Alameda County Employees' Retirement Association

BOARD OF RETIREMENT

INVESTMENT COMMITTEE/BOARD MEETING

THIS MEETING WILL BE CONDUCTED VIA TELECONFERENCE
[SEE EXECUTIVE ORDER N-29-20 ATTACHED AT THE END OF THIS AGENDA.]

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

Wednesday, September 9, 2020
9:30 a.m.

ZOOM INSTRUCTIONS	COMMITTEE MEMBERS	
The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. https://zoom.us/join Meeting ID: 830 5415 3265 Password: 846672 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193	**ELIZABETH ROGERS, CHAIR**	**ELECTED GENERAL**
	TARRELL GAMBLE, VICE CHAIR	**APPOINTED**
	DALE AMARAL	**ELECTED SAFETY**
	OPHELIA BASGAL	**APPOINTED**
	KEITH CARSON	**APPOINTED**
	JAIME GODFREY	**APPOINTED**
	LIZ KOPPENHAVER	**ELECTED RETIRED**
	HENRY LEVY	**TREASURER**
	GEORGE WOOD	**ELECTED GENERAL**
	NANCY REILLY	**ALTERNATE RETIRED**[1]
	DARRYL L. WALKER	**ALTERNATE SAFETY**[2]

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes are available online at www.acera.org.

***Note regarding public comments*:** Public comments are limited to four (4) minutes per person in total.

***Note regarding accommodations*:** The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

[1] Alternate Retired Member (Votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General Members, or the Elected Safety Member and an Elected General Member, are absent).

[2] Alternate Safety Member (Votes in the absence of (1) the Elected Safety, (2) either of the two Elected General Members, or (3) both the Retired and Alternate Retired Members).

Call to Order: 9:30 a.m.

Public Input (Time Limit: 4 minutes per speaker)

Action Items: Matters for discussion and possible motion by the Committee

1. Discussion of and Possible Motion to Recommend to the Board to Adopt an up to $35 million Investment in CD&R Fund as part of ACERA's Private Equity Portfolio - Buyouts[3]

   Michael Babiarz, CD&R
   Thomas Franco, CD&R
   Faraz Shooshani, Verus Advisory Inc.
   John Ta, ACERA

2. Discussion of and Possible Motion to Recommend to the Board to Adopt an up to $75 million Investment in Blackrock Direct Lending Fund IX as part of ACERA's Private Credit Portfolio[3]

   Lee Landrum, BlackRock Inc.
   Howard Levkowitz, BlackRock Inc.
   Faraz Shooshani, Verus Advisory Inc.
   Clint Kuboyama, ACERA

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

1. Review and Discussion of International Equity Manager Structure

   Margaret Jadallah, Verus Advisory Inc.
   Thomas Taylor, ACERA

Trustee Remarks

Future Discussion Items

Establishment of Next Meeting Date
October 14, 2020 at 9:30 a.m.

[3] Written materials and investment recommendations from the consultants, fund managers and ACERA Investment Staff relating to this alternative investment are exempt from public disclosure pursuant to CA Gov. Codes § 6254.26 and § 6255.

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-29-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS despite sustained efforts, the virus continues to spread and is impacting nearly all sectors of California; and

WHEREAS the threat of COVID-19 has resulted in serious and ongoing economic harms, in particular to some of the most vulnerable Californians; and

WHEREAS time bound eligibility redeterminations are required for Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries to continue their benefits, in accordance with processes established by the Department of Social Services, the Department of Health Care Services, and the Federal Government; and

WHEREAS social distancing recommendations or Orders as well as a statewide imperative for critical employees to focus on health needs may prevent Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries from obtaining in-person eligibility redeterminations; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. As to individuals currently eligible for benefits under Medi-Cal, CalFresh, CalWORKs, the Cash Assistance Program for Immigrants, the California Food Assistance Program, or In Home Supportive Services benefits, and to the extent necessary to allow such individuals to maintain eligibility for such benefits, any state law, including but not limited to California Code of Regulations, Title 22, section 50189(a) and Welfare and Institutions Code sections 18940 and 11265, that would require redetermination of such benefits is suspended for a period of 90 days from the date of this Order. This Order shall be construed to be consistent with applicable federal laws, including but not limited to Code of Federal Regulations, Title 42, section 435.912, subdivision (e), as interpreted by the Centers for Medicare and Medicaid Services (in guidance issued on January 30, 2018) to permit the extension of

otherwise-applicable Medicaid time limits in emergency situations.

2. Through June 17, 2020, any month or partial month in which California Work Opportunity and Responsibility to Kids (CalWORKs) aid or services are received pursuant to Welfare and Institutions Code Section 11200 et seq. shall not be counted for purposes of the 48-month time limit set forth in Welfare an Institutions Code Section 11454. Any waiver of this time limit shall not be applied if it will exceed the federal time limits set forth in Code of Federal Regulations, Title 45, section 264.1.

3. Paragraph 11 of Executive Order N-25-20 (March 12, 2020) is withdrawn and superseded by the following text:

   Notwithstanding any other provision of state or local law (including, but not limited to, the Bagley-Keene Act or the Brown Act), and subject to the notice and accessibility requirements set forth below, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body or state body. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

   In particular, any otherwise-applicable requirements that

   (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;

   (ii) each teleconference location be accessible to the public;

   (iii) members of the public may address the body at each teleconference conference location;

   (iv) state and local bodies post agendas at all teleconference locations;

   (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and

   (vi) during teleconference meetings, a least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

   are hereby suspended.

   A local legislative body or state body that holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements set forth below, shall have satisfied any requirement that the body allow members of the public to attend the meeting and offer public comment. Such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

Accessibility Requirements: If a local legislative body or state body holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the body shall also:

(i) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility; and

(ii) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to subparagraph (ii) of the Notice Requirements below.

Notice Requirements: Except to the extent this Order expressly provides otherwise, each local legislative body and state body shall:

(i) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and

(ii) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in such means of public observation and comment, or any instance prior to the issuance of this Order in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of such means, a body may satisfy this requirement by advertising such means using "the most rapid means of communication available at the time" within the meaning of Government Code, section 54954, subdivision (e); this shall include, but need not be limited to, posting such means on the body's Internet website.

All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

All state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of March 2020.

GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

ACERA
ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
475-14th Street, Suite 1000, Oakland, CA 94612 800/838-1932 510/628-3000 fax: 510/268-9574 www.acera.org

To: Investment Committee

From: Thomas Taylor, Investment Officer - Thomas Taylor

Date: September 9, 2020

Subj.: Review and Discussion of the International Equity Manager Structure

Recommendation:

This is an information item and no recommendations are being made.

Background:

ACERA's public equity asset classes (domestic and international) are made up of both passively and actively managed accounts. Similar to the domestic equity asset class, the international equity asset class is made up of sub-asset classes or styles (large-cap, small-cap, etc.). In addition, the Board adopted the recommendation to hire a large-cap core manager to manage a quantitative, factor-based mandate in November 2007.

In 2016, ACERA changed the manager structure to incorporate both a dedicated emerging equity manager and a passive index. The structural change reduced the active large cap manager allocations to approximately 20% each, while leaving the factor-based mandate at 20%, and the small companies mandate and EM at 10% each. (ACERA also modified the international equity manager structure to accommodate a new EIM mandate in this asset class in August 2018.

In summary, the international equity asset class manager structure is as follows:

Fund/Account	Current[1]	Target Allocation
MSCI World ex-U.S. Index	18.66%	20.00%
Large Cap – Growth	21.78%	18.75%
Large Cap – Value	16.71%	18.75%
Large Cap – Core (factor-based)	17.21%	18.75%
Small Companies Fund	9.72%	10.00%
Emerging Manager – Equities	12.12%	10.00%
Bivium – International Equities	3.79%	3.75%

Discussion:

The ACERA traditional asset classes are typically been broken down into passive or actively managed accounts. To dispense with the debate of passive vs. active, passive

[1] As of 8/27/2020

indexes are a viable option as ACERA's passive manager has provided a slightly below median return compared to the peer group which contains active managers but in a more cost effective manner. In addition to the manager structure, investment manager selection is an important function, as well. At that time ACERA adopted the MSCI World ex-U.S. index, ACERA reduced its allocation to active management (reducing large cap growth by 20%, reducing large cap value by 10%). The large cap quantitative core mandate, which we recently reviewed, if was maintained at the same allocation as before.

Staff asked ACERA's investment consultant, Verus, to run their risk-oriented scenarios to further study the manager structure. The Verus presentation looks at Policy Risk (Fund tracking to Policy), Benchmark Risk (benchmark tracking error to policy), Allocation Risk (actual tracking to benchmark target), and Manager Risk (fund tracking error to benchmark actual). This review does not take into account manager selection skill, or alpha.

- Alternative #1 removes the quantitative core allocation and increases or reduces (rebalances) all managed accounts to minimize the benchmark risk.
- Alternative #2 removes the quantitative core allocation and increases only the large cap active managers while leaving the small company and emerging equity managers at the current levels. This increases tracking error the most, but incrementally.
- Alternative #3 removes the quantitative core allocation and increases the large cap managers (passive and active) and rebalances the small company and emerging equity market portfolios.

Verus will review the current structure and different alternatives presented and provide observations on the risk differences between them. Verus and Staff will solicit feedback from Trustees for the development of any future action items on the portfolio's international equity manager structure.

Attachment:

- Verus Presentation: September 2020 International Equity Structure

Verus

PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS

SEPTEMBER 2020

International Equity Structure

ACERA

Table of contents

VERUSINVESTMENTS.COM

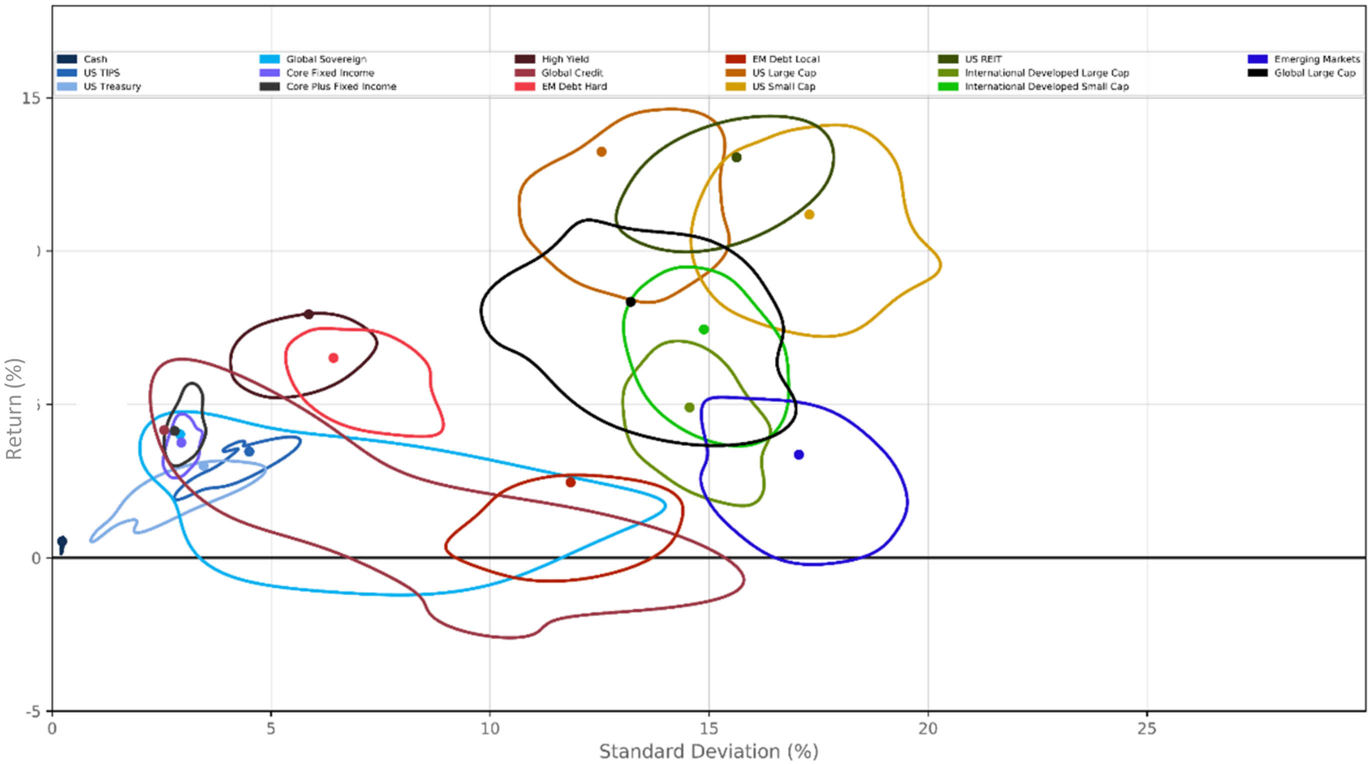
SEATTLE 206-622-3700
LOS ANGELES 310-297-1777
SAN FRANCISCO 415-362-3484

2020 Active Management Environment

The true investment opportunity set

Investors often think of the investment opportunity set as a risk-return chart, in the form of single-point (dot) benchmark risk and return, and possibly single-point median product to represent active management. However, active management universes in each asset class often have wide distributions and this traditional analysis misses the true universe characteristics. Much of the risk-return surface between -3% and 15% return and between 1% and 21% volatility is covered by various asset class options, and many parts of this space are covered by multiple active management universes.

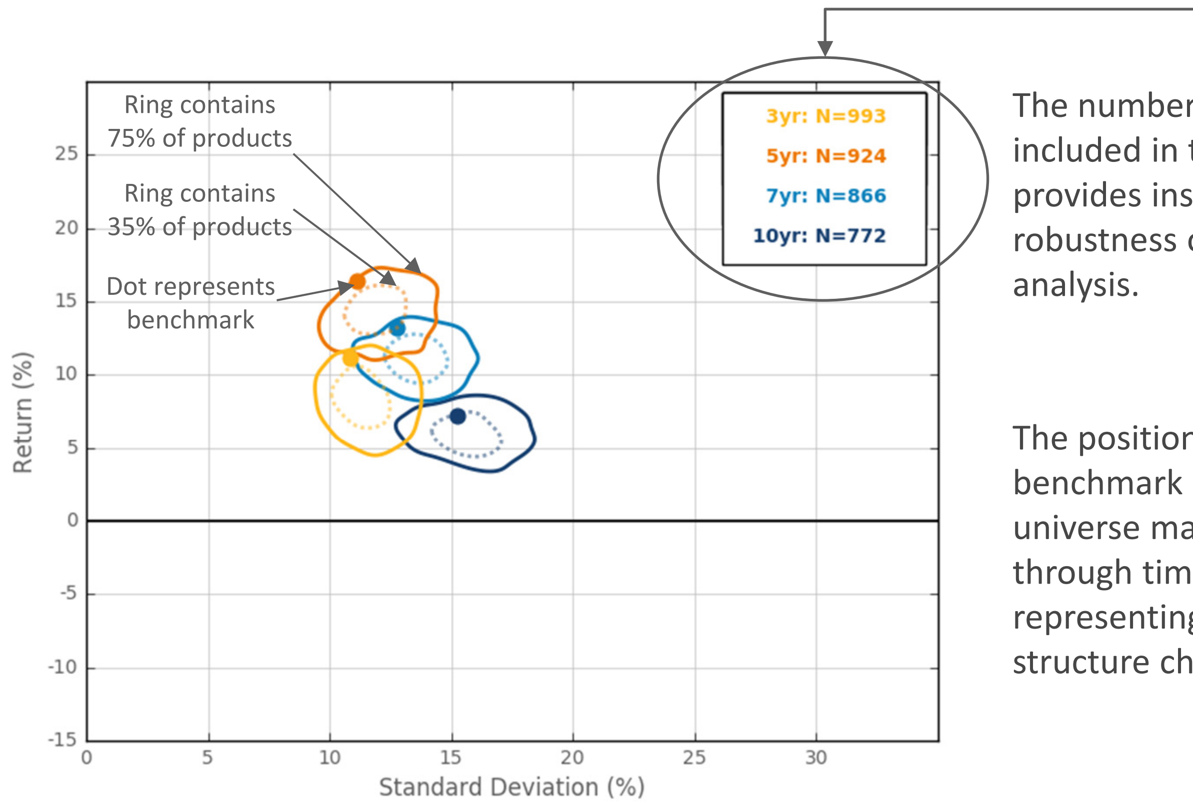
RISK-RETURN REGIONS ACROSS ASSET CLASSES: 10-YEAR RESULTS



This represents 10-year product performance data and 75% contour areas.
Source: eVestment, Verus, as of 9/30/19. Universe returns have been adjusted for fees and survivorship bias.

How to read a universe chart

The movement of the universe, the change in shape and of size all provide information about product behavior.



The number of products included in the analysis provides insight into the robustness of the analysis.

The position of the benchmark relative to the universe may also change through time, representing dynamic structure changes.

Throughout this report each asset class universe chart is placed at the same position on the page, at the same size and with the scales of the axes identical. This allows for easy comparison between universes.

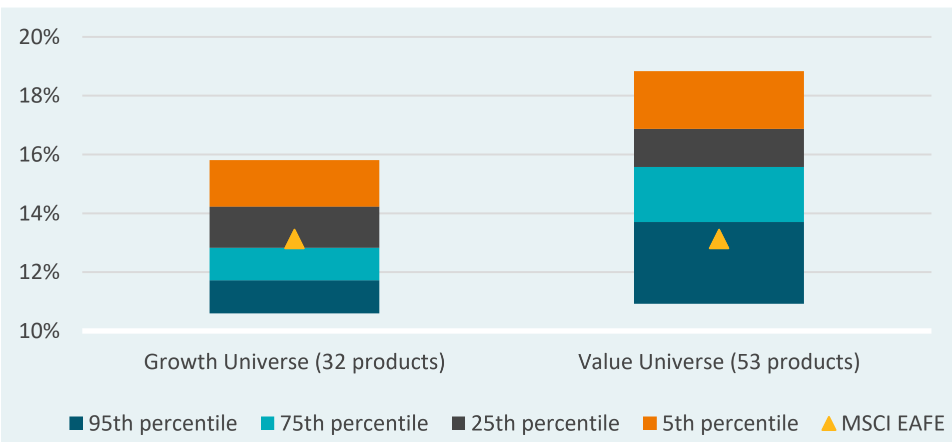
Equities – International developed

— During shorter and longer periods, active managers have demonstrated an ability to add value in non-U.S. developed markets. Some periods have been more challenging than others with a greater proportion of managers failing to beat the benchmark over the most recent three-year period.

— The relationship between risk and return appears almost negligible in this segment of the market. The 10-year period exhibits a slight propensity among managers who took on more risk to have underperformed the benchmark. Focusing on the latest three years, we see a large segment of the universe exhibiting higher standard deviation than the benchmark.

