

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA

GOVERNANCE COMMITTEE MEETING  
May 21, 2019  
9:00 a.m.

**Members of the Committee**

Shawn Dewane, Chair  
Roger Hilton, Vice Chair  
Chris Prevatt  
David Ball

**AGENDA**

This agenda contains a brief general description of each item to be considered. The Committee may take action on any item included in the agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Committee may consider matters included on the agenda in any order, and not necessarily in the order listed.

**PUBLIC COMMENT**

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Committee; and (2) any matter appearing on the Consent Agenda. **Persons wishing to provide public comment at this time should fill out a speaker card located at the back of the room and deposit it in the Recording Secretary's box located near the back counter.** When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

**CONSENT AGENDA**

**C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES**

Governance Committee Meeting Minutes

March 1, 2019

**ACTION ITEMS**

**NOTE:** Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee's discussion of the item. **Persons wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the room and deposit it in the Recording Secretary's box located near the back counter.**

**A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

**A-2 MASTER FINAL AVERAGE SALARY PROJECT UPDATE AND MASTER PAY ITEM LIST**

*Presented by Suzanne Jenike, Assistant Chief Executive Officer External Operations*

**Recommendation:** Approve, and recommend that the Board approve the Master Final Average list of pay items, including pensionable attribute determinations for Legacy and PEPRAs members.

**A-3 TRIENNIAL REVIEW OF THE COMMITTEE CHAIR CHARTER**

*Presented by Steve Delaney, Chief Executive Officer*

**Recommendation:** Approve, and recommend that the Board approve, revisions to the Committee Chair Charter as presented.

**A-4 TRIENNIAL REVIEW OF THE INDEMNITY AND DEFENSE POLICY**

*Presented by Gina M. Ratto, General Counsel*

**Recommendation:** Approve, and recommend that the Board approve, revisions to the Indemnity and Defense Policy as presented.

**COMMITTEE MEMBER COMMENTS**

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

**COUNSEL COMMENTS**

**ADJOURNMENT**

**NOTICE OF NEXT MEETINGS**

**INVESTMENT COMMITTEE MEETING**

**March 29, 2019**

**9:00 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**DISABILITY COMMITTEE MEETING**

**June 4, 2019**

**10:00 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**AUDIT COMMITTEE MEETING**

**June 6, 2019**

**1:00 P.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

*All supporting documentation is available for public review in the retirement office during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Thursday and 8:00 a.m. – 4:30 p.m. on Friday.*

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at [adminsupport@ocers.org](mailto:adminsupport@ocers.org) or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.

C-1

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA 92701**

**GOVERNANCE COMMITTEE MEETING  
March 1, 2019  
8:30 a.m.**

**MINUTES**

The Chair called the meeting to order at 8:46 a.m. Attendance was as follows:

Present: Shawn Dewane, Chair; Roger Hilton, Vice Chair; David Ball; Chris Prevatt

Staff: Steve Delaney, Chief Executive Officer; Gina Ratto, General Counsel; Molly Murphy, Chief Investment Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

**CONSENT AGENDA**

**C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES**

Governance Committee Meeting Minutes

December 11, 2018

A **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve the Minutes.

**ACTION ITEMS**

**A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

**A-2 MASTER FINAL AVERAGE SALARY PROJECT UPDATE AND PROPOSED POLICIES (SECOND READING)**

*Presented by Suzanne Jenike, Assistant CEO of External Operations*

**Recommendation:** Approve, and recommend that the Board approve, the following policies:

- Compensation Earnable Policy – codifies existing law and the Ventura Decision (Resolution 98-001) applicable to Legacy members
- Pensionable Compensation Policy – applicable to PEPRA members
- Retirement Enhancement “Spiking” Review Policy
- Pay Item Review Policy

Suzanne Jenike, Assistant CEO of External Operations, presented this item to the Committee. Ms. Jenike informed the Committee that Individual pay item spreadsheets have been distributed to each Employer/ Plan Sponsor. She also explained that staff has completed its initial determination regarding Compensation Earnable (Legacy) and Pensionable Compensation (PEPRA) and is working with individual

employers on any areas needing clarification and gathering their feedback. In addition, copies of the spreadsheets have been shared with the labor organizations and key stakeholder groups.

Staff also authored two circular letters regarding cash outs of Paid Time Off (PTO) and their appropriate reporting to OCERS. As of today's date all employers have received the circular letters and are taking the steps required to correct their reporting of PTO if applicable.

The Governance Committee did not recommend any changes.

A **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, the four policies.

The Motion passed **unanimously**.

**A-3 PROPOSED AMENDMENTS TO THE BOARD OF RETIREMENT CHARTER, BOARD CHAIR CHARTER, AND BOARD VICE CHAIR CHARTER**

*Presented by Gina Ratto, General Counsel*

**Recommendation:** Approve, and recommend that the Board approve, the proposed amendments to the Board of Retirement Charter, Board Chair Charter, and Board Vice Chair Charter.

Gina Ratto, General Counsel, presented this item to the Committee. During a review of the Board's various charters, staff identified revisions to the Board of Retirement Charter, the Board Chair Charter and the Board Vice-Chair Charter that may effectuate improvements in governance. More specifically, staff proposed to the Governance Committee, and the Governance Committee approved and the following revisions to:

- Transfer the authority to appoint committee members from the Chair to the Vice Chair so that committees can be constituted prior to the end of the calendar year;
- Address how complaints or reports regarding a Board member's failure to comply with law or Board charters or policies will be handled;
- Delete references to the Board performance self-review; and
- Make other clarifying (non-substantive) changes to the Charters.

Following discussion, a **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve and recommend that the Board approve, the proposed amendments to the Board of Retirement Charter, Board Chair Charter, and Board Vice Chair Charter.

The Motion passed **unanimously**.

**A-4 PROPOSED AMENDMENTS TO THE OCERS RULES OF PARLIAMENTARY PROCEDURE REGARDING APPROVAL OF COMMITTEE MEETING MINUTES**

*Presentation by Gina Ratto, General Counsel*

**Recommendation:** Approve, and recommend that the Board approve, proposed amendments to the OCERS Rules of Parliamentary Procedure to authorize new members of a committee to approve minutes of meetings that were held before they became members of the committee.

Ms. Ratto presented this item to the Committee. Since the membership of the committees of the Board typically changes every calendar year, new committee members may be asked to approve minutes of a meeting that occurred late in the previous year when the new members were not members of the committee. Staff recommended that the committee approve a revision to the OCERS Rules of

Parliamentary Procedure to authorize committee members to approve minutes of meetings that took place prior to their membership on the committee.

Following discussion, a **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, proposed amendments to the OCERS Rules of Parliamentary Procedure.

The Motion passed **unanimously**.

**A-5 PROPOSED AMENDMENTS TO THE CEO CHARTER**

*Presented by Steve Delaney, Chief Executive Officer*

**Recommendation:** Approve, and recommend that the Board approve, proposed amendments to the CEO Charter.

Steve Delaney, Chief Executive Officer, presented this item to the Committee. Staff recommended to the Governance Committee and the Committee approved one substantive revision to the CEO Charter to add authority for the CEO to act on matters in emergency situations.

