PAPERS

Pennsylvania Association of Public Employee Retirement Systems
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Website: ***www.pa-pers.org***

August 2016

In This Issue

PAPERS' Two Annual Conferences Provide Pension Staff, Trustees & Advisors with Networking & Educational Opportunities

10th PAPERS Fall Workshop

Nov. 15-16, 2016
(Tuesday-Wednesday)
Wyndham Philadelphia Historic District Hotel

13th PAPERS Spring Forum

May 24-25, 2017
(Wednesday-Thursday)
Harrisburg Hilton Hotel

Close…So Close

But No Such Luck For Pension Reform

By Jim Allen, PAPERS Executive Director

We delayed the issuance of our Second Quarter Newsletter due to our erroneous belief that we actually might be able to share some insights into what we thought was going to be a big story – Pennsylvania's General Assembly adopting some sort of major public pension "reform". But that is not the case. Instead we are left to share the story of what almost was…

The reason for our misplaced belief was that as the second quarter of 2016 came to a close and the Legislature approached the beginning of a new state budget year, people who follow the state political scene started to think again, that this would be the year that the General Assembly and Governor would come to an agreement for a set of changes to modify the benefits provided through the Public School Employees Retirement System (PSERS) and the State Employee Retirement System (SERS). Most will remember the very long and contentious budget battle of 2015-2016 which ended in December of 2015 when, depending upon whom you want to believe, a "deal" to change the retirement benefits applicable to new state and school employees that had been tied to liquor sales reform and additional state funding for schools all came unraveled. With the "unraveling" of the deal, an idea of changes being made to the state's two largest public pension plans (and some hoped possibly municipal plan reform as well) was soon dissolved.

While none of the leading actors in last year's budget discussions were sharing their thoughts on this year's activities, some observers were beginning to believe that this year was going to be the year. In the middle of May, "reforms" to the two major public employee pension systems surfaced and received favorable consideration in the House of Representatives. It started when the House State Government Committee gave its approval to what was called a "stacked hybrid" plan for teachers and state workers hired in 2018 and thereafter. One of the more contentious stumbling blocks, the state police officers because they don't participate in Social Security, were to be exempt from the new system.

While retaining some traditional defined benefit provisions (a standard formula of years of service – for the first 25 years - multiplied by 2 percent of an employee's final average salary on the first $50,000 of compensation in year), it also included for the first time a hint of a

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Close…So Close

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Jim Allen
Executive Director

defined contribution plan. Technically, a cash balance component would kick in on earnings over the $50,000 threshold in a given year and on any compensation paid after attaining twenty-five years of credited service

The compensation threshold was to be adjusted in future years. Employees would be required to contribute 7% of their salary into the plan, and the state or school district would make a 4% match on compensation above the $50,000 income threshold. The proposed changes were NOT to be applicable to current state or school employees.

Published reports claimed the changes would save the Commonwealth approximately $10 billion over the next 30 years. Republicans who have been in favor of moving the state's major pension plans to a defined contribution structure, argued that it would reduce future investment risk to taxpayers. While Democrats in the Legislature have generally argued for continuation of the traditional benefit plans there seemed to be some agreement surrounding this stacked hybrid approach.

On June 13 the proposal passed its first hurdle when it received favorable consideration on the House floor, when it was inserted as a major amendment, passing 150-41into a Senate bill. Support for a deal had the plan being inserted into Senate Bill 1071 with significant bipartisan support. Forty-six Democrats voted for the plan, setting the stage for final House passage the next day with a vote of 136-59.

The revised proposal received some interesting comments from the leaders in Harrisburg. "I would like to see a bill go much further (in reforming the state's retirement systems), but just like last week's change in wine sales, this is at least an incremental step in the right direction," said Rep. Steve Bloom, R-Carlisle. "It's progress." Governor Wolf's office said that he has been following the House negotiations and supported the emerging plan in concept, but would need to review any final language when a bill hits his desk." Senate Majority Leader Jake Corman was quoted as saying, "We're willing to work with them (the House)." District Council 13 of the American Federation of State, County and Municipal Employees - the largest of the state's unions - said they would not oppose the plan. There was at least one group who did not think the changes merited further consideration. The state's largest school teachers' union, the Pennsylvania State Education Association, announced their opposition to the plan.