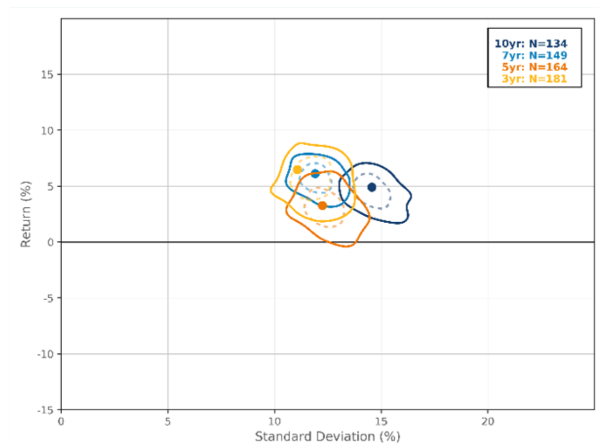
— During the latest three years, both growth-oriented and value-oriented products have exhibited significantly higher volatility than the benchmark. During the first nine months of 2019 we can see that value-oriented products have exhibited considerably greater volatility than growth-oriented products.

YTD STANDARD DEVIATION



Source: MSCI, eVestment as of 9/30/19

INTERNATIONAL LARGE



Source: eVestment, as of 9/30/19. Universe returns have been adjusted for fees and survivorship bias. Benchmark displayed is the MSCI EAFE

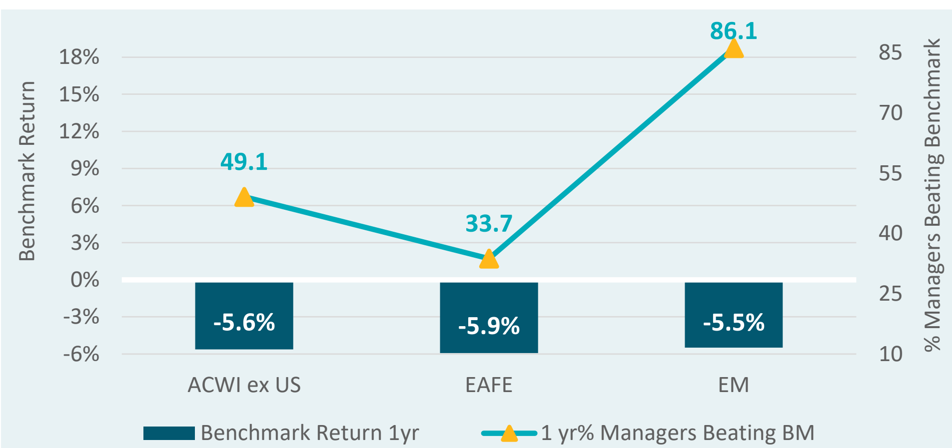
Equities – International developed small cap

— During short and long time periods, international developed small cap has been a challenging segment of the market for active management to add value. Over the past three-year and five-year periods active manager performance deteriorated, relative to seven-year and ten-year periods.

— During the latest ten years, there has been a negligible relationship between risk and return for international developed small cap managers. On the other hand, during shorter periods we observe a negative relationship; managers taking greater risk than the benchmark tended to underperform.

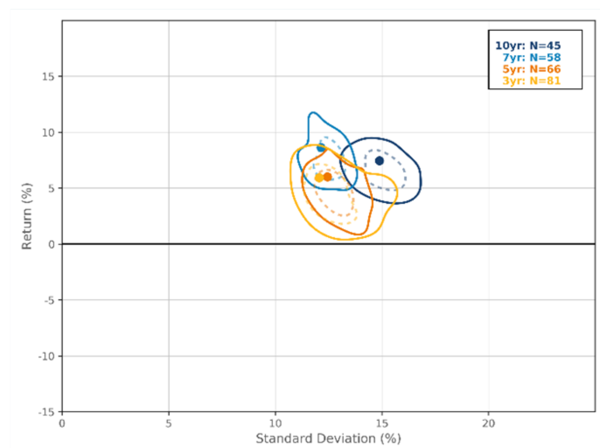
— The observations above focus on developed markets where only 34% of managers exceeded the benchmark. Expanding the analysis to include emerging markets small cap, nearly half of the universe outperformed the ACWI ex US small cap benchmark. The emerging markets segment of the small cap universe appears much less efficient than the developed market segment, offering managers more opportunity to add value.

DEVELOPED AND EMERGING MARKETS – 1-YEAR RETURNS



Source: MSCI, eVestment, as of 9/30/19, gross of fees

INTERNATIONAL SMALL



Source: eVestment, as of 9/30/19. Universe returns have been adjusted for fees and survivorship bias. Benchmark displayed is the MSCI EAFE Small

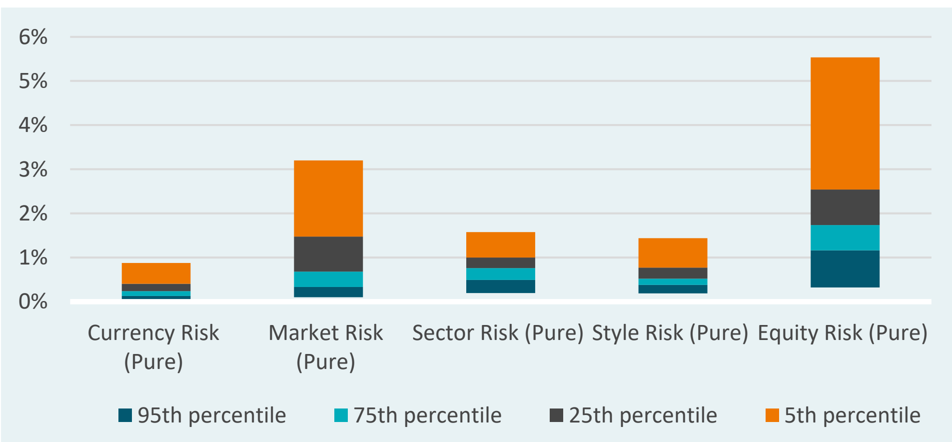
Equities – Emerging markets

— Emerging market performance recovered somewhat after a challenging year in 2018. These markets continue to provide opportunities for active management to add value.

— The three-year return chart reflects a generally positive relationship between risk and return, and managers taking more risk than the benchmark were just as likely to outperform as underperform. Managers taking less risk than the benchmark didn’t fare as well, with a greater proportion underperforming. Longer periods show a weaker relationship between risk and return.

— The universe of emerging markets products shows distinct differences between managers' portfolios in terms of the amount of active risk contributed by market, sector, style or individual stock positions. We observe the largest variation between products in the degree to which stock selection contributes to overall tracking variance versus benchmark. This is followed by differing degrees of country risk taken from one manager to another.

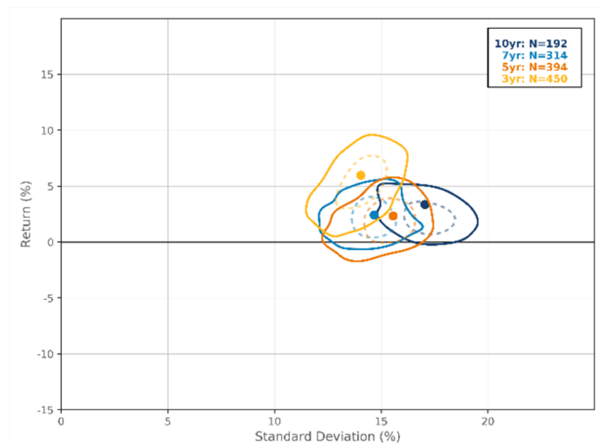
COMPONENTS OF EM ACTIVE TRACKING VARIANCE



**Universe includes 410 portfolios*

Source: Style Analytics, eVestment as of 9/30/19

EMERGING MARKETS



Source: eVestment, as of 9/30/19. Universe returns have been adjusted for fees and survivorship bias. Benchmark displayed is the MSCI EM

Risk Budgeting

Guiding Principles

— Implementation of the asset allocation target.

— **Risk management** implementation:

- Identify and quantify risks in the asset class and its implementation.

— At the asset class level, implementation risk is best measured in terms of tracking error to the asset class benchmark and can be decomposed into multiple sources.

— Allocate assets based on risks (risk budgeting).

Expected Results from Process

— Improved probability of consistently adding value.

— Improve clarity and understanding of manager roles and contributions.

— Minimized risk of underperforming (or outperforming) due to unintended risks.

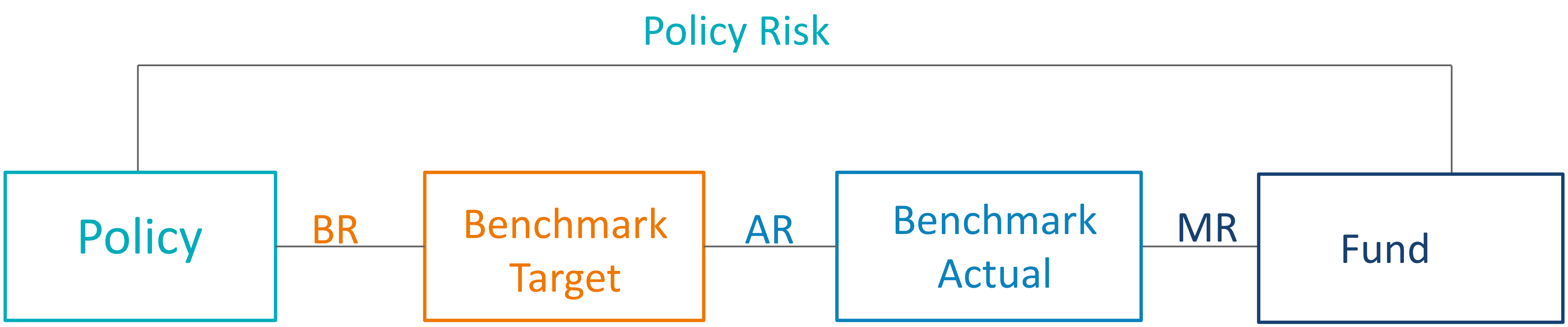
  - Removal of unintended and uncompensated risk.

Concepts – Portfolio Definitions

- **Policy:** as defined by the asset allocation target.
- **Benchmark Target:** mandate benchmarks at target weights.
- **Benchmark Actual:** mandate benchmarks at actual weights.
- **Fund:** manager exposures.

Concepts – Risk Definitions

- **Policy Risk (PR):** Fund tracking error to Policy.
- **Benchmark Risk (BR):** Benchmark Target tracking error to Policy.
- **Allocation Risk (AR):** Benchmark Actual tracking error to Benchmark Target.
- **Manager Risk (MR):** Fund tracking error to Benchmark Actual.



Considerations

—Consider a number of factors which can affect risk:

- **Active/Passive allocation**
  - —Is passive or active management a better alternative to gain exposure?
- **Policy Risk**
  - —How does the tracking error compare with alternatives and fund objectives?
- **Benchmark Risk**
  - —Why?
- **Allocation Risk**
  - —Is it based on a tactical allocation?
- **Manager Risk**
  - —Is the asset class active risk balanced and diversified across managers and approaches?
- **Factor exposure**
  - —Are there unintended factor exposures that need to be corrected?

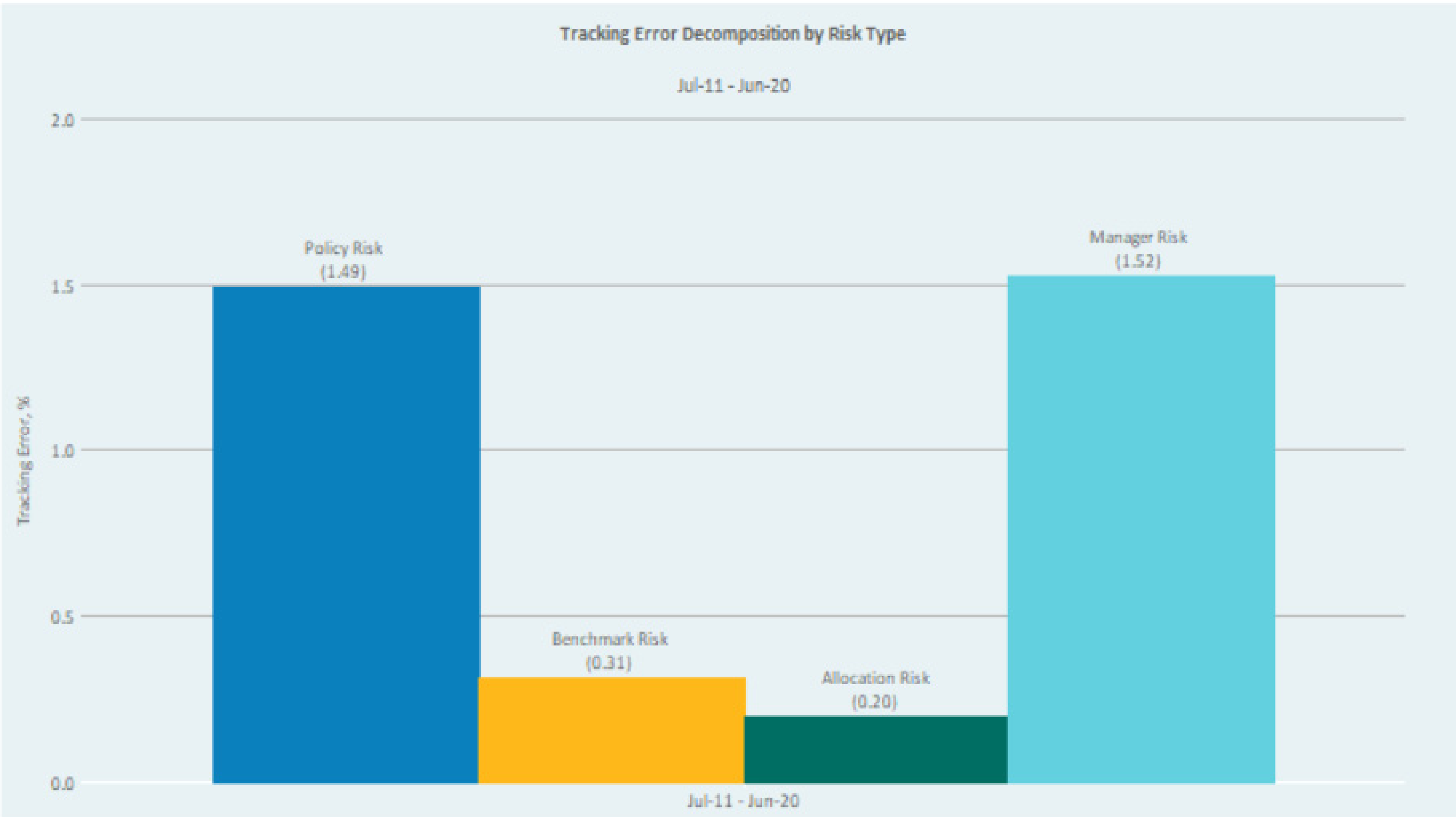
Current International Equity Structure

Current Targets

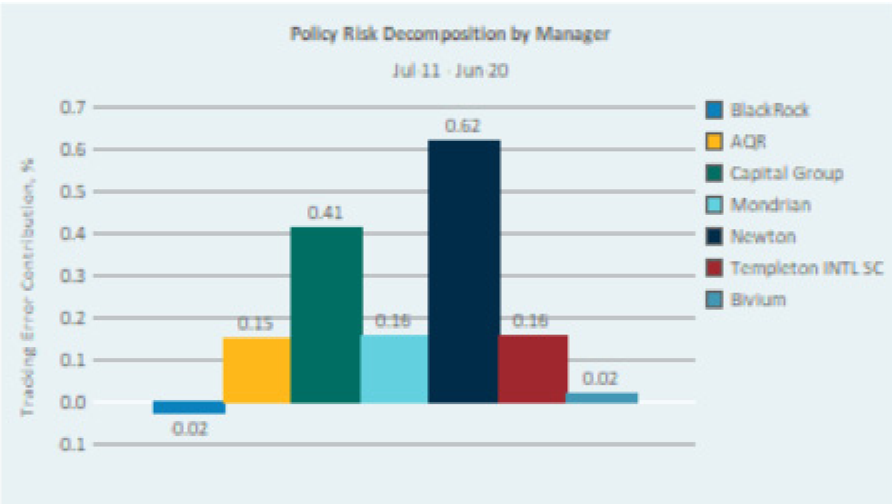
The Target Allocation is 25% **International Equity** and the **Policy** is the MSCI ACWI ex US IMI Index:

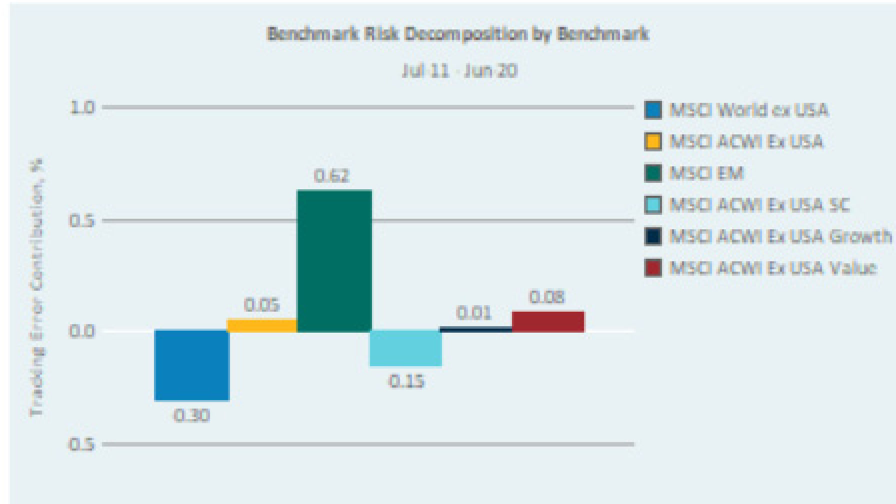
Strategy	Manager	Benchmark	Fund Allocation	Benchmark Allocation	Benchmark Target	Policy
Developed (Index)	BlackRock	MSCI World ex US	18.7%	18.7%	20%	
Active International Core	AQR Bivium	MSCI ACWI ex US	17.9% 3.7%	21.6%	22.4%	100.0% (MSCI ACWI ex US IMI)
Active International Growth	Capital Group	MSCI ACWI ex US Growth	21.2%	21.2%	18.8%	
Active International Value	Mondrian	MSCI ACWI ex US Value	16.9%	16.9%	18.8%	
Emerging Mkts	Newton	MSCI EM	11.9%	11.9%	10%	
International Small Cap	Templeton	MSCI ACWI ex US SC	9.7%	9.7%	10%	