In addition, the process of memorializing the charters for, and delegation from the CEO to, the Senior Executive staff resulted in several recommended changes to the CEO Charter that are for the purpose of clarifying the language of the CEO Charter. These recommended changes are not intended to be substantive in nature.

Following discussion, a **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, the proposed amendments to the CEO Charter.

The Motion passed **unanimously**.

**INFORMATION ITEMS**

**I-1 SENIOR EXECUTIVES CHARTERS – CEO DELEGATION TO THE SENIOR EXECUTIVES**

*Presented by Steve Delaney, Chief Executive Officer*

**I-2 REVIEW THE GOVERNANCE COMMITTEE CHARTER**

*Presented by Gina Ratto, General Counsel*

**COMMITTEE MEMBER COMMENTS**

None.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

None.

**COUNSEL COMMENTS**

None.

**ADJOURNMENT**

The meeting adjourned at 10:05a.m.

Governance Committee Meeting  
March 1, 2019

**Submitted by:**

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Steve Delaney  
Secretary to the Board

**Approved by:**

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Shawn Dewane, Chair



A-2



## Memorandum

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**DATE:** May 21, 2019  
**TO:** Members of the Governance Committee  
**FROM:** Suzanne Jenike, Assistant CEO, External Operations  
**SUBJECT:** **MASTER FINAL AVERAGE SALARY PROJECT UPDATE AND MASTER PAY ITEM LIST**

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### Recommendation

Approve, and recommend that the Board approve the Master Final Average list of pay items, including pensionable attribute determinations for Legacy and PEPRA members.

### Background/Discussion

December 11, 2018 the Governance Committee considered four board policies, an internal administrative staff procedure (OAP), an employer procedure document and revised new pay item request form and procedures. These documents support the process of requesting new pay items and making pensionable attribute determinations. The Committee directed staff to bring the board policies back to the Committee for a second reading and to commence using the new staff and employer procedures. On March 1, 2019 the Governance Committee considered the four Board policies for a second time and recommended that staff forward the policies to the Board for approval. On March 18, 2019 the Board approved the policies as recommended by the Committee and staff. The policies have been published on the OCERS website and are currently in use. The Committee also directed staff to bring the master comprehensive pay item list, with all pensionable attribute determinations made, to the Committee prior to final Board approval.

We have completed our work compiling and documenting the comprehensive list of all pay items applicable to all of OCERS employers and members by bargaining group. This list is a culmination of many months of work and collaboration between the OCERS Member Services and Legal staff as well as a consolidated effort by representatives at each employer organization. Once the list was compiled staff worked with the legal team to determine the correct pension attributes for each pay item based on Legacy and PEPRA member status<sup>1</sup>. There were instances where the pay item was being reported incorrectly. For example, as pensionable for both Legacy and PEPRA members when the pay item was only pensionable for Legacy, as well as instances of pay items that were no longer in use and therefore not needed. All of the pay items that are not being used have been deactivated and therefore removed from the master list.

Each employer and major labor organization has received a copy of the final master list of pay items applicable to their employees/members.

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<sup>1</sup> See the appendix for a list of the questions applied to each pay item as part of the legal analysis.

Staff recommends the following action items:

- Forward the comprehensive master pay item list to the Board for approval on June 17, 2019;
- Pay items that are currently configured incorrectly will be corrected and reported properly effective pay period 15 2019<sup>2</sup> on a prospective basis.

#### Annual Reporting

Beginning pay period 15, 2019 OCERS staff will follow the analysis process that is outlined in the new *Pay Item Review Policy* (Policy) (approved by the Board March 18, 2019) answering the questions in the attached Appendix to determine if the requested pay item is pensionable for Legacy and/or PEPRA members. In accordance with the Policy the staff determination will be communicated to the employer and unless disputed will be added to our database and put into use. In the event the employer disagrees with the staff determination, the dispute procedures in the Policy will be followed and the issue will be brought forward to the Board for a determination. All pay items added to the master list after Board of Retirement approval on June 17, 2019 will be reported to the Governance Committee and Board on an annual basis.

#### Submitted by:



Suzann Jenike  
Assistant CEO, External Operations

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<sup>2</sup> On call and canine pay is currently being paid to PEPRA safety members of Orange County Sheriff's Department as pensionable when it should not be. The configuration will be corrected prospectively effective pay period 15 2019.

Appendix

PEPRA PENSIONABLE COMPENSATION CRITERIA – PER GC SECTION 7522.34(a)		Qualifier	YES	NO	N/A
1.	Normal Monthly Rate of Pay or Base Pay:	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Payable to Similarly Situated:	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	In Public Pay Schedule:	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	If Premium Pay or Special Pay, is the assignment, certification or license: i. part of a member's regularly assigned responsibilities, ii. an essential, normal or traditional function of the job, and iii. part of the regular assignment of other members in the same group or class	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Earned for Normal Working Hrs:	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Allowance, Reimbursement or Previously Paid In-Kind:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Bonus, one-time ad hoc payment:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Severance or Terminal Pay:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Overtime other than Section 207(k) time:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Payment for any Unused Leave:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Employer contribution to deferred comp:	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>PEPRA Pensionable?:</b>					
<b>Notes &amp; Comments Regarding Decisions</b>					
COMPENSATION EARNABLE CRITERIA – PER GC SECTION 31461		Qualifier	YES	NO	N/A
1.	Compensation at Same Pay Rate as Persons in Same Grade or Class	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	One-Time or Ad Hoc Payment Paid to All Similarly Situated	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Leave/Vacation Payout Earned & Payable in 12 Month Period	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Terminal Pay Earned & Payable in 12 Month Period	<u>YES</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Compensation Previously Paid In Kind & Now as Cash	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Payment for Services Rendered Outside Normal Working Hours	<u>NO</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Comp Earnable?</b>					
<b>Notes &amp; Comments Regarding Decisions</b>					



