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

GOVERNANCE COMMITTEE MEETING
March 19, 2026
9:30 A.M.

Members of the Committee
Iriss Barriga, Chair
Charles Packard, Vice-Chair
Shari Freidenrich
Roger Hilton

Members of the public who wish to observe and/or participate in the meeting may do so (1) from the OCERS Boardroom or (2) via the Zoom app or telephone (information below) from any location.

OCERS Zoom Video/Teleconference Information	
Join Using Zoom App (Video & Audio) **https://ocers.zoom.us/j/87693209271** **Meeting ID: 876 9320 9271** **Passcode: 798382** Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.	**Join by Telephone (Audio Only)** Dial by your location +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York) **Meeting ID: 876 9320 9271** **Passcode: 798382**
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

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.

OPEN SESSION

1. **CALL MEETING TO ORDER AND ROLL CALL**

2. **BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY) (Government Code section 54953(f))**

3. **PUBLIC COMMENTS**

Members of the public who wish to provide comment during the meeting may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad. Members of the public who participate in the meeting from the OCERS Boardroom and who wish to provide comment during the meeting may do so from the podium located in the OCERS Boardroom. When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

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.

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

CONSENT AGENDA

C-1 GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes November 20, 2025

Recommendation: Approve minutes.

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 attending the meeting in person and wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the Boardroom 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 TRIENNIAL REVIEW OF THE PROTOCOL FOR HANDLING WORKPLACE COMPLAINTS AGAINST BOARD MEMBERS
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt revisions to the Protocol for Handling Workplace Complaints Against Board Members.

A-3 TRIENNIAL REVIEW OF THE COMMUNICATIONS POLICY
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Communications Policy.

A-4 TRIENNIAL REVIEW OF THE QUIET PERIOD POLICY
Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations

Recommendation: Approve and recommend that the Board adopt the revisions to the Quiet Period

Policy.

A-5 TRIENNIAL REVIEW OF GOVERNANCE COMMITTEE CHARTER
Presentation by Steve Delaney, CEO, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Governance Committee Charter with no revisions.

A-6 TRIENNIAL REVIEW OF THE SACRS VOTING AUTHORITY POLICY
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the SACRS Voting Authority Policy.

A-7 OFF-CYCLE REVIEW OF THE VERIFICATION OAP
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt revisions to the OCERS Administrative Procedure (OAP) on Verification.

INFORMATION ITEMS

I-1 GOVERNANCE COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2026
Presentation by Manuel Serpa, General Counsel

I-2 UPDATE ON THE EMPLOYER DATA POLICY
Presentation by Mark Adviento, Director of Member Services

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

AUDIT COMMITTEE MEETING
March 26, 2026
8:30 A.M.

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

BUILDING COMMITTEE MEETING
April 2, 2026

9:30 A.M.

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

PERSONNEL COMMITTEE MEETING
April 9, 2026
1:00 P.M.

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

AVAILABILITY OF AGENDA MATERIALS - Documents and other materials that are non-exempt public records distributed to all or a majority of the members of the OCERS Board or Committee of the Board in connection with a matter subject to discussion or consideration at an open meeting of the Board or Committee of the Board are available at the OCERS' website: https://www.ocers.org/board-committee-meetings. If such materials are distributed to members of the Board or Committee of the Board less than 72 hours prior to the meeting, they will be made available on the OCERS' website at the same time as they are distributed to the Board or Committee members. Non-exempt materials distributed during an open meeting of the Board or Committee of the Board will be made available on the OCERS' website as soon as practicable and will be available promptly upon request.

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 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.

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

GOVERNANCE COMMITTEE MEETING
Thursday, November 20, 2025
9:30 A.M.

MINUTES

The Chair called the meeting to order at 9:30 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Arthur Hidalgo, Chair; Roger Hilton, Vice-Chair; Shari Freidenrich, Board Member; and Richard Oates, Board Member.