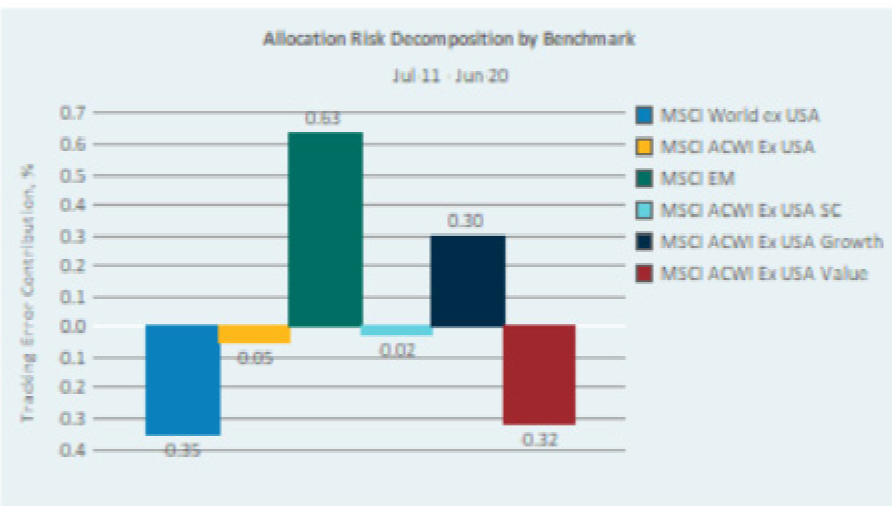
Tracking Error: PR, BR, AR, MR



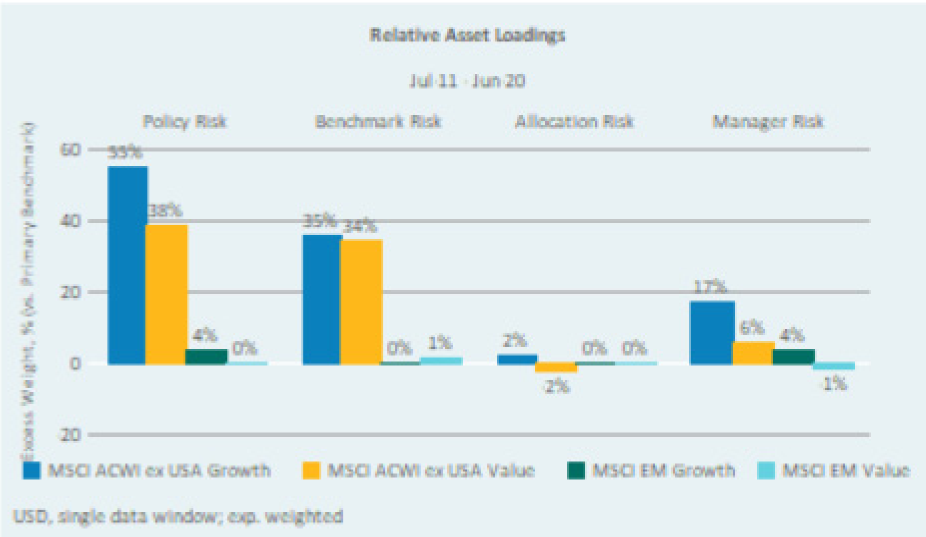
Risk Decomposition

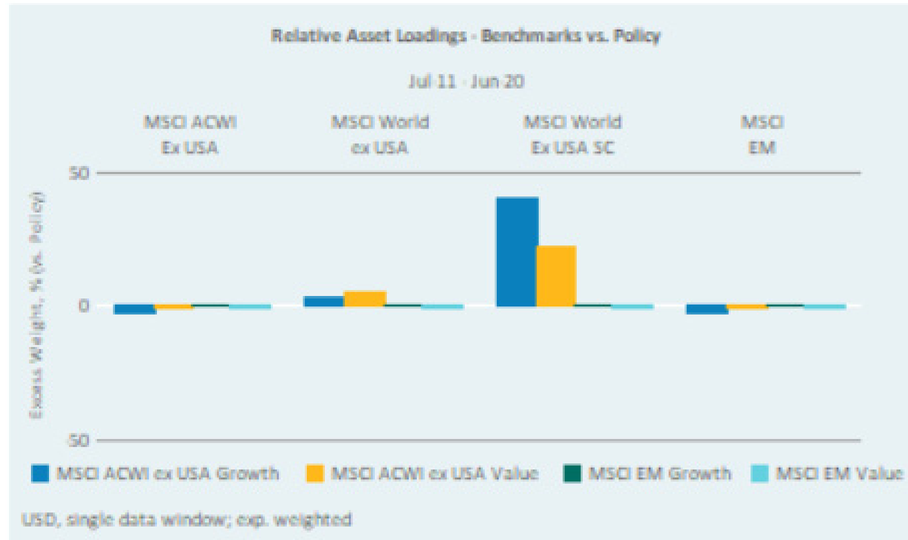


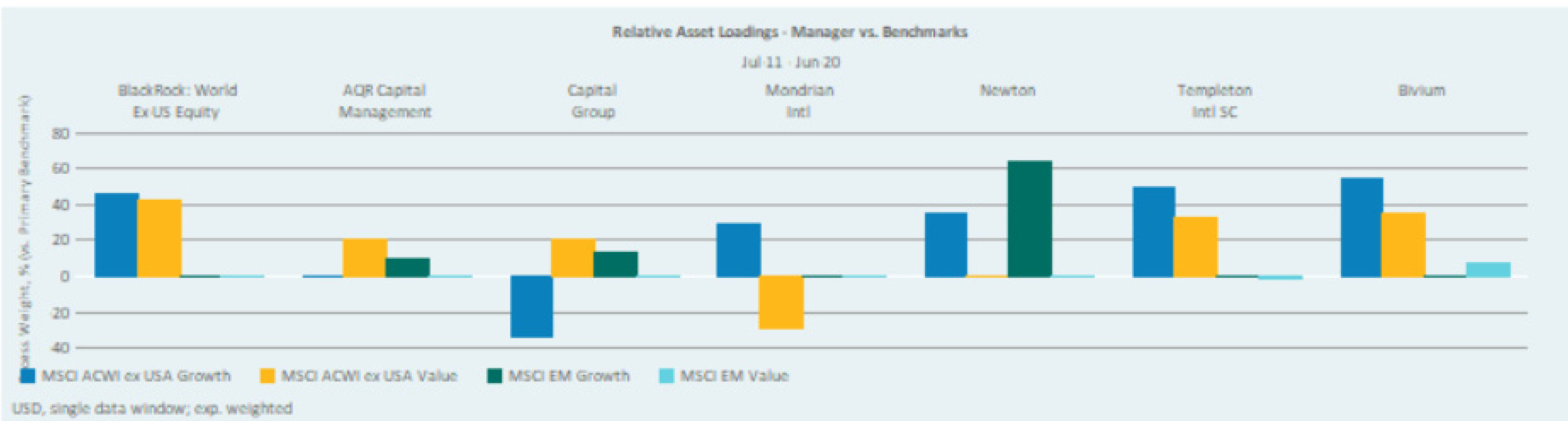




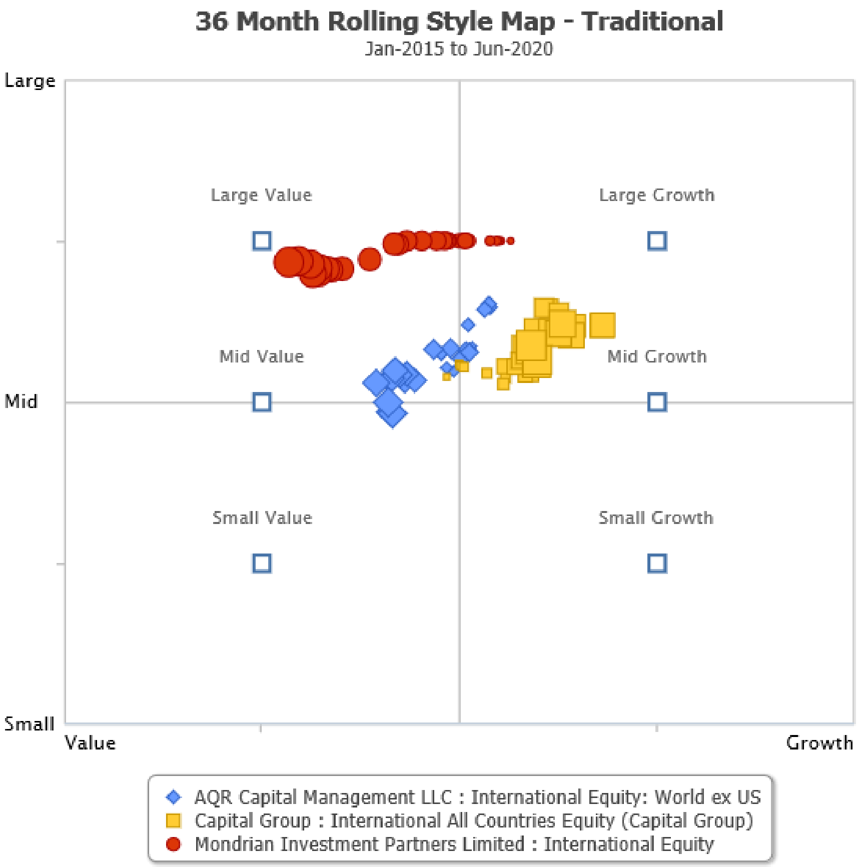
Factor Loadings (relative)

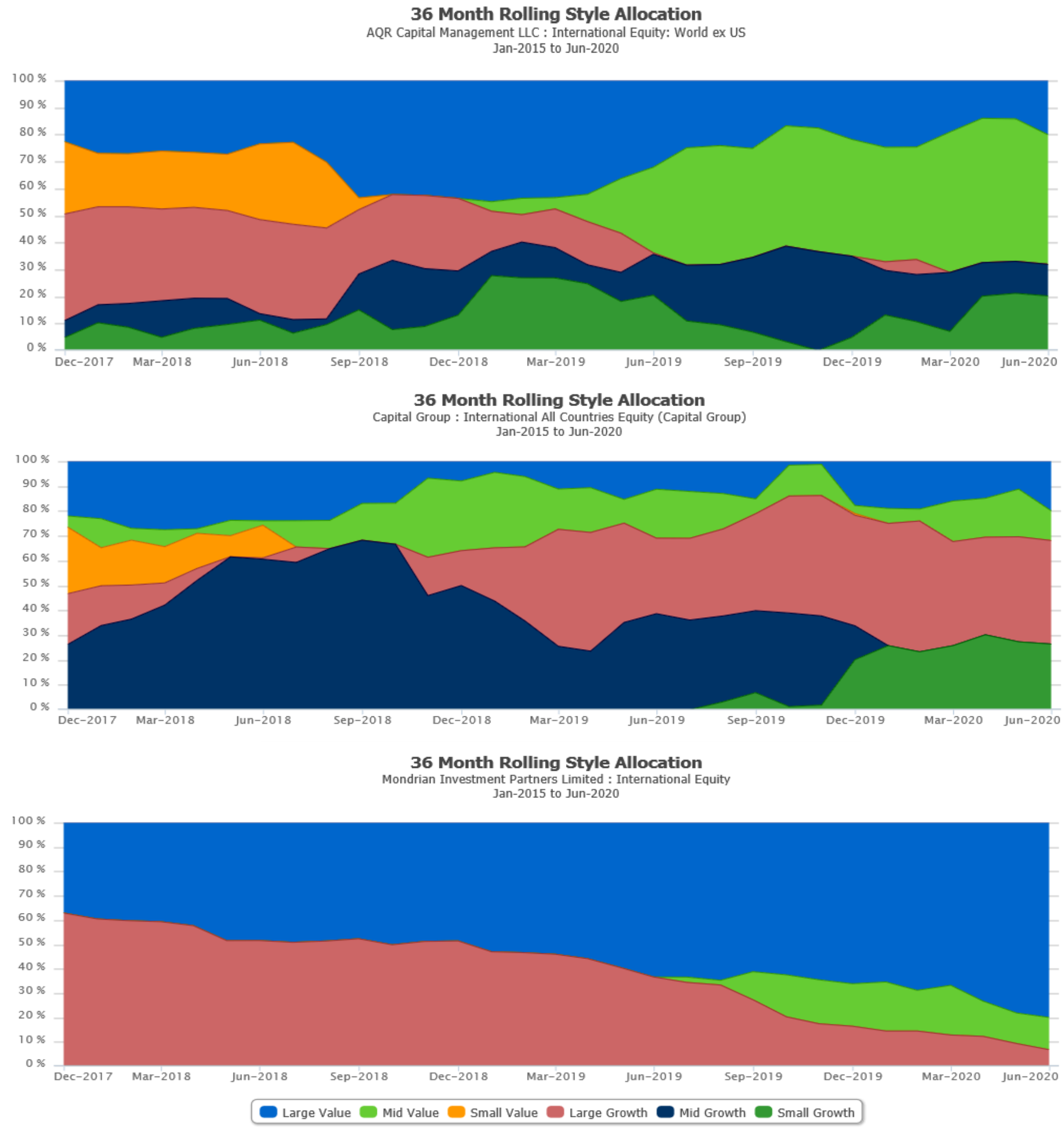






Style Maps


36 Month Rolling Style Map - Traditional
Jan-2015 to Jun-2020
Large
Mid
Small
Value
Growth
Large Value
Large Growth
Mid Value
Mid Growth
Small Value
Small Growth
AQR Capital Management LLC : International Equity: World ex US
Capital Group : International All Countries Equity (Capital Group)
Mondrian Investment Partners Limited : International Equity


36 Month Rolling Style Allocation
AQR Capital Management LLC : International Equity: World ex US
Jan-2015 to Jun-2020
36 Month Rolling Style Allocation
Capital Group : International All Countries Equity (Capital Group)
Jan-2015 to Jun-2020
36 Month Rolling Style Allocation
Mondrian Investment Partners Limited : International Equity
Jan-2015 to Jun-2020
Dec-2017 Mar-2018 Jun-2018 Sep-2018 Dec-2018 Mar-2019 Jun-2019 Sep-2019 Dec-2019 Mar-2020 Jun-2020
Large Value Mid Value Small Value Large Growth Mid Growth Small Growth

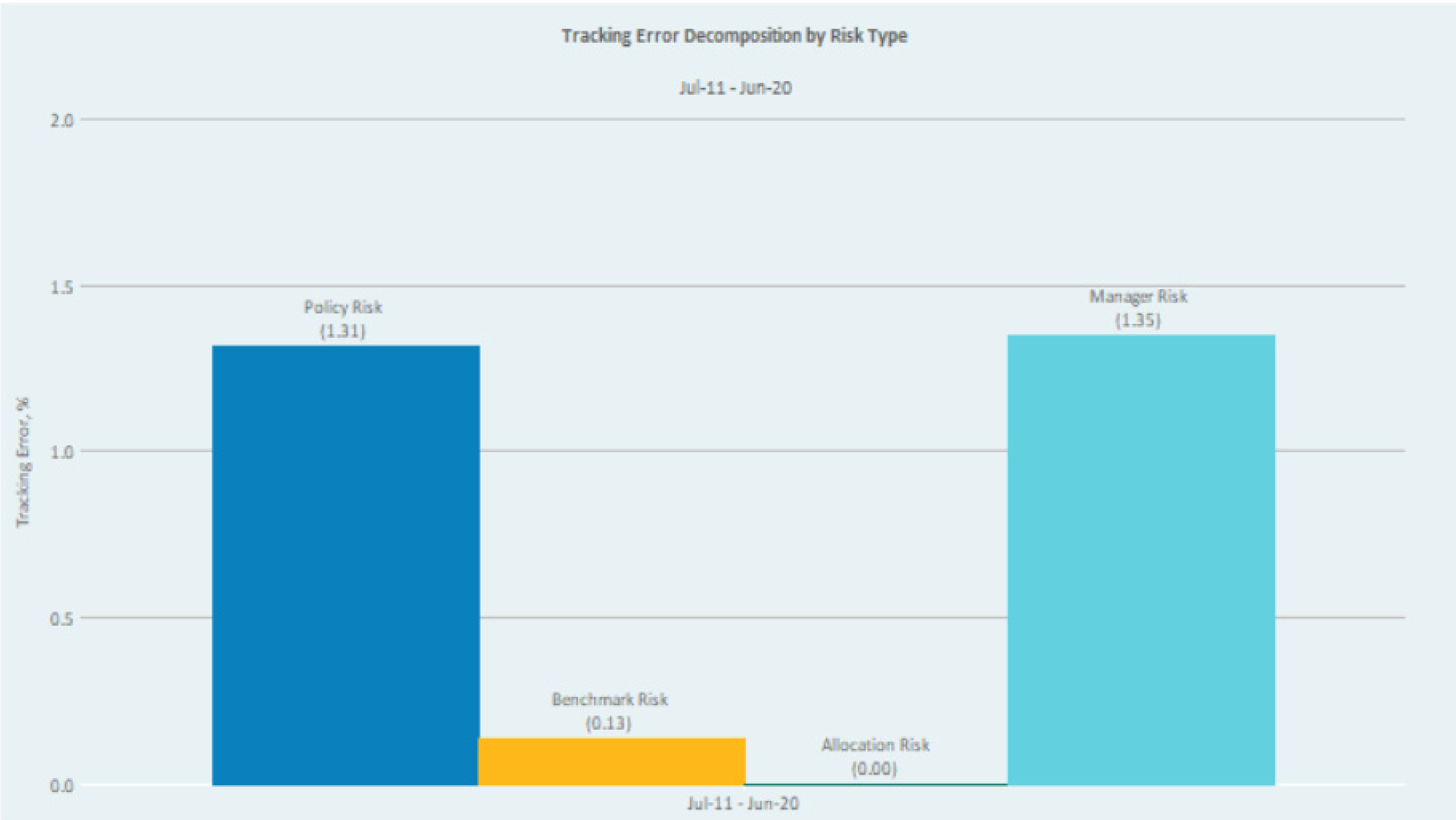
Alt 1- Minimize Benchmark Risk

Alt 1 – Minimize benchmark risk

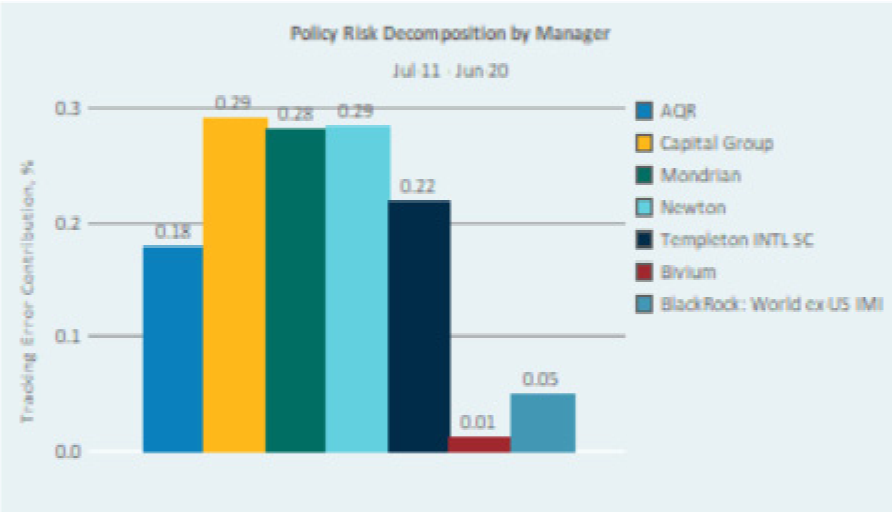
This example simply replaces the BlackRock index with the IMI index and takes 2% from Emerging Markets and adds it to BlackRock World ex US IMI:

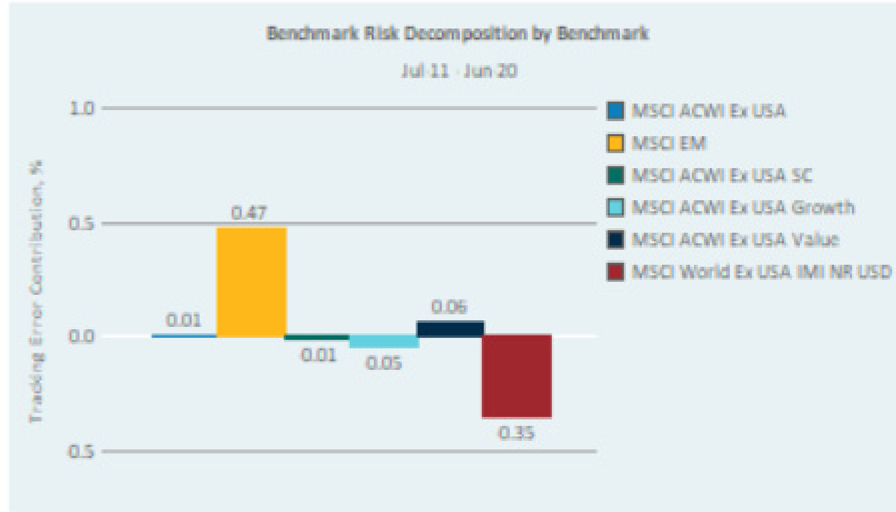
Strategy	Manager	Benchmark	Fund Allocation	Benchmark Allocation	Benchmark Target	Policy
Developed (Index)	BlackRock	MSCI World ex US IMI	22.0%	22.0%	22.0%	
Active International Core	Bivium AQR	MSCI ACWI ex US	22.4%	22.4%	22.4%	100.0% (MSCI ACWI ex US IMI)
Active International Growth	Capital Group	MSCI ACWI ex US Growth	18.8%	18.8%	18.8%	
Active International Value	Mondrian	MSCI ACWI ex US Value	18.8%	18.8%	18.8%	
Emerging Mkts	Newton	MSCI EM	8.0%	8.0%	8.0%	
Developed Small Cap	Templeton	MSCI ACWI ex US SC	10.0%	10.0%	10.0%	

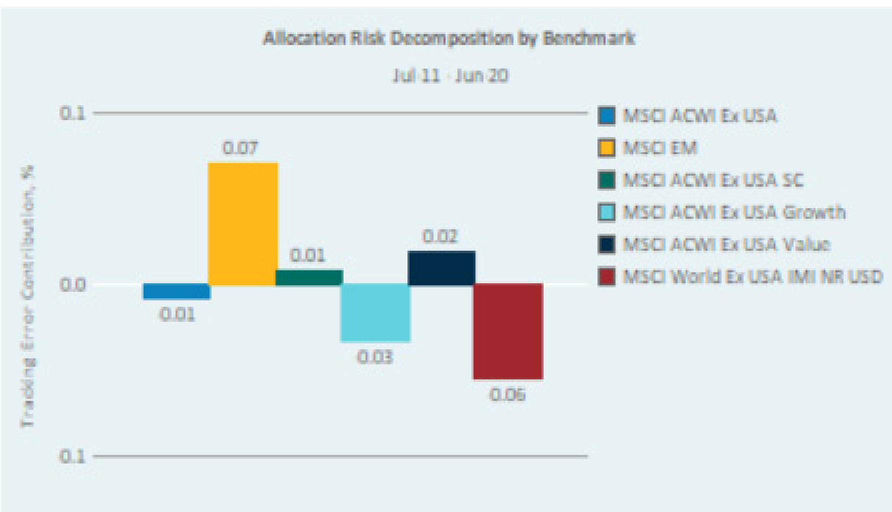
Tracking Error: PR, BR, AR, MR



Risk Decomposition







Effective Changes

— This allocation would reduce emerging markets by 3%, increase international small cap by 2%, and add 1% to the passive developed international allocation.

— Implications for risk factors:

- **Policy Risk**
  - —The tracking error (currently 1.49%) is consistent with fund objectives. It would decrease marginally to 1.31%.
- **Benchmark Risk**
  - —The tracking error (currently 0.31%) can be reduced to 0.13% by changing the target allocation primarily in emerging markets and international small cap.
- **Allocation Risk**
  - —Rebalancing to targets will remove all allocation risk.
- **Manager Risk**
  - —The tracking error (currently 1.52%) comprises the majority of Policy Risk and would be marginally reduced to 1.35%.

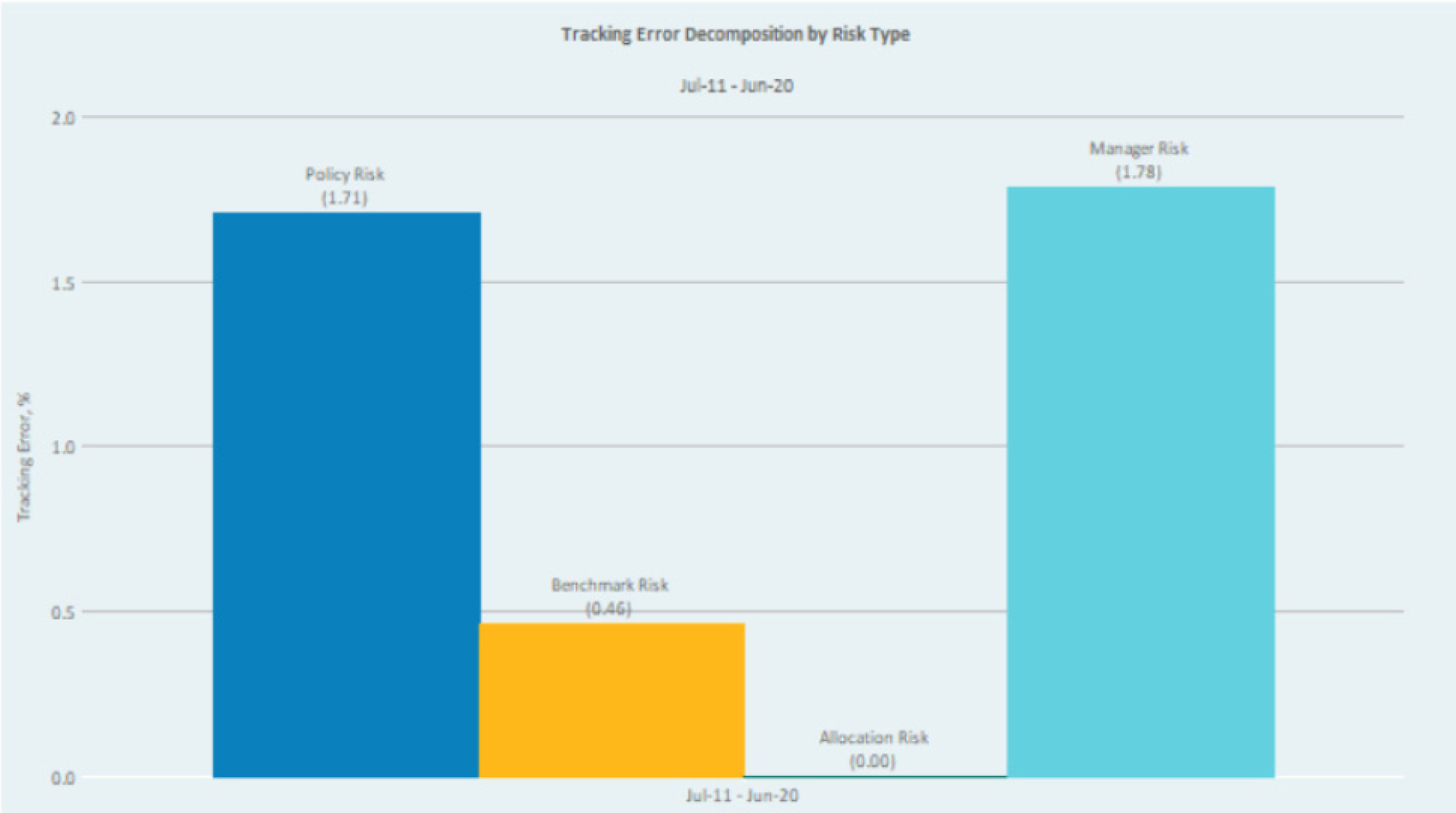
Alt 2- Consolidate Manager Roster

Alt 2 – Consolidate manager roster

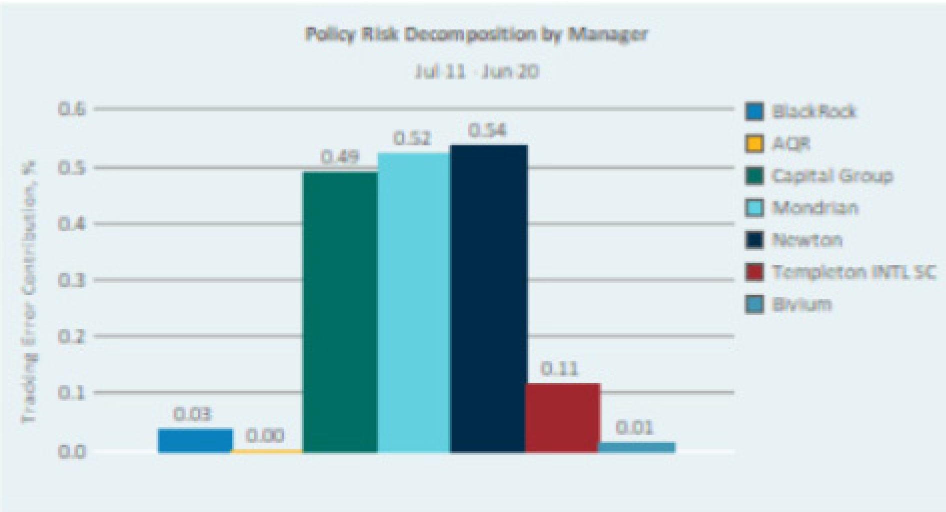
Consolidate active international managers. Reallocate among higher tracking error active ACWI ex-US:

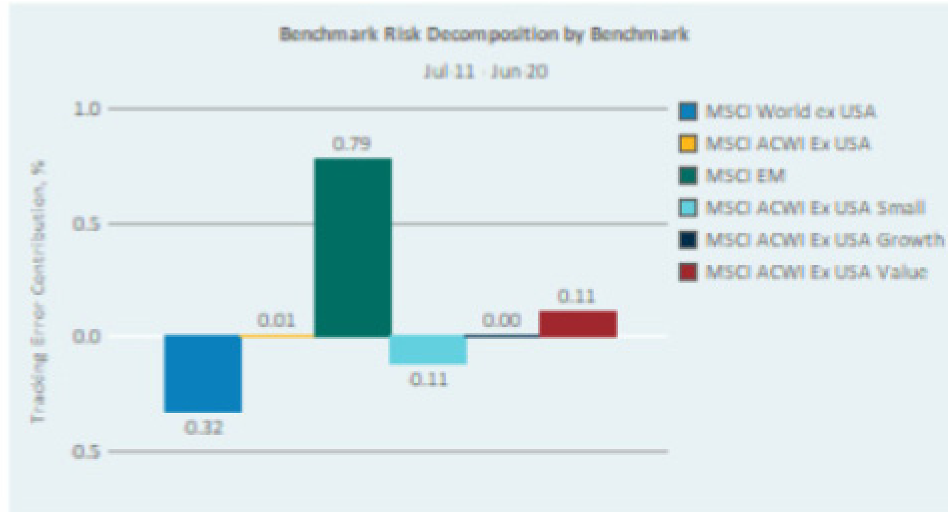
Strategy	Manager	Benchmark	Fund	Benchmark	Benchmark Target	Policy
Developed (Index)	BlackRock	MSCI World ex US	18.7%	18.7%	18.7%	
Active International Core	Bivium	MSCI ACWI ex US	3.7%	3.7%	3.7%	100.0% (MSCI ACWI ex US IMI)
Active International Growth	Capital Group	MSCI ACWI ex US Growth	28%	28%	28%	
Active International Value	Mondrian	MSCI ACWI ex US Value	28%	28%	28%	
Emerging Mkts	Newton	MSCI EM	11.9%	11.9%	11.9%	
Developed Small Cap	Templeton	MSCI ACWI ex US SC	9.7%	9.7%	9.7%	

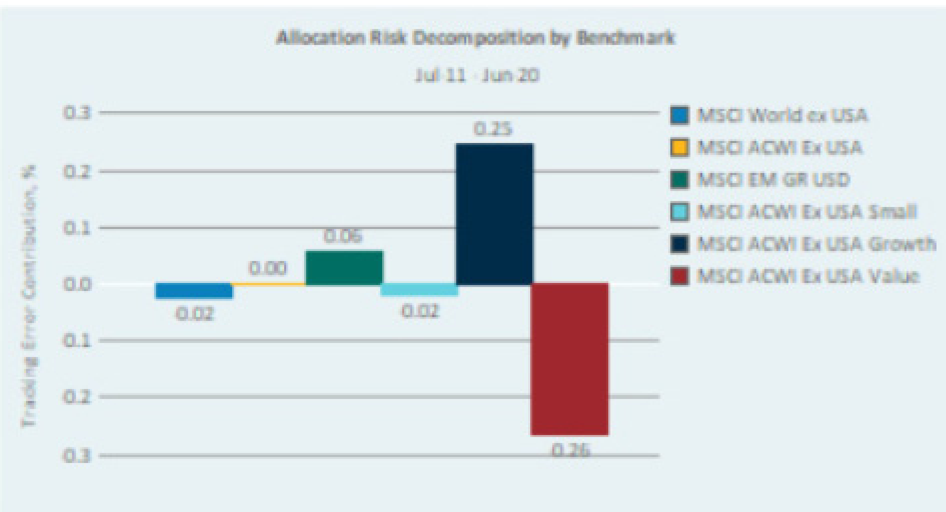
Tracking Error: PR, BR, AR, MR



Risk Decomposition







Effective Changes

- This allocation would remove AQR (quantitative core) and redistribute the funds among the higher tracking error fundamental ACWI ex-US managers - Capital Guardian (core-growth) and Mondrian (value).
- Implications for risk factors:
  - **Policy Risk**
    - The tracking error (currently 1.49%) is would increase to 1.71% for the proposed targets. This increase primarily comes from active management.
  - **Benchmark Risk**
    - The tracking error (currently 0.31%) increases to 0.46%.
  - **Allocation Risk**
    - Rebalancing to targets will remove all of the allocation risk.
  - **Manager Risk**
    - The tracking error (currently 1.52%) comprises the majority of Policy Risk and would increase to 1.78% because of the higher tracking error active management.

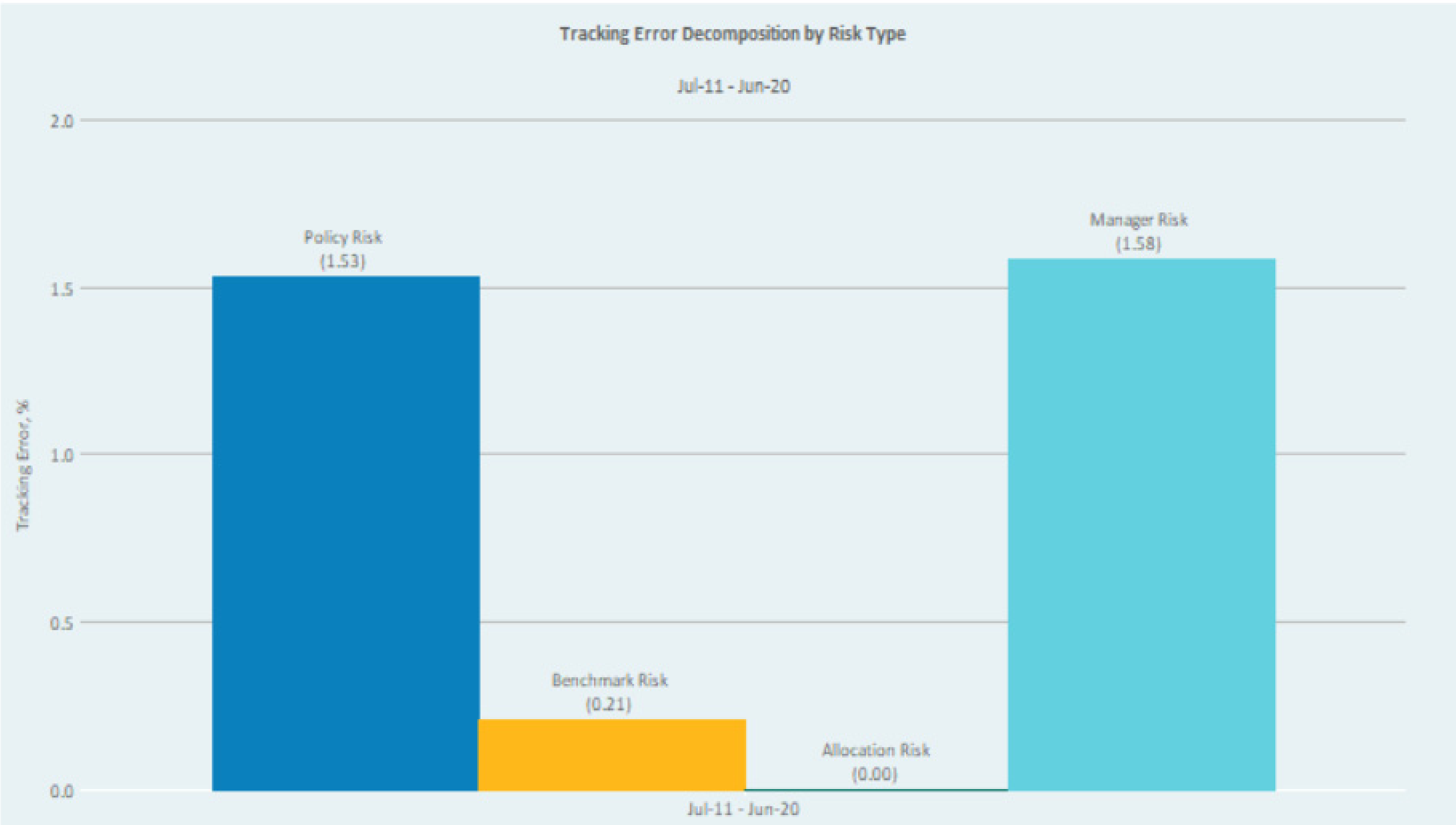
Alt 3- Do Both

Alt 3 – Do both

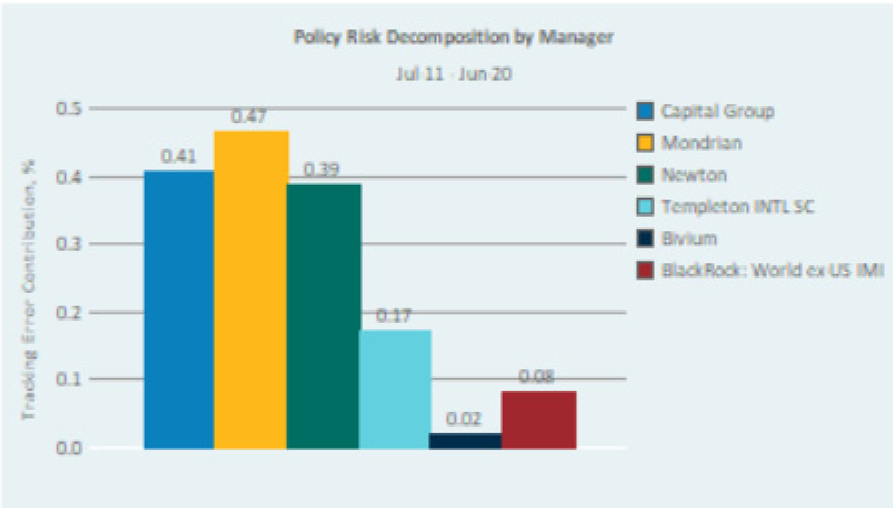
Consolidate managers and minimize benchmark risk

