

STATEMENT OF WORK

Contractor will provide blended election systems to include Paper Ballot, Interactive Voice Response (telephone voting) and ~~Internet Voting~~. This shall include provision of all labor, material, supplies and equipment necessary to assist CalPERS with conducting the Board of Administration election and possible runoff election in accordance with the terms, conditions, applicable specifications and timeframes as directed by CalPERS. Any voting system must be pre-approved by CalPERS and shall include an Elections Barcode System.

The services performed are extremely sensitive involving confidential member information. Assurance of the integrity, confidentiality, and security of member information is fundamental throughout the election process.

Services are to meet the Board-approved election schedule that will be made available during the February Board meeting prior to the beginning of each election and the day-to-day impending deadlines. It is critical that the elections are completed on schedule so the elected Board members can take office January 16th of the year following the election.

A. Election Services

1. Notice of Election:

The Contractor will print on 30% post-consumer recycled paper and distribute the Notice of Election to all retired members. See Exhibit 1, Notice of Election Sample, for reference.

The Retired Member Election will have approximately 600,000, double side, 8-1/2" X 14" Notice of Elections mailed to Retired Members.

In addition, 50 copies of the Notice of Election shall be sent to the CalPERS Election Coordinator.

2. Election Ballot Package Specifications:

- a. Contractor shall provide the design, layout, and printing of the Ballot Package and will contain introductory material, voting instructions, candidates biographies and statements for up to one page per candidate, a return envelope, and the ballot described in Subsection (b). The number of pages in the ballot package is subject to the above number of qualified candidates in the election. Contractor's design and layout sample is subject to CalPERS' approval. See Exhibit 2, Ballot Package Sample.
- b. Contractor shall provide the design, layout, and printing of mail ballots. The Contractor's design and layout sample is subject to CalPERS' approval. Punch-hole ballots will not be accepted. The ballots must be counted by an automated system. The ballot shall have perforations capable of easy removal from the Ballot Package
- c. Contractor shall design, print, and provide a return envelope. See Exhibit 3, Ballot Envelope Sample. The return envelope shall contain a

½" wide strip of rewettable glue on the envelope flap area. This glue will be moistened by the voter to seal the return envelope.

- d. Outgoing envelopes shall contain the ballot packages mailed to eligible voters and possible runoff ballot packages mailed to eligible voters. The quantities will vary with each election. Specifications for the envelope are subject to change.

Paper:	#60 white smooth offset
Envelope Size:	10" X 6"
Ink Colors:	CalPERS Blue
Copy:	Camera ready copy is in, Exhibit 3, Ballot Envelope Sample

- e. Materials shall be printed on 30% post-consumer recycled paper when possible.

3. Mailing Services:

Contractor will provide mailing services and packaging materials for the Notice of Election and Ballot Package, including provision of such services and materials for any runoff election:

- a. Contractor will mail the Notice of Election to the retired members in the month of March.
- b. Contractor will image the voter mailing address, control number and barcode on the front of the Ballot Package envelope for the mailing to voters for the primary election, and if necessary, the related runoff election.
- c. Contractor will seal the outgoing ballot envelopes, use the lowest possible postal rate, and mail to voters on the first mailing date for the applicable primary election and for any necessary runoff election.
- d. Contractor will ensure all mailings take place according to the Project Schedule agreed upon by Contractor and CalPERS prior to the commencement of each election.

4. Voter Tracking System:

The Contractor will develop a voter tracking system that will provide a barcode scanning system for return ballots and Personal Identification Numbers (PIN) for online and telephone ballots for tracking and control purposes. All bar code and PIN numbers must be randomly generated and must not reflect any personal data or CalPERS Identification Numbers (ID) and must not be on the ballot.

5. Paper Ballot Voting:

The Contractor will process ballot return envelopes and ballots for the primary election and for a runoff (if necessary).

The Contractor will be required to perform the following activities:

- a. Receive and organize ballot return envelopes that are returned as undeliverable and all non-perjury statement envelopes.
- b. Establish controls to ensure that only one vote per member for each board seat is counted. The first vote tabulated is the vote to be counted.
- c. Scan the unique barcode on each ballot return envelope into the ballot control system. If the system determines a member has voted twice, the first vote tabulated will be the one counted.
- d. Scan undeliverable mail into the voter tracking system.
- e. Ensure organization of ballot return envelopes. Securely store all received envelopes through the ballot return deadline for the primary election and, if necessary, through the runoff election. Election materials will be stored temporarily at the Contractor's off-site facility during the election cycle and shipped to CalPERS within 30 days after the conclusion of the primary election, and the runoff election (if necessary).
- f. Ballot envelopes may be scanned but not opened as Contractor receives them. Ballots envelopes will be opened only after the voting period closes in accordance with the Notice of Election
- g. Package paper ballots and provide an inventory list for election material at the conclusion of each election.

6. Interactive Voice Response: (Telephone Voting)

- a. The Contractor will provide an option to vote by telephone for the primary election and later for a runoff election (if necessary). Contractor will provide an option to vote by Interactive Voice Response (telephone voting) that has 99% uptime and is available 24 hours a day, seven days a week to eligible voting members.
- b. Contractor will establish controls to assure that each voter may only cast one eligible vote for the Retired Member Board seat. The first vote tabulated is the vote to be counted.
- c. All voice mail scripts shall be pre-approved by CalPERS.

7. Internet Voting:

Contractor will process votes submitted online for the primary election and later for a runoff election (if necessary).

