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OPEN SESSION

NOTICE OF REGULAR BOARD MEETING
JOSEPH BRESS, CHAIRMAN

THURSDAY, SEPTEMBER 15, 2016

AGENDA

(*MAY ENTER INTO CLOSED SESSION)

1:00 PM	**ROLL CALL**
	APPROVAL OF MEETING MINUTES FOR JULY 21, 2016
	CHAIRMAN'S COMMENTS
	EXECUTIVE DIRECTOR'S REPORT
	INVESTMENT COMMITTEE REPORT ➢ **POSSIBLE ACTION ITEMS**
	OPERATIONS COMMITTEE REPORT
	BENEFITS COMMITTEE REPORT
	LEGISLATIVE COMMITTEE REPORT
	AUDIT COMMITTEE REPORT
	OTHER BUSINESS *
2:00 PM	**ADJOURNMENT**

ADDITIONAL MEETING MATERIALS

- ORGANIZATIONAL CHART
- CONFERENCES & MEETINGS LISTING
- TRUSTEES & STAFF TRAINING AND TRAVEL REPORT

DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
JULY 21, 2016
1:00 P.M.

MEMBERS PRESENT
Joseph M. Bress,
Lyle M. Blanchard
Barbara Davis Blum
Joseph W. Clark
Mary A. Collins
Gary W. Hankins
Darrick Ross
Edward C. Smith
Thomas N. Tippett
Lenda P. Washington

DCRB STAFF PRESENT
Eric Stanchfield, Executive Director
Sheila Morgan-Johnson
Erie Sampson
Johnetta Bond
Peter Dewar
Anthony Shelborne
Joan Passerino
Kimberly Woods
Patrick Sahm
Adina Dorch
Michael Xanthopoulos
Vernon Valentine
Jason Todd
Sebastian Podesta
Katie Schultz
Deborah Reaves
Johniece Harris
Wukyanos Gebremeskel
Shaquja Clark

MEMBERS NOT PRESENT
Nathan A. Saunders
Michael J. Warren
Jeffrey Barnette, ex officio

OTHERS PRESENT

ROLL CALL
Chairman Bress called the meeting to order at 1:46 p.m. and Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES
Chairman Bress introduced a motion to approve the May 19, 2016 Board meeting minutes.

<u>Motion #1</u>: To approve the May 19, 2016 Board meeting minutes.

The motion was moved by Trustee Hankins and properly seconded by Trustee Clark. The motion was approved (7-0, with 3 abstentions). *(See Tally #1)*

CHAIRMAN'S COMMENTS

Chairman Bress commented on the following topics:

Strategic Planning Initiatives for 2017 and Beyond
During today's Board meeting, Trustees will have the opportunity to meet the two firms that DCRB's internal Source Selection Evaluation Board chose as finalists for the Board's Strategic Planning Project. This Project will begin as soon as the Board selects the firm it wants to work with, and a contract with that firm is negotiated and signed.

Trustee Elections
Elections will be held this fall for the Active Firefighter, Retired Police Officer and Active Teacher trustee terms that begin January 28, 2017. As in the past, the process will begin in August and the elected trustees will be certified in late November.

Committee Chair and Membership Appointments
Because the June Board meeting was cancelled, Chairman Bress noted that a copy of the Trustee Committee List is included in the meeting materials for review. He noted that, except for the appointment of Trustee Collins as the Chair of the Operations Committee, all other assignments are the same as last year.

Condolences to Trustee Saunders
On behalf of the Board, Chairman Bress extended sincere condolences to Trustee Saunders on the passing of his father.

Motion #2: To convene in closed session to discuss the acquisition of a strategic planning consultant pursuant to D.C. Code § 2-575(b)(2).

The motion was moved by Trustee Bress and properly seconded by Trustee Collins. The motion was approved (10-0). *(See Tally #2)*

Motion #3: To adjourn the closed session and reconvene the meeting in open session.

The motion was moved by Trustee Bress and properly seconded by Trustee Hankins. The motion was approved (10-0). *(See Tally #3)*

INVESTMENT COMMITTEE REPORT

Committee Chair Blum provided the following motions from the Investment Committee meeting of earlier in the day:

<u>Motion #4</u>: To authorize an investment manager search.

The motion was moved by Trustee Blum and properly seconded by Trustee Washington. The motion was approved (10-0). *(See Tally #4)*

Motion #5: To approve the Investment Consultant Agreement with Meketa Investment Group, Inc. as the Board's non-discretionary investment consultant for all services and authorize the Executive Director and Chief Investment Officer to execute the approved contract.

The motion was moved by Trustee Blum and properly seconded by Trustee Collins. The motion was approved (10-0). *(See Tally #5)*

EXECUTIVE DIRECTOR'S REPORT

Executive Director, Eric Stanchfield, commented on the following:

Joseph Bress Reappointment Resolution
On April 5, 2016, the District Council unanimously adopted Council Resolution 21-444, the "District of Columbia Retirement Board Joseph M. Bress Reappointment Resolution of 2016," reappointing Joseph Bress to the Board. The reappointment was effective retroactive to January 28, 2016, for a four-year term that will end on January 27, 2020. Included in the Board package is a copy of the June 21, 2016 cover letter transmitting this action to the Board, as well as copies of the Resolution and Certification Record.

Equal Employment Opportunity (EEO) Laws and Sexual Harassment Sensitivity Training
DCRB staff recently received mandatory training regarding EEO laws and sexual harassment sensitivity that was conducted onsite by the District of Columbia Department of Human Resources. The training was in separate segments for managers and staff. Subsequent feedback reflected that both segments were informative and well received.

Federal Benefits Seminar
On June 29 and 30, the United States Office of Personnel Management offered its annual Federal Benefits Seminar as a live webcast. The Seminar, which several DCRB staff viewed, provided sessions on: Policy Operations/Insurance Update; Federal Employee Health Benefits and Medicare; Health Insurance/Retirement Open Forum; and Services On-Line.

OPERATIONS COMMITTEE REPORT

The Operations Committee met on July 20, 2016. Committee Chair Collins reported the following update of activities that occurred since the May Board meeting:

Committee Meeting Schedule
The next Operations Committee meeting will be held in September to review amendments to DCRB's Procurement Policy regarding the Agency's utilization of certified business enterprises (CBE) in procuring goods and services and recent events regarding the Department of Small and Local Business Development (DSLBD)/ CBE program.

Operations Committee Charter
A draft Operations Committee charter is currently being circulated for Trustee and staff review.

Action Items Report
A contract awards memo and supporting contract log containing a list of contracts awarded during the period January 1, 2016 through July 15, 2016 is included in the Board package.

Retirement Modernization Program
DCRB's Chief Financial Officer, Anthony Shelborne, presented the Board with an overview of the budget for the Retirement Modernization Program and the amount spent through June 2016. Chief Technology Officer, Peter Dewar, provided an overview of the projects in process, their status and their expected timelines.

BENEFITS COMMITTEE REPORT

The Benefits Committee met on July 20, 2016. Committee Chair Smith reported the following update of activities that occurred since the May Board meeting:

Retirement Modernization Project - Electronic Transmission of HR Data to STAR
The Benefits Department conducted User Acceptance Testing and DCRB's IT staff electronically submitted the resulting test files to the U.S. Treasury's STAR system. An implementation date is expected in November. Implementation will: 1) reduce the amount of manual data entry required; 2) reduce potential data entry errors; and 3) expedite the retirement record creation process.

Purchase of Service Project (POS)
Benefits Department staff is working with DCRB's actuary to consolidate the various purchase of service spreadsheets currently used to compute amounts required by members to purchase service for inclusion in their benefit calculation. The advantages of this project include: 1) easy updating of changes in actuarial assumptions; 2) consistency in calculations and communication with members; and 3) the elimination of the cost to members' Tier-change calculations. The resulting computation program is currently under review by DCRB's Quality Unit.

Benefit Statements Project
The Benefits Department is also working with DCRB's actuary to develop benefit statements for active members. The statements will provide members with certain demographic data and both an accrued and a projected benefit. Fire and Emergency Medical Service (FEMS) members have been selected as a pilot group. A test group of 170 FEMS members will receive preliminary statements around September 2016. Following DCRB's receipt of feedback regarding the statement and its content, DCRB expects to provide statements to all active FEMS members later in the year and to all active police officers and teachers next year.

Term Vested Project
An effort is underway to identify Plan members who terminated employment with DCPS, FEMS and MPD and who 1) did not complete five years of eligible service (were not vested) and did not receive a refund of their contributions to their Plan, or 2) completed five years of eligible service (were vested) and are eligible for either a deferred retirement benefit or a refund of their contributions. An analysis of the original group of 38,000 potential members that was identified in 2010 was reduced to around 9,500. Additional research is now being conducted to verify the exact number affected prior to contacting the members.

LEGISLATIVE COMMITTEE REPORT

On behalf of Committee Chair Blanchard, Chairman Bress referred Trustees to the Legislative Committee Report included in the Board package.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that the Committee did not meet this month, but that answers to questions posed by Trustees during the Committee's meeting in May would be provided at its meeting in September.

OTHER BUSINESS

None.

ADJOURNMENT

Motion #6: Chairman Bress introduced a motion to adjourn the meeting at 3:50 p.m.

The motion was properly moved by Trustee Bress and seconded by Trustee Collins. The motion was approved (9–0). *(See Tally #6)*

DISTRICT OF COLUMBIA RETIREMENT BOARD
RECORD OF OFFICIAL BOARD ACTIONS

Tally #1:	Date: July 21, 2016
To approve the minutes of the May 19, 2016 meeting.	

Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.			√		
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.			√		

Tally #2:	Date: July 21, 2016
To convene in closed session to discuss the acquisition of a strategic planning consultant pursuant to D.C. Code § 2-575(b)(2).	

Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #3:			Date: July 21, 2016		
To adjourn the closed session and reconvene the meeting in open session.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #4:			Date: July 21, 2016		
To authorize an investment manager search.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #5:			Date: July 21, 2016		
To approve the Investment Consultant Agreement with Meketa Investment Group, Inc. as the Board's non-discretionary investment consultant for all services and authorize the Executive Director and Chief Investment Officer to execute the approved contract.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #6:			Date: July 21, 2016		
To adjourn the meeting at 3:50 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

WILL BE PROVIDED AT THE MEETING.

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EXECUTIVE DIRECTOR REPORT
September 15, 2016

Activities	Updates
Trustee Elections	Candidate notification materials for this year's trustee elections (for retired police officer, active firefighter, and active teacher) were mailed to qualified voters on September 8th. The materials included a Notice of Election and Request for Nominations letter, and a Candidate Information Form. Information about the elections, including a schedule of important dates, has been posted to DCRB's website. Updates will be provided to you periodically and the results will be presented to the Board for certification at its December meeting.
Budget and Audit Updates	On September 1, 2016, Finance sent materials to all other DCRB departments regarding the FY 2018 budget development process. The materials included a calendar, which provided a timeline for several tasks, meetings and the budget submissions. The first draft will be presented to the Operations Committee in November. CliftonLarsonAllen conducted an interim audit during the week of August 15, 2016 and will be onsite during the week of November 14, 2016. They will present their Audit Plan for the 2016 review to the Audit Committee at its October meeting.
Actuarial Experience Study	Cavanaugh Macdonald has provided DCRB with preliminary information regarding the actuarial experience study covering the period from October 1, 2010 through September 30, 2015. The results will be presented to the Operations Committee during its October meeting.
Fossil Fuels Investment Inquiry	DCRB received a letter last week from the African American Environmentalist Association questioning "the Board's recent fossil fuel divestment announcement" and suggesting that "investments in pension funds need to be based on fiduciary responsibilities, rather than ideology." A response, pointing out the Board's ESG policy as a basis for investment decisions is being prepared by Investment Department staff.
DCRB Newsletter – Teachers' Edition	DCRB's Summer Newsletter – Teachers' Edition was distributed during the week after Labor Day. In addition to introducing teachers to the Board's teacher trustees, the newsletter provides information on: post-retirement health care coverage, plan participation while teaching at a charter school, life events changes, the Government Pension Offset, and plan membership and eligibility. A copy is attached with this Report for your information.

Staff Appreciation Day	DCRB's annual Staff Appreciation Day was held on the rooftop of the IBEW building on Friday, August 19. We had a warm, sunny day, and everyone appeared to have had an enjoyable time. As noted in July, this annual event is funded by the DCRB senior staff.
Staffing Changes Since the Last Board Meeting	**Hires** **Diego Andrade**, Sr. Systems Engineer, became a member of DCRB's IT Department on August 8, 2016. Diego has over 16 years of experience as a systems engineer in a variety of settings, including the InterAmerican Development Bank, Amtrak and IBM. He had worked for DCRB IT as a contractor since 2013. **Sherrie Riddick** joined the Benefits Department's Member Services Center on August 2, 2016. She worked for the Department as a contractor since November 2015. Sherrie holds a Bachelor of Science Degree in Human Resources Management and has worked for a number of years in Benefits Administration. **Kimberly Woods** joined DCRB's Investment Department on July18, 2016 as a Compliance and Risk Management Contractor. Kimberly served as a Sr. Investment Advisor at the United Mine Workers Association's Health and Retirement Funds from 2003 to 2012 and had been Director for Private Markets at the IAM National Pension Fund from 2012 until this year. She holds a Bachelor of Science Degree in Business Administration, with an emphasis in Finance, from American University.
Recent Retirement-Related Articles (attached)	"State and Local Government Contributions to Statewide Pension Plans: FY 14," NASRA Issue Brief, July 2016. "Even Comparatively Well-Funded Public Pension Carry Risk of Volatile Investments," Moody's Investors Service, July 25, 2016. "M.I.T, N.Y.U. and Yale Are Sued Over Retirement Plan Fees," The New York Times, Tara Siegel Bernard, August 9, 2016.

A Publication of the District of Columbia Retirement Board for Active and Retired Teachers

DCRBReport
Teachers' Edition

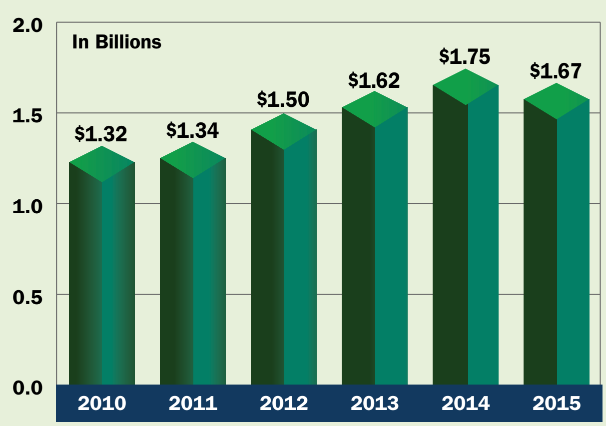
SUMMER 2016

Inside

The District of Columbia Retirement Board's mission is to prudently invest the assets of the Police Officers, Firefighters, and Teachers of the District of Columbia, while providing those employees with total retirement services.

