



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

GOVERNANCE COMMITTEE MEETING
NOTICE and AGENDA

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

December 20, 2018
1:00 p.m.

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: (510) 628-3000 FAX: (510) 268-9574	GEORGE WOOD, CHAIR	ELECTED GENERAL
	OPHELIA BASGAL, VICE CHAIR	APPOINTED
	JAIME GODFREY	APPOINTED
	LIZ KOPPENHAVER	ELECTED RETIRED
	ELIZABETH ROGERS	ELECTED GENERAL

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes are available online at www.acera.org.

Note regarding public comments: Public comments are limited to four (4) minutes per person in total.

Note regarding accommodations: The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

Note regarding Public Records: All writings that are distributed to a majority of members of the ACERA Board of Retirement in connection with a matter subject to discussion at an open meeting of the Board or one of its Committees are public records within the meaning of the California Public Records Act and are available for inspection upon request, unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Please contact ACERA at (510) 628-3000 to request to inspect documents. Documents will be made available at ACERA, 475 14th Street, Oakland, California 94612.

GOVERNANCE COMMITTEE MEETING

NOTICE and AGENDA, Page 2 of 3 – December 20, 2018

Call to Order: 1:00 p.m.

Action Items: Matters for Discussion and Possible Motion by the Committee

- 1. Review, discussion and possible motion to update the Membership Policy with or without revisions.**

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement to update the Membership Policy with or without revisions.

– Kathy Mount

- 2. Review, discussion and possible motion to update the Board Regulations Policy with or without revisions.**

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement to update the Board Regulations Policy with or without revisions.

– Kathy Mount

- 3. Review, discussion and possible motion to update the Conflict of Interest Policy with or without revisions.**

Recommendation

Staff recommends that the Governance Committee recommend to the Board of Retirement to update the Conflict of Interest Policy with or without revisions.

– Kathy Mount

GOVERNANCE COMMITTEE MEETING

NOTICE and AGENDA, Page 3 of 3 – December 20, 2018

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

- Board policy update on titles, format, review period, and review schedule.

Trustee/Public Input

- None

Future Discussion Items

- Board Elections Policy
- Board Policy Development Process
- Board and Committee Operations Policy

Establishment of Next Meeting Date

TBD



Date: December 20, 2018

To: Members of the Governance Committee

From: Kathy E. Mount, Chief Counsel

Subject: ***ACERA Membership Policy***

Introduction

The *ACERA Membership Policy* ("Policy") is reviewed by the Governance Committee every two (2) years to ensure that it remains relevant and appropriate. The Policy was last reviewed by the Board on June 18, 2015. At that time, the Board adopted comprehensive changes to the Policy to ensure compliance with the Internal Revenue Code (IRC), the Internal Revenue Service (IRS) tax determination letter, and the Public Employees' Pension Reform Act (PEPRA). Staff¹ reviews a policy for two primary purposes: (1) To evaluate whether the Policy is still relevant and necessary and (2) To recommend any proposed revisions.

Findings

Staff's review of the *ACERA Membership Policy* finds the Policy is still relevant and necessary:

- The Policy provides necessary guidance to members and participating employers about the rules of ACERA membership including the requirements for membership, membership types, tier levels, purchasing service credit, reciprocal membership, compensation earnable/pensionable compensation, benefits available, and other relevant membership information.
- The Policy also ensures ACERA's compliance with the statutory requirements for membership as set forth in the County Employees Retirement Law of 1937, the IRC, and PEPRA.
- Lastly, the *Regulations of the Board of Retirement* require that the Board create policies, which—at a minimum—establish eligibility for membership and define service, benefits available, and compensation earnable.

¹ For the purposes of this memorandum, the term "Staff" refers to the collective contributions of Chief Executive Officer David H. Nelsen, Chief Counsel Kathy E. Mount, relevant Senior Managers, and Associate Counsel Lori K. Schnall.

Recommendations

The following are proposed revisions to the Policy:

Termination

Delete the reference to members who are terminated, withdraw their funds, and after a successful challenge to the termination, return to employment and seek to redeposit the withdrawn funds. The current Policy does not conform to the law or practice. The rules for redepositing withdrawn funds are addressed in the ACERA Termination Form, which is completed by the member upon termination. Also, a member's settlement agreement with the participating employer often dictates the rules for redepositing withdrawn funds.

Military Leave

Revise the rules regarding purchases of service credit due to a military leave of absence to incorporate and conform to federal law.

Death Benefit

Clarify that ACERA cannot seek repayment of an overpayment through deductions from a death benefit, except in the case of a surviving spouse.

Non-Substantive

Stylistic non-substantive revisions for greater clarity.

Review the Policy on a Three Year Cycle

In the *Board Governance and Development Policy Process*, the Board extended the time frame for reviewing policies to every three years. Consistent with that policy, Staff recommends changing the review period for this Policy to every three years, unless there is a legal or operational reason to review it sooner.

Conclusion

A copy of the revised Policy containing the modifications suggested by Staff is attached hereto as Exhibit A. If the Governance Committee has no additional comment, Staff recommends that the Committee advise the Board that the *ACERA Membership Policy* is relevant and to update the Policy with the suggested revisions.

If you have any questions, please do not hesitate to contact me.

Enclosure: Exhibit A, *ACERA Membership Policy*, redline and clean version.

Exhibit A



MEMBERSHIP POLICY

I. PURPOSE

The Membership Policy (Policy) provides the requirements for membership with the Alameda County Employees' Retirement Association (ACERA), including establishing eligibility for membership and defining service as required by the Regulations of the Board of Retirement.

II. MEMBERSHIP ELIGIBILITY AND CONTRIBUTIONS

A. Mandatory Membership

1. Membership in ACERA is mandatory for employees appointed to full time positions with a Participating Employer.¹ Each Participating Employer has the exclusive authority and responsibility to define what constitutes full time employment and to identify its positions that are eligible for membership.²
2. At an employee's initial time of entry into ACERA, the Participating Employer certifies in writing to ACERA the following:
 - a. The individual is an employee of the Participating Employer;
 - b. The position is eligible for membership with ACERA; and
 - c. The individual works in a full-time permanent position.
 - d. The individual shall be enrolled in ACERA.
3. At the time of initial entry into ACERA all ACERA eligible employees must submit a completed membership enrollment questionnaire to ACERA.
4. Membership is continuous until termination of employment with a Participating Employer.

¹ For Alameda Health Systems, mandatory membership is pursuant to AB 1008 (Government Code §31552.4 and Health and Safety Code §101851). Unless stated otherwise, all references to statutes are California State statutes.

² ACERA has seven Participating Employers: (1) Alameda County; (2) Alameda Health Systems; (3) Alameda Superior Court of Alameda County; (4) Housing Authority of Alameda County; (5) Livermore Area Recreation and Park District; (6) First 5 Alameda County; and (7) Alameda Office of Education.

B. Mandatory Contributions

1. Membership contributions are mandatory for all members.
2. Participating Employers must withhold member contributions from compensation earnable/pensionable compensation and forward such contributions to ACERA on a biweekly basis. (Gov. Code §§31552 and 31625.)
3. Failure of the Participating Employer to withhold contributions in a timely manner will result in missed contributions.
 - a. Upon discovery of missed contributions, ACERA shall assess the amount owed plus earned interest for both the member and Participating Employer and shall notify each respectively of the amounts owed.
 - b. ACERA determines the earned interest rate applied to the missed contribution³.
 - c. The Participating Employer shall withhold the missed contributions plus earned interest from the employee's wages.
 - d. The Participating Employer shall pay its employer contributions and earned interest in connection with all missed contributions.
 - e. In instances where the member is no longer in active employment with the employer, the member and employer remain responsible for each of their respective portion of the legally required contributions plus earned interest. (Gov. Code §§31581, 31582, 31585, 31620, 31621.)

C. First Date of Membership

1. Membership is effective on the first day of the second pay period following the employee's hire date into an ACERA eligible position (except the Housing Authority as noted below) This is the date of entry into ACERA membership. As of the date of entry, payroll deductions for retirement contributions begin and service credit for each hour worked is earned.
2. During the short period between the beginning of employment and the ACERA plan date of entry, the employee does not pay contributions or earn service credit.

³ Earned interest refers to the interest rate for the previous six month cycle. This is interest that would have been earned on the account had the contributions been paid timely. If the member is in on an installment plan, the assumed interest rate shall be included in the calculation.

A member can purchase this service credit (referred to as “days prior to entry”) any time before retirement without changing the membership, and date of entry does not change.

3. For the Housing Authority, membership is effective on the first day of an employee’s hire in an ACERA eligible position. This is the first date of entry into ACERA membership. As of this date of entry, payroll deductions for retirement contributions begin and service credit for each hour work is earned.

D. Excluded from Membership

1. Temporary, Part-time, Seasonal, Intermittent and “as needed”, or Per Diem employees, as defined in the Alameda County Civil Service Rules, Alameda County Salary Ordinance, the Alameda County Administrative Code or such similar ineligible positions as defined by each Participating Employer. Individuals who work for a participating employer through the Alameda County Temporary Agency Pool (TAP) are excluded from membership in the Alameda County Employees’ Retirement Association.
2. If a full-time employee who is a member of ACERA is transferred to employment in a temporary, part-time, seasonal, intermittent and “as needed”, per diem status, or TAP position, the employee is required to continue his or her membership from the date of such transfer and shall receive credit for such subsequent service as the total time served in such position bears to the total time served in a full-time position.

E. Independent Contractors

1. Each participating employer identifies its positions which are ACERA eligible and hires employees into those positions. If a Participating Employer hires individuals as independent contractors under an employment contract or through a third-party, those individuals are ineligible for ACERA membership. Such working time is not deemed service, county service, or public service. Additionally, such working time cannot be purchased at any time. The term contract as used here does not refer to a collective bargaining agreement between organized labor and a Participating Employer.

2. Examples of employment ineligible for ACERA membership and ineligible service include, but are not limited to, the following:
 - a. Temporary workers who work through temp agencies or third parties. (This does not include TAP employees which are discussed above.)
 - b. Individuals working under contract for temporary services requiring professional, highly technical skills or special skills as defined in Government Code §§31561 and 31000.
 - c. Independent Contractors including, but not limited to, individuals whose compensation and/or rate of compensation is fixed at a rate by the day or hour (Gov. Code §§31000 and 31527(e).)

F. Terminated Employees

Members who terminate membership/employment before retirement and meet the service criteria may elect a deferred retirement allowance (Gov. Code §§31700-31706). Members who terminate membership/employment before retirement and do not meet the service criteria may elect to leave accumulated contributions on deposit in the retirement fund (Gov. Code §31629.5).

III. MEMBERSHIP TYPES

- A. The type of membership depends on the employer, job classification and date of entry/re-entry into the ACERA.
- B. ACERA has two Membership types, which are based upon job classifications:
 1. Safety members are employees working in active law enforcement, fire fighting, or in positions that have been designated as safety positions (i.e., Juvenile Hall Group Counselor, Probation Officer, etc.).
 2. General Members are all other members.

IV. TIER LEVELS

ACERA has different Tiers (benefit levels) based upon a member's date of entry/re-entry.

A. Tier I:

1. General or Safety Members who joined ACERA on or before June 30, 1983, and have been continuous members.⁴
2. General Members who joined ACERA as employees of the Livermore Area Recreation and Park District (LARPD) before October 1, 2008, and have been continuous members.
3. General Members who joined ACERA as employees of the Housing Authority before September 30, 2011, and have been continuous members.
4. The final average salary calculation is based on the highest 12 months of pay.

B. Tier II:

1. General or Safety members who joined or rejoined ACERA on or after July 1, 1983
2. General members who joined ACERA on or after September 30, 2011, as employees of the Housing Authority. On September 30, 2011, the Housing Authority implemented a new benefit formula for those employees who elected to change to Tier II, and for any new Housing Authority employees.
3. The Final Average Salary calculation for Tier II is based upon the highest 36 months of pay.

C. Tier III:

General Members who joined ACERA on or after October 1, 2008, as employees of the LARPD. On October 1, 2008, LARPD implemented a new benefit formula for those employees who elected to change to Tier III and for any new LARPD employees. The Final Average Salary calculation is based upon the highest 12 months of pay.