Also present: Manuel Serpa, General Counsel; David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Darren Dang, Chief Technology Officer; Mark Adviento, Director of Member Services; Maytak Chin, Fiduciary Counsel; Anthony Beltran, Audio Visual Technician; and Rebeca Gonzalez-Verdugo, Recording Secretary.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes August 21, 2025

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich, to approve the Minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-3 TRIENNIAL REVIEW OF THE PENSIONABLE COMPENSATION POLICY

Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Pensionable Compensation Policy.

MOTION by Mr. Oates, **seconded** by Mr. Hilton, to adopt staff's recommendations.

The motion passed **unanimously**.

A-4 TRIENNIAL REVIEW OF THE COMPENSATION EARNABLE POLICY
Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Compensation Earnable Policy.

MOTION by Mr. Hilton, **seconded** by Ms. Freidenrich, to adopt staff's recommendations.

The motion passed **unanimously**.

A-5 TRIENNIAL REVIEW OF THE WITHDRAWING EMPLOYER CONTINUING OBLIGATION POLICY
Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Withdrawing Employer Continuing Obligation Policy.

MOTION by Mr. Hilton, **seconded** by Mr. Oates, to adopt staff's recommendations.

The motion passed **unanimously**.

A-6 TRIENNIAL REVIEW OF THE WITHDRAWING EMPLOYER FULLY SATISFIED OBLIGATION POLICY
Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Withdrawing Employer (Fully Satisfied Obligation) Policy without revision.

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich, to adopt staff's recommendations.

The motion passed **unanimously**.

A-7 TRIENNIAL REVIEW OF THE DECLINING EMPLOYER PAYROLL POLICY
Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Declining Employer Payroll Policy without revision.

MOTION by Mr. Hilton, **seconded** by Mr. Oates, to adopt staff's recommendations.

The motion passed **unanimously**.

A-8 OFF-CYCLE REVIEW OF MILITARY SERVICE CREDIT PURCHASES OAP
Presentation by Manuel Serpa, General Counsel, and Joon Kim, Staff Attorney

Recommendation: Approve and recommend that the Board adopt revisions to the OCERS Administrative Procedure (OAP) Military Service Credit Purchases.

MOTION by Mr. Hilton, **seconded** by Mr. Oates, to adopt staff's recommendations.

The motion passed **unanimously**.

A-2 TRIENNIAL REVIEW OF THE PROTOCOL FOR HANDLING WORKPLACE COMPLAINTS AGAINST BOARD MEMBERS
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt revisions to the Protocol for Handling Workplace Complaints Against Board Members.

After discussion, the Committee directed staff to return the Policy to them for further development before consideration at the next Governance Committee meeting. Chair Hidalgo directed staff to research how CalPERS, CalSTRS, and CERL systems address complaints for the next meeting.

The Committee instructed staff to incorporate the following revisions:

- Describe parameters of the scope of the investigation and investigators.
- Include reference to protocol for external parties filing a complaint against Board Members.
- Enhance the reference to the procedure of handling complaints.

WRITTEN REPORTS

R-1 2025 YEAR IN REVIEW: DATA PROJECT
Written Report

Chair Hidalgo pulled the written report, *2025 Year in Review: Data Project.* Mr. Kim informed the Committee of the status of the Employer Data Policy and Employer Handbook. Staff are finalizing the Employer Handbook (Handbook), which serves as a technical manual for employers regarding payroll transmittals and exception resolution, to be sent to employers by the end 2025. A draft Data Policy was last presented to the Governance Committee in March 2025, and staff anticipates returning with a revised version in 2026, following final Handbook distribution and continued employer implementation support

COMMITTEE MEMBER COMMENTS
The Committee thanked Chair Hidalgo for his work as the chair of the Committee for this year.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT
Chair adjourned meeting at 10:47 a.m.