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPR	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
102	Cemetery	ALAPY	Annual Leave Payoff - Annual	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
102	Cemetery	AUTO\$	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
102	Cemetery	CPPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
102	Cemetery	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
102	Cemetery	HCPAY	Mandatory Holiday Comp Payout	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
102	Cemetery	HHPAY	Holiday Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
102	Cemetery	MCPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	NO
102	Cemetery	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
102	Cemetery	MI\$NT	Mileage Reimbursement Non-Taxable	NO	PEPRA	NO	NO	BOTH	NO	NO
102	Cemetery	OTPAY	Overtime Mandatory Payoff - Exceeds Comp Allowable	NO	BOTH	NO	NO	BOTH	NO	NO
102	Cemetery	RE	Retroactive Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
102	Cemetery	SOT	Straight Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
102	Cemetery	CELL	Cell Phone Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
118	Children and Families	AUTO\$	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
118	Children and Families	CPPAY	Comp Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
118	Children and Families	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
118	Children and Families	GHLTQ	Sharewell - General	YES	LEGACY	YES	YES	BOTH	NO	YES
118	Children and Families	HCPAY	Mandatory Holiday Comp Payout	NO	BOTH	NO	YES <sup>2</sup>	BOTH	NO	YES
118	Children and Families	HHPAY	Holiday Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
118	Children and Families	LSB	Lump Sum Bonus Payment - Legacy Employees	YES	LEGACY	NO	YES	LEGACY	NO	YES
118	Children and Families	LSBP	Lump Sum Bonus Payment - PEPRA Employees	NO	PEPRA	NO	NO	PEPRA	NO	YES
118	Children and Families	MCPAY	Comp Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	NO
118	Children and Families	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
118	Children and Families	OTPAY	Overtime Mandatory Payoff - Exceeds Comp Allowable	NO	LEGACY	NO	NO	BOTH	NO	NO
118	Children and Families	RE	Retroactive Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
118	Children and Families	VACPY	Vacation Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	NO
118	Children and Families	VPTPY	Vacation Payoff - Termination	NO	LEGACY	NO	NO	BOTH	NO	NO
119	LAFCO	AUTO\$	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
119	LAFCO	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
119	LAFCO	GHLTQ	Sharewell - General	YES	LEGACY	YES	YES	BOTH	NO	YES
119	LAFCO	HHPAY	Holiday Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
119	LAFCO	MCPAY	Comp Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	NO
119	LAFCO	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
119	LAFCO	RE	Retroactive Pay	YES	LEGACY	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
119	LAFCO	VACPY	Vacation Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	NO
119	LAFCO	VPTPY	Vacation Payoff - Termination	NO	LEGACY	NO	NO	BOTH	NO	NO
103	Law Library	ALAPY	Annual Leave Payoff - Annual	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
103	Law Library	BL	Bilingual Pay for Counselors	YES	BOTH	YES	YES	BOTH	YES	YES
103	Law Library	SS	Shift Supervision	YES	BOTH	YES	YES	BOTH	YES	YES
103	Law Library	GHLTQ	Sharewell - General	YES	LEGACY	YES	YES	BOTH	NO	YES
105	OCERS	ALAPY	Annual Leave Payoff - Annual	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
105	OCERS	ALTPY	Annual Leave Payoff - Termination	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	AUTO\$	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
105	OCERS	CAPP1	Ride Share Incentive	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	CPPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
105	OCERS	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	ECP	Employee Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
105	OCERS	GHLTQ	Sharewell - General	YES	BOTH	YES	YES	BOTH	NO	YES
105	OCERS	HCPAY	Mandatory Holiday Comp Payout	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
105	OCERS	HHPAY	Holiday Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
105	OCERS	LSB	Lump Sum Bonus Payment - Legacy Employees	YES	LEGACY	NO	YES	LEGACY	NO	YES
105	OCERS	MCPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	NO
105	OCERS	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	OTPAY	Overtime Mandatory Payoff - Exceeds Comp Allowable	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	SOT	Straight Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
105	OCERS	ZMT	Mgr's Incentive Pay Based on Performance	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	AT	ASE cert pay on holiday hours worked	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	AU	ASE- Non Overtime	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	CA	Car Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	CM	Commuter Club	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	CP	Cell Phone Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	DLS	Lump Sum Payments	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	HN	HOL - NO RETIRE	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	HW	Holiday Worked	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	IN	Instruction Pay	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	LP	Lead Pay	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	LS2	Lump Sum Payments	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	NS	Night Shift Differential	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
112	OCTA	OS	Scheduled - Overtime	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	PB	Productivity Bonus	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	PM	PM Shift Differential	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RB	RETRO BEREAVE	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RC	Retro Commute	YES	BOTH	YES	YES	BOTH	NO	YES
112	OCTA	RG	Regular Hours	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RH	RETRO HOL - RET	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RHP	Retro Holiday Pay	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RHW	Retro Holiday Hours Worked	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RI	Retro Scheduled Travel Overtime	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RJ	Retro Jury Duty	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RN	Retro Holiday	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RO	RETRO SCHED OT	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RP	RETRO SK PAYOFF	YES	LEGACY	NO	NO	BOTH	NO	NO
112	OCTA	RQ	Retro Vacation Payoff	YES	LEGACY	NO	NO	BOTH	NO	NO
112	OCTA	RR	Retro Regular	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RS	RETRO SICK	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RV	Retro Vacation	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	SPO	Sick Leave Payout - Annual Pay Option	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
112	OCTA	SW	Special Merit	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	SW2	Special Merit	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	TS	Scheduled Travel Overtime	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	VAN	VAN POOL INCENTIVE	YES	LEGACY	NO	NO	BOTH	NO	NO
112	OCTA	VP	VACATION PAYOFF - Termination	NO	BOTH	NO	NO	BOTH	NO	NO
112	OCTA	VSB	Vacation Sell Back - Hardship	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
112	OCTA	ER	Employee Referral	YES	LEGACY	NO	YES	LEGACY	NO	YES
112	OCTA	GR	Grievance Settlement	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	ML	Military Leave	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RF	Retro Administrative Leave	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RL	Retro Long Term Disability - 80%	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RM	Retro Military	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	RU	Retro Unprovoked Attack	YES	BOTH	YES	YES	BOTH	YES	YES
112	OCTA	SP	SICK PAYOFF - Termination	YES	LEGACY	NO	NO	BOTH	NO	NO
111	Sanitation	OC	On Call	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	YES



## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
111	Sanitation	RETRN	RETRN	NO	BOTH	NO	NO	BOTH	NO	NO
111	Sanitation	RETRP	Retro Pay	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	AUTO1	Auto Allowance - Executive Management	YES	LEGACY	NO	YES	LEGACY	NO	YES
111	Sanitation	CTERM	CTERM	NO	BOTH	NO	NO	BOTH	NO	NO
111	Sanitation	DB	Development Benefits	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	GRV	Grade V Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	IISF	Investment Incentive Salary - Fixed	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	IISP	Investment Incentive Salary - Percent	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	OT	OVERTIME	NO	BOTH	NO	NO	BOTH	NO	NO
111	Sanitation	PLPY	Personal Leave Payoff	YES	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
111	Sanitation	PM	PM Shift Differential	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	PTERM	PTERM	NO	BOTH	NO	NO	BOTH	NO	NO
111	Sanitation	RETRS	Non-Base Building Lump Sum Payment	YES	BOTH	NO	YES	LEGACY	NO	YES
111	Sanitation	RO	Relief Operator Pay	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	SO	Scheduled Overtime Amount	YES	BOTH	YES	YES	BOTH	YES	YES
111	Sanitation	STERM	STERM	NO	LEGACY	NO	NO	BOTH	NO	NO
111	Sanitation	SZPAY	Sick Leave Payoff	YES	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
111	Sanitation	VACPY	Vacation Payoff	YES	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
111	Sanitation	VTERM	VTERM	NO	BOTH	NO	NO	BOTH	NO	NO
111	Sanitation	CPPAY	Comp Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
111	Sanitation	ACT	Acting Pay	YES	BOTH	YES	YES	BOTH	YES	YES
110	San Juan Capistrano	101	Bilingual Pay	YES	BOTH	YES	YES	BOTH	YES	YES
110	San Juan Capistrano	105	Car Allowance	YES	BOTH	NO	YES	LEGACY	NO	YES
110	San Juan Capistrano	137	Cell Phone Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
110	San Juan Capistrano	212	Comp Time Cashout	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	YES	YES
110	San Juan Capistrano	020	Double Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
110	San Juan Capistrano	142	General Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
110	San Juan Capistrano	220	Management Cashout	YES	LEGACY	NO	NO	BOTH	NO	NO
110	San Juan Capistrano	221	Management Payout	NO	BOTH	NO	NO	BOTH	NO	NO
110	San Juan Capistrano	015	Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
110	San Juan Capistrano	144	Sewer Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
110	San Juan Capistrano	205	Sick Leave Cashout	YES	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
110	San Juan Capistrano	206	Sick Pay-out	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
110	San Juan Capistrano	023	Standby	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	NO





## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
110	San Juan Capistrano	140	Uniform Allowance	YES	BOTH	NO	YES	LEGACY	NO	YES
110	San Juan Capistrano	141	Utility Certification	YES	BOTH	YES	YES	BOTH	YES	YES
110	San Juan Capistrano	202	Vacation Cashout	YES	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
110	San Juan Capistrano	203	Vacation Pay-out	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
109	TCA	ALAN4	Annual Leave Payoff	YES	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
109	TCA	ALTPY	Annual Leave Payoff - Termination	NO	LEGACY	NO	NO	BOTH	NO	NO
109	TCA	AUTO1	Automobile Allowance	YES	BOTH	NO	YES	LEGACY	NO	YES
109	TCA	HHPAY	Holiday Pay	YES	BOTH	YES	YES	BOTH	YES	YES
109	TCA	HPS	Holiday Work Straight	YES	LEGACY	YES	YES	BOTH	YES	YES
109	TCA	RE	Retroactive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
109	TCA	SB	Stand-by Statistical	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	YES
109	TCA	SM	Special Merit	YES	LEGACY	NO	YES	LEGACY	NO	YES
101	County of Orange	ACP	Advance Certification Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	ALAPY	Annual Leave Payoff - Annual	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
101	County of Orange	ALTPY	Annual Leave Payoff - Termination	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	ARMA	Armed Assignment Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	AS	Attorney Special Duty Pay	YES	LEGACY	NO	YES <sup>1</sup>	LEGACY	NO	YES
101	County of Orange	ASE4	Auto Srvc Excln 4-7	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	ASE8	Auto Srvc Excln 8+	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	ASOP	Air Support Operations Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	AUTO\$	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
101	County of Orange	AUTO1	Automobile Allowance	YES	LEGACY	NO	YES	LEGACY	NO	YES
101	County of Orange	BC	Bilingual Pay for Counselors	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BGP1	Board Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BGP2	Board Certification Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	BGP3	Board Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BGP4	Board Certification Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BFCP	Backflow Certification Pay for Craft and Plant emp	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BL	Bilingual Pay for Counselors	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BS	Bilingual Pay (BS)	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BX	Bilingual Pay (BX)	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BXEW	EW Exception Bilingual Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BZ	Community Services Bilingual Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	BZSW	Bilingual Social Worker	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
101	County of Orange	CAPP1	Ride Share Incentive	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	CBA	Call Back	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	CC	Communications Coordinator Supplemental Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	CDL	Commercial Drivers License	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	CEP	Confidential Executive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	CESP	Confidential Executive Secretary Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	CF	Confined Space Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	CFCP	Confined Space Pay for Craft and Plant employees	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	CFOS	Confined Space Unit OS	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	CO	Helicopter Pilot Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	CPPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
101	County of Orange	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	CW	Water Craft Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	CY	Motorcycle Officer Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	DFTO	DA Training Officer Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	DP	Diver Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	EW	Elevated Work Differential	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	FWPO	Fixed Wing Pilot/Observer Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	GHLTQ	Sharewell - General	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	GRV	Grievance Settlement Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	GRVNR	Grievance Settlement Pay	YES	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	HA	Height Premium Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	HAP	Harbor Assignment Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	HCPAY	Mandatory Holiday Comp Payout	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
101	County of Orange	HD	Hazardous Devices	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	HLP	High Lift Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	HM	Hazardous Materials	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	IT	Inmate Transportation Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	JA	Jail Assignment Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	JFTO	Jail Training Officer Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	JS	Jail Assignment Supplemental Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	K9PAY	Sheriff's Canine Pay	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	YES
101	County of Orange	LD	Licensure Differential Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	LDP	Licensure Differential Pay	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
101	County of Orange	LSB	Lump Sum Bonus Payment - Legacy Employees	YES	BOTH	NO	YES	LEGACY	NO	YES
101	County of Orange	LSBP	Lump Sum Bonus Payment - PEPRA Employees	NO	BOTH	NO	NO	BOTH	NO	YES
101	County of Orange	MA	Mounted Assignment	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	MCPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	BOTH	NO	NO
101	County of Orange	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	MDSA	Special Assignment Pay for MD	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	MI\$NT	Mileage Reimbursement	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	MI\$TX	Taxable Mileage Reimbursement	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	ML	Military Leave	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	MLOPY	Military Leave Without pay	NO	LEGACY	NO	NO	BOTH	YES	YES
101	County of Orange	MR	Major Accident Reconstruction/Resp Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	NJ	Nurse - Jail	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	NL	Nurse - Late Shift	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	NP	Nurse Premium	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	OBPAD	OBP Payment For AD&D Insurance	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	OBPDC	OBP Lump Sum Payment	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	OBPLS	Opt Ben Plan Lump Sum Payment	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	OC	On Call	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	YES
101	County of Orange	OCDR	On Call for Doctors	YES	LEGACY	NO	YES <sup>1</sup>	LEGACY	NO	YES
101	County of Orange	OR	FLSA Premium OT Rate Adj	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	OT	OVERTIME	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	OTPAY	Overtime Mandatory Payoff - Exceeds Comp Allowable	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	OV	Helicopter Observer Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	PAC	Plant Air Conditioning Mechanic Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	PFTO	Patrol Training Officer Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	PIPPO	PIP Leave Payoff	YES	LEGACY	NO	YES	LEGACY	NO	YES
101	County of Orange	PIPPY	Performance Incentive Pay	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	PIPTR	PIP Leave Payoff - Termination	YES	LEGACY	NO	YES	LEGACY	NO	YES
101	County of Orange	PLS	Professional Land Surveyor License Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	PM	PM Shift Differential	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	POST	Post Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	PSC	Police Services Chief Premium	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	RO	Relief Operator Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	SOT	Straight Overtime	NO	BOTH	NO	NO	BOTH	NO	NO