⁴ Under Government Code §31484.8 effective January 1, 1985, a Tier I employee who leaves County service between June 30, 1983, to June 6, 1988, and subsequently returns to covered employment within three years shall return as a Tier I employee. Effective June 30, 1988, a Tier I employee who is laid off and rehired within one (1) year from the date of separation shall return as a Tier I employee. Any Tier I employee who takes a deferred retirement and subsequently returns to covered employment shall return as a Tier I employee.

D. Tier IV:

1. For all Participating Employers, General and Safety Members who joined ACERA for the first time on or after January 1, 2013, and
 - a. Were not members of any other public retirement system before January 1, 2013;
 - b. Were not subject to reciprocity; or
 - c. Were active members of ACERA and had a break in service of more than 6 months and returned to a different ACERA Participating Employer.
2. The final average salary is based on the 36 highest consecutive months (Gov. Code §7522.04(f)).

E. Dual Membership Service (Split Tier Membership)

1. A member having service as both a General and a Safety member and/or service as a Tier I, Tier II, Tier III, or Tier IV member will receive benefits calculated under the type of membership and Tier for the service credit earned in each category.
2. Eligible members with Tier I and Tier II Split Tier membership may be able to convert Tier II service time to Tier I pursuant to *Aquilino vs. Marin County Employees' Retirement Association (MCERA)* (1998) 60 Cal.App.4th 1509 provided they redeposit withdrawn Tier I contributions and apply for *Aquilino* Tier I restoration.

V. SERVICE CREDIT ELIGIBLE FOR PURCHASE

The following types of service credit are eligible for purchase to increase membership service credit totals. All ACERA member service purchases must be completed within five years of initiation of purchase. This entire section does not apply to time worked in positions detailed in Section II.E. above:

- A. Time Prior to Entry Date:** Entry dates are the first day of the pay period following the appointment to a retirement eligible position. Days worked before the entry date may be purchased and added to membership service credit.
- B. Prior Ineligible Service:** Members who were excluded from retirement membership because Part-time, Seasonal, Intermittent, or Services-as-needed, or worked in a position

through TAP may purchase this service once they become eligible for membership. Written elections to make such purchases shall be made within one year of date of entry into membership.

C. Medical Leave of Absence without Pay: A member who returns to active service following an uncompensated leave of absence on account of the member's illness may receive service credit for the period of such absence upon the payment of the contributions that the member would have paid during the period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. Upon return to employment, the member may purchase the service lost during such leave not to exceed one (1) year for each leave period. The number of payment deductions cannot exceed the number of months the member is purchasing. (Gov. Code §31646.)

D. Military Service Leave of Absence without Pay:

1. Federal Law Provides the Following:

- a. The Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") allows members to take leave for up to five years of military service.
- b. Upon returning to work, members have the right to pay for missed contributions for up to five years of service beginning from the date of re-entry into employment.
- c. The repayment period is three times the member's period of service, not to exceed five years.
- d. The contributions are pre-tax and not subject to interest.
- e. Participating Employers are required to pay the employer contributions for the same period of time.
- f. Members cannot purchase service credit for any period for which the member will receive military retirement.

2. State Law Provides the Following:

- a. If USERRA does not apply, under the California Employees' Retirement Law ("CERL"), non-PEPRA members may purchase service credit for the military leave of absence.

- b.** A member who resigns or obtains a leave of absence and enters the military, and later returns to service with an employer, may purchase service for any part or all of the military service if the following conditions apply:
- 1)** The member received an honorable discharge;
 - 2)** The member return to a Participating Employer within one year from the date of discharge from the military.

3. Notice

- a.** Participating Employers must notify members of the right to purchase military service within 30 days after the date of reemployment.
- b.** The Participating Employer is required to notify ACERA within 30 days that the member has been reemployed. (Gov. Code §31649.1.)

E. Redeposit of Prior Membership Contributions: A current member who previously terminated membership with ACERA and who withdrew contributions and interest for that membership, may redeposit the withdrawn funds plus interest that would have accrued up to the date of payment at any time before retirement. All such redeposits shall be completed within 5 years from the date the redeposit is initiated. Service credit for this prior membership would then be restored.

F. Other Prior Public Service: A member who worked for non-ACERA public agency before becoming a member of ACERA may be eligible to purchase service credit for such service if certain requirements are met.

1. Service must be earned with an approved public agency within the State of California.
2. Prior federal civilian and prior military service may be purchased only by members hired on or before August 8, 1972.

3. The member must be ineligible for pension benefits from the other public service.
4. This type of purchased service shall not count towards vesting requirements or eligibility to retire.
5. Written elections to make such purchases shall be made within one year of date of entry into membership.

VI. RECIPROCAL MEMBERSHIP

A. General Rules

1. Members who enter ACERA membership within six (6) months of termination from a membership with another '37 Act County, CalPERS, or a public agency reciprocal with CalPERS and who left their membership in deferred status with the prior retirement system, may have a reciprocal agreement established between ACERA and the prior retirement system. The same is true for members who terminate employment under ACERA membership, leave funds in deferred status, and begin employment within six months with an employer under another '37 Act County, CalPERS or a retirement system reciprocal with CalPERS. Reciprocity is irrevocable. (Gov Code §31831.)
2. If overlapping or concurrent employment or service credit occurs within the six month window, reciprocity cannot be established. ACERA may adjust the entry date to the date after the termination date in the prior agency to prevent duplicate service crediting. However, ACERA cannot adjust the termination date if the member begins employment in the next reciprocal agency. In these instances, reciprocity will not be established unless the next agency adjusts its entry date to avoid overlapping service crediting.
3. The entry age used by ACERA will be the age when the member entered his or her first reciprocal membership. This is not applicable to Tier IV.
4. Service credit earned in a reciprocal agency will be considered in establishing a member's vesting rights and eligibility to retire.
5. The highest average salary earned will be used to compute the retirement benefits in all reciprocal memberships.

B. Rules Specific to Certain Safety Members

Safety members (law enforcement and fire fighters only) who withdrew retirement contributions after termination of employment, and currently work for a reciprocal agency, may redeposit funds to establish reciprocal benefits. Eligibility for specific reciprocal benefits will depend on whether the time lapse between system memberships is more or less than 6 months (AB 2766 [Chapter 883, 2002]).

C. Disability

If disability retirement is granted from the current reciprocal agency, the benefit must be pro-rated according to service earned in each system. Members may not receive a benefit amount for more than what they would have received had all service been earned in one retirement system. In some cases, reciprocal retirement systems pay a level of retirement benefit which is the greatest amount the member would be entitled to in any single retirement system. In those cases, ACERA will not pay any benefit to the member and will not return the member's accumulated contributions as required by Government Code §§31838.5, 31830, 31831.

VII. THIRTY YEAR (30) MEMBERSHIP

A. Safety Members:

Safety members who attain 30 years of retirement service credit make no further employee contributions. Date of entry into ACERA is not considered when determining thirty (30)-year membership for safety members. (Board Resolution Number 00-134.)

B. General Members:

1. Thirty (30) year membership applies only to those members who entered or re-entered ACERA membership on or before March 7, 1973. Members who have been continuously making contributions to ACERA and/or a reciprocal Agency since March 7, 1973, make no further contributions upon attaining thirty (30) years of retirement service credit, provided the reciprocity requirements of Government Code §31836.1 are met. (Gov. Code §31625.2)
2. Thirty (30) year membership status is not applicable to those members who re-entered ACERA membership after March 7, 1973, except as noted in the

footnote.⁵ Those members will make contributions for as long as they remain active members.

C. Tier IV Members:

Effective January 1, 2013, for General and Safety members who are Tier IV, Sections II.K.1. and II.K.2. do not apply. Thirty (30) year membership is not applicable to Tier IV members. Those members will make contributions for as long as they remain active members.

VIII. CONTRIBUTION RATES FOR ACERA MEMBERS

A. Tier I, Tier II, and Tier III:

Contribution rates are based upon age of entry, membership type, and plan tier. The rates are adjusted annually.

B. Tier IV:

Contribution rates are based upon a flat/single contribution rate. The rates are adjusted annually. (Gov. Code §§31621.11, 31639.26.)

IX. BENEFIT FORMULAS

A. Benefit Formulas at Retirement and Minimum Eligibility Requirements

1. Tier I:

a. General:

- 1) 2% at age 57.
- 2) Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 30 or more years of service credit.

b. Safety:

- 1) 3% at age 50.

⁵ Board Resolution 00-134, revised the thirty (30) year membership policy. Effective December 21, 2000, thirty (30) year membership status is applicable to members whose date of entry into ACERA is after March 7, 1973, if they were previously a member of ACERA on or before March 7, 1973, terminated, and withdrew their contributions and interest and redeposited all eligible contributions and interest upon re-entry. This is consistent with the understanding of continuous membership contained in Government Code §31652. If a general member's date of entry is on or after December 21, 2000, and the member has established reciprocity with another retirement system, thirty (30) year membership does not apply.

- 2) Member may retire **a)** at age 50 or older with 10 or more years of credit service or **b)** at any age with 20 or more years of service credit.

2. Tier II:

a. General:

- 1) 2.09% at age 62.
- 2) Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 30 or more years of service credit.

b. Safety:

Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 20 or more years of service credit. The following formulas apply.

- 1) 3% at age 50 years old.
- 2) Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 20 or more years of service credit.
- 3) 3% at age 55 years old.
Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 20 or more years of service credit.
- 4) 2% at age 50 years old.
Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 20 or more years of service credit.

3. Tier III:

- a.** 2.5% at age 55.
- b.** Members may retire **a)** at age 50 or older with 10 or more years of service credit or **b)** at any age with 30 or more years of service credit.

4. Tier IV:

a. General:

- 1) 1% at age 52.
- 2) 2.5% at age 67.
- 3) Members may retire at age 52 or older with 5 or more years of service.

b. Safety:

- 1) 2% at age 50.
- 2) 2.7% at age 57.
- 3) Members may retire at age 50 or older with 5 or more years of service.

(Gov. Code §§7522.20, 7522.25, 7522.30, 7522.52)

X. BENEFITS AVAILABLE TO ACERA MEMBERS

A. Retirement Benefits

Eligible members receive a guaranteed, life time benefit at retirement calculated by a set formula.

B. Disability Benefits

If a member becomes permanently incapacitated from the performance of his or her job duties, he or she may be eligible for disability retirement through ACERA.

C. Death Benefits

Death benefits payable to beneficiaries vary in form and are based on the status of the member at death. An overpayment that is outstanding upon death, can deducted from the benefit to the surviving spouse before paying out the benefit.

XI. PENSIONABLE COMPENSATION/COMPENSATION EARNABLE DEFINED

A. Tier I, Tier II, and Tier III Members

Compensation Earnable means the average compensation as determined by the Board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in that same grade or class or positions during the period, and at the same rate of pay and excludes specific types of compensation as determined

by the Board, including compensation deemed paid to enhance a member's retirement benefit. (Gov. Code §31461.)

B. Tier IV Members

1. Pensionable compensation means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to a publicly available pay schedule; and excludes specific types of compensation as determined by the Board. (Gov. Code §7522.34.)
2. Pensionable Compensation used to calculate the defined benefit paid to a Tier IV member shall not exceed 100% (for those members whose service is included in the federal system) and 120% (for those members whose service is not included in the federal system) of the contribution and benefit base specified in Section 430(b) of Title 42 of the United States Code (Gov. Code §§7522.10(c)), 7522.34) to be adjusted each actuarial evaluation based on changes to the Consumer Price Index. (Gov. Code §7522.10(d).)
3. A public employer shall not offer a defined benefit or any combination of defined benefits, including a defined benefit offered by a private provider, on compensation in excess of the limitation stated in this Sections 1. and 2. above.

C. Tier I, Tier II, Tier III and Tier IV

Compensation that has been deferred shall be deemed pensionable compensation when earned rather than paid.