Teachers' Plan Assets

Fiscal Years 2010 through 2015



From the Chair of the Board

Joseph M. Bress

In our spring 2016 newsletter, I announced my re-election as Chair of the District of Columbia Retirement Board (DCRB or the Board) and identified Board members who would serve during 2016 as officers and current chairs of the Board's standing committees. To recap, the officers are Joseph Clark, Vice Chair/Secretary, and Lyle Blanchard, Treasurer. The committee chairs are: Barbara Davis Blum, Investment Committee; Edward Smith, Benefits Committee; Mary Collins, Operations Committee; Lyle Blanchard, Legislative Committee; and Gary Hankins, Audit Committee. These appointments are the same as last year, except Mary Collins, who was appointed chair of the Operations Committee in June, 2016.

Given the specific focus of this newsletter on issues, events and other matters related solely to the Teachers' Retirement Plan and its members, I thought it would be appropriate, as well as a good opportunity, to introduce the trustees on the Board who represent District of Columbia Public Schools (DCPS) teachers. In alphabetical order, those trustees are:

Mary A. Collins

Trustee Collins joined DCPS in 1976 as a senior high school mathematics teacher, and she taught until she retired in 2009. She was initially elected to the Board by active teachers in 1997 and served as the active teacher representative until her retirement. During that time, Ms. Collins chaired both the Benefits and Operations Committees, and she also served as Board Chair from September 2001 through January 2004. She began her current term as the retired teacher trustee on January 28, 2014. Her term expires on January 27, 2018. Ms. Collins served for four years as a member of the Executive Board of the Council of Institutional Investors and chaired its Policy Committee for three of those years.

Nathan A. Saunders

Trustee Saunders joined DCPS in 1999 as a certified social studies teacher on the senior high school level. He was elected President of the WTU from December 2010 through July 2013 during which time he created a VEBA to supplement teachers' retirements. Prior to his term as President, Mr. Saunders was elected twice as the WTU's General Vice President, where he was an advocate for teachers. He was elected to the Board as its active teacher trustee in 2010. He currently serves as the vice-chair of the Board's Benefits Committee and is a member of the Legislative Committee. Mr. Saunders' term expires on January 27, 2017.

(Continued on page 4)

Post-Retirement Health Care Coverage

Hired Before October 1, 1987

Teachers hired before October 1, 1987, are eligible for health care coverage under the Federal Employees Health Benefits (FEHB) program and are subject to the Federal Government's rules applicable to that program. Under those rules, an employee must have at least five years of service and be entitled to retire on an immediate annuity (this means an annuity that begins the day after retirement). The FEHB program excludes deferred annuities. Enrollment in an FEHB plan must have been continuous for the five years of service immediately before the date their retirement begins. For this coverage, the employer pays 75% of the required premium, and the retiree pays 25%.

Hired On or After October 1, 1987

Teachers hired on or after October 1, 1987, are eligible for health care coverage under the District Employees Health Benefits (DCEHB) program. Under the District's rules, a teacher must have at least 10 years of creditable District service, be enrolled in a DCEHB plan at the time of retirement, and have been continuously enrolled in a DCEHB plan for five years immediately before their retirement.

Unlike the FEHB program, teachers who retire under deferred retirement, may be eligible for post-retirement health care if they meet the above eligibility requirements. For example, a teacher who is age 60 with 10 years of teaching service, who leaves DCPS before being eligible for a voluntary retirement, is eligible for a deferred retirement annuity beginning at age 62. If that teacher continued the DCEHB plan under the District's temporary continuation of coverage (TCC) program at his/her own expense from the time they left DCPS until the time their deferred retirement annuity begins, they are eligible for post-retirement health care.

Change in District Premium Payments

Prior to October 1, 2009, the District's contribution toward retiree health care was a flat 75%. Effective October 1, 2009, this changed to a graded percentage determined by the retiree's years of service, as follows:

Years of Service	District Percentage	Retiree Percentage
0-9	0%	0%
10	25.0%	75.0%
11	27.5%	72.5%
12	30.0%	70.0%
13	32.5%	67.5%
14	35.0%	65.0%
15	37.5%	62.5%
16	40.0%	60.0%
17	42.5%	57.5%
18	45.0%	55.0%
19	47.5%	52.5%
20	50.0%	50.0%
21	52.5%	47.5%
22	55.0%	45.0%
23	57.5%	42.5%
24	60.0%	40.0%
25	62.5%	37.5%
26	65.0%	35.0%
27	67.5%	32.5%
28	70.0%	30.0%
29	72.5%	27.5%
30	75.0%	25.0%

Under this graded arrangement, retirees pay the percentage applicable to their number of years of service at retirement. For instance, if a retiree has 20 years of service at retirement, the District pays 50% (the retiree pays 50%) of the premium for his/her health care coverage. That percentage remains the same for as long as the retiree continues to be covered under a District health care plan. Premiums for **survivors** are treated similarly, with the District paying a minimum of 20% for survivors of a retiree with ten years of service and a maximum of 60% at 26 years of service and beyond.

Upon reaching age 65, a retiree's District health care coverage becomes secondary to Medicare.

Questions You Asked

DCRB frequently receives calls requesting information regarding the continuation of participation in the District of Columbia Teachers' Retirement Plan (the "Plan") when a teacher leaves DCPS to work for a charter school.

Upon leaving DCPS to work for a charter school, a teacher is eligible to continue Plan participation under one of two circumstances:

1) upon taking an approved leave of absence from DCPS to work for a charter school, or
2) being hired by a charter school within 60 days of leaving DCPS.

The teacher who takes a leave of absence, is required to remain in the Plan. The teacher who begins employment with a charter school after terminating service with DCPS may elect to continue participation in the Plan. In both cases, mandatory employee Plan contributions will be deducted from the teacher's charter school salary, just as before at DCPS, and the charter school must make contributions to the Plan comparable to the contributions that would have been made by the District, had the teacher remained with DCPS.

Life Events Changes & Your Benefits

If you experience certain life events (e.g., marriage, divorce, separation from service, re-employment, retirement, or a death in your family), your retirement and other benefits may be affected.

When such events occur, it is important that you contact the appropriate District agency in case your records need to be updated. Which agency you should contact depends upon your employment status at the time of the event. For example, if you are an active employee and you become divorced, you should contact the DCPS Employee Services Division (DCPS ESD) at (202) 442-4090. DCPS ESD will describe any changes you should or may wish to make to your records (e.g., updating life insurance beneficiary forms and changing your health care insurance dependents). If you are retired, on the other hand, such events should be reported to the DCRB Member Services Center at (202) 343-3272 (toll free (866) 456-3272).

It is also important that your family members and/or survivors know who to call with such information. Again, your status at the time of the event determines who they should contact. For instance, in the event of your death, if you were an active employee, your family should contact DCPS ESD to let them know of your passing. DCPS ESD will help with information concerning health and life insurance benefits, any pension or survivor benefits that may be available, and/or any unpaid compensation. Once you are retired, however, DCRB should be notified. DCRB will coordinate with either DCPS or OPM as needed to assure that your beneficiaries/survivors receive the appropriate benefits.

Government Pension Offset

When the Social Security Act (the Act) was passed in 1935, the majority of households had one spouse working outside of the home. Consequently, the Act included a spousal benefit for the non-working spouse who depended upon the working spouse's income for financial support. Over time, both spouses became part of the workforce.

Normally, where both spouses work in covered employment (and both pay Social Security taxes), an individual could be entitled to more than one Social Security benefit at the same time (a benefit based on one's own work and a spousal benefit). However, such an individual does not receive the full amount of each benefit. In this case, if the spousal benefit is greater than the individual's own benefit, the spousal benefit is reduced, or "offset," by that person's individual benefit. If, on the other hand, an individual has non-covered employment where Social Security taxes are not paid (like at DCPS), that individual is not eligible for Social Security benefits based on that employment, but they may be eligible for Social Security spousal benefits based on their spouse's covered employment elsewhere.

In 1977, Congress enacted the Government Pension Offset (GPO) provision, which applies exclusively to Social Security's spousal benefits. The reason for this change was that Congress believed that individuals who receive pension benefits from their own non-covered work from a governmental plan would receive a "windfall" if they also received a Social Security spouse's

continued on page 4

Teachers' Retirement Plan Membership & Eligibility

To be a member of the Teachers' Retirement Plan (the Plan), you must qualify as an eligible teacher. Eligible teachers are DCPS employees who are in salary class ET 1 – 15 positions under the DCPS system. Covered positions include teachers, principals, assistant principals, librarians, and certain teachers who are employed by a charter school (see "Questions You Asked" on page 2). Participation in the Plan is mandatory, so eligible teachers are automatically enrolled in the Plan upon employment. Membership does not include substitute teachers or teachers who retired under the Plan and are rehired by the District, including DCPS.

As of October 1, 2015 (the end of the last fiscal year), participation in the Plan included:

4,866	Active Teachers
3,718	Retirees and Survivors
1,152	Terminated Members With a Deferred Vested Benefit
9,736	Total Members

The above numbers do not include 2,419 retirees and survivors who are receiving benefits under the Teachers' Plan that was frozen on June 30, 1997 and is funded by the federal government, or approximately 75 charter school teachers who continued their participation in the Plan after leaving DCPS.

DC Retirement Board
900 7th Street, NW
Second Floor
Washington, DC 20001

Inside this DCRB Report

Information Specific to Members of the District of Columbia Teachers' Retirement Plan

From the Chair

continued from page 1

Updates

As a part of DCRB's Retirement Modernization Program, which was launched in 2013, DCRB began a Data Management Project this year which will provide DCRB with the capability of beginning initial pension payments sooner after retirement. In addition, a Request for Proposal related to a Pension Information Management System is being developed and is expected to be released in FY 2017.

Further, during 2016, DCRB is preparing an updated Summary Plan Description (SPD), for the Teachers' Plan. This 2017 edition of the SPD is scheduled to be distributed to all active and retired members of the Plan toward the end of this year and will be available at that same time for download from DCRB's website at **dcrb.dc.gov/ service/ summary-plan-descriptions.**

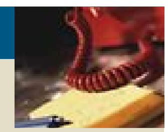
Government Pension Offset

continued from page 3

benefit that their government pension did not offset. The intent was to treat government workers the same as those in the private sector who work in jobs that are covered by Social Security. This is reflected in the GPO requirement that the Social Security spouse's benefit be offset when the spouse receiving the spousal benefit also receives a government pension based on their own non-covered work.

You should contact Social Security (see chart on this page) for information regarding your personal situation.

Useful Contacts



DCRB Member Services **(202) 343-3272**
(866) 456-3272
Fax: (202) 566-5001
dcrbbenefits@dc.gov

D.C. Public Schools Employee Services Division **(202) 442-4090**
dcps.hranswers@dc.gov

Office of Personnel Management (OPM) **(202) 606-1800**
Toll Free (724) 794-2005*
http://www.opm.gov

Social Security Administration
(800) 772-1213
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NASRA Issue Brief:
State and Local Government Contributions to Statewide Pension Plans: FY 14

NASRA

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Pension benefits for employees of state and local government are paid from trusts to which public employees and their employers contribute while they are working. Timely contributions are vital to the funding and sustainability of these plans, and over time yield investment earnings that account for the largest share of pension revenues. Failing to pay required contributions results in higher future costs, due to the foregone investment earnings that the contributions would have generated.

Nationally, contributions made by state and local governments to pension trust funds in recent years account for around four percent of all spending.[1] Pension spending levels, however, vary widely among states and are actuarially sufficient for some pension plans and insufficient for others. Unlike employees, who must always contribute the amount prescribed in statute or by plan rules, some public employers—states, cities, etc.—have discretion to set the contributions they make to public pension plans. The result of this disparity in contribution governance arrangements is a wide range of experience among public employers concerning required contributions. Overall, however, the experience for FY 14 reflects an improved effort among state and local governments to make the full actuarially determined pension contribution, as well as a decline in the rate of growth of pension costs.

This brief describes how contributions are determined; the recent public employer contribution experience; and trends in employer contributions over time.

The Retirement Benefit Plan Equation

A basic formula describes the financing of any type of retirement benefit:

C + I = B + E

Contributions plus investment earnings equals benefits plus expenses. The money that is drawn from a retirement plan, for benefits and administrative costs, ultimately must equal the money that is contributed to the plan and the investment earnings those contributions generate. This fundamental formula illustrates the vital role contributions play in funding a pension plan.

Actuarially Determined Contributions

Funding a pension plan takes place over many years and typically involves a combination of contributions from employees and employers, which are invested to generate investment earnings. Contributions are a vital source of public pension funding: of the $6.7 trillion in public pension revenue since 1985, more than one-third has come from contributions paid by employers and employees. The amount of contributions needed to a fund pension plan is calculated as part of an actuarial valuation, which is a mathematical process that determines a pension plan's condition and required cost. Professional actuaries are guided by Actuarial Standards of Practice; ASOP No. 4 provides guidance on the determination of the required cost of a pension plan. Most public pension plans have an actuarial valuation conducted annually.

An actuarially determined contribution, or ADC, reflects the sum of a) the normal cost (the estimated cost of benefits earned each year); and b) the annual cost to amortize, or pay off over a designated period of time, the unfunded liability, which is the value of benefits earned to-date but for which assets have not yet been set aside.[2] An ADC is affected by the many factors on which it is based, including actuarial methods and assumptions. Thus, as investment return assumptions, actuarial cost methods,

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[1] NASRA, "State and Local Government Spending on Public Employee Retirement Systems," March 2016; calculation does not include spending from federal sources

[2] Governmental Accounting Standards Board, Statement No. 67, Financial Reporting for Pension Plans

mortality assumptions, amortization periods, etc. differ from one plan to another, the ADC also will vary. As a result, the ADC for two hypothetical plans with identical financial and demographic compositions could differ.

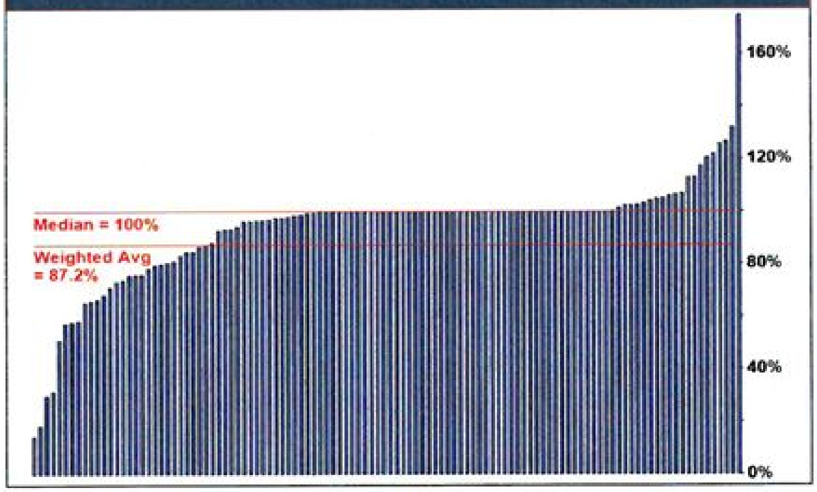
Pension plans typically maintain a funding policy by which they expect to reach full funding at the end of a specified period of time if a) the plan receives all of its actuarially determined contributions; and b) all of the plan's actuarial assumptions—about the many factors affecting the plan, such as future investment performance, how long plan participants will work, etc.—materialize as expected. Experience rarely matches assumptions, so pension plans regularly monitor, typically through actuarial valuation and periodic actuarial experience studies, the plan's condition and make needed adjustments to actuarial assumptions and required contribution rates to reflect the changes in experience.