## Pay Item Spreadsheet

Emp Code	Employer	Pay Code	Pay Code Description	Current Configuration		Analysis Results			DECISION	DECISION
				Pensionable	Plan Class	Pensionable PEPR	Pensionable LEGACY	Plan Class	PEPR Pensionable?	Comp Earnable?
101	County of Orange	SPA	Specialty Assignment Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	SXPAY	Sick leave Payoff - Termination	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	SZPAY	Sick leave Payoff	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	N/A	YES
101	County of Orange	TC	Tactical Support Team Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	TI	Toxic Investigator	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	TO	Training Officer - Sheriff	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	TOJ	Training Officer - Jail Assignment	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	TTU	Taxable Tuition Reimbursement	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	UGSTO	Underground Storage Tank Op Certification Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
101	County of Orange	VACPY	Vacation Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	N/A	YES
101	County of Orange	VOTE	Invalid pay item - people who work on elections	NO	LEGACY	NO	NO	BOTH	NO	NO
101	County of Orange	VPTPY	Vacation Payoff - Termination	NO	BOTH	NO	NO	BOTH	NO	NO
101	County of Orange	MFTO	Master Field Training Officer Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	EDIP	Education Incentive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
101	County of Orange	HSN	Hostage Negotiator Pay	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	CAPP1	Ride Share Incentive	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	GHLTQ	Sharewell - General	YES	BOTH	YES	YES	BOTH	NO	YES
121	Superior Court	BL	Bilingual Pay for Counselors	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	BX	Bilingual Pay (BX)	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	BXC	Court Exceptional Bilingual Pay	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	CPPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
121	Superior Court	CPTPY	Track FCOMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	CRR	Real Time Certified Reporters Pay	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	HCPAY	Mandatory Holiday Comp Payout	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
121	Superior Court	HHPAY	Holiday Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
121	Superior Court	MCPAY	Comp Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	NO
121	Superior Court	MCTPY	Track COMP bucket payout when employee separates	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	OBPDC	Optional Benefit Plan Bonus Payment	NO	LEGACY	NO	NO	BOTH	NO	NO
121	Superior Court	OBPLS	Opt Ben Plan Lump Sum Payment	NO	LEGACY	NO	NO	BOTH	NO	NO
121	Superior Court	OC	On Call	YES	BOTH	NO	YES <sup>1</sup>	LEGACY	NO	YES
121	Superior Court	OTPAY	Overtime Mandatory Payoff - Exceeds Comp Allowable	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	SOT	Straight Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	PM	PM Shift Differential	YES	BOTH	YES	YES	BOTH	YES	YES
121	Superior Court	QRR	REAL TIME QUALIFIED REPORTERS PAY	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPR	Pensionable LEGACY	Plan Class	PEPR Pensionable?	Comp Earnable?
121	Superior Court	VACPY	Vacation Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	N/A	YES
121	Superior Court	VPTPY	Vacation Payoff - Termination	NO	BOTH	NO	NO	BOTH	NO	NO
121	Superior Court	LONG	Longevity	NO	LEGACY	NO	NO	BOTH	NO	NO
106	OCFA	1AR	Staff Aircraft Rescue	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1BE	Staff Firefighter Bilingual/Spanish Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1BF	Staff Bilingual Firefighter	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1BM	Staff FM Bilingual (Bilingual pay for Fire Mgmt in	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1CO	Crane Operator Pay - Staff	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1EM	Staff EMT Bonus	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1HM	Staff Hazmat Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1HP	Staff Hazmat Medic Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1HS	Staff Hazmat Specialty Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1PI	Paramedic Incentive Pay - Staff FAE	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1PT	Staff Paramedic Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1TT	Staff Tech Rescue Truck Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1UM	USAR Medic Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	1US	USAR - Staff Bonus	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	2HS	Staff Overtime Hazmat Specialty Pay	YES	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	2TT	Staff Overtime Tech Rescue Truck Pay	YES	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	AP	Supplementary Assignment Pay	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	APC	Supp Assign Pay - Staff BC	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	ARF	Aircraft Rescue Firefighter	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	BFM	Bilingual Fire Management	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	BS	Bilingual Pay (BS)	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	BSE	Field Firefighter Bilingual/Spanish Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	CC	Comp Time Conversion	YES	LEGACY	NO	NO	BOTH	NO	NO
106	OCFA	CE	Comp. Earnable for FLSA	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	CO	Crane Operator Pay - Shift	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	DO	DUTY OFFICER PAY - DC ONLY	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	DT	Dispatcher Trainer Pay	YES	BOTH	NO	NO	BOTH	YES	YES
106	OCFA	E6	Education Pay FF - 2.5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	E9	Education Pay FF - 5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	EM	Equipment Mechanic Pay/Fire EMT	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	EMD	Emergency Medical Dispatch	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPRA	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
106	OCFA	ES1	Education Pay SEIU \$25.00	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	FS5	FSS Supp Assignment Pay - 5%	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	FS7	FSS Sup Assignment Pay - 7.5%	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	GE6	Education Pay - GE - 2.5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	GE9	Education Pay - GE - 5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	GME	Education Pay - ME - 5.5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	HC	Holiday Comp	YES	BOTH	YES <sup>2</sup>	YES <sup>2</sup>	BOTH	YES	YES
106	OCFA	HCP	Fire Holiday Pay/Earnable	YES	BOTH	YES <sup>2</sup>	YES <sup>2</sup>	BOTH	YES	YES
106	OCFA	HEM	Hand Crew Firefighter Emergency Medical Technical	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	HH	OCFA Invalid Pay Item	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	YES	YES
106	OCFA	HM	Hazardous Materials	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	HP	Field Hazmat Medic Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	HS	Field Hazmat Specialty Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	HSO	Field Overtime Hazmat Specialty Pay	YES	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	K9	Canine Pay	YES	LEGACY	NO	YES <sup>1</sup>	LEGACY	YES	YES
106	OCFA	MCA	EXECUTIVE MGMT CAR ALLOWANCE	YES	LEGACY	NO	YES	LEGACY	NO	NO
106	OCFA	ME	EDUCATION PAY - 7.5%	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	MPC	Manpower Coordinator Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	MPO	Manpower Coordinator OT	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	MU	Move-Up for Dispatchers	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	OC	On Call	YES	LEGACY	NO	YES <sup>1</sup>	LEGACY	NO	YES
106	OCFA	PI	Paramedic Incentive Pay - Shift FAE	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	PT	Paramedic Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	RHC	Retro Holiday Comp	YES	BOTH	YES	YES <sup>2</sup>	BOTH	YES	YES
106	OCFA	RHP	Retro Holiday Comp	YES	BOTH	YES	YES <sup>2</sup>	BOTH	YES	YES
106	OCFA	RMP	Reimbursement of medical premium	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	RVE	Retro Vacation Earnings	NO	BOTH	NO	YES	LEGACY	NO	YES
106	OCFA	SC	Sick Leave Conversion - Annualized Rate	NO	LEGACY	NO	NO	BOTH	NO	NO
106	OCFA	SH	Staff Hazmat Incentive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	SHO	Staff Overtime Hazmat Incentive Pay	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	SI	Staff Incentive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	SIO	Staff Overtime Incentive Pay	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	SM	Staff Medic Incentive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	SMO	Staff Overtime Medic Incentive Pay	NO	BOTH	NO	NO	BOTH	NO	NO



