



August 25, 2021

The Honorable Members of the Budget and Finance Committee
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, CA 90012

Attention: Holly L. Wolcott, City Clerk

COUNCIL TRANSMITTAL: LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM RESPONSE TO CITY COUNCIL BUDGET RECOMMENDATION C.F. 21-0600-S29 DIVERSITY AND EQUITY/EMERGING INVESTMENT FIRMS

Honorable Members:

On May 3, 2021, at the Budget and Finance Committee Meeting, Councilmember Curren D. Price Jr. requested a report back from the Los Angeles City Employees' Retirement System (LACERS) on actions to increase diversity and equity in LACERS and to increase utilization of emerging investments firms.

The attached report addresses LACERS diversity and equity efforts and LACERS utilization of emerging investment firms. The report includes two attachments for reference: 1) Emerging Manager Annual Reports from 2014 through 2021, and 2) List of Emerging Managers Contact Meetings.

Sincerely,

NEIL M. GUGLIELMO, General Manager
Los Angeles City Employees' Retirement System

NMG/CK:ck

Attachments

c: Jeanne Holm, Deputy Mayor, Mayor's Office
Matthew W. Szabo, City Administrative Officer
Jennifer Lopez, Office of the City Administrative Officer

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Mayor of the City of Los Angeles

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Chief Investment Officer



**LACERS
DIVERSITY AND
EQUITY EFFORTS**

REPORT BACK - AUGUST 2021

***Requested by
Budget & Finance Committee
of May 3, 2021***

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INTRODUCTION

What does Diversity, Equity, and Inclusion (DEI) look like for the Los Angeles City Employees' Retirement System (LACERS)? Within our sphere as an institutional investor, a customer service organization, an employer, and a purchaser of goods and services, LACERS has incorporated DEI most notably in our investment policies and programs, and in talent acquisition and retention. There is certainly more that can be done, and we are committed to expanding opportunities to advance DEI in our workplace, in serving our Members, and with our partners.

Our vision for LACERS is one where DEI is embedded in our organizational culture and is recognized as part of our fiduciary responsibility to our Members in order to build a strong and sustainable trust fund.

Diversity - LACERS is proudly committed to diversity among our employees. Diversity in our workforce gives us a comprehensive array of aptitude, representing a multitude of experiences, viewpoints, and styles. It is in these variances that we can cultivate a collaborative and innovative atmosphere which makes us a sturdier and healthier department.

Inclusion – To ensure that diversity is beyond just a set of statistics, *inclusion* is an important companion that builds a sense of welcome and belonging for our employees. LACERS philosophy is to create of a strong foundation built on the LACERS guiding principles: Innovation, Kindness & Caring, Professionalism, Respect, and Teamwork. Everyone at LACERS is challenged to think broadly, deeply, and creatively and to bring their voices forward in a safe environment created by our guiding principles. By continuing to build on respect, trust, collaboration, and cooperation, we are better able to provide top-quality service. To advance and progress, we will continue to nurture a culture that appreciates, welcomes, and embraces diversity.

Equity – Equity is the goal of diversity and inclusion. We recognize that there are barriers to getting on the playing field and unconscious advantages in processes and programs that need to be examined to ensure that the widest array of people have the same access to contribute and make an impact.

BOARD OF ADMINISTRATION



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Appointed by the Mayor
Term: 07/01/2019 – 06/30/2024



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Appointed by the Mayor
Term: 07/01/2018 – 06/30/2023



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Commissioner

Appointed by the Mayor
Term: 07/01/2020 – 06/30/2025



Annie Chao
Commissioner

Elected by Active Members
Term: 07/01/2019 – 06/30/2024



Elizabeth Lee
Commissioner

Elected by Active Members
Term: 07/01/2018 – 06/30/2023



Michael R. Wilkinson
Commissioner

Elected by Retired Members
Term: 07/01/2020 – 06/30/2025

The LACERS Board and Staff are pleased to highlight in this report of our DEI programs and outcomes as requested by the Budget and Finance Committee during LACERS Budget Hearing of May 3, 2021.

DEI Efforts in 2020 and 2021:

- Emerging Manager Investment Policy review and adoption of an organizational diversity survey to track and report back on efficacy of outreach.
- Outreach to investment industry conferences and racially diverse trade organizations for hiring opportunities for investment managers.
- Executing the LACERS Proxy Voting Policy which includes new approved voting positions regarding: 1) Lack of Women Representation on Corporate Boards; 2. Gender, Race, or Ethnicity Pay Gap Reporting; and 3) Reports on Workforce Diversity.
- Participant in the United Nations Principles for Responsible Investment (PRI) which promotes investment through an Environmental, Social, Governance framework.
- Participation in college mentoring and scholarship programs including SEO and Toigo Foundation.
- Continuing the Investment Management Fellowship Program that offers investment internships to underrepresented student populations from underrepresented local colleges and universities.
- Continuation of the Girls Who Invest internship program.
- Employee Training and Development Programs including Tuition Reimbursement.
- Recruitment from underrepresented communities for numerous part-time positions open to the public.

- Hiring from the pool of candidates from traditionally underserved communities participating in the Target Local Hire program.

DEI Outcomes in 2020 and 2021:

- \$250 Million was invested in emerging managers in 2020
- 74 emerging managers met with LACERS to learn more about investment management opportunities and the selection process.
- 11 investment industry conferences were attended by LACERS Investment staff in 2020 that were hosted by racially diverse trade organizations and are attended by racially, ethnically, and gender diverse managers in order to network with attendees regarding LACERS' Investment Program.
- Our investment consultant partners invested a total of \$5.7 billion in 31 emerging managers, conducted 318 meetings/calls with individual emerging managers, and attended 39 emerging manager conferences.
- 661 firms, including 31 self-identified emerging managers are subscribed to the RFP/RFI Subscription Service.
- 75% of internal investment staff are racially diverse and 25% are women.
- LACERS Proxy Voting agent executes proxies based on a revised Proxy Voting Policy adopted in September 2020 to address Diversity, Equity, and Inclusion issues: 1) Lack of Women Representation on Corporate Boards; 2. Gender, Race, or Ethnicity Pay Gap Reporting; and 3) Reports on Workforce Diversity.
- LACERS submitted its first annual report to the PRI in April 2021.
- The LACERS Investment Management Fellowship Program has offered internships to nine candidates of which 80% of the Fellows came from diverse backgrounds and 80% were women.
- One Girls Who Invest Intern completed her five-week internship this August.
- Of the 209 full-time and part-time LACERS staff, 67% are women, 33% are men. 90% are people-of-color, and 10% are white.
- There are nine participants in the tuition reimbursement program working toward an undergraduate or graduate degree. All nine are persons of color, six are women, three are men.
- Of the 16 Targeted Local Hire (TLH) employees brought on at LACERS since the inception of the program, fifteen (15) TLH employees have successfully completed the program and transitioned from exempt to civil service.

LACERS INVESTMENT PROGRAM

INVESTMENT IN EMERGING MANAGERS

In 2012, LACERS adopted the Emerging Investment Manager Policy, with a goal to hire and retain Emerging Managers that would otherwise not be identified in the standard LACERS investment manager search process. The Policy set a goal of funding these smaller investment management firms at no less than 10% of available capital and provides minimum criteria for firms to qualify as an Emerging Investment Manager.

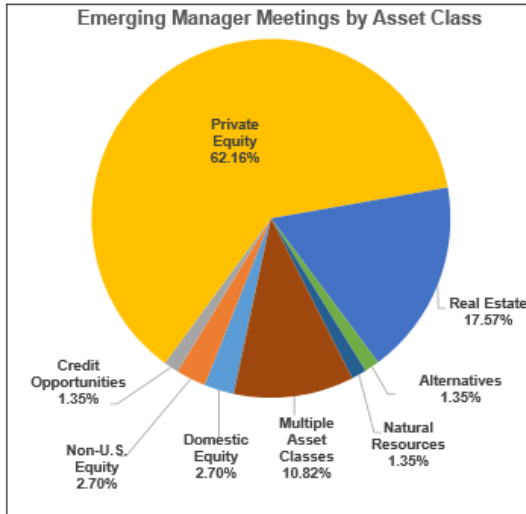
Each year progress on the LACERS Emerging Investment Manager objectives is reported to the Board. The following are highlights from the period ending December 31, 2020, with additional reports from 2014-2019 attached for your review.

Year 2020:

- \$250,000,000 invested in four emerging managers
- LACERS participated in 11 emerging manager events

2020 Emerging Manager Events	
January	NASP Regional Conference
February	Texas Teachers, Texas TERS Emerging Manager Conference
March	Seizing Every Opportunity (SEO) – Alts Investment Conference
June	GCM Grosvenor Emerging Manager Consortium
August	Carmo Companies Private Markets Diversity Web Meeting
September	New American Alliance
October	National Association of Investment Companies
October	GCM Grosvenor/REEC
October	New American Alliance
October	Milken Institute
October	PIMCO/CalSTRS

- LACERS conducted meetings with 74 emerging managers



- Emerging manager investments increased in public and private equity asset classes

Asset Class	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20
U.S. Equity	3.7%	2.4%	2.3%	2.4%	2.7%	3.0%	4.8%
Non-U.S. Equity	0.8%	1.5%	2.8%	3.2%	2.9%	4.4%	5.6%
Private Equity	3.4%	6.1%	4.9%	3.9%	3.9%	4.6%	5.6%
Private Real Estate	0.0%	2.6%	4.7%	5.1%	4.5%	5.2%	5.4%

Organizational Diversity Survey

To better assess organizational diversity outreach efforts, LACERS amended its Emerging Investment Manager Policy in May 2021 to include an Organizational Diversity Survey (ODS). The ODS is designed to be a research tool to assist LACERS with its outreach to all qualified investment managers with hopes that it will increase the applicant pool. The use of the ODS section of the EM Policy prescribes the method for data collection and data analysis in a manner that is consistent with public contracting laws. Such information can be evaluated by LACERS staff and used to create statistical assessment reports based on aggregated results.

Semi-Annual Emerging Manager Meet-And-Greets

LACERS plans to hold its inaugural semi-annual Emerging Manager Symposium on October 20, 2021, which is designed to allow emerging managers to learn more about LACERS Investment Program, meet LACERS leadership and key investment staff, and become edified on the investment manager search, selection, and contracting process.

The symposia content is designed to meet the interests of all investment managers who wish to participate in LACERS' search, selection, and contracting process with a particular emphasis for those emerging managers who want to begin a long-term relationship with LACERS. LACERS will share our experience with this outreach approach with our City public pension plan peers (LAFPP and WPERP).

CONTRACTING OUTREACH

The goal of LACERS investment policies, including the Emerging Investment Manager Policy, is to ensure that all qualified investment management firms have a fair and equal opportunity to compete for LACERS investment capital. Toward this effort, staff and consultants actively cast the widest net when conducting outreach to potential investment managers to encourage participation in the LACERS manager search and selection process. For example, RFP advertisements are placed on diverse investment industry organization websites including the New American Alliance, National Association of Securities Professionals, National Association of Investment Companies, and the Association of Asian American Investment Managers. Staff also attends emerging manager conferences nationwide that facilitate staff outreach efforts to investment managers owned or managed by diverse or underrepresented populations. Further, to assist the broader investment industry with increasing racial, ethnic, gender, and physically challenged diversity, LACERS participates in conference events sponsored by diverse investment trade organizations such as SEO (Seizing Every Opportunity), Toigo Foundation, National Association of Securities Professionals (NASP), National Association of Investment Companies (NAIC), New America Alliance (NAA), and Association of Asian American Investment Managers (AAAIM). LACERS also attends events designed to increase the management of capital by women-owned or women-managed investment and consultancy firms.

Contacts made through outreach efforts are informed of LACERS contracting opportunities through LACERS RFP/RFI Subscription Service. Currently 661 firms or individuals are subscribed to be notified of RFPs/RFIs. Subscribers include 31 (4.7%) firms self-identified as an emerging manager.

LACERS seeks to better understand its current and prospective investment management firm's record of diversity in its workforce, ownership, and/or Board, and whether such firms have meaningful DEI policies and plans in place. During the investment consultant and managers search, selection, and contracting process, LACERS asks questions of the prospective firm about organizational diversity, hiring and promotion practices,

organizational culture, and how the firm will further increase diversity in their workforce, at the senior manager level, and at Board/ownership levels (if applicable).

Educational Videos

LACERS produced two YouTube educational videos on LACERS Investment Program in 2021. The first video explains LACERS Asset Allocation from development to implementation. The second video explains LACERS Emerging Manager Program, how the program works for public market and private market investment managers, and contact information for those who have further questions or wish to participate in LACERS Manager Search, Selection, and Contracting process. Future videos may include Environmental, Social, and Governance (ESG) Risk Factors, and Understanding Investment Manager Performance

CORPORATE GOVERNANCE

PROXY VOTING

Proxy voting enables owners of listed public equity securities to shape corporate governance of both small and large corporations. LACERS holds significant exposure to U.S. and non-U.S. public equity securities. As of June 30, 2021, LACERS combined U.S. and non-U.S., policy targets were 47% or approximately \$11.3 billion, most of which this exposure is held in separately managed accounts. For the one period ending June 30, 2020, Institutional Shareholders Services Inc. (ISS), LACERS' proxy voting agent, voted a total of 10,496 proxy ballots for 7,816 U.S. and non-U.S. company meetings. These totals comprise 3,609 ballots for 2,004 U.S. company meetings and 6,887 ballots for 5,812 non-U.S. company meetings.

While LACERS already included in its Proxy Voting Policy positions a preference for greater diversification of corporate boards and that boards should weigh in on socio-economic, legal, and financial factors when evaluating takeover bids, LACERS' Board amended the Proxy Voting Policy in September 2020 to address Diversity, Equity, and Inclusion. Accordingly, the Board approved new voting positions regarding: 1) Lack of Women Representation on Corporate Boards; 2) Gender, Race, or Ethnicity Pay Gap Reporting; and 3) Reports on Workforce Diversity. LACERS will continue to review its Proxy Voting Policy to consider provisions that further the importance of Diversity, Equity, and Inclusion in corporate governance matters.

UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

LACERS became a signatory of PRI in September 2019. The PRI is the world's leading proponent of responsible investment. According to PRI, "It works to better understand the investment implications of environmental, social and governance (ESG) factors; to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate, and ultimately of the environment and society as a whole."

The PRI is an independent entity in its approach and practices and encourages investors to use responsible investment to enhance returns and better manage risks. Signatories of PRI seek to adhere to six voluntary and aspirational Principles where consistent with fiduciary responsibilities:

- **Principle One:** We will incorporate ESG issues into investment analysis and decision-making processes.
- **Principle Two:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle Three:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle Four:** We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle Five:** We will work together to enhance our effectiveness in implementing the Principles.
- **Principle Six:** We will each report on our activities and progress towards implementing the Principles.

Responsibilities of a PRI Signatory

Signatories are required to report annually on their ESG implementation by asset class through the PRI Reporting Framework. This ensures:

- Accountability of the PRI and its signatories
- Standardization and transparency for signatory reporting
- Signatories receive feedback from which to learn and develop

LACERS submitted its first annual report to PRI in April 2021 and will continue to do so each year as part of its responsibility as a PRI signatory.