Laws and rules governing pension contributions vary widely among states and cities, and those provisions can affect public pension plan funding. For more information concerning the impact of funding policies, statutes and rules, see "The Annual Required Contribution Experience of Statewide Pension Plans, FY 01 to FY 13."[3]

FY 2014 Contribution Experience

As shown in Figure 1, the median actuarially determined contribution received in FY 14 was 100 percent, and ranged from 18 percent to 174 percent. On a dollar-weighted basis, the average ADC received was approximately 87 percent; the non-weighted average was 93 percent, as a few larger plans received a low portion of their ADC, reducing the weighted average. FY 14 marks the highest contribution experience since the market decline of 2008-09 increased unfunded pension liabilities and the economic recession diminished state and local fiscal conditions.

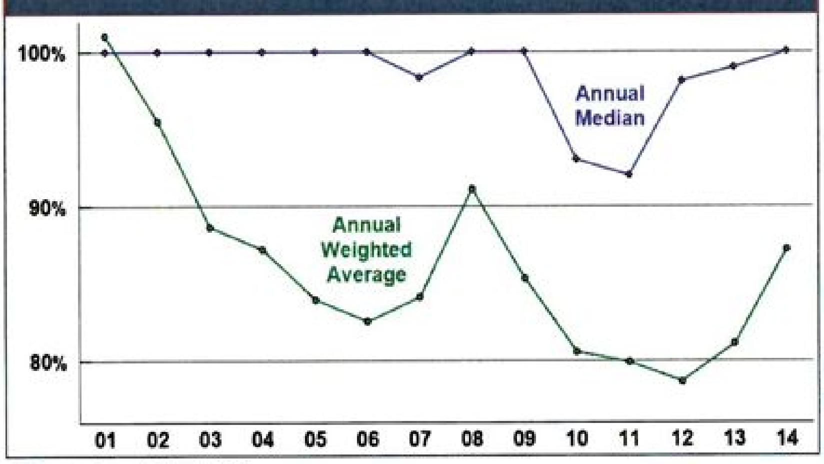
Figure 1: Distribution of ARC/ADC received by 112 plans, FY 14



Source: Compiled by NASRA

The increase in required contributions from FY 13 to FY 14 was 4.3 percent, marking the smallest annual increase in required contributions for the measurement period. This is likely a result of multiple factors, including strong investment returns following the 2008-09 market decline, and pension reforms, including higher required employee contributions and lower benefit levels (and costs) enacted in nearly every state since 2010.[4]

Figure 2: Median and weighted average ARC/ADC contributed to 112 statewide plans



Source: Compiled by NASRA

Recent History of Employer Contributions

The employer contribution experience since FY 2001 covers an eventful period, including two economic recessions and two sharp market downturns that reduced pension plan assets. As a result, actuarially determined contributions rose considerably while state and local government revenues were diminished or grew more slowly. For statewide plans, actuarially determined

[3] NASRA, The Annual Required Contribution Experience of Statewide Pension Plans, FY 01 to FY 13

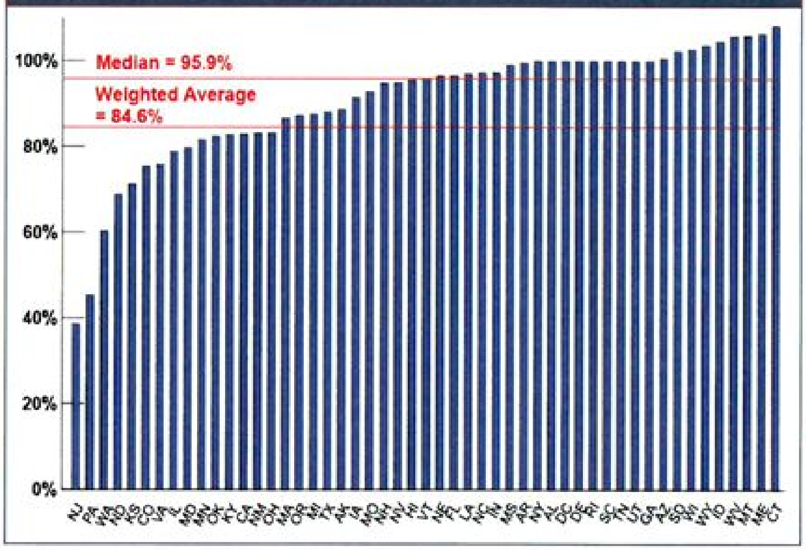
[4] ibid.

contributions rose from $27.8 billion in FY 01 to $98.2 billion in FY 14. Despite tepid fiscal conditions experienced by many states and cities, actual contributions paid by employers during this period grew from $28.1 billion to $85.6 billion, an increase of 204 percent. (Despite this increase, spending on pensions by states & local government remains around four percent of all spending.[5]) Figure 2 plots the percentage of actuarially determined contributions received from FY 01 to FY 14. Because each state is unique in terms of its governance structure, the relative cost of its pension plan(s), fiscal condition, and other factors, so is the required contribution experience of each state also unique and ranges widely. As Figure 3 shows, on a weighted average basis, states' contribution record since FY 2001 varies, from less than 40 percent to more than 100 percent. In the median, state plans received 95.9 percent of their required contributions, and 84.6 percent as a weighted average. The average actuarially determined contribution received for the period was 89 percent, as a few larger plans received a lower portion of their ADCs.

Conclusion

Although contributions to public pensions remain on average a small percentage of state and local government spending, they also have grown in recent years. Depending on the plan, the growth of required employer contributions is due to one or more of various factors, including investment market losses, insufficient contributions in prior years, revised actuarial methods and assumptions, and experience that differs from assumptions. The overall experience for FY 14, however, reflects an improved effort among state and local government employers to make the full actuarially determined contribution, which will forestall higher costs in the future and strengthen the long-term sustainability of public pension plans.

Figure 3: Weighted average of ARC/ADC paid, by state, FY 01 to FY 14



Compiled by NASRA

See also

National Association of State Retirement Administrators, "The Annual Required Contribution Experience of State Retirement Plans," 2015, http://www.nasra.org/files/JointPublications/NASRA_ARC_Spotlight.pdf

National Association of State Retirement Administrators, Issue Brief: State and Local Government Spending on Public Employee Retirement Systems, March 2016, http://www.nasra.org/costsbrief

National Association of State Retirement Administrators, Issue Brief: Employee Contributions to Public Pension Funds, February 2015, http://nasra.org/contributionsbrief

National Association of State Retirement Administrators, "Significant Reforms to State Retirement Systems," 2016

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[5] NASRA, Issue Brief: State and Local Government Spending on Public Employee Retirement Systems, March 2016

Table 1: 10-year history of percentage of Actuarially Determined Contribution Received for 112 Public Pension Plans, FY 05 to FY 14

	Fiscal Year									
Plan	05	06	07	08	09	10	11	12	13	14
Alaska PERS	52.7	61.0	77.3	111.0	116.0	114.4	86.0	92.7	86.3	106.8
Alaska Teachers	45.0	54.0	62.2	106.0	139.3	78.6	84.6	85.2	86.3	102.5
Alabama Teachers	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Alabama ERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Arkansas Teachers	117.0	113.5	103.2	101.8	104.4	107.3	95.9	89.9	88.7	84.5
Arkansas PERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Arizona SRS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Arizona Public Safety Personnel	100.0	100.0	107.0	104.0	103.1	104.3	104.9	104.6	103.7	95.9
California PERF	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	101.1
California Teachers	70.0	64.0	67.0	66.0	63.0	55.0	47.0	46.0	44.0	50.9
Colorado School	48.0	58.0	64.0	65.0	73.0	70.0	89.0	84.0	79.0	84.6
Colorado State	48.0	62.0	60.0	61.0	69.0	62.0	85.0	83.0	79.0	83.1
Colorado Municipal	64.0	85.0	89.0	91.0	106.0	101.0	139.0	163.0	116.0	100.0
Denver Public Schools	67.0	73.3	82.9	830.7*	27.0	8.0	20.0	27.0	37.0	31.2
Colorado Affiliated Local	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.5	100.0	125.6
Connecticut Teachers	65.9	100.0	96.9	485.7*	100.0	100.0	100.0	100.0	100.0	100.0
Connecticut SERS	100.5	100.0	100.0	99.3	92.8	80.3	87.5	100.0	99.9	100.0
DC Police & Fire	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
DC Teachers	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Delaware State Employees	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Florida RS	102.0	96.0	111.0	107.0	111.0	111.0	83.0	60.0	66.0	105.0
Georgia Teachers	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Georgia ERS	100.0	100.0	100.0	100.0	99.9	100.0	100.0	100.2	100.2	100.1
Hawaii ERS	100.0	100.0	95.3	95.7	109.9	102.1	91.8	83.7	87.2	92.6
Iowa PERS	85.6	83.8	83.3	87.2	87.8	89.5	82.3	98.2	98.0	100.0
Idaho PERS	101.6	107.4	113.0	109.0	127.4	109.0	87.4	84.0	97.0	96.0
Illinois Teachers	58.7	35.8	39.8	60.0	75.9	90.6	84.7	74.6	79.8	87.8
Illinois Municipal	100.0	100.0	100.0	100.0	100.0	91.0	95.0	98.0	99.0	100.0
Illinois Universities	62.5	47.3	54.1	62.7	63.2	76.0	68.0	73.1	90.5	96.3
Illinois SERS	58.8	31.3	43.6	59.6	77.2	93.1	87.5	86.2	88.0	86.8
Indiana Teachers	78.3	104.3	101.4	101.0	104.2	93.0	87.3	90.9	114.7	97.2
Indiana PERF	101.8	92.3	94.5	104.3	102.2	91.9	70.8	78.1	95.5	98.3
Kansas PERS	68.6	63.4	63.9	65.0	68.0	72.0	74.0	67.0	75.0	79.4
Kentucky Teachers	100.0	100.0	88.0	83.0	74.0	76.0	153.0	74.0	71.0	68.0
Kentucky County	102.2	101.2	101.7	65.5	111.8	110.2	112.0	105.7	100.0	100.0
Kentucky ERS	54.9	63.1	49.8	22.3	41.3	44.1	52.9	51.1	60.8	57.7
Louisiana Teachers	105.6	103.1	106.5	116.2	106.4	83.5	90.2	100.0	99.0	99.0
Louisiana SERS	99.2	93.1	95.9	115.3	99.0	83.9	82.3	89.3	89.6	86.3
Massachusetts Teachers	97.4	93.3	97.8	107.9	68.0	73.9	108.2	90.1	80.8	80.8
Massachusetts SERS	106.1	95.7	100.9	124.6	57.0	64.8	106.8	83.7	77.9	79.8
Maryland Teachers	93.0	92.0	87.0	91.0	89.0	92.0	75.0	71.0	78.0	73.6
Maryland PERS	63.0	65.0	68.0	82.0	73.0	73.0	68.0	65.0	71.0	72.9
Maine State and Teacher	105.0	105.9	100.0	100.0	100.0	103.5	101.8	100.0	100.0	100.0

Maine Local	100.1	101.1	102.5	100.0	100.0	100.0	100.0	101.4	100.0	100.0
Michigan Public Schools	75.7	85.7	90.8	110.5	101.1	84.7	81.5	83.4	70.6	75.6
Michigan SERS	83.2	73.8	47.7	115.5	97.8	88.4	94.8	71.1	99.0	112.9
Michigan Municipal	122.0	107.0	92.0	110.0	110.0	105.0	111.0	108.0	118.0	100.0
Minnesota Teachers	153.0	134.2	91.1	82.6	67.7	57.4	63.5	66.4	62.7	65.0
Minnesota PERF	76.6	78.1	84.4	81.0	86.2	77.3	111.1	99.1	86.5	80.3
Minnesota State Employees	81.1	64.9	70.7	58.3	59.6	49.4	81.1	80.7	66.9	65.6
Missouri Teachers	65.5	70.6	73.2	79.4	84.1	80.6	86.9	92.5	125.0	105.8
Missouri State Employees	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Missouri Local	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Missouri PEERS	71.8	77.5	77.0	86.0	88.8	95.5	100.0	100.0	111.5	102.2
Missouri DOT and Highway Patrol	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Mississippi PERS	100.0	100.0	90.0	97.0	100.0	100.0	100.0	100.0	100.0	100.0
Montana PERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	93.9	94.0
Montana Teachers	100.0	223.0	117.1	100.0	100.0	98.3	98.3	89.1	70.2	100.0
North Carolina Teachers and State EEs	100.0	100.0	100.0	99.0	100.0	100.0	73.0	100.0	104.0	104.0
North Carolina Local Government	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
North Dakota Teachers	68.3	63.9	63.1	76.4	89.3	76.5	68.4	66.5	113.3	104.8
North Dakota PERS	65.0	69.0	61.0	70.0	69.0	56.0	39.0	42.0	50.0	57.2
Nebraska County Cash Balance	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	120.4
Nebraska State Cash Balance	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	126.4
Nebraska State & School	90.0	100.0	100.0	100.0	100.0	100.0	89.0	88.0	79.0	100.0
New Hampshire Retirement System	100.0	100.0	100.0	75.0	75.0	100.0	100.0	100.0	100.0	100.0
New Jersey Teachers	0.0	8.0	49.1	44.8	6.0	1.8	1.4	14.0	27.8	18.2
New Jersey PERS - state	0.4	0.4	56.8	42.1	7.9	4.1	3.6	16.1	28.6	14.2
New Jersey PERS - local	146.4	137.8	63.4	98.8	87.2	82.9	84.1	90.2	90.5	99.8
New Jersey Police & Fire - state	30.6	36.6	59.2	52.8	7.3	2.1	2.0	14.9	27.8	29.7
New Jersey Police & Fire - local	37.4	54.8	72.3	91.4	90.1	91.8	91.9	92.6	92.7	100.0
New Mexico PERF	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New Mexico Teachers	81.3	75.5	70.3	79.0	86.2	87.7	81.6	63.4	62.3	75.5
Nevada Regular Employees	100.0	97.0	97.0	96.0	93.0	93.0	89.0	96.0	86.0	93.1
Nevada Police Officer and Firefighter	88.0	91.0	91.0	85.0	85.0	91.0	88.0	96.0	88.0	93.1
NY State & Local ERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New York State Teachers	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.3
NY State & Local Police & Fire	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ohio Teachers	96.0	88.0	83.0	100.0	89.0	52.0	51.0	41.0	46.0	100.0
Ohio PERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ohio Police & Fire	79.0	73.0	77.0	75.0	55.0	62.0	57.0	53.0	74.0	100.0
Ohio School Employees	100.0	97.0	90.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Oklahoma Teachers	56.2	85.8	93.1	101.1	86.6	83.6	77.6	115.9	113.1	117.3
Oklahoma PERS	52.5	55.3	58.4	60.5	75.2	66.8	62.9	109.4	105.2	174.6
Oregon PERS	100.8	55.8	74.0	100.0	100.0	100.0	83.0	72.0	86.1	100.0
Pennsylvania School Employees	46.0	34.0	38.0	27.0	27.0	29.0	41.0	39.0	46.0	58.0