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPR	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?
106	OCFA	SPP	Spring Premium Pay (Comp)	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	SU	Staff USAR Medic Incentive Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	SUO	Staff Overtime USAR Medic Incentive Pay	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	SX	Sick Leave Payoff - Termination	NO	LEGACY	NO	NO	BOTH	NO	NO
106	OCFA	TRT	Field Tech Rescue Truck Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	TTO	Field Overtime Tech Rescue Truck Pay	YES	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	UM	USAR MEDIC BONUS	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	US	USAR Bonus	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	VC	Vacation Conversion - Annualized Rate	NO	LEGACY	NO	YES <sup>2</sup>	LEGACY	NO	YES
106	OCFA	VE	Vacation Payoff (Excess)	NO	BOTH	NO	YES	LEGACY	NO	YES
106	OCFA	VP3	Vacation Payoff	NO	BOTH	NO	YES <sup>2</sup>	LEGACY	NO	YES
106	OCFA	VPT	Vacation PayOff - Termination	NO	BOTH	NO	NO	BOTH	NO	YES
106	OCFA	WSS	Workers Comp Safety Supp	YES	LEGACY	YES	YES	BOTH	YES	YES
106	OCFA	CPE	California Professional Engineer Specialty Pay	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	CPO	California Professional Engineer Specialty Pay - Overtime	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	FOM	ECC Forced OT Meal Stipend	NO	BOTH	NO	NO	BOTH	NO	NO
106	OCFA	CDS	Canine Disaster Search Specialist	YES	BOTH	YES	YES	BOTH	YES	YES
106	OCFA	1MP	Staff Manpower Coordinator Pay - 7.5%	YES	BOTH	YES	YES	BOTH	YES	YES



## Pay Item Spreadsheet

				Current Configuration		Analysis Results			DECISION	DECISION
Emp Code	Employer	Pay Code	Pay Code Description	Pensionable	Plan Class	Pensionable PEPRAs	Pensionable LEGACY	Plan Class	PEPRA Pensionable?	Comp Earnable?

**FOOTNOTES:**

<sup>1</sup> This type of pay has historically been Compensation Earnable. Amendments to the definition enacted as part of PEPRAs potentially alter that classification. A final determination will be made after pending litigation regarding PEPRAs is resolved.

<sup>2</sup> Based on the legal criteria, the final decision is Comp Earnable = YES, however, the pay code will be configured in V3 so there will be no contributions expected on these pay items. - Current Configuration should be equal to Pensionable = NO, Plan Class = BOTH



A-3



## Memorandum

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**DATE:** May 21, 2019  
**TO:** Members of the Governance Committee  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT:** TRIENNIAL REVIEW OF THE COMMITTEE CHAIR CHARTER

---

### Recommendation

Approve, and recommend that the Board approve, proposed revisions to the Committee Chair Charter as presented.

### Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Committee Chair Charter (Charter) is scheduled for review and approval by the Board, after review by the Governance Committee, in 2019. The Charter sets forth the duties and functions of the Chairs of the various committees of the OCERS Board.

Staff has reviewed the Charter and recommends the following changes:

1. Update Paragraph 1 to reflect that the Vice Chair of the Board as of the end of October of any year now appoints the members, chairs and vice chairs of the committees;
2. Add, in Paragraph 2.c., the duty of the Chair to approve committee meeting agendas as prepared by the CEO; and
3. Other non-substantive changes.

All changes are indicated in underlined/strikeout text in the attached Charter.

### Attachment

**Submitted by:**



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Gina M. Ratto  
General Counsel

## Introduction

1. The person holding the office of Vice Chair of the Board as of the end of October of the year will appoint the members of each of the committees of the Board (with the exception of the Investment Committee) and the chair and vice chair of all of the committees ~~will appoint Committees of the Board as prescribed in OCERS By-Laws and designate Board members to serve on those Committees. One Board member shall be appointed as Committee Chairperson. The~~ Committee Chairs will coordinate the affairs of their assigned committees with the assistance of OCERS Administration exercise the powers and perform the duties and functions specified herein.

## Duties and Responsibilities

2. With regard to their assigned committees, Committee Chairs will:
  - a. Preside at all meetings, ensuring that meetings are conducted in an efficient manner and in accordance with The Ralph M. Brown Act, (“California Government Code Section 54950, et. seq.”) and ~~the principles embodied in~~ the OCERS Rules of Parliamentary Procedure;
  - b. Guide the committee in achieving a harmonious atmosphere while allowing full and open debate;
  - c. Approve committee meeting agendas as prepared by the CEO;
  - e.d. Ensure coordination of meetings, agendas, schedules, presentations, and consultation with the OCERS Administration;
  - d.e. Work to ensure that committee deliberations are conducted with respect and professionalism;
  - e.f. Work to ensure that the committee discharges its duties and responsibilities as set forth in the County Employees Retirement Law of 1937, the committee’s charter, the By-Laws, and the governance policies of the Board;
  - f.g. Facilitate effective and open communications between the committee, the Board and the CEO;
  - g.h. On behalf of the committee, report to the Board on the activities of the committee; and
  - h.i. Carry out such other functions and duties that may be prescribed by the Board or the Board Chair.

## Charter Review

3. The Governance Committee will review this charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the charter remains relevant and appropriate.

## OCERS Board Charter Committee Chair Charter

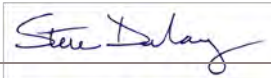
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### Charter History

4.—This charter was adopted by the Board of Retirement on November 18, 2002 and revised on July 20, 2015, ~~and~~ April 18, 2016 and June 17, 2019.

### Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney, Secretary of the Board

~~4/18/16~~ 06/17/2019

Date

## **Introduction**

1. The person holding the office of Vice Chair of the Board as of the end of October of the year will appoint the members of each of the committees of the Board (with the exception of the Investment Committee) and the chair and vice chair of all of the committees of the Board. The Committee Chairs will exercise the powers and perform the duties and functions specified herein.

## **Duties and Responsibilities**

2. With regard to their assigned committees, Committee Chairs will:
  - a. Preside at all meetings, ensuring that meetings are conducted in an efficient manner and in accordance with The Ralph M. Brown Act ( California Government Code Section 54950, *et. seq.*) and the OCERS Rules of Parliamentary Procedure;
  - b. Guide the committee in achieving a harmonious atmosphere while allowing full and open debate;
  - c. Approve committee meeting agendas as prepared by the CEO;
  - d. Ensure coordination of meetings, agendas, schedules, presentations, and consultation with the OCERS Administration;
  - e. Work to ensure that committee deliberations are conducted with respect and professionalism;
  - f. Work to ensure that the committee discharges its duties and responsibilities as set forth in the County Employees Retirement Law of 1937, the committee's charter, the By-Laws, and the governance policies of the Board;
  - g. Facilitate effective and open communications between the committee, the Board and the CEO;
  - h. On behalf of the committee, report to the Board on the activities of the committee; and
  - i. Carry out such other functions and duties that may be prescribed by the Board or the Board Chair.

## **Charter Review**

3. The Governance Committee will review this charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the charter remains relevant and appropriate.

## **Charter History**

This charter was adopted by the Board of Retirement on November 18, 2002 and revised on July 20, 2015, April 18, 2016 and June 17, 2019.