MENTORING FUTURE INVESTMENT PROFESSIONALS

INVESTMENT MANAGEMENT FELLOWSHIP PROGRAM (IMFP)

Internally, LACERS created an Investment Management Fellowship Program (IMFP) in 2014 to train and provide meaningful investment experience to college interns who wish to build a career in the investment industry. The IMFP has largely targeted local universities with high percentages of students from underrepresented backgrounds. Since its founding, the IMFP has offered internships to nine candidates of which 80% of the Fellows came from diverse backgrounds and 80% were women.

PARTNERSHIP WITH GIRLS WHO INVEST

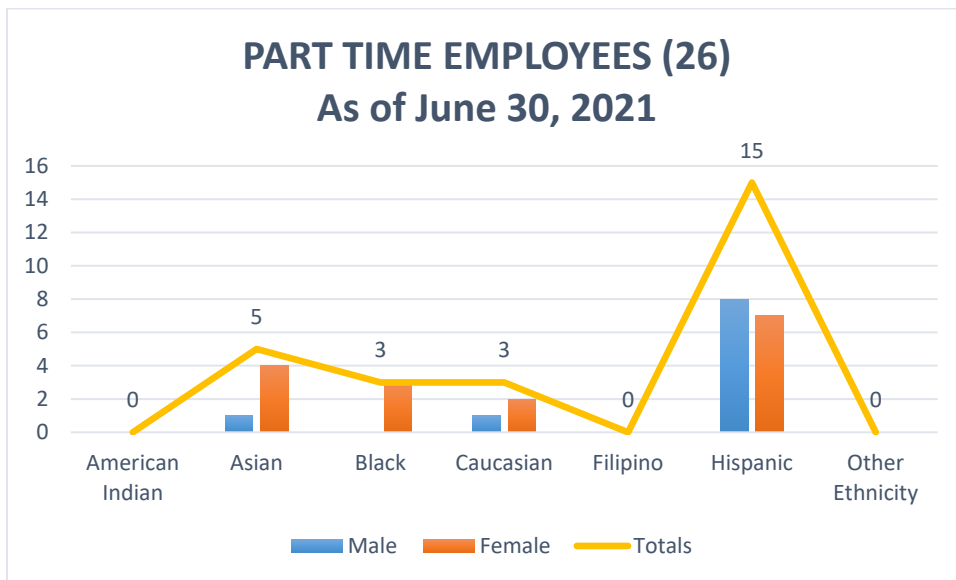
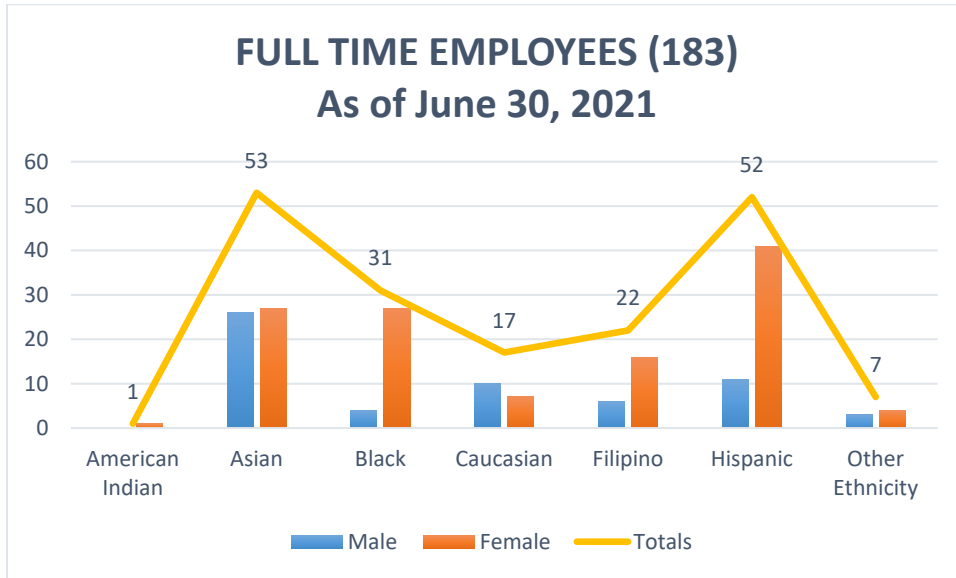
LACERS continues its partnership with the nationally recognized Girls Who Invest (GWI) organization whose goal is to have 30% of the global investment capital managed by women by 2030. GWI focuses on education, industry outreach, accessibility, and career placement to inspire and support tomorrow's leading investors. Few women are portfolio managers in the industry. In North America, less than 10% of mutual fund portfolio managers are women. In particular, women are under-represented in leadership roles: only 6% of the chief investment officers of the largest institutional U.S. money managers are women; only 6% of senior leaders in private equity are women, 4% in real estate, and 3% in hedge funds.

GWI's 10-week Summer Intensive Program (SIP), which includes paid internships in asset management firms and institutional investors, offers dozens of well-prepared college-educated women an opportunity to break into the investment industry where they assume professional positions of responsibility and leadership. LACERS has provided three GWI candidates a five-week internship as part of the SIP since 2018. LACERS's highly structured internship program provides its GWI interns with practical experience in managing public pension plan assets across several broad asset classes including U.S. and non-U.S. public equities, fixed income and specialized credit strategies, private equity, real estate, and cash management. Interns also learn about important topics such as asset allocation, risk management, manager selection, and monitoring, ESG issues, and Emerging Managers.

Finally, interns are introduced to investment management firms from around the world to help bridge their successful entry into the world of investment management after college graduation. LACERS plans to continue its partnership with GWI for many years to come.

LACERS STAFF DIVERSITY

STAFF DIVERSITY



EMPLOYEE DEVELOPMENT

On a quarterly basis, LACERS provides at least four hours of training and education to employees, assigns one department-wide mandatory training, and instructs employees to take courses offered through the Personnel Department's on-line training portal.

Employees are required to complete the following mandated trainings; Disaster Service Worker; Fraud, Waste, and Abuse; Anti-Bias Learning for Employees; Workplace Harassment and Abusive Conduct; COVID19: What You Need to Know for The Workplace; Ethics and Open Government; and ITA Cybersecurity training within thirty (30) days of their start date with LACERS. New Employees must also attend a LACERS Plan for Retirement Seminar hosted by Member Services.

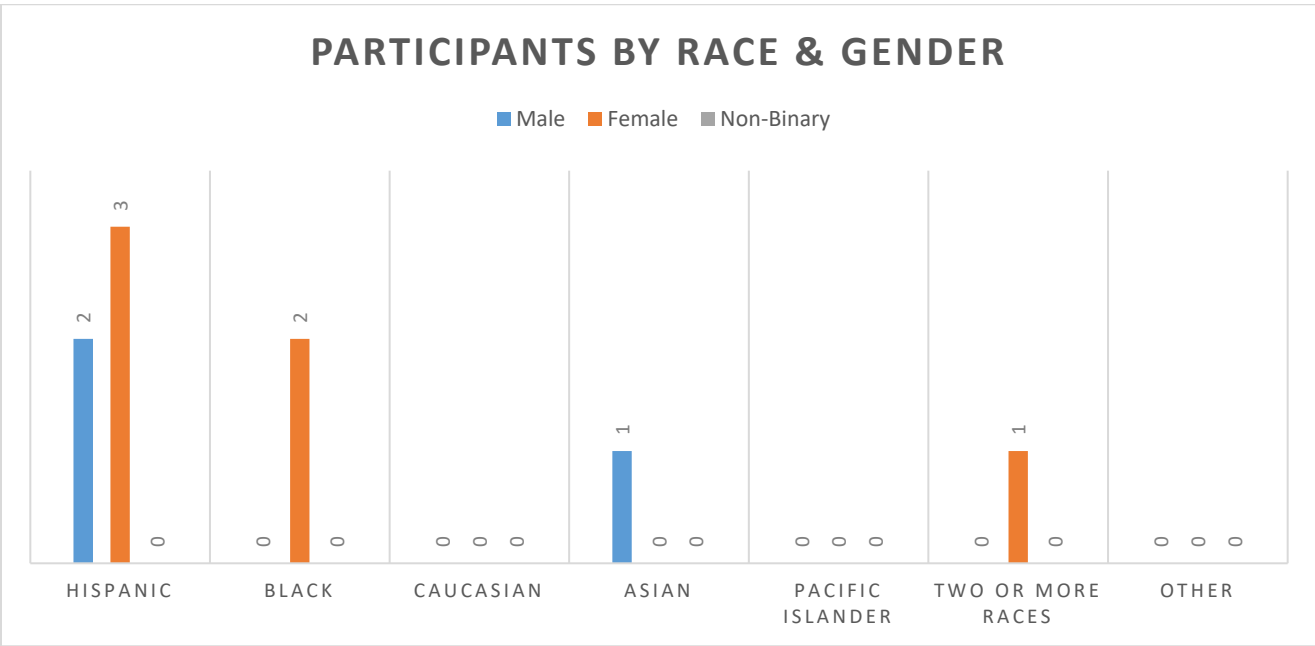
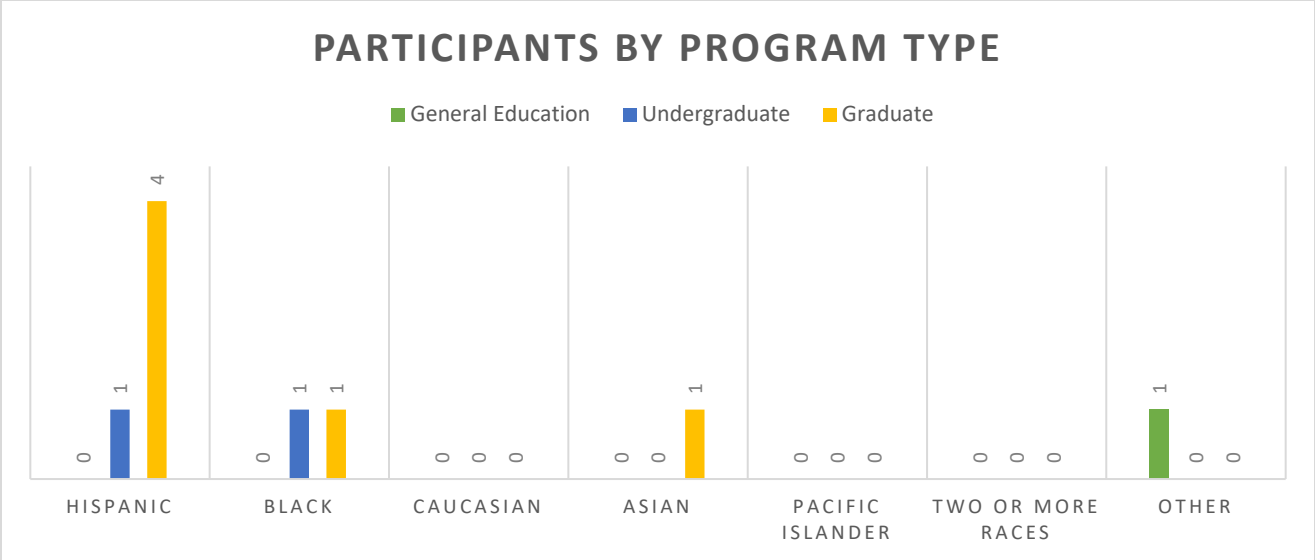
In addition, LACERS nominates line supervisors, management assistants, and above for the Personnel Department-CORE Supervisory Virtual Training Program. The purpose of this training is to develop and refine skills needed to manage/lead employees effectively. The program consists of multiple half-day modules covering the following topics: Role of the Supervisor; City 101; Evaluations, Engagement, Leadership, and Ethics; Safety, Ergonomics, and Workers' Compensation; Handling Grievances; Conducting Grievances; and Equal Employment Opportunity, Family Medical Leave, and Reasonable Accommodations.

LACERS continues to inform employees of free online courses; employees attend CALAPRS Round Tables, and other specialized trainings.

TUITION REIMBURSEMENT

LACERS' employees are given the opportunity to participate in the Tuition Reimbursement Program to further develop their knowledge and skills. Tuition Reimbursement may be used only for courses related to the participant's duties or career path and/or must be of direct value to the City of Los Angeles or be a specific need to LACERS. Participants must take courses, in person or online, for credit on his/her own time from a recognized adult school, trade school, junior college to obtain a special certification or license, or enroll in an undergraduate, graduate or doctorate program from any accredited college listed in the Higher Education Directory.

Currently, there are nine (9) employees participating in the tuition reimbursement program taking general education courses, pursuing an undergraduate or graduate degree. The likelihood of participants completing their degree program is high. Every year, at least one participant graduate with either an undergraduate or graduate degree. Below is breakdown of tuition reimbursement participants by program type/race and gender.