Pennsylvania State ERS	46.1	35.6	39.3	39.9	39.1	31.4	42.8	53.9	60.2	100.0
Rhode Island ERS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Rhode Island Municipal	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
South Carolina RS	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
South Carolina Police	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
South Dakota PERS	100.0	100.0	100.0	100.0	91.0	100.0	100.0	100.0	100.0	121.9
TN State and Teachers	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
TN Political Subdivisions	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Texas Teachers	82.0	83.0	85.0	102.0	108.0	86.0	86.0	74.0	74.0	78.0
Texas ERS	85.8	87.2	88.9	90.3	68.4	63.4	58.5	50.0	50.7	66.3
Texas County & District	101.0	105.0	102.0	102.0	104.0	102.0	109.0	106.0	106.0	103.0
Texas Municipal	100.0	100.0	100.0	100.4	84.8	88.0	92.1	101.5	100.0	100.0
Utah Noncontributory	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Virginia Retirement System	85.3	89.5	85.9	92.6	81.3	66.6	46.7	59.6	75.8	75.8
Vermont Teachers	51.2	44.1	98.9	99.4	100.7	101.0	104.0	109.6	108.0	106.3
Vermont State Employees	101.3	96.5	97.8	92.5	86.7	84.1	84.5	140.2	130.4	132.0
Washington PERS 2/3	33.0	49.0	73.0	88.0	119.0	85.0	80.0	94.0	95.0	97.4
Washington PERS 1	7.0	7.0	30.0	49.0	52.0	25.0	33.0	51.0	50.0	102.2
Washington Teachers Plan 1	4.0	5.0	24.0	38.0	46.0	28.0	47.0	44.0	43.0	96.4
Washington Teachers Plan 2/3	29.0	45.0	61.0	52.0	86.0	75.0	72.0	92.0	99.0	97.7
Washington LEOFF Plan 2	67.0	79.0	101.0	117.0	122.0	114.0	157.0	137.0	144.0	99.6
Washington School Employees Plan 2/3	16.0	37.0	64.0	69.0	89.0	75.0	70.0	88.0	91.0	98.6
Wisconsin Retirement System	100.0	100.0	104.0	105.0	105.0	108.0	108.0	104.0	100.0	100.0
West Virginia Teachers	105.5	190.1	100.0	107.5	94.3	91.4	106.4	105.3	100.8	113.0
West Virginia PERS	99.6	107.7	101.1	102.1	100.0	88.0	83.3	105.3	96.6	96.6
Wyoming Public Employees	108.0	111.0	114.0	107.0	168.0	77.0	93.0	88.0	81.0	70.8

*Includes proceeds of pension obligation bonds.

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State and Local Governments - US

Even Comparatively Well-Funded Public Pensions Carry Risk of Volatile Investments

Most state and local government pension plans are invested in assets with significant volatility and risk of market value loss in any given year. At the same time, many government budgets are strained by rising pension costs to address previously accumulated unfunded liabilities. Considering low single digit revenue growth prospects, governments will have difficulty absorbing added costs if further pension investment losses materialize beyond the two most recent years of disappointing returns. As plans continue to grow relative to budgets, even governments with low unfunded burdens can face rising budget risk from pension asset returns.

» **US public pension funds broadly pursue high risk-return investment strategies.** Portfolios generally allocate close to 50% to public equities in hopes of generating long-term annual returns of 7% or more. This strategy aims to minimize government budget burdens from pension liabilities, but carries high risk as well, illustrated by six separate years of pension asset declines from 2000 to 2015. Negative returns (losses) fall within one standard deviation of expected performance under many plans' assumptions.

» **Pension loss risk relative to government budgets now roughly matches levels before the 2008 market downturn, but implications still vary across governments.** Defined benefit pension assets recently peaked at 169% of state and local government current receipts in 2014, compared to 173% in 2007 prior to the market downturn.

» **Pension costs to address accumulated unfunded liabilities continue rising.** Based on a sample of 108 US public plans across all 50 states, the median contribution rate relative to government payroll has increased by 60% over the last decade. Similar to asset exposure, the scale of pension cost increases also varies significantly across plans.

» **Reducing investment risk requires greater budget stress.** To reduce risk of investment losses, pension funds must generally shift to assets with lower rates of expected return. However, such shifts require even higher funding requirements for years because, under government accounting, a lower expected asset return means a lower discount rate is applied to liabilities--resulting in higher liabilities. This challenging dynamic led the largest US public pension fund, the California Public Employees' Retirement System (CalPERS, Aa2 stable), to adopt a risk mitigation strategy last year that is very gradual.

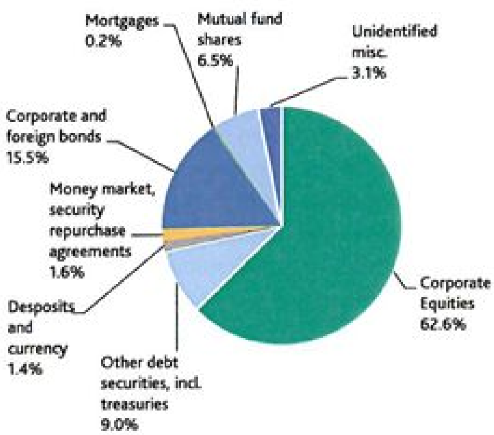
US public pension funds broadly pursue potentially high-return, but also risky investment strategies

Public pension portfolios are generally designed to attain annual returns of more than 7% over the long term, in order to offset government budget burdens from rising employee retirement liabilities. For example, the median assumed rate of return in our large plan sample of fiscal 2015 disclosures was approximately 7.5%. In order to attain these rates of return over the long-term, however, public pension portfolios must significantly invest in a variety of risky assets.

According to the Federal Reserve, nearly two-thirds of US defined benefit public pension assets are comprised of corporate equities (see Exhibit 1). Based on our own categorizations of a sample of large plan disclosures, we found that on average, 46% of assets were allocated to public equities, 23% to fixed income and cash, and 31% to other types of assets, including private equities. Half of the plans we sampled reported asset allocation targets of between 41% and 52% to various classes of public equities. As a result of their pension fund investments, stock market performance is a common credit consideration across states and local governments, although certainly to varying degrees. For example, the 5th percentile for public equity allocations in our sample was 30%, while the 90th percentile allocation was greater than 60% to public equities (see Exhibit 2).

Exhibit 1

State and Local Government Defined Benefit Pension Assets Are Heavily Allocated to Equities

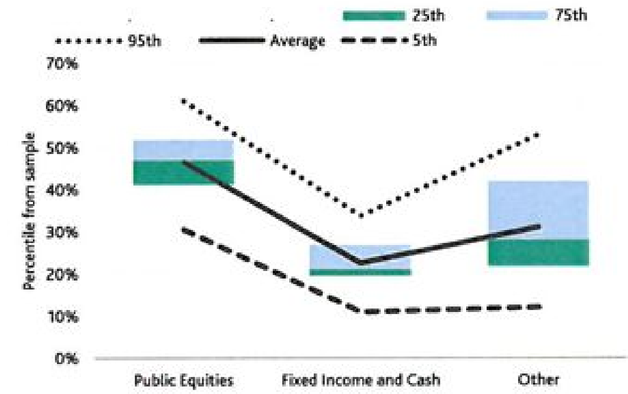


Unfunded liabilities are presented as assets in Federal Reserve data. They are excluded from this presentation of pension assets.
Source: US Federal Reserve "Financial Accounts of the United States." June 9, 2016 release.

Exhibit 2

Even Though Individual Public Pension Funds Allocations Exhibit Variation, Public Equity Allocations Are Substantial

Fiscal 2015 reporting of 57 public plans with an average of $35 billion in assets



Reflects Moody's categorization of target asset allocations provided under Governmental Accounting Standards Board (GASB) Statement 67 disclosures.
Source: Plan comprehensive annual financial reports (CAFRs) and Moody's Investors Service

Investment losses are well within the range of expected results in any given year

Given public pension funds' heavy allocations to public equities and other potentially volatile investments, negative returns (i.e. asset losses) in any given year have a reasonable probability of occurring, even after considering the risk-mitigating impact of diversification.

The largest US public pension fund, CalPERS, experienced investment losses in four separate fiscal years from 2000 to 2015, with a 24% loss in 2009 representing its most dramatic single-year drop. Similarly, Federal Reserve data shows public defined benefit plan assets in aggregate experiencing year-over-year drops on five separate occasions over the same time period.

Public plans' own capital markets assumptions pertaining to their portfolios reveal a material expectation of asset losses in a given year, despite a broad trend of recent modest reductions in assumed rates of return. For example, the two largest US funds, CalPERS and the California State Teachers Retirement System (CalSTRS), each currently assume annual investment returns of 7.5%. Under

CalPERS' capital markets assumptions, its standard deviation is 11.7%, while CalSTRS' has declined to 13.0% in conjunction with its implementation of a new asset risk mitigation strategy. Assuming a normal distribution, the probability of returns below 0% in a given year is roughly 26% with a mean of 7.5% and a standard deviation of 11.7%.

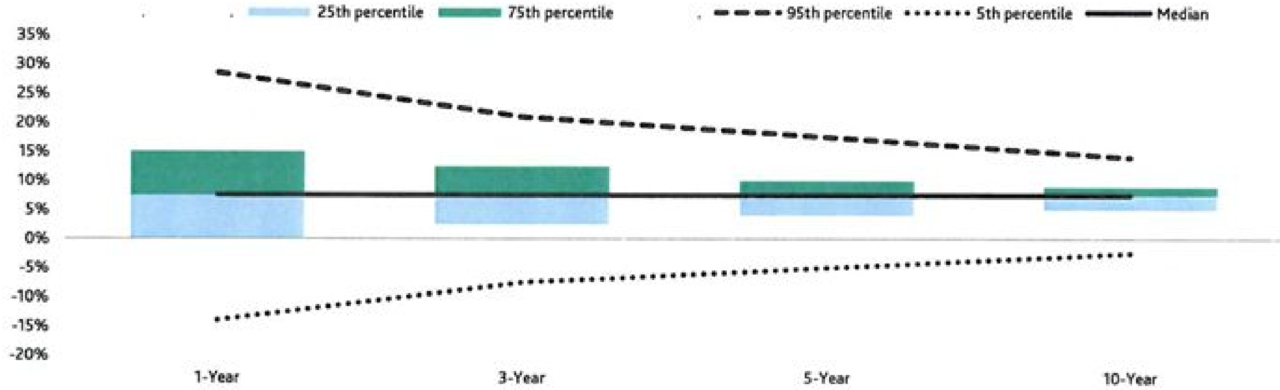
While many US public pension plans have significant public equity exposure, individual variation abounds. For example, the Georgia Teachers Retirement System targets an investment allocation of 70% to various categories of public equities and 30% to fixed income. In contrast, the Arizona Public Safety Personnel Employees Retirement System (PSPERS) targets substantial diversification away from stock market volatility, allocating only 30% to public equities and roughly 60% to a variety of alternative investments. Still, PSPERS and its consultants estimate the probability of negative returns occurring in any one year at close to 27%.

The investment strategies pursued by US public pension funds focus on long-term returns, an approach clearly observable in the case of the Pennsylvania State Employees' Retirement System (PA SERS). Under the assumption that extreme positive and negative returns balance out over time, the distribution of PA SERS' expected returns under its capital markets assumptions narrows significantly as time progresses. For example, negative returns over a 10-year period are assigned a low probability, close to 5%, compared to roughly 25% in one year (see Exhibit 3).

Exhibit 3

High Return-Seeking by US Public Pension Funds in the Long-Term Corresponds with High Expected Volatility in the Short-Term

Distribution of Expected Returns from One to Ten Years Under PA SERS' Capital Markets Assumptions



Reflects Moody's data approximations of PA SERS strategic investment plan visual presentation
Source: Pennsylvania State Employees' Retirement System (PA SERS)

Current Market Conditions Casting Further Doubt on Investment Return Prospects

Reflecting the potential for near-term declines in equity prices, earlier in June 2016, Moody's Analytics noted that "overvaluation increases the vulnerability of today's equity market to a deep and sudden sell-off." Even more recently, the United Kingdom's (Aa1 negative) decision to leave the European Union (Aaa stable) set off a pronounced reaction in the financial markets, with sterling depreciating and global equity markets falling. Prior to the so-called "Brexit," we expected 30 June 2016 fiscal year-end state and local government pension fund returns near 0%. The impact of the United Kingdom's decision on public pension fund fiscal year-end returns remains uncertain.

Beyond the risks from short-term volatility, however, current capital markets conditions raise doubt over the ability of US public pension funds to meet their current return targets on average, even over multi-year periods. McKinsey Global Institute recently argued that the past 30 years of investment performance exceeded longer-term trends and reflected a "golden era."[1] McKinsey notes that the underlying factors driving such strong performance in recent decades, such as strong GDP growth and labor force expansion, are subsiding. As a result, they project that real total returns for US equities over the next 20 years could average four to five percent in a slow growth scenario, roughly 250 basis points below the average from 1985 to 2014.

Similarly, a survey of 2016 capital markets assumptions conducted by CalPERS, and presented at its June 2016 Investment Committee meeting, indicates heightened capital markets skepticism compared to 2013 across almost all asset classes. For a long-term 30-year horizon, the system's consultants' return forecast dropped 25 basis points compared to March of 2013.

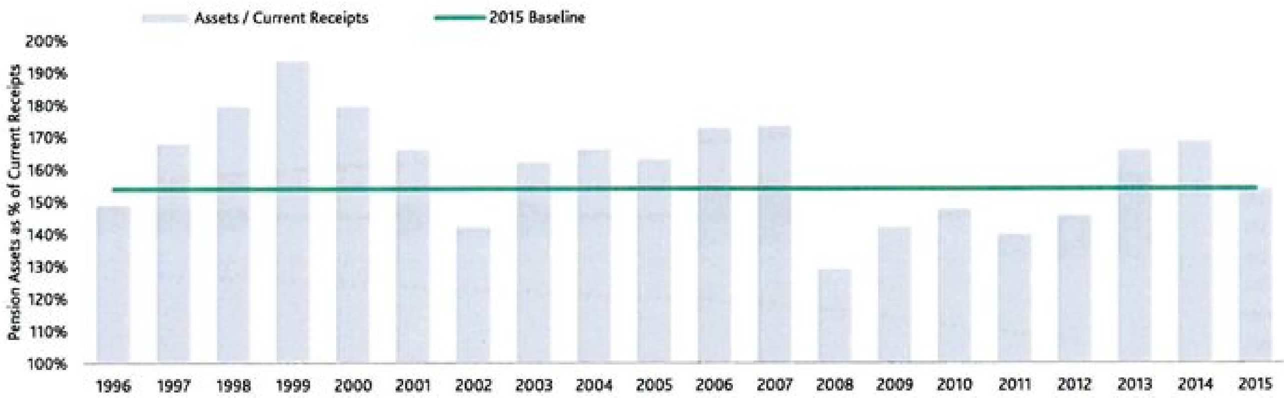
Downside pension asset risk relative to government budgets has returned to pre-downturn levels, but still varies across governments

As pension assets grow relative to government budgets, the burden of rebuilding assets following a given percentage loss also grows. Buildups in the relative size of assets are expected as plans mature demographically and governments fund their pensions. Avoiding the growing downside risk potential, however, represents a rationale for de-risking the asset portfolio.