# OCERS Board Charter Committee Chair Charter

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## Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

A handwritten signature in blue ink that reads "Steve Delaney".

06/17/2019

Steve Delaney, Secretary of the Board

Date

**A-4**



## Memorandum

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**DATE:** May 21, 2019  
**TO:** Members of the Governance Committee  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT:** TRIENNIAL REVIEW OF THE INDEMNITY AND DEFENSE POLICY

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### Recommendation

Approve, and recommend that the Board approve, proposed revisions to the Indemnity and Defense Policy as presented.

### Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Indemnity and Defense Policy (Policy) is scheduled for review and approval by the Board, after review by the Governance Committee, in 2019. The Policy sets forth the manner in which OCERS will process and manage claims asserted against OCERS' employees and Board members for which indemnity and defense are available.

Staff has reviewed the Policy and recommends the following changes:

1. Deleting from Paragraph 2.a. the words, "arising within the course and scope of their duties to OCERS";
2. Deleting from Paragraph 3.a. the words, "based on acts or omissions arising out of the performance of retirement system duties"; and
3. Deleting from Paragraph 3.l. the words, "arising out of their former duties for OCERS".

All of the above noted changes are for the purpose of ensuring that **all** claims are reported to OCERS; and that OCERS then makes the determination if the claim is indemnifiable because it arose in the course and scope of the performance of duties to OCERS. In other words, the OCERS employee or Board member should not make the determination regarding "course and scope of duties" before notifying OCERS of the claim, but rather, should report all claims.

All changes are indicated in underlined/strikeout text in the attached Policy.

### Attachment

**Submitted by:**

*Gina M. Ratto*

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Gina M. Ratto  
General Counsel

## Purpose and Background

1. In general, OCERS provides indemnification and defense to OCERS' employees and Board members for claims arising out of their conduct occurring within the course and scope of their duties to the retirement system. OCERS' provision of indemnity and defense is required by state law. In certain circumstances other employing public agencies are also responsible for indemnifying and/or defending OCERS' employees and Board members.

The purpose of this policy is to establish the manner in which OCERS shall process and manage such claims, and to assure covered employees and Board members of the indemnity and defense to which they are entitled.

For purposes of this Policy, "employees" includes OCERS' direct employees and employees of the County of Orange who work at OCERS; provided, however, that OCERS reserves subrogation rights against the County of Orange in any cases where OCERS steps in to provide an indemnity or defense for an employee or Board member, but the County, in fact, would be the responsible entity under applicable law for indemnifying and defending the employee or Board member

## Policy Objectives

2. The objectives of this policy are to:
  - a. Provide a mechanism for reporting claims against Board members and employees ~~arising within the course and scope of their duties to OCERS;~~
  - b. Ensure claims are appropriate for indemnification and/or defense (*i.e.*, that the alleged conduct is not fraudulent, criminal or due to wrongful personal gain; or is otherwise excluded from indemnity and/or defense under law);
  - c. Identify the appropriate agency responsible for indemnifying and/or defending OCERS' Board members and employees for actions arising within the course and scope of their retirement system duties;
  - d. Coordinate processing of claims between OCERS and other employing agencies as necessary; and
  - e. Provide for the payment of attorneys' fees and costs incurred from inception to and including the date on which OCERS determines whether to indemnify and/or accept the defense of the claims on behalf of the affected Board member or employee.

## Policy Guidelines

3. The Board adopts the following approach for all indemnity and/or defense claims made by Board members or employees arising within the course and scope of their retirement system duties:
  - a. As soon as practicable after a claim is made against a Board member or employee ~~based on acts or omissions arising out of the performance of retirement system duties~~, such individual shall notify the Legal Department and provide the Legal Department with all documents provided by the claimant.

## Indemnity and Defense Policy

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- b. The Legal Department will review the claim, in conjunction with fiduciary counsel where appropriate, determine whether it is proper for a recommendation to the Board for indemnification and/or defense, and identify the appropriate indemnifying/defending agency.
- c. If the Legal Department determines that the claim is not appropriate for a recommendation of indemnification and/or defense, the Legal Department will promptly notify the individual of the reasons indemnification and/or defense is not proper. If the individual wishes to contest the determination of the Legal Department, the matter shall be agendized during a closed session at the next regular Board meeting, and the Board shall comply in all respects with the requirements of the Brown Act.
- d. If the Legal Department determines that the claim is appropriate for indemnification and/or defense, the Legal Department will promptly notify the individual of its recommendation to the Board. The Board shall agendize consideration of the matter during a closed session held at the next regular Board meeting and shall comply in all respects with requirements of the Brown Act.
- e. The Board will have sole and exclusive authority to determine whether the individual should be indemnified and/or defended. That determination shall consider whether indemnity and/or defense is/are (a) mandatory, (b) discretionary or (c) prohibited under law. If the Board determines that OCERS will not indemnify and/or defend the individual against the claim, the Board will notify the individual in writing within 72 hours of making the determination. The individual will then have the right to seek recourse as permitted by law. If the individual commences a legal action challenging the Board's determination, and until a final determination on the right to indemnification and/or defense is made, OCERS will advance defense costs on behalf of the individual on terms satisfactory to OCERS.
- f. If the Board determines to indemnify and/or defend against the claim on behalf of the individual, the Legal Department, in conjunction with Administrative Services, will undertake the necessary steps to ensure that the claim is properly resolved.
- g. The Legal Department and/or Administrative Services will communicate with the individual involved in the claim throughout the defense and resolution process.
- h. All Board members and employees who seek indemnification and/or defense from OCERS shall fully cooperate throughout the defense and resolution process.
- i. Prior to the determination of indemnification and/or defense (as further set forth in the following subparagraph) and thereafter if OCERS accepts the defense, OCERS shall select capable and competent legal counsel, subject to approval of the individual to be indemnified which approval shall not be unreasonably withheld, at the expense of OCERS. Alternatively, the Board of Retirement may permit the individual to select his or her own counsel under circumstances OCERS deems appropriate.
- j. Prior to the determination of indemnification and/or defense, OCERS shall advance all funds necessary to enable the subject individual to obtain effective defense to the claim, including attorneys' fees and costs reasonably incurred prior to such determination, subject to such recourse as is provided by law or contract. In the event that it is ultimately determined that OCERS correctly denied indemnity and/or defense of the individual under this policy, OCERS and the individual shall meet and confer to arrange the repayment of any such sums advanced to or on behalf of the

## OCERS Board Policy Indemnity and Defense Policy

- individual. Failing an amicable resolution being reached within 60 days of the determination, either party may commence legal action to resolve the dispute.
- k. In the event that OCERS obtains third party fiduciary insurance covering claims against Board members, employees, and OCERS itself, OCERS will timely and appropriately tender such claims and take all necessary actions in order to preserve the benefits of such insurance for the insureds.
  - l. Board members and employees who have ceased their duties with OCERS prior to receiving a claim ~~arising out of their former duties for OCERS~~ shall be entitled to the determination of indemnity and/or defense of the claim as set forth under this policy and at law in the same manner as if they had continued in their duties with OCERS. In the event that OCERS obtains third party fiduciary insurance covering claims against Board members and employees, OCERS shall secure continuing coverage as well for Board members and employees who have ceased their duties with OCERS, on commercially reasonable terms.
4. Notwithstanding this policy, OCERS reserves all rights under law (including subrogation rights against the County of Orange in cases where the County is the appropriate agency responsible for indemnifying and/or defending OCERS' Board members and employees) and any applicable employment contract with regard to the terms and conditions of its acceptance of indemnification and/or defense of Board members and employees. In the event of any conflict between such laws, contracts and this policy, the law shall prevail.