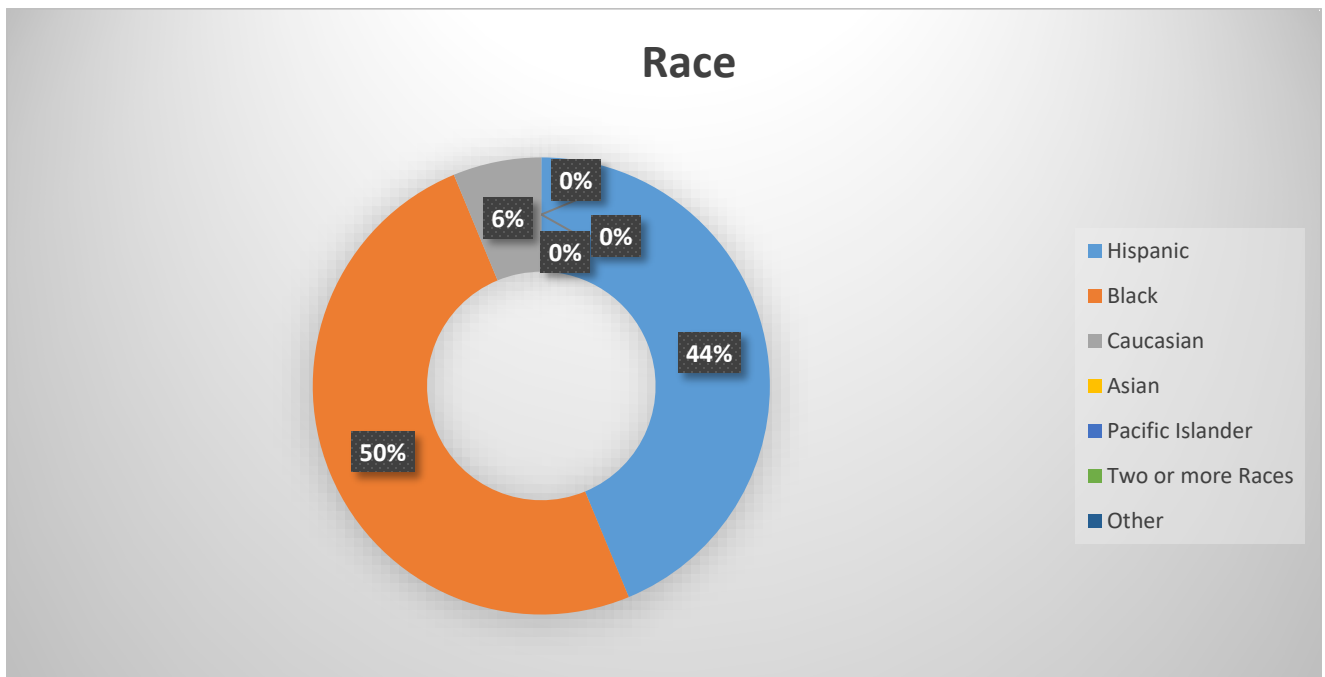
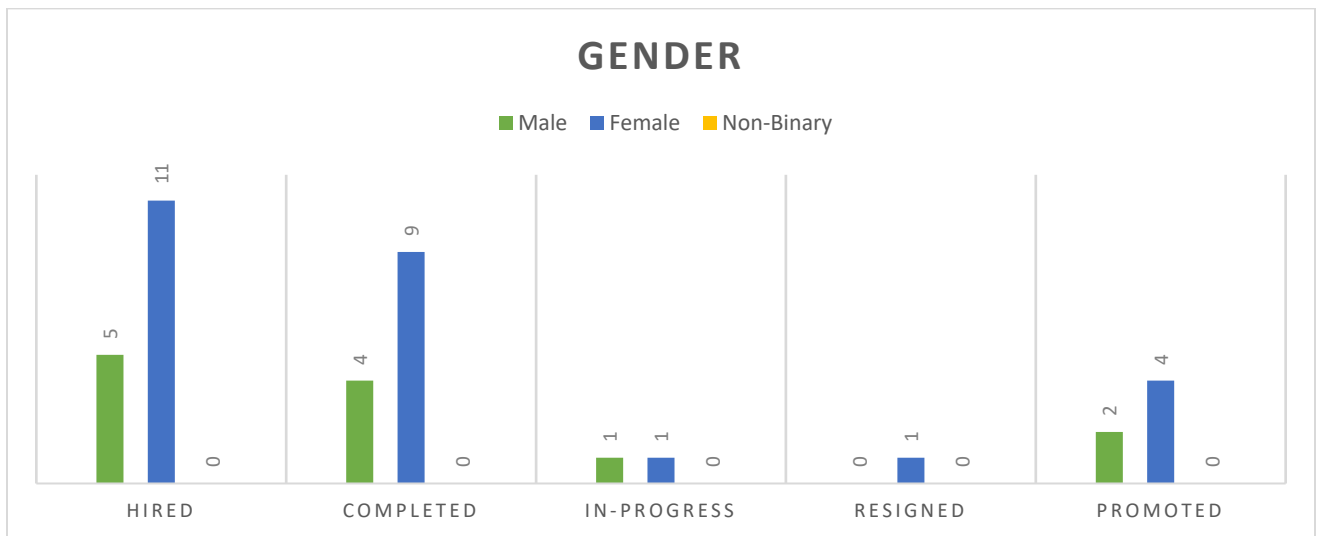


TARGETED LOCAL HIRE

LACERS has employed sixteen (16) people through the Targeted Local Program (TLH). A total of fifteen (15) TLH employees have successfully completed the program and transitioned from exempt to civil service. LACERS has been pleased with the skills, knowledge, and abilities of the employees hired through this program. They have proven to be of great value and an asset to the department. Many are from the underserved

areas of Los Angeles; the candidate pool is diverse with candidates from varying ethnic backgrounds. Please refer to race and gender breakdown charts for more details.

Success Story: In November 2017, an employee began the TLH program as an Office Trainee Admin Clerk, serving in the Member Service Center. She successfully completed each phase of the program and transitioned to civil service in November 2018. Since completing the TLH program, the employee has received two (2) promotions within the Health Benefits and Wellness Division - Senior Administrative Clerk in February 2019 and to Benefits Specialist in July 2020.



RECRUITMENT

City Separation Incentive Program (CSIP)

During CSIP, HRU successfully filled 104 positions while working remotely. These positions include, Benefits Analyst Emergency (18), Benefits Specialist (13), Relief Retirement Worker (20), Admin Intern I & II (5), Senior Administrative Clerk – Limited (6), Targeted Local Hire – Office Trainee (2), Personnel Analyst (1), Accountant (2), Accounting Clerk (1), Systems Analyst (1), Senior Benefits Analyst Emergency (4), Senior Management Analyst Emergency (1), Departmental Chief Accountant IV Emergency (1), and 120-Day Appointments (4). Processed 25 legally employed Benefits Analyst and Senior Benefits Analyst, and 21 Mayor's transfers.

Job opportunity announcements for part-time positions open to the public were sent to the following organizations: Cal State Los Angeles, Cal State Dominguez Hills, Local Work Source Centers, LA Local Hire, EWDD, Los Angeles Black Personnel, Los Angeles City Chicano Association, and posted to the Personnel Department's exempt job opportunity website and Facebook page. Through these recruitment efforts, LACERS received over 200 employment applications. To ensure job fairness, the interviews were scheduled in batches and according to the date in which their application was received.

General Recruitment (Admin Intern/ Relief Retirement Worker)

In an effort, to recruit college students for employment, representatives from LACERS attended and hosted a table at Cal State Los Angeles' career events. At the events students were provided with information about LACERS and informed of available exempt opportunities within LACERS. Separately, LACERS managers have assisted student organizations with mock interviews and provided feedback to prepare them for the job force and improve their interviewing skills.

LACERS offers an Investment Internship program to college students of senior standing. The program is designed to provide college students with practical work experience in the field of public pension fund investments. The interns learn through hands on experience, engaging in work commensurate at an administrative and entry-level investment officer position, and through training and mentoring. Candidates for this program are recruited from Cal State Los Angeles or Girls Who Invest.

OTHER EFFORTS

Non-Investment Contracting

In August 2021, LACERS proactively met with the City's Chief Procurement Officer Shannon Hoppes, and her team, as well the Mayor's Gender Equity Liaison Tanya Pineda to identify additional strategies LACERS can use to increase its contracting with certified disadvantaged, minority, women, and small local business owners. Ms. Hoppes and Ms. Pineda acknowledged the achievements of LACERS with Investment contracts and internship programs. The key takeaway from the meeting was to identify contract opportunities where it makes sense to break the scope of services into smaller contracts; to use industry associations and/or the RFI/RFQ process to help develop RFPs that remove real or perceived barriers for smaller contractors to propose; and to conduct education/outreach to help demystify the City's process. LACERS will look for future competitive bid processes where these strategies could be successfully employed.

Strategic Plan Update

Within the next year, a new LACERS Strategic Planning cycle will begin. It is anticipated that significant time will be spent on discussions and enhancements of DEI objectives.

ATTACHMENTS

1. Emerging Manager Annual Reports from 2014-2021
2. List of Emerging Managers Meetings from 2019 – June 30, 2021

Report to Board of Administration

Agenda of: **JUNE 24, 2014**

From: Thomas Moutes, General Manager

ITEM: **IV-D**

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

Recommendation:

That the Board receive and file this report.

Discussion:

Background

LACERS' Emerging Investment Manager Policy ("Policy"), adopted on February 14, 2012, and revised on September 24, 2013, identifies guidelines and goals in hiring and retaining Emerging Managers in order to add value to the LACERS investment portfolio. The Policy includes Emerging Manager goal metrics and criteria for investment firms that wish to qualify as an Emerging Manager under LACERS Policy definition. This annual report includes information based on Policy requirements for the year ending December 31, 2013.

The Policy reporting requirements are as follows:

1. Names of Emerging Manager firms hired.
2. Dollar amounts awarded to Emerging Managers.
3. Report of Emerging Manager Goals Metrics.
4. List of all investment manager searches.
5. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation in the LACERS Fund portfolio.
6. Performance data for Emerging Managers.

Reporting Requirements 1 & 2: Names and Dollar amounts awarded to Emerging Managers

Manager	Style	Asset Class	Investment/Commitment
Oberweis Asset Management, Inc.	Non-U.S. Small Cap Core	Non-U.S. Equities	\$33 million
High Road Capital Partners Fund II, L.P.	Corporate Finance	Private Equity	\$25 million

Reporting Requirement 3: Manager Goal Metrics

Policy metrics are reported along broad asset classes including those that are within the domain of public markets, or those that are within the private markets including private equity and real estate. The policy metric goal for each of the broad asset classes is 10%.

For each public market asset class, there are two metrics for measuring Emerging Manager exposure: 1) Asset Class Metric: the total of Emerging Manager's market value within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total of all dollars awarded to Emerging Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

For each private market asset class, there are two metrics for measuring Emerging Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Managers with a respective private market asset class divided by all awarded committed capital awarded within the respective private market asset class over a 36-month rolling period.

The following tables provide an overview of Emerging Manager exposure within public markets and private markets, based on the Policy Metrics:

Public Markets

LACERS retains four public markets Emerging Managers. See the performance data section of this report for the complete list of Emerging Managers.

Asset Class	Asset Class Metric
U.S. Equity	2.9%
Non-U.S. Equity	0.0%*

*One emerging manager, Oberweis Asset Management, Inc., was hired but not funded until January 2014.

Asset/Sub-Asset Class	Manager Search Metric
U.S. Equity	0.0%
Non-U.S. Small Cap Core Equity	10.0%

Private Markets

During the rolling 36-month period, LACERS made commitments to a total of 29 private equity funds, including 1 emerging manager, and 8 private real estate funds.

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	1.9%	3.5%
Private Real Estate	0.0%	0.0%

Reporting Requirement 4: Searches Conducted in 2013

Searches Initiated:

- U.S. Mid Cap Core
- U.S. or Global Treasury Inflation-Protected Securities (TIPS)
- Non-U.S. Emerging Markets (Value)
- Opportunistic Fixed Income Bank Loans

Searches Completed:

- Non-U.S. Developed Markets (Core, Growth, Value)
- Non-U.S. Emerging Markets (Core, Growth)
- Non-U.S. Emerging Markets Debt
- Non-U.S. Small Cap Core

Reporting Requirement 5: Efforts to Increase Visibility and Representation of Emerging Managers

LACERS is actively engaged with the Emerging Manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2013 calendar year, staff conducted Emerging Manager outreach by participating at the following Emerging Manager events:

- 1) Texas Teachers Emerging Manager Forum (January 2013)
- 2) New America Alliance National Tour (May 2013)
- 3) Toigo Foundation CIO Roundtable (August 2013)
- 4) New America Alliance Summit (October 2013)

The Board authorized four investment manager Request for Proposals that included advertisements in Emerging Manager Monthly magazine. In addition, staff regularly meets with Emerging Managers at LACERS' offices. During the 2013 calendar year, staff conducted a total of 34 meetings with prospective emerging managers; the breakdown by broad asset categories or vendor type are as follows: Public Markets: 32%; Private Equity: 32%; Real Estate: 20%; Hedge Funds/Other: 16%.

Reporting Requirement 6: Performance Data of LACERS Emerging Managers (as of 12/31/2013)

Public Markets

	Quarter	One Year	Three Years	Five Years	Since Inception *
Attucks Asset Management LLC	7.4	39.2	15.7	20.6	8.4
Russell 2000	8.7	38.8	15.7	20.1	8.4
<i>Excess Return</i>	-1.3	0.4	0.0	0.5	0.0
Capital Prospects Asset Management LLC	9.2	33.4	15.1	18.2	7.2
Russell 3000	10.1	33.6	16.2	18.7	7.6
<i>Excess Return</i>	-0.9	-0.2	-1.1	-0.5	-0.4
Progress Investment Management Co., LLC	11.0	35.0	14.5	16.6	5.9
Russell 3000	10.1	33.6	16.2	18.7	6.8
<i>Excess Return</i>	0.9	1.4	-1.7	-2.1	-0.9
Oberweis Asset Management, Inc.**	-	-	-	-	-
MSCI EAFE Small Cap	-	-	-	-	-
<i>Excess Return</i>	-	-	-	-	-

* Indicates gross returns

** Manager hired in August 2013, but not funded until January 2014.

Private Markets

Emerging Manager*	Vintage Year	Net IRR	Return Multiple
<i>Private Equity</i>			
High Road Capital Partners Fund II, LP	2013	115.9%	1.23x

*The definition of "Emerging Manager" did not exist prior to September 24, 2013.

Strategic Plan Impact Statement

The objective to hire and retain emerging investment managers in order to add value to LACERS portfolio is consistent with Goal IV (achieve satisfactory long-term risk adjusted investment returns). The presentation and discussion of the policy goals, metrics, manager outreach, and manager performance information is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

This report was prepared by Andrea Galstian, Management Assistant, Investment Division.

RJ:BF:AG

Report to Board of Administration

Agenda of: **JULY 28, 2015**

From: Thomas Moutes, General Manager

ITEM: **IV-E**

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

Recommendation:

That the Board receive and file this report.

Discussion:

Background

LACERS' Emerging Investment Manager Policy (Policy), adopted on February 14, 2012, and revised on September 24, 2013, identifies guidelines and goals in hiring and retaining Emerging Managers in order to add value to the LACERS investment portfolio. The Policy includes Emerging Manager goal metrics and criteria for investment firms that wish to qualify as an Emerging Manager under the Policy definition. This annual report includes information pursuant to the Policy for the year ending December 31, 2014.

The Policy reporting requirements are as follows:

1. Names of Emerging Manager firms hired.
2. Dollar amounts awarded to Emerging Managers.
3. Report of Emerging Investment Manager Goals Metrics.
4. List of all investment manager searches.
5. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation in the LACERS investment portfolio.
6. Performance data for Emerging Managers.

Reporting Requirements 1 & 2: Names and Dollar amounts awarded to Emerging Managers

Manager	Style	Asset Class	Investment/Commitment
Blue Sea Capital Fund I, L.P.	Corporate Finance	Private Equity	\$10 million
Oak HC/FT, L.P.	Venture Capital	Private Equity	\$10 million

Reporting Requirement 3: Emerging Investment Manager Goal Metrics

Policy metrics are reported along broad asset classes including those that are within the domain of public markets, or those that are within the private markets including private equity and real estate. The policy metric goal for each of the broad asset classes is 10% on an “aspirational” basis.

For each public market asset class, there are two metrics for measuring Emerging Manager exposure: 1) Asset Class Metric: the total market value of Emerging Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total of all dollars awarded to Emerging Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

For each private market asset class, there are two metrics for measuring Emerging Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Managers or completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2014.

The following tables provide an overview of Emerging Manager exposure within public markets and private markets, based on the Policy Metrics:

Public Markets

Asset Class Metric

Asset Class	Emerging Manager Exposure
U.S. Equity	3.7%
Non-U.S. Equity	0.8%

Note: There are no emerging managers under contract within Fixed Income, Credit Opportunities, and Public Real Assets asset classes.

Manager Search Metric

Asset/Sub-Asset Class	Awarded Dollars Percentage
U.S. Equity/Active Mid Cap Core	0.0%
Non-U.S. Equity/Emerging Markets Value	0.0%
Public Real Assets/U.S. Inflation-Linked Bonds	0.0%
Public Real Assets/Active Long-Only Commodities	0.0%

Private Markets

During the rolling 36-month period ending December 31, 2014, LACERS made commitments to a total of 38 private equity funds (including 3 emerging managers), and 9 private real estate funds.