- a. Contractor shall provide:
 - i. A secure website

- ii. Custom programming and an Uniform Resource Identifier (URL) link for CalPERS Board elections
 - iii. 99% up-time available 24 hours a day, seven days a week
 - iv. A dedicated server and fulltime staff for hardware, software, and support devices.
 - b. CalPERS will approve the website text and application prior to going live.
 - c. Contractor will establish controls to ensure that only one eligible vote for each board seat is counted. The first vote received is the vote to be counted.
- 8. **Customer Service Toll-Free Line:**
 - a. Contractor will provide a toll-free number with voice response access that has 99% uptime and is available 24 hours a day, seven days a week to eligible voting members. Contractor will provide a PIN to all voting members to enable them to accomplish the following:
 - i. Receive general election information
 - ii. Request a duplicate ballot package
 - b. Contractor will provide customer service representatives to answer questions regarding the voting methods or to request replacement ballots Monday through Friday between 8:00 a.m. and 5:00 p.m. Pacific Standard Time (PST), excluding State Holidays. Contractor will provide adequate incoming lines to achieve CalPERS' goal of an average queue of less than three (3) minutes.
- 9. **Tally the Votes:**
 - a. Contractor will tally votes from eligible voting members according to the rules specified in the voting instructions within the Ballot Package and as agreed upon by Contractor and CalPERS. The mail ballots must be counted by an automated system.
 - b. Contractor will review and process damaged paper ballots in situations where the voter's intention is clear, but the ballot is not suitable for the automated system.
 - c. Contractor will ensure that vote tally takes place according to the Key Board Election Dates in the Notice of Election.
 - d. Contractor will provide CalPERS with the report representing the final vote tally by 4:00 p.m. PST within five (5) working days of the last day of voting.

10. Public Viewing of the Ballot Processing and Tabulation:

Person(s) from the public must be given the opportunity to observe the ballot processing and vote tabulation. The public shall not be allowed in the ballot processing area and must be kept a minimum distance of 10 feet away from all voting equipment and materials. Public viewing will be made available from the date of voting deadline through the completion of tabulation during normal business hours, Monday-Friday, 8:00 a.m. until 5:00 p.m. PST.

11. Runoff Election:

In the event of a runoff election, Contractor must print and mail a ballot package containing the Candidate Statement and Addenda for the candidates that received the most votes. Contractor will provide voters the same voting options and services provided for the primary election, except for the printing and distribution of the Notice of Election.

12. Recount:

In the event of a request for a recount or protest of an election, Contractor will:

- Have the ability to account for paper, telephone, and online votes.
- Have the ability to track how each voter submitted their vote.
- Have the ability to identify for which candidate each valid vote was cast without identifying the voter to maintain secrecy.

13. Reports:

Contractor will provide the following reports electronically to CalPERS staff for the election results, for each election:

- Weekly updates on the number of votes received during the voting period for each election;
- Election results for each election broken down by voting method including:
 - total eligible voters
 - total valid votes received
 - total valid votes received for each candidate
 - percent of valid votes cast for each candidate
- Top 20 cities with the highest voter turnout
- Voter breakdown by age and which voting method used
- Voter breakdown by gender and which voting method used
- Total invalid ballots (blank and over votes)
- Total invalid envelopes (no signature or valid perjury statement)
- Total invalid late envelopes received after the deadline
- Total miscellaneous invalid ballots

14. Contract Coordinator

Contractor will provide a Contract Coordinator as the point of contact for Board election staff during business hours, Monday-Friday, 8:00 a.m. until 5:00 p.m., PST. The Contract Coordinator is responsible for all communications with CalPERS election staff and keeping the Board election project on schedule by adhering to the day to day election deadlines. The Contract Coordinator is subject to CalPERS approval. In the event the Contract Coordinator separates from Contractor, CalPERS reserves the right to approve the successor.

B. Transfer of Employer and Voter Data:

The Contractor will provide programming and maintenance for the voter and employer address files including provisions for a runoff election. This will include the following services:

1. Work with CalPERS to develop a voter address file.
2. Process voter address file through a certified software program to standardize addresses, and add or correct the zip code + four and barcode.
3. Develop a list of undeliverable addresses from the standardization process.
4. Assign a ballot package control number to each voter record which will be used to identify each ballot and runoff ballot returned by voters of the Retired elections.
5. Load voter data into the barcode software program including the standardized addresses and the control number.
6. Receive data from barcode system which will identify ballots and runoff ballots that have been returned and "not delivered" by the United States Postal Service.
7. Convert data into a format compatible with the barcode system.
8. Contractor shall submit a test file of the voter data received from CalPERS in order for CalPERS staff to validate the voter information provided is the same as the data in the CalPERS system.
9. Contractor shall comply with the CalPERS Middleware Requirements defined in Exhibit 4.
10. Contractor shall complete a Sending Electronic Information Agreement and a Receiving Electronic Information Agreement which will be provided by CalPERS in Attachment.

C. Storage and Shipment of Election Material

Election materials will be securely stored temporarily at the Contractor's off-site facility during the election and shipped to the State Records Center at 3240 Industrial Blvd.,

West Sacramento, CA 95691, within 30 days after the conclusion of the primary election, and the runoff election (if necessary).

D. Business Continuity Plan

During the term of the Contract, Contractor will maintain a Business Continuity Plan (BCP) documenting disaster recovery and business resumption strategies. The BCP will provide emergency preparedness strategies, manual downtime procedures, and recovery logistics and strategies for all critical business pertaining to the CalPERS Board of Administration elections. At the request of CalPERS, Contractor will make their BCP, or relevant subset thereof, available for review by CalPERS staff. Contractor must provide separately, and maintain separately, the confidential emergency contact information for the key external manager and his/her alternate.

E. Knowledge Transfer

CalPERS may require Contractor to transfer knowledge to CalPERS staff through collaborative documentation by preparing and providing: best practices, ballot security, information on public and private elections, reports, one-on-one training and lessons learned during a project.