Submitted by: **Approved by:**

_____ _____ _____

Manuel Serpa	Steve Delaney	Iriss Barriga
General Counsel/Staff Liaison	Chief Executive Officer/Secretary	Chair

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE PROTOCOL FOR HANDLING WORKPLACE COMPLAINTS AGAINST BOARD MEMBERS**

Recommendation

Approve and recommend that the Board adopt revisions to the Protocol for Handling Workplace Complaints Against Board Members Policy.

Discussion

The Board of Retirement has established a review schedule requiring review of every charter and policy every 3 years. Under the board-approved review process, the Governance Committee will first review certain charters and policies before presentation to the Board for approval. The Board adopted the Protocol for Handling Workplace Complaints Against Board Members and Executives Policy (Policy) on October 21, 2019, and most recently amended it on June 20, 2022.

The policy revisions incorporate feedback from the last Governance Committee meeting, change the resolution period to six months, and allow the subject of the complaint to submit a written response prior to any determination.

As an example, fiduciary counsel was removed as the driver of the process and replaced by the HR Director, so that fiduciary counsel is available to advise the Board as a whole, as appropriate. The HR Director will consult with a "review panel" comprising the Board Chair (or Vice-Chair if the complaint concerns the Chair), the CEO, and the General Counsel throughout the process to ensure an orderly and fair evaluation.

A provision was added as paragraph 11 stating that the HR Director will perform a preliminary evaluation to determine whether a formal investigation is justified:

11. The Director, in consultation with the Review Panel, shall gather preliminary information sufficient to assess the nature and severity of the allegations and determine whether a formal investigation is warranted. The Director shall, with the concurrence of the Review Panel, initiate a formal investigation if, based on their preliminary evaluation, they find the allegations plausible and not frivolous and that, if substantiated, the alleged conduct would constitute a violation of law or OCERS Policy. If the preliminary evaluation determines that these criteria are not satisfied, no further action shall be taken. If the Director determines, with the concurrence of the Review Panel, that no further action is warranted, the Director shall prepare a written memorandum documenting the preliminary evaluation, the information considered, and the basis for the determination. The memorandum shall be retained in accordance with Paragraph 20.

In addition, rather than a maximum of one year for resolution, a six-month period for finalization was added to the end of paragraph 7:

The evaluation and resolution of the Workplace Complaint will be handled as promptly as practicable and will be finalized within six months of receipt of the complaint, absent good cause and/or exigent circumstances.

Also, a provision was added to paragraph 16 to allow the subject of the complaint a period of fourteen days to review the investigation summary and provide a written response before any determination is made.

Other non-substantive changes were made to the document to improve readability. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

OCERS Board Policy

Protocol for Handling Workplace Complaints Against Board ~~Members and Executives~~ Members

~~Background~~Purpose and ~~Objectives~~Application

1. The Board of Retirement takes ~~very seriously~~ workplace complaints made by OCERS employees against Board members ~~of the Board or OCERS executive staff.~~very seriously. Formal procedures and practices are required to ensure that complaints are ~~timely, fairly and appropriately~~ investigated and addressed in a timely, fair, and appropriate manner, a~~s well as~~nd to provide due process. All actions under this protocol will be conducted in compliance with applicable federal, state, and local laws, including whistleblower protection laws.

2. For purposes of this policy, the phrase~~a~~ "Workplace Complaint" is defined to include~~s~~ allegations of harassment, discrimination, retaliation, bullying, ethics violations, or other misconduct relating to the workplace made by an OCERS employee against a member of the Board.[1]

3. *This policy pertains to handling Workplace Complaints when neither a civil action nor a damages claim under the Government Claims Act has been filed.*

4. With the advice of legal counsel, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) should, at the outset, determine whether the OCERS Indemnity and Defense Policy or the terms of an existing employment practices liability insurance policy or other insurance policy apply to the complaint and affect how it is to be handled.