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	3.4%	5.2%
Private Real Estate	0.0%	0.0%

Reporting Requirement 4: Searches Conducted in 2014

Searches Initiated:

- Active U.S. or Global Real Estate Investment Trust Securities (REITS) - \$65 million
- Active Long-Only Commodities - \$135 million
- Active Small Cap Equity Emerging Manager Fund-of-Funds ¹ - \$100 million
- Multi-Strategy Real Assets ² - \$68 million
- Active Small Cap Growth Equities - \$256 million
 - Total - \$624 million

Searches Completed:

- Active U.S. Mid Cap Core Equities - \$120 million
- Active Emerging Markets Value Equities - \$253 million
- Active U.S. and Global Inflation-Linked Bonds - \$360 million
- Active Long-Only Commodities - \$135 million
 - Total - \$868 million

¹ No firms passed minimum qualifications; search is planned for a relaunch in early 2016.

² No firms passed minimum qualifications; mandate was eliminated based on Risk Budget approved on May 12, 2015.

Reporting Requirement 5: Efforts to Increase Visibility and Representation of Emerging Managers

Staff

LACERS actively engages the Emerging Manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2014 calendar year, staff participated in the following emerging manager events:

- 1) National Association of Securities Professionals (March)
- 2) CalPERS Emerging and Diverse Manager Forum (April)
- 3) New America Alliance National Tour (April)
- 4) Association of Asian American Investment Managers Los Angeles Forum (July)
- 5) Consortium WEST Emerging Manager Conference (December)

The Board authorized five investment manager Request for Proposals that included advertisements in Emerging Manager Monthly magazine and Fin-Daily. In addition, staff regularly meets with emerging investment managers at LACERS' offices. During the 2014 calendar year, staff held a total of 15 Emerging Manager meetings, which included discussions associated with the following investment strategies: Public Markets - 27%; Private Equity - 53%; Real Estate - 13%; Hedge Funds/Other - 7%.

Consultants

LACERS retains three investment consultants. The consultant's respective emerging investment manager activities are summarized below.

Wilshire Associates Inc. (General Consultant)

- 1) Met with 356 emerging managers.
- 2) Attended three emerging manager conferences.
- 3) Supporter of the Toigo Foundation.

Portfolio Advisors LLC. (Private Equity Consultant)

- 1) Took 95 meetings or calls with emerging managers.
- 2) Evaluated over 100 emerging managers.
- 3) Attended four emerging manager conferences.

The Townsend Group (Real Estate Consultant)

- 1) Meetings or calls with over 40 emerging managers.
- 2) Attended five emerging manager conferences.
- 3) Supporter of the Toigo Foundation and ConsortiumEAST/ConsortiumWEST conferences.

Reporting Requirement 6: Performance Data of LACERS Emerging Managers (as of 12/31/2014)

Public Markets (Net of Fees)

	Quarter	One Year	Three Years	Five Years	Since Inception *
Attucks Asset Management LLC	8.75	2.90	17.88	14.95	7.89
Russell 2000	9.73	4.89	19.21	15.55	8.00
<i>Excess Return</i>	-0.98	-1.99	-1.33	-0.60	-0.11
Capital Prospects Asset Management LLC ¹	5.43	10.58	19.49	14.69	7.68
Russell 3000	5.24	12.56	20.51	15.63	8.15
<i>Excess Return</i>	0.19	-1.98	-1.02	-0.94	-0.47
Progress Investment Management Co., LLC ²	2.53	7.01	18.19	12.93	6.12
Russell 3000	5.24	12.56	20.51	15.63	7.52
<i>Excess Return</i>	2.71	-5.55	-2.32	-2.70	-1.40
Oberweis Asset Management, Inc. ³	-2.03	-	-	-	-6.22
MSCI EAFE Small Cap	-2.23	-	-	-	-6.01
<i>Excess Return</i>	0.20	-	-	-	-0.21

* Indicates gross returns "since inception"

¹ Account terminated on March 12, 2015

² Account terminated on March 12, 2015

³ Account was funded in January 2014

Private Markets

Emerging Fund Managers	Vintage Year	Net IRR *	Return Multiple
<i>Private Equity</i>			
High Road Capital Partners Fund II, LP	2013	9.4%	1.10x
Blue Sea Capital Fund I, LP	2014	15.0%	1.05x
Oak HC/FT L.P.	2014	-60.9%	0.86x

* A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Strategic Plan Impact Statement

The objective to hire and retain emerging investment managers in order to add value to the LACERS investment portfolio is consistent with Goal IV (achieve satisfactory long-term risk adjusted

investment returns). The presentation and discussion of the policy goals, metrics, manager outreach, and manager performance information is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

This report was prepared by Rod June, Chief Investment Officer, Investment Division.

RJ:jg

Report to Board of Administration

Agenda of: **JULY 12, 2016**

From: Thomas Moutes, General Manager

ITEM: **V-B**

SUBJECT: RECEIVE AND FILE – ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

Recommendation:

That the Board receive and file this report.

Discussion:

Background

LACERS' Emerging Investment Manager Policy (Policy), adopted on February 14, 2012, and revised on September 24, 2013, identifies guidelines and goals in hiring and retaining Emerging Investment Managers in order to add value to the LACERS investment portfolio. The Policy includes Emerging Investment Manager goal metrics and criteria for investment firms that wish to qualify as an Emerging Investment Manager under the Policy definition. This annual report includes information pursuant to the Policy for the year ending December 31, 2015.

The Policy reporting requirements are as follows:

1. Names of Emerging Investment Manager firms hired.
2. Dollar amounts awarded to Emerging Investment Managers.
3. Report of Emerging Investment Manager Goals Metrics.
4. List of all investment manager searches.
5. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio.
6. Performance data for Emerging Investment Managers.

Reporting Requirements 1 & 2: Names and Dollar Amounts Awarded to Emerging Investment Managers

Manager	Style	Asset Class	Investment/ Commitment
1315 Capital, L.P.	Growth Equity	Private Equity	\$10 million
Angeles Equity Partners I, L.P.	Special Situations	Private Equity	\$10 million
CenterGate Capital Partners I, L.P.	Buyout	Private Equity	\$10 million
New Water Capital Partners, L.P.	Special Situations	Private Equity	\$10 million
Gerrity Retail Fund 2, L.P.	Retail	Real Estate	\$20 million

Reporting Requirement 3: Emerging Investment Manager Goal Metrics

Policy metrics are reported along broad asset classes including those that are within the domain of public markets, or those that are within the private markets including private equity and real estate. The policy metric goal for each of the broad asset classes is 10% on an “aspirational” basis.

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total of all dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2015.

The following tables provide an overview of Emerging Investment Manager exposure within public markets and private markets, based on the Policy metrics:

Public Markets

Asset Class Metric

Asset Class	Emerging Investment Manager Exposure
U.S. Equity	2.4%
Non-U.S. Equity	1.5%

Note: There are no emerging investment managers under contract within Fixed Income, Credit Opportunities, or Public Real Assets.

Manager Search Metric

Asset/Sub-Asset Class	Awarded Dollars Percentage
Public Real Assets/U.S. Active REITS	0.0%
Credit Opportunities/Bank Loans	0.0%
U.S. Public Equities/Small Cap Growth	100.0%

Private Markets

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	6.1%	7.8%
Private Real Estate	2.6%	6.3%

On a fund-number basis for the 36-month period ending December 31, 2015, LACERS authorized commitments to a total of seven private equity Emerging Investment Managers out of 46 private equity funds (15%) and one real estate Emerging Investment Manager out of eight real estate funds (13%).
Reporting Requirement 4: Searches Conducted in 2015

Searches Initiated:

- Active Long-Only Master Limited Partnerships (MLP's) - \$70 million¹
- Active U.S. Small Cap Value Equity - \$210 million²
 - Total - \$280 million

Searches Completed:

- Active U.S. Small Cap Growth Equity - \$101 million
 - Total - \$101 million³

¹ Search was deferred by the Board in 2016; it is planned to be re-launched in 2017.

² Search was deferred by the Board in 2016; it is planned to be re-launched in 2017.

³ EAM was funded on October 1, 2015 with \$85 million to comply with Investment Policy funding guidelines.

Reporting Requirement 5: Efforts to Increase Visibility and Representation of Emerging Investment Managers

Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2015 calendar year, staff participated in the following emerging manager events:

- 1) National Association of Securities Professionals (March)
- 2) Consortium East Emerging Manager Conference (June)
- 3) Latinos on Fast Track Conference (June)
- 4) CalPERS Emerging and Diverse Manager Forum (September)
- 5) Grosvenor Emerging Manager Conference (November)

The Board authorized two investment manager Request for Proposals that included advertisements in Emerging Manager Monthly magazine and Fin-Daily. In addition, staff regularly meets with emerging managers at LACERS' offices. During the 2015 calendar year, staff held a total of 24 emerging manager meetings, which included discussions among the following investment asset classes: Public Markets - 42%; Private Equity - 38%; Real Estate - 12%; Other – 8%.

Consultants

LACERS retains three investment consultants. The consultant's respective emerging manager activities for the one-year period ending December 31, 2015, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
Wilshire Associates Incorporated (General)	356	4	\$906 million/9 managers
Portfolio Advisors, LLC (Private Equity)	150	4	\$265.5 million/10 managers
The Townsend Group (Real Estate)	53	6	\$555 million/8 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant.

Reporting Requirement 6: Performance Data of LACERS Emerging Investment Managers (as of 12/31/2015)

Public Markets (Net-of-Fees)

	Quarter	One Year	Two Years	Three Years	Five Years	Since Inception*
Oberweis Asset Management, Inc.¹	7.71	15.73	-	-	-	4.78
MSCI EAFE Small Cap Index	6.83	9.94	-	-	-	1.69
<i>Excess Return</i>	<i>0.88</i>	<i>6.79</i>	-	-	-	<i>3.09</i>
EAM Investors LLC²	1.63	-	-	-	-	1.63
Russell 2000 Growth Index	4.32	-	-	-	-	4.32
<i>Excess Return</i>	<i>-2.69</i>	-	-	-	-	<i>-2.69</i>

* Indicates gross returns "since inception"

¹ Account funded on January 15, 2014

² Account funded on October 1, 2015.

Private Markets

Emerging Fund Managers	Vintage Year	Net IRR*	Return Multiple
<i>Private Equity</i>			
High Road Capital Partners Fund II, LP	2013	-5.2%	0.93x
Blue Sea Capital Fund I, LP	2013	-8.6%	0.94x
Oak HC/FT L.P.	2014	8.0%	1.05x
1315 Capital, L.P.	2015	-49.7%	0.80x
New Water Capital Partners, L.P.	2015	-61.6%	0.69x
Angeles Equity Partners I, L.P.	2015	0.0%	0.00x
CenterGate Capital Partners I, L.P.	2015	0.0%	0.00x

* A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Emerging Fund Managers	Vintage Year	Net IRR*	Return Multiple
<i>Private Real Estate</i>			
Gerrity Retail Fund 2, L.P.	2015	-20.7%	0.9x

* A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Strategic Plan Impact Statement

The objective to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio is consistent with Goal IV (achieve satisfactory long-term risk adjusted investment returns). The presentation and discussion of the policy goals, metrics, manager outreach, and manager performance information is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

This report was prepared by Rod June, Chief Investment Officer, Investment Division.

RJ:BF:ST:ag

Report to Investment Committee

Agenda of: **JULY 11, 2017**

From: Thomas Moutes, General Manager

ITEM: **IV**

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

Recommendation:

That the Investment Committee receive and file this report.

Discussion:

Background

LACERS' Emerging Investment Manager Policy (Policy), adopted on February 14, 2012, and revised on September 24, 2013, identifies guidelines and goals in hiring and retaining Emerging Investment Managers in order to add value to the LACERS investment portfolio. The Policy includes Emerging Investment Manager goal metrics and criteria for investment firms that wish to qualify as an Emerging Investment Manager under the Policy definition. This annual report includes information pursuant to the Policy for the year ending December 31, 2016.

The Policy reporting requirements are as follows:

1. Names of Emerging Investment Manager firms hired.
2. Dollar amounts awarded to Emerging Investment Managers.
3. Report of Emerging Investment Manager Goals Metrics.
4. List of all investment manager searches.
5. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio.
6. Performance data for Emerging Investment Managers.

Reporting Requirements 1 & 2: Names and Dollar Amounts Awarded to Emerging Investment Managers

Manager	Style	Asset Class	Investment/ Commitment
Bain Double Impact Fund, LP	Buyout	Private Equity	\$10 million
Sunstone Partners I, L.P	Buyout	Private Equity	\$7.5 million
Asana Partners Fund I	Value Add	Real Estate	\$20 million

Reporting Requirement 3: Emerging Investment Manager Goal Metrics

Policy metrics are reported along broad asset classes including those that are within the domain of public markets, or those that are within the private markets including private equity and real estate. The policy metric goal for each of the broad asset classes is 10% on an aspirational basis.

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total of all dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2016.

The following tables provide an overview of Emerging Investment Manager exposure within public markets and private markets, based on the Policy metrics:

Public Markets

Asset Class Metric

Asset Class	Emerging Investment Manager Exposure
U.S. Equity	2.3%
Non-U.S. Equity	2.8%

Note: There are no emerging investment managers under contract within Fixed Income, Credit Opportunities, or Public Real Assets.

Manager Search Metric

- No public market searches were conducted during calendar year 2016.

Private Markets

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	4.9%	7.9%
Private Real Estate	4.7%	13.8%

On a fund-number basis for the 36-month period ending December 31, 2016, LACERS authorized commitments to a total of eight private equity Emerging Investment Managers out of 53 private equity funds (15%) and two real estate Emerging Investment Managers out of 12 real estate funds (17%).¹

¹ Four of the 12 real estate funds commitments were additional commitments to existing open-ended core funds pursuant to the Real Estate Investments Fiscal Year 2015-2016 Strategic Plan.

Reporting Requirement 4: Searches Conducted in 2016

No public market searches were conducted during the calendar year.

Reporting Requirement 5: Efforts to Increase Visibility and Representation of Emerging Investment Managers

Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2016 calendar year, staff participated in the following emerging manager events:

2016 Emerging Manager Events	
February	Consortium West
March	National Association of Securities Professionals
April	National Association of Investment Companies
May	New America Alliance LOFT Institute Forum/Hispanic Heritage Foundation
June	Association of Asian American Investment Managers
September	GCM Grosvenor Emerging Manager Conference
October	National Association of Investment Companies Conference Green Pearl Women's Real Estate Forum

In addition, staff regularly meets with emerging managers at LACERS' offices. During the 2016 calendar year, staff held a total of 36 emerging manager meetings, which included discussions among the following investment asset classes: Public Markets - 25%; Private Equity - 56%; Real Estate - 19%.

Consultants

LACERS retains three investment consultants. The consultant's respective emerging manager activities for the one-year period ending December 31, 2016, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
Wilshire Associates Incorporated (General)	637	5	\$600.0 million/ 26 managers
Portfolio Advisors, LLC (Private Equity)	150	4	\$265.5 million/ 10 managers
The Townsend Group (Real Estate)	56	6	\$1.0 billion/ 9 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant.