Those who saw the movement of the liquor reform legislation and the pension reform proposals as a big picture compromise that would bring about an on time budget had their new hopes dashed. Pennsylvania did get a state budget in a far more timely fashion this year but those thinking we would also have significant changes made to the public employee pension plans are now left to wait once again.

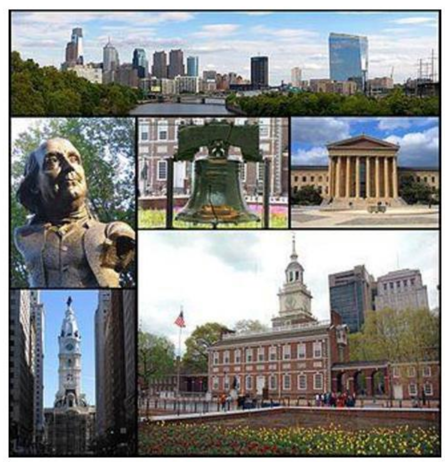
James B. Allen

James B. Allen, Executive Director

Looking Ahead

Philadelphia Hosts PAPERS 10th Annual Fall Workshop

Tuesday, November 15 – Wednesday, November 16, 2016



The Wyndham Philadelphia Historic District Hotel

400 Arch Street, Philadelphia, PA

PAPERS Pennsylvania Association of Public Employee Retirement Systems

Log onto www.pa-pers.org for a registration form and hotel details/driving directions.

Doubling Down On Risk

Timothy W. Martin recently wrote in the *The Wall Street Journal* that in 1995, a portfolio made up wholly of bonds would return 7.5% a year with a likelihood that returns could vary by about 6%. This he learned from research undertaken by the consulting firm Callan Associates Inc. To make a 7.5% return in 2015, Callan determined that investors need to place their money in more risky assets. The new portfolio would have only a 12% weighting in bonds. Private equity and stocks would need to be at least 75% of the investment pool. The real surprise is that with this added risk, returns could vary by more than 17%. We ask, Is this news?

http://www.efinancialnews.com/story/2016-06-01/pension-funds-pile-on-risk-just-get-a-reasonable-return?mod=rss-home

How Quickly Assumptions Can Go Bad

Many in the pension community have been watching Detroit's bankruptcy troubles, especially how the officials have dealt and are dealing with its impact on the city's pension plans. Well given that the city's exit plan was approved in December 2014, many of us were surprised to read in the Detroit Free Press that it didn't take long – less than a year and a half – for things to go sour.

The plan allowed the city to delay payments to their pension plans on the assumption that the city would be better able to pay once its tax base recovered post-bankruptcy. The plan required Detroit to begin making pension payments starting in 2024 with a $112.6-million installment.

The PRESS reported that the city now says that actuarial assumptions used in the bankruptcy were inaccurate and outdated. The new actuarial reports project Detroit may have to pay $491 million over a 30-year period beginning in 2024, including a $195-million payment the first year. The shortfall came from a discovery that bankruptcy advisers used outdated life-expectancy tables in projecting the city's total pension obligation.

It seems even when the eyes of the nation are on you, mistakes in actuarial assumptions can be made.

PAPERS Directory

Corporate Advisory Committee To Be Reconstituted

As a part of an effort to document the policies and procedures in use by the PAPERS Board and staff, the Board undertook a study which examined how other state and national retirement board associations incorporated corporate advisory committee representation into their operations. The Board agreed to use the "Advisors Policy Guidelines" outlined by the National Council of Public Employee Retirement Systems (NCPERS) as the basis of PAPERS' policy in the formalization of their Corporate Advisory Committee. The redrafted policy will be voted upon at the PAPERS Board's next meeting (September 1, 2016).