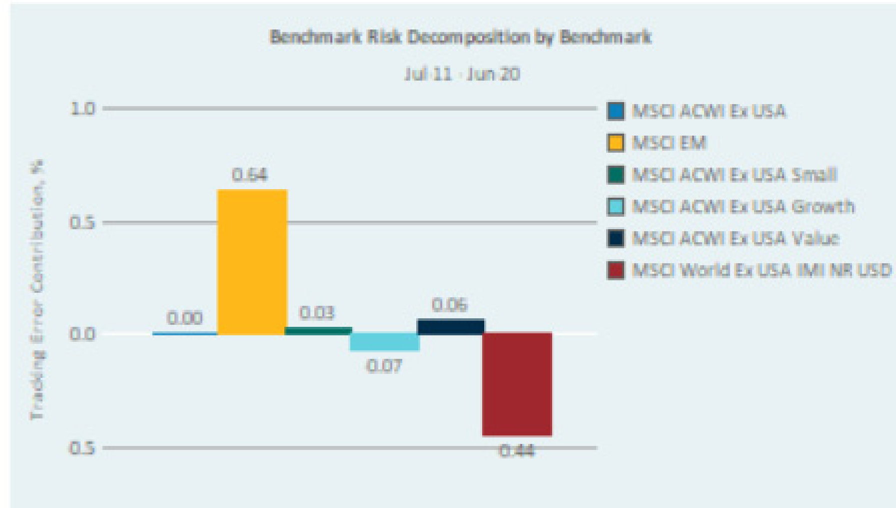
Strategy	Manager	Benchmark	Fund	Benchmark	Benchmark Target	Policy
Developed (Index)	BlackRock	MSCI World ex US IMI	25%	25%	25%	
Active International Core	Bivium	MSCI ACWI ex US	5%	5%	5%	100.0% (MSCI ACWI ex US IMI)
Active International Growth	Capital Group	MSCI ACWI ex US Growth	25%	25%	25%	
Active International Value	Mondrian	MSCI ACWI ex US Value	25%	25%	25%	
Emerging Mkts	Newton	MSCI EM	10%	10%	10%	
Developed Small Cap	Templeton	MSCI ACWI ex US SC	10%	10%	10%	

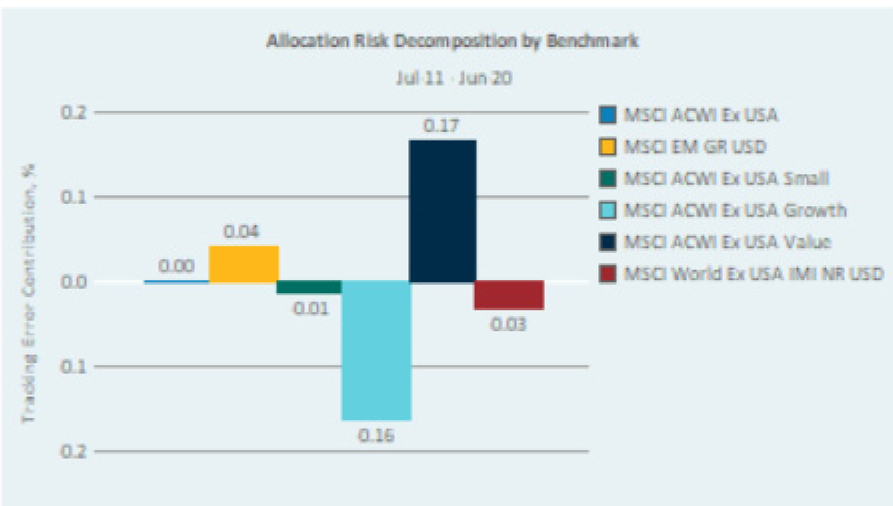
Tracking Error: PR, BR, AR, MR



Risk Decomposition







Effective Changes

— This allocation would reduce emerging markets by 2%, increase international small cap by 2%, remove AQR, and increase the allocation to other ACWI ex-US managers and passive.

— Implications for risk factors:

- **Policy Risk**

  —The tracking error (currently 1.49%) is would increase marginally to 1.53% for the proposed targets. This increase primarily comes from active management.

- **Benchmark Risk**

  —The tracking error (currently 0.31%) can be reduced to 0.21% by changing the target allocation primarily in emerging markets and international small cap.

- **Allocation Risk**

  —Rebalancing to targets will remove all the allocation risk.

- **Manager Risk**

  —The tracking error (currently 1.52%) comprises the majority of Policy Risk and would increase marginally to 1.58% because of increasing the allocation to active managers with higher tracking errors.

Summary

— Manager, or asset class, structure analysis explicitly supports asset allocation target

— **Risk management** implementation:

- Identify and quantify risks in the asset class and its implementation
- Focus on risks meant to generate alpha

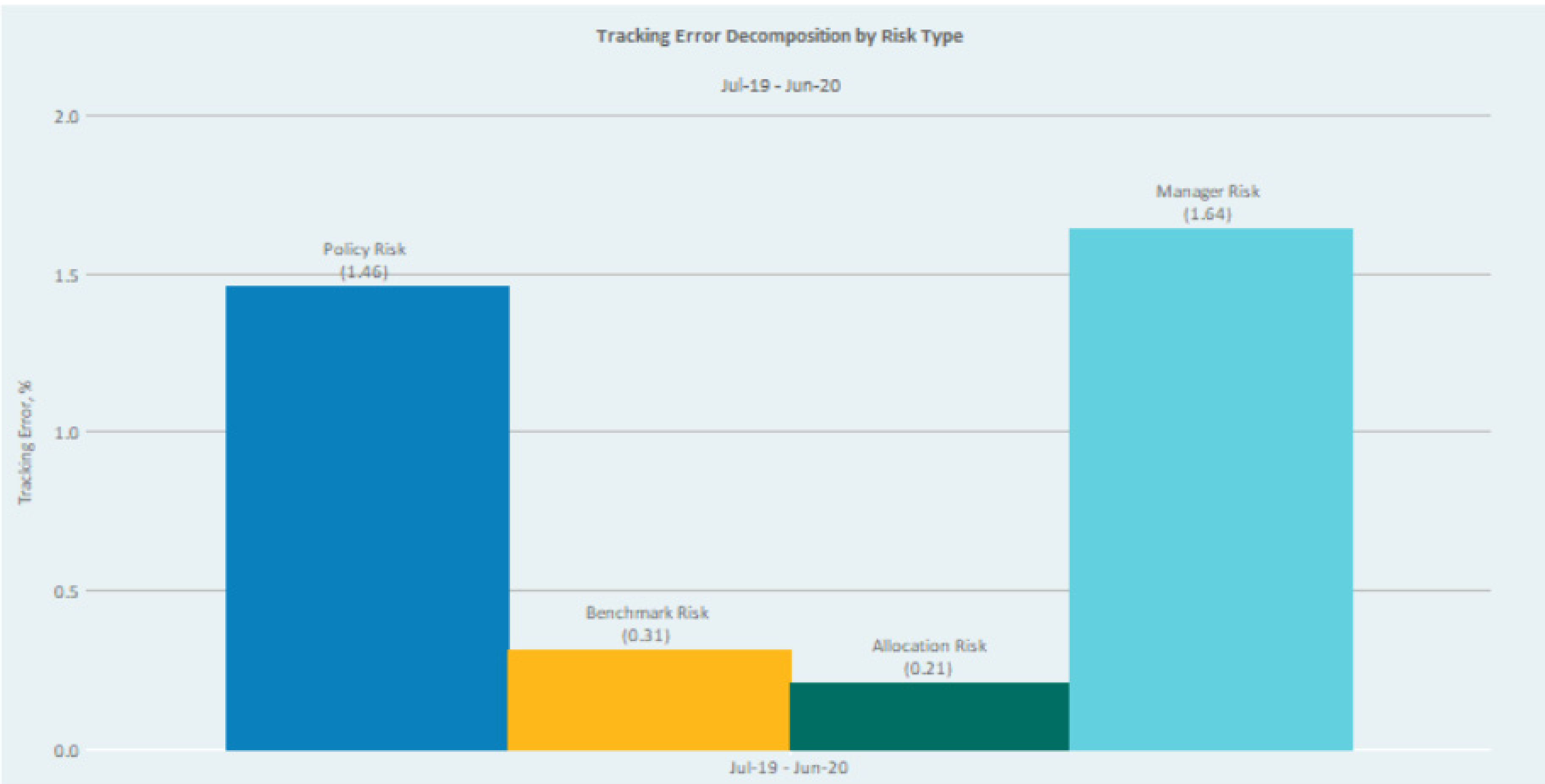
— Analysis does not render a judgement on manager skill

— Aids in decision-making at asset class level (risk budgeting)

Appendix

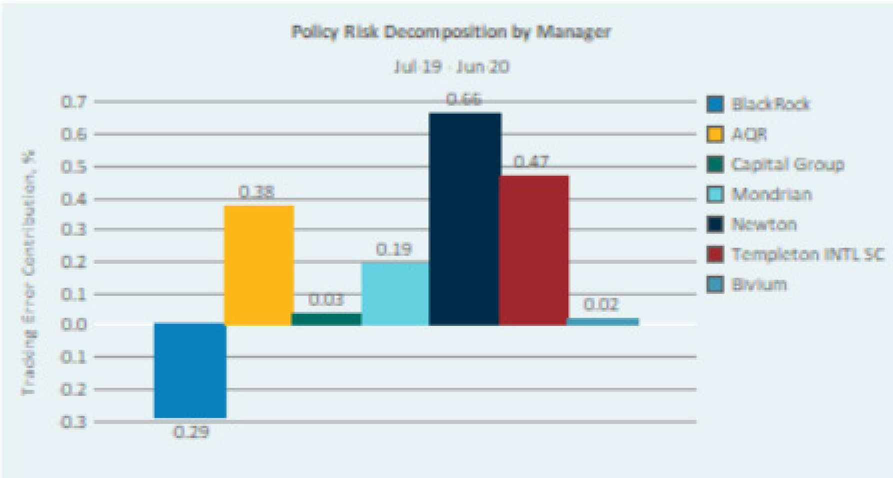
Tracking Error: PR, BR, AR, MR

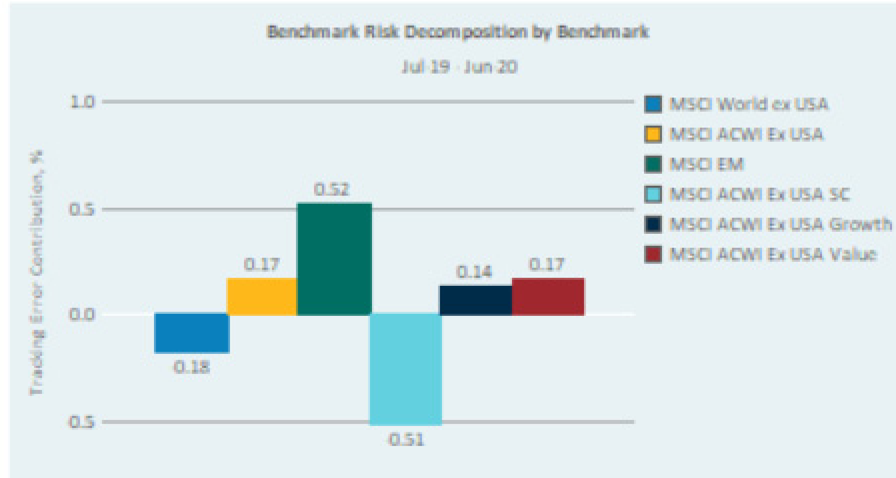
Since the new structure has been in place

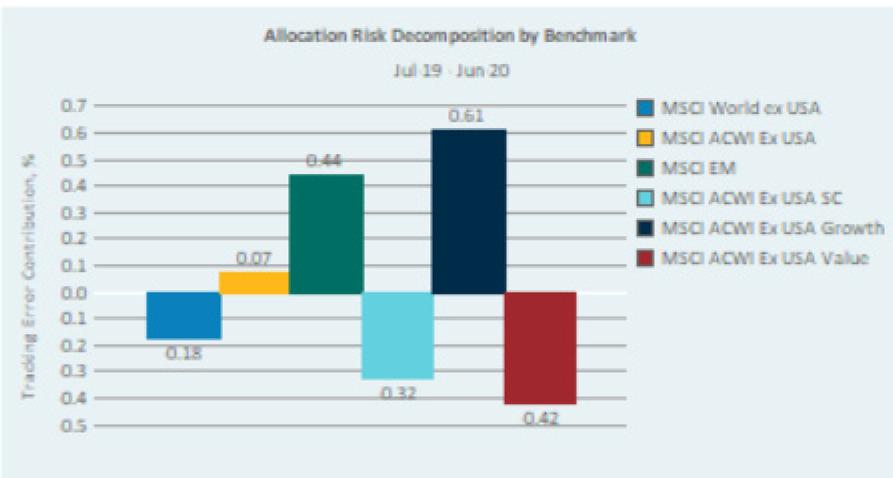


Risk Decomposition

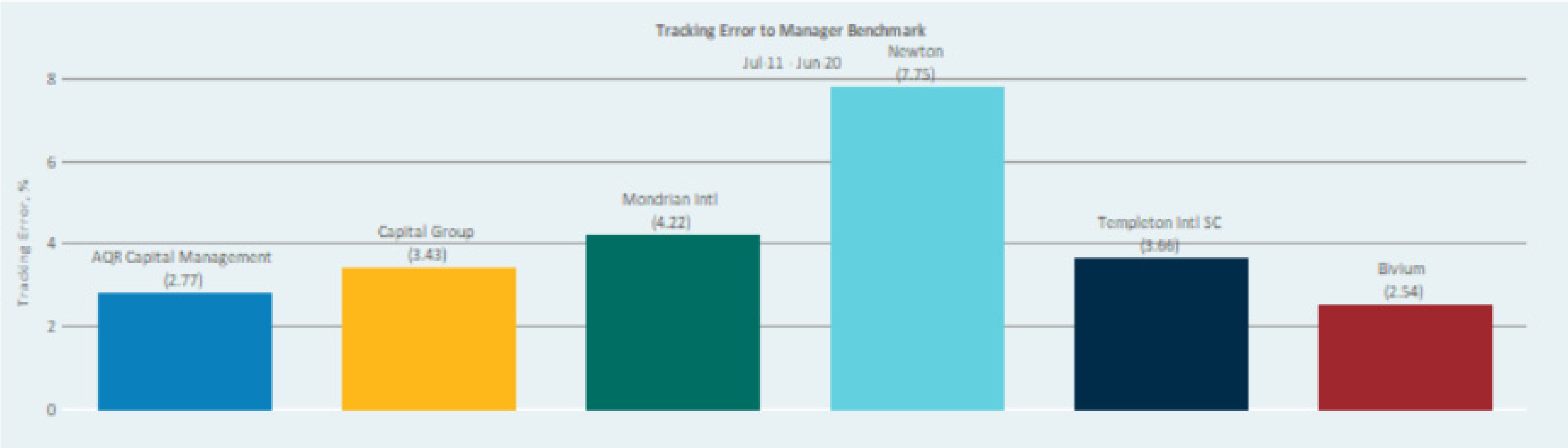
Since the new structure has been in place







Manager Tracking Errors & Correlations



Excess Returns Correlation	BlackRock	AQR	Capital Grp	Mondrian	Newton EM	Templeton Intl Small	Bivium Intl
BlackRock	1.00	-0.09	0.04	0.11	0.25	0.09	0.11
AQR	-0.09	1.00	0.23	-0.21	-0.07	0.02	0.11
Capital Grp	0.04	0.23	1.00	-0.45	-0.09	-0.01	0.21
Mondrian	0.11	-0.21	-0.45	1.00	0.35	0.29	-0.12
Newton EM	0.25	-0.07	-0.09	0.35	1.00	0.07	-0.05
Templeton Intl Small	0.09	0.02	-0.01	0.29	0.07	1.00	-0.04
Bivium Intl	0.11	0.11	0.21	-0.12	-0.05	-0.04	1.00

Developed and Emerging Manager Exposures

30-Jun	% Developed	% Emerging
MSCI ACWI ex-US IMI	72	28
AQR Intl	92	8
Bivium Intl	85	12
BlackRock MSCI World ex-US	100	0
Capital Group	77	17
Mondrian	99	1
Newton	85	14
Templeton	83	17

31-Mar	% Developed	% Emerging
MSCI ACWI ex-US IMI	73	27
AQR Intl	92	8
Bivium Intl	85	11
BlackRock MSCI World ex-US	100	0
Capital Group	74	19
Mondrian	100	0
Newton	83	15
Templeton	84	16

31-Dec	% Developed	% Emerging
MSCI ACWI ex-US IMI	74	27
AQR Intl	92	8
Bivium Intl	88	10
BlackRock MSCI World ex-US	100	0
Capital Group	70	24
Mondrian	100	0
Newton	83	15
Templeton	85	15

