

**SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION**  
**BOARD EDUCATION POLICY**

**I. BACKGROUND AND PURPOSE**

It is the desire and intention of the Board to ensure that board members receive current benefit, financial and policy information and education related to the Retirement Association necessary for them to prudently and competently discharge their duties.

This policy establishes education guidelines applicable to all SDCERA board members, including alternate members. It is the intent of this policy to comply with the requirements of Government Code Section 31522.8.

While the Board believes it must provide trustees with the tools and resources necessary to obtain sufficient knowledge to discharge their fiduciary duties, it is ultimately the responsibility of individual trustees to take advantage of these tools and resources. Furthermore, it is expected that trustees will also educate themselves as required on their own time outside of board and committee meetings, through various educational opportunities, additional reading and preparation, or through discussions with staff and advisors. Trustees may satisfy the educational requirements of Government Code Section 31522.8 through self-study utilizing videos, audiotapes or written materials provided by CALAPRS, SACRS, the International Foundation of Employee Benefit Plans (IFEBP) or any other educational organization approved by the Chief Executive Officer.

A copy of this policy statement and the related travel policy procedures are to be provided to each new board member at the beginning of his or her term.

**II. GENERAL GUIDELINES**

A. Trustees agree to pursue appropriate and cost-effective education across a range of pension-related areas, rather than limiting their education to specific areas. General pension-related areas to be pursued include:

1. Fiduciary responsibilities;
2. Ethics;
3. Pension fund investments and investment program management;
4. Investment performance measurement;
5. Actuarial matters;
6. Pension funding;
7. Benefits administration;
8. Disability evaluation;

9. Fair hearings;
  10. Pension fund governance, including organizational structure, methods, and practices;
  11. Budgeting; and
  12. New member orientation.
- B. Trustees will attempt to meet the following minimum goals:
1. To secure, over time, a useful level of understanding in each of the topic areas listed in paragraph II-A above;
  2. To attend at least one conference annually. Trustees are encouraged to attend conferences, on occasion, that address pension topics other than investments; and
  3. Participate in any in-house educational seminars or briefings that may be organized from time to time by staff or vendors.
- C. All trustees will have the responsibility to attend a minimum of 24 hours of Board member education within the first two years of assuming office and during every subsequent two-year period a trustee continues to hold membership on the Board.
- D. It is the intention of the Board to establish the standard that unless a conference/seminar agenda contains an average of five (5) hours of substantive educational content per day in one or more of the topics listed in paragraph II-A of this policy, attendance at the particular conference/seminar will not be approved. Conferences that routinely and consistently satisfy this requirement may automatically be placed on the Board agenda for attendance approval. Conferences subject to automatic placement on the agenda for approval include the meetings described in paragraph IV-A of the Board's Policy on Education and Travel Procedures as well as other seminars sponsored by state or national public pension organizations and other seminars sponsored by accredited academic institutions. Copies of agendas of other conferences that appear to satisfy the five (5) hour requirement will be distributed to the trustees who may individually have the conference placed on the Board agenda for attendance approval. Authorization to attend client conferences organized or sponsored by a single company or firm shall be restricted to those conferences sponsored by firms who maintain a commercial relationship with SDCERA.
- E. In considering each request to attend a specified conference, the Board will consider the following questions:
1. Are the conference topics of current interest and importance and related to issues facing SDCERA?
  2. Have reports from previous attendees been favorable regarding the content of the conference and the continuing value of future attendance?

3. Will the conference meet the educational needs of the attendee?
4. Does the cost of the trip justify the benefits - particularly when international travel is involved?

### **III. IN-HOUSE EDUCATIONAL SEMINARS**

- A. Annually, the Chief Executive Officer will identify topics for board education, with input from the Board, and design at least one in-house educational seminar on these topics. The Chief Executive Officer will present proposed topics and dates to the Board for its approval. Such initiatives may be appended to regular board meetings or organized as stand-alone sessions.

### **IV. ORIENTATION PROGRAM (NEW BOARD MEMBER EDUCATION)**

- A. The Chief Executive Officer will develop an orientation program designed to introduce new trustees to all pertinent operations of SDCERA and highlight the knowledge base required of a trustee. The aim of the orientation program will be to ensure that new trustees are in a position to contribute fully to board and committee deliberations, and effectively carry out their fiduciary duties as soon as possible after joining the Board.
- B. Within 30 days of a trustee's election or appointment to the Board, the Chair will designate an incumbent member of the Board to provide the new trustee an orientation to current board governance practices.
- C. As part of the orientation process, new trustees will, within 30 days of their election or appointment to the Board, or as soon thereafter as possible:
  1. Be briefed by the Chief Executive Officer on the history and background of SDCERA;
  2. Be oriented by the Chair on current issues before the Board;
  3. Be provided a tour of SDCERA offices by the Chief Executive Officer and be introduced to members of senior management;
  4. Be briefed by the Board's legal counsel on their fiduciary duties, conflict of interest guidelines, the County Employees Retirement Law of 1937, Proposition 162, The Brown Act, and other pertinent legislation; and
  5. Be provided with:
    - a) A Trustee Reference Manual (the contents of which are listed in Appendix 1);
    - b) A listing of upcoming recommended educational opportunities; and
    - c) Other relevant information and documentation deemed appropriate by the Chief Executive Officer.

- D. During the first year of a trustee's tenure on the Board, the Chief Executive Officer will organize a series of at least three educational sessions in which staff will orient the new trustee(s) on all key facets of SDCERA. Such sessions will also be open to experienced trustees who may be interested in attending.

**V. REPORTING AND MONITORING**

- A. Board members shall report their activities in compliance with this policy to the Chief Executive Officer on or before December 31 of each year, which records shall be maintained by SDCERA. An annual report summarizing the various educational activities undertaken by the Board and individual trustees in compliance with this policy, including new board member orientation activities, will be prepared by the Chief Executive Officer and provided to the Board. This policy and the annual report will be posted on SDCERA's website.

**REVIEW**

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

**HISTORY**

July 6, 1995	Adopted
April 1, 2004	Revised, effective July 1, 2004
April 7, 2005	Amended
November 1, 2007	Revised, effective immediately
April 5, 2012	Revised, effective immediately
November 1, 2012	Revised, effective January 1, 2013
January 19, 2017	Revised, effective immediately

**APPENDIX I**

**TRUSTEE REFERENCE MANUAL**

The Trustee Reference Manual will include the following materials:

1. Relevant sections of the County Employees Retirement Law of 1937;
2. The *Brown Act* and *Proposition 162*;
3. Most recent plan description and member handbook;
4. Copies of Board policies;
5. Most recent Annual Report;
6. A sample investment performance report;
7. Organizational chart;
8. Names and phone numbers of the trustees and the Chief Executive Officer;
9. Listing of current committee assignments;
10. Listing of current vendors; and
11. Glossary of key pension administration terms and definitions.