Key tenets of the draft policy are:

- There are to be no more than eight (8) members on the Corporate Advisory Committee.
- Nominations for the Corporate Advisory Committee will be made by the President of PAPERS and appointments must be approved by a majority vote of the PAPERS Board.
- Committee member terms will be for four (4) years and members will serve at the pleasure of the President of PAPERS.
- Committee members must have an in-depth knowledge and technical expertise on specific areas which affect the public pension fund community.
- Committee members and their respective firms must agree with and support the principles and policies of PAPERS.
- Committee members may be chosen from the following areas:
  - Investment/Asset Management Services
  - Consulting Services
  - Custodial Services
  - Professional/Benefit Services
  - And, any other area deemed appropriate to meet the current needs of PAPERS and the public pension fund community.

Committee member duties and obligations include, but are not limited to:

- Attending PAPERS Forums, Workshops and Executive Board Meetings
- Promoting the value of PAPERS membership and educational programs to colleagues, non-member funds, and other relevant individuals and groups
- Assisting the PAPERS Board and its Staff with organizing educational programs at PAPERS Forums and Workshops.
- Assisting the PAPERS Board and its Staff on matters pertaining to increasing membership in PAPERS.
- Assisting the PAPERS Board and its Staff in engaging the services of industry leaders to make presentations on matters of importance and interest to PAPERS and the public pension fund community.
- Assisting the PAPERS Board and its Staff on specific research topics which effect PAPERS and the public pension fund community.
- Assisting the PAPERS Board and its Staff on expanding the PAPERS information database on public funds and corporate members.

Committee members that separate from their firm may be given a six (6) month grace period to secure employment with another member firm. During this grace period committee members are responsible for the duties and obligations of the PAPERS Advisory Committee position.

The Board welcomes comments and suggestions on the proposed restructuring of the Corporate Advisory Committee and the draft policy regarding the same. Please feel free to share your suggestions with any PAPERS Board member or the PAPERS staff. Also if interested in serving on the Corporate Advisory Committee, please drop either President Cernic (ecernic@co.cambria.pa.us) or Executive Director Jim Allen (PA-PERS@Comcast.net) an e-mail.

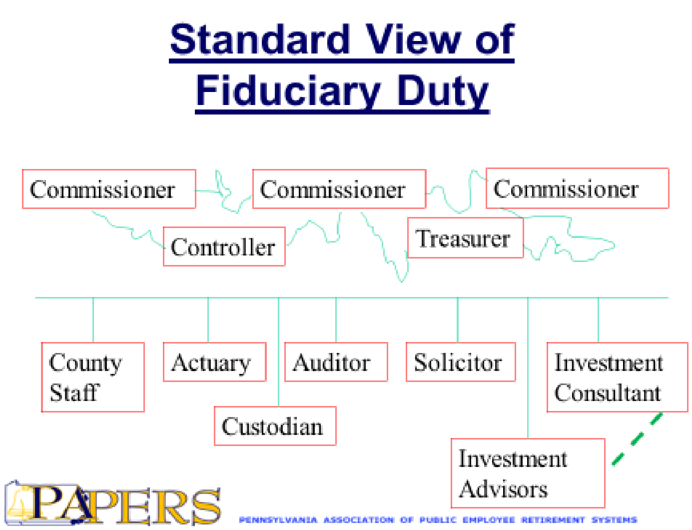
Where Do You (PAPERS) Fit In?

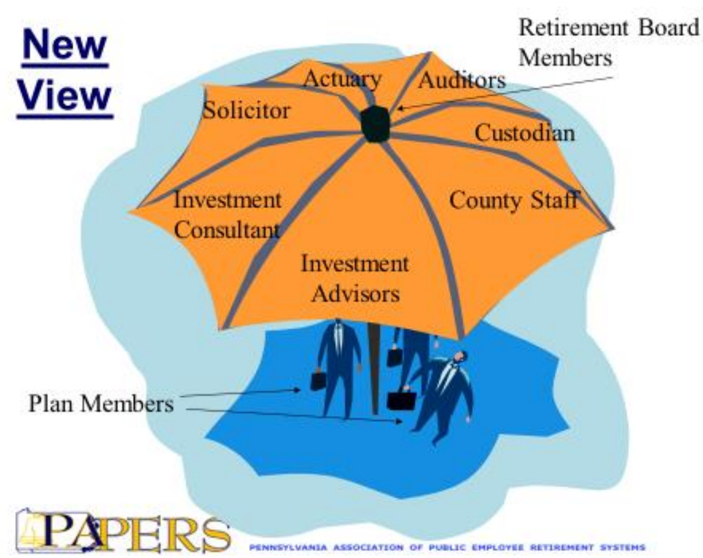
Continuing to travel and meet with public fund trustees, I recently had the opportunity to attend the PA State Association of County Treasurer' Annual Conference in Erie. While I was explaining to an attendee that the purpose of PAPERS is to foster an educational forum that leads to improved performance and management of the public employee retirement systems she asked me, "But where do you fit in?"