Reporting Requirement 6: Performance Data of LACERS Emerging Investment Managers (as of 12/31/2016)

Public Markets (Net-of-Fees)

	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc. ²	-4.97	4.87	-	-	0.80
MSCI EAFE Small Cap Index	2.55	6.18	-	-	1.98
<i>Excess Return</i>	<i>-7.52</i>	<i>-1.31</i>	<i>-</i>	<i>-</i>	<i>-1.18</i>
EAM Investors LLC ³	4.65	-	-	-	5.05
Russell 2000 Growth Index	11.32	-	-	-	12.71
<i>Excess Return</i>	<i>-6.67</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-7.66</i>

Private Markets

Emerging Fund Managers	Vintage Year	Net IRR⁴	Return Multiple
<i>Private Equity</i>			
High Road Capital Partners Fund II, LP	2013	11.27%	1.29x
Blue Sea Capital Fund I, LP	2014	-0.03%	1.00x
Oak HC/FT L.P.	2014	13.49%	1.16x
1315 Capital, L.P.	2015	-16.75%	0.82x
New Water Capital Partners, L.P.	2015	-47.26%	0.75x
Angeles Equity Partners I, L.P.	2015	0.99%	1.01x
CenterGate Capital Partners I, L.P.	2015	-9.84%	0.76x
Bain Double Impact Fund, LP	2016	0.00%	0.88x
Sunstone Partners I, L.P	2016	-30.47%	0.79x

Emerging Fund Managers	Vintage Year	Net IRR⁴	Return Multiple
<i>Private Real Estate</i>			
Gerrity Retail Fund 2, L.P.	2015	8.21%	1.07x
Asana Partners Fund I	2017 ⁵	N/A	N/A

Strategic Plan Impact Statement

The objective to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio is consistent with Goal IV (achieve satisfactory long-term risk adjusted investment returns). The presentation and discussion of the policy goals, metrics, manager outreach, and manager performance information is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

This report was prepared by Barbara Sandoval, Investment Officer II, Investment Division.

RJ:BF:BS:ag

² Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as of the fourth quarter of 2015; firm assets under management exceed \$2 billion.

³ Account funded on October 1, 2015.

⁴ A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

⁵ LACERS committed to fund in calendar year 2016.

Report to Investment Committee

Agenda of: **AUGUST 14, 2018**

From: Neil M. Guglielmo, General Manager

ITEM: **V**

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

Recommendation

That the Investment Committee receive and file this report.

Discussion

Background

LACERS' Emerging Investment Manager Policy (Policy), adopted on February 14, 2012, and revised on September 24, 2013, identifies guidelines and goals in hiring and retaining Emerging Investment Managers in order to add value to the LACERS investment portfolio. The Policy includes Emerging Investment Manager goal metrics and criteria for investment firms that wish to qualify as an Emerging Investment Manager under the Policy definition. This annual report includes information pursuant to the Policy for the year ending December 31, 2017.

The Policy reporting requirements are as follows:

1. Names of Emerging Investment Manager firms hired.
2. Dollar amounts awarded to Emerging Investment Managers.
3. Report of Emerging Investment Manager Goals Metrics.
4. List of all investment manager searches.
5. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio.
6. Performance data for Emerging Investment Managers.

Reporting Requirements 1 & 2: Names and Dollar Amounts Awarded to Emerging Investment Managers

Manager	Style	Asset Class	Investment/ Commitment
Defy Partners I, L.P.	VC - Early	Private Equity	\$10 million
NMS Fund III, L.P.	Buyout	Private Equity	\$10 million

Reporting Requirement 3: Emerging Investment Manager Goal Metrics

Policy metrics are reported along broad asset classes including those that are within the domain of public markets, or those that are within the private markets including private equity and real estate. The policy metric goal for each of the broad asset classes is 10% on an aspirational basis.

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total of all dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2017.

The following tables provide an overview of Emerging Investment Manager exposure within public markets and private markets, based on the Policy metrics:

Public Markets

Asset Class Metric

Asset Class	Emerging Investment Manager Exposure
U.S. Equity	2.4%
Non-U.S. Equity	3.2%

Note: There are no emerging investment managers under contract within Fixed Income, Credit Opportunities, or Public Real Assets.

Manager Search Metric

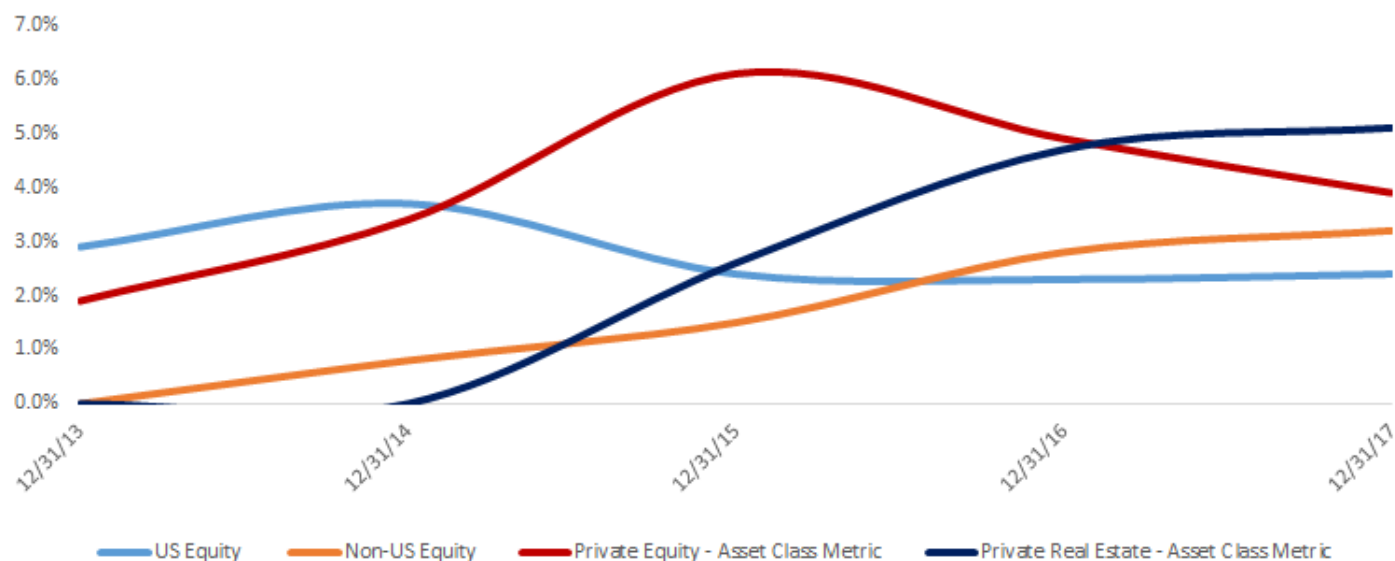
- No public market searches were conducted during calendar year 2017.

Private Markets

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	3.9%	7.3%
Private Real Estate	5.1%	19.1%

On a fund-number basis for the 36-month period ending December 31, 2017, LACERS authorized commitments to a total of seven private equity Emerging Investment Managers out of 49 private equity funds (14%) and two real estate Emerging Investment Managers out of nine real estate funds (22%).

Emerging Manager Exposure by Asset Class



	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017
U.S. Equity	2.9%	3.7%	2.4%	2.3%	2.4%
Non-U.S. Equity	0.0%	0.8%	1.5%	2.8%	3.2%
Private Equity – Asset Class Metric	1.9%	3.4%	6.1%	4.9%	3.9%
Private Real Estate – Asset Class Metric	0.0%	0.0%	2.6%	4.7%	5.1%

Reporting Requirement 4: Searches Conducted in 2017

No public market searches were conducted during the calendar year.

Reporting Requirement 5: Efforts to Increase Visibility and Representation of Emerging Investment Managers

Staff
LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2017 calendar year, staff participated in the following emerging manager events:

2017 Emerging Manager Events	
January	Texas Teachers Retirement System Conference
May	CalPERS and CalSTRS Diversity Forum
June	National Association of Securities Professionals (NASP) RG Associates Consortium EAST
September	Association of Asian American Investment Managers (AAAIM) New American Alliance (NAA)
October	National Association of Investment Companies Conference (NAIC) LA Clean-Tech Incubator
November	GCM Grosvenor Emerging Manager Conference

In addition, staff regularly meets with emerging managers. During the 2017 calendar year, staff held a total of 57 emerging manager meetings, which included discussions among the following investment asset classes: Public Markets - 32%; Private Equity - 49%; Real Estate - 19%.

Consultants

LACERS retains three investment consultants. The consultant's respective emerging manager activities for the one-year period ending December 31, 2017, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
NEPC, LLC (General)	166	5	\$995.5 million/ 22 managers
Portfolio Advisors, LLC (Private Equity)	200	7	\$171.5 million/ 13 managers
The Townsend Group (Real Estate)	53	5	\$586.0 million/ 7 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant.

Reporting Requirement 6: Performance Data of LACERS Emerging Investment Managers (as of 12/31/2017)

Public Markets (Net-of-Fees)

	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc. ¹	41.49	15.96	15.88	-	11.29
MSCI EAFE Small Cap Index	33.01	16.58	14.20	-	9.72
<i>Excess Return</i>	<i>8.48</i>	<i>-0.62</i>	<i>1.68</i>	<i>-</i>	<i>1.57</i>
EAM Investors LLC ²	22.68	13.30	-	-	12.55
Russell 2000 Growth Index	22.17	16.62	-	-	16.82
<i>Excess Return</i>	<i>0.51</i>	<i>-3.32</i>	<i>-</i>	<i>-</i>	<i>-4.27</i>

¹ Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as of the fourth quarter of 2015; firm assets under management exceed \$2 billion.

² Account funded on October 1, 2015. Manager no longer meets the LACERS definition of an emerging manager as of the third quarter of 2017; firm assets under management exceed \$2 billion.

Private Markets

Emerging Fund Managers	Vintage Year	Net IRR ³	Return Multiple
<i>Private Equity</i>			
High Road Capital Partners Fund II, LP	2013	17.96%	1.63x
Blue Sea Capital Fund I, LP	2014	3.10%	1.05x
Oak HC/FT L.P.	2014	20.59%	1.41x
1315 Capital, L.P.	2015	10.87%	1.13x
New Water Capital Partners, L.P.	2015	-10.29%	0.90x
Angeles Equity Partners I, L.P.	2015	-19.70%	0.62x
CenterGate Capital Partners I, L.P.	2015	-16.95%	0.61x
Sunstone Partners I, L.P.	2016	-11.29%	0.92x
Defy Partners I, L.P.	2016 ⁴	-56.67%	0.85x
NMS Fund III, L.P.	2017	0.00%	0.94x

Emerging Fund Managers	Vintage Year	Net IRR	Return Multiple
<i>Private Real Estate</i>			
Gerrity Retail Fund 2, L.P.	2015	8.90%	1.10x
Asana Partners Fund I	2017 ⁵	19.3%	1.10x

Strategic Plan Impact Statement

The objective to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio is consistent with Goal IV (achieve satisfactory long-term risk adjusted investment returns). The presentation and discussion of the policy goals, metrics, manager outreach, and manager performance information is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

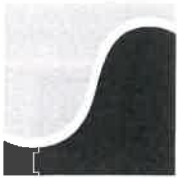
This report was prepared by Ronald Aubert II, Investment Officer I, Investment Division.

RJ:BF:RA:ag

³ A private market fund typically yields a low or negative IRR during its early life “J Curve” period.

⁴ LACERS committed to fund in calendar year 2017.

⁵ LACERS committed to fund in calendar year 2016.



REPORT TO INVESTMENT COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: AUGUST 13, 2019
ITEM: VII

Neil M. Guglielmo

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Investment Committee receive and file this report.

Executive Summary

LACERS' Emerging Investment Manager Program aims to hire and retain Emerging Managers in order to add value to the LACERS investment portfolio. This report highlights the Emerging Manager firms hired, dollar amounts rewarded, and staff and consultant efforts to increase Emerging Manager representation in the LACERS investment portfolio in calendar year 2018.

Discussion

Background

LACERS' Emerging Investment Manager Policy (Policy) was adopted on February 14, 2012 and most recently revised on February 12, 2019. The policy identifies guidelines and sets goals to hire and retain Emerging Managers that would otherwise not be identified in the standard LACERS investment manager search process in order to add value to the LACERS investment portfolio. Smaller investment management investment firms may generate superior performance returns due to increased market flexibility associated with smaller asset bases. The Policy sets an aspirational policy goal at no less than 10% and provides minimum criteria for firms to qualify as an Emerging Investment Manager.

This annual report provides the status of the Emerging Investment Manager Policy for the year ending December 31, 2018, including the following information:

1. Names and dollar amounts awarded to Emerging Managers
2. Report of Emerging Investment Manager Goals Metrics.
3. List of all investment manager searches.
4. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Managers in the LACERS investment portfolio.
5. Performance data for funds managed by Emerging Managers.

1. Names and Dollar Amounts Awarded to Emerging Investment Managers in 2018

Manager	Style	Asset Class	Investment/ Commitment
Mill Point Capital Partners, L.P.	Buyout - Small	Private Equity	\$10 Million
1315 Capital Fund II, L.P.	VC – Late Stage	Private Equity	\$10 Million
Astra Partners I, L.P.	Buyout - Small	Private Equity	\$10 Million

2. Emerging Investment Manager Goal Metrics

The Policy sets an aspirational goal for public and private market asset classes at no less than 10%.

Public Markets

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

In calendar year 2018, no public market searches were conducted and there were no emerging investment managers under contract within Fixed Income, Credit Opportunities or Public Real Assets.

