligible retirement plan. The IRS requires a qualified plan such as CCCERA to permit direct rollovers to SIMPLE IRAs as it must for any other IRA, provided the SIMPLE IRA must have been established for at least two years.

Enclosed, for the Board's consideration, is an amended Policy on Internal Revenue Compliance that reflects these requirements. (See Attachment A.) A redline reflecting all suggested changes is enclosed as Attachment B.

Recommendation

Consider and take possible action to amend CCCERA's Policy on Internal Revenue Compliance.

Attachment

A

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

POLICY ON INTERNAL REVENUE CODE COMPLIANCE

1. Purpose of this Policy

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized by law to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

2. Definitions

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.

3. Reversions of Employer Contributions (California Constitution, Article 16, Section 17(a); CERL Sections 31588.2 and 31595; IRC Section 401(a)(2))

The trust fund must not revert, and no contributions shall be permitted to be returned, to the employers prior to the satisfaction of all liabilities with respect to their employees and their beneficiaries under the trust.

4. Vesting (IRC Sections 401(a)(7); California Constitution, Article 16, Section 17(a); CERL Sections 31451, 31485.19, and 31485.22)

- A. A member shall be 100% vested in his or her service retirement benefit upon attaining eligibility for a service retirement benefit.
- B. A plan member shall be 100% vested in his or her accumulated contributions at all times.
- C. In the event of a full or partial termination of, or a complete discontinuance of employer contributions to, the Plan, the accrued benefits of the affected members under the Plan shall be 100% vested and nonforfeitable to the extent funded and to the extent required by federal law.

5. Required Minimum Distributions (IRC Section 401(a)(9); CERL Sections 31485.14 and 31706)

CCCERA will pay all benefits in accordance with a good faith interpretation of the requirements of IRC Section 401(a)(9) and the regulations in effect under that section, as

applicable to a governmental plan within the meaning of IRC Section 414(d). CCCERA is subject to the following provisions:

- A. For members attaining age 70 ½ on or after January 1, 2020, distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age 72 or April 1 of the year following the calendar year in which the member terminates. (Setting Every Community Up for Retirement Enhancement Act (SECURE Act), Section 114.). For members attaining the age 70 ½ on or prior to December 31, 2019, distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age 70½ or April 1 of the year following the calendar year in which the member terminates.
- B. The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- C. If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death. That is, a permissible joint and survivor annuity (one that satisfies E below) may be paid over the life or life expectancy of the beneficiary.
- D. If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be either:
 - (i) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the member's death, or
 - (ii) distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- E. The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of IRC Section 401(a)(9)(G), and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.
- F. The death and disability benefits provided by CCCERA are limited by the incidental benefit rule set forth in IRC Section 401(a)(9)(G) and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.
- G. Notwithstanding the other provisions of this Policy or the provisions of the Treasury Regulations, benefit options in place in 2002 may continue so long as the option

satisfies IRC Section 401(a)(9) based on a reasonable and good faith interpretation of that section.

6. Limitation on Compensation (IRC Section 401(a)(17); CERL Section 31671;BOR Regulations VI)

- A. Effective with respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member shall not exceed the applicable limit established by IRC Section 401(a)(17) as of the first day of the limitation year, as adjusted for cost of living increases in accordance with IRC Section 401(a)(17)(B)). Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan (the determination period). If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period.
- B. "Grandfather" Clause. As used in this section, the term "eligible member" means a person who first became a member of CCCERA prior to the plan year beginning after December 31, 1995 (January 1, 1996). Pursuant to section 13212(d)(3)(A) of OBRA '93, and the regulations issued under that section, "eligible members" are not subject to the limits of IRC Section 401(a)(17). The limits referenced in subsection (A) above applies only to years beginning after December 31, 1995, and only to individuals who first become plan members in plan years beginning on and after January 1, 1996.

7. Eligible Rollover Distributions (IRC Section 401(a)(31); CERL Sections 31485.15 and 31564)

For purposes of compliance with IRC Section 401(a)(31), this section applies notwithstanding any contrary provision or retirement law that would otherwise limit a distributee's election to make a rollover. A distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- A. "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under IRC Section 401(a)(9); and the portion of any distribution that is not includible in gross income. Effective January 1, 2002, a portion of a distribution will not fail to be an eligible rollover distribution

merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only (i) to an individual retirement account or annuity described in IRC Section 408(a) or (b) or to a qualified defined contribution plan described in IRC Section 401(a), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) on or after January 1, 2007, to a qualified defined benefit plan described in IRC Section 401(a) or to an annuity contract described in IRC Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) on or after January 1, 2008, to a Roth IRA described in IRC Section 408A. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse, or to a spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p).