I tried to explain to her, and to all the trustees with whom I come into contact, or who come into contact with our publications and educational conferences, that the association functions as a central resource for educational purposes. That we try to act as a networking agent for public pension plan staff and board members.

But she implored me to try again, "Are you like ABC (an actuarial firm)? Or are you like XYZ (an investment consulting firm)? Or are you more like 123 (an investment manager)?" I finally understood what she was asking. Where does PAPERS fit into the whole pension picture? I explained that we are like none of the above. I told her that PAPERS provides the State's public retirement systems' trustees and staff with educational conferences, seminars, and newsletters. We are not a paid service provider and we didn't want to become a contract service provider. Instead, we are a peer resource that we hoped she would come to know and trust.

But the experience was enlightening for another reason – as we talked, I realized that she wasn't sure how firms ABC, XYZ, and 123 (who were all under contract with the county pension plan) fit into <u>their</u> scheme of operations – she didn't know who did what. We decided to share two visual models (see below) that we use when explaining to fiduciary neophytes the pension duties they oversee. Hopefully, one of these two models will help those who do not know where the various providers "fit in".





PAPERS Officers Selected

At the May 24th meeting of the PAPERS' governing Board a new slate of officers was installed. Accepting the position as PAPERS' President and Board Chairman was **Ed Cernic**, County Controller from Cambria County. Ed has served as the Controller since January of 2004. He is also the current president of the Pennsylvania State Association of County Controllers. As Controller Ed serves on the Cambria County Retirement Board which, as of December 31, 2015 had assets of $179 million and a membership of over 1,800 employees and retirees.

In accepting the position he commented that while the last thing he needed in his life was another responsibility, he recognized that PAPERS' commitment to fiduciary education must be trumpeted. He has been a long supporter of getting more county and municipal trustees involved in trustee training programs.

Serving as PAPERS' Vice-President is **Stephen Vaughn**. Steve is the Executive Director of the Pennsylvania Municipal Retirement System (PMRS). Steve's duties involves administering approximately 1,000 municipal pension plans comprised of approximately 10,000 active members and nearly 5,000 retirees. PMRS assets as of March 31, 2016, totaled over $2 billion.

Terrill J. Sanchez, Deputy Executive Director of the Pennsylvania Public School Employees Retirement System, was selected as PAPERS' new Secretary.

Named the new treasurer of PAPERS was **Bill Rubin**, Philadelphia's First Deputy City Controller. In that capacity Bill serves as Controller Alan Butkovitz's Chief-of-Staff.

Update on PERC

In the first quarter newsletter we shared the news surrounding the possible abolishment of PERC, the Public Employee Retirement Commission. This agency has two primary responsibilities – providing actuarial notes on all pension legislation being considered by the General Assembly and determining the actuarial costs of Pennsylvania's municipal pension plans for state aid calculation purposes (under Act 205 of 1984). PAPERS also heard an update at the Spring Forum from Rep. Steve Bloom who was instrumental in seeing that PERC's programs remain viable.

We can now report that a compromise was reached that allowed PERC to calculate the state aid factors for 2016 and remain viable in the short-term. As to its lifespan, as a result of passage of Senate Bill 1227 (now Act 100 of 2016) PERC is dissolved and its duties are being reassigned. The Department of the Auditor General is the recipient of the duties of the previously assigned PERC under Act 205 of 1984, known as the "Municipal Pension Plan Funding Standard and Recovery Act." The transferred duties are to be independent of the Department of the Auditor General's existing audit functions and are to be segregated in a departmental bureau separate from the bureau that performs audit functions.