Fee Schedule

Retired Member – Primary Election

Product and/or Service Description	Amount	Sales Tax (paper only)	Total
A. Printing, imaging, folding, inserting and mailing Notices of Elections to retired members' home addresses (estimated quantity 550,000).	\$97,742	9.5%	\$101,553
B. Printing, imaging, folding, inserting and mailing the Candidate Statement Booklet and ballot to eligible, including barcode, voters (estimated quantity 550,000).*	\$255,681	9.5%	\$279,971
C. Printing, imaging, folding, inserting, and mailing replacement ballot packages to eligible voters (estimated quantity 2,000).*	\$2,000	9.5%	\$2,190
D. Provide and print business reply envelopes.*	\$82,448	9.5%	\$90,280.56
E. Ballot package/barcode test imaging run for 1,000 member addresses.*	\$6,400	9.5%	\$7,008
F. Implement a Customer Service Toll-Free Line.*	\$10,000		\$10,000
G. Implement a Telephone Voting System.*	Included		Included
H. Implement an Internet Voting System.*	\$299,900		\$299,900
I. Recount Services.*	\$27,500		\$27,500
J. Barcode system programming, consultation and modification throughout the contract period.*	\$37,500		\$37,500
Retired Member - Primary Election			\$855,902.56

***Fees not be paid if no election is held (uncontested election)**

Retired Member – Runoff Election	
Runoff costs will not be included in this contract. If a Runoff election is required, a contract amendment will be completed and will follow the Runoff Election fees listed in the Fee Proposal.	\$666,484

Key Persons and Resumes

Darren Loken

Darren has a proven record of profitability and growth achieved by aggressively and more efficiently managing companies as well as restructuring under-performing business units in the printing industry. He has served successfully as General Manager, Chief Operating Officer and President/CEO in both small companies and in divisions of larger corporations. As a results oriented leader, he has demonstrated abilities in planning, business development, team building and producing bottom line results. His style is founded on hard work, integrity and a commitment to do "the right thing." K&H welcomed Darren in 2014 to help with growth and product line and vertical market diversification.

Dave Haines, Senior Vice President & Chief Technology Officer

Dave has a keen understanding of the technological changes that are shaping the industry and the evolution necessary for K&H Clients to take advantage of those changes. He began his tenure with K&H in sales and progressed into management before strengthening his expertise in data management, systems networking and technology development. Dave is a 1978 graduate of Western Washington University with a Bachelor of Arts degree in Graphic Arts and has been employed with K&H since 1979.

Ken Haines, Information Service & Technology Manager

Ken Haines manages IT and Software Development and has overseen the development of many of the systems and processes that K&H and uses to ensure perfect production while simultaneously giving the customer visibility into the production process. Ken has vast experience in automation of data processing, integrating software with production equipment and building data reconciliation systems. Ken graduated in 2005 with a Bachelor of Arts in Management Information Systems at Washington State University and also joined K&H later the same year.

Carol Jones, Supervisor and Elections Manager

Carol spent 11 years as a business owner and accounting manager, and seven years in the accounting department of a printing company before joining K&H in 2007. Carol graduated from Western Washington University with a Bachelor of Arts degree in Business Administration and a concentration in finance. Carol enjoys traveling, cooking, time with friends and mostly



CalPERS Contract-Related Disclosure Form

*(To be used if Contractor is not required to file a
Placement Agent Information Disclosure Form (2 CCR § 559))*

This form is to be used for all Contract-Related Disclosures, including Proposals.
Please refer to title 2 California Code Regulations section 559.1 (b)(1) through (b)(3), prior to
completing this form.

a. Solicitation or Contract Number:

2018-8580

b. Proposer or Contractor Name:

K&H PRINTERS-LITHOGRAPHERS, INC. DBA INTEGRITY VOTING SYSTEMS

c. Name of Individual Authorized to bind the Proposer or Contractor:

DARREN L. LOKEN

d. Contact Person (if different than above):

e. E-mail Address:

DLOKEN@KHPRINT.COM

f. Phone No:

425-446-3325

g. Name of CalPERS Contact (if applicable):

Kim MALM

Have you, your firm or your firm's principals, employees, agents, or affiliates compensated or agreed to compensate, directly or indirectly, any Agent as defined in section 559.1(a)(1) (whether or not employed by you) or any entity to act as Agent in connection with this Solicitation or Contract? (§559.1 (b)(1))

Yes. No.

If you checked Yes, please respond to questions 1 through 5 below, and sign and date the Form on the final page.

If you checked No, please respond to question 5 below, and sign and date this Form on the final page.

1. Please list the names and relationships for each Agent in connection with the CalPERS Solicitation or Contract, including a description of the relationship with the Proposer or Contractor. (Add an additional page if necessary.) Please check the box to the left if the Agent is a current or former CalPERS Board Member, Staff Member, consultant, or has a Familial Relationship with any such individual.

	Name	Relationship
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

2. Please attach a copy of all contracts, agreements, or other documents memorializing the relationship between the Proposer or Contractor and the Agent. When an *entity* is retained as an Agent, please also include the requested information for any officer, director, or employee actively providing Agent services with regard to CalPERS or receiving more than 15% of the Agent fees.
3. Provide a description of any financial or Familial Relationship(s) between the Agent and a Board Member or Staff Member, including the names of the Board Member(s) and/or Staff Members:

4. Describe any Things of Value given or offered by the Agent to a Board Member or Staff Member during the twelve (12) months preceding the date the Contract-Related Disclosure Form is due.

5. Describe any Things of Value given or offered by the Proposer or Contractor to a Board Member or Staff Member during the twelve (12) months preceding the date the Contract-Related Disclosure Form is due.

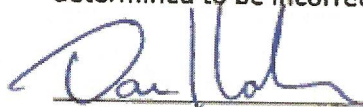
NONE

By executing this form the undersigned represents and warrants the information set forth herein is true and correct. The undersigned agrees to update this information within 14 calendar days of the date Proposer or Contractor knows or reasonably should have known of any defect or changes to this information.