Asset Class	Emerging Manager Exposure	Public Markets Manager Searches
U.S. Equity	2.7%	N/A
Non-U.S. Equity	2.9%	N/A

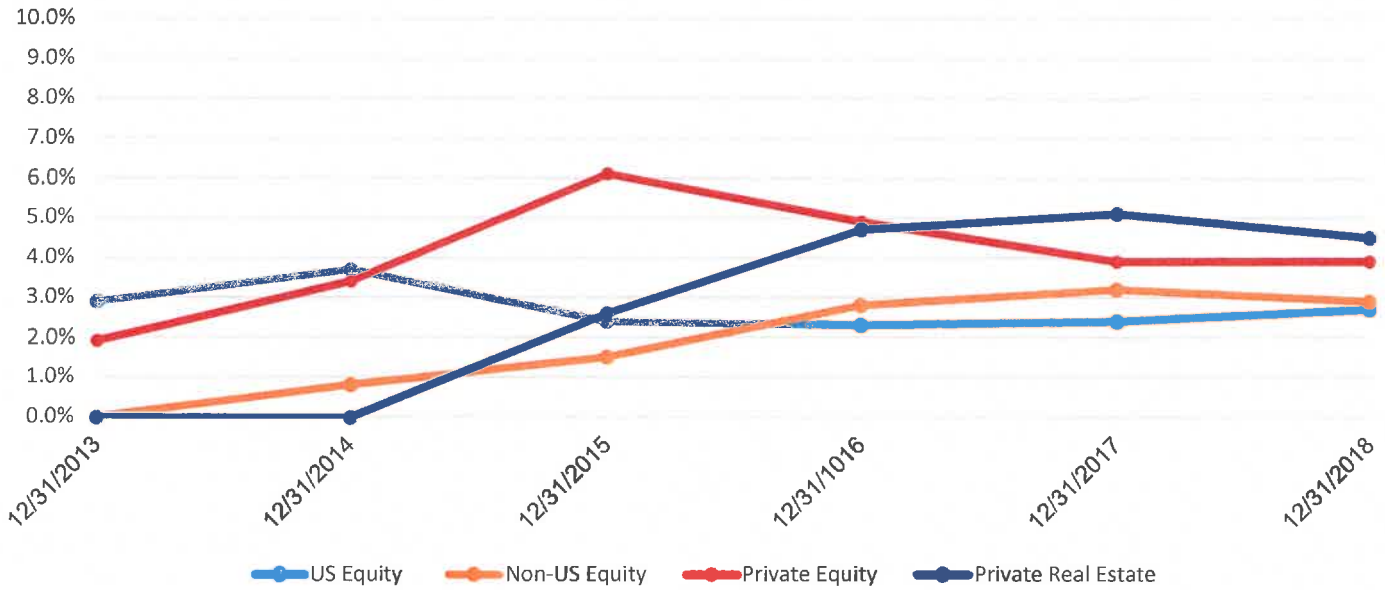
Private Markets

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2018.

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	3.9%	6.5%
Private Real Estate	4.5%	17.4%

On a fund-number basis for the 36-month period ending December 31, 2018, LACERS authorized commitments to a total of seven private equity Emerging Investment Managers out of 50 private equity funds (14%) and one real estate Emerging Investment Managers out of four real estate funds (25%).

Emerging Manager Exposure by Asset Class



Asset Class	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018
U.S. Equity	2.9%	3.7%	2.4%	2.3%	2.4%	2.7%
Non-U.S. Equity	0.0%	0.8%	1.5%	2.8%	3.2%	2.9%
Private Equity	1.9%	3.4%	6.1%	4.9%	3.9%	3.9%
Private Real Estate	0.0%	0.0%	2.6%	4.7%	5.1%	4.5%

3. Searches Conducted in 2018.

No public market searches were conducted during the 2018 calendar year.

4. Efforts to Increase Visibility and Representation of Emerging Investment Managers.

Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2018 calendar year, staff participated in the following emerging manager events:

2018 Emerging Manager Events	
February	Texas Teachers and TERS Emerging Manager Conference
February	SEO Alternatives Investment Conference
March	NASP Regional Conference
June	NASP National Conference
June	GCM Grosvenor Emerging Manager Consortium
September	Association of Asian American Investment Managers Conference
October	Grosvenor Small + Emerging Managers Conference

October	New American Alliance Tour
October	National Association of Investment Companies

In addition, staff regularly meets with emerging managers. During the 2018 calendar year, staff held a total of 20 emerging manager meetings, which included discussions among the following investment asset classes: Public Markets - 25%; Mutual Funds – 15%; Private Equity - 50%; Real Estate - 10%.

Consultants

LACERS retains three investment consultants. The consultant's respective emerging manager activities for the one-year period ending December 31, 2018, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
NEPC, LLC (General)	71	11	\$905 million / 7 managers
Torrey Cove (Private Equity)	186	16	\$3.4 billion / 15 managers
The Townsend Group (Real Estate)	57	6	\$720 million / 9 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant. TorreyCove was hired by LACERS on July 25, 2018.

5. Performance Data of LACERS Emerging Investment Managers (as of 12/31/2018)

Public Markets (Net-of-Fees)	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc. ¹	-23.77	3.86	0.83	-	2.02
MSCI EAFE Small Cap Index	-17.89	4.51	3.73	-	2.78
<i>Excess Return</i>	-5.88	-0.65	-2.90	-	-0.76
EAM Investors LLC ²	-1.41	9.98	8.17	-	8.06
Russell 2000 Growth Index	-9.31	5.26	7.24	-	8.06
<i>Excess Return</i>	7.9	4.72	0.93	-	0

Private Real Estate Emerging Fund Managers	Vintage Year	Net IRR	Return Multiple
Gerrity Retail Fund 2, L.P.	2015	9.5%	1.20x
Asana Partners Fund I	2017 ³	19.0%	1.20x

Private Equity Emerging Fund Managers	Vintage Year	Net IRR ⁴	Return Multiple
High Road Capital Partners Fund II, LP	2013	19.9%	0.20x

¹ Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as of the fourth quarter of 2015; firm assets under management exceed \$2 billion.

² Account funded on October 1, 2015. Manager no longer meets the LACERS definition of an emerging manager as of the third quarter of 2017; firm assets under management exceed \$2 billion.

³ LACERS committed to fund in calendar year 2016.

⁴ A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Blue Sea Capital Fund I, LP	2014	8.1%	0.08x
Oak HC/FT Partners, L.P.	2014	22.6%	0.23x
1315 Capital, L.P.	2015	8.1%	0.08x
New Water Capital Partners, L.P.	2015	0.4%	0.0x
Angeles Equity Partners I, L.P.	2015	-19.0%	-0.19x
CenterGate Capital Partners I, L.P.	2015	-15.4%	-0.15x
Sunstone Partners I, L.P.	2016	25.1%	0.25x
Defy Partners I, L.P.	2016 ⁵	0.0%	-
NMS Fund III, L.P.	2017	0.0%	-
Oak HC/FT Partners II, L.P.	2017	0.0%	-
Astra Partners I, L.P.	2017 ⁶	0.0%	-
Mill Point Capital Partners, L.P.	2018	0.0%	-
1315 Capital Fund II, L.P.	2018	0.0%	-

Strategic Plan Impact Statement

The Emerging Manager Policy aims to add value to the LACERS investment portfolio by hiring Emerging Investment Managers is consistent with Goal IV to optimize long-term risk adjusted investment returns. The presentation and discussion of the Policy's goals, metrics, manager outreach and manager performance is consistent with Goal V to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Saira Gandhi, Management Analyst, Investment Division

RJ/BF/SG

⁵ LACERS committed to fund in calendar year 2017.

⁶ LACERS committed to fund in calendar year 2018.



REPORT TO INVESTMENT COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: AUGUST 11, 2020
ITEM: V

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Investment Committee receive and file this report.

Executive Summary

LACERS' Emerging Investment Manager Program aims to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio. This report highlights the Emerging Investment Manager firms hired, dollar amounts rewarded, and staff and consultant efforts to increase Emerging Investment Manager representation in the LACERS investment portfolio in calendar year 2019.

Discussion

Background

LACERS' Emerging Investment Manager Policy (Policy) was adopted on February 14, 2012 and most recently revised on February 12, 2019. The policy identifies guidelines and sets goals to hire and retain Emerging Managers that would otherwise not be identified in the standard LACERS investment manager search process in order to add value to the LACERS investment portfolio. Smaller investment management firms may generate superior performance returns due to increased market flexibility associated with smaller asset bases. The Policy sets an aspirational policy goal at no less than 10% and provides minimum criteria for firms to qualify as an Emerging Investment Manager.

This annual report provides the status of the Emerging Investment Manager Policy for the year ending December 31, 2019, including the following information:

1. Names and dollar amounts awarded to Emerging Investment Managers
2. Report of Emerging Investment Manager Goals Metrics
3. List of all investment manager searches
4. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio
5. Performance data for funds managed by Emerging Investment Managers

1. Names and Dollar Amounts Awarded to Emerging Investment Managers in 2019

Manager	Style	Asset Class	Investment/ Commitment
Broadview Real Estate Partners Fund, LP	Opportunistic	Real Estate	\$20,000,000
DEFY Partners II, L.P.	VC-Early Stage	Private Equity	\$18,010,000
P4G Capital Partners I, L.P.	Small Buyouts	Private Equity	\$10,000,000
Sunstone Partners II, L.P.	Growth Equity	Private Equity	\$10,000,000

2. Emerging Investment Manager Goal Metrics

The Policy sets an aspirational goal for public and private market asset classes at no less than 10%.

Public Markets

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

In calendar year 2019, six public market searches were conducted. The Private Credit mandate search (classified under the Credit Opportunities asset class) was completed in July 2019; no dollars were awarded to Emerging Investment Managers.

Asset Class	Emerging Manager Exposure	Public Markets Manager Searches
U.S. Equity	3.0%	N/A
Non-U.S. Equity	4.4%	N/A
Fixed Income	0.0%	N/A
Credit Opportunities	0.0%	0.0%
Public Real Assets	0.0%	N/A

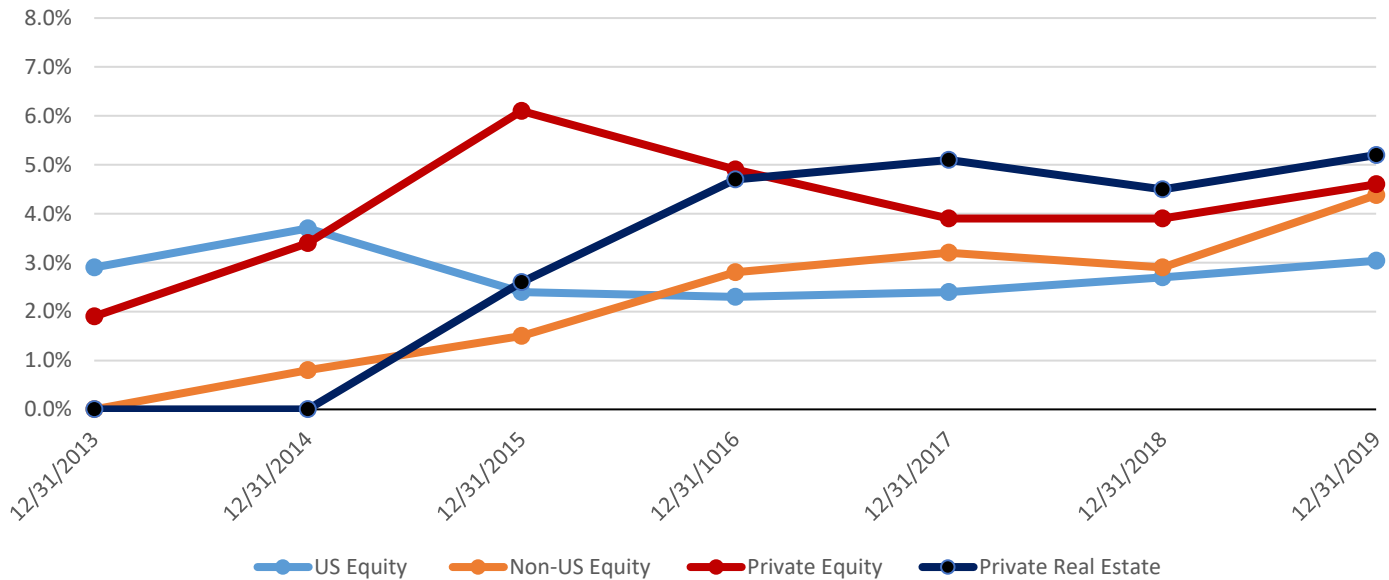
Private Markets

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2019.

Asset Class	Asset Class Metric	Manager Search Metric
Private Equity	4.6%	6.9%
Private Real Estate	5.2%	21.6%

On a fund-number basis for the 36-month period ending December 31, 2019, LACERS authorized commitments to a total of eight private equity Emerging Investment Managers out of 50 private equity funds (16%) and two real estate Emerging Investment Managers out of six real estate funds (33%).

Emerging Manager Exposure by Asset Class



Asset Class	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19
U.S. Equity	2.9%	3.7%	2.4%	2.3%	2.4%	2.7%	3.0%
Non-U.S. Equity	0.0%	0.8%	1.5%	2.8%	3.2%	2.9%	4.4%
Private Equity	1.9%	3.4%	6.1%	4.9%	3.9%	3.9%	4.6%
Private Real Estate	0.0%	0.0%	2.6%	4.7%	5.1%	4.5%	5.2%

3. Searches Conducted in 2019

Searches Initiated:

- High Yield Fixed Income and Hybrid High Yield Fixed Income/ U.S. Floating Rate Bank Loan Mandate Search - \$470 million
- U.S. Small Cap Equities Mandate Search - \$648 million
- Emerging Market Small Cap Equities Mandate Search - \$230 million
- Emerging Market Debt Mandate Search - \$800 million
- Core Fixed Income Mandate Search - \$2,440 million

Searches Completed:

- Private Credit Mandate Search - \$200 million

4. Efforts to Increase Visibility and Representation of Emerging Investment Managers

Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the 2019 calendar year, staff participated in the following emerging manager events:

2019 Emerging Manager Events	
February	Texas Teachers, Texas TERS Emerging Manager Conference
March	Seizing Every Opportunity (SEO) – Alts Investment Conference
March	NASP Regional Conference
June	Hispanic Heritage Foundation Conference
June	GCM Grosvenor Emerging Manager Consortium
June	NASP National Conference
September	Association of Asian American Investment Managers Conference
October	New American Alliance National Tour
November	GCM Grosvenor Small + Emerging Manager Conference

In addition, staff regularly meets with emerging managers. During the 2019 calendar year, staff held a total of 47 emerging manager meetings, which included discussions among the following investment asset classes: Private Equity 65.96%, Domestic Equity 10.64%, Real Estate 8.51%, Non-U.S. Equity 6.38%, Alternatives 4.26%, Credit Opportunities 2.13%, and Real Assets 2.13%.

Consultants

LACERS retains three investment consultants. The consultants' respective emerging manager activities for the one-year period ending December 31, 2019, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
NEPC, LLC (General)	82	9	\$ 1.2 billion / 9 managers
Aksia TorreyCove Partners, LLC (Private Equity)	193	12	\$ 3.77 billion / 24 managers
The Townsend Group (Real Estate)	53	6	\$ 737 million / 7 managers

Note: The definition of "Emerging Manager" for this matrix is based on the emerging investment manager criteria unique to each consultant.