XII. REINSTATEMENT

A. Reinstatement

In the event of reinstatement, of a returning retiree to employment with a Participating Employer, the law and ACERA's policy require suspension of the payment of the retiree's monthly retirement allowance. In such cases the retiree may be employed without limitation on the total number of hours per fiscal year.⁶ The reinstated retiree must be enrolled as an active ACERA membership; and payment of member

⁶ Effective November 6, 2012 through Board of Supervisor Resolution, §§31680.4 and 31680.5 are operative.

contributions resumes. Participating Employers and returning retirees shall comply with the law and all ACERA policies in this regard.

B. Process for Reinstatement

A member retired from service and reemployed shall become an active member of ACERA upon the following; and the following is required:

1. A Participating Employer shall promptly inform ACERA, in writing, when either of the following events occurs:
 - a. A retiree of the Participating Employer works 961 hours or more in a fiscal year;
 - b. The Participating Employer elects to offer full time employment to an ACERA retiree;
 - c. the retiree returns to work without the appropriate break in service; and/or
 - d. the retiree has a verbal or written agreement to return to work.
2. The Participating Employer will supply the employee with the enrollment questionnaire to complete and submit to ACERA.
3. The retiree will be required to complete an application for reinstatement and submit it to the Board.
4. The Board determines, based upon medical examination and written certification from ACERA's Medical Advisor, that the retiree is not incapacitated for the duties assigned.
5. The member meets the other membership provisions within this Policy.
6. The effective date of reinstatement to active membership status shall be the first day of the month following the date of reemployment.
7. The retirement allowance shall be canceled on the effective date of the member's reinstatement and shall be resumed only upon the subsequent termination of the member from employment.
8. Government Code §31680.7 provides guidance for ACERA in its determination of membership tier during reemployment, final retirement service credit, membership contribution rate during reemployment, and reinstatement of

retirement allowance after discontinuation of reemployment for returning retirees who are not new members as of January 1, 2013.

9. The member shall be considered a new member if the member is reinstated and reemployed with a new ACERA employer.

XIII. POLICY MODIFICATION

The Governance Committee, or other committee designated by the Board, shall review this policy at least every three (3). The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

XIV. POLICY HISTORY

- A. The Board adopted this policy on July 17, 2003.
- B. The Board reviewed and affirmed this policy, with revisions, on December 20, 2018⁷.

⁷ Previous amendment dates all with revisions: August 16, 2007; August 18, 2011; December 15, 2011; December 20, 2012; March 21, 2013, December 19, 2013; June 18, 2015; July 21, 2016, and December 20, 2018.



ACERA MEMBERSHIP POLICY

I. PURPOSE

The ~~purpose of the ACERA~~ Membership Policy (Policy) provides ~~is to set forth~~ the requirements for membership with the Alameda County Employees' Retirement Association (ACERA), including establishing eligibility for membership and defining service as required by the Regulations of the Board of Retirement.

II. MEMBERSHIP ELIGIBILITY AND CONTRIBUTIONS

A. Mandatory Membership

1. Membership in ACERA is mandatory for employees appointed to full time positions with ~~of~~ a Participating Employer.¹ Each Participating Employer has the exclusive authority and responsibility to define what constitutes full time employment and to identify ~~ies~~ its positions that are eligible for membership.²
2. At an employee's initial time of entry into ACERA, the Participating Employer certifies in writing to ACERA the following:
 - a. The individual is an employee of the Participating Employer;
 - b. The position is eligible for membership with ACERA; and
 - c. The individual works in a full-time permanent position.
 - d. ~~And, therefore,~~ The individual shall be enrolled in ACERA.
3. ~~All employees in~~ At the time of initial entry into ACERA all ACERA eligible ~~employees positions~~ must submit ~~provide ACERA with~~ a completed membership enrollment questionnaire to ~~at the initial time of entry into~~ ACERA.
4. Membership is continuous until termination of employment with a Participating Employer.

¹ For Alameda Health Systems, mandatory membership is pursuant to AB 1008 (Government Code §31552.4 and Health and Safety Code §101851). Unless stated otherwise, all references to statutes are California State statutes.

² ACERA has seven Participating Employers: (1) Alameda County; (2) Alameda Health Systems; (3) Alameda Superior Court of Alameda County; (4) Housing Authority of Alameda County; (5) Livermore Area Recreation and Park District; (6) First 5 Alameda County; and (7) Alameda Office of Education. ~~(only one active member).~~

B. Mandatory Contributions

1. Membership contributions are mandatory for all members.
2. Participating Employers must withhold member contributions from compensation earnable/pensionable compensation and forward such contributions to ACERA on a biweekly basis. (Gov. Code §§31552, ~~and~~ 31625.)
3. Failure of the Participating Employer to withhold contributions in a timely manner will result in missed contributions.
 - a. Upon discovery of missed contributions, ACERA shall assess the amount owed plus earned interest for both the member and Participating Employer and shall notify each respectively of the amounts owed.
 - b. ACERA determines the earned interest rate applied to the missed contribution³.
 - c. The Participating Employer shall withhold the missed contributions plus earned interest from the employee's wages.
 - d. The Participating Employer shall pay its employer contributions and earned interest in connection with all missed contributions.
 - e. In instances where the member is no longer in active employment with the employer, the member and employer remain responsible for each of their respective portion of the legally required contributions plus earned interest. (Gov. Code §§31581, 31582, 31585, 31620, 31621.)~~=~~

C. First Date of Membership

1. Membership is effective on the first day of the second pay period following the employee's hire date into an ACERA eligible position (except the Housing Authority as noted below) This is the date of entry into ACERA membership. As of the date of entry, payroll deductions for retirement contributions begin and service credit for each hour worked is earned.

³ Earned interest refers to the interest rate for the previous six month cycle. This is interest that would have been earned on the account had the contributions been paid timely. If the member is in on an installment plan, the assumed interest rate shall be included in the calculation.

2. During the short period between the beginning of employment and the ACERA plan date of entry, the employee does not pay contributions or earn service credit. A member can purchase this service credit (referred to as “days prior to entry”) any time before retirement without changing the membership, and date of entry does not change.
3. For the Housing Authority, membership is effective on the first day of an employee’s hire in an ACERA eligible position. This is the first date of entry into ACERA membership. As of this date of entry, payroll deductions for retirement contributions begin and service credit for each hour work is earned.

D. Excluded from Membership

1. Temporary, Part-time, Seasonal, Intermittent and “as needed”, or Per Diem employees, as defined in the Alameda County Civil Service Rules, Alameda County Salary Ordinance, the Alameda County Administrative Code or such similar ineligible positions as defined by each Participating Employer, ~~and~~ Individuals who work for a participating employer through the Alameda County Temporary Agency Pool (TAP) are excluded from membership in the Alameda County Employees’ Retirement Association.
2. If a full-time employee who is a member of ACERA is transferred to employment in a temporary, part-time, seasonal, intermittent and “as needed”, per diem status, or TAP position, the employee is required to continue his or her membership from the date of such transfer and shall receive credit for such subsequent service as the total time served in such position bears to the total time served in a full-time position.

E. Independent Contractors

1. Each participating employer identifies its positions which are ACERA eligible and hires employees into those positions. If a Participating Employer hires individuals as independent contractors under an employment contract or through a third-party, those individuals are ineligible for ACERA membership. Such working time is not deemed service, county service, or public service. Additionally, such working time cannot be purchased at any time. The term

contract as used here does not refer to a collective bargaining agreement between organized labor and a Participating Employer.

2. Examples of employment ineligible for ACERA membership and ineligible service include, but are not limited to, the following:
 - a. Temporary workers who work through temp agencies or third parties ~~other than through the Alameda County Temporary Assignment Pool (TAP);~~ (This does not include TAP employees which are discussed above.)
 - b. Individuals working under contract for temporary services requiring professional, highly technical skills or special skills as defined in Government Code §§31561 and 31000.
 - c. Independent Contractors including, but not limited to, individuals whose compensation and/or rate of compensation is fixed at a rate by the day or hour (Gov. Code §§31000, ~~and~~ 31527(e)).

F. Terminated Employees

- ~~1. Members who terminate membership/employment before retirement and meet the service criteria may elect a deferred retirement allowance (Gov. Code §§31700-31706). Members who terminate membership/employment before retirement and do not meet the service criteria may elect to leave accumulated contributions on deposit in the retirement fund (Gov. Code §31629.5).~~
- ~~2. Members who terminate employment with an ACERA Participating Employer, appeal that termination, and while separated from employment, withdraw their accumulated contributions and earned interest, and ultimately return to work with the employer after conclusion of an administrative or legal action challenging the termination, are required to notify ACERA in writing, within sixty (60) days upon returning to employment of their irrevocable election to either: (a) redeposit the contributions withdrawn plus interest within a agency designated time period, not to exceed 5 years, to begin immediately; or (b) forfeit the prior service credit associated with the withdrawal of contributions, and start their ACERA membership anew based on a new higher rated age of entry/employee contribution rate, and lose all~~

~~service credit based on the withdrawal of contributions and earned interest,
immediately.~~

III. MEMBERSHIP TYPES

- A. The type of membership depends on the employer, job classification and date of entry/re-entry into the ACERA.
- B. ACERA has two Membership types, which are based upon job classifications:
 - 1. Safety members are employees working in active law enforcement, fire fighting, or in positions that have been designated as safety positions (i.e., Juvenile Hall Group Counselor, Probation Officer, etc.).
 - 2. General Members are all other members.

IV. TIER LEVELS

ACERA has different Tiers (benefit levels) based upon a member's date of entry/re-entry.

- A. **Tier I:**
 - 1. General or Safety Members who joined ACERA on or before June 30, 1983, and have been continuous members⁴.
 - 2. General Members who joined ACERA as ~~an~~employees of the Livermore Area Recreation and Park District (LARPD) before October 1, 2008, and have been continuous members.
 - 3. General Members who joined ACERA as ~~an~~employees of the Housing Authority before September 30, 2011, and have been continuous members.
 - 4. The final average salary calculation is based on the highest 12 months of pay.

⁴ Under Government Code ~~Section §~~31484.8 effective January 1, 1985, a Tier I employee who leaves County service between June 30, 1983, to June 6, 1988, and subsequently returns to covered employment within three years shall return as a Tier I employee. Effective June 30, 1988, a Tier I employee who is laid off and rehired within one (1) year from the date of separation shall return as a Tier I employee. Any Tier I employee who takes a deferred retirement and subsequently returns to covered employment shall return as a Tier I employee.

B. Tier II:

1. General or Safety members who joined or rejoined ACERA on or after July 1, 1983
2. General members who joined ACERA on or after September 30, 2011, as ~~an~~ employees of the Housing Authority. On September 30, 2011, the Housing Authority implemented a new benefit formula for those employees who elected to change to Tier II, and for any new Housing Authority employees.
3. The Final Average Salary calculation for Tier II is based upon the highest 36 months of pay.

C. Tier III:

General Members who joined ACERA on or after October 1, 2008, as ~~an~~ employees of the LARPD. On October 1, 2008, LARPD implemented a new benefit formula for those employees who elected to change to Tier III and for any new LARPD employees. The Final Average Salary calculation is based upon the highest 12 months of pay.

D. Tier IV:

1. ~~Regardless of which~~ For all Participating Employers, General and Safety Members who joined ACERA for the first time on or after January 1, 2013, and
 - a. Were not members of any other public retirement system before ~~prior to~~ January 1, 2013;
 - b. Were not subject to reciprocity; or
 - c. Were active members of ACERA and had a break in service of more than 6 months and returned to a different ACERA Participating Employer.
2. The final average salary is based on the 36 highest consecutive months (Gov. Code §7522.04(f).)

E. Dual Membership Service (Split Tier Membership)

1. A member having service as both a General and a Safety member and/or service as a Tier I, Tier II, Tier III, or Tier IV member will receive benefits

calculated under the type of membership and Tier for the service credit earned in each category.

2. Eligible members with Tier I and Tier II Split Tier membership may be able to convert Tier II service time to Tier I pursuant to *Aquilino vs. Marin County Employees' Retirement Association (MCERA)* (1998) 60 Cal.App.4th 1509 provided they redeposit withdrawn Tier I contributions and apply for *Aquilino* Tier I restoration.