The legislative review functions previously assigned PERC are to be undertaken by the Independent Fiscal Office (IFO), a nonpartisan, independent, Commonwealth agency. Not clear at this time is whether the Commission itself will remain in existence.

Forum Follow-Up

As our members know, PAPERS held our 12th Annual Forum in May. We are pleased to report that the Evaluation Forms confirmed what was generally heard from the conference participants – "Definitely one of the best conferences I have been to recently and probably the best PAPERS of all." And, "Overall this year's version of PAPERS was at the top of all of them I've attended. Good job." The evaluation sheets indicated that the top three sessions (there were 14 packed into the day and a half meeting) were:

- ***The U.S. Presidential Election – Politics and the Economy*** presented by Jeff Bush from *The Washington Update*
- ***A Discussion Regarding Public Pension Plans*** with Dr. Steve Herzenberg from Keystone Research Center and Gregory Mennis with the PEW Foundation, and
- ***Success Strategies for Well-Funded Pension Plans*** offered by Elizabeth Kellar with the Center for State and Local Government Excellence

The Forum was also blessed with numerous presentations regarding very topical and timely current events such as Meredith Despins' "NAREIT REITS & The Global Industry Classification Standard" – (more on this story can be found at https://www.reit.com/investing/investor-resources/gics-classification-real-estate) and practical advice from seasoned trustees on the firing line every day. Again, one of the more popular sessions was "Ask The Veterans" during which the attendees heard from Centre County Treasurer Rich Fornicola, York County Deputy Controller Deb Myers, and City of Scranton Business Administrator David Bulzoni.

Many of the presentations from the Forum can be found at PAPERS' website - http://www.pa-pers.org/newweb/forum.html.

We also want to remind all that the PAPERS' Fall Workshop will be held in Philadelphia this year on starting at noon on November 15th and wrapping up after lunch on the 16th. Plans are under way to build on the timely and practical advice dispensed at the Spring Forum. We hope you are planning on joining us.

Thanks to our 2016 Forum Sponsors

PAPERS held its 12th annual Forum in Harrisburg, May 25-26, 2016, with over 100 persons attending. See Page ____ for a summary of the presentations given at this conference. A special note of appreciation to the following corporate members for their extra support as sponsors:

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Webinars Update

And while promoting our educational efforts, allow us to remind all of the 2016 series of webinars that PAPERS is conducting with many of our Associate and Affiliate members. These presentations are between 45 minutes and an hour and can be found at http://www.pa-pers.org/newweb/library.html. So far we have had sessions on:

- ***Asset Allocation & Allocation Studies***
- ***A Closer Look at: Large Cap Domestic Equities***
- ***A Closer Look at: Small Cap Domestic Equities***

Next up is ***A Closer Looks at: Domestic Fixed Income Instruments***. This session will be held on September 21, 2016 at 10:30 AM.

Becoming a PAPERS Member is Easy

A current year PAPERS membership is required for attendance at the Spring Forum and/or Fall Workshop and to receive credits in the CPE and/or PPCP programs.

Public employee retirement systems (pension funds) can apply to become **Participating Members**; each Participating Membership includes one complimentary admission to both the Spring Forum and the Fall Workshop. Corporate providers of service to pension plans can apply to become **Associate or Affiliate Members.** For details, check the membership section of the PAPERS website www.pa-pers.org or contact:

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PAPERS' Membership & Sponsor Categories

- **Participating** ($95) - *Public employee retirement systems (pension funds)*
- **Associate** ($1,000) - *Corporate providers of legal and investment services to pension plans*
- **Affiliate** ($500) - *Corporate providers of other services, exclusive of legal and investment services, to pension funds.*

Corporate (Associate & Affiliate) Members also have the additional opportunity to become sponsors for PAPERS' two annual conferences – the Spring Forum and the Fall Workshop. Sponsors receive recognition in the printed and on-line materials produced for the conferences and also receive priority consideration to provide speakers and/or make presentations. The trhee categories of sponsorships for each conference are:

- **Platinum** - $5,000
- **Gold** - $3,000
- **Silver** - $2,500

National Organizations Oppose PEPTA Legislation

It seems that if you hang around long enough, everything comes around again. Rep. Devin Nunes (R-CA) recently circulated a "Dear Colleague" letter to members of the U.S. House of Representatives, inviting them to cosponsor the Public Employee Pension Transparency Act (PEPTA). The letter said that "The bill is designed to prevent the federal government from bailing out distressed U.S. state and municipal pension funds, and to rectify serious shortcomings in the financial accounting and transparency practices of these funds." The bill has been introduced in the last three Congresses and was most recently added to legislation pertaining to Puerto Rico assistance.