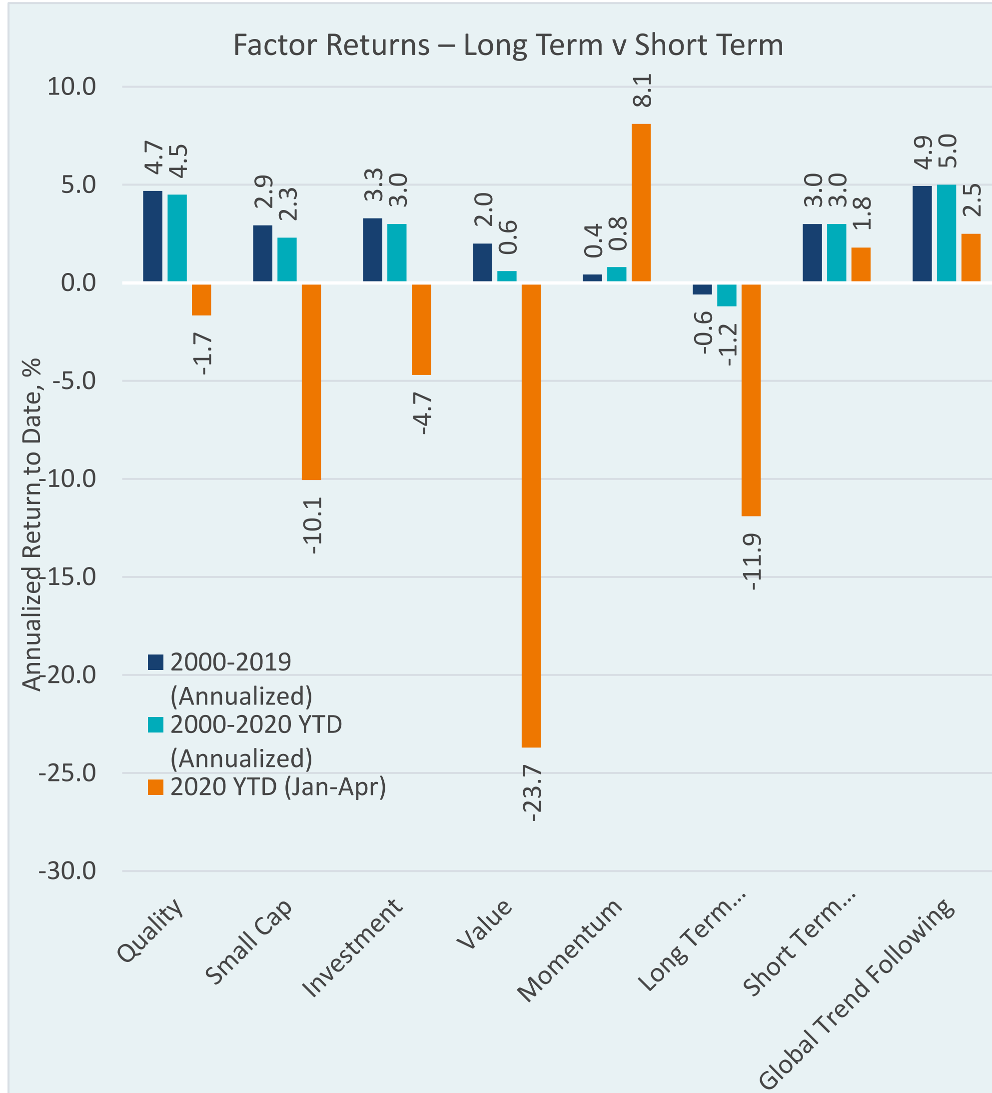
30-Sep	% Developed	% Emerging
MSCI ACWI ex-US IMI	74	26
AQR Intl	92	8
Bivium Intl	88	9
BlackRock MSCI World ex-US	100	0
Capital Group	72	24
Mondrian	75	25
Newton	86	13
Templeton	85	15

Numbers may not add to 100% due to some small cash allocations.

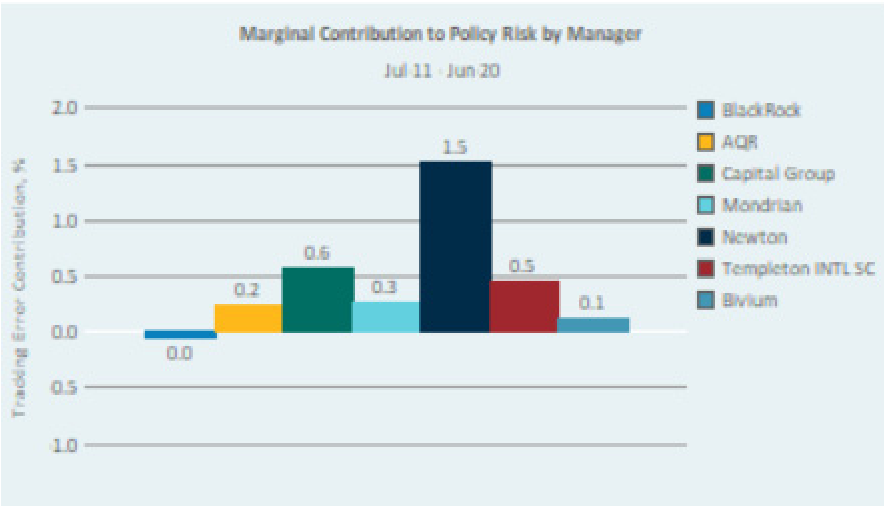
Factor returns

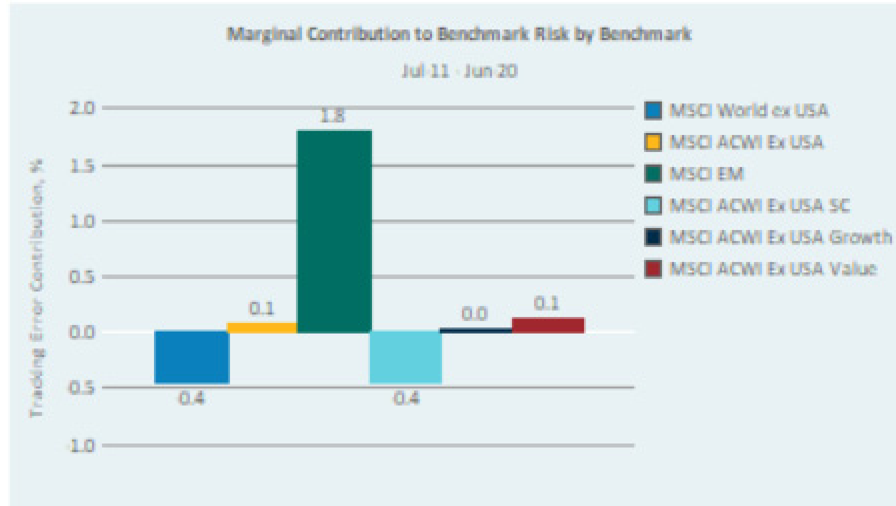
Trailing Performance – blue high – orange low

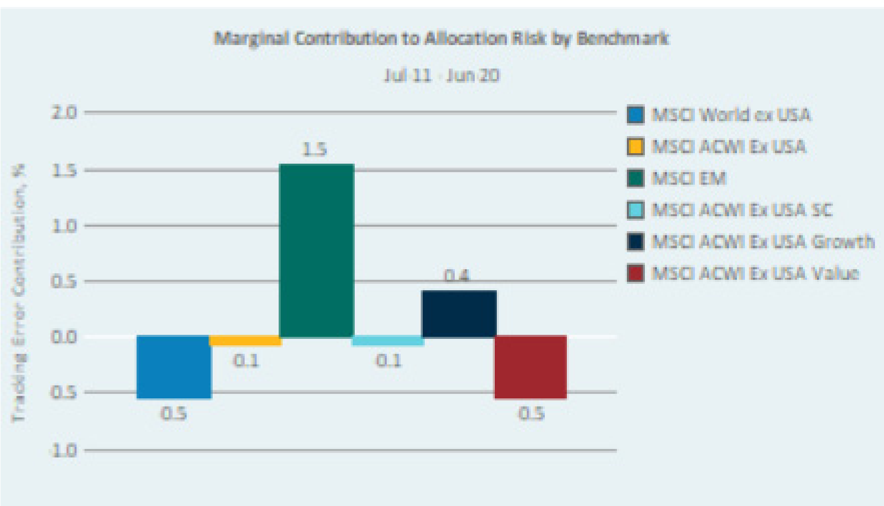
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
US						
Cap Weight	5.3	16.9	6.3	17.4	12.1	10.3
Factor Weighted	4.0	13.3	-2.1	9.3	7.3	8.1
Quality	4.6	14.3	10.6	24.9	18.8	15.1
Value	2.6	11.4	-10.9	-1.4	3.8	5.9
Volatility	2.6	9.3	-1.8	1.6	11.3	11.0
Momentum	5.2	18.9	16.9	22.8	18.0	15.9
Yield	2.0	9.2	-8.0	-0.5	7.5	9.8
Small	5.9	19.9	-5.4	3.9	6.7	7.1
World Ex US						
Cap Weighted	3.1	14.6	-5.9	4.7	0.1	1.3
Factor Weighted	3.3	15.1	-6.0	5.2	0.8	3.6
Quality	3.3	14.8	-0.9	11.2	5.2	5.6
Value	1.4	11.0	-15.6	-3.0	-3.1	-0.4
Volatility	3.1	14.1	-5.5	4.1	2.9	4.2
Momentum	3.1	15.3	2.2	12.7	5.5	5.6
Yield	2.9	13.8	-10.9	2.1	0.6	2.5
Small	5.6	16.9	-4.3	10.4	2.7	5.9
EM						
Cap Weighted	3.3	18.0	-1.4	12.2	4.0	8.7
Factor Weighted	3.2	19.5	-0.6	14.9	2.4	6.7
Quality	3.7	19.9	2.0	15.3	3.6	6.6
Value	2.1	13.8	-12.7	-2.4	-0.7	4.6
Volatility	2.9	10.5	-5.3	-0.6	2.8	5.1
Momentum	5.6	29.2	20.4	35.1	11.8	12.6
Yield	3.1	8.7	-14.0	-1.3	-0.4	3.0
Small	4.7	23.4	-3.6	7.2	0.3	4.3