Defined benefit public pension assets in aggregate stood at 154% of state and local government current receipts in 2015, compared to 163% in 2005, according to the US Federal Reserve. While the relative size of these assets compared to government resources has yet to match the peaks of the late 1990s, it has grown materially from the most recent 129% low of 2008 caused by the financial crisis. Viewed through the lens of downside asset risk, a 10% decline in pension assets in 2015 amounts to 15.4% of state and local government current receipts, nearly matching the 2005 level of 16.3% (see Exhibit 4).

Exhibit 4

State and Local Defined Benefit Pension Assets Relative to Government Revenues Have Recovered to Pre-Downturn Levels



Source: US Federal Reserve "Financial Accounts of the United States," June 9, 2016 release.

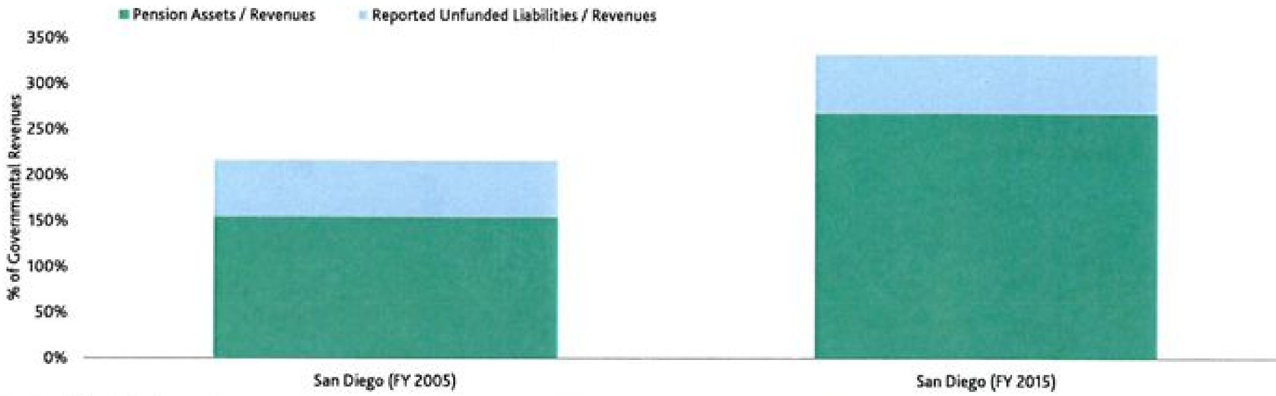
Applied at the individual government level, the significance of pension asset downside compared to government resources can vary considerably. For example, the portion of assets in Houston's three pension funds associated with governmental activities was 343% of total governmental revenues in fiscal 2015, compared to 366% ten years earlier. In terms of downside asset risk, this means that a 10% decline in pension assets would equate to 34% of the city's fiscal 2015 governmental revenues, very close to the 37% ten years prior. Although the downside risk is roughly equal between 2005 and 2015, Houston's current level of previously accumulated unfunded liabilities today is far greater than it was a decade ago. Unfunded liabilities associated with governmental activities equaled 170% of revenues in fiscal 2015, compared to 92% in fiscal 2005.

In contrast, San Diego's (Aa2 stable) pension assets relative to governmental revenues increased substantially over the course of a decade, to 267% in fiscal 2015 from 154%. As a result, a 10% decline in pension assets in 2015 equates to 26.7% of San Diego's fiscal 2015 governmental revenues compared to 15.4% in 2005. However, the relative scope of its reported basis unfunded liabilities remained nearly unchanged over the same time period, reaching 65% of revenues in fiscal 2015 compared to 62% in fiscal 2005 (see Exhibit 5). San Diego's results reflect comparatively aggressive annual funding, including adherence to a pension board policy prohibiting the use of negative amortization when calculating the city's annual contribution requirement.

Exhibit 5

Pension Asset Buildup Compared to Governmental Revenues Increases Exposure to Market Value Losses Even Though Increased Funding is Positive

For example, San Diego's pension asset downside risk has increased while aggressive funding has kept unfunded liability growth in check



San Diego's fiscal 2015 financial reporting reflects a pension measurement date of June 30, 2014. Thus, San Diego's fiscal 2005 data corresponds to June 30, 2004 pension reporting. For comparability, the exhibit reflects pension assets and liabilities associated with governmental activities only, and total reported governmental revenues.
Source: City CAFRs, pension plan CAFRs and actuarial valuations

Including San Diego and Houston, we sampled available fiscal 2015 accounting disclosures for 24 large local governments, which for simplicity have only one pension plan or clearly denote plan-by-plan allocations across governmental and business-type activities. This included two counties, one special district, 10 cities and 11 school districts, all of which have been included in our surveys of pension liabilities for the 50 largest rated local governments by debt outstanding, and/or are among the most populous 25 cities. Furthermore, entities for which fiscal 2015 financial reports are not yet available, such as the City of Chicago (Ba1 negative), are excluded. After isolating the portion of each government's pension fund(s) associated with governmental activities, we measured both our adjusted net pension liability (ANPL) and pension plan assets relative to total governmental revenues. Our state and local government rating methodologies emphasize the ANPL compared to government resources, as opposed to the size of pension assets to government resources. From this sample, several observations stand out (see Exhibit 6):

» Governments with larger unfunded pension liabilities relative to their revenues tend to have greater magnitudes of downside asset risk, reflecting greater overall accrued pension promises compared to their resources. Despite this overall tendency, however, some governments with similar unfunded liability burdens may exhibit varied levels of asset downside risk. For example, adjusted net pension liabilities compared to governmental revenues for the cities of Boston, MA (Aaa stable), Honolulu, HI (Aa1 stable), New York, NY (Aa2 stable) and Philadelphia, PA (A2 stable) are relatively close to one another on the y-axis, ranging from 117% to 159%. However, New York City's pension assets are 152% of its governmental revenues, compared to just 67% for Philadelphia.

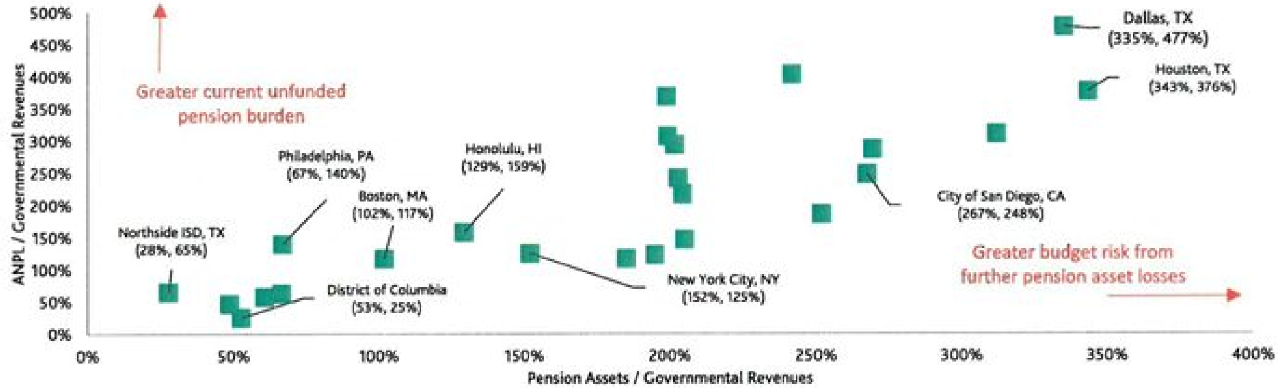
» A number of governments exhibit lower direct pension risk because of support for pensions from another government. The cluster of data points to the lower left include several large school districts in Texas (Aaa stable), such as Northside Independent School District (Aa1 stable), as well as Boston, MA, where state governments assume responsibility for a significant portion of local pension costs. The District of Columbia, which has the lowest ANPL to its governmental revenues of the 24 sampled governments, has such a comparatively low pension risk profile because of federal assumption of legacy pension obligations.

» The functions of governments in this sample are not all equivalent. Some entities, such as New York City, perform the functions that in other cities may be split across several governments, such as a city, county and school district.

Exhibit 6

Selection of Large Local Governments With Higher Current Unfunded Pension Burdens Also Have Higher Downside Asset Risk if Further Losses Materialize

New York City and Honolulu Have Similarly Moderate Unfunded Liability Burdens to Boston and Philadelphia, but Greater Pension Asset Exposure (data point values reflect x-axis, y-axis)



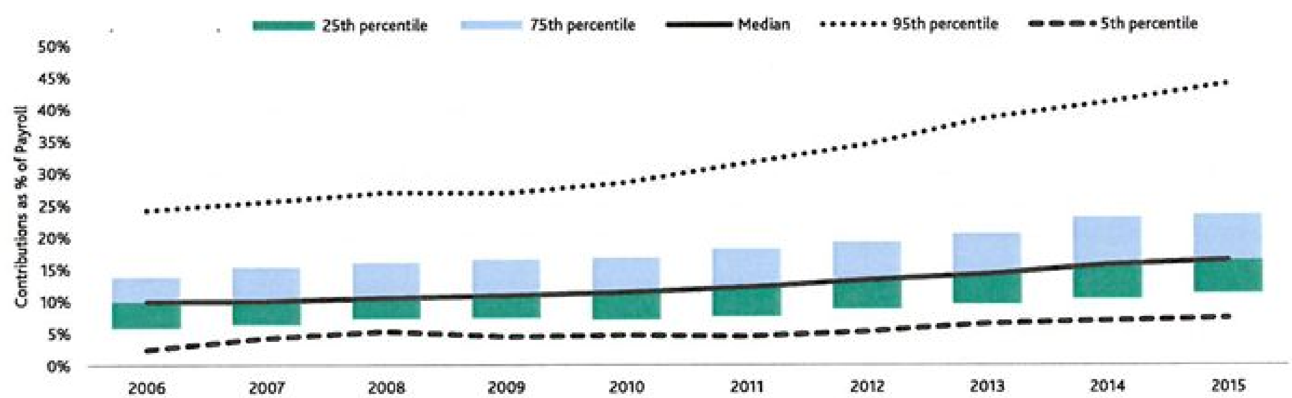
"ANPL" in the y-axis title stands for Moody's adjusted net pension liability. Data points reflect a sample only, not a comprehensive range of large local government pension exposure.
NOTE: The calculations for the City of Boston are an estimate based on unaudited data provided by the city as a supplement to its CAFR. In its CAFR, the city does not provide a GASB 68 breakout of its share of the pension liability of the State-Boston Retirement System.
Source: Fiscal 2015 government CAFRs, Moody's Investors Service

Pension costs have grown to address accumulated unfunded liabilities

Over the past ten years, pension costs have increased substantially following two major stock market downturns. The funding approach used by many state and local governments generally smoothes assets over multiple years and amortizes unfunded liabilities over 20 to 30 years, often as an increasing series of payments. As a result, costs will remain heightened for the foreseeable future. Further, adverse investment performance in fiscal years 2015 and 2016, plus a trend of modest discount rate reductions and other actuarial assumption changes, will generally continue to drive up contribution requirements even more. Based on a sample from 108 public plans, including at least one plan in which each of the 50 states participates, the median government pension contribution rate relative to payroll reached 16.3% in 2015, from 9.9% in 2006 (see Exhibit 7). This reflects contributions, not actuarial costs, so plans with contribution shortfalls relative to actuarial requirements are not fairly comparable.

Exhibit 7

US State and Local Pension Contribution Burdens Relative to Payrolls Have Increased Materially Over the Past Decade



Sample reflects 108 state and local government pension plans. Due to data availability, the sample size decreases to 106 for fiscal 2015.
Source: Plan CAFRs and actuarial valuations, state CAFRs

Rising pension costs generally add to budgetary difficulty by increasing current operating costs even though they are associated with past government budgets. These higher fixed costs also decrease the capacity of budgets to withstand new shocks. As discussed earlier, the relative size of pension assets has generally rebuilt since the 2008 market downturn, but unlike before the last two market drops, government budgets are now grappling with much more burdensome and rising pension costs. This translates into reduced resiliency to further cost hikes stemming from pension asset losses. Yet at the same time, one of the key by-products of the long-term, high return-seeking investment approach taken by US public pension funds is the material likelihood of such an event occurring.

For example, CalSTRS' asset volatility ratio, measured by comparing assets to total plan covered payroll, exceeded 640% in 2015, close to recent peaks of 2000 and 2007. But the pension cost structure now facing California school districts to address built-up unfunded liabilities is far more burdensome than in prior years. Under current law, school district contribution rates relative to payroll will more than double, over the course of several years, compared to historical levels in order to begin addressing the system's unfunded liabilities. The contribution rate hikes put in place were implemented under the expectation that investment returns would meet the system's assumed rate of 7.5% annually. Thus, one or more near-term downside shocks would require even further cost spikes in order to achieve the state's goal of full funding by 2046 without offsetting investment returns far above expectations.

Reducing investment risk requires greater budget stress in the short term

With discount rates tied to assumed rates of investment return under the government funding approach, substantially shifting asset allocations away from volatility risk translates into lower discount rates. Lower discount rates cause higher reported liabilities and contribution requirements, all else being equal, although the economic value of accrued pension promises remains unaffected by such assumption changes.

Already heightened and rising contribution requirements offer the biggest disincentive to de-risking pension assets and lowering short-term volatility risk; many government budgets cannot easily withstand the further material increases to contributions that would result from lower risk portfolios and return assumptions. While return assumptions have no doubt declined across US state and government pension plans in recent years, the declines have generally been moderate, with most plans continuing to assume returns in the range of 7.5% annually.

This dilemma was at the heart of debate between the State of California (Aa3 stable) and CalPERS, as the pension fund considered various de-risking strategies last year. While the state favored quicker movement toward lower discount rates, lower asset risk and the associated contribution increases, CalPERS ultimately decided to adopt a long-term and very gradual strategy to lower its discount rate only following years with exceptional investment returns. The pension fund cited the current pressure on local government budgets from rising pension costs as a main rationale for favoring such a gradual approach.

Although the high return-seeking model employed by US public pension funds is often linked with the long-term, or "perpetual" nature of governments, this approach to pension funding still translates to an important credit risk consideration. In the event of pension investment losses, governments must be able to withstand the budget ramifications of increased pension costs while continuing to deliver public services and repay bonded debt.

Given low single-digit growth prospects for state and local government revenues, many governments could be quite challenged. Should significant asset declines occur in conjunction with an even more difficult revenue environment, caused for example by an economic recession, the financial challenge to governments will only be compounded.

Moody's Related Research

Sector In-Depth

» Market Volatility Points to Growing US Public Pension Debt in 2016, April 2016 (1018600)

» Recent Municipal Bankruptcies Provide Greater Clarity on Outcomes for Investors, February 2016 (1010953)

» Higher For Longer - California Pension Costs To Remain Elevated Under CalPERS' Risk Reduction Plan, December 2015 (1011001)

» Past Pension Costs to Compete for Future Resources of Many US State and Local Governments, November 2015 (1009044)

» Municipal Bankruptcy Still Rare, But No Longer Taboo, August 2015 (1003275)

Data Report

» US Municipal Bond Defaults and Recoveries, 1970-2015, May 2016 (1017170)

Sector Comment

» California Teachers Pension Fund to Reduce Asset Volatility by Decreasing Public Equity Exposure, April 2016 (189241)

Endnotes

1 "Diminishing Returns: Why Investors May Need to Lower Their Expectations," May 2016. McKinsey Global Institute.