The Contract-Related Disclosure Form and attachments shall be a public record subject to disclosure under the California Public Records Act. No confidentiality restrictions shall be placed on information submitted by the Proposer or Contractor.

The undersigned represents and agrees it shall make a representation and warranty as to the continuing accuracy of this information in any final written agreement between it and CalPERS.

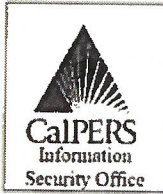
I, the official named below, acknowledge and declare I have read and understand CCR section 559.1, and that the above-named firm has provided information required by section 559.1 and this Form. I am duly authorized to make this declaration on behalf of the above-named firm, and declare the foregoing is true and correct as of the date of execution of this document. I further acknowledge my firm's responsibility to provide updates in the event this information is determined to be incorrect or has changed.



Authorized Signature

DARREN LOKEN, PRESIDENT
Name and Title

3/8/19
Date



CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement is made effective as of 3/8/19 (date), by and between the California Public Employees' Retirement System ("CalPERS"), with its principal place of business at Lincoln Plaza, 400 "Q" Street, Sacramento, CA. 95811, and IVS/K&H ("Contractor") with its principal place of business at 7720 HARDESON ROAD, STE. A
EVERETT, WA 98203

(Known collectively as the "Parties").

1. Purpose. Contractor has agreed to receive information from CalPERS in the manner detailed in 2018-8580 (Contract or Statement of Work No.). To the extent that Contractor requires or is permitted access to CalPERS' CSI or CI (each as defined in Sections 2 and 3 below, respectively) to perform the services set forth in the above referenced contract or statement of work, such access will be granted subject to the conditions set forth below.
2. Critical System Information (CSI) means any information, technical data or know-how, including, but not limited to, that which is proprietary, or relates to systems, research, products, software, services, developments, inventions, processes, specifications, designs, drawings, diagrams, discoveries, engineering, marketing techniques and plans, documentation, customer information and names, intellectual property, market research, pricing information and policies, price lists, procedures, data, concepts, financial information and employee information disclosed by CalPERS in demonstrative, written, electronic, graphic or machine readable form, labeled as critical system information or which one would reasonably understand is CSI, or if given orally, is confirmed by CalPERS in writing within five (5) working days as having been disclosed as CSI or which one would reasonably understand is CSI.
3. Confidential Information (CI) means information that is exempt from disclosure under the provisions of the Government Code section 20230, the California Public Records Act (Government Code sections 6250-6265), the Information Practices Act (Civil Code sections 1798-1798.78), or other applicable State or Federal Laws. All computerized files and related documents containing personal information, which could be linked to an individual, are considered "Confidential". For the purpose of this Agreement, personal information includes, but is not limited to: the name, social security number, physical description, home address, home telephone number, education, finances, employment or medical history of all current and former employees or members of CalPERS, and their respective beneficiaries and dependents.

4. Use Limitations. Contractor agrees not to use any CSI or CI of CalPERS disclosed pursuant to this Agreement for its own use or for any purpose, except as set forth in Section 1, and except as otherwise required by law. Contractor further agrees not to copy, alter, modify, disassemble, reverse engineer or recompile any item of the CSI or CI unless permitted in writing by CalPERS. CalPERS will use reasonable efforts to disclose only information that Contractor requires to accomplish the purposes described in Section 1. Solely with respect to this Section 4, in the event of any conflict between the specific exemptions or limitations stated in the underlying contract or statement of work with respect to Contractor's use of CSI or CI of CalPERS and this Section 4, the underlying contract or statement of work will supersede this Section 4 of the Agreement.
5. Non-Disclosure. Contractor agrees not to disclose CSI or CI to any third parties or to any of its employees except employees, or contractors who have signed non-disclosure agreements with terms equivalent to, or stricter than, the terms of this Agreement, who have a need to know CSI or CI for the purposes described in Section 1. Contractor further agrees that it shall, at a minimum, use the same degree of care to protect the confidentiality of the CSI or CI disclosed under this Agreement that it uses to protect its own CSI or CI. Contractor shall take all reasonable and necessary steps to prevent unauthorized disclosure of CSI or CI. Contractor agrees to promptly advise CalPERS in writing of any misappropriation or misuse by any person of any CSI or CI disclosed under this Agreement of which it becomes aware.
6. Return or Destruction of Materials. Any materials, documents, CSI or CI furnished by CalPERS, and all copies thereof, will be returned by Contractor promptly following the earlier of (a) the termination of this Agreement, (b) receipt of a written request from CalPERS to return or destroy such information, or (c) the termination of the business relationship between the Parties. If both Parties agree that return or destruction of the materials, documents, CSI or CI is not feasible, Contractor will continue to extend the protections of this Agreement to all CSI and/or CI in its possession and will limit further use of that information to those purposes that make the return or destruction of the information not feasible.
7. No License. No license is granted to Contractor under any patents, copyrights, mask work rights or other proprietary rights by the disclosure of any information hereunder, nor is any warranty made as to such information.
8. Injunctive Relief. Contractor understands and agrees that, because of the unique nature of CSI or CI, CalPERS will suffer immediate, irreparable harm in the event Contractor fails to comply with any of its obligations under this Agreement, that monetary damages will be inadequate to compensate CalPERS for such breach and that CalPERS shall have the right to enforce this Agreement by injunctive or other equitable remedies.
9. Attorneys' Fees; Jurisdiction. In the event of any litigation between the Parties, the prevailing Party shall be entitled to reasonable attorneys' fees and all costs of proceedings incurred in enforcing this Agreement. The Parties agree that California is both the place of making and the place of performance of this Agreement and both Parties consent to jurisdiction in the State of California.
10. Term. This Agreement shall become effective as of the date written above and shall apply to CSI or CI disclosed to or received by Contractor prior to any termination of this