5. Performance Data of LACERS Emerging Investment Managers (as of 12/31/2019)

Public Markets (Net-of-Fees)	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc. ¹	25.64	-2.13	10.66	8.31	5.65
MSCI EAFE Small Cap Index	24.96	1.30	10.92	8.85	6.20
<i>Excess Return</i>	<i>0.68</i>	<i>-3.43</i>	<i>-0.26</i>	<i>-0.54</i>	<i>-0.55</i>
EAM Investors LLC ²	32.39	14.25	16.99	-	13.35
Russell 2000 Growth Index	28.48	7.95	12.49	-	12.56
<i>Excess Return</i>	<i>3.91</i>	<i>6.30</i>	<i>4.50</i>	<i>-</i>	<i>0.79</i>

Private Real Estate Emerging Fund Managers	Vintage Year	Net IRR ³	Return Multiple
Gerrity Retail Fund 2, L.P.	2015	8.3%	1.30x
Asana Partners Fund I, LP	2017	20.1%	1.40x
Broadview Real Estate Partners Fund, LP	2019	-	-

Private Equity Emerging Fund Managers	Vintage Year	Net IRR ³	Return Multiple
High Road Capital Partners Fund II, LP	2013	14.8%	1.54x
Blue Sea Capital Fund I, LP	2014	15.7%	1.60x
Oak HC/FT Partners, L.P.	2014	20.3%	1.72x
1315 Capital, L.P.	2015	11.6%	1.31x
New Water Capital Partners, L.P.	2015	-8.5%	0.85x
Angeles Equity Partners I, L.P.	2015	-8.6%	0.88x
CenterGate Capital Partners I, L.P.	2015	7.8%	1.18x
Sunstone Partners I, LP	2016	32.6%	1.62x
Defy Partners I, L.P.	2016	-10.2%	0.88x
NMS Fund III, L.P.	2017	-4.7%	0.94x
Oak HC/FT Partners II, L.P.	2017	20.9%	1.22x
Astra Partners I, L.P.	2017	12.7%	1.13x
Mill Point Capital Partners, L.P.	2018	8.2%	1.09x
1315 Capital Fund II, L.P.	2018	-28.9%	0.86x
DEFY Partners II, L.P.	2019	-44.3%	0.83x
P4G Capital Partners I, L.P.	2019	-100.0%	0.02x
Sunstone Partners II, LP	2019	-	-

¹ Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as of the fourth quarter of 2015; firm assets under management exceed \$2 billion.

² Account funded on October 1, 2015. Manager no longer meets the LACERS definition of an emerging manager as of the third quarter of 2017; firm assets under management exceed \$2 billion.

³ A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Strategic Plan Impact Statement

The Emerging Investment Manager Policy aims to add value to the LACERS investment portfolio by hiring Emerging Investment Managers, consistent with Goal IV, which aims to optimize long-term risk adjusted investment returns. The presentation and discussion of the Policy's goals, metrics, manager outreach and manager performance is consistent with Goal V, which aims to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Ricky Mulawin, Management Analyst, Investment Division

RJ/BF/RM:jp



REPORT TO INVESTMENT COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: AUGUST 10, 2021
ITEM: VI

SUBJECT: ANNUAL REPORT ON LACERS EMERGING INVESTMENT MANAGER PROGRAM

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Investment Committee receive and file this report.

Executive Summary

LACERS' Emerging Investment Manager Program aims to hire and retain Emerging Investment Managers in order to add value to the LACERS investment portfolio. This report highlights the Emerging Investment Manager firms hired, dollar amounts awarded, and staff and consultant efforts to increase Emerging Investment Manager representation in the LACERS investment portfolio in calendar year 2020.

Discussion

Background

LACERS' Emerging Investment Manager Policy (Policy) was adopted on February 14, 2012 and was most recently revised on April 13, 2021. The policy identifies guidelines and sets goals to hire and retain Emerging Managers that would otherwise not be identified in the standard LACERS investment manager search process in order to add value to the LACERS investment portfolio. Smaller investment management firms may generate superior performance returns due to increased market flexibility associated with smaller asset bases. The Policy sets a policy goal of funding Emerging Investment Managers at no less than 10% of available capital and provides minimum criteria for firms to qualify as an Emerging Investment Manager.

This annual report provides the status of the Emerging Investment Manager Policy for the year ending December 31, 2020, including the following information:

1. Names and dollar amounts awarded to Emerging Investment Managers
2. Report of Emerging Investment Manager Goal Metrics
3. List of all investment manager searches
4. Staff and consultant efforts to increase the visibility of LACERS investment manager searches and representation of Emerging Investment Managers in the LACERS investment portfolio

5. Performance data for funds managed by Emerging Investment Managers

1. Names and Dollar Amounts Awarded to Emerging Investment Managers in 2020

Manager	Style	Asset Class	Investment/Commitment
OceanSound Partners Fund, LP	Medium Buyouts	Private Equity	\$20,000,000
Builders VC Fund II, LP	VC-Early Stage	Private Equity	\$10,000,000
Bernzott Capital Advisors ¹	Small Cap	Domestic Equity	\$140,000,000
Granahan Investment Management, Inc.	Small Cap	Domestic Equity	\$80,000,000

2. Emerging Investment Manager Goal Metrics

The Policy sets a goal for public and private market asset classes at no less than 10%.

Public Markets

For each public market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total market value of Emerging Investment Managers within a respective asset class divided by the total market value of the respective asset class; and 2) Manager Search Metric: total dollars awarded to Emerging Investment Managers in a particular public asset class manager search divided by the total dollars awarded for the respective manager search.

In calendar year 2020, there were no public market searches initiated. The U.S. Small Cap Equities, High Yield Fixed Income and Hybrid High Yield Fixed Income/ U.S. Floating Rate Bank Loan, Emerging Market Small Cap Equities, and Emerging Market Debt mandate searches were completed in 2020; \$220 million dollars were awarded to Emerging Investment Managers.

Public Market Asset Classes	Emerging Manager Exposure (Metric 1)	Public Markets Manager Searches (Metric 2)
U.S. Equity	4.8%	55.5%
Non-U.S. Equity	5.6%	0.0%
Fixed Income	0.0%	N/A
Credit Opportunities	0.0%	0.0%
Public Real Assets	0.0%	N/A

¹ Manager was terminated in November 2020.

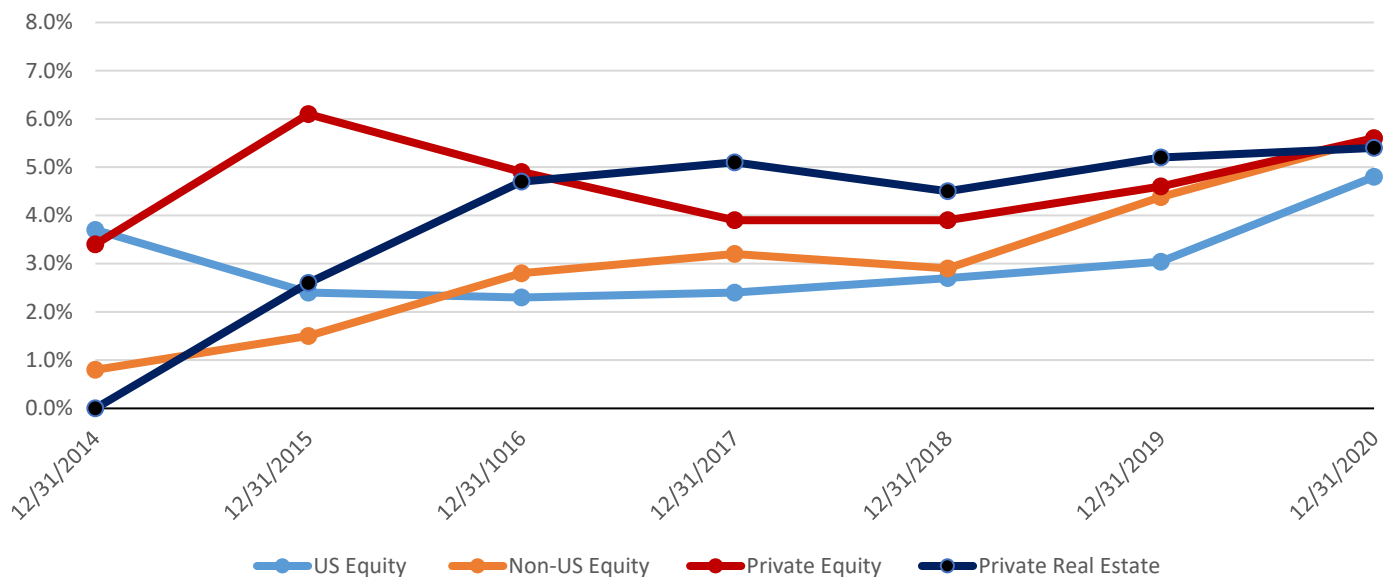
Private Markets

For each private market asset class, there are two metrics for measuring Emerging Investment Manager exposure: 1) Asset Class Metric: the total committed dollars of Emerging Investment Managers within a respective asset class divided by all the dollars within that respective asset class on a market value basis; and 2) Manager Search Metric: the total of all committed capital awarded to Emerging Investment Managers of completed searches within a respective private market asset class divided by all committed capital awarded within the respective private market asset class over a 36-month rolling period ending December 31, 2020.

Private Market Asset Classes	Asset Class (Metric 1)	Manager Search (Metric 2)
Private Equity	5.6%	5.9%
Private Real Estate	5.4%	13.3%

On a fund-number basis for the 36-month period ending December 31, 2020, LACERS authorized commitments to a total of seven private equity Emerging Investment Managers out of 57 private equity funds (12%) and two real estate Emerging Investment Managers out of nine real estate funds (22%).

Emerging Manager Exposure by Asset Class



Asset Class	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20
U.S. Equity	3.7%	2.4%	2.3%	2.4%	2.7%	3.0%	4.8%
Non-U.S. Equity	0.8%	1.5%	2.8%	3.2%	2.9%	4.4%	5.6%
Private Equity	3.4%	6.1%	4.9%	3.9%	3.9%	4.6%	5.6%
Private Real Estate	0.0%	2.6%	4.7%	5.1%	4.5%	5.2%	5.4%

3. Searches Conducted in 2020

Searches Initiated:

- N/A

Searches Completed:

- High Yield Fixed Income and Hybrid High Yield Fixed Income/ U.S. Floating Rate Bank Loan Mandate Search - \$470 million
- U.S. Small Cap Equities Mandate Search - \$550 million
- Emerging Market Small Cap Equities Mandate Search - \$230 million
- Emerging Market Debt Mandate Search - \$800 million

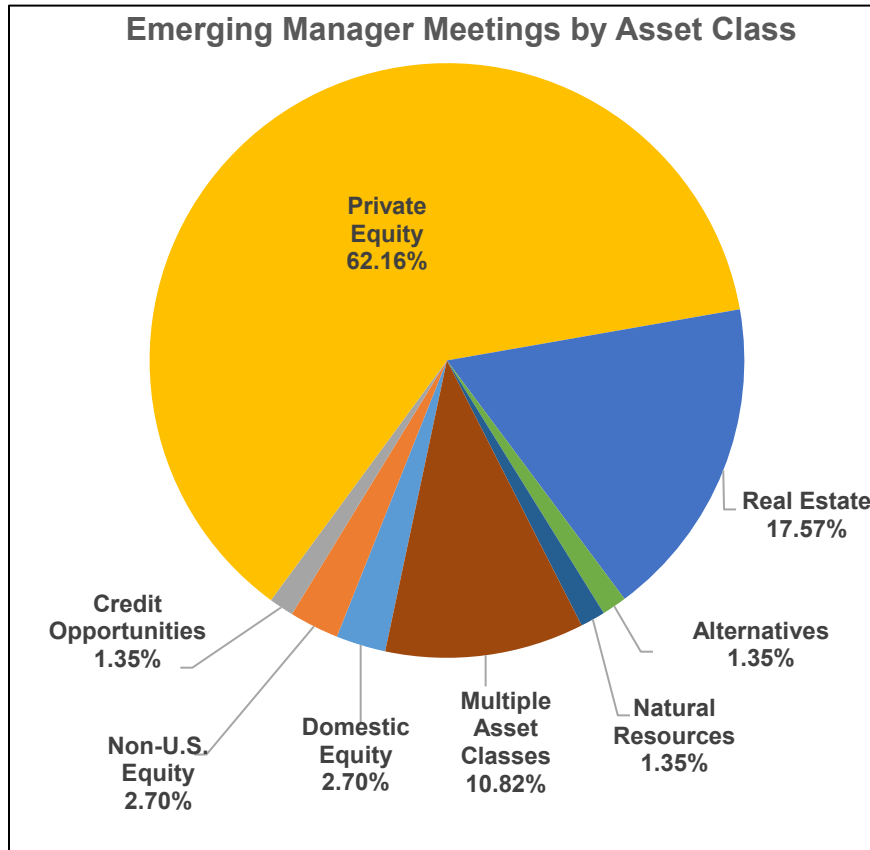
4. Efforts to Increase Visibility and Representation of Emerging Investment Managers

Staff

LACERS actively engages the emerging manager community to help achieve the policy objectives established by the Emerging Investment Manager Policy. During the calendar year 2020, staff participated in the following emerging manager events:

2020 Emerging Manager Events	
January	NASP Regional Conference
February	Texas Teachers, Texas TERS Emerging Manager Conference
March	Seizing Every Opportunity (SEO) – Alts Investment Conference
June	GCM Grosvenor Emerging Manager Consortium
August	Carmo Companies Private Markets Diversity Web Meeting
September	New American Alliance
October	National Association of Investment Companies
October	GCM Grosvenor/REEC
October	New American Alliance
October	Milken Institute
October	PIMCO/CalSTRS

In addition, staff regularly meets with emerging managers. During the calendar year 2020, staff held a total of 74 emerging manager meetings depicted by asset classes in the chart below.



Consultants

LACERS retains three investment consultants. The consultants’ respective emerging manager activities for the one-year period ending December 31, 2020, are summarized below.

Consultant	Meetings or Calls	Emerging Manager Conferences	Awarded to Emerging Managers
NEPC, LLC (General)	206	15	\$4.3 billion / 17 managers
Aksia TorreyCove Partners, LLC (Private Equity)	47	14	\$600 million / 3 managers
The Townsend Group (Real Estate)	65	10	\$807 million / 11 managers

Note: The definition of “Emerging Manager” for this matrix is based on the emerging investment manager criteria unique to each consultant.

5. Performance Data of LACERS Emerging Investment Managers (as of 12/31/2020)

Public Markets Managers Performance (Net-of-Fees)	Inception Date	One Year	Two Years	Three Years	Five Years	Since Inception
Oberweis Asset Management, Inc. ² MSCI EAFE Small Cap Index	Jan-2014	64.55 12.35	43.78 18.49	16.37 4.85	16.21 9.40	12.58 7.06
<i>Excess Return</i>		52.20	25.29	11.52	6.81	5.52
EAM Investors LLC ³ Russell 2000 Growth Index	Sep-2015	44.11 34.63	38.13 31.52	23.44 16.20	19.28 16.36	18.65 16.46
<i>Excess Return</i>		9.48	6.61	7.24	2.92	2.19
Bernzott Capital Advisors ⁴ Russell 2000 Value Index	Aug-2020	- -	- -	- -	- -	20.56 33.36
<i>Excess Return</i>		-	-	-	-	-12.80
Granahan Investment Management, Inc. Russell 2000 Growth Index	Aug-2020	- -	- -	- -	- -	37.35 29.61
<i>Excess Return</i>		-	-	-	-	7.74

Public Markets Managers Peer Comparison	Universe	Number of Managers in Universe	5-Year Peer Ranking	5-Year Peer Median Performance
Oberweis Asset Management, Inc.	eV EAFE Small Cap Equity Net Median	50	4	8.75%
EAM Investors LLC	eV US Small Cap Growth Equity Net Median	122	49	19.2%
Bernzott Capital Advisors ^{4,5}	eV US Small Cap Growth Equity Net Median	177	1	19.4%
Granahan Investment Management, Inc. ⁵	eV US Small Cap Value Equity Net Median	240	5	9.6%

Private Real Estate Emerging Fund Managers	Vintage Year	Net IRR ⁶	Return Multiple	Sourced By
Gerrity Retail Fund 2, LP	2015	3.4%	1.10x	Townsend
Asana Partners Fund I, LP	2017	10.3%	1.30x	Townsend
Broadview Real Estate Partners Fund, LP	2019	12.3%	0.90x	Townsend

² Account funded on January 15, 2014. Manager no longer meets the LACERS definition of an emerging manager as of the fourth quarter of 2015; firm assets under management exceed \$2 billion.