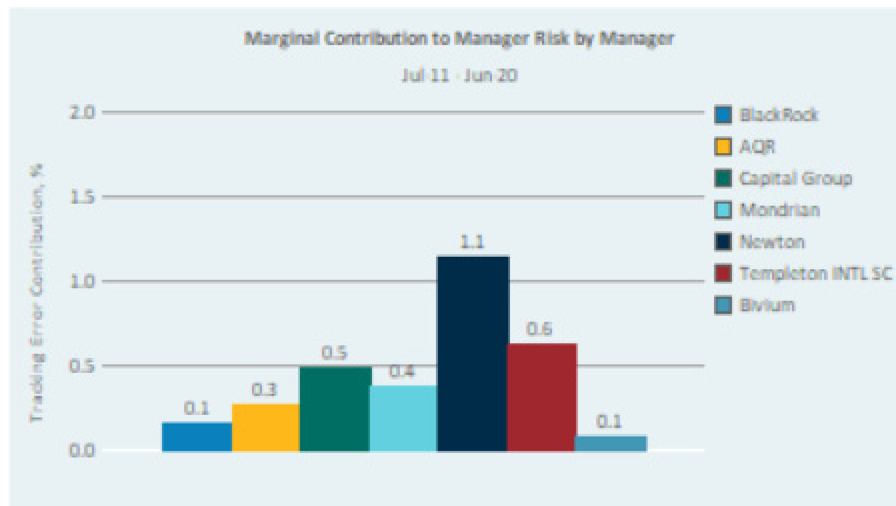


Marginal Contribution - Current

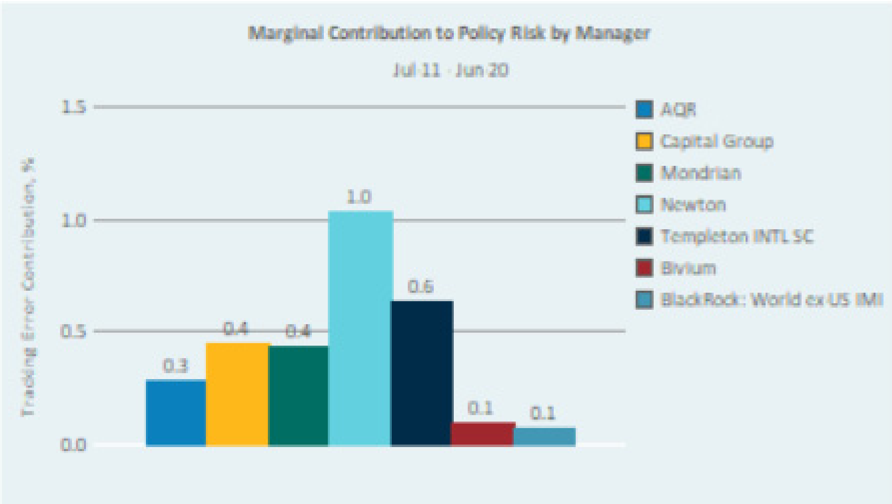


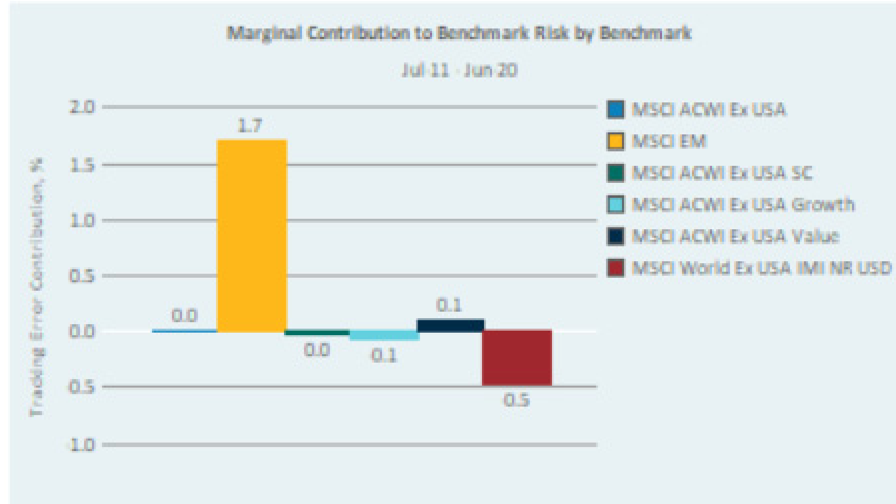


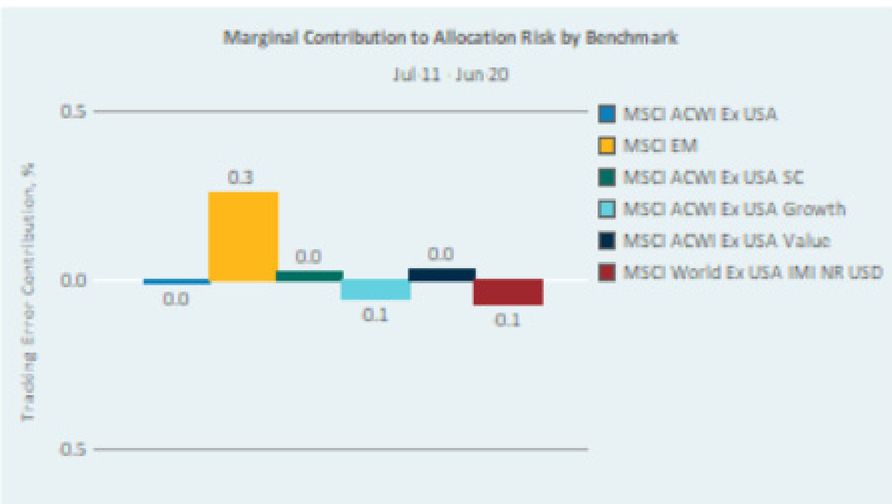


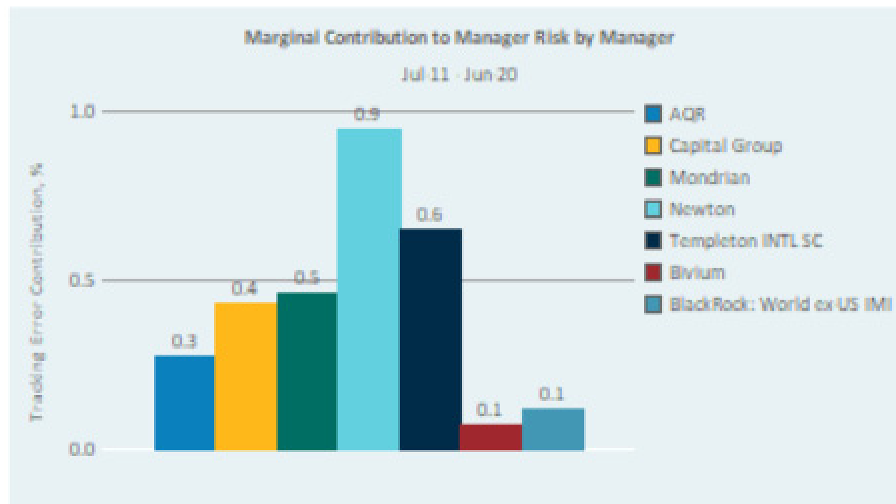


Marginal Contribution – Alt 1

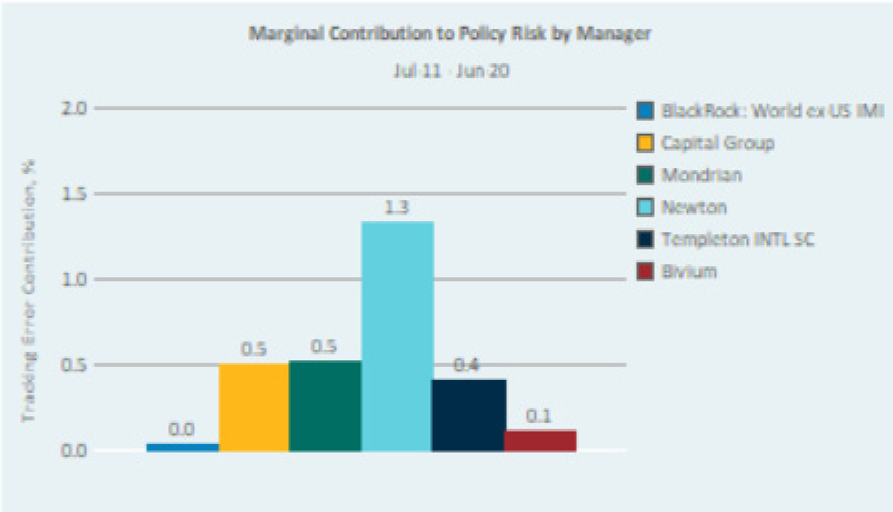


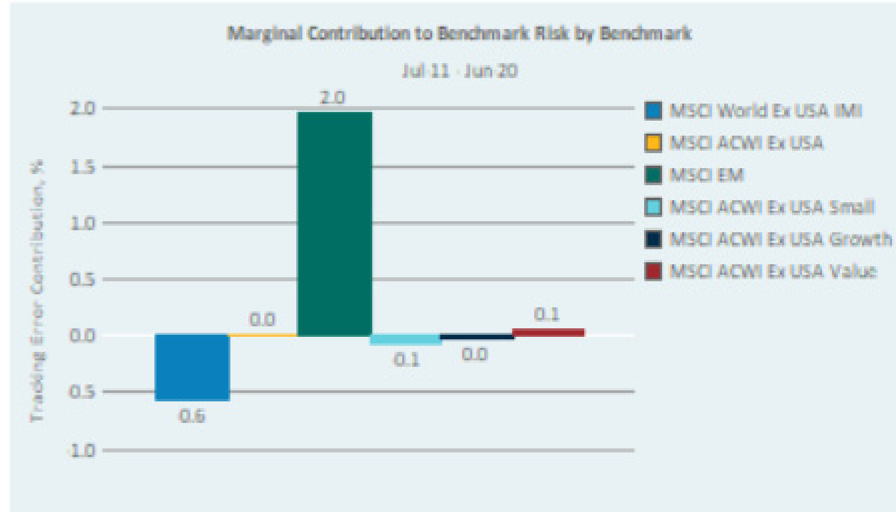


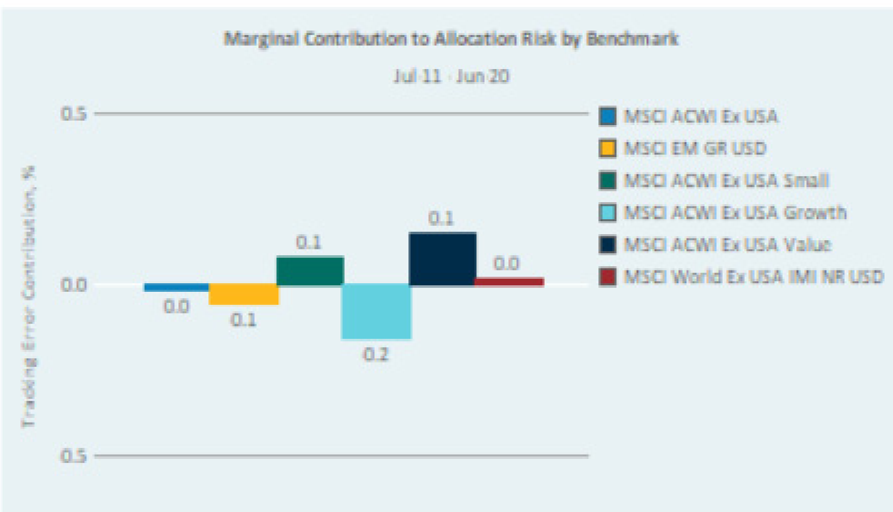


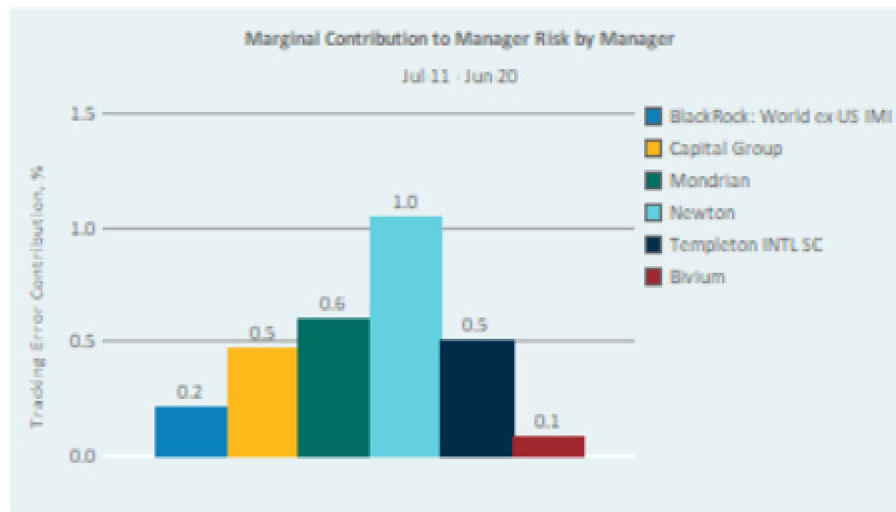


Marginal Contribution – Alt 2

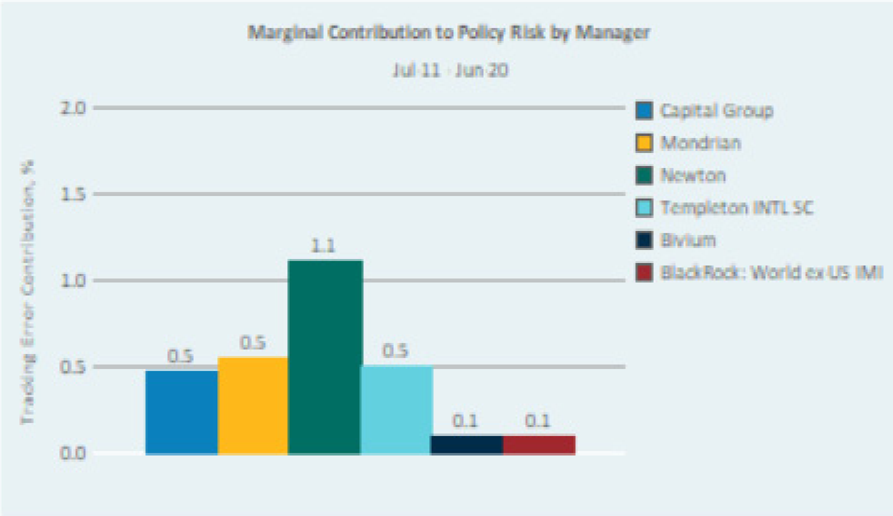


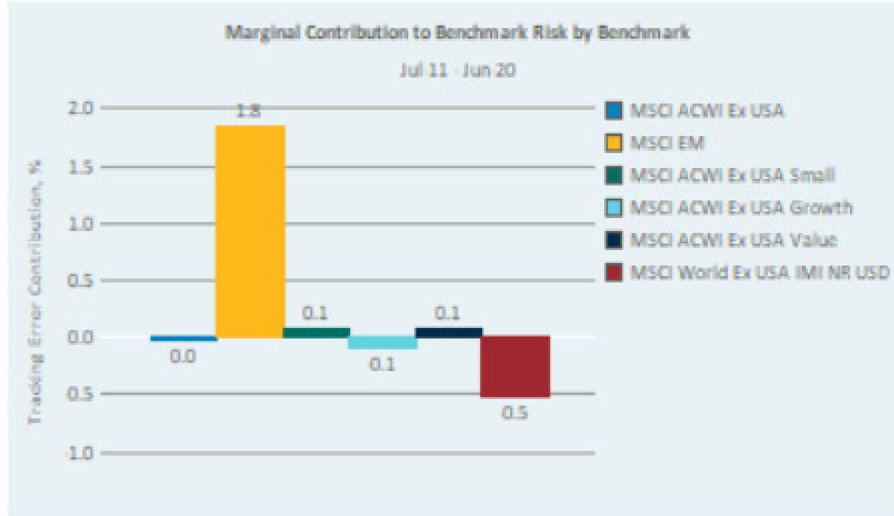


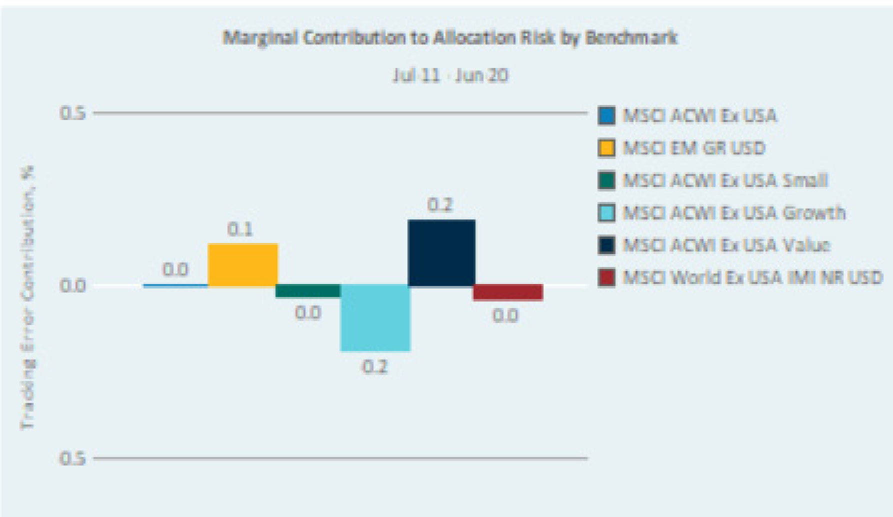


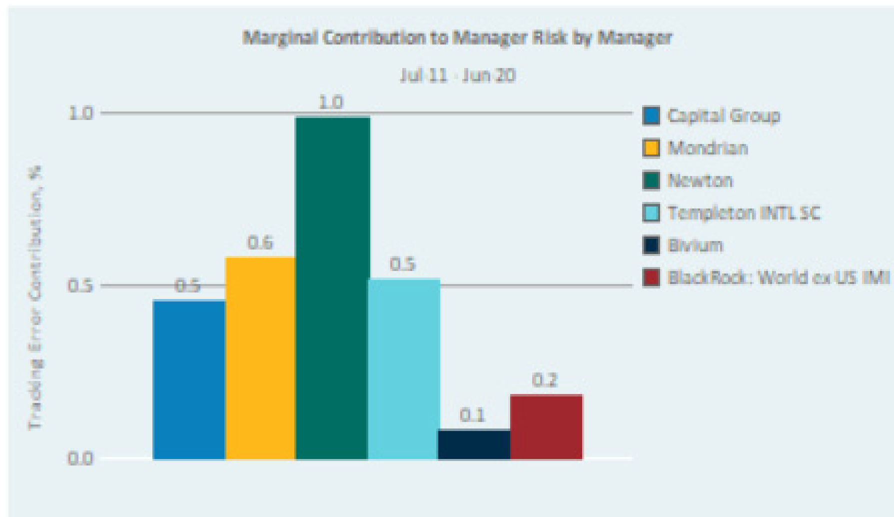


Marginal Contribution – Alt 3









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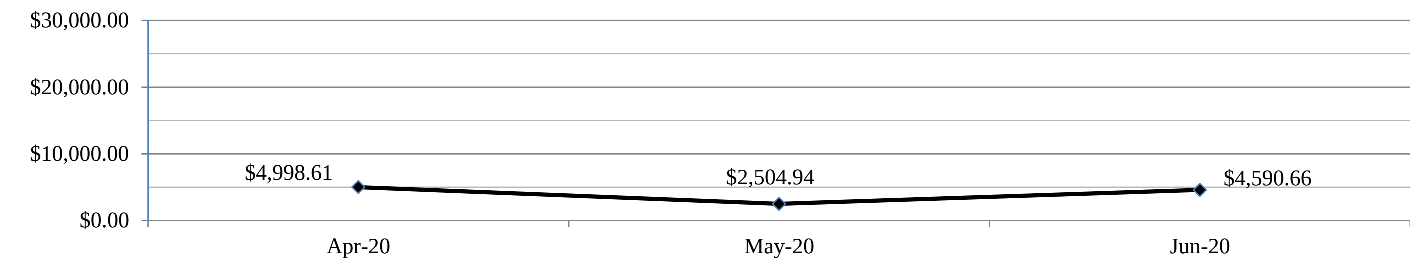
Alameda County Employees' Retirement Association
Second Quarter 2020 Directed Brokerage Report

Quarterly Commentary

In 2Q20, the total recaptured dollar amount for ACERA's Directed Brokerage (DB) Program was $12,094.21. Since inception[1], ACERA has recaptured $2,068,511.58. For the quarter, Pzena directed the highest percentage (20.25%) of trading volume and Kennedy generated the largest recaptured directed commission dollar amount ($8,605.39). CAPIS received 99.6% of ACERA's directed trades among the network of correspondent brokers. The program continues to operate in compliance with ACERA's DB Policy.

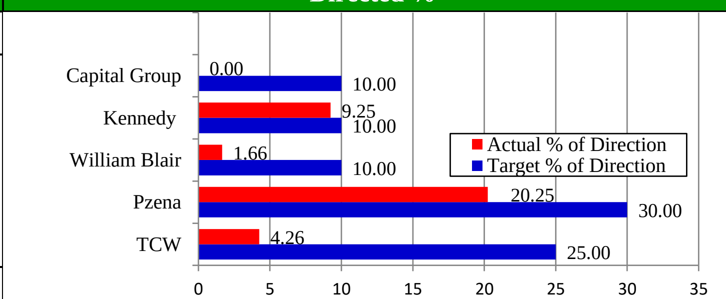
Monthly Recaptured



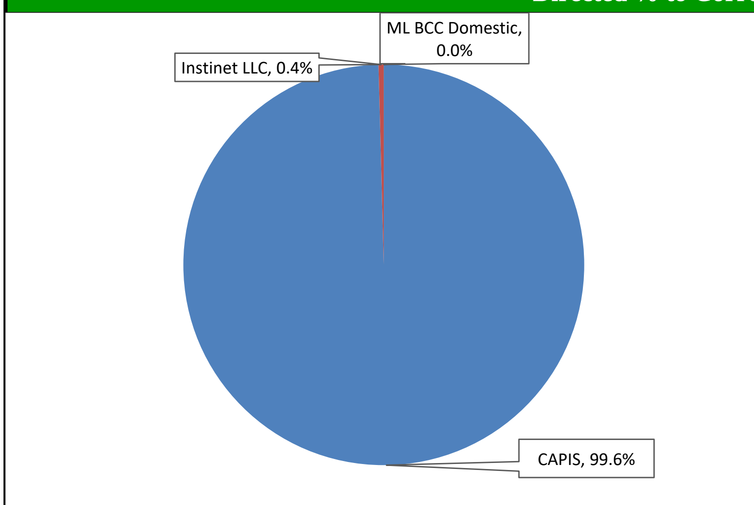
Directed Commission $[2]

Manager	2Q2020	YTD
Capital Group	0.00	0.00
Kennedy	8,605.39	12,930.23
William Blair	83.16	1,732.92
Pzena	3,776.10	12,746.08
TCW	52.68	548.68
Total	**$12,517.33**	**$27,957.91**

Directed %[3]



Directed % to Correspondent Brokers[4]



Andes Capital Group
B. Riley & Co.
Barclays (US Algo/DMA)
BIDS Trading
Bley Investment Group
Cabrera Capital Markets
CAPIS
CAPIS Step Out
CF Global Trading
Commission Direct, Inc.
Cowen Securities (U.S.)
Drexel Hamilton
HSBC James Capel
ICAP (U.S.)
Imperial Capital
Instinet LLC
ITG, Inc.
Kota Global Securities
LAM Securities
Liquidnet
Merrill Lynch (U.S.)
Mischler Financial Group
Northeast Securities
O'Neil Securities
Penserra Securities, LLC
Pershing, LLC
Piper Jaffray & Co.
Societe Generale
State Street Global Markets (Europe)
Virtu Securities
Weeden & Co LP

Brokers are selected at the discretion of the Investment Managers, pursuant to Best Execution and ACERA's DB Policy.

1. ACERA's DB Program began in September 2006. AQR Int'l, Mondrian, Bivium do not participate in Commission Recapture; Blackrock, Newton, and Templeton are not SMA.
2. Data provided by CAPIS. Directed Commission $ - Dollar amount of commissions from directed trades - this amount is split among ACERA (96.62% for 2Q2020), CAPIS, & the Correspondent Brokers.
3. Data provided by Zeno Consulting Group (Zeno). Directed % - Calculated by dividing Manager's directed trading volume by its total trading volume and compared to its assigned target. Target percentages are ranges (e.g. up to 30% for Pzena).
4. Data provided by CAPIS.

Report prepared by Investment Staff

ICM 9/9/2020

INVESTMENT MANAGER, CONSULTANT, AND CUSTODIAN FEES

For Quarter Ending June 30, 2020

INVESTMENT NET ASSET VALUE AND INVESTMENT MANAGER FEES
FOR THE QUARTER ENDED JUNE 30, 2020

For the Quarter Ended June 30, 2020 Name of Fund	NAV[2] ($) As of 3/31/20	Q1 - Total Fees ($)	bps of NAV	NAV[2] ($) As of 6/30/20	Q2 - Total Fees ($)	bps of NAV
Domestic Equity [1]						
BlackRock R1000 Index Fund	1,563,402,891	39,321	0.25	1,904,773,094	40,642	0.21
Kennedy Capital	79,413,186	216,284	27.24	95,166,143	177,827	18.69
Pzena	80,249,376	153,347	19.11	97,754,557	127,018	12.99
Trust Co. of the West	115,760,060	143,698	12.41	150,749,338	148,891	9.88
William Blair Small Cap Growth	92,931,190	228,731	24.61	120,393,013	217,125	18.03
Total Domestic Equity	1,931,756,703	781,381	4.04	2,368,836,145	711,503	3.00
International Equity [1]						
AQR International Equity	333,110,143	512,297	15.38	391,970,611	470,647	12.01
BlackRock MSCI World ex-US	358,855,540	25,581	0.71	414,621,299	24,846	0.60
Bivium International Equity	69,722,702	171,614	24.61	81,676,994	155,493	19.04
Capital Group	380,976,080	779,730	20.47	462,157,600	744,687	16.11
Franklin Templeton Inv.	169,997,461	341,607	20.09	210,206,749	309,827	14.74
Mondrian	336,615,852	373,477	11.10	374,458,267	323,805	8.65
Newton Emerging Market Equity Fund	194,773,677	121,734	6.25	247,406,150	246,387	9.96
Total International Equity	1,844,051,455	2,326,040	12.61	2,182,497,670	2,275,691	10.43
Fixed Income [1]						
Baird Advisors	586,769,834	136,245	2.32	614,293,862	127,320	2.07
Loomis Sayles	295,145,772	288,449	9.77	327,603,685	251,289	7.67
Brandywine Global FI	312,857,319	236,487	7.56	347,171,671	231,538	6.67
Total Fixed Income	1,194,772,925	661,180	5.53	1,289,069,218	610,147	4.73
Real Estate [5, 6]						
Total Real Estate	607,428,802	1,323,482	21.79	603,633,632	1,413,109	23.41
Private Equity [4, 5, 6]						
Total Private Equity	547,909,221	(2,738,439)	(49.98)	614,952,264	5,132,205	83.46
Absolute Return [5,6]						
Total Absolute Return	686,222,746	3,568,300	52.00	697,995,982	1,760,948	25.23
Real Assets [4, 5, 6]						
Total Real Assets	351,023,108	1,336,887	38.09	399,596,465	680,075	17.02
Private Credit [4,5,6]						
Total Private Credit	36,070,411	127,333	35.30	39,054,994	139,067	35.61
Cash	130,547,692			62,186,709		
TOTAL [7]	**7,329,783,063**	**7,386,164**	**10.08**	**8,257,823,079**	**12,722,745**	**15.41**

Notes:

1. Domestic, International Equity, and Fixed Income managers' fees are based on staff validated manager invoices.
2. NAVs may use estimates at the time of this report's production.
3. Some accounts contain submanaged funds; the fees shown include all assets in the account.
4. Sometimes fees may be estimates. According to the Limited Partnership Agreements, management fees are based on committed amounts and/or assets under management.
5. Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 6254.26
6. Fees may include management, incentive fees, and expenses as applicable. Incentive fees may included unrealized (hypothetical) fees which can fluctuate from quarter to quarter based on changes in valuations.
7. Previous quarter's amounts may change as estimates are trued up to actual amounts. Each true up is made using the most recent information.

