



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 14

MEETING DATE: March 18, 2026

SUBJECT: Board Education Policy

SUBMITTED FOR: X Action Information

RECOMMENDATION

Approve amendments to the Board Education Policy.

PURPOSE/STRATEGIC PRIORITY

This item complies with statutory requirements for Board Member training.

DISCUSSION

SCERS' Board Education Policy was adopted in 2012 after the Legislature added a 24-hour education requirement for county retirement board members. The Policy has been lightly amended since then, most recently in 2024. Pursuant to SCERS' practice of reviewing and refreshing policies periodically, and in recognition of amendments to the Government Code under Senate Bill 827, effective January 1, 2026, Staff has reviewed the Policy to consider whether changes are appropriate.

The proposed amendments include the following:

- Reference to the new two-hour "fiscal and financial training" required under SB 827.
- Clarity regarding extended training programs offered by external retirement organizations, and encouragement for ongoing participation by Board Members to attend those programs. Emphasis has been added that participation in external training constitute Board members' "official duties" under Government Code section 31522, which states that such duties for elected Board Members from the county or a special district "shall normally take precedence over any other duties."
- Stylistic and formatting changes.

Staff believe the new two-hour financial training requirement for cities, counties, and special districts substantially overlaps with the subject matter covered by SCERS' current 24-hour education requirements. The content identified by SB 827 includes:

1. Laws and principles relating to financial administration and short- and long-term fiscal management, including, but not limited to, the role and responsibilities of financial administration, financial policies, municipal budgets and budget processes, and financial reporting and auditing.
2. Laws and principles relating to, but not limited to, capital financing and debt management, mechanisms for local agency revenues, pensions and other postemployment benefits, cash management and investments, the prudent investor standard, and the ethics of safeguarding public resources.
3. General fiscal and financial planning principles and any pertinent laws relevant to the local agency official's public service and role in overseeing the local agency's operations and relevant to the local agency's procurement and contracting practices and responsibilities.

Staff is working with other California retirement systems and pension organizations to determine if more formal, dedicated training is appropriate to meet the spirit and letter of the law.

ATTACHMENTS

- Board Order
- Redlined version of policy with proposed amendments
- Clean version of policy with proposed amendments

Prepared by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
March 18, 2026

AGENDA ITEM:

Board Education Policy

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve amendments to the Board Education Policy.

I HEREBY CERTIFY that the above order was passed and adopted on March 18, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary



BOARD EDUCATION POLICY

PURPOSE

The purpose of this policy is to ~~establish a Board Education Policy (Policy) consistent with statutory requirements and the Board's fiduciary duty.~~

~~A. To assure ensure that all SCERS Board Members have access to the knowledge information they necessaryed in the areas of pension fund administration and investment of pension fund assets to prudently and effectively carry out their fiduciary and statutory duties, to encourage all Board Members to seek and participate in current educational opportunities, and to comply with statutory training requirements.~~

~~B. To assure that all SCERS Board Members possess a common base of knowledge relevant to pension fund administration, the investment of pension fund assets, and fiduciary practices sufficient to enable effective group discussion, debate and decision making.~~

~~C. To encourage all Board Members to seek and maintain up-to-date knowledge regarding the information necessary to prudently administer the retirement system.~~

~~D. To establish a Board Education Policy that facilitates compliance with Section 31522.8 of the 1937 Act, which, effective January 1, 2013, requires Board Members to complete twenty-four (24) hours of Board Member education within the first two (2) years of assuming office, and for every subsequent two year period thereafter.~~

POLICY

Board Members are required to complete 24 hours of Board Member education within the first two 2 years of assuming office, and for every subsequent 2-year period thereafter.

Relevant subjects ~~for Board Member education~~ include, but are not limited to, the following:

- Fiduciary responsibilities;
- Effective governance practices;
- Institutional investment practices, asset allocation principles and investment program management;
- Actuarial analysis;
- Pension funding policy;
- Benefits structure and administration;
- Fiscal and financial management (2-hour requirement every 2 years);
- Regulatory and legal consideration;
- Sexual harassment prevention (2-hour requirement every 2 years) and

- Ethics (2-hour requirement every 2 years);

APPLICATION

Education and Training Opportunities

Board Members may receive education ~~in these and other relevant subjects~~ through various formats including, but not limited to, the following:

- External conferences, seminars, workshops, roundtables or similar programs ~~(collectively, ‘conferences’)~~;
- Courses and programs conducted by and/or through academic institutions;
- In-house educational presentations ~~can take place~~ at regular or special SCERS Board Meetings ~~or at special sessions~~;
- Programs related to professional licensing requirements or obtaining/maintaining professional credentials;
- Online or in-person ~~training~~ courses/programs mandated by law, such as including ~~ethics training and/or~~ sexual harassment prevention ~~training~~;
- Electronic media, including video and Internet-based education; and
- Relevant periodicals, journals, textbooks, or similar materials.

Prior to their first Board meeting, new Board Members are required to attend an orientation meeting with SCERS Staff that focuses on the subject areas noted in this Policy.

