

**PROPOSED REGULATORY ACTION BY THE CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM**

**Proposed Amendment of Section 560 of Article 3 of Subchapter 1 of Chapter 2 of
Division 1 of Title 2 of the California Code of Regulations**

560. General Provisions.

The Political Reform Act (Government Code sections 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the California Public Employees' Retirement System ("CalPERS").

Designated employees, consultants, board members, designees or alternates, and candidates shall file their statements of economic interests with the CalPERS filing officer, who will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) With respect to board members, designees or alternates, candidates, and the chief executive officer, CalPERS shall make and retain copies and forward the originals to the Fair Political Practices Commission. All other statements will be retained by CalPERS. While public officials who manage investments are not required to be listed in this code, those officials are listed at the end of this document for clarity. Unlike the designated positions, these officials' reporting obligations are not limited by reference to a reporting category.

**CONFLICT-OF-INTEREST CODE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

**APPENDIX A
DESIGNATED POSITIONS**

<i>Designated Positions</i>	<i>Disclosure Category</i>
Assistant Chief Counsel	1
Attorney (All Levels)	1
Career Executive Assignment (All Levels).....	1
Data Processing Manager IV.....	1
Deputy General Counsel	1
Research Scientist Manager.....	1
<u>Special Consultant</u>	<u>1</u>
Accounting Administrator (All Levels)	2
<u>Actuarial Analyst.....</u>	<u>2</u>
<u>Actuarial Analyst Supervisor.....</u>	<u>2</u>
<u>Actuarial Senior Analyst</u>	<u>2</u>
Associate Pension Actuary.....	2
Associate Program Auditor	2
<u>Financial Accountant (All Levels)</u>	<u>2</u>
Health Program Manager (All Levels).....	2
Investment Officer (All Levels).....	2
Labor Relations Manager (All Levels).....	2
Labor Relations Specialist.....	2
Program Auditor (All Levels).....	2
Research Manager (All Levels).....	2
<u>Research Data Manager</u>	<u>2</u>
<u>Research Data Specialist (All Levels).....</u>	<u>2</u>
<u>Research Data Supervisor (All Levels)</u>	<u>2</u>
<u>Research Program Specialist (All Levels)</u>	<u>2</u>
Research Scientist Supervisor (All Levels)	2
<u>Senior Accounting Officer (All Levels)</u>	<u>2</u>
Senior Life Actuary.....	2
Senior Management Auditor.....	2
Senior Pension Actuary <u>Senior</u>	2 <u>2</u>
Senior Program Auditor (All Levels).....	2
Staff Administrative Analyst (Accounting System)	2

Staff Management Auditor.....	2
Staff Program Auditor (All Levels)	2
Staff Services Manager (All Levels).....	2
Supervising Management Auditor.....	2
Supervising Pension Actuary <u>Supervisor</u>	2
Health Program Specialist (All Levels).....	3
Medical Consultant (All Levels)	3
<u>Medical Program Consultant</u>	<u>3</u>
Nurse Consultant (All Levels)	3
Pharmaceutical Consultant (All Levels)	3
Research Program Specialist (All Levels)	3
Research Scientist (All Levels).....	3
<u>Information Technology Managers (All Levels)</u>	<u>4</u>
<u>Information Technology Specialist (II, III)</u>	<u>4</u>
<u>Information Technology Supervisor (All Levels)</u>	<u>4</u>
Data Processing Manager (II, III).....	4
<u>Senior Telecommunications Engineer</u>	<u>4</u>
Staff Services Manager (All Levels), Information Technology.....	4

CONTRACTS FOR SERVICES

Consultants Who Do Not Manage Public Investments/New Positions *

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The General Counsel may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope, and thus, is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Counsel’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Sec. 81008.)

NOTE: The “All” reference for designated positions include all levels within the classification series.

**CONFLICT-OF-INTEREST CODE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

**APPENDIX B
DISCLOSURE CATEGORIES**

Category 1

Designated individuals in Category 1 must report:

All investments and business positions in business entities, and income (including gifts, loans, and travel payments).

All interest in real estate located in whole or in part within the State of California.

Category 2

Designated individuals in Category 2 must report:

All investments, ~~and~~ business positions in business entities, and income (including gifts, loans, and travel payments) from sources which are of the type (1) to contract with CalPERS, (2) in which funds administered by the Board may be invested (including securities, real estate and business entities), or (3) to act as finder, solicitor, marketer, consultant, broker, placement agent or other intermediary to a contract or investment referenced in (1) or (2) above.

All interest in real estate located in whole or in part within the State of California.

Category 3

Designated individuals in Category 3 must report:

All investments, ~~and~~ business positions in business entities, and income (including gifts, loans, and travel payments) from sources which are of the type (1) to contract with CalPERS to provide health care services or (2) to act as a finder, solicitor, marketer, consultant, broker, placement agent or other intermediary to a contract referenced in (1).

Category 4

Designated individuals in Category 4 must report:

All investments, ~~and~~ business positions in business entities, and income (including gifts, loans, and travel payments) from sources which are of the type ~~(2)~~ (1) to sell, rent or lease information technology equipment, hardware, software, facilities, supplies or services to CalPERS or (2) to act as a finder, solicitor, marketer, consultant, broker, placement agent or other intermediary to any goods or services referenced in (1).

Note: (1) All disclosure categories are subject to exceptions and limitations as provided for in the Political Reform Act and regulations adopted by the Fair Political Practices Commission.
(2) Designated individuals with multiple positions listed in the code, shall file with the broadest disclosure category.

**AGENCY POSITIONS THAT MANAGE PUBLIC INVESTMENT
FOR PURPOSES OF SECTION 87200 OF THE GOVERNMENT CODE**

It has been determined that individuals in the positions listed below are officials who manage public investments, within the meaning of Government Code section 87200, and will file the Form 700 Statement of Economic Interests:

Board Members

Chief Executive Officer

Chief Actuary

~~Chief Executive Officer~~

Chief Financial Officer

Chief Operating Officer

General Counsel

Chief Health Director

Chief Investment Officer

Chief Operating Investment Officer

Deputy Chief Investment Officer

Managing Investment Director

Investment Director

~~Chief Operating Investment Officer~~

Investment Manager

Associate Investment Manager

Consultants Who Manage Public Investments

Note: Authority cited: Article XVI, Section 17, California Constitution; Sections 87200 et seq., 87300 and 87304, Government Code. Reference: Sections 87200 et seq. and 87300 et seq., Government Code.