Agreement and any CSI or CI disclosed to or received by Contractor prior to the date of this Agreement. This Agreement may be terminated by mutual agreement of the Parties in writing. Contractor's obligations under this Agreement with respect to any CSI or CI shall only terminate when Contractor can satisfactorily document to CalPERS in CalPERS' sole and absolute discretion that: (a) it was in the public domain at the time it was communicated to Contractor by CalPERS; (b) it entered the public domain subsequent to the time it was communicated to Contractor by CalPERS through no fault of Contractor; (c) it was in Contractor's possession free of any obligation of confidence at the time it was communicated to Contractor by CalPERS; (d) it was rightfully communicated to Contractor free of any obligation of confidence subsequent to the time it was communicated to Contractor by CalPERS; or (e) the communication was in response to a valid order by a court or other governmental body, was otherwise required by law, or was necessary to establish the rights of either Party under this Agreement, provided however, that with respect to this subpart (e), the Parties will endeavor to produce any CSI or CI pursuant to the protections of a protective order or provide such information to a court under seal.

11. General. This Agreement sets forth the entire understanding and agreement of the Parties with respect to the subject matter hereof and supersedes all other oral or written representations and understandings. The information, interpretation and performance of this Agreement shall be governed by the laws of the State of California, excluding its conflict of law rules. This Agreement may be amended or modified only in writing signed by the Parties. This Agreement may be executed in counterparts that together shall constitute one original. This Agreement shall not be construed as a teaming agreement, joint venture or other business relationship. This Agreement shall be binding upon the successors and assigns of both Parties.

The undersigned represent and warrant that they have the authority to enter into this Agreement on behalf of the person, entity or corporation listed above their name.

CalPERS Information – completed by management	Date: 3/12/19
CalPERS Representative: <i>Kimberly A Malm</i>	Phone: 916-795-3703
Representative Signature: <i>Kimberly A Malm</i>	
Division: OSSD	
Address: 400 Q Street	
Sacramento, CA 95811	

Contractor Information – completed by representative authorized to bind Contractor	Date: 3/8/19	
Representative's Name and Title: DARREN L. LOKEN	Phone: 425-446-3325	
Representative Signature: <i>Darren Loken</i>		
Company Address: 7720 HARDESON ROAD STE A		
City: EVERETT	State: WA	Zip: 98203
Representative's Email Address: DLOKEN@KHPRWT.COM		

CalPERS GIFT POLICY (Revised 05/12)

1. Background

The receipt of gifts by CalPERS staff may be perceived as creating a potential conflict with the interests CalPERS is committed to place above all others - the interests of our members. Even in limited circumstances when applicable laws and policies permit the acceptance of gifts, our members and the public may perceive such gifts as creating a conflict of interest or an attempt to influence or reward official government actions and decisions.

2. CalPERS Policy

CalPERS Form 700 Filers shall not accept gifts with an aggregate value in excess of \$50 during a calendar year from one source that is any of the following:

- (1) Any person or entity:
 - a. doing business with CalPERS;
 - b. seeking to do business with CalPERS; or
 - c. that is the type of entity that does business with CalPERS (e.g., any law firm, any health services provider, or any information technology company, even if the entity is not currently doing or seeking to do business with CalPERS); or
- (2) A finder, solicitor, marketer, consultant, broker, placement agent or other intermediary of such an entity.

A source does not include any of the following:

- (1) A trade association or entity organized and operated for charitable, scientific, educational, philanthropic, social welfare, employee association or similar purposes (e.g., Council of Institutional Investors, National Association of Public Pension Attorneys, Stanford Institutional Investors Forum, Pacific Pension Institute, CERES, International Corporate Governance Network, etc.), if the only business that CalPERS conducts with the entity is the payment of membership dues or fees to them;
- (2) An advisory committee of a governmental agency of which CalPERS is a member; or
- (3) An entity that issues publicly-traded securities, provided that the only business that CalPERS does with the company is the purchase, holding, or sale of such a security.

The term "doing business" means a contractual or other transactional relationship between any person or entity and CalPERS.

The term "gift" has the same meaning as the term is defined in Government Code Section 82028 and as interpreted by regulations and opinions issued by the Fair Political Practices Commission. (See, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, dated March 2012. Staff are counseled to refer to the most current version of this publication, which is available at www.fppc.ca.gov.

This policy does not replace or supersede the provisions and requirements of the Political Reform Act or regulations promulgated thereunder. Staff remain subject to the annual gift limit under Government Code section 89503, and the requirement to report gifts of \$50 or more and multiple gifts totaling \$50 or more from a single source.

3. Resources

Government Code Section 82028

Fair Political Practices Commission – Gift FAQs

Gifts: Frequently Asked Questions

4. Effective Date

This Gift Policy is effective June 1, 2012.

Notice of Election Sample

Priya Mathur, President
Rob Feckner, Vice President

Margaret Brown
John Chiang
Richard Coetigan
Richard Gillman
Dana Hollinger
Henry Jones
David Miller
Ramon Rubalcava
Bill Slaton
Theresa Taylor
Betty T. Yee



BOARD OF ADMINISTRATION
California Public Employees'
Retirement System

2018 Public Agency Member Election
NOTICE OF ELECTION
March 28, 2018

BOARD ELECTION OFFICE

OFFICE ADDRESS:
Lincoln Plaza
400 Q Street, Room W2580
Sacramento, CA 95811

MAILING ADDRESS:
P.O. Box 942702
Sacramento, CA 94229-2702

(916) 795-3652
(800) 794-2297

www.calpers.ca.gov/boardelection

Eligible active public agency members of the California Public Employees' Retirement System (CalPERS) will have an opportunity to elect the public agency representative seat on the CalPERS Board of Administration currently held by Priya Mathur. The term of office for this position will expire on January 15, 2019. The new term of office will begin January 18, 2019, and run through January 15, 2023. The incumbent, Priya Mathur, has declared her intention to be a candidate for re-election.