V. SERVICE CREDIT ELIGIBLE FOR PURCHASE

The following types of service credit are eligible for purchase to increase membership service credit totals. All ACERA member service purchases must be completed within five years of initiation of purchase. This entire section does not apply to time worked in positions detailed in Section II.E. above:

- A. **Time Prior to Entry Date:** Entry dates are the first day of the pay period following the appointment to a retirement eligible position. Days worked before the prior to entry date may be purchased and added to membership service credit.
- B. **Prior Ineligible Service:** Members ~~employed by a Participating Employer~~ who were excluded from retirement membership because ~~such as~~ Part-time, Seasonal, Intermittent, or and Services-as-needed, or worked in a position through TAP may purchase this service once they become eligible for membership. Written elections to make such purchases shall be made within one year of date of entry into membership.
- C. **Medical Leave of Absence without Pay:** A member who returns to active service following an uncompensated leave of absence on account of the member's illness may receive service credit for the period of such absence upon the payment of the contributions that the member would have paid during the period, together with the interest that such contributions would have earned had they been on deposit, if the member was not absent. ~~A member who is on leave without pay due to medical reasons may not receive compensation; therefore, the member may not pay retirement contributions or earn service credit during that period.~~ Upon return to employment, the member may purchase the service lost during such leave not to exceed one (1) year for each leave period. The number of payment deductions

cannot exceed the number of months the member is purchasing. (Gov. Code §31646.)

D. Military Service Leave of Absence without Pay:

1. Federal Law Provides the Following:

- a. The Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”) allows members to take leave for up to five years of military service.
- b. Upon returning to work, members have the right to pay for missed contributions for up to five years of service beginning from the date of re-entry into employment.
- c. The repayment period is three times the member’s period of service, not to exceed five years.
- d. The contributions are pre-tax and not subject to interest.
- e. Participating Employers are required to pay the employer contributions for the same period of time.
- f. Members cannot purchase service credit for any period for which the member will receive military retirement.

2. State Law Provides the Following:

- a. If USERRA does not apply, under the California Employees’ Retirement Law (“CERL”), non-PEPRA members may purchase service credit for the military leave of absence.
- b. A member who resigns or obtains a leave of absence and enters the military, and later returns to service with an employer, may purchase service for any part or all of the military service if the following conditions apply:
 - 1) The member received an honorable discharge;
 - 2) The member return to a Participating Employer within one year from the date of discharge from the military.

~~A member who resigns or obtains a leave of absence and enters the military may, and thereafter leaves the military under honorable~~

~~conditions and returns to a Participating Employer within one year can purchase service for any part or all of the military service.~~

- c2. The member must contribute what he or she would have paid to ACERA based on his or her compensation earnable as defined in Government Code §31461, at the time of resignation or leave of absence, along with earned interest. The member is not entitled to purchase service credit if the member will receive military retirement for the same service. (Gov. Code §§31649.5, ~~and~~ 31649.6.)

3. Notice

- a. Participating Employers must notify members of the right to purchase military service within 30 days after the date of reemployment.
- b. The Participating Employer is required to notify ACERA within 30 days that the member has been reemployed. (Gov. Code §31649.1.)

~~If the member returns to a participating and elects to discontinue contributions for the period of time with military, the member is not entitled to purchase service for the military time (Gov. Code §31649).~~

- E. Redeposit of Prior Membership Contributions:** A current member who previously terminated membership with ACERA and who withdrew contributions and interest for that membership, may redeposit the withdrawn funds plus interest that would have accrued up to the date of payment at any time before ~~prior to~~ retirement. All such redeposits shall be completed within 5 years from the date the redeposit is initiated. Service credit for this prior membership would then be restored.
- F. Other Prior Public Service:** A member who worked for non-ACERA public agency before becoming a member of ACERA may be eligible to purchase service credit for such service if certain requirements are met.¶
1. Service must be earned with an approved public agency within the State of California.¶
2. Prior ~~F~~ederal civilian and prior military service may be purchased only by members hired on or before August 8, 1972.

3. The member must be ineligible for pension benefits from the other public service.[¶]
4. This type of purchased service shall not count towards vesting requirements or eligibility to retire.[¶]
5. Written elections to make such purchases shall be made within one year of date of entry into membership.

VI. RECIPROCAL MEMBERSHIP

A. General Rules

1. Members who enter ACERA membership within six (6) months of termination from a membership with another '37 Act County, CalPERS, or a public agency reciprocal with CalPERS and who left their membership in deferred status with the prior retirement system, may have a reciprocal agreement established between ACERA and the prior retirement system. The same is true for members who terminate employment under ACERA membership, leave funds in deferred status, and begin employment within six months with an employer under another '37 Act County, CalPERS or a retirement system reciprocal with CalPERS. Reciprocity is irrevocable. (Gov. Code §31831.)
2. If overlapping or concurrent employment or service credit occurs, within the six month window, reciprocity cannot be established. ACERA may adjust the entry date to the date after the termination date in the prior agency to prevent duplicate service crediting. However, ACERA cannot adjust the termination date if the member begins employment in the next reciprocal agency. In these instances, reciprocity will not be established unless the next agency adjusts its entry date to avoid overlapping service crediting.
3. The entry age used by ACERA will be the age when the member entered his or her first reciprocal membership. This is not applicable to Tier IV.
4. Service credit earned in a reciprocal agency will be considered in establishing a member's vesting rights and eligibility to retire.
5. The highest average salary earned will be used to compute the retirement benefits in all reciprocal memberships.

B. Rules Specific to Certain Safety Members

Safety members (law enforcement and fire fighters only) who withdrew retirement contributions after termination of employment, and currently work for a reciprocal agency, may redeposit funds to establish ~~reciprocity~~ reciprocal benefits. Eligibility for specific reciprocal benefits will ~~be different~~ depend ~~ing up~~ on whether the time lapse between system memberships is more or less than ~~or greater than~~ 6 months (AB 2766 [Chapter 883, 2002]).

C. Disability

If disability retirement is granted from the current reciprocal agency, the benefit must be pro-rated according to service earned in each system. Members may not receive a benefit amount for more than what they would have received had all service been earned in one retirement system. In some cases, reciprocal retirement systems pay a level of retirement benefit which is the greatest amount the member would be entitled to in any single retirement system. In those cases, ACERA will not pay any benefit to the member and will not return the member's accumulated contributions as required by Government Code §§31838.5, 31830, 31831.

VII. THIRTY YEAR (30) MEMBERSHIP

A. Safety Members:

Safety members who attain 30 years of retirement service credit make no further employee contributions. Date of entry into ACERA is not considered when determining thirty (30)-year membership for safety members. (Board Resolution Number 00-134.)

B. General Members:

1. ~~The~~ thirty (30) year membership applies only to those members who entered or re-entered ACERA membership on or before March 7, 1973. Members who have been continuously making contributions to ACERA and/or a reciprocal Agency since March 7, 1973, make no further contributions upon attaining thirty (30) years of retirement service credit, provided the reciprocity requirements of Government Code ~~Section §~~31836.1 are met. (Gov. Code §31625.2)

2. ~~The~~ thirty (30) year membership status is not applicable to those members who re-entered ACERA membership after March 7, 1973, except as noted in the footnote.⁵ Those members will make contributions for as long as they remain active members.
- C. Tier IV Members:**
- Effective January 1, 2013, for General and Safety members who are Tier IV, Sections ~~II.K.(1.)~~ and ~~II.K.(2.)~~ do ~~es~~ not apply. Thirty (30) year membership is not applicable to Tier IV members. Those members will make contributions for as long as they remain active members.

VIII. CONTRIBUTION RATES FOR ACERA MEMBERS

A. Tier I, Tier II, and Tier III:

Contribution rates are based upon age of entry, membership type, and plan tier. The rates are adjusted annually.

B. Tier IV:

Contribution rates are based upon a flat/single contribution rate. The rates are adjusted annually. (Gov. Code §§31621.11, ~~and~~ 31639.26.)

IX. BENEFIT FORMULAS

A. Benefit Formulas at Retirement and Minimum Eligibility Requirements

1. Tier I:

a. General:

- 1) 2% at age 57.
- 2) Members may retire ~~a)~~ at age 50 or older with 10 or more years of service credit or ~~b)~~ at any age with 30 or more years of service credit.

⁵ Board Resolution 00-134, revised the thirty (30) year membership policy. Effective December 21, 2000, thirty (30) year membership status is applicable to members whose date of entry into ACERA is after March 7, 1973, if they were previously a member of ACERA on or before March 7, 1973, terminated, and withdrew their contributions and interest and redeposited all eligible contributions and interest upon re-entry. This is consistent with the understanding of continuous membership contained in Government Code ~~Section §~~31652. If a general member's date of entry is on or after December 21, 2000, and the member has established reciprocity with another retirement system, thirty (30) year membership does not apply.

b. Safety:

- 1) 3% at age 50.
- 2) Member may retire a1) at age 50 or older with 10 or more years of credit service or b2) at any age with 20 or more years of service credit.

2. Tier II:

a. General:

- 1) 2.09% at age 62.
- 2) Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 30 or more years of service credit.

b. Safety:

Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 20 or more years of service credit.

The following formulas apply.

- 1) 3% at age 50 years old.
- 2) Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 20 or more years of service credit.
- 3) 3% at age 55 years old.
Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 20 or more years of service credit.
- 4) 2% at age 50 years old.
Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 20 or more years of service credit.

3. Tier III:

- a. 2.5% at age 55.
- b. Members may retire a1) at age 50 or older with 10 or more years of service credit or b2) at any age with 30 or more years of service credit.

4. Tier IV:

a. General:

- 1) 1% at age 52.
- 2) 2.5% at age 67.
- 3) Members may retire at age 52 or older with 5 or more years of service.

b. Safety:

- 1) 2% at age 50.
- 2) 2.7% at age 57.
- 3) Members may retire at age 50 or older with 5 or more years of service.

(Gov. Code §§7522.20, 7522.25, 7522.30, ~~and~~ 7522.52)

X. BENEFITS AVAILABLE TO ACERA MEMBERS

A. Retirement Benefits

Eligible members receive a guaranteed, life time benefit at retirement calculated by a set formula.

B. Disability Benefits

If a member becomes permanently incapacitated from the performance of his or her job duties, he or she may be eligible for disability retirement through ACERA.

C. Death Benefits

Death benefits payable to beneficiaries vary in form and are based on the status of the member at death. ~~Any overpayment that is outstanding upon a death shall, pursuant to applicable law, be deducted from any benefit before paying out the benefit~~ An overpayment that is outstanding upon death, can deducted from the benefit to the surviving spouse before paying out the benefit.

XI. PENSIONABLE COMPENSATION/COMPENSATION EARNABLE DEFINED

A. Tier I, Tier II, and Tier III Members

Compensation Earnable means the average compensation as determined by the Board, for the period under consideration upon the basis of the average number of

days ordinarily worked by persons in that same grade or class or positions during the period, and at the same rate of pay~~;~~ and excludes specific types of compensation as determined by the Board, including compensation deemed paid to enhance a member's retirement benefit~~;~~ (Gov. Code §31461~~;~~).

B. Tier IV Members

1. Pensionable compensation means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to a publicly available pay schedule; and excludes specific types of compensation as determined by the Board. (Gov. Code §7522.34.)
2. Pensionable Compensation used to calculate the defined benefit paid to a Tier IV member shall not exceed 100% (for those members whose service is included in the federal system) and 120% (for those members whose service is not included in the federal system) of the contribution and benefit base specified in Section 430(b) of Title 42 of the United States Code (Gov. Code §§7522.10(c))~~;~~ and 7522.34) to be adjusted each actuarial evaluation based on changes to the Consumer Price Index. (Gov. Code §7522.10(d).)
3. A public employer shall not offer a defined benefit or any combination of defined benefits, including a defined benefit offered by a private provider, on compensation in excess of the limitation stated in this Sections 1.(a) and 2.(b) above.

C. Tier I, Tier II, Tier III and Tier IV

Compensation that has been deferred shall be deemed pensionable compensation when earned rather than paid.