National organizations representing state and local governments, elected officials, public finance professionals, employee organizations, and state and local retirement systems jointly wrote to members of the U.S. House of Representatives in March relaying their strong opposition to the legislation that would impose onerous federal pension reporting requirements and steep penalties for non-compliance. The bill would require state and local governments to publish their pension liabilities on a searchable website, and deprive them of their ability to offer tax-free bonds if they fail to do so. The organizations maintain that the proposed legislation not only violates the principles of federalism, but also represents a fundamental lack of understanding regarding state and local government finance and disclosure.

It was Congressman Nunes' attempt to amend the Puerto Rico legislation that has the national organizations most concerned. With the Supreme Court's decision denying Puerto Rico access to certain bankruptcy remedies, Congress was seen as being put into a difficult dilemma and in a must take action position. The "Puerto Rico Oversight, Management, and Economic Stability Act" designed to assist with the Puerto Rico debt crisis was passed without the federal pension reporting sought by Representative Nunes and signed into law on June 30th.

http://www.naco.org/blog/president-signs-legislation-fix-puerto-rico-debt-crisis

Around The State

In early June the **Pennsylvania State Employees Retirement System** (SERS) announced a net return of 0.7% for the quarter ending March 31 of 0.7%. Asset class returns reported by the $26 billion pension plan were: 2.7% for fixed income, 1.8% for alternatives, 0.7% for real assets, 0.3% for cash reserves, 0.2% for global equities and -4.2% for hedge funds.

We are also pleased to welcome to SERS **Bryan Lewis**, the fund's new Chief Investment Officer (CIO). Bryan comes to Pennsylvania via the Illinois State Universities Retirement System, where he was the executive director of the $20 billion fund. He fills the vacant position created by the retirement of Tom Brier.

Another large pension fund in the state is also experiencing turmoil in their CIO position. Earlier this year, the chairman of **the Philadelphia Board of Pensions and Retirement**, Rob Dubow announced that Michael Donatucci would be the new CIO of the $5.3 billion pension fund. He replaced Brad Woolworth effective June 1. Mr. Donatucci was previously employed at SEI Investments. In a tragic turn of events we learned of his July 15th passing. Fran Bielli, executive director of the city's Board of Pensions, was quoted as saying Mr. Donatucci "hit the ground running. He really was enthusiastic about the job. His investment knowledge was at a very high level." Our condolences go out to the Donatucci family.

The **Public School Employees Retirement System** (PSERS) announced recently that after receiving and reviewing a five year actuarial experience study prepared by Buck Consultants LLC, the board would adopt the recommendations for the following demographic and economic assumptions: new mortality tables, retirement rates, and withdrawal (turnover) assumptions and updated their option factors to match the new mortality tables. The revised economic assumptions include reducing salary growth from 5.50% to 5.00%, reducing inflation from 3.00% to 2.75%, and reducing the investment rate of return from 7.50% to 7.25%.

Executive Director Glen Grell, speaking on the change in the investment rate of return assumption, said, "The decision to further reduce the investment return assumption was made after much discussion of the fiduciary responsibilities of the Trustees and was based on a thorough review provided by PSERS staff, Aon Hewitt, and Buck Consultants." Since 2008, PSERS has reduced its return assumption four times from 8.50% in 2007 to the current reduction of 7.25%.

The fund's news release went on to say that with its reduction to a 7.25% return assumption, PSERS now has one of the more conservative return assumptions among public pension funds nationwide according to a recent National Association of State Retirement Administrators (NASRA) brief published in February 2016.

http://www.nasra.org/returnassumptionsbrief

Making state news as well is **Auditor General Eugene DePasquela** with his decision of to launch simultaneous audits of SERS and PSERS that manage $78 billion in assets for state and school employees and retirees.