REPORT NUMBER 1028742

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The New York Times http://nyti.ms/2b3t0oe

YOUR MONEY

M.I.T., N.Y.U. and Yale Are Sued Over Retirement Plan Fees

By TARA SIEGEL BERNARD AUG. 9, 2016

Three prominent universities were sued on Tuesday, accused of allowing their employees to be charged excessive fees on their **retirement** savings.

The universities — the **Massachusetts Institute of Technology**, **New York University** and **Yale** — each have retirement plans holding more than $3 billion in assets and are being individually sued by a number of their employees in cases seeking class-action status.

The lawyer representing the three groups of plaintiffs, Jerome J. Schlichter, is a pioneer in retirement plan litigation. Over the last decade, he has filed more than 20 lawsuits on behalf of workers in 401(k) retirement plans and has been widely credited with lowering plan fees across corporate America.

With the suits filed in federal courts on Tuesday, the focus has turned to a lesser-known corner of the retirement savings market, 403(b) plans, which are named for a section of the tax code. The accounts are similar to 401(k) plans, but are offered by public schools and nonprofit institutions like universities and hospitals.

The complaints allege that the universities, as the plan sponsors, failed to monitor excessive fees paid to administer the plans and did not replace more expensive, poor-performing investments with cheaper ones. Had the plans eliminated their long lists of investment options and used their bargaining power to cut costs, the complaints argue, participants could have collectively saved tens of millions of dollars.

"It is important for retirees and employees of universities to have the same rights and ability to build their retirement assets as employees of for-profit companies," said Mr. Schlichter, a founding partner of Schlichter Bogard & Denton in St. Louis. "They shouldn't be penalized."

In a statement, New York University said that it took the welfare of its faculty and employees seriously, including a dignified retirement. "The retirement plans offered to them are chosen and administered carefully and prudently. We will litigate this case vigorously and expect to prevail," said John Beckman, a university spokesman.

A spokeswoman for M.I.T. said it did not comment on pending litigation, while Yale said it was "cautious and careful" in administering its plans and would defend itself vigorously.

More attention is being paid to investment costs shouldered by American workers, who are less likely today to have pension plans. With the strong support of the Obama administration, the Labor Department introduced new rules in April to strengthen investor protections, requiring a broader group of financial professionals to act in customers' best interest when handling their retirement money. The aim is to reduce conflicts of interest and the fees consumers pay.

Even modest reductions in costs can have a significant effect on retirees' savings. An oft-cited example from the Labor Department: Paying one percentage point more in fees over a 35-year career — say 1.5 percent instead of 0.5 percent — could leave a worker with 28 percent less at retirement. An account with $25,000 — and no further contributions for those 35 years — would rise to only $163,000 instead of $227,000, at an annual rate of 7 percent.

Mr. Schlichter said the three universities' plans were targeted because more people were asking questions about their retirement accounts and "these involve clear breaches of the law."

The complaint against N.Y.U. — which involves two 403(b) plans covering faculty, research administration and the medical school — centers largely on costs. The complaint said that participants were offered too many investment choices (there were more than 100 options for faculty), and that many of them were too expensive. The suit, filed in Federal District Court for the Southern District of New York, singles out several investments, including the TIAA Traditional Annuity, which it said has severe restrictions and penalties for withdrawal, as well as variable annuities that have several layers of fees and have historically underperformed.

A spokesman for TIAA said it offered high-quality plans and low-cost investments that provide lifetime income.

The suit also argues that even the cheapest funds offered could have been provided for less, given the enormous size and bargaining power of the faculty and medical school plans, which together held $4.2 billion in assets for more than 24,000 participants at the end of 2014.

The complaint alleges that the university did not use its negotiating powers to select a single low-cost record keeper for administrative tasks such as sending statements to employees. It said it also overpaid for these services for many years.

The issues concerning Yale's 403(b) retirement plan — which held nearly $3.6 billion in assets in the spring of 2014 — follow a similar pattern: multiple record keepers with excessive fees, costing participants millions of dollars over the last six years; too many investments of the same style; and the use of higher-cost funds instead of identical but lower-priced ones. That case was filed in Federal District Court in Connecticut.

Yale eventually consolidated to one provider, TIAA, in April 2015, and swapped in some lower-cost investments, but the suit claims that the changes did not go far enough to fully protect the interests of its employees. Mr. Schlichter said participants were still burdened with sorting through more than 100 options, many of which were too expensive.

The complaints lodged against M.I.T.'s retirement plan (unusually, it is a 401(k) like those used by corporations) are similar but with a twist.

The suit alleges that the university, because of its longstanding relationship with nearby Fidelity, did not conduct a thorough search for a plan provider, which might have provided better service for less. The retirement plan offered more than 340 investment options — including 180 Fidelity funds — until July 2015, when M.I.T. reduced the lineup to 37 options but still retained Fidelity as the record keeper.

The complaint said that Fidelity had donated "hundreds of thousands of dollars" to M.I.T., while Abigail Johnson, Fidelity's chief executive, has served as a member of M.I.T.'s board of trustees, giving her influence over the institution's decision-making.

Had the plan reduced its options to those on the menu it adopted last year, "participants would have saved over $8 million in fees in 2014 alone, and many millions more since 2010," according to the complaint, filed in Federal District Court in Massachusetts. M.I.T. recognized that the plan structure was inefficient, the filing said, since that was part of the reason it said it made the changes. But even after the overhaul, the suit alleges, investment costs could be further reduced.

Fidelity, which noted that it was not a defendant in the case, declined to comment.

Mr. Schlichter's firm has settled about half of his 20 cases over the last 10 years. His first case involving a 403(b) was against Novant Health, a nonprofit hospital system, which settled last year for $32 million. In a **landmark case** he argued last year before the Supreme Court, the justices, in a unanimous decision, agreed that plan sponsors had a "continuing duty to monitor investments and remove imprudent ones."

A series of suits, from Mr. Schlichter's firm and others, continue to be filed in the corporate world: Several asset managers, including Neuberger Berman and Franklin Resources, among others, have recently been sued for putting their own investments in their employees' 401(k) plans.

Some of the more prominent cases against 401(k) plans settled by Mr. Schlichter include a $62 million settlement against Lockheed Martin, $57 million from Boeing and $27.5 million from Ameriprise, all in 2015. He also settled cases with Cigna, International Paper, Caterpillar, General Dynamics, Bechtel and Kraft.

Mr. Schlichter said his firm, which works on a contingency basis, typically collects up to a third of the settlement, while the remainder goes to the plaintiffs and members of the class. He said that his settlements also required employers to make changes to their plans to ensure fees were reasonable in the future.

Eduardo Porter, whose Economic Scene column normally appears on this page, is away.

A version of this article appears in print on August 10, 2016, on page B1 of the New York edition with the headline: Lawsuits Accuse Big Universities of Mishandling Retirement Plans.

WILL BE PROVIDED AT THE MEETING.

NO WRITTEN REPORT

NO COMMITTEE MEETING WAS HELD THIS MONTH

THE NEXT MEETING WILL BE PRIOR TO THE OCTOBER 2016 BOARD MEETING

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TO: BOARD OF TRUSTEES

FROM: EDWARD SMITH, CHAIR

DATE: SEPTEMBER 15, 2016

SUBJECT: BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet during the month of August. The following report reflects Benefits Department activities and projects that occurred since the last report.

Retirement Modernization Project - Electronic Transmission of HR Data to STAR

Progress continues on the STAR change request that will improve retirement processing efficiencies and pave the way for the faster issuance of an annuitant's first pension check.

Purchase of Service Project (POS)

DCRB Benefits staff continues to work with Cavanaugh Macdonald Consulting, LLC to consolidate all of the various purchases of service spreadsheets used by our Benefits Quality Unit to calculate the amount of money required by members to have certain purchased service credited in their final benefit calculation. Cavanaugh Macdonald has committed to 10/1/2016 for the final product.

Retirement Benefit Statement Project

The Benefits Department continues to work with Cavanaugh Macdonald (Cavanaugh) to develop benefit statements for active members. The statements will provide Member Information, Accrued Benefit, and a Projected Benefit. The Project Plan includes using a test group of 170 FEMS members, who will be issued a preliminary benefit statement on or about October 30, 2016. Along with the statement will be an introductory letter explaining the project, and a link to an online survey, where members can provide any feedback.

AnnuitantVerification Update

On May 26, 2016, letters were sent to 285 annuitants asking them to certify that they are receiving the benefit payments they are entitled to. As of August 31, 2016, all but two have responded. Since multiple attempts to communicate with those two remaining annuitants have not been successful, we have had to suspend their benefits. Should those members later communicate with DCRB and prove their identity, their benefits will be reinstated.

Post-56 Military Purchases

The Benefits Department has completed a Post-56 Military Purchase Project for 2015, which included members whose military service was used to calculate their annuity, but who had not purchased that service when they retired. Members cannot continue retirement benefits that include their military service once they reach social security retirement age unless they purchase the military service or they are not eligible for social security benefits. The project included not only the 38 annuitants who reached social security retirement age in 2015, but also a backlog of 374 cases from 2005 through 2013. Details of the project are noted below:

238	Members Who Purchased Service
75	Members Who Were Reduced
16	Deceased
14	Military Service not used
87	Not Social Security Eligible
4	Outstanding
434	Total Population

Term Vested Project

A project is underway to send recently separated, non-vested (less than five years of service) members information about their refund or deferred retirement options. The planned first mailings of letters, brochures, applications, and other information is scheduled to be distributed later this month. The initial mailings will be comprised of separations that occurred since the fall of 2015, because their not having returned to District employment can be verified. Of the approximately 500 members who separated during that time, over 85% of them are Teachers.

Summary Plan Descriptions

The Summary Plan Descriptions ("SPDs") for the Police Officers and Firefighters' and Teachers' Retirement Plans are now undergoing review by DCRB legal staff. Legal review should be completed by the end of October.

Earned Income Review for Disability Annuitants

The Benefits Department has completed the 2015 income verification project for disabled Police/Fire Plan annuitants who are under the age of 50. The final date for submission of 2015 income was May 16, 2016. Details of the project are provided below:

127	No action – Under Income Limits
13	Suspended – Over Income Limits
2	Suspended – Noncompliance
6	Requested Extension due late tax filing
148	Total Population

Coinciding with the current 2015 annual earned income review, AON Hewitt Investment Consulting recently reviewed DCRB's annual earned income review process and Plan provisions along with those of seven (7) peer systems. Their draft report and recommendations are under review by DCRB Benefits staff to determine next steps.

Stakeholder Outreach

Benefits Community of Interest Meeting
A meeting of the Benefits Community of Interest was held on August 30, 2016. The meeting was well attended, with representatives from DCRB, the Office of Pay and Retirement Services (OPRS), the DC Police & Firefighters Retirement & Relief Board (DCPFRRB), and the human resources offices of the District, D.C. Public Schools (DCPS), Fire & Emergency Medical Services (FEMS), and the Metropolitan Police Department (MPD). Topics discussed were: post-retirement health care issues (including a new Medicare Supplemental Plan for District annuitants), certification of reclaimed pension data, benefit statements, PeopleSoft query access, creation of a Quality Change Control Board, and several other topics of interest. The group agreed that these meeting are very helpful to everyone and that future meetings will occur at least quarterly.

Benefits Department Monthly Statistics

Activity	August	July	June
Retirement Claims Received	154	192	213
Processed Retirements	117	100	159
Average Processing Days	54	68	54
Telephone Calls	2898	2434	2431
Walk-in Customers	131	102	132
Scanned Documents	12,378	11,502	14,820
QDROs Approved	3 final	none	3 final
Purchase of Service	12 ($23,823)	2 ($1,063.28)	1 ($3,500

You will find more details of the Benefits Department statistics in the attached reports.

RETIREMENT CASE PROCESSING - MONTHLY REPORT

AUGUST 1, 2016

CASES AVAILABLE FOR PROCESSING	CASES RECEIVED (but may not have been ready for payment)	CASES PROCESSED	CASE TYPE	PLAN		
				Fire	Police	Teacher
99	53	46	Beneficiary (One-Time Payments)	5	13	28
0	0	0	Beneficiary of Survivor	0	0	0
8	5	3	Deferred Annuity	0	1	2
1	1	0	Disability	0	0	0
3	1	2	Garnishment/Levy	1	1	0
1	0	1	Health Benefit Adjustments	0	1	0
34	15	19	Optional/Voluntary & Involuntary Annuity	7	12	0
4	2	2	QDRO/QMSCO	0	2	0
22	9	13	Survivor Annuity	2	10	1
1	0	1	Student Certifications	0	1	0
12	6	6	Annuity Adjustments	2	1	3
0	0	0	ODCP AUDIT ADJUSTMENTS	0	0	0
7	0	7	POST-56 Adjustments	3	4	0
0	0	0	CAPS Adjustments*	0	0	0
0	0	0	Auto Debt Collection	0	0	0
192	92	100		20	46	34

*ODCP's Corrective Action Project

RETIREMENT CASE PROCESSING REPORT – Prepared by S. Treadwell, Retirement Services Manager

RETIREMENT CASE PROCESSING - MONTHLY REPORT

SEPTEMBER 1, 2016

CASES AVAILABLE FOR PROCESSING	CASES RECEIVED (but may not have been ready for payment)	CASES PROCESSED	CASE TYPE	PLAN		
				Fire	Police	Teacher
28	7	21	Beneficiary (One-Time Payments)	3	3	15
0	0	0	Beneficiary of Survivor	0	0	0
8	7	1	Deferred Annuity	1	0	0
3	1	2	Disability	1	1	0
3	0	3	Garnishment/Levy	1	2	0
0	0	0	Health Benefit Adjustments	0		
48	15	33	Optional/Voluntary & Involuntary Annuity	4	29	0
2	0	2	QDRO/QMSCO	1	1	0
16	6	10	Survivor Annuity	3	5	2
0	0	0	Student Certifications	0	0	0
5	0	5	Annuity Adjustments	0	2	3
27	1	26	Octo Review – Monetary & Non-Monetary Adjustments	5	9	12
9	0	9	POST-56 Adjustments	1	8	0
0	0	0	CAPS Adjustments*	0	0	0
3		3	Disability Income Project Adjustments	1	2	0
2	0	2	Auto Debt Collection	0	1	1
154	37	117		21	63	33

*ODCP's Corrective Action Project

RETIREMENT CASE PROCESSING REPORT – Prepared by S. Treadwell, Retirement Services Manager

MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
August 2016

Background

The reported survey outcomes are the results of the June 2016 Member Services Customer Satisfaction Survey. The data collected are from active and retired members of the District of Columbia Police Officers and Firefighters' and Teachers' Retirement Plans, their survivors and beneficiaries. The purpose of the survey is to gather and measure the customer experience, gaging their satisfaction in an effort to improve our service to them, as necessary.