XII. REINSTATEMENT

A. Reinstatement

In the event of reinstatement, of a returning retiree to employment with a Participating Employer, the law and ACERA's policy require suspension of the payment of the retiree's monthly retirement allowance. In such cases the retiree may

be employed without limitation on the total number of hours per fiscal year.⁶ The reinstated retiree must be enrolled as an active ACERA membership; and payment of member contributions resumes. Participating Employers and returning retirees shall comply with the law and all ACERA policies in this regard.

B. Process for Reinstatement

A member retired from service and reemployed shall become an active member of ACERA upon the following; and the following is required:

1. A Participating Employer shall promptly inform ACERA, in writing, when either of the following events occurs:
 - (a.) A retiree of the Participating Employer works 961 hours or more in a fiscal year;
 - (b.) The Participating Employer elects to offer full time employment to an ACERA retiree;
 - (c.) the retiree returns to work without the appropriate break in service; and/or
 - (d.) the retiree has a verbal or written agreement to return to work.
2. The Participating Employer will supply the employee with the enrollment questionnaire to complete and submit to ACERA.
3. The retiree will be required to complete an application for reinstatement and submit it to the Board.
4. The Board determines, based upon medical examination and written certification from ACERA's Medical Advisor, that the retiree is not incapacitated for the duties assigned.
5. The member meets the other membership provisions within this Policy.
6. The effective date of reinstatement to active membership status shall be the first day of the month following the date of reemployment.
7. The retirement allowance shall be canceled on the effective date of the member's reinstatement and shall be resumed only upon the subsequent termination of the member from employment.

⁶ Effective November 6, 2012 through Board of Supervisor Resolution, §§31680.4 and 31680.5 are operative.

8. Government Code §31680.7 provides guidance for ACERA in its determination of membership tier during reemployment, final retirement service credit, membership contribution rate during reemployment, and reinstatement of retirement allowance after discontinuation of reemployment for returning retirees who are not new members as of January 1, 2013.
9. The member shall be considered a new member if the member is reinstated and reemployed with a new ACERA employer.

XIII. POLICY MODIFICATION

The Governance Committee, or other committee designated by the Board, shall review this policy at least every three (3) ~~two (2)~~ years. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

XIV. POLICY HISTORY

- A. The Board adopted this policy on July 17, 2003.
- B. The Board reviewed and affirmed this policy, with revisions, on ~~July 21, 2016~~ December 20, 2018⁷.

⁷ Previous amendment dates all with revisions: August 16, 2007; August 18, 2011; December 15, 2011; December 20, 2012; March 21, 2013, December 19, 2013; June 18, 2015; ~~and~~ July 21, 2016, and December 20, 2018.



Date: December 20, 2018
To: Members of the Governance Committee
From: Kathy E. Mount, Chief Counsel
Subject: ***Regulations of the Board of Retirement***

Introduction

The *Regulations of the Board of Retirement* ("Regulations") provide high level rules that govern ACERA and require approval by the Board of Supervisors (BOS). Generally, the Regulations do not warrant revision, except in circumstances such as a change of law or policy.

Recommendations

In this instance, the California Legislature granted Alternate Retiree Members greater voting rights, and the Board revised the *Board and Committee Operations Policy* with respect to quorum and voting. Therefore, Staff¹ recommends updating the Regulations to reflect these changes.

Conclusion

A copy of the revised Regulations containing the revisions is attached as Exhibit A. If the Governance Committee has no additional comment, Staff recommends that the Committee advise the Board of Retirement to update the Regulations with the suggested changes and forward the Regulations to the Board of Supervisors for approval.

If you have any questions, please do not hesitate to contact me.

Enclosure: 1) Exhibit A, *Regulations of the Board of Retirement*, redline and clean version

¹ For the purposes of this memorandum, the term "Staff" refers to the collective contributions of Chief Executive Officer David H. Nelsen, Chief Counsel Kathy E. Mount, relevant Senior Managers, and Associate Counsel Lori K. Schnall.

Exhibit A



REGULATIONS OF THE BOARD OF RETIREMENT

1. AUTHORITY

- 1.1.** ACERA was established under, and is governed by the provisions of the County Employees' Retirement Law of 1937 at Title 3, Division 4, Part 3, Chapter 3 of the Government Code of the State of California, beginning with Section 31450 (1937 Act). ACERA is also governed by the provisions of the California Public Employees' Pension Reform Act of 2013 at Title 1, Division 7, Chapter 21, Article 4 of the Government Code of the State of California, beginning at Section 7522 (PEPRA), as well as relevant State and Federal laws.
- 1.2.** ACERA was established by the Alameda County Board of Supervisors by Ordinance No. 446, dated October 21, 1947, operative January 1, 1948.
- 1.3.** Pursuant to Government Code Section 31525, these regulations shall be the official regulations of the Board and shall be in full force and effect from the date of ratification by the Alameda County Board of Supervisors and shall supersede any and all conflicting rules or resolutions.
- 1.4.** The Board of Retirement (Board) may amend these regulations at any time. Such amendments shall be effective on the date they are ratified by the Alameda County Board of Supervisors.
- 1.5.** Plenary authority and fiduciary responsibility for the investment of moneys and administration of the system is vested in the Board by Section 17, Article XVI of the Constitution of the State of California.
- 1.6.** The management of the retirement system is vested with the Board pursuant to Government Code Section 31520.1.

2. BOARD

- 2.1.** The Board shall discharge its duties solely in the interest of, and for the exclusive purpose of providing benefits to participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A Retirement Board's duty to its participants and their beneficiaries shall take precedence over any other duty.



REGULATIONS OF THE BOARD OF RETIREMENT

2.2. Composition

2.2.1. The Board consists of nine members (Trustees) and two alternate members, pursuant to Government Code Sections 31520.1 and 31520.5, as follows:

2.2.2. Ex Officio: The County Tax Collector-Treasurer serves as the first Trustee.

2.2.3. Elected: The second and third Trustees shall be elected by ACERA's general members, the seventh Trustee and alternate seventh Trustee shall be elected by ACERA's safety members, and the eighth Trustee and alternate eighth Trustee shall be elected by ACERA's retired members.

2.2.4. Appointed: The fourth, fifth, sixth and ninth Trustees shall be qualified electors of the County who are not connected with the County government in any capacity, except one may be a Supervisor, and shall be appointed by the Board of Supervisors.

2.3. Terms and Vacancies

2.3.1. Terms of appointed and elected trustees are for three years.

2.3.2. Vacancies shall be filled in accordance with the provisions of Government Code Section 31523. A Trustee elected by ACERA's general or safety members vacates office upon separation from County service pursuant to Government Code Section 31524. When a Trustee becomes a member of the Board as the result of a vacancy, the new Trustee's term shall be for the remainder of the former Trustee's term.

2.4. Board Officers

2.4.1. The Board shall be comprised of a Chair, a First Vice-Chair, and a Second Vice-Chair, each to hold office for a term of one year or until a successor is duly elected and qualified.

2.4.2. The Chair shall preside at all meetings of the Board, shall appoint the Chairs and members of committees and shall perform all duties incidental to that office.

2.4.3. In the Chair's absence or inability to act, the First or Second Vice-Chair shall take their place and perform the duties of that office.

2.4.4. The Secretary and/or Board Chair shall attest to Resolutions and other such documents for the Board.



REGULATIONS OF THE BOARD OF RETIREMENT

2.4.5. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures which shall, at a minimum, provide for the manner of appointment of the Chairs and members of committees.

2.5. Chief Executive Officer

2.5.1. The Board may appoint a Chief Executive Officer. If the Board appoints a Chief Executive Officer it shall be pursuant to Government Code Section 31522.2. The Chief Executive Officer shall be directed by, serve at the pleasure of, and may be dismissed at the will of the Board.

2.5.2. The Board shall adopt, and may amend from time to time, a formal Delegation of Authority which sets forth the specific powers and duties assigned to the Chief Executive Officer by the Board. The Chief Executive Officer shall adhere to the terms and conditions of the Delegation of Authority in all matters.

2.6. Meetings

2.6.1. Regular Meetings: Regular meetings of the Board shall be held on the third (3rd) Thursday in each month at the hour of 2:00 p.m., at the ACERA Office located at 475 14th Street, Suite 1000, Oakland, California, or such other place and time as the Board may from time to time designate.

2.6.2. Other Meetings: Other meetings of the Board of Retirement may be called at any time by the Chair or a majority of all the Retirement Board members in accordance with applicable laws and Board policy.

2.6.3. Quorum: The Board is composed of nine (9) members and two (2) alternate members. A majority of all the members of the Board or a Board Committee constitutes a quorum. Any motion passed or business transacted at a Board or Committee meeting must be made by a majority of the members present and voting, except as otherwise provided by law or these regulations. A member who abstains is not considered present and voting, but remains present for purposes of a quorum. The Chair or either Vice-Chair is an ex officio member of each Board Committee to satisfy the quorum requirements. The alternate seventh member, shall be counted



REGULATIONS OF THE BOARD OF RETIREMENT

towards a quorum and may vote only in the event the following members are absent: (1) the second, (2) third member; (3) seventh member; or (4) both the eighth and the alternate eighth members. The alternate eighth member shall be counted towards a quorum and may vote only in the event the following members are absent: (1) the eighth member; (2) both the second and third members; (3) both the second and seventh members; or (4) both the third and seventh members.

2.6.4. Operations Policy: The Board shall adopt, adhere to, and may amend from time to time, a Board and Committee Operations Policy which shall, at a minimum, provide guidelines establishing committees, describing the manner in which committee members and officers will be selected and the manner in which Board or committee meetings will be conducted so as to ensure that said meetings are as efficient and effective as possible.

3. BOARD ELECTIONS: The following rules and regulations are adopted for the purpose of the nomination and election by the members of the Retirement Association of the Second, Third, Seventh, Eighth, Alternate Seventh and Alternate Eighth Members of the Board of Retirement.

3.1. General

3.1.1. The election shall be held in the month designated in the Boards Elections Policy.

3.1.2. Election shall be by secret ballot conducted by the Chief Executive Officer, and/or designee, and canvassed by the Registrar of Voters.

3.1.3. The Board shall adopt, adhere to, and may amend from time to time, a Board Elections Policy which shall, at a minimum, provide guidelines establishing eligibility to vote and the manner in which elections will be conducted.

4. POLICIES AND ADMINISTRATIVE PROCEDURES OF THE BOARD

4.1. Conflict of Interest: The Board shall adopt, adhere to, and may amend from time to time, a Conflict of Interest Policy which shall, at a minimum, provide guidelines for ACERA Trustees in carrying out their fiduciary duties and mitigating the risk of creating an actual or perceived conflict of interest.



REGULATIONS OF THE BOARD OF RETIREMENT

4.2. Investments

- 4.2.1. The Board shall have exclusive control of the investment of the Fund, pursuant to the provisions of Section 17, Article XVI of the Constitution of the State of California and Government Code Sections 31594, 31595 and 31596.1 et seq.
- 4.2.2. The Board shall discharge its duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
- 4.2.3. The Board shall adopt, adhere to, and may amend from time to time, an Investment Plan which shall, at a minimum, establish the Board's Investment Goals, Objectives, Policies, Asset Allocation, Guidelines, and Controls.

4.3. Membership

- 4.3.1. Every employee who becomes a member of the Retirement Association shall execute and file with the Board a sworn statement showing date of birth, nature of employment with the County or other participating employer, compensation received, and such other information as is required by the Board, these regulations, or Board policy and procedure.
- 4.3.2. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing membership which are not inconsistent with the provisions of the 1937 Act or these regulations and which shall, at a minimum, establish eligibility for membership, and define service, benefits available, and compensation earnable.
- 4.4. **Retirement:** The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing retirement of members and which shall, at a minimum, identify the process for determining eligibility for service or disability retirement and hearing procedures.
- 4.5. **Other Policies:** The Board may adopt such other policies and procedures relating to the conduct of Board business as it deem necessary.

5. CERTIFICATES



REGULATIONS OF THE BOARD OF RETIREMENT

5.1. Prior to the approval by the Board of an application for service retirement, the member shall be furnished with a statement indicating the amount of his retirement allowance calculated in accordance with the unmodified and various optional modes of settlement. Such statement shall be in duplicate and provide a place for the signature of the member indicating the choice as to the type of retirement allowance selected. The completed statement shall constitute the annuity certificate provided for in Section 31526(c) of the Government Code.