PROCESS FOR BECOMING A CANDIDATE

Eligibility Requirements— An active CalPERS public agency member may be nominated if he or she is 18 years of age or older, employed by a CalPERS covered public agency, and a California resident.

Nomination Requirements— The required information must be received by the Elections Coordinator at the above CalPERS office or mailing address no later than 5:00 p.m. on May 17, 2018, to be considered a candidate in this election. All forms may be requested through the Board Election Office, and on the CalPERS Board Election website. Required information includes:

Nomination Petition form endorsed by at least 250 active CalPERS public agency members who meet the Eligibility Requirements set forth above. All Nomination Petitions must contain original signatures (no photocopied, faxed, or otherwise reproduced petitions).

Nomination Petition Requirements— Information will be used to determine eligibility:

- | | |
|--|---|
| 1. Nominee Information: | 2. Member Information: |
| • Full Name | • Full name |
| • Last four digits of the Social Security number | • Last four digits of the Social Security number |
| • Agency employed by | • Agency employed by |
| • Street address, telephone number, and e-mail | • Original signature of each member endorsing the Nominee |
| • Signature consenting to nomination | |

Nomination Acceptance/Ballot Designation Form— Certifying acceptance of the nomination upon CalPERS determination that the nominee is a qualified candidate, consenting to serve if elected, and specifying a ballot designation, if desired.

Candidate Statement of no more than 300 words. A nominee may submit their candidate statement at the same time as they submit their other nomination documents in person or electronically through the CalPERS Board Election website. The candidate statement must be received no later than 5:00 p.m. on May 17, 2018. Once submitted, candidate statements may not be changed or withdrawn except in accordance with California Code of Regulations, Title 2, Section 554.8, Subdivision (e).

Nomination Period Extension— In accordance with the Public Employees' Retirement Law, Government Code Section 20096.3, the nomination period will be extended for 10 days if an incumbent who declares the intention to run for re-election does not submit their nomination documents on or by 5:00 p.m. on May 17, 2018. Any eligible person other than the incumbent shall have until 5:00 p.m. on May 28, 2018, to file their nomination petition documents. This section is not applicable if there is no incumbent eligible to be elected or if the Notice of Election states that the incumbent does not intend to be a candidate for re-election.

Candidate Statement Addendum— Candidates will be provided the option to submit an addendum of no more than 300 words in addition to their initial candidate statement. The addendum must be received no later than 10 calendar days following distribution of the initial candidate statements to the candidates. Candidates will have the opportunity to video record their candidate statements and addends in August 2018.

Withdrawal of Candidacy— A candidate who decides to withdraw candidacy after submitting their certified Nomination Acceptance/Ballot Designation Form must notify the CalPERS Board Election Coordinator by phone and follow-up in writing. In order to withdraw his/her candidate statement and/or name from the ballot, a candidate must withdraw before the submission of the ballot material for printing.

The Political Reform Act— The Political Reform Act (at Government Code Section 81000 et seq.) requires candidates (as that term is used in the Political Reform Act) for the position of elective CalPERS Board member to file campaign statements of contributions and expenditures with the Secretary of State, among other things. A list of the required forms can be found on the Fair Political Practices Commission (FPPC) filing schedule located on the CalPERS Board Election website. Nominees are strongly encouraged to contact the FPPC for information on their legal obligations under the Political Reform Act.

VOTER ELIGIBILITY

CalPERS public agency members active as of July 1, 2018, are eligible to vote in this election. If a runoff election is needed, CalPERS public agency members active as of October 1, 2018, are eligible to vote in the runoff election.

PRIMARY ELECTION SCHEDULE

DEADLINE	ACTION
March 26, 2018	Notice of Election will be sent to public agency employers electronically for distribution to active public agency members and will be posted on the CalPERS website.
May 17, 2018	Nomination Petition, Nomination Acceptance/Ballot Designation forms and Candidate Statements from eligible active public agency members are due by 5:00 p.m.
June 4, 2018	Deadline for CalPERS receipt of the Candidate Statement Addendum.
June 5, 2018	Random drawing for the order of candidate names to appear on the ballot.
August 31, 2018	Ballots will be mailed directly to eligible voters. Eligible voters will have the opportunity to submit their vote either online, by telephone, or by paper ballot in accordance with the instructions provided in the ballot package.
August 31, 2018 – October 1, 2018	Public viewing of the paper ballot intake process will be allowed Monday – Friday, 8:00 a.m. – 5:00 p.m. at 7720 Hardeson Road, Suite A, Everett, WA 98203.
September 7, 2018	Eligible voters who have not received a ballot by this date should contact the Customer Service Center for a replacement ballot at 1-888-492-4763.
October 1, 2018	Voted ballots must be received by CalPERS on or before this date.
October 2, 2018	Voted ballots will be tabulated beginning at 9:00 a.m. The electronic tabulation process will be held at 4225 Executive Square, La Jolla, CA 92037.

RUNOFF ELECTION SCHEDULE (IF NECESSARY)

DEADLINE	ACTION
October 4, 2018	Random drawing for the order of candidate names to appear on the ballot.
November 9, 2018	Runoff ballots will be mailed directly to eligible voters. Eligible voters will have the opportunity to submit their vote either online, by telephone, or by a paper ballot in accordance with the instructions provided in the ballot package.
November 09 2018 – December 10, 2018	Public viewing of the paper ballot intake process will be allowed Monday – Friday, 8:00 a.m. – 5:00 p.m. at 7720 Hardeson Road, Suite A, Everett, WA 98203.
November 16, 2018	Eligible voters who have not received a ballot by this date should contact the Customer Service Center for a replacement ballot at 1-888-492-4763.
December 10, 2018	Voted runoff ballots must be received by CalPERS on or before this date.
December 11, 2018	Voted ballots will be tabulated beginning at 9:00 a.m. The electronic tabulation process will be held at 4225 Executive Square, La Jolla, CA 92037.

