



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 9A

MEETING DATE: September 17, 2025

SUBJECT: Records Retention Policy

SUBMITTED FOR: X Action Information

RECOMMENDATION

Approve amendments to the Records Retention Policy.

PURPOSE

This item supports Strategic Management Plan goals regarding transparency, efficiency and compliance with laws and regulations.

DISCUSSION

In 2019, the Board adopted its Record Retention Policy, seeking to establish efficient records management procedures in accordance with California Government Code Section 31537. The policy was reviewed and amended in 2023 to incorporate minor, non-substantive changes.

Sacramento County adopted an Electronic Communications Retention Policy in 2024. Because SCERS is subject to this County policy as a user of the County's e-mail platform, Staff undertook an out-of-cycle review of the Records Retention Policy to evaluate whether any updates were appropriate. Staff's recommendation incorporates the County's new policy into SCERS' existing records retention practices, eliminates unnecessary retention of certain physical records pertaining to member files, and makes some minor cosmetic changes to the form of the policy.

ATTACHMENTS

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

Prepared by:

/S/

Jason R. Morrish
General Counsel

Reviewed by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

**Before the Board of Retirement
September 17, 2025**

AGENDA ITEM:

Records Retention Policy

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve amendments to the Records Retention Policy.

I HEREBY CERTIFY that the above order was passed and adopted on September 17, 2025, 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



RECORDS RETENTION POLICY

PURPOSE

The purpose of this policy is to establish efficient records management procedures pursuant to Government Code Section 31537.

APPLICATION

The retention rules set out in Sections III and IV below apply to “records” created or received by the SCERS Board and/or staff. -Whether a document constitutes a “record” is addressed in Section II below.

If an item is not a “record” as defined below, the Board and/or staff may retain or dispose of the non-record at his or her discretion, in accordance with the document’s relevance and usefulness to business needs.

On occasion, the Chief Executive Officer or General Counsel may issue a Litigation Hold Notice. -A Litigation Hold Notice requests that the Board and/or staff identify and preserve certain documents (both electronic and physical) for litigation purposes. -Such a Litigation Hold Notice supersedes the retention schedules set out in this policy.

POLICY

I. Whether a Document Is a Record

Whether a document constitutes a “record” is not susceptible to a single definitive and objective formula. -Unavoidably, the determination calls for some personal judgment and sensitivity to circumstances and the important issues of the day. -In determining whether a document is a record, the following^{ing} considerations apply:

- Physical Form: A record is not limited to any particular physical form. -A record can be, among other things, a paper document, an electronic file, audio recordings on CD’s and cassette tapes, video recordings on VHS tapes and DVD’s, microfiche, meeting minutes, social media, databases, maps, and photographs.
- Public Business: A record pertains to the conduct of the public’s business and was prepared, owned, used, or received by SCERS during the course of business. -Purely personal papers or correspondence that pertain to an individual’s private affairs are generally not records.
- Enduring Value: Records are documents that have some enduring legal, fiscal, administrative, or historical value. -Thus, documents embodying Board decisions,

SCERS policies, and other aspects of SCERS governance are generally records. Similarly, documents embodying SCERS' participation in legal, financial, and investment transactions are generally records. -On the other hand, documents that constitute only informal or transitory communications are generally not records.

- Claims/Waivers of Rights: Relatedly, documents containing significant concessions, admissions, or waivers of rights by members, nonmember spouses/beneficiaries, vendors, service providers, and other counterparties have ongoing legal value and should be considered records. -Similarly, documents by which such persons create, claim, or assert rights also have ongoing legal value and should be considered records.
- Formality and Finality: Records tend to be the final and official version of documents. Thus, working papers, rough drafts, informal notes and calculations, and other materials created for personal reference or convenience are generally not records.

All of the documents identified in Appendix A are examples of records.

II. Records Created or Received in Physical Form Only

Historically, much of SCERS' records existed only in physical, "hard" form (e.g., paper documents and files, microfiche, video cassette tapes, etc.). -Physical records should be digitized (i.e., converted into an electronic file) and then retained or purged in accordance with the schedule set out in Appendix A.

Where Appendix A directs that physical records be retained, and multiple physical specimens of the same document exist (e.g., multiple copies of the same member handbook), only one physical specimen needs to be retained.

There is no need to scan physical records if a digital counterpart already exists. -For example, investment consultant reports are usually provided to SCERS in both physical and electronic form. In that instance, there is no need to scan the physical version.

If a physical document constitutes a record, but that record is not specifically addressed in Appendix A, such record should be scanned, and the electronic image file maintained permanently. -The Chief Executive Officer or General Counsel should then be consulted about the disposition of physical document.

III. Records Created or Received in Electronic Form Only

As SCERS moves towards a paperless regime, many of the records it creates and/or receives -- including records identified in Appendix A -- will exist in electronic form only. -Such electronic records should be retained permanently and stored in an organized and accessible manner in accordance with this policy. Attention must also be given to Sacramento County Policy #3104, the Electronic Communications Retention Policy effective November 2024, to which SCERS is subject as a user of the County's e-mail platform.