CONSULTANT/CUSTODIAN FEES
FOR THE QUARTER ENDED JUNE 30, 2020

	Q1 - Fees ($)	Q2 - Fees ($)
Consultant		
Doug McCalla	12,367	12,367
Callan Associates	56,250	56,250
Verus Advisory, Inc.	171,250	171,250
Institutional Shareholders Services	13,575	13,575
Zeno Consulting Group	11,250	11,250
Sub-total Consultant	264,692	264,692
Custodian		
State Street Bank	137,596	137,596
TOTAL OF CONSULTANT / CUSTODIAN FEES [1]	**402,288**	**402,288**

Notes:

1. Previous quarter's amounts may change as estimates are trued up to actual amounts. Each true up is made using the most recent information.

ACERA

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

475 14th Street, Suite 1000, Oakland, CA 94612 800/838-1932 510/628-3000 fax: 510/268-9574 www.acera.org

TO: Members of the Investment Committee

FROM: Agnes Ducanes – Administrative Specialist II

DATE: September 9, 2020

SUBJECT: Quarterly report on ACERA's Investment Products and Services Introductions (IPSI) Program

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In the second quarter of 2020, Staff received 17 investment products and services inquiries from prospective providers. We met with 3 managers who presented through the IPSI process. Since we had staff turnovers, the IPSI meetings has been scheduled according to staff's availabilities.

The purpose of IPSI is to provide prospective vendors an opportunity to gain a better understanding of ACERA's investment objectives and for Staff to learn about the vendors' investment products/services through face-to-face meetings, teleconferences, or video conferences. Staff has designated the morning of the third Wednesday of every month as ACERA's IPSI day. Each introductory session is approximately 45 minutes.

Below please find a chart depicting the types of IPSI sessions that were held in the second quarter of 2020.

ASSET CLASS	Q1 '20	**Q2 '20**	Q3 '20	Q4'20	**TOTAL**
U.S. Equities	1	0	0	0	1
Int'l Equities	0	0	0	0	0
Fixed Income	0	0	0	0	0
Real Estate	1	1	0	0	2
Private Equities	0	0	0	0	0
Absolute Return	1	1	0	0	2
Real Assets	1	0	0	0	1
Private Credit	2	1	0	0	3
Other Services	0	0	0	0	0
TOTAL:	6	**3**	**0**	**0**	9

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
475-14th Street, Suite 1000, Oakland, CA 94612 800/838-1932 510/628-3000 fax: 510/268-9574 www.acera.org

TO: Members of the Investment Committee

FROM: Thomas Taylor, Investment Officer –Thomas Taylor

DATE: September 9, 2020

SUBJECT: Summary of Rebalancing and Cash Activities Completed in 2Q2020

Recommendation:

Not Applicable – This is an information item.

Background/Discussion:

1. No action was required to rebalance the Total Fund in the quarter ending June 30, 2020. In accordance with ACERA's General Investment Guidelines, Policies and Procedures, Section V: Asset Allocation and Rebalancing, Schedule IA: Asset Allocation Targets, and Schedule IC: Asset Allocation Portfolio Rebalancing, there were no rebalancing signals received during 2Q2020 as all traditionally managed accounts remained within their respective target ranges. Given the uncertainty of the economic times and ACERA's inferred possibility to cover employer payroll contributions timely, Staff deposited funds in HI1A and maintained a higher than normal balance[1].

2. Regarding significant cash-flows for 2Q2020, Staff implemented the following changes to manage cash, make the supplemental timely month-end retiree benefits and administrative payroll, and to meet the capital calls and provide operating funds:

   a. Month-end payroll: Staff withdrew a net $38.5 million from the Total Fund to supplement for month-end payroll for the three-months ending June 30, 2020. Staff wired out $19.0M in April, $17.0M in May, and $33.0M in June to ACERA'S Wells Fargo Bank account. Fiscal Services wired-in $15.0M from Wells Fargo Bank back to State Street Bank (#HI1A) at the end of May and $15.5 at the end of June for a total of $30.5M. The reason for noting the incoming wires is because not all employer contributions are received before the month-end and administrative payroll for that month.

   b. Capital Calls, Distributions, and Other Cash Flows: In general, wire-payments of $65.62M in aggregate were made to meet capital calls for ACERA's privately placed investments. ACERA received cash and in-kind distributions from ACERA's investments totaled $35.5M. This dollar amount does not include other incidental income[2].

3. Reporting of rebalancing activities will continue to be submitted to the Investment Committee on a quarterly basis.

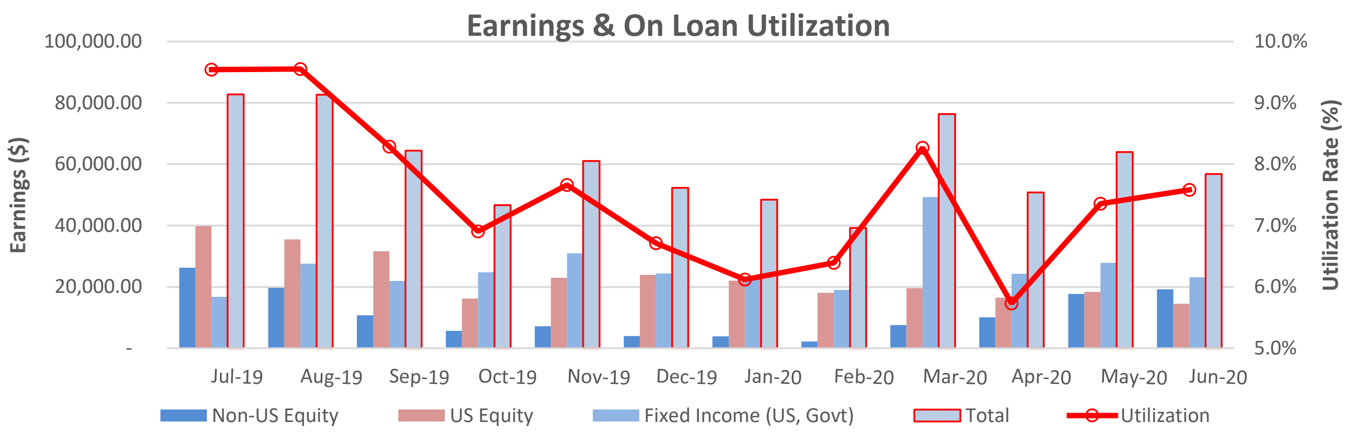
[1] As of 6/30/2020, HI1A was $62.2M. The normal balance in HI1A is approximately $10M.

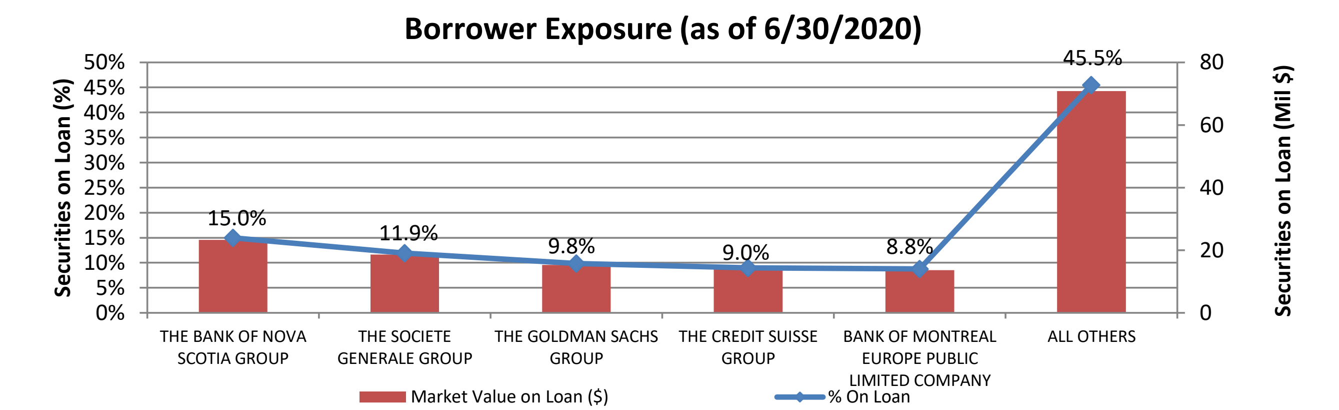
[2] Securities Litigation Income ($78.12), Securities Lending Income ($191.1K), and Commission Recapture Income ($9.3K) totaled $200.6K. Incremental income does not include dividend and interest income from traditional managed accounts, which are reinvested by the managers.

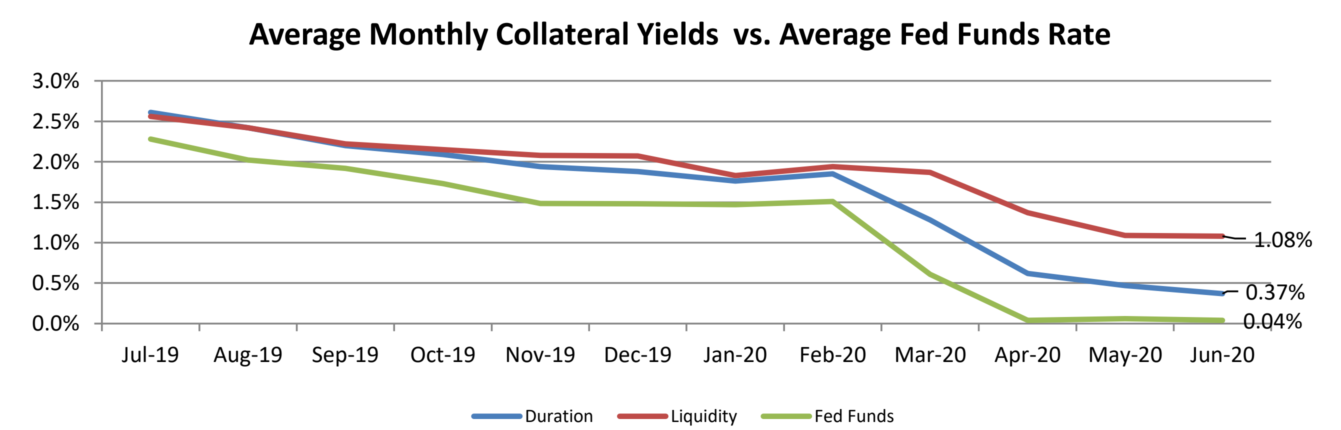
Alameda County Employees' Retirement Association
2nd Quarter 2020 Securities Lending Report

Quarterly Summary

In 2Q2020, ACERA's earnings from Securities Lending activities were $171,563.48. US Equities generated the highest earnings of $49,275.07. As of June 30, 2020, the average market value of securities on loan was $145,431,884.00. Bank of Nova Scotia Group was the largest borrower of ACERA's securities with 15.0% as of the last day of the quarter.







Notes:

(1) Quality D Liquidity and Quality D Duration Funds are managed by an affiliate of State Street Bank (SSB); these funds are common pools in which many securities lending clients of SSB invest their cash collateral generated from their security lending activities.
ACERA invests the cash collateral received from its security lending activities into Quality D Liquidity and Quality D Duration Funds.
As of 6/30/2020, ACERA's combined NAV per unit of the Quality D Liquidity (1.0001) and Quality D Duration Funds (92.90) was $0.9996.
As of 6/30/2020, Quality D Liquidity had 136,502,057.83 units and Quality D Duration had 895,360.80 units.

(2) Data represents past performance and is not necessarily indicative of future results.

(3) Data Source: my.statestreet.com and Securities Finance Business Intelligence

Securities Lending Report Provided by Staff

ICM 9/9/2020

Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
January 8	1. Discussion of and Possible Motion to Recommend that the Board Authorize Staff to Negotiate an Extension of the Custody Contract with State Street Bank and Trust Company 2. Discussion of and Possible Motion to Recommend to the Board to approve short list of candidates for ACERA's Large Cap Value Manager Search	1. Education Session: Cash Overlay 2. Proposed Investment Committee Workplan for 2020
February 13 (schedule change due to 2nd Wednesday falls on Lincoln Day – County Holiday)	1. Discussion of and Possible Motion to Recommend to the Board to Adopt ACERA's ESG Belief Statement	1. Review of 2020 Capital Market Assumptions 2. Investment Committee Workplan 2020
March 18 (**ICM Cancelled**)		
April 8 (**ICM Cancelled**)		
May 20 (**ICM Cancelled**)		

Notes:

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2. Meeting date is assumed to be the second Wednesday of each month.
3. Educational sessions may be added to the Agenda from time-to-time e.g., Portable Alpha, Market and Currency Overlay, Equity Overlay, and Emerging Managers in Private Equity investments. Recommendations and reports on ACERA's Real Estate, Private Equity, Absolute Return, and Real Assets investments will be added to the Agenda from time-to-time.

Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
June 10	1. Interview of the Finalists for ACERA's U.S. Large Cap Value Manager Search and Possible Motion by the Investment Committee to Recommend one Finalist to the Board	1. Verus firm update - Introduction of Stuart Odell, Managing Director / Senior Consultant 2. Semiannual Performance Review for the Period Ending March 31, 2020 – Equities and Fixed Income 3. Semiannual Performance Review for the Period Ending December 31, 2019 – Private Equities 4. Semiannual Performance Review for the Period Ending March 31, 2020 – Absolute Return 5. Semiannual Performance Review for the Period Ending December 31, 2019– Private Credit 6. Semiannual Performance Review for the Period Ending December 31, 2019 – Real Assets 7. Semiannual Performance Review for the Period Ending March 31, 2020 – Real Estate *8. Quarterly report of ACERA's investment manager, consultant, and custodian fees for the first quarter of 2020* *9. Quarterly report on ACERA's rebalancing activities for the first quarter of 2020* *10. Quarterly report on ACERA's securities lending activities for the first quarter of 2020* *11. Quarterly report on ACERA's Directed Brokerage (DB) Program for the first quarter of 2020* *12. Quarterly report on Investment Products and Services Introduction (IPSI) for the first quarter of 2020* *13. Updated Investment Committee Workplan 2020*

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Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
July 8	1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA's Real Assets (Placeholder) 2. Discussion and Possible Motion to Recommend to the Board to Adopt an Investment in Private Credit Portfolio (Placeholder) Adjournment into Closed Session Consider the Purchase or Sale of Particular, Specific Pension Fund Investment (CA Gov. Code § 54956.81)	1. Semiannual Performance Review for the Period Ending as of December 31, 2019 – Real Assets 2. Review of Cash Overlay and Rebalancing
August 12		1. Review of AQR International Equities Traditional Manager – (Non U.S. Equity – Quantitative) 1. Education Session: Risk Management 2. Review of Real Estate Fund UBS Trumbull – Real Estate 3. Review of Real Estate Fund JP Morgan SPF – Real Estate
September 9	1. Discussion and Possible Motion to Recommend to the Board to Adopt an up to $35 million Investment in CD&R Fund as part of ACERA's Private Equity Portfolio – Buyouts 2. Discussion and Possible Motion to Recommend to the Board to Adopt an up to $75 Investment in Blackrock Direct Lending Fund IX as part of ACERA's Private Credit Portfolio	1. Review and Discussion of ACERA's International Equity Manager Structure *2. Quarterly report of ACERA's investment manager, consultant, and custodian bank fees for the second quarter of 2020* *3. Quarterly report on ACERA's rebalancing activities for the second quarter of 2020* *4. Quarterly report on ACERA's securities lending activities for the second quarter of 2020* *5. Quarterly report on ACERA's Directed Brokerage (DB) Program for the second quarter of 2020*

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Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
		6. Quarterly report on Investment Products and Services Introduction (IPSI) for the second quarter of 2020 *7. Updated Investment Committee Workplan for 2020*
October 14	1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA's Real Assets Portfolio (Placeholder) 2. Discussion and Possible Motion to Recommend to the Board to Adopt an Investment in Private Credit Portfolio (Placeholder)	1. Report on ACERA's Private Equity Investment – Buyouts
November 4 (meeting moved to first Wednesday due to SACRS Conference)	1. Discussion of and Possible Motion to Recommend to the Board to Adopt the 2020 – 2022 Investment Plan for ACERA's Real Asset Class (tentative) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA's Real Estate (Placeholder)	1. Review of the Real Assets and Investment Plan

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Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
December 9	1. Discussion and Possible Motion to Recommend to the Board to Adopt an Investment in Absolute Return Portfolio (Placeholder)	1. Semiannual Performance Review for the Period Ending September 30, 2020 – Equities and Fixed Income 2. Semiannual Performance Review for the Period Ending June 30, 2020 – Private Equity 3. Semiannual Performance Review for the Period Ending September 30, 2020 – Absolute Return 4. Semiannual Performance Review for the Period Ending June 30, 2020 – Private Credit 5. Semiannual Performance Review for the Period Ending June 30, 2020 – Real Assets 6. Semiannual Performance Review for the Period Ending September 30, 2020 – Real Estate 7. CA Gov. Code § 7514.7 Information Report Adjournment into Closed Session Consider the Purchase or Sale of Particular, Specific Pension Fund Investment (CA Gov. Code § 54956.81) *8. Quarterly report of ACERA's investment manager, consultant, and custodian bank fees for the third quarter of 2020* *9. Quarterly report on ACERA's rebalancing activities for the third quarter 2020* *10. Quarterly report on ACERA's securities lending activities for the third quarter of 2020*

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Investment Committee Workplan for 2020

September 9, 2020

	Action Items	Information Items
		11. Quarterly report on ACERA's Directed Brokerage (DB) Program for the third quarter of 2020 *12. Quarterly report on Investment Products and Services Introductions (IPSI) for the third quarter of 2020* *13. Updated Investment Committee Workplan 2020*

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