³ Account funded on October 1, 2015. Manager no longer meets the LACERS definition of an emerging manager as of the third quarter of 2017; firm assets under management exceed \$2 billion.

⁴ Manager was terminated in November 2020.

⁵ Composite strategy performance was used to determine the 5-year peer rankings due to the limited track record of LACERS' accounts.

⁶ A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

Private Equity Emerging Fund Managers	Vintage Year	Net IRR ⁶	Return Multiple	Sourced By
High Road Capital Partners Fund II, LP	2013	14.1%	1.65x	Hamilton Lane
Blue Sea Capital Fund I, LP	2014	14.9%	1.71x	Portfolio Advisors
Oak HC/FT Partners, LP	2014	29.6%	2.71x	Portfolio Advisors
1315 Capital, LP	2015	15.0%	1.61x	Portfolio Advisors
New Water Capital Partners, LP	2015	12.6%	1.40x	Portfolio Advisors
Angeles Equity Partners I, LP	2015	15.5%	1.58x	Portfolio Advisors
CenterGate Capital Partners I, LP	2015	12.8%	1.40x	Portfolio Advisors
Sunstone Partners I, LP	2016	34.1%	1.94x	Portfolio Advisors
Defy Partners I, LP	2016	10.8%	1.21x	Portfolio Advisors
NMS Fund III, LP	2017	21.7%	1.27x	Portfolio Advisors
Oak HC/FT Partners II, LP	2017	53.3%	2.16x	Portfolio Advisors
Astra Partners I, LP	2017	0.0%	1.00x	Portfolio Advisors
Mill Point Capital Partners, LP	2018	30.0%	1.60x	Portfolio Advisors
1315 Capital Fund II, LP	2018	-4.5%	0.95x	Portfolio Advisors
DEFY Partners II, LP	2019	74.1%	1.53x	Aksia TorreyCove
P4G Capital Partners I, LP	2019	-55.7%	0.60x	Aksia TorreyCove
Sunstone Partners II, LP	2019	0.0%	0.00x	Aksia TorreyCove
OceanSound Partners Fund, LP	2020	24.7%	1.12x	Aksia TorreyCove
Builders VC Fund II, LP	2020	-	-	Aksia TorreyCove

Strategic Plan Impact Statement

The Emerging Investment Manager Policy aims to add value to the LACERS investment portfolio by hiring Emerging Investment Managers, consistent with Goal IV, which aims to optimize long-term risk adjusted investment returns. The presentation and discussion of the Policy's goals, metrics, manager outreach and manager performance is consistent with Goal V, which aims to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Ricky Mulawin, Management Analyst, Investment Division

NMG/RJ/BF/RM:jp

⁶ A private market fund typically yields a low or negative IRR during its early life "J Curve" period.

List of Emerging Managers Meetings from 2019 – June 30, 2021

2019

Date of Meeting	Fund Name	Representative
January 10, 2019	Broadview Real Estate Partners	Larry Ellman & Jason Grossman
January 10, 2019	Gore Range Capital	Ethan Rigel, Humerto Antunes, Debra Draughn
January 17, 2019	DEFY	Neil Sequiera
January 28, 2019	CrossCut Ventures	Clinton Foy
February 5, 2019	Mill Point Capital	Michael Duran
February 20, 2019	Arsenal	Orlando Mendoza
February 21, 2019	Morpheus	Howard Ko
March 7, 2019	Brasa Real Estate Fund, LP	Erik Samek
March 7, 2019	New Beacon Partners	Luis Quintero
March 7, 2019	Valor Capital	Juan Sabater
April 19, 2019	Structural Capital	Kai Tse
April 24, 2019	Defy Partners	Neil Sequeira
May 20, 2019	DCIF	Tom Soto
May 24, 2019	Pipeline Venture Partners	Frank Stonebanks, Eric Hoffman, Scott Cannizzaro
June 5, 2019	American Triple I Partners	John Paul Cisneros
June 7, 2019	P4G	Rachel Lehman
June 7, 2019	Ulu Ventures	Miriam Rivera
July 18, 2019	Sango Capital	Vincent Williams, Richard
July 25, 2019	Leap Capital	Roman
July 25, 2019	Newfoundland Capital	Daniel Simon
August 1, 2019	SDS Group	Kip Hamilton
August 5, 2019	Lisanti Capital Growth	Mary Lisanti
August 5, 2019	MB Global	Maria Boyazny
August 6, 2019	Legato Capital Management	Victor Hymes, Diana Tamhankar
August 7, 2019	Bernzott Capital Advisors	Thomas Derse, Scott Larson, Ryan Ross
August 29, 2019	Energy Power Partners	Henry Park, Dan Walsh
August 30, 2019	Mtech	Brian McLoughlin, Kathryn Cicoletti
September 4, 2019	MB Global	Maria Boyazny
September 13, 2019	Bernzott Management	Scott Larson
September 19, 2019	Gore Range Capital	Ellen Yang, EthanRigel, Frederick Beddingfield
September 19, 2019	MC Digital Assets	Anthony Pompliano
October 18, 2019	Estancia Capital	Mike Mendez
October 18, 2019	TorreyCove	Jeff Goldberger
October 18, 2019	TruCost (SPG Global)	Matt Morrissy
October 30, 2019	Applied Research Investment Group	Amira Strasser
November 12, 2019	NEPC	Carolyn Smith
November 18, 2019	Capital Fund Management International	Gaurang Shah

Date of Meeting	Fund Name	Representative
November 19, 2019	Trinity Alps	Raj Venkatesan, Kathleen Dunlap
November 21, 2019	NEPC	Stephanie Lyons
November 22, 2019	Niles Capital	Mel Lindsey
December 3, 2019	Candriam	Shane C. McMahon
December 11, 2019	Northern Trust	Gary Guibert, Anton
December 12, 2019	Cardinal Health Partners (CHP)	John Park, John Clarke
December 16, 2019	Mizzen Capital	Marilyn Adler, Elizabeth Karter
December 16, 2019	Vicente Capital	Joseph Ferguson
December 17, 2019	New Heritage	Bobby Farina
December 18, 2019	Aves Capital	Zachary Nemes

2020

Date of Meeting	Fund Name	Representative
January 8, 2020	Worth Ventures	David Wertentheil
January 9, 2020	TZP	Dan Gaspar
January 22, 2020	Crawford Financial	Mark Crawford
January 24, 2020	1315 Capital	Adele Oliva
February 10, 2020	GP Bullhound	Joy Abiola
February 12, 2020	AimTop Ventures	Victor Wang
February 27, 2020	Builders VC	Jim Kim
February 28, 2020	Dundee Ventures	Jessica Straus, David Mann
March 5, 2020	Barings	Mina Pacheco Nazemi
March 10, 2020	Defy Venture Capital	
March 13, 2020	Unison Advisors	Nir Kaissar
April 2, 2020	Mill Point	Jiaeh Kim
April 29, 2020	Ulu Ventures	Miriam Rivera, Clint Korver
May 13, 2020	Barings Private Equity	Max Rodriguez
May 15, 2020	MB Global	Maria Boyazny
May 19, 2020	Reach Capital	Wayee Chu
May 22, 2020	Lumos Capital	James Tieng
May 28, 2020	1315 Capital	Adele Oliva
May 29, 2020	Valor Capital	Juan Sabater, Joe Haslip, Daniell Beyer, Ross
June 18, 2020	Mosser Capital	Peter Finley, Jim Farris
June 19, 2020	Graham Allen Partners	Kevin Deeth
June 24, 2020	Mosaic	Trevor Fay
June 25, 2020	Full In Partners	Elodi Dupuy
July 1, 2020	Niles Capital	Mel Lindsey
July 9, 2020	Barings Private Equity	
July 9, 2020	Moonshots	Kelly Perdew , Jennifer Coffey

Date of Meeting	Fund Name	Representative
July 31, 2020	DCIF	Tom Soto
August 5, 2020	Brasa Capital	Alexis Lewis
August 20, 2020	WTBK Investments	William King
August 26, 2020	Patient Capital	Samantha McLemore
August 27, 2020	Applied Research	Amira Strasser, Mark...
September 4, 2020	Ardinall Investment Management	Maria Jelescu Dreyfus
September 16, 2020	Fairview Capital	Lesley Nettles
September 21, 2020	Full In Partners	Elodie Dupuy
September 25, 2020	Basis Investment Group (BIG)	Tammy K. Jones, Anisa Keith, Kunle Shoyombo
September 28, 2020	Nipun Capital	Pooja Malik
September 28, 2020	ULU Ventures	Miriam Rivera
October 2, 2020	Trinity Alps	Kathleen Dunlap, Raj
October 6, 2020	Ariel Investments	Taylor Goodridge
October 6, 2020	Auldbrass Partners	Howard Sanders
October 6, 2020	Kah Capital Management	Donna Sims Wilson
October 6, 2020	Wilshire Lane Partners	Adam Demuyakor
October 9, 2020	TIDE	Ken Macray (TIDE)
October 14, 2020	Mill Point Capital	Jiaeh Kim
October 15, 2020	Angeles Equity Partners	Tim Meyer
October 16, 2020	CenterLane	Upacala Mapatuna, Veronica Rodriguez
October 19, 2020	Elion Partners	Kaylee Correa
October 21, 2020	Apeira Capital Advisors	Natalie Hwang
October 23, 2020	Avance	David Perez
October 23, 2020	Cloverlay	Chris Rodzewicz, Jeff Collins
October 28, 2020	Excel Group	Shoham Amin
October 30, 2020	Valor Equity Partners	Juan Sabater, Joe Haslip, Daniell Beyer, Ross Fumagalli
November 2, 2020	RESSCO	David Geske
November 2, 2020	Ulu Ventures	Clint Korver
November 6, 2020	Ativo	Kelly O'Malley
November 12, 2020	Graham Allen Partners	Tracy Graham, Kevin Deeth
November 12, 2020	Wavecrest Growth	Deepak Sindwani
November 17, 2020	Mill Point Capital	Jiaeh Kim
November 20, 2020	Full In Partners	Elodie Dupuy
November 24, 2020	Artemis Fund	Stephanie Campbell
December 2, 2020	Barings	Mina Nazemi, Liz Weindruch, Greg Long
December 4, 2020	Fairview Capital	Cynthia Tseng, Akaar Vachanni
December 4, 2020	Graham Allen Partners	Tracy Graham
December 4, 2020	PGIM Real Estate Impact Fund	Lisa Davis, Suzanne West
December 7, 2020	Graham Allen Partners	Tracy Graham
December 9, 2020	1315 Capital	Adele Oliva, Michael Kobay
December 10, 2020	Reven Capital	Chad Carpenter
December 15, 2020	Metix Global	Machel Allen, Patricia Hunter

Date of Meeting	Fund Name	Representative
December 16, 2020	Rubicon Partners	Ani Vartanian; Razmig Boladian
December 29, 2020	Sidoxia Capital	Dan Sherman

2021

Date of Meeting	Fund Name	Representative
January 15, 2021	Mill Point	Jiaeh Kim
January 19, 2021	Hudson Cove	Constance Sng
January 27, 2021	Graham Allen Partners	Tracy Graham, Kevin Deeth
February 2, 2021	Full In Partners	Elodie Dupuy
February 3, 2021	Hanaco VC	Lior Prosor
February 8, 2021	Fusion Fund	Homan Yuen; Wei Huang; Lu Zhang
February 12, 2021	Elion Partners	Lindsey Sugar
February 26, 2021	ARI Global	Amira Strasser, Mark Lin
March 2, 2021	Franklin Hill Capital	Scott Aldworth, Jeffrey Kolke, Patrick Hartman
March 5, 2021	GPI	Philip Lo
March 18, 2021	Auldbrass Partners	Maude Delice
March 19, 2021	Supply Change Fund	Noramay Cadena
March 31, 2021	BayMed Venture Partners	Neil Meyer
March 31, 2021	Frontiers Fund	Rupam Shrivastava
March 31, 2021	Metabridge Capital	Cornelius Makari
March 31, 2021	Trident	Eric Taylor
April 7, 2021	CircleUp	Delal Ali
April 14, 2021	Broadview	
April 14, 2021	Mill Point	John Durant
April 15, 2021	Gatewood Capital	Michelle Jacobi
April 19, 2021	Hanaco	Lior Prosor
April 23, 2021	Private	Rob Li
April 29, 2021	Motive Partners	Bob Brown
April 29, 2021	Pollen Street	Lindsey McMurray; Matthew Potter
May 6, 2021	Zeal VC	Nasir Qadree
May 7, 2021	Hamilton Robinson Capital Partners	Jim Parmelee
May 13, 2021	Leeds Illuminate	Susan Cates
May 18, 2021	Biospring Partners	Michelle Dipp
May 21, 2021	Ankona Ventures	Brian Mesic
May 27, 2021	1315 Capital	Adele Oliva
May 28, 2021	Leeds Illuminate	Susan Cates, Elizabeth Chou, Stephanie Nieman
June 1, 2021	Agent Capital	Geeta Vemuri
June 3, 2021	New Empire Corporation	Anthony Santiago
June 4, 2021	Mavik Capital	Johnathan Glick

Date of Meeting	Fund Name	Representative
June 10, 2021	CAI Capital Partners	Tracey McVicar
June 10, 2021	GPI	Philip Lo
June 14, 2021	3L Capital	Masha Zeinali
June 18, 2021	Avestria	Linda, Tracy
June 18, 2021	VPC LLC	Vijoy Chattergy
June 23, 2021	Blue Vista	Steve Chase
June 28, 2021	Cleo Capital	Sarah Kunst

List of Current Emerging Managers

Public Markets Managers
Oberweis Asset Management, Inc.
EAM Investors LLC
Granahan Investment Management, Inc.

Private Real Estate Emerging Fund Managers
Gerrity Retail Fund 2, LP
Asana Partners Fund I, LP
Broadview Real Estate Partners Fund, LP

Private Equity Emerging Fund Managers
High Road Capital Partners Fund II, LP
Blue Sea Capital Fund I, LP
Oak HC/FT Partners, LP
1315 Capital, LP
New Water Capital Partners, LP
Angeles Equity Partners I, LP
CenterGate Capital Partners I, LP
Sunstone Partners I, LP
Defy Partners I, LP
NMS Fund III, LP
Oak HC/FT Partners II, LP
Astra Partners I, LP
Mill Point Capital Partners, LP
1315 Capital Fund II, LP
DEFY Partners II, LP
P4G Capital Partners I, LP
Sunstone Partners II, LP
OceanSound Partners Fund, LP
Builders VC Fund II, LP
ULU Ventures Fund III, L.P.
Mill Point Capital Partners II, L.P.