B. "Eligible retirement plan" means any of the following that accepts the distributee's eligible rollover distribution:

- (i) an individual retirement account ("IRA") described in IRC Section 408(a),
- (ii) an individual retirement annuity ("IRA") described in IRC Section 408(b),
- (iii) an annuity plan ("annuity contract") described in IRC Section 403(a),
- (iv) a qualified trust (such as CCCERA) described in IRC Section 401(a),
- (v) effective January 1, 2002, an annuity contract ("403(b) plan") described in IRC Section 403(b),
- (vi) effective January 1, 2002, a plan eligible under IRC Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from CCCERA, or
- (vii) effective January 1, 2008, a Roth IRA described in IRC Section 408A.
- (viii) effective December 19, 2015, a SIMPLE IRA that meets the 2-year requirements in IRC Section 408(p)

C. "Distributee" means an active member or former active member. It also includes the member's or former member's surviving spouse and the member's or former member's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p). Effective January 1, 2007, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by IRC Section 401(a)(9)(E). However, a nonspouse beneficiary may rollover the distribution

only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

- D. "Direct rollover" means a payment by the plan to the eligible retirement plan specified by the distributee.

8. HEART Act (IRC Section 401(a)(37); CERL Section 31485.17)

- A. Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent required by IRC Section 401(a)(37), survivors of a member in a State or local retirement or pension system, are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.
- B. Effective with respect to deaths or disabilities [or both] occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent permitted by IRC Section 414(u)(8), for benefit accrual purposes, and in the case of death, for vesting purposes, the member will be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.
- C. Beginning January 1, 2009, to the extent required by IRC Sections 3401(h) and 414(u)(2), an individual receiving differential wage payments (while the individual is performing qualified military service, as defined in chapter 43 of title 38, United States Code) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under IRC Section 415(c). This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

9. Reemployed Veteran (IRC Section 414(u); CERL Sections 31649, 31649.1 and 31649.5)

Effective December 12, 1994, notwithstanding any other provision of CERL, the Board Regulations or this Policy, contributions, benefits and service credit with respect to qualified military service are governed by IRC Section 414(u) and the Uniformed Services Employment and Reemployment Rights Act of 1994, including requiring the employer to make, on behalf of returning service members, any plan contributions that the employer would have made if the service member had not been absent as a result of military service, the reemployed service member shall also be entitled to accrued benefits that are contingent on the making of, or derived from, employee contributions or elective deferrals that were missed during the qualified employee's military service if such missed contributions are paid

to the fund, and the reemployed service member's period of qualified military service shall be included for purposes of vesting.

10. Qualified Domestic Relations Orders (IRC Section 414(p); CERL Article 8.4)

If benefits are payable under CERL Article 8.4 pursuant to a qualified domestic relations order that meets the requirements of a domestic relations order as defined in IRC Section 414(p), then the applicable federal income tax provisions of IRC Section 414(p) will apply.

11. Adjustment of Employer Contributions for Replacement Benefit Program (IRC Section 415(m); CERL Sections 31899.4 and 31899.5)

The adjustment in employer contributions required by CERL Section 31899.4 to the extent the employer pays benefits through the replacement benefit program shall be accomplished in the following manner:

- A. For an employer contributing on a monthly basis, the contribution amount the employer is required to pay to CCCERA in any month shall be reduced by the amount the employer pays from the replacement benefit program in that month; and
- B. For an employer contributing on an annual basis, any make-up payment due from the employer at the end of the year or, if insufficient, the amount of contributions due from the employer for the next year, shall be reduced by the amount the employer paid from the replacement benefit program during that year.

Under no circumstances shall any amounts be transferred from CCCERA to the replacement benefit program.

12. Prohibited Transactions (IRC Section 503(b))

Effective as of July 1, 1989, the Board may not engage in a transaction prohibited by IRC Section 503(b). For example, prohibited transactions include the following transactions with certain related parties such as a plan sponsor: a loan without adequate interest or security, the payment of excessive compensation, the purchase of securities or property for more than adequate consideration, or the sale of securities or property for less than adequate consideration.