Quoting from his July 25th news release, DePasquale said. "I want to ensure that both systems are operating as efficiently, effectively and transparently as possible." The PSERS audits will cover July 2013 through the end of the audit work; SERS will cover January 2013 through the end of the audit work. Preliminary objectives for each audit will be to:

- *Determine if SERS and PSERS appropriately follow the Public Employee Pension Forfeiture Act (Act 140 of 1978, as amended) and its associated regulations for public employees convicted of certain crimes relating to public office or public employment,*
- *Determine if SERS' and PSERS' governance structures, delineation of decision-making responsibility, investment expertise, and resources are adequate to provide effective oversight of investment operations,*
- *Determine if SERS' and PSERS' external investment advisors and consultants are properly procured and investment fees are reasonable and consistent with investment performance measures, and*

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Around the State

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- *Evaluate the diversity of SERS' and PSERS' investment portfolio to determine if the investment strategies are prudent to minimize risk based on market conditions.*

The audits are expected to be completed next year, and are reportedly going to be made public.

Some are speculating that the Auditor General's announcement was in response to the four day earlier story of the decision of the federal prosecutors involved with a federal investigation of pay-to-play politics in Pennsylvania which lead to the July 21st announcement of charges being brought against a second (former) state treasurer and a prominent political donor. From a story in the Allentown Morning Call by Peter Hall we learned that **former state Treasurer Barbara Hafer** was charged with concealing $500,000 in fees paid to her company by a business that provided asset management services to the Pennsylvania Treasury Department.

Richard W. Ireland, a partner in a company whose clients managed hundreds of millions in state assets, also was charged with bribing former Treasurer Rob McCord over seven years to influence the award of investments by the Treasury and by the Pennsylvania State Employees Retirement System. It is alleged that Ireland also promised to put McCord on his payroll after McCord left office in exchange for his influence, prosecutors allege.

http://www.mcall.com/news/breaking/mc-barbara-hafer-indicted-20160721-story.html

Discussing Disclosures

On May 25, 2015, S&P Global Ratings published a request for comment (RFC) on its proposed changes to the rating methodology for assigning ratings to U.S. states and territories. "Ratings" refers to the rating assigned to general obligation (GO) debt. The comment period ended on June 27, 2016. Under the proposed criteria, S&P would begin with an assessment of the pension funded ratio and pension funding discipline, as the anchors for the initial pension score. Then they would adjust the initial score in cases where they could characterize the state's unfunded pension liability compared to population or income as extremely large or extremely small.

The summary of the proposal recognizes the efforts of GASB in adopting statements 67 & 68 and says those new standards will lead to more conservative liability estimates than the previous standards. They also expect them to provide more transparency and comparability for employers with cost-sharing plans. For those reasons, S&P plans to incorporate those changes into their criteria to align with the new pension reporting and disclosures requirements of GASB.

https://www.globalcreditportal.com/ratingsdirect/renderArticle.do?articleId=1642765&SctArtId=389272&from=CM&nsl_code=LIME&sourceObjectId=9606887&sourceRevId=1&fee_ind=N&exp_date=20260525-20:31:11

CII Chicago Conference on Corporate Governance

Ms. Amy Borrus, the Deputy Director of the Council of Institutional Investors and a presenter at the PAPERS Forum, asked us to remind our readers of CII's, in partnership with the CFA Institute, upcoming one-day training course for pension fund trustees, to be held on Wednesday, September 28, in Chicago. This special program—for trustees only—will be held in conjunction with CII's fall conference, September 28-30, at the Palmer House Hilton. The course offers a unique opportunity for trustees to learn from each other's experiences and ask questions in a "safe" space, and will offer insights on many of the most immediate challenges fund trustees face.

The 9 AM to 3 PM program will cover critical issues and trends in trustee service. The program has been developed and will be taught by experts at the CFA Institute, a highly respected investor-focused organization with decades of expertise in professional training. Earlier this year, CII conducted an informal survey of member fund trustees about the course and responses were overwhelmingly enthusiastic. The course is open to CII-member trustees ($395) and non-member trustees ($595). Participants are welcome to stay on after the course to attend CII's fall conference, at no extra charge.