5.2. When a member leaves the service of the County or other participating employer and applies for and is granted deferred retirement, such member shall be furnished with a statement indicating deferred retirement has been granted and setting forth the years of service credited to said member.

6. AMENDMENTS: These regulations may be amended at any regular meeting of the Board by an affirmative vote of at least five (5) members of the Board, and shall be submitted to the Alameda County Board of Supervisors for ratification.

7. HISTORY

- A.** The Board was established by the Alameda County Board of Supervisors by Ordinance No. 446 dated October 21, 1947, operative January 1, 1948. The Board adopted the Regulations of the Board of Retirement.
- B.** The Board reviewed and adopted these Regulations, with revisions, on June 21, 2001, with approval from the Board of Supervisors on July 10, 2001.
- C.** The Board reviewed and adopted these Regulations, with revisions, on July 17, 2003, with approval from the Board of Supervisors on August 5, 2003.
- D.** The Board reviewed and adopted these Regulations, with revisions, on December 19, 2013, with approval from the Board of Supervisors February 25, 2014.
- E.** The Board reviewed and adopted these Regulations, with revisions, on December 20, 2018, with approval from the Board of Supervisors [Date to be inserted upon BOS approval.]



REGULATIONS OF THE BOARD OF RETIREMENT

1. AUTHORITY

- 1.1. ACERA was established under, and is governed by the provisions of the County Employees' Retirement Law of 1937 at Title 3, Division 4, Part 3, Chapter 3 of the Government Code of the State of California, beginning with Section 31450 (1937 Act). ACERA is also governed by the provisions of the California Public Employees' Pension Reform Act of 2013 at Title 1, Division 7, Chapter 21, Article 4 of the Government Code of the State of California, beginning at Section 7522 (PEPRA), as well as relevant State and Federal laws.
- 1.2. ACERA was established by the Alameda County Board of Supervisors by Ordinance No. 446₂, dated October 21, 1947, operative January 1, 1948.
- 1.3. Pursuant to Government Code Section 31525, these regulations shall be the official regulations of the Board and shall be in full force and effect from the date of ratification by the Alameda County Board of Supervisors and shall supersede any and all conflicting rules or resolutions.
- 1.4. The Board of Retirement (Board) may amend these regulations at any time. Such amendments shall be effective on the date they are ratified by the Alameda County Board of ~~or~~ Supervisors.
- 1.5. Plenary authority and fiduciary responsibility for the investment of moneys and administration of the system is vested in the Board by Section 17, Article XVI of the Constitution of the State of California.
- 1.6. The management of the retirement system is vested with the Board pursuant to Government Code Section 31520.1.

2. BOARD

- 2.1. The Board shall discharge its duties solely in the interest of, and for the exclusive purpose of providing benefits to participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A Retirement Board's duty to its participants and their beneficiaries shall take precedence over any other duty.

2.2. Composition



REGULATIONS OF THE BOARD OF RETIREMENT

2.2.1. The Board consists of nine members (Trustees) and two alternate members, pursuant to Government Code Sections 31520.1 and 31520.5, as follows:

2.2.2. Ex Officio: The County Tax Collector-Treasurer serves as the first Trustee.

2.2.3. Elected: The second and third Trustees shall be elected by ACERA's general members, the seventh Trustee and alternate seventh Trustee shall be elected by ACERA's safety members, and the eighth Trustee and alternate eighth Trustee shall be elected by ACERA's retired members.

2.2.4. Appointed: The fourth, fifth, sixth and ninth Trustees shall be qualified electors of the County who are not connected with the County government in any capacity, except one may be a Supervisor, and shall be appointed by the Board of Supervisors.

2.3. Terms and Vacancies

2.3.1. Terms of appointed and elected trustees are for three years.

2.3.2. Vacancies shall be filled in accordance with the provisions of Government Code Section 31523. A Trustee elected by ACERA's general or safety members vacates office upon separation from County service pursuant to Government Code Section 31524. When a Trustee becomes a member of the Board as the result of a vacancy, the new Trustee's term shall be for the remainder of the former Trustee's term.

2.4. Board Officers

2.4.1. The Board shall be comprised of a Chair, a First Vice-Chair, and a Second Vice-Chair, each to hold office for a term of one year or until a successor is duly elected and qualified.

2.4.2. The Chair shall preside at all meetings of the Board, shall appoint the Chairs and members of committees and shall perform all duties incidental to that office.

2.4.3. In the Chair's absence or inability to act, the First or Second Vice-Chair shall take their place and perform the duties of that office.

2.4.4. The Secretary and/or Board Chair shall attest to Resolutions and other such documents for the Board.



REGULATIONS OF THE BOARD OF RETIREMENT

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4.5. Other Policies: The Board may adopt such other policies and procedures relating to the conduct of Board business as it deem necessary.

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REGULATIONS OF THE BOARD OF RETIREMENT

- E. The Board reviewed and adopted these Regulations, with revisions, on December 20, 2018, with approval from the Board of Supervisors [Date to be inserted upon BOS approval.]



Date: December 20, 2018

To: Members of the Governance Committee

From: Kathy E. Mount, Chief Counsel

Subject: ***Conflict of Interest Policy***

Introduction

The *Conflict of Interest Policy* ("Policy") is reviewed by the Governance Committee every two (2) years to ensure that it remains relevant and appropriate. The Policy was last reviewed by the Board on November 17, 2016. Staff¹ reviews a policy for two primary purposes: (1) To evaluate whether the Policy is still relevant and necessary and (2) To recommend any proposed revisions.

Findings

Staff's review of the *Conflict of Interest Policy* finds that the Policy is still relevant and necessary:

- The Policy provides ACERA Trustees and Staff with guidelines for discharging their fiduciary duties with respect to the system solely in the interest of, and for the exclusive purpose of, providing benefits to participants and their beneficiaries.
- The Policy provides clear direction and guidelines to prohibit any perceived or actual conflict of interest.
- The issue is within the Board's responsibilities of ensuring its compliance with all applicable conflict of interest laws and monitoring its own performance as a Board.

Recommendations

The following are proposed revisions to the Policy:

Conflict of Interest regarding other Employment or Compensation

Bolster the language that prohibits accepting other employment or compensation that may create a conflict of interest. Staff also recommends deleting language singling out attorneys because a potential conflict applies to all professionals. Moreover, the bolstered language provides greater clarity and support for prohibiting conflicts of interest involving other employment or compensation.

¹ For the purposes of this memorandum, the term "Staff" refers to the collective contributions of Chief Executive Officer David H. Nelsen, Chief Counsel Kathy E. Mount, relevant Senior Managers, and Associate Counsel Lori K. Schnall.

List of Vendors

The Legal Department will issue a list of service providers annually when it sends out the materials for filing the Form 700. Currently, the Policy states that the list will be provided quarterly, but that has not been the practice for several years, and there has been no request for more frequent updates. An annual report that coincides with the Form 700 appears to be a more beneficial and efficient use of Trustee and staff time and resources.

Non-Substantive

Stylistic non-substantive changes to the Policy for greater clarity.

Review the Policy on a Three Year Cycle

In the *Board Governance and Development Policy Process*, the Board extended the time frame to review policies to every three years. Consistent with that policy, Staff recommends changing the review period for this Policy to every three years, unless there is a legal or operational reason to review it sooner.

Conclusion

A copy of the revised Policy, containing the modifications suggested by Staff, is attached hereto as Exhibit A. If the Committee has no additional comment, Staff recommends that the Committee advise the Board that the *Conflict of Interest Policy* is relevant and to update the Policy with the suggested revisions.

If you have any questions, please do not hesitate to contact me.

Enclosures: 1) Exhibit A, *Conflict of Interest Policy*, redline and clean version.

Exhibit A



CONFLICT OF INTEREST POLICY

I. PURPOSE

The *Conflict of Interest Policy* provides ACERA Trustees and Staff with guidelines for carrying out their fiduciary duties and mitigating the risk of an actual or perceived conflict of interest. For purposes of this policy, a conflict of interest is defined as any matter that could reasonably be expected to interfere with the obligation of Trustees and Staff to discharge their duty to the system solely in the interest of, and for the exclusive purpose of providing benefits to, participants and their beneficiaries.

II. DEFINITIONS

- A. The Board hereby incorporates by reference into this Policy the terms and definitions contained in the Political Reform Act of 1974 (“Act”); the regulations of the Fair Political Practices Commission (“FPPC”) (2 Cal. Code of Regs. §§18100 et seq.); and Government Code §§1090, 1091, and 1091.5; and any amendments to these laws.
- B. *Officials Who Manage Public Investments.* The persons holding the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code §87200:
 - 1. Each ACERA Trustee and Alternate Trustee
 - 2. Chief Executive Officer
 - 3. Chief Investment Officer
- C. *Designated Employees.* Pursuant to Government Code §82019, the persons holding the following positions are Designated Employees who make or participate in the making of decisions which may foreseeably have a material effect on financial interests:
 - 1. Assistant Chief Executive Officers
 - 2. Fiscal Services Officer
 - 3. Chief Counsel
 - 4. Benefits Manager
 - 5. Associate Counsel
 - 6. Human Resources Officer

7. Project & Information Services Manager
 8. Chief of Internal Audit
 9. Senior Investment Officer
 10. Investment Officer
 11. Consultants
- D.** *Disclosure Categories.* Designated employees are required to make full disclosure meaning they are required to disclose all investments, interests in real property, sources of income and business positions.
- E.** *Consultants.* Only those consultants who perform one or more of the following functions shall be required to complete and file Conflict of Interest/Form 700 Statement of Economic Interests with the Legal Department:
1. Make a governmental decision;
 2. Serve in Staff capacity and participate in making a governmental decision; or
 3. Serve in Staff capacity and perform the same or substantially all the same duties that would otherwise be performed by an individual holding a designated position in the agency's *Conflict of Interest Code*.
- F.** *Behested Payments.* For purposes of this Policy, a behested payment is defined as donations made to a non-profit or charitable organization at the direct request or solicitation of a Trustee.

A more detailed description of the designated employees and disclosure categories can be found in 2 Cal. Code of Regs. §§18701(a)(2)(A) and 18702.2.

III. ASSUMPTIONS

- A.** With respect to ACERA activities, the duty of an ACERA Trustee or Staff member to ACERA's participants and beneficiaries shall take precedence over any other duty.
- B.** A perceived conflict of interest can pose as great a risk to ACERA as an actual conflict of interest. Accordingly, perceived conflicts should be treated as actual conflicts of interest under this policy.
- C.** Safeguarding the trust of plan beneficiaries is paramount. Conflicts of interest, bribes, gifts, or favors that elevate private gains over the duty of Trustees and Staff to private gains are unacceptable.

- D.** It is not possible to identify and address in a policy all of the methods by which Trustees or Staff may manage beneficiaries' assets in ways that benefit them or third parties rather than beneficiaries. A policy therefore should consist of general guidelines and principles that will provide Trustees and Staff with direction in most situations that arise.
- E.** In situations where the law or policy is not clear, the best interests of beneficiaries must be served. Trustees and Staff shall act in good faith and exercise sound judgment.
- F.** When interacting with existing or potential service providers, there is a need for Trustees and Staff to establish and maintain an independent relationship to ensure that Trustees and Staff can remain objective when conducting the affairs of ACERA.

IV. POLICY GUIDELINES

- A.** Board Trustees and Staff of ACERA:
 - 1.** Gifts:
 - a.** Shall not accept or solicit any gift, favor, behested payment (as defined in subsection (2) below) or service, except as provided herein, that may reasonably tend to influence or be perceived to influence the individual in the discharge of his or her official duties or that the individual knows, or should know, is being offered with the intent to influence the individual's official conduct.
 - b.** Can accept gifts if Trustees and Staff adhere to the applicable FPPC laws and legislation regarding disclosure requirements, gift value limits, etc. so long as the gift is not in violation of the previous paragraph or the applicable laws and regulations.
 - 2.** Behested Payments:

Shall not directly request or solicit behested payments on behalf of any non-profit or charitable organization from any person or entity that is doing business directly with ACERA, if the Trustee is either a Board member of the non-profit or charity or participates in collecting charitable contributions for the non-profit or charity.
 - 3.** Shall not accept other employment or engage in a business or professional activity that the individual might reasonably expect would require or induce him

or her to disclose confidential information acquired by reason of his or her official position.