Survey Objective

The resulting feedback will be used to:

- Increase member satisfaction and confidence
- Deliver actionable data to decision-makers
- Reduce caller and in-person wait times for service
- Set reasonable service expectations

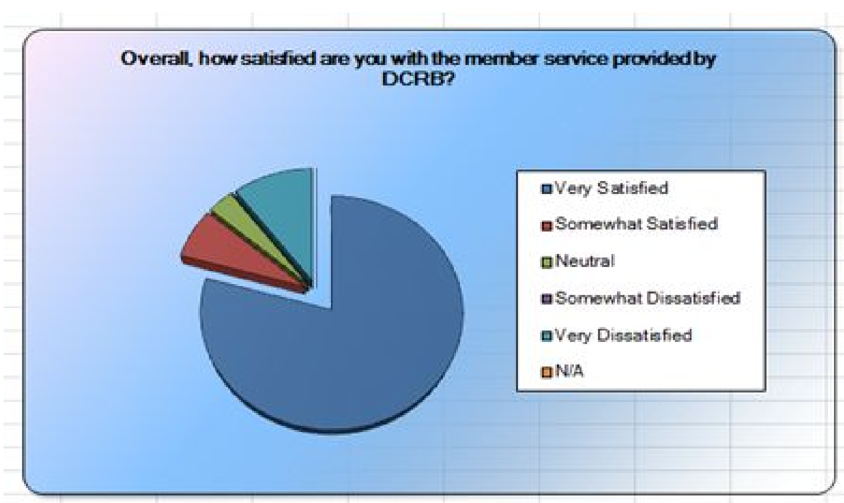
Methodology

- This month, survey participants were Plan members who made onsite visits to the DCRB member Service Center and members who contacted the center by email to the dcrb.benefits@dc.gov address. Some members arrived after having scheduled an appointment; others came in for assistance with updating their member information. The survey participants were randomly selected.

Participants

- 309 surveys were sent.
- 31 responses were received from members.

Overall DCRB Member Satisfaction

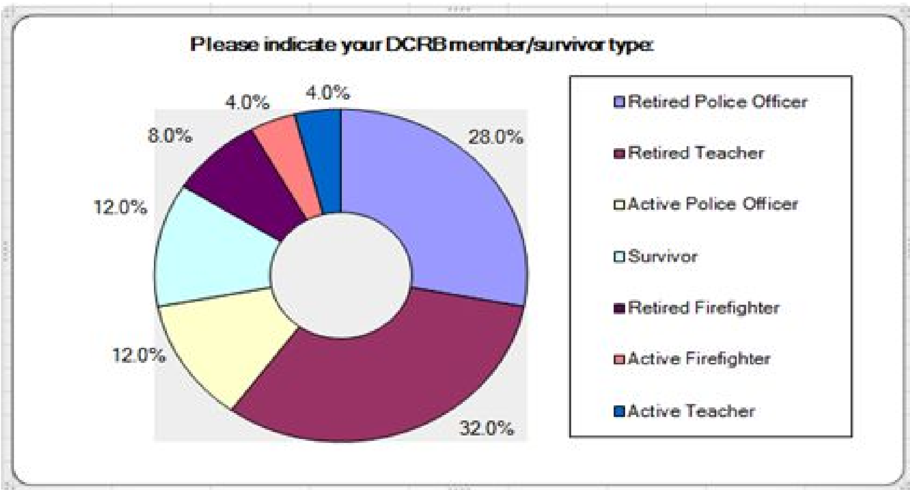


MSC Satisfaction Survey_August.2016

MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
August 2016

Overall, how satisfied are you with the member service provided by DCRB?		
Answer Options	**Response Percent**	**Response Count**
Very Satisfied	79.3%	23
Somewhat Satisfied	6.9%	2
Neutral	3.4%	1
Somewhat Dissatisfied	0.0%	0
Very Dissatisfied	10.3%	3
N/A	0.0%	0
	answered question	**29**
	skipped question	**2**

Membership Type



Knowledge and Skills

How satisfied were you with how the representative addressed your problem/inquiry?						
Answer Options	**Strongly Agree**	**Agree**	**Neither Agree/Disagree**	**Disagree**	**Strongly Disagree**	**Response Count**
Had the right information.	23	2	1	1	1	28
Understood your questions.	22	4	1	0	1	28
Provided clear answers.	23	2	1	1	1	28
Answered your questions.	22	3	0	1	1	27
Appeared well organized.	23	3	1	0	1	28
					answered question	**29**
					skipped question	**2**

MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
August 2016

Reason for Contact/

What was the main reason you contacted the DCRB Benefits Department?

Answer Options	Response Percent	Response Count
Death of Annuitant	23.8%	5
Retirement	19.0%	4
Health/Life Insurance	14.3%	3
Tax Withholding Election	14.3%	3
Refund	14.3%	3
Name/Address Change	4.8%	1
Direct Deposit	4.8%	1
Redeposit/Purchase of Service	4.8%	1
Student Certification	4.8%	1
Beneficiary Change	0.0%	0
Disability	0.0%	0
I did not contact DCRB.	0.0%	0
Other (please specify)		9
	answered question	21
	skipped question	10

Contact Wait Time

If you were placed on hold, what was the amount of time you were on hold?

Answer Options	Response Percent	Response Count
Less than 1 minute	18.5%	5
1 to less than 3 minutes	18.5%	5
3 to less than 5 minutes	11.1%	3
Over 5 minutes	14.8%	4
I hung up.	0.0%	0
N/A	37.0%	10
	answered question	27
	skipped question	4

MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
July 2016

Background

The reported survey outcomes are the results of the June 2016 Member Services Customer Satisfaction Survey. The data collected are from active and retired members of the District of Columbia Police Officers and Firefighters' and Teachers' Retirement Plans, their survivors and beneficiaries. The purpose of the survey is to gather and measure the customer experience, gaging their satisfaction in an effort to improve our service to them, as necessary.

Survey Objective

The resulting feedback will be used to:

- Increase member satisfaction and confidence
- Deliver actionable data to decision-makers
- Reduce caller and in-person wait times for service
- Set reasonable service expectations

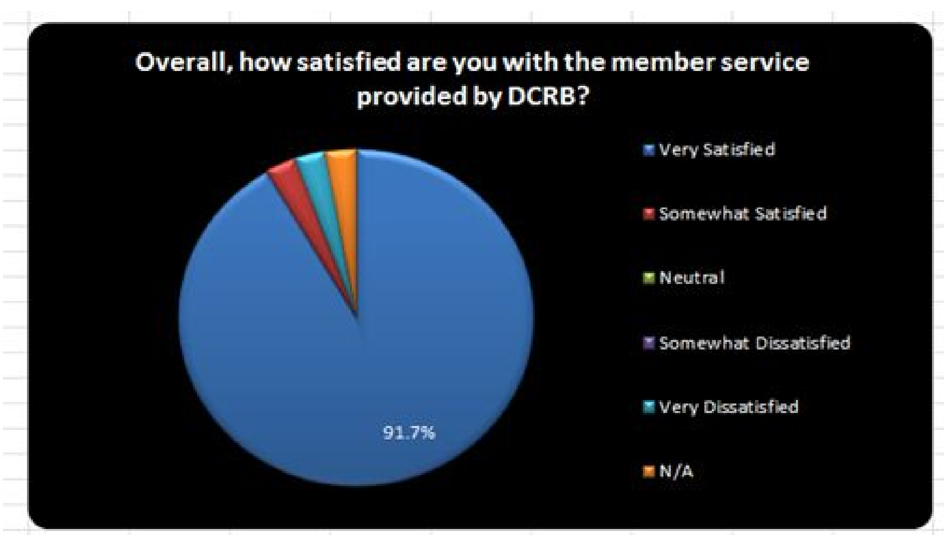
Methodology

- This month, survey participants were Plan members who made onsite visits to the DCRB member Service Center. Some members arrived after having scheduled an appointment; others came in for assistance with updating their member information. The survey participants were randomly chosen...

Participants

- 426 surveys were sent.
- 38 responses were received from members.

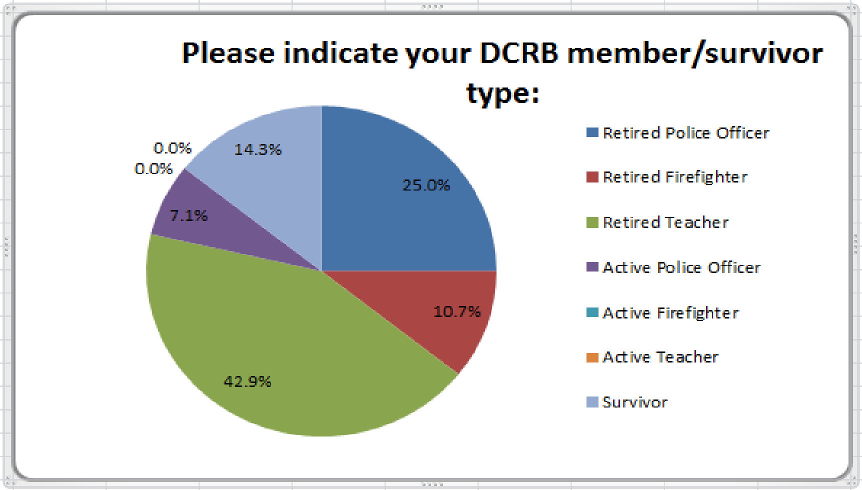
Overall DCRB Member Satisfaction



MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
July 2016

Overall, how satisfied are you with the member service provided by DCRB?		
Answer Options	**Response Percent**	**Response Count**
Very Satisfied	91.7%	33
Somewhat Satisfied	2.8%	1
Neutral	0.0%	0
Somewhat Dissatisfied	0.0%	0
Very Dissatisfied	2.8%	1
N/A	2.8%	1
	answered question	**36**
	skipped question	**2**

Membership Type



Knowledge and Skills

How satisfied were you with how the representative addressed your problem/inquiry?						
Answer Options	**Strongly Agree**	**Agree**	**Neither Agree/Disagree**	**Disagree**	**Strongly Disagree**	**Response Count**
Had the right information.	34	2	0	0	0	36
Understood your questions.	34	2	0	0	0	36
Provided clear answers.	34	2	0	0	0	36
Answered your questions.	34	2	0	0	0	36
Appeared well organized.	34	2	0	0	0	36
					answered question	**36**
					skipped question	**2**

MEMBER SERVICES CUSTOMER SATISFACTION SURVEY
July 2016

Reason for Contact

What was the main reason you contacted the DCRB Benefits Department?		
Answer Options	**Response Percent**	**Response Count**
Name/Address Change	4.2%	1
Direct Deposit	0.0%	0
Health/Life Insurance	12.5%	3
Redeposit/Purchase of Service	0.0%	0
Student Certification	0.0%	0
Beneficiary Change	16.7%	4
Retirement	16.7%	4
Tax Withholding Election	12.5%	3
Refund	8.3%	2
Death of Annuitant	33.3%	8
Disability	4.2%	1
I did not contact DCRB.	0.0%	0
Other (please specify)		10
	answered question	**24**
	skipped question	**14**

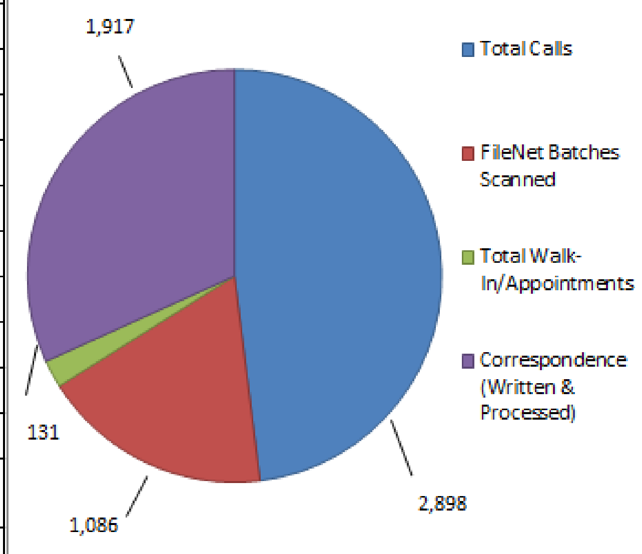
Contact Wait Time

If you were placed on hold, what was the amount of time you were on hold?		
Answer Options	**Response Percent**	**Response Count**
Less than 1 minute	2.9%	1
1 to less than 3 minutes	20.6%	7
3 to less than 5 minutes	8.8%	3
Over 5 minutes	0.0%	0
I hung up.	0.0%	0
N/A	67.6%	23
	answered question	**34**
	skipped question	**4**

DCRB Member Services Center Statistics for August 2016

Call Center Statistics

Total Calls	**2,898**
Inbound Calls	2,197
Outbound Calls (Voicemails & Follow-up calls)	701
Average Talk Time	*6:00 minutes*
Average Caller Wait Time	*2:59 minutes*
Total Walk-In/Appointments	**131**
FileNet Batches Scanned	**1,086**
Documents Pages Scanned	12,378
Correspondence *(Written & Processed)*	**1,917**
Email & Fax	717
Processed Documents (EFTs, address & name changes, tax forms, 1099s, & 2809s , etc.)	1,200
Total	**6,032**



Top 3 Contact Trends	
Death Benefits/Notification	1. Notification of a death of a member/annuitant 2. Change in Beneficiaries for Life Insurance 3. Status of Benefit payment
Health Insurance	1. Questions regarding Open Enrollment for 2016/2017 2. Report enrollment in Medicare Parts A & B 3. Transition from Active to Retirement 4. Reduction in coverage *(Self + One or Self Only)*
Electronic Funds Transfers	1. Corrections of current banking information 2. EFT forms requests by mail, email & fax 3. Processing of new EFT requests

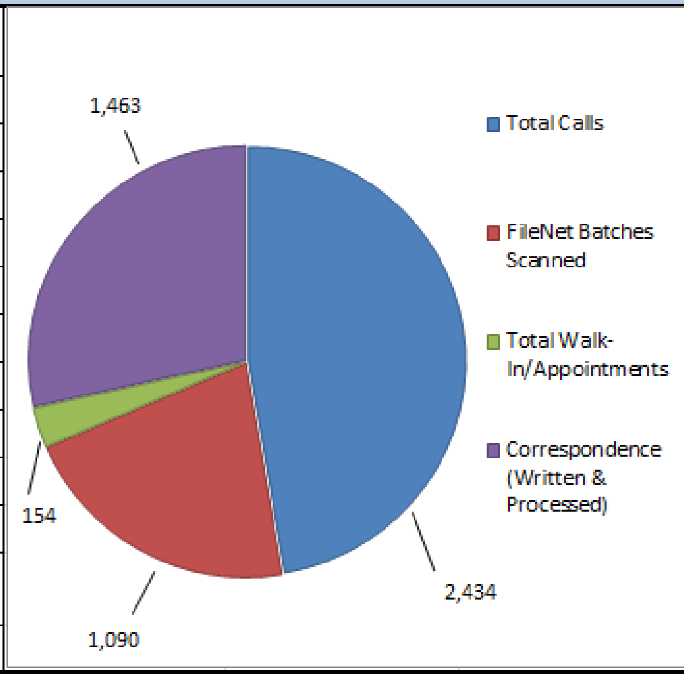
Member Services August Statistical Comparison by Year