### Policy Review

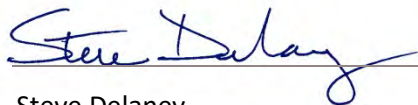
- 5. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

### Policy History

- 6. The Board adopted this policy on April 16, 2007. The Board amended this policy on January 18, 2011, March 17, 2014, ~~and~~ January 19, 2016 and June 17, 2019.

### Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney  
Secretary of the Board

~~01/19/2016~~ 06/17/2019

Date

## Purpose and Background

1. In general, OCERS provides indemnification and defense to OCERS' employees and Board members for claims arising out of their conduct occurring within the course and scope of their duties to the retirement system. OCERS' provision of indemnity and defense is required by state law. In certain circumstances other employing public agencies are also responsible for indemnifying and/or defending OCERS' employees and Board members.

The purpose of this policy is to establish the manner in which OCERS shall process and manage such claims, and to assure covered employees and Board members of the indemnity and defense to which they are entitled.

For purposes of this Policy, "employees" includes OCERS' direct employees and employees of the County of Orange who work at OCERS; provided, however, that OCERS reserves subrogation rights against the County of Orange in any cases where OCERS steps in to provide an indemnity or defense for an employee or Board member, but the County, in fact, would be the responsible entity under applicable law for indemnifying and defending the employee or Board member

## Policy Objectives

2. The objectives of this policy are to:
  - a. Provide a mechanism for reporting claims against Board members and employees;
  - b. Ensure claims are appropriate for indemnification and/or defense (*i.e.*, that the alleged conduct is not fraudulent, criminal or due to wrongful personal gain; or is otherwise excluded from indemnity and/or defense under law);
  - c. Identify the appropriate agency responsible for indemnifying and/or defending OCERS' Board members and employees for actions arising within the course and scope of their retirement system duties;
  - d. Coordinate processing of claims between OCERS and other employing agencies as necessary; and
  - e. Provide for the payment of attorneys' fees and costs incurred from inception to and including the date on which OCERS determines whether to indemnify and/or accept the defense of the claims on behalf of the affected Board member or employee.

## Policy Guidelines

3. The Board adopts the following approach for all indemnity and/or defense claims made by Board members or employees arising within the course and scope of their retirement system duties:
  - a. As soon as practicable after a claim is made against a Board member or employee, such individual shall notify the Legal Department and provide the Legal Department with all documents provided by the claimant.
  - b. The Legal Department will review the claim, in conjunction with fiduciary counsel where appropriate, determine whether it is proper for a recommendation to the Board for indemnification and/or defense, and identify the appropriate indemnifying/defending agency.

## Indemnity and Defense Policy

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- c. If the Legal Department determines that the claim is not appropriate for a recommendation of indemnification and/or defense, the Legal Department will promptly notify the individual of the reasons indemnification and/or defense is not proper. If the individual wishes to contest the determination of the Legal Department, the matter shall be agendaized during a closed session at the next regular Board meeting, and the Board shall comply in all respects with the requirements of the Brown Act.
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- e. The Board will have sole and exclusive authority to determine whether the individual should be indemnified and/or defended. That determination shall consider whether indemnity and/or defense is/are (a) mandatory, (b) discretionary or (c) prohibited under law. If the Board determines that OCERS will not indemnify and/or defend the individual against the claim, the Board will notify the individual in writing within 72 hours of making the determination. The individual will then have the right to seek recourse as permitted by law. If the individual commences a legal action challenging the Board's determination, and until a final determination on the right to indemnification and/or defense is made, OCERS will advance defense costs on behalf of the individual on terms satisfactory to OCERS.
- f. If the Board determines to indemnify and/or defend against the claim on behalf of the individual, the Legal Department, in conjunction with Administrative Services, will undertake the necessary steps to ensure that the claim is properly resolved.
- g. The Legal Department and/or Administrative Services will communicate with the individual involved in the claim throughout the defense and resolution process.
- h. All Board members and employees who seek indemnification and/or defense from OCERS shall fully cooperate throughout the defense and resolution process.
- i. Prior to the determination of indemnification and/or defense (as further set forth in the following subparagraph) and thereafter if OCERS accepts the defense, OCERS shall select capable and competent legal counsel, subject to approval of the individual to be indemnified which approval shall not be unreasonably withheld, at the expense of OCERS. Alternatively, the Board of Retirement may permit the individual to select his or her own counsel under circumstances OCERS deems appropriate.
- j. Prior to the determination of indemnification and/or defense, OCERS shall advance all funds necessary to enable the subject individual to obtain effective defense to the claim, including attorneys' fees and costs reasonably incurred prior to such determination, subject to such recourse as is provided by law or contract. In the event that it is ultimately determined that OCERS correctly denied indemnity and/or defense of the individual under this policy, OCERS and the individual shall meet and confer to arrange the repayment of any such sums advanced to or on behalf of the individual. Failing an amicable resolution being reached within 60 days of the determination, either party may commence legal action to resolve the dispute.

## OCERS Board Policy

# Indemnity and Defense Policy

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- k. In the event that OCERS obtains third party fiduciary insurance covering claims against Board members, employees, and OCERS itself, OCERS will timely and appropriately tender such claims and take all necessary actions in order to preserve the benefits of such insurance for the insureds.
  - l. Board members and employees who have ceased their duties with OCERS prior to receiving a claim shall be entitled to the determination of indemnity and/or defense of the claim as set forth under this policy and at law in the same manner as if they had continued in their duties with OCERS. In the event that OCERS obtains third party fiduciary insurance covering claims against Board members and employees, OCERS shall secure continuing coverage as well for Board members and employees who have ceased their duties with OCERS, on commercially reasonable terms.
4. Notwithstanding this policy, OCERS reserves all rights under law (including subrogation rights against the County of Orange in cases where the County is the appropriate agency responsible for indemnifying and/or defending OCERS' Board members and employees) and any applicable employment contract with regard to the terms and conditions of its acceptance of indemnification and/or defense of Board members and employees. In the event of any conflict between such laws, contracts and this policy, the law shall prevail.

### Policy Review

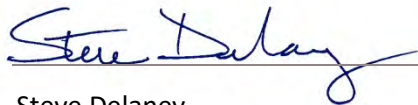
- 5. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

### Policy History

- 6. The Board adopted this policy on April 16, 2007. The Board amended this policy on January 18, 2011, March 17, 2014, January 19, 2016 and June 17, 2019.

### Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney  
Secretary of the Board

06/17/2019

Date