- 4.** Shall not engage in or accept other employment or compensation that could reasonably be expected to adversely impact the individual's independence of judgment and duty of loyalty in the performance of his or her official duties.
- 5.** Shall not make personal investments that could reasonably be expected to create a substantial conflict between the individual's private interests and the interests of the beneficiaries and plan participants.
- 6.** Shall not intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the individual's official powers or for having performed his or her official duties in favor of another.
- 7.** Shall not transact any business in the individual's official capacity with any entity or person in which he or she has an economic interest.
- 8.** Shall not appear before the Board while acting as an advocate for himself or herself or any other person, group, or entity, without fully disclosing his or her relationship and excusing himself or herself from the Board deliberations and voting.
- 9.** Shall not represent any business entity before the Board or senior management in return for any form of compensation.
- 10.** Shall not represent, directly or indirectly, any business entity or individuals in any action or proceeding against the interests of ACERA, or in any litigation in which the Plan is a party.
- 11.** Shall not use one's official position to secure a special privilege or exemption for oneself or others that could be perceived as or is an actual conflict of interest under the intent of this policy.
- 12.** Shall not use one's official position to secure confidential ACERA information for any purpose other than the exercise of official duties.
- 13.** Shall not intentionally or knowingly disclose any confidential information gained by one's position concerning the property, operations, policies, or affairs of ACERA, or use confidential information for pecuniary gain.

- B. When the ACERA Board is in, or about to enter into, the process of selecting a vendor, the Board, Staff and individual Trustees shall not accept social invitations, gifts, favors or services from vendors, nor solicit any behested payments, as defined in Section A.2., above, where it is reasonably foreseeable that the vendor is, or may reasonably be expected to be a candidate in the selection process.
- C. When a real or perceived conflict of interest exists, as defined herein, Trustees and Staff shall fully disclose said conflict and abstain from participating in Board deliberations concerning the matter and abstain from voting on the matter, except to the extent their participation is legally required for the decision to be made as allowed by 2 Cal. Code of Code of Regs. §18730 (i.e., rule of necessity).
- D. In order to facilitate compliance with the provisions of this policy, Trustees and Staff, may pay for their own meals, beverages, or entertainment when interacting with existing or potential service providers, and in turn shall be reimbursed for said expenditures by ACERA. Receipts shall be obtained when ordinarily given and claims shall be submitted to the Chief Executive Officer for reimbursement.
- E. The ACERA Legal Department will maintain and provide to the Board Trustees, contemporaneous with the Form 700 materials, an annual report, listing the individuals and entities with whom ACERA is contracting for services, so as to assist the Trustees and Staff with disclosure and/or recusal obligations relating to their own economic interests, including those of their immediate family members.

V. CONFLICT OF INTEREST/FORM 700 STATEMENT OF ECONOMIC INTERESTS

- A. Trustees and Designated Employees shall complete and file conflict of interest/Statement of Economic Interests - Form 700 with the Legal Department as follows:
 - 1. **Initial Statements.** Each person already in a position when it is designated by an amendment to the *Conflict of Interest Code* for ACERA shall file an initial statement within 30 days after the effective date of the amendment.
 - 2. **Assuming Office Statements.** All persons assuming designated positions after the effective date of the *Conflict of Interest Code* for ACERA shall file statements within 30 days after assuming the designated positions.

3. **Annual Statements.** All officials who manage public investments shall file statements no later than March 1. All Designated Employees shall file statements no later than April 1.
 4. **Leaving Office Statements.** All persons who leave designated positions shall file statements within 30 days after leaving office.
- B. Contents of and Period Covered by Statements of Economic Interests.**
1. **Contents of Initial Statements.** Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the *Conflict of Interest Code* for ACERA and income received during the 12 months prior to the effective date of the *Conflict of Interest Code* for ACERA.
 2. **Contents of Assuming Office Statements.** Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.
 3. **Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the *Conflict of Interest Code* for ACERA or the date of assuming office whichever is later.
 4. **Contents of Leaving Office Statements.** Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

VI. BIENNIAL ETHICS TRAINING

Under Government Code §53234 et seq., all Board Trustees, including ACERA Trustees, must receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. Each Trustee shall attend ethics training at least once every two (2) years as required by Government Code §53235.1. New Trustees shall attend ethics

training no later than one year from the first day of service with ACERA. The ACERA Legal Department will maintain records indicating the date ethics training was completed and the entity that provided the training.

VII. POLICY REVIEW

The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

VIII. POLICY HISTORY

- A. The Board adopted this policy on November 18, 1999.
- B. The Board reviewed and affirmed this policy, with revisions, on December 20, 2018¹.

¹ Previous amendment dates all with revisions: August 15, 2002; August 16, 2007; June 17, 2010; September 19, 2013; June 18, 2015; November 17, 2016.



CONFLICT OF INTEREST POLICY

I. PURPOSE

The ~~purpose of the ACERA Conflict of Interest Policy is to~~ provides ACERA Trustees and Staff with guidelines for carrying out their fiduciary duties and mitigating the risk of an actual or perceived conflict of interest. ~~arising. At a minimum~~ For purposes of this policy, a conflict of interest ~~for purposes of this policy~~ is defined as any matter that could reasonably ~~could~~ be expected to interfere ~~or be perceived to be interfering~~ with a Trustee's or Staff's the obligation of Trustees and Staff to discharge their duty ~~ies with respect~~ to the system solely in the interest of, and for the exclusive purpose of providing benefits to, participants and their beneficiaries.

II. DEFINITIONS

- A. The Board hereby incorporates by reference into this Policy the terms and definitions contained in the Political Reform Act of 1974 ("Act"); ~~and the regulations of the Fair Political Practices Commission ("FPPC") (2 Cal. Code of Regs. §§18100 et seq.) and any amendments to the Act or regulations~~; and Government Code ~~sections §§~~ 1090, 1091, and 1091.5; and any amendments to these laws.⁺
- B. *Officials Who Manage Public Investments.* The persons holding the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code ~~Section §~~ 87200:
1. Each ACERA Trustee and Alternate Trustee
 2. Chief Executive Officer
 3. Chief Investment Officer
- C. *Designated Employees.* Pursuant to Government Code ~~Section §~~ 82019, the persons holding the following positions are Designated Employees who. ~~It has been determined that these persons~~ make or participate in the making of decisions which may foreseeably have a material effect on financial interests:
1. Assistant Chief Executive Officers
 2. Fiscal Services Officer

⁺ ~~All legal references in the Policy are in the Political Reform Act and related Regulations as well as Government Code Sections 1090, 1091 and 1091.5.~~

3. Chief Counsel
 4. Benefits Manager
 5. Associate Counsel
 6. Human Resources Officer
 7. Project & Information Services Manager
 8. Chief of Internal Audit
 9. Senior Investment Officer
 10. Investment Officer
 11. Consultants
- D. *Disclosure Categories.* Designated employees are required to make full disclosure meaning they are required to disclose all investments, interests in real property, sources of income and business positions.
- E. *Consultants.* Only those consultants who perform one or more of the following functions shall be required to complete and file Conflict of Interest/Form 700 Statement of Economic Interests with the Legal Department:
1. Make~~ing~~ a governmental decision;
 2. Serve in Staff capacity and participate in making a governmental decision; or
 3. Serve in Staff capacity and perform the same or substantially all the same duties that would otherwise be performed by an individual holding a designated position in the agency's *Conflict of Interest Code*.
- F. *Behested Payments.* For purposes of this Policy, a behested payment is defined as donations made to a non-profit or charitable organization at the direct request or solicitation of a Trustee.

A more detailed description of the designated employees and disclosure categories functions listed above can be found in 2 Cal~~.ifornia~~ Code of Regs~~ulations~~ Sections ~~§§~~ 18701(a)(2)(A) and 18702.2.

III. ASSUMPTIONS

- A. With respect to ACERA activities, the duty of an ACERA Trustee or Staff member to ACERA's participants and beneficiaries shall take precedence over any other duty.

- B. ~~An issue that may be~~ perceived ~~to create a~~ conflict of interest can pose as great a risk to ACERA as an actual conflict of interest. Accordingly, perceived conflicts should be treated as actual conflicts of interest under this policy.
- C. Safeguarding the trust of plan beneficiaries is paramount. Conflicts of interest, bribes, gifts, or favors that elevate private gains over the duty of subordinate Trustees ~~and or~~ Staff to private gains are unacceptable.
- D. It is not possible to identify and address in a policy all of the methods by which Trustees or Staff may manage beneficiaries' assets in ways that benefit them or third parties rather than beneficiaries. A policy therefore should consist of general guidelines and principles that will provide Trustees and Staff with direction in most situations that ~~may~~ arise.
- E. In situations where the law or policy is not clear, the best interests of beneficiaries must be served. Trustees and Staff shall act in ~~should err on the side of~~ good faith and exercise sound judgment.
- F. When interacting with existing or potential service providers, there is a need for Trustees and Staff to establish and maintain an independent relationship to ensure that Trustees and Staff can remain objective when conducting the affairs of ACERA.

IV. POLICY GUIDELINES

- A. ~~A member of the B~~Board of Trustees and or Staff of ACERA:
 - 1. Gifts:
 - a. Shall not accept or solicit any gift, favor, behested payment (as defined in subsection (2) below) or service, except as provided herein, that may reasonably tend to influence or be perceived to influence the individual in the discharge of his or her official duties or that the individual knows, or should know, is being offered with the intent to influence the individual's official conduct.
 - b. ~~Trustees and Staff e~~Can accept gifts if Trustees and Staff adhere to the applicable FPPC laws and legislation regarding disclosure requirements, gift value limits, etc. so long as the gift is not in violation of the ~~previous aforementioned~~ paragraph or the applicable laws and regulations.

2. Behested Payments:
~~Trustees s~~ Shall not directly request or solicit behested payments on behalf of any non-profit or charitable organization from any person or entity that is doing business directly with ACERA, if the Trustee is either a Board member of the non-profit or charity or participates in collecting charitable contributions for the non-profit or charity.
3. Shall not accept other employment or engage in a business or professional activity that the individual might reasonably expect would require or induce him or her to disclose confidential information acquired by reason of his or her official position.
4. Shall not engage in or accept other employment or compensation that could reasonably be expected to adversely impact ~~impair~~ the individual's independence of judgment and duty of loyalty in the performance of his or her ~~their~~ official duties. ~~Additionally, attorneys employed in the ACERA legal department shall not personally engage in the private practice of law or be interested directly or indirectly therein; provided that they may, without compensation, act as attorney for themselves, for members of their families; and nonprofit organizations, including pro bono activities. In all such cases, the representation shall be approved by the Chief Counsel (or the CEO in the case of the Chief Counsel), ACERA resources shall not be used to provide such services, and the representation does not constitute an incompatible activity by the ACERA attorney under State law or County ordinances. Any exception to this policy must be expressly approved in writing by the ACERA Chief Counsel and ACERA Chief Executive Officer, or if the exception is requested by the Chief Counsel, then by the ACERA Chief Executive Officer and the Board of Retirement;~~
5. Shall not make personal investments that could reasonably be expected to create a substantial conflict between the individual's private interests and the interests of the beneficiaries and plan participants ~~and the beneficiaries of the Plan.~~

