



BOARD OF RETIREMENT

Staff Report

File #: 22-003.3

Agenda Date: 5/5/2022

Agenda #: 12.

FROM: Don Pierce, Chief Investment Officer

SUBJECT: Rescind Investment Policy No. 021 (Requests for Personally Identifiable Information)

RECOMMENDATION:

Rescind Investment Policy No. 021 (Requests for Personally Identifiable Information).

BACKGROUND:

General Policy No. 005 involves the periodic review of Board Policies and indicates that the Investment Committee shall review investment policies every three years. Investment Policy No. 021 (Requests for Personally Identifiable Information) was previously adopted in 2019.

The Investment Committee reviewed and approved a revision to this policy on February 8, 2022 which is attached as Exhibit A. However, after further review and discussion at the April 14, 2022 Investment Committee meeting, the Committee unanimously voted to rescind Investment Policy No. 021 (Requests for Personally Identifiable Information).

The policy language changes from the February 8th Investment Committee meeting, while intended to provide additional negotiating flexibility primarily for our private equity manager, was rejected by subsequent private equity General Partner counsel.

Considering this set-back, staff engaged counsel from the Nossaman firm to assist in the development of revisions to the policy. Their review concluded the California Government Code, and the California Constitution provides rigorous privacy protection to Trustees and public officials related to Personally Identifiable Information (PII) and the new policy would effectively restate California law. Accordingly, staff believes that a policy that would merely restate current law is unnecessary and recommends that the Board rescind the policy.

Investment staff, Nossaman, Morgan Lewis, NEPC and our Legal department have participated in the overall review and recommendation process.

COMMITTEE REVIEW:

This item was reviewed by the Investment Committee at its April 14, 2022 meeting, and recommended Board approval to rescind with a 4-0 vote.

BUDGET IMPACT:

None.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Prudent Fiscal Management

STAFF CONTACT:

Don Pierce

ATTACHMENTS:

Exhibit A: Investment Policy No. 021 (Requests for Personally Identifiable Information) - Redline
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