13. Distribution General Requirements (IRC 401(a)(36); CERL Section 31485.20; IRC Section 402(d)(4)(A)(iii); CERL Section 31485.21)

Effective January 1, 2015, members may only receive distributions from the plan in compliance with permitted distributions (*e.g.*, the earlier of death, disability, separation from service, attainment of normal retirement age) rules under (IRC Section 401(a) and Treasury Regulation Section 1.401(b)(1)(i)).

14. Review

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

15. History

This policy was adopted on: December 8, 2010

Amended: July 11, 2018, _____, 2020

Attachment

B

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT

POLICY ON INTERNAL REVENUE CODE COMPLIANCE

1. Purpose of this Policy

- A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.
- B. The Retirement Board is authorized by law to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

2. Definitions

- A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.
- B. The plan year is the calendar year.

3. Reversions of Employer Contributions (California Constitution, Article 16, Section 17(a); CERL Sections 31588.2 and 31595; IRC Section 401(a)(2))

The trust fund must not revert, and no contributions shall be permitted to be returned, to the employers prior to the satisfaction of all liabilities with respect to their employees and their beneficiaries under the trust.

4. Vesting (IRC Sections 401(a)(7); California Constitution, Article 16, Section 17(a); CERL Sections 31451, 31485.19, and 31485.22)

- A. A member shall be 100% vested in his or her service retirement benefit upon attaining eligibility for a service retirement benefit.
- B. A plan member shall be 100% vested in his or her accumulated contributions at all times.
- C. In the event of a full or partial termination of, or a complete discontinuance of employer contributions to, the Plan, the accrued benefits of the affected members under the Plan shall be 100% vested and nonforfeitable to the extent funded and to the extent required by federal law.

5. **Required Minimum Distributions (IRC Section 401(a)(9); CERL Sections 31485.14 and 31706)**

CCCERA will pay all benefits in accordance with a good faith interpretation of the requirements of IRC Section 401(a)(9) and the regulations in effect under that section, as applicable to a governmental plan within the meaning of IRC Section 414(d). CCCERA is subject to the following provisions:

- A. For members attaining age 70 ½ on or after January 1, 2020, distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age 72 or April 1 of the year following the calendar year in which the member terminates. (Setting Every Community Up for Retirement Enhancement Act (SECURE Act), Section 114.). For members attaining the age 70 ½ on or prior to December 31, 2019, distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age 70½ or April 1 of the year following the calendar year in which the member terminates.
- B. The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- C. If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death. That is, a permissible joint and survivor annuity (one that satisfies E below) may be paid over the life or life expectancy of the beneficiary.
- D. If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be either:
 - (i) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the member's death, or
 - (ii) distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- E. The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of IRC Section 401(a)(9)(G), and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.
- F. The death and disability benefits provided by CCCERA are limited by the incidental benefit rule set forth in IRC Section 401(a)(9)(G) and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death

or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.

- G. Notwithstanding the other provisions of this Policy or the provisions of the Treasury Regulations, benefit options in place in 2002 may continue so long as the option satisfies IRC Section 401(a)(9) based on a reasonable and good faith interpretation of that section.

6. **Limitation on Compensation (IRC Section 401(a)(17); CERL Section 31671;BOR Regulations VI)**

- A. Effective with respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member shall not exceed the applicable limit established by IRC Section 401(a)(17) as of the first day of the limitation year, as adjusted for cost of living increases in accordance with IRC Section 401(a)(17)(B)). Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan (the determination period). If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period.
- B. "Grandfather" Clause. As used in this section, the term "eligible member" means a person who first became a member of CCCERA prior to the plan year beginning after December 31, 1995 (January 1, 1996). Pursuant to section 13212(d)(3)(A) of OBRA '93, and the regulations issued under that section, "eligible members" are not subject to the limits of IRC Section 401(a)(17). The limits referenced in subsection (A) above applies only to years beginning after December 31, 1995, and only to individuals who first become plan members in plan years beginning on and after January 1, 1996.

7. **Eligible Rollover Distributions (IRC Section 401(a)(31); CERL Sections 31485.15 and 31564)**

For purposes of compliance with IRC Section 401(a)(31), this section applies notwithstanding any contrary provision or retirement law that would otherwise limit a distributee's election to make a rollover. A distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- A. "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy)

of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under IRC Section 401(a)(9); and the portion of any distribution that is not includible in gross income. Effective January 1, 2002, a portion of a distribution will not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only (i) to an individual retirement account or annuity described in IRC Section 408(a) or (b) or to a qualified defined contribution plan described in IRC Section 401(a), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) on or after January 1, 2007, to a qualified defined benefit plan described in IRC Section 401(a) or to an annuity contract described in IRC Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) on or after January 1, 2008, to a Roth IRA described in IRC Section 408A. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse, or to a spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p).