6. Shall not intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the individual's official powers or for having performed his or her ~~their~~ official duties in favor of another.
 7. Shall not transact any business in the individual's official capacity with any entity or person in which he or she has an economic interest.
 8. Shall not appear before the Board while acting as an advocate for himself or herself or any other person, group, or entity, without fully disclosing his or her relationship and excusing himself or herself from the Board deliberations and voting ~~procedure~~.
 9. Shall not represent any business entity before the Board or senior management in return for any form of compensation.
 10. Shall not represent, directly or indirectly, any business entity or individuals in any action or proceeding against the interests of ACERA, or in any litigation in which the Plan is a party.
 11. Shall not use one's official position to secure a special privilege or exemption for oneself or others that could be perceived as or is an actual ~~would not reasonably have been anticipated and found acceptable by the Board in approving its~~ conflict of interest under the intent of this policy.
 12. Shall not use one's official position to secure confidential ACERA information for any purpose other than the exercise of official duties.
 13. Shall not intentionally or knowingly disclose any confidential information gained by one's position concerning the property, operations, policies, or affairs of ACERA, or use confidential information for pecuniary gain.
- B.** When the ACERA Board is in, or about to enter into, the process of selecting a vendor, the Board, Staff and individual Trustees shall not accept social invitations, gifts, favors or services from vendors, nor solicit any behested payments, as defined in Section A. ~~(2.2)~~, above, where it is reasonably foreseeable that the vendor is, or may reasonably be expected to be a candidate in the selection process.
- C.** When a real or perceived conflict of interest exists, as defined herein, Trustees and Staff shall fully disclose said conflict and abstain from participating in Board deliberations concerning the matter and abstain from voting on the matter, except to the extent their

- participation is legally required for the decision to be made as allowed by 2 Cal. Code of Code of Regulations Sections §18730 (i.e., rule of necessity).
- D. In order to facilitate compliance with the provisions of this policy, Trustees and Staff, may pay for their own meals, beverages, or entertainment when interacting with existing or potential service providers, ~~may pay for their own meals, beverages, or entertainment~~, and in turn shall be reimbursed for said expenditures by ACERA. Receipts shall be obtained when ordinarily given and claims shall be submitted to the Chief Executive Officer for reimbursement.
- E. ~~In order to facilitate compliance with the provisions of this Policy, t~~The ACERA Legal Department will maintain and provide ~~deliver to the~~ Board Trustees, contemporaneous with the Form 700 materials, an annual ~~quarterly~~ report, ~~and make available upon request, a report of~~ listing the individuals and entities with whom ACERA is contracting ~~with~~ for services, so as to assist the Trustees and Staff with disclosure and/or recusal obligations relating to their own economic interests, including those of their immediate family members.

V. CONFLICT OF INTEREST/FORM 700 STATEMENT OF ECONOMIC INTERESTS

- A. Trustees and Designated ~~e~~Employees shall complete and file ~~C~~Conflict of ~~I~~Interest/Statement of Economic Interests - Form 700 with the Legal Department as follows:
1. **Initial Statements.** Each person already in a position when it is designated by an amendment to the *Conflict of Interest Code* for ACERA shall file an initial statement within 30 days after the effective date of the amendment.
 2. **Assuming Office Statements.** All persons assuming designated positions after the effective date of the *Conflict of Interest Code* for ACERA shall file statements within 30 days after assuming the designated positions.
 3. **Annual Statements.** All officials who manage public investments shall file statements no later than March 1. All Designated Employees shall file statements no later than April 1.
 4. **Leaving Office Statements.** All persons who leave designated positions shall file statements within 30 days after leaving office.

B. Contents of and Period Covered by Statements of Economic Interests.

- 1. Contents of Initial Statements.** Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the *Conflict of Interest Code* for ACERA and income received during the 12 months prior to the effective date of the *Conflict of Interest Code* for ACERA.
- 2. Contents of Assuming Office Statements.** Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.
- 3. Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the *Conflict of Interest Code* for ACERA or the date of assuming office whichever is later.
- 4. Contents of Leaving Office Statements.** Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

VI. BIENNIAL ETHICS TRAINING

Under Government Code ~~Section §~~53234 et seq., all Board Trustees ~~local agency officials~~, including ACERA Trustees, must receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. Each Trustee shall attend ethics training at least once every two (2) years as required by Government Code ~~Section §~~53235.1. New Trustees shall attend ethics training no later than one year from the first day of service with ACERA.

The ACERA Legal Department will maintain records indicating the date ethics training was completed and the entity that provided the training.

VII. POLICY REVIEW

The Governance Committee shall review this policy at least every three (3) ~~two (2)~~ years to ensure that it remains relevant and appropriate.

VIII. POLICY HISTORY

- A. The Board adopted this policy on November 18, 1999.
- B. The Board reviewed and affirmed this policy, with revisions, on December 20, 2018~~N~~
~~November 17, 2016.~~¹².

¹² Previous amendment dates all with revisions: August 15, 2002; August 16, 2007; June 17, 2010; September 19, 2013; June 18, 2015; November 17, 2016.



Date: December 20, 2018

To: Members of the Governance Committee

From: Kathy E. Mount, Chief Counsel

Subject: ***Board Policy Update***

Introduction

Staff¹ reviewed all of the Board policies, excluding Investment policies as they are handled by the Investment Department, with several goals in mind: 1) To create an updated format; 2) To revise policy titles for clarity and simplicity; 3) To place all policies on a three year review cycle; and 4) To create a fixed review schedule for each policy so that similar policies are reviewed together.

Updates

Staff intends to implement the following:

- **Update the Format of Board Policies**

Attached is a sample format as **Exhibit A**. While ACERA has not embarked upon a formal branding effort yet, Staff sought to create a more professional and modern day format. The Communications Department assisted greatly in developing this updated format.

- **Create New Titles for Several Board Policies**

Staff suggests updating several policy titles for clarity and simplicity as noted in **Exhibit B**.

- **Three Year Review Cycle for Each Board Policy**

In the Board Governance and Development Policy Process, the Board extended the time frame to review policies to every three years. Consistent with that policy, Staff will change each policy to reflect a three year cycle. A policy can always be reviewed earlier if there is a legal or operational reason.

¹ For the purposes of this memorandum, the term "Staff" refers to the collective contributions of Chief Executive Officer David H. Nelsen, Chief Counsel Kathy E. Mount, relevant Senior Managers, the Communications Department and Associate Counsel Lori K. Schnall.

- Fixed Review Schedule for Each Board Policy

Staff suggests creating a fixed review schedule for the Board policies. The policies have been divided into three general groups as follows and as outlined in **Exhibit C**:

- Group 1: Policies that govern the Board's actions.
- Group 2: Policies involving general operational issues in Benefits and other departments.
- Group 3: Policies involving the Chief Executive Officer, fiscal, legal and audit.
- Within each group the policies are color coded to identify which policies will be reviewed at the same time.

Policies can always be reviewed earlier if needed due to legal or operational reasons.

Conclusion

Staff anticipates that these updates will create a more unified look for the policies and improve the format, process and structure for reviewing policies. Staff intends to implement these revisions at the beginning of January 2019.

If you have any questions, please do not hesitate to contact me.

EXHIBIT A Sample Policy



Securities Litigation Policy

I. Purpose

- A. The purpose of the ACERA Securities Litigation Policy is to establish procedures and guidelines for monitoring and participating in domestic and international securities class action lawsuits or similar litigation impacting the investment portfolio, when appropriate to protect ACERA's interests.

II. Assumptions

- A. The authority to pursue claims is delegated to the Legal Department. Legal staff may retain outside consultants to assist in monitoring securities litigation cases, identifying those cases that potentially involve ACERA's assets and evaluate ACERA's potential losses and chances of recovery. Legal staff may also retain outside counsel to assist in identifying and evaluating other types of claims resulting in investment losses and assessing potential financial interest particularly claims pursuant to antitrust laws or the Commodity Exchange Act. Such retention would include assessing ACERA's potential financial interest in pursuing litigation for such claims to the extent possible.
- B. Legal staff will attempt to ensure that ACERA obtains its fair share of any recovery in such cases where ACERA has a valid claim. Where the size of ACERA's potential loss in a particular case justifies involvement, Legal staff will monitor and/or participate in the case as appropriate. Alternatively, in cases where it may be difficult to assess ACERA's potential recovery, and if the case appears to have a potentially significant interest and has merit, Legal staff shall determine whether ACERA will participate in such cases. Additionally, Legal staff may also monitor and/or object to attorneys' fee requests made in cases where ACERA has standing to file a claim. Legal staff monitors foreign securities litigation fraud cases, and determines whether ACERA will participate in such cases.

- C. When deciding whether to pursue lead plaintiff status in securities litigation class actions or class actions alleging alternative theories of liability for investment losses, Legal staff will consult with the Chief Executive Officer and the Chief Investment Officer.
- D. The implementation of this policy should not place an inordinate burden on ACERA Legal staff. Existing resources should be used to keep the Board apprised of the status of the filing and settlement of securities class action cases or other class action litigation impacting ACERA's investment portfolio.

III. Policy Guidelines

- A. Review of Class Action Filings. Legal staff shall monitor the filing and settlement of securities class actions.
- B. Active Case Monitoring. Where the potential amount ACERA could recover in a case is sufficiently large and the case has merit, Legal staff shall determine whether ACERA should actively monitor and/or actively participate in the litigation.
- C. Participation in Settlement. Legal staff shall develop and implement procedures for ensuring that timely claims are submitted on behalf of ACERA in all appropriate securities class action settlements as well as other class action litigation impacting the portfolio. Legal staff will develop and implement procedures for filing objections to attorneys' fees requests made by plaintiffs' counsel(s) where appropriate in securities class action settlements.
- D. Reports to the Board. Legal staff shall report annually to the Board regarding those cases which are being monitored and cases in which ACERA has taken an active role. Legal staff shall keep the Board apprised of any unusual or extraordinary events as they occur.

IV. Policy Review

- A. This policy shall be reviewed by the Governance Committee at least every three (3) years to ensure that it remains relevant and appropriate.
-

V. Policy History

A. This Board adopted this policy on April 18, 2002.

B. The Board reviewed and adopted this policy, with revisions, on September 20, 2018¹.

Exhibit B

Updating Titles of Board Policies

Current Title	Proposed New Title
ACERA Electronic Tablet Usage Policy	Electronic Tablet Policy
Audit of Employer Compensation and Retirement Information Policy	Employer Audit Policy
ACERA Membership Policy	Membership Policy
Board Governance and Policy Development Process	Board Policy Development Process
Chief Executive Officer Job Description and Delegation of Authority	CEO Job Duties and Delegation of Authority Policy
Chief Executive Officer Annual Performance Evaluation Policy	CEO Evaluation Policy
Discharge of Benefit Overpayments Receivable Policy	Discharge of Overpayments Policy
Outside Counsel Retention Policy	Outside Counsel Policy
Recovery of Over and Underpayment of Member Benefits & Underpayment of Member Contributions Policy	Error Correction Policy
Retiree Payroll Deduction and Assignment of Benefit Policy	Retiree Payroll Deduction Policy
Senior Management Contingency Policy	Emergency CEO Succession Policy
Trustee Education and Training Policy	Board Education Policy
Trustee Communication Policy	Board Communications Policy
Voluntary Elected Member Reimbursement Policy	Employer Reimbursement Policy
Media Policy	Media Communications Policy

Exhibit C

Establishing Review Schedule

Governance Policies – In general, these policies govern the Board’s actions.

Group 1 – This Group will be reviewed in 2019 and every three years thereafter

Board Travel Policy
Board Education Policy
Board Communications Policy
Media Communications Policy
Electronic Tablet Policy
Board and Committee Operations Policy
Board Policy Development Process
Board Elections Policy
Conflict of Interest Code
Conflict of Interest Policy

Administrative Policies – These policies direct ACERA’s operations.

Group 2 – This Group will be reviewed in 2020 and every three years thereafter

Administrative Hearing Policy
Error Correction Policy
Felony Forfeiture Policy
Membership Policy
Retiree Payroll Deduction Policy
SRBR Policy
Service Provider Policy
Record Retention Policy

Group 3 – This Group will be reviewed in 2021 and every three years thereafter

Declining Employer Policy
Withdrawing Employer Policy
Employer Audit Policy
Interest Crediting Policy
Actuarial Funding Policy
Discharge of Overpayments Policy
Employer Reimbursement Policy
Securities Litigation Policy
Outside Counsel Policy
Emergency CEO Succession Policy
CEO Evaluation Policy
CEO Job Duties and Delegation of Authority Policy