SEATING OF BOARD MEMBER ELECT(S)

DEADLINE	ACTION
January 16, 2019	The newly elected Board Member will be seated on the CalPERS Board of Administration in accordance with the Public Employees' Retirement Law, Government Code Section 20095. The new term of office begins January 16, 2019 and ends January 15, 2023.

For questions, general information, nomination petitions, or CalPERS Board Election regulations, contact the Board Election office at the phone numbers on the reverse side or write to the Board Election office at the mailing address on the reverse side.

Ballot Package Sample

**2018 CalPERS
Board of Administration
Public Agency Member Election**

Candidate Statement Booklet

Voting Deadline October 1, 2018



2018 Public Agency Member Election

CalPERS Board Of Administration

Election for the Public Agency Member position on the CalPERS Board of Administration is being held. As a CalPERS Public Agency member, it is your right and responsibility to vote to elect your representative on the board. A simple majority vote is required to elect a candidate. The term of office for the Public Agency Member position begins January 16, 2019, and ends on January 15, 2023.

About the CalPERS Board of Administration

CalPERS is the largest defined benefit public pension fund in the U.S., with approximately \$350 billion in assets. The 13-member board holds significant responsibility in setting policy for retirement benefits for more than 1.9 million current and retired California state, public school, and public agency members, and their beneficiaries on behalf of more than 2,945 public employers. The board also sets policy for health benefits for 1.4 million members and their dependents. The board consists of elected, appointed, and ex-officio members.

The board of administration also has responsibility for the California Employers' Retiree Benefit Trust and CalPERS Long-Term Care Fund, and it administers the Public Employees' Medical and Hospital Care Act Program, and the CalPERS Deferred Compensation Plan.

Additionally, the board oversees the pension fund's investments of retirement fund assets and administration of the system. Responsibilities include setting employer contribution rates, determining asset allocation, providing periodic actuarial valuations, and determining appropriate rates of interest.

Official Voting Instructions

Three Ways to Cast Your Ballot



Vote Online – Recommended!

Go to www.calpersboardelections.com and follow the instructions on the screen.

You will need your Personal Identification Number (PIN), which can be found on the ballot card included in this ballot package.



Vote by Phone

Call (800) 270-7146 and follow the automated voice instructions.

You will need your PIN, as described above.



Vote by Mail

Follow the instructions in this booklet and complete the ballot that was included in your ballot package.

If you spoil or lose your official ballot or ballot return envelope, you may request a replacement ballot package from the CalPERS Board Election Call Center at (888) 492-4763.

Do not request a replacement ballot if you have already mailed your official ballot to CalPERS or voted online or by phone.

General Voting Instructions

- Review all candidate statements in this booklet before voting
- Vote for only one candidate
- Vote using only one of the official voting methods described on page 1
- Do not vote more than once.
- Sign your name on the signature line provided on the return envelope.

Failure to comply with these voting instructions could result in your ballot not being counted.

Voting Deadline

Your vote must be received by us no later than **October 1, 2018, 11:59 p.m. PT**, or it will not be counted. This deadline applies to votes cast online, by phone, or by mail.

Official certified election results will be posted later in the month of October on the CalPERS website at www.calpers.ca.gov.

Public Agency Candidates

The following statements have been prepared by the candidates running for the Public Agency Member position on the CalPERS Board of Administration. CalPERS has not verified these statements in their entirety and assumes no responsibility for their accuracy.

Jason Perez

Priya Mathur

Attend the Candidate Forum

September 5, 2018

6:00 p.m. – 7:00 p.m.

CalPERS Auditorium, Lincoln Plaza North
400 P Street, Sacramento, California

The forum will be moderated by the League of Women Voters and both candidates will be invited to present their views. A video of the forum will be posted on the CalPERS website for later viewing for those who could not attend or watch live online.

Candidate Statement

Jason Perez

Years of CalPERS Covered Service: 22 29
Employer: City of Corona Police Department
Job Classification: Police Sergeant

Priya Mathur was elected to the CalPERS Board 15 years ago, and the unfunded liability has grown to over \$100 BILLION. Mathur has failed CalPERS and put our retirement security at risk due in part to environmental, social, and governance investing priorities, regardless of the investment risk.

Members suffered with some of the largest medical insurance premium increases during Mathur's chairmanship of CalPERS' Health Benefits Committee.

In recent years, several firms that manage CalPERS' money were found to have mismanaged those funds. What has CalPERS done to recover your money? Almost nothing.

Bureaucracies resist change - we who work for public agencies, know this. If CalPERS continues business as usual, our retirement security will be at an even greater risk.

The incumbent lives in denial of basic obligations:

- The LA Times demanded Mathur resign for ignoring misconduct by the former CEO, who is now in federal prison for taking bribes.
- Mathur has been fined multiple times for failing to disclose conflicts of interest and campaign contributors.
- CalPERS' recent survey shows the stakeholder trust in CalPERS has plummeted almost 20% in one year!

As a police officer association president, I understand how important secure pensions are to all of us. As a law enforcement professional, former detective, and current department administrative sergeant, I deal with complex financial issues and make judgments about peoples' trustworthiness every day. I will put these skills to work for you on the CalPERS board.

If we want to save our pensions and protect our retirement security, we must act now to get CalPERS back on the right track. Tomorrow may, literally, be too late.

JasonPerezforCalPERS@gmail.com
www.JasonPerezforCalPERS.com
#ProtectOurPension
(916) 282-9202

Addendum

Jason Perez

Years of CalPERS Covered Service: 22 29
Employer: City of Corona Police Department
Job Classification: Police Sergeant

Most CalPERS member pensions are worse funded today than when Mathur, the incumbent, joined the board. Your employer's contributions to CalPERS almost certainly have increased over that time, decreasing the money available for raises.