B. "Eligible retirement plan" means any of the following that accepts the distributee's eligible rollover distribution:

- (i) an individual retirement account ("IRA") described in IRC Section 408(a),
- (ii) an individual retirement annuity ("IRA") described in IRC Section 408(b),
- (iii) an annuity plan ("annuity contract") described in IRC Section 403(a),
- (iv) a qualified trust (such as CCCERA) described in IRC Section 401(a),
- (v) effective January 1, 2002, an annuity contract ("403(b) plan") described in IRC Section 403(b),
- (vi) effective January 1, 2002, a plan eligible under IRC Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from CCCERA, or

(vii) effective January 1, 2008, a Roth IRA described in IRC Section 408A.

(vii)(viii) effective December 19, 2015, a SIMPLE IRA that meets the 2-year requirements in IRC Section 408(p)

- C. "Distributee" means an active member or former active member. It also includes the member's or former member's surviving spouse and the member's or former member's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in IRC Section 414(p). Effective January 1, 2007, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by IRC Section 401(a)(9)(E). However, a nonspouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.
- D. "Direct rollover" means a payment by the plan to the eligible retirement plan specified by the distributee.

8. HEART Act (IRC Section 401(a)(37); CERL Section 31485.17)

- A. Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent required by IRC Section 401(a)(37), survivors of a member in a State or local retirement or pension system, are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.
- B. Effective with respect to deaths or disabilities [or both] occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United States Code), to the extent permitted by IRC Section 414(u)(8), for benefit accrual purposes, and in the case of death, for vesting purposes, the member will be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.
- C. Beginning January 1, 2009, to the extent required by IRC Sections 3401(h) and 414(u)(2), an individual receiving differential wage payments (while the individual is performing qualified military service, as defined in chapter 43 of title 38, United States Code) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under IRC Section 415(c). This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

9. Reemployed Veteran (IRC Section 414(u); CERL Sections 31649, 31649.1 and 31649.5)

Effective December 12, 1994, notwithstanding any other provision of CERL, the Board Regulations or this Policy, contributions, benefits and service credit with respect to qualified military service are governed by IRC Section 414(u) and the Uniformed Services Employment and Reemployment Rights Act of 1994, including requiring the employer to

make, on behalf of returning service members, any plan contributions that the employer would have made if the service member had not been absent as a result of military service, the reemployed service member shall also be entitled to accrued benefits that are contingent on the making of, or derived from, employee contributions or elective deferrals that were missed during the qualified employee's military service if such missed contributions are paid to the fund, and the reemployed service member's period of qualified military service shall be included for purposes of vesting.

10. Qualified Domestic Relations Orders (IRC Section 414(p); CERL Article 8.4)

If benefits are payable under CERL Article 8.4 pursuant to a qualified domestic relations order that meets the requirements of a domestic relations order as defined in IRC Section 414(p), then the applicable federal income tax provisions of IRC Section 414(p) will apply.

11. Adjustment of Employer Contributions for Replacement Benefit Program (IRC Section 415(m); CERL Sections 31899.4 and 31899.5)

The adjustment in employer contributions required by CERL Section 31899.4 to the extent the employer pays benefits through the replacement benefit program shall be accomplished in the following manner:

- A. For an employer contributing on a monthly basis, the contribution amount the employer is required to pay to CCCERA in any month shall be reduced by the amount the employer pays from the replacement benefit program in that month; and
- B. For an employer contributing on an annual basis, any make-up payment due from the employer at the end of the year or, if insufficient, the amount of contributions due from the employer for the next year, shall be reduced by the amount the employer paid from the replacement benefit program during that year.

Under no circumstances shall any amounts be transferred from CCCERA to the replacement benefit program.

12. Prohibited Transactions (IRC Section 503(b))

Effective as of July 1, 1989, the Board may not engage in a transaction prohibited by IRC Section 503(b). For example, prohibited transactions include the following transactions with certain related parties such as a plan sponsor: a loan without adequate interest or security, the payment of excessive compensation, the purchase of securities or property for more than adequate consideration, or the sale of securities or property for less than adequate consideration.

13. Distribution General Requirements (IRC 401(a)(36); CERL Section 31485.20; IRC Section 402(d)(4)(A)(iii); CERL Section 31485.21)

Effective January 1, 2015, members may only receive distributions from the plan in compliance with permitted distributions (*e.g.*, the earlier of death, disability, separation from

service, attainment of normal retirement age) rules under (IRC Section 401(a) and Treasury Regulation Section 1.401(b)(1)(i)).