	2015	2016	Comments
Walk-Ins/Appointments	118	131	
Total Calls *(includes voice mails)*	1,830	2,898	
Emails	281	309	
Total	**2,229**	**3,338**	

Member Services Center 8.2016_JO

DCRB Member Services Center Statistics for July 2016

Call Center Statistics	
Total Calls	**2,434**
Inbound Calls	1,384
Outbound Calls (Voicemails & Follow-up calls)	1,050
Average Talk Time	*3:51 minutes*
Average Caller Wait Time	*2:23 minutes*
Total Walk-In/Appointments	**154**
FileNet Batches Scanned	**1,090**
Documents Pages Scanned	11,502
Correspondence *(Written & Processed)*	**1,463**
Email & Fax	554
Processed Documents (EFTs, address & name changes, tax forms, 1099s, & 2809s , etc.)	909
Total	**5,141**



Top 3 Contact Trends	
Death Benefits/Notification	1. Notification to DCRB of a death 2. Request for death benefit packets and assistance with completing forms 3. Status of benefit payments
Taxes	1. General questions regarding taxes and how and which forms to complete 2. Update or changes to withholdings
Health Insurance	1. Reduction in coverage *(Self + One or Self Only)* 2. Dependents who have aged off of plan *(dependents over 26)* 3. Survivor Benefits

Member Services July Statistical Comparison by Year

	2015	2016	Comments
Walk-Ins/Appointments	97	154	
Total Calls *(includes voice mails)*	1,805	2,434	
Emails	328	426	
Total	**2,230**	**3,014**	

Member Services Center_7.2016
Jacqueline Oliver

900 7th Street, NW, 2nd Floor
Washington, DC 20001
www.dcrb.dc.gov

Telephone (202) 343-3200
Facsimile (202) 566-5001
E-mail: dcrb@dc.gov

TO: BOARD OF TRUSTEES

FROM: LYLE BLANCHARD, CHAIRMAN

DATE: SEPTEMBER 15, 2016

SUBJECT: LEGISLATIVE COMMITTEE REPORT

The following report reflects activities of interest since the July Board Meeting:

COUNCIL OF THE DISTRICT OF COLUMBIA

L21-0142, "Fiscal Year 2017 Budget Local Portion Adoption Act of 2016"

This proposed bill would appropriate $146,456,000 from local funds for the Police Officers and Firefighters' Retirement System; $56,781,000 from local funds for the Teachers' Retirement System; and $39,095,618 from the Teachers' and Police Officers and Firefighters' Retirement Funds for the District of Columbia Retirement Board.

Status: The bill, B21-0668, was introduced on March 24, 2016, and was enacted with Act number A21-0414 on June 15, 2016. The Act was transmitted to Congress on June 16, 2016, and became law on July 29, 2016.

A21-0488, "Fiscal Year 2017 Budget Support Act of 2016"

Title I, Subtitle L - Equity in Survivor Benefits Clarification Amendment Act of 2016

This provision of the proposed bill would amend the "District of Columbia Spouse Equity Act of 1988" (DC Code §1-529.03) to add a new section clarifying that the Mayor is not required to comply with a qualified domestic relations order issued after an employee's or retiree's death.

Title III, Subtitle E - Fire and Emergency Medical Services Department Chief Officers Service Longevity Amendment Act of 2016

This provision would amend DC Code §5-544.01(a)(3) to provide longevity pay calculated based on annual rate of pay and total active service for non-union, active Assistant Fire Chiefs, Deputy Fire Chiefs and Battalion Fire Chiefs.

Title III, Subtitle F - Fire and Emergency Medical Services Presumptive Disability Implementation Amendment Act of 2016

This provision would amend the "Fire and Emergency Medical Services Employee Presumptive Disability Amendment Act of 2012" (DC Law 19-311; DC Code §§5-651 - 5-656) to require additional eligibility requirements to be met by EMS employees and reporting requirements by FEMS. **Note:** The 2012 Act is subject to appropriations and has yet to be funded.

Status: The bill, B21-0669, was introduced on March 24, 2016, and was enacted with Act number A21-0488 on August 18, 2016. The Act was transmitted to Congress on August 24, 2016, and has a projected law date of November 29, 2016.

L21-0125, "Neighborhood Engagement Achieves Results Act of 2015"

Title II, Subtitle J of this act allows, with the exception of disability annuitants, police officers retired from the Metropolitan Police Department to be eligible for rehire at the discretion of the Director of the Department of Forensic Sciences as a temporary full-time or part-time employee without jeopardy to the retirement benefits of the police officer.

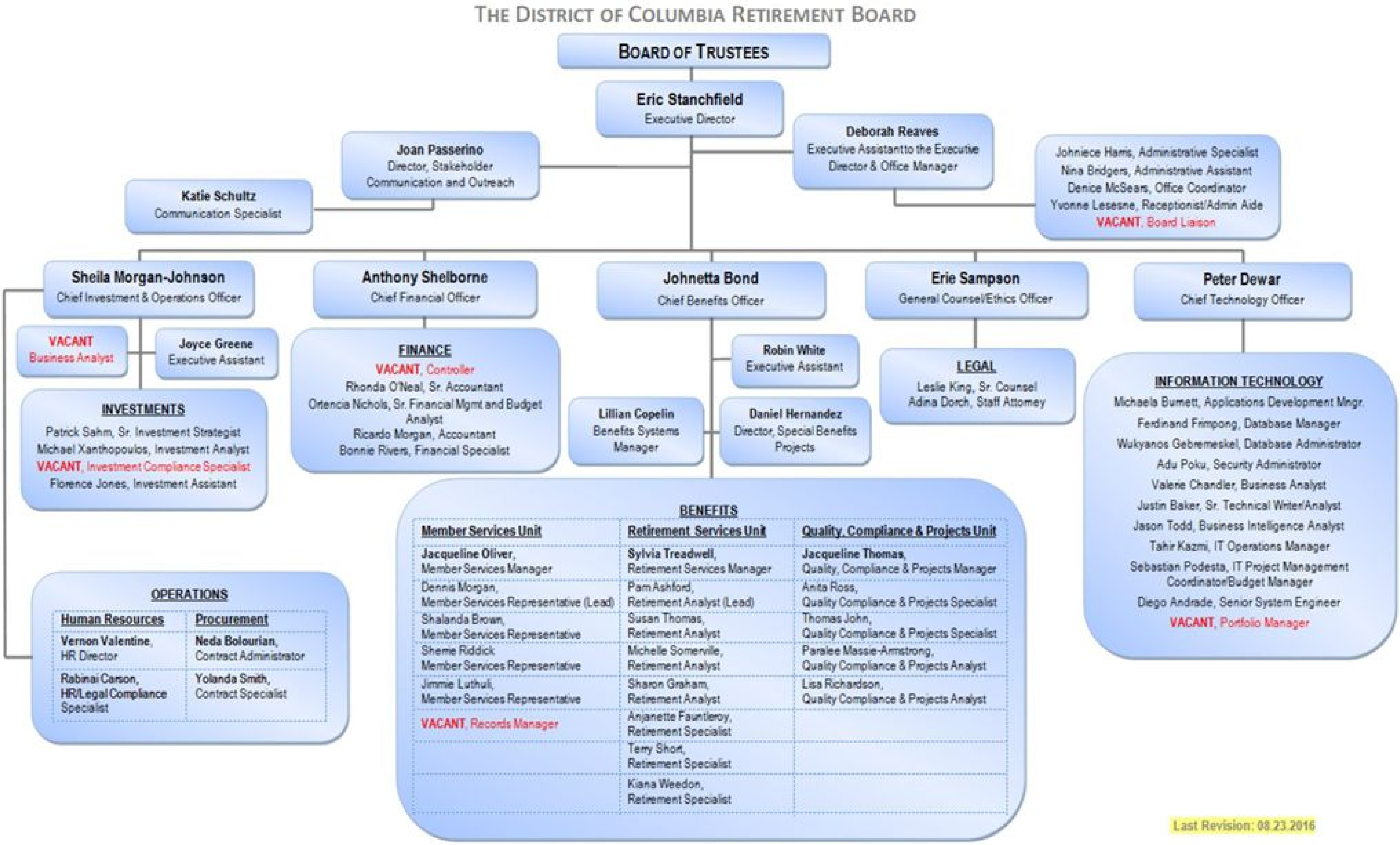
Status: The bill, B21-0360, was introduced on September 22, 2015, and was enacted with Act number A21-0356 on March 26, 2016. The Act was transmitted to Congress on April 6, 2016, and became law on June 30, 2016.

NO WRITTEN REPORT

NO COMMITTEE MEETING WAS HELD THIS MONTH

THE NEXT MEETING WILL BE PRIOR TO THE OCTOBER 2016 BOARD MEETING

NO WRITTEN REPORT PROVIDED


THE DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD OF TRUSTEES
Eric Stanchfield
Executive Director
Joan Passerino
Director, Stakeholder Communication and Outreach
Katie Schultz
Communication Specialist
Deborah Reaves
Executive Assistantto the Executive Director & Office Manager
Johniece Harris, Administrative Specialist
Nina Bridgers, Administrative Assistant
Denice McSears, Office Coordinator
Yvonne Lesesne, Receptionist/Admin Aide
VACANT, Board Liaison
Sheila Morgan-Johnson
Chief Investment & Operations Officer
VACANT
Business Analyst
Joyce Greene
Executive Assistant
INVESTMENTS
Patrick Sahm, Sr. Investment Strategist
Michael Xanthopoulos, Investment Analyst
VACANT, Investment Compliance Specialist
Florence Jones, Investment Assistant
OPERATIONS
Human Resources
Vernon Valentine, HR Director
Rabinai Carson, HR/Legal Compliance Specialist
Procurement
Neda Bolourian, Contract Administrator
Yolanda Smith, Contract Specialist
Anthony Shelborne
Chief Financial Officer
FINANCE
VACANT, Controller
Rhonda O'Neal, Sr. Accountant
Ortencia Nichols, Sr. Financial Mgmt and Budget Analyst
Ricardo Morgan, Accountant
Bonnie Rivers, Financial Specialist
Johnetta Bond
Chief Benefits Officer
Robin White
Executive Assistant
Lillian Copelin
Benefits Systems Manager
Daniel Hernandez
Director, Special Benefits Projects
BENEFITS
Member Services Unit
Jacqueline Oliver, Member Services Manager
Dennis Morgan, Member Services Representative (Lead)
Shalanda Brown, Member Services Representative
Sherrie Riddick Member Services Representative
Jimmie Luthuli, Member Services Representative
VACANT, Records Manager
Retirement Services Unit
Sylvia Treadwell, Retirement Services Manager
Pam Ashford, Retirement Analyst (Lead)
Susan Thomas, Retirement Analyst
Michelle Somerville, Retirement Analyst
Sharon Graham, Retirement Analyst
Anjanette Fauntleroy, Retirement Specialist
Terry Short, Retirement Specialist
Kiana Weedon, Retirement Specialist
Quality, Compliance & Projects Unit
Jacqueline Thomas, Quality, Compliance & Projects Manager
Anita Ross, Quality Compliance & Projects Specialist
Thomas John, Quality Compliance & Projects Specialist
Paralee Massie-Armstrong, Quality Compliance & Projects Analyst
Lisa Richardson, Quality Compliance & Projects Analyst
Erie Sampson
General Counsel/Ethics Officer
LEGAL
Leslie King, Sr. Counsel
Adina Dorch, Staff Attorney
Peter Dewar
Chief Technology Officer
INFORMATION TECHNOLOGY
Michaela Burnett, Applications Development Mngr.
Ferdinand Frimpong, Database Manager
Wukyanos Gebremeskel, Database Administrator
Adu Poku, Security Administrator
Valerie Chandler, Business Analyst
Justin Baker, Sr. Technical Writer/Analyst
Jason Todd, Business Intelligence Analyst
Tahir Kazmi, IT Operations Manager
Sebastian Podesta, IT Project Management Coordinator/Budget Manager
Diego Andrade, Senior System Engineer
VACANT, Portfolio Manager
Last Revision: 08.23.2016

DC Retirement Board Conference Listing as of Semptember 15, 2016					
Sponsor	**Name of Conference**	**Date**	**Location**	**Cost**	**Description**
CII	Pension Fund Trustee Training	28-Sep	Chicago, IL	Members: $395	The program covers critical issues and trends in trustee service and reviews recent ethical dilemmas in the pension fund industry and challenges trustees face with ethical decision-making. The course will evaluate several fact patterns to sharpen their knowledge and understanding of fiduciary responsibilities, conflicts of interest, duties of care and loyalty regarding plan participants and the consideration of plan sponsor circumstances.The course examines common liability structures for a variety of funds (pension, endowment) ways to set strategic investment objectives. Risk budgeting for funds will be explored and applied in a brief case study that enhances participants' understanding of the tactical and strategic choices that fund stewards must make.
NCTR	National Council on Teacher Retirement 94th Annual Conference	October 8-12	Providence, RI	Thru 09/10/2016 Member: $1,080 After 09/10/2016 Member: $1,230	NCTR provides vital support for the retirement security for America's teachers. There are thousands of dedicated individuals involved in our mission, but with more pressure on retirement systems, the need is greater than ever for the leadership, support, and connections that NCTR provides for its members
NCPERS	National Conference on Public Employee Retirement Public Safety Employees Pension & Benefits Conference	October 23-26	Las Vegas, NV	Thru 09/23/2016 Member: $650 After 09/23/2016 Member: $800	The Public Safety Employees Pension & Benefits Conference is dedicated to providing quality education that is specifically tailored for the unique needs and demands of public safety pensions. Since 1985, the Conference has educated hundreds of public safety pension trustees, administrators and staff; union officials; and local elected officials by featuring presentations from recognized leaders in both the worlds of finance and politics, providing news on the latest developments, and offering attendees the opportunity to network with fellow trustees.
CAPPP	Certificate of Achievement in Public Plan Policy Part I	November 12-13	Orlando, FL	Thru 10/2/2016 Member: $1,045.00 NonMember: $1,265.00 After 10/2/2016 Member: 1,295.00 NonMember: $1,515.00	Expand your knowledge of the legal, legislative, plan design and fiduciary aspects of public sector employee pension plans by earning your CAPPP in Employee Pensions today! With curricula taught by distinguished faculty who are well versed on the real issues affecting your plans, the CAPPP program provides attendees with a solid foundation of education to help fulfill the duties of their roles.

DISTRICT OF COLUMBIA RETIREMENT BOARD
Training & Travel Report
As of
September 15, 2016

Name	Description	Sponsor/Vendor	Location	Dates From	Dates To
Trustees					
No Trustee Travel					
Staff					
Johniece Harris	Education	Strategic Planning and Implementation University of Phoenix DC Campus	Washington, DC	08/02/16	09/12/16
Sheila Morgan-Johnson	Conference	National Association of State Retirement Administrators NASRA 62nd Annual Conference	Coeur d' Alene, ID	08/06/16	08/10/16
Erie Sampson	Conference	National Association of State Retirement Administrators NASRA 62nd Annual Conference	Coeur d' Alene, ID	08/06/16	08/10/16