IV. Delegation of Authority

The Board hereby delegates authority to the Chief Executive Officer to modify any retention periods set out in Appendix A to the extent consistent with law. –However, the Chief Executive Officer shall report any modifications to the Board at the Board meeting following such decision to modify.

RESPONSIBILITIES

Executive Owner: General Counsel

POLICY HISTORY

| Date | Description |
|------------|--|
| 09-17-2025 | Board approved amended policy |
| 08-16-2023 | Board approved amended policy |
| 11-20-2019 | Board adopted policy, superseding and rescinding SCERS Policy No. 006 (Board Meetings Audio Recordings Policy) |

APPENDIX A

| Document | Retention | Citation (if any) |
|---|--|----------------------------|
| Governance Records | | |
| Board meeting agendas, minutes, orders, and resolutions | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| Audio and video recordings of Board meetings | Digitize recordings and retain resultant electronic files permanently; purge cassette tapes, VHS tapes, CD's, DVD's, etc. | |
| Bylaws and regulations (former and current) | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| Board-approved policies (former and current) | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Accounting / Vendor Records | | |
| Auditor report | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Actuarial report | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| Comprehensive annual financial reports | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| Accounting entries | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Transaction code documents | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Warrants, vouchers, claims, checks, deposit orders, deposit receipts | Scan and retain resultant electronic files permanently; retain physical records for five years after scanning | Gov. Code §§26907, 26907.2 |
| Contracts | Scan and retain resultant electronic files permanently; retain physical records until four years after termination of contract | Code Civ. Proc. §337 |
| Contract deliverables, reports, or similar records demonstrating performance | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Purchasing records, purchase requisitions | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| RFP and RFP-related documents (other than those pertaining to the awarded vendor) | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Annual budget | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| Budget records | Scan and retain resultant electronic files permanently; purge physical records after scanning | |

| Employee Records | | |
|---|---|---|
| Interview materials (resumes, notes, other materials generated in connection with a candidate interview) | Do not scan; purge physical records three years after interview | Gov. Code §12960 (statute of limitations) |
| Written performance evaluations, reprimands re: non-exempt employees | Scan and provide electronic files to County Department of Personnel Services; purge physical records after scanning | |
| Member Records | | |
| Active / retired / deferred / terminated member files | Scan and retain resultant electronic files permanently; purge physical records after scanning except as indicated below | |
| Disability retirement applications; administrative hearing and litigation records | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Member's Affidavits – Form 6019 containing non-member spouse signature; Election of retirement allowance containing non-member spouse signature; Distribution request – Refund of Member-Paid Contributions & Interest containing non-member spouse signature | Scan and retain electronic files permanently; retain physical records until end of all payment obligations to member, spouse, or beneficiary <u>purge physical records after scanning</u> | |
| Court Judgments / Domestic Relations Orders | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Agreements for purchase of permissive service credit (pre-membership employment, prior public service, unpaid medical leave of absence, post termination, redeposit, etc.) | Scan and retain resultant electronic files permanently; purge physical records after scanning | |

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| Declarations / Indemnification signed by members concerning disposition of retirement assets in connection with a divorce or other community property interest; Waivers of interests signed by non-member spouses concerning same | Scan and retain resultant electronic files permanently; retain physical records until end of all payment obligations to member, spouse, or beneficiary <u>purge physical records after scanning</u> | |
| Power of attorney | Scan and retain resultant electronic files permanently; retain physical records until end of all payment obligations to member, spouse, or beneficiary <u>purge physical records after scanning</u> | |
| Investment Records | | |
| Investment contracts | Scan and retain resultant electronic files permanently; preserve physical records for four years after termination of contract | Code Civ. Proc. §§337, 343 (statute of limitations) |
| Proxy voting records | Scan and retain resultant electronic files permanently; <u>purge physical records after scanning</u> | |
| Investment consultant reports | Scan and retain resultant electronic files permanently; <u>purge physical records after scanning</u> | |
| Investment manager annual reports | Scan and retain resultant electronic files permanently; <u>purge physical records after scanning</u> | |
| Investment manager quarterly reports | Scan and retain resultant electronic files permanently; <u>purge physical records after scanning</u> | |
| Records relating real estate investments from 2019 or earlier | <u>2014 and earlier</u> : Do not scan; purge physical records <u>2015-2017</u> : Do not scan; preserve physical documents relating to the sale of the asset, the winding up of the title holding company, and any tax filings during the period. Preserve these until at least four years after dissolution of the relevant company. Purge any documents relating to acquisition or operations of the asset. <u>Other companies and assets</u> : Scan and preserve documents until 2023. | |
| Records relating real estate investments from 2020 forward | Scan and retain resultant electronic files permanently; retain physical records until further notice from real estate counsel | |
| Miscellaneous Records | | |
| Member handbooks (former and current) | Scan and retain resultant electronic files permanently; retain physical records permanently after scanning | |
| General correspondence | Scan and retain resultant electronic files permanently; <u>purge physical records after scanning</u> | |

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| 1099's | <u>2011 and earlier</u> : Do not scan; purge physical records <u>2012 forward</u> : Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Spreadsheet of 1099 records | Scan and retain resultant electronic files permanently; purge physical records after scanning | |
| Pension payroll 1099 records | Scan and retain resultant electronic files permanently; purge physical records after scanning | |



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