14. **Review**

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

15. **History**

This policy was adopted on: December 8, 2010

Amended: July 11, 2018, , 2020

Day of Education in Private Equity Conference

OUR TENTH ANNUAL DAY OF PRIVATE EQUITY EDUCATION March 26, 2020

The event will run from 7:00 am to 6:00 pm with a special closing reception immediately following.

Conference Registration Pricing Details

- General Registration — \$695
- NASP Member — \$545*
- Panelist (Non-Sponsor) Registration — \$545
- College Student — \$50
- Trustees and Staff — Complimentary (\$50 for Pre-Conference Dinner)
- Sponsor Registration — Included with Sponsorship Donation



[REGISTER HERE](#)

NOTE: Sponsorship includes registration for the event. **See levels for more information.**

All trustee/staff pleintifulase be of your individual pension plan policy for conference attendance.

EVENT BACKGROUND

The NASP Southern California Conference

This is a day-long educational conference designed to address the on-going informational needs of pension fund, endowment, foundation trustees and staff and their legal counsel on a series of critical investment issues.

Private equity encompasses several investment strategies including venture capital, growth equity, leveraged buyouts, mezzanine, distressed and secondaries. Experienced and knowledgeable private equity experts will discuss the nuances, opportunities, and issues associated with investing in these asset classes. Panels will be designed to be interactive and educational at both the executive/trustee and staff levels and provide tangible take-a-ways that can be applied to your investment decision-making processes. There will also be roundtable discussions on today's most important legal issues involving three constituencies: in-house counsel, fund formation attorneys (advising private equity fund managers) and outside counsel to institutional investors.

DAY OF EDUCATION IN PRIVATE EQUITY

Who is Attending and Why?

Each year we have a diverse group of attendees for the Day of Education in Private Equity. The day provides institutional investors, private equity and general pension consultants, private equity fund managers, amongst others, an opportunity to hear from top industry experts to expand their understanding and stay abreast of today's issues and opportunities in private equity, as well as interface with their peers.

Attendees Will Include

- | | | | |
|-------------------------------------|--|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Trustees: public and corporate pensions, foundations, endowments | <input checked="" type="checkbox"/> | Consulting firms: private equity specialists, full retainer general pension consultants |
| <input checked="" type="checkbox"/> | Investment staff: public and corporate pensions, foundations, endowments, and family offices | <input checked="" type="checkbox"/> | Legal counsel: in-house counsel for public and corporate pensions, foundations, endowments and family offices |
| <input checked="" type="checkbox"/> | Fund-of-funds managers | <input checked="" type="checkbox"/> | Fund formation counsel |
| <input checked="" type="checkbox"/> | Separate account managers specializing in private equity | <input checked="" type="checkbox"/> | Outside counsel to institutional investors |

Prior Attendees

Meeting Date
02/12/20
Agenda Item
#14a.

Day of Education in Private Equity Conference



MAKE A RESERVATION 

HOTEL / VENUE

InterContinental Downtown Los Angeles

InterContinental Los Angeles Downtown is located in the Wilshire Grand building, standing 73 stories tall in the core of Downtown's historic, entertainment, financial, arts, and sports districts. Ideally placed at the heart of the revitalized, energy-charged urban center of the United States' second-largest city, the hotel provides first-class hospitality that seamlessly intertwines with the fabric of the burgeoning Downtown area.

900 Wilshire Boulevard
Downtown Los Angeles, CA 90017
Vehicle entry on 7th St. between Figueroa and Francisco.
Front Desk: +1 (213) 688-7777

FIRST CLASS AMENITIES

Find out more about the **InterContinental amenities.**

Institutional Investor

Meeting Date
02/12/20
Agenda Item
#14b.



The Beverly Hilton

9876 Wilshire Blvd
Beverly Hills, CA 90210
United States

Opened in 1955 by distinguished hotelier Conrad Hilton, The Beverly Hilton, a Forbes Four-Star hotel, combines the excitement and entertainment of Hollywood with the prestige of Beverly Hills. Nestled at the crossroads of the iconic Wilshire and Santa Monica Boulevards, the hotel features 569 guestrooms designed to evoke the best of relaxed Californian living, including 101 suites with panoramic city views and inviting indoor-outdoor living spaces as well as nine private luxury suites within The Penthouse Collection.