On an ongoing basis, SCERS Staff will identify appropriate external educational opportunities and make information regarding such educational opportunities available to the SCERS Board. Standards for evaluating the appropriateness of a potential educational opportunity will include:

- ~~(1)~~ The extent to which the opportunity is expected to provide Board Members with the skills and knowledge they need to carry out their roles and responsibilities;
- ~~(2)~~ The timeliness and relevance of the education opportunity;
- ~~(3)~~ The extent to which the opportunity meets the requirements of this Policy; and
- ~~(4)~~ The cost-effectiveness of the education opportunity in light of travel, lodging, program cost and related expenses.

Throughout their tenure, Board Members are strongly encouraged to participate in external training programs offered by the State Association of County Retirement Systems (SACRS) and the California Association of Public Retirement Systems (CALAPRS). Participation in external training programs constitutes “official duties” for elected Board Members who are employees of the county or a district, in that their Board duties shall normally take precedence over any other duties as matter of law.

Other Eligible Opportunities

~~Board Members of the SCERS Board~~ may also identify and propose external educational opportunities. ~~The~~ Chief Executive Officer (CEO) will utilize his/her best professional judgment to determine the appropriateness of any such proposed opportunities. ~~In making~~

that determination, the CEO shall consider the four factors set forth in the previous paragraph and the fiduciary status of the trustees. -In particular, the CEO shall consider whether the proposed educational opportunity presents any appearance of impropriety, due to factors such as geographic location, venue, the nature of the education, and travel/lodging costs. -Upon request, the CEO's determination about the appropriateness of the educational opportunity may be reviewed by the SCERS Board.

Board Members may also gain credit for educational activity based on writing an article for a qualified publication, or teaching or presenting educational information at a qualified conference or program, on the subjects noted in this Policy. Whether an article or presentation qualifies as an educational opportunity under this Policy will be determined, in the first instance, by the ~~CEO~~Chief Executive Officer. Upon request, such a determination may be reviewed by the SCERS Board.

The ~~CEO~~Chief Executive Officer will utilize his/her best professional judgment to determine the number of hours an educational opportunity qualifies for under this Policy. Upon request, a determination regarding the number of hours the education opportunity qualifies for may be reviewed by the SCERS Board.

Reporting

~~SCERS Staff will prepare and present an annual report regarding each Board member's education activities for the year.~~

~~Beginning January 1, 2013, Board Members will acquire a minimum of twenty four (24) hours of Board Member education within the first (2) years of assuming office and for every subsequent two (2) year period thereafter.~~ SCERS will maintain a record of Board Members compliance with the Board Education Policy. An annual compliance report and a copy of this Policy will be posted on the SCERS website.

~~**AUTHORITIES**A formal orientation program will be developed by the Chief Executive Officer for the benefit of new Board Members. The goal of the orientation program will be to help assure that new Board Members are in a position to effectively carry out their fiduciary and statutory duties as soon as possible upon joining the Board. The orientation program will focus on the subject areas noted in this Policy.~~

~~California Government Code Sections 31522, 31522.8, 53234-53235.2, 53238-53238.4, 53237-53237.5~~

~~The orientation program will focus on the subject areas noted in this Policy.~~

~~During the course of their first twenty four (24) months on the SCERS Board, new Board Members will endeavor to attend and participate in extended programs focused on new Board Member training, the principles of pension fund management, and the principles of institutional investing.~~

BACKGROUND

~~Under Article XVI, Section 17 of the California Constitution, the SCERS Board has plenary authority and fiduciary responsibility for the investment of the SCERS pension trust and administration of the retirement system. Under the County Employees' Retirement Law, the SCERS Board and staff shall discharge their duties with respect to the retirement system with the care, skill, prudence and diligence that would be used by a prudent person, familiar with such matters.~~

~~This Policy is grounded in the SCERS Board's recognition there is a unique body of knowledge that is relevant to Board Members in carrying out their distinct roles and responsibilities, and that education in such matters is necessary for Board Members to successfully carry out their fiduciary and statutory duties.~~

~~This Board Education Policy also reflects the SCERS Board's affirmation that it is incumbent on each Board Member to achieve and maintain proficiency in matters central to the administration of the retirement system, the investment of retirement system assets, and prudent fiduciary practices.~~

RESPONSIBILITIES

Executive Owner: Chief Executive Officer

POLICY HISTORY

Date	Description
<u>3/18/2026</u>	<u>Board amended policy</u>
10/16/2024	Board reaffirmed policy
10/20/2021	Board affirmed policy with amendments
12/20/2017	Board affirmed in revised policy format
12/19/2012	Board approved new policy



BOARD EDUCATION POLICY

PURPOSE

The purpose of this policy is to ensure that all SCERS Board Members have access to the information necessary in the areas of pension fund administration and investment of pension fund assets to prudently and effectively carry out their fiduciary and statutory duties, to encourage all Board Members to seek and participate in current educational opportunities, and to comply with statutory training requirements.

POLICY

Board Members are required to complete 24 hours of Board Member education within the first two 2 years of assuming office, and for every subsequent 2-year period thereafter. Relevant subjects include, but are not limited to, the following:

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- Ethics (2-hour requirement every 2 years).

APPLICATION

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AUTHORITIES

California Government Code Sections 31522, 31522.8, 53234-53235.2, 53238-53238.4, 53237-53237.5

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