Pension benefits have already been *reduced* for new hires. There needs to be accountability for decisions that have hurt all of us CalPERS members, as well as the people of California.

Mathur is out of touch, believing her role is to fly around the world, ringing the bell of the London Stock Exchange and hobnobbing with United Nations officials.

Since the incumbent has been on the Board, some health premiums have essentially tripled, our benefits and access reduced while medical inflation has been only 76%.

We need someone else—a person unafraid to fight for the interests of CalPERS members and willing to ask uncomfortable questions:

- *Why the health premium increases and benefit cuts?*
- *Why the investment underperformance?*

I'll demand answers and transparency from the Board and staff. My only job is to secure our pensions.

I'm honored to have gained the confidence and endorsement of (partial list):

- Inland Chapter of *PORAC*,
- California Association of Highway Patrolmen,
- Riverside Sheriffs Association,
- Retired Public Employees Association,
- Corona Firefighters Association,
- Corona General Employees' Association,
- Corona Supervisors' Association,
- Southern California Alliance of Law Enforcement
- California Coalition of Law Enforcement Associations
- Association for Los Angeles Deputy Sheriffs

Police Officers Associations:

- Anaheim Police Association
- Bay Area Rapid Transit Authority
- Long Beach
- Riverside
- Cathedral City
- Simi Valley
- Indio
- El Segundo
- Ontario
- Corona
- Richmond
- Val Verde School District

Individual endorsements include:

- Margaret Brown, CalPERS Board Member
- J.J. Jelincic, CSEA past president, Former Board member of CalPERS

The CalPERS board is a mess. Google "CalPERS board problems" to see what others say.

VOTE like the rest of your life depends on it, because it may.

Candidate Statement

Priya Mathur

Years of CalPERS Covered Service: 20 03

Employer: San Francisco Bay Area Rapid Transit District (BART)

Job Classification: Principal Financial Analyst

As your newly elected President of the CalPERS Board, I am laser-focused on protecting the pension fund's long-term sustainability, as well as fiercely defending our members from pension attacks and fighting for the California Rule. Since joining the Board in 2003, I've worked to ensure your pension will be there when you retire and you have access to quality and affordable healthcare. It's an honor to represent you. *I respectfully ask for your vote.*

MY PRIORITIES:

Provide Top-Notch Healthcare While Reducing Costs By:

- Continuing industry-leading innovative healthcare solutions
- Aggressively negotiating premiums
- Flexing CalPERS' market power

Achieve Investment Goals and Manage Risks to the Fund By:

- Setting realistic rate of return targets
- Optimizing investment portfolio
 1. Stocks: Drive returns with diversified portfolio
 2. Bonds: Mitigate risk and deliver moderate return
 3. Private Equity: Achieve higher returns over target
 4. Real Estate: Produce cash flow used to pay pension benefits
- Increasing long-term shareowner value by engaging corporate boards and demanding accountability:
 1. Fossil fuels: Working with investors to push companies to address climate change risks in business strategy
 2. Gun retailers: Engagement led to Dick's Sporting Goods and Walmart to cease selling assault-style weapons and accessories
 3. Anti-privatization: No private equity investments in companies that privatize public jobs
 4. Board Composition: Studies show more diverse companies perform better; Encourage companies to improve diversity
- Delivering investment management value:
 1. Insource CalPERS investment management where we can hire and retain talent and skill
 2. Pay outside managers for above market performance

CalPERS Committee Leadership: Board Governance, Chair; Investment; Pension & Health Benefits (Former Chair); Performance, Compensation & Talent Management; Risk & Audit

Profession: BART, Principal Financial Analyst, Infrastructure Investment Planning

Labor: Twenty year member AFSCME Local 3993.

Education: MBA, UC Berkeley, Haas Business School; BA, Connecticut College

Addendum

Priya Mathur

Years of CalPERS Covered Service: 20 03

Employer: San Francisco Bay Area Rapid Transit District (BART)

Job Classification: Principal Financial Analyst

PROTECTING YOUR RETIREMENT DOLLARS AND HEALTHCARE—THE RECORD IS CLEAR INVESTMENT AND HEALTHCARE EXPERIENCE MATTERS

"CalPERS Board President Priya Mathur is the only candidate with the financial experience and track record to make sure your pension will be there when you retire."

-Riko Mendez, CEO, SEIU Local 521.

- I helped lead the Fund from a low of \$181 billion following the Great Recession to \$350 billion today. We did it by diversifying our portfolio, keeping investment fees low and holding corporations and Wall Street accountable.
 - My opponent testified (CalPERS 08/16/2017) *"I don't pretend to know how to invest."*
- Healthcare costs in California are increasing at a higher rate than what CalPERS members pay. I've worked to ensure members receive quality, high-value and affordable healthcare, including full access to family planning.
- Wall Street greed and risky schemes caused the 2008 economic meltdown. CalPERS has led efforts to recover lost assets and ensure that corporations are responsive to CalPERS members' financial interests.
 - My opponent's attacks on CalPERS' leadership in recovering assets and holding corporations and Wall Street responsible demonstrate a lack of knowledge about today's financial markets. His head in the sand approach could expose CalPERS to another economic disaster.

ENDORSEMENTS (partial):

- AFSCME: California PEOPLE; Councils 36, 57; BART Local 3993; MWDEA Local 1902
- California Professional Firefighters
- CSEA
- LIUNA
- PCCG
- SEIU: State Council; Locals 521, 721, 1021
- CalPERS Board Members: Rob Feckner, Theresa Taylor, David Miller, Ramon Rubalcava

My opponent failed to get endorsed by PORAC.

mathurforcalpers@gmail.com

www.mathurforcalpers.org

fb.me/PriyaMathurforCalPERS/

510-858-4435



Ballot Envelope Sample