~~2.~~5. The objectives of ~~this policy~~the Protocol for Handling Workplace Complaints Against Board Members ("Protocol") are to:

   a. Establish protocols for the OCERS Human Resources department ("HR") and the Board Chair or Vice Chair to respond to ~~workplace complaints~~Workplace Complaints made by OCERS employees against members of the Board ~~or OCERS executive staff~~; and

   b. Clarify the roles and responsibilities of HR, the Board, and OCERS ~~Human Resources department, the Board, and OCERS staff in the process of~~staff in handling the complaints covered by this ~~protocol~~Protocol.

   c. Fiduciary Counsel will be available to provide legal advice, as needed or appropriate, to the Board Chair, Vice Chair, or the Board as a whole, regarding a Workplace Complaint. The subject

[1] This policy applies to complaints from individuals within OCERS. Any informal complaint made by a party external to OCERS will be handled by OCERS Human Resources in consultation with the Legal Division.

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OCERS Board Policy

Protocol for Handling Workplace Complaints Against Board Members ~~and Executives~~

of the complaint may also consult with Fiduciary Counsel unless Counsel determines an actual or potential conflict of interest prevents consultation regarding the Workplace Complaint.

~~b.~~

Policy Guidelines

6. In the event ~~the OCERS Human Resources department~~HR receives a ~~workplace complaint~~Workplace Complaint from an OCERS employee ~~(“~~("complainant~~”)~~") against a member of the Board ~~or member of the OCERS executive staff (“~~("subject of the complaint~~”),~~"), the following ~~protocols~~Protocol will be observed in addition to the procedures ~~normally~~typically followed by HR in response to a ~~workplace complaint~~Workplace Complaint:

~~3.~~ The HR Director ("Director") will provide a form to the complainant (if their identity is known) to document the Workplace Complaint in writing and signed. If the Director does not receive the signed form from the known complainant in a timely manner, the Director will prepare a written account based on the complainant's oral information and request that the complainant confirm the accuracy of the account. If the complainant declines or fails to confirm the accuracy of the account, or the complainant's identity is unknown, the Director will so indicate in the record of the matter. Regardless of whether the complainant confirms the account or the complainant's identity is known, the complaint shall proceed through the consultation process described in Paragraph 9 to determine whether further action under this Protocol is warranted.~~The HR Director of Human Resources (“~~("Director”)") will provide a form to the complainant for the purpose of accurately documenting the complaint~~(if their identity is known) to document the Workplace Complaint in a signed writing. If the Director does not receive the signed form back from the known complainant in a timely manner, the Director will prepare a writing based on the information provided orally by the complainant, and request that the complainant confirm the accuracy of the writing. If the complainant declines or fails to confirm the accuracy of the writing, or the identity of the complainant is unknown, the Director will so indicate in the record of the matter.~~

7. The evaluation ~~investigation~~ and resolution of the Workplace Complaint will be handled as promptly as practicable and will be final~~ly resolv~~ized within ~~one year~~six months of recei~~ving~~pt of the complaint, absent good cause and/or exigent circumstances.

8. The identities of the complainant and the subject of the complaint will remain confidential to the fullest extent possible, but cannot be guaranteed where disclosure is legally required or necessary for a fair investigation.

9. Upon receipt of a Workplace Complaint, ~~Before following the procedures normally followed by HR in response to a workplace complaint~~Workplace Complaint, the Director will consult with the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), the CEO ~~(unless the subject of the complaint is the CEO),~~ and the General Counsel ~~(unless the subject of the complaint is the General Counsel), ,~~ ~~and outside Fiduciary Counsel. The group may~~ (the Review Panel) to decide ~~whether~~ whether alterations to ~~alter~~ HR’s standard operating~~the normal~~ procedures are warranted

based on the facts and circumstances of the complaint~~.~~ to avoid any conflicts of interest, undue influence, or prejudice to the evaluation~~investigative~~ process.

10. Upon commencing any procedures in response to a Workplace Complaint against a member of the Board, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) will notify the subject of the complaint that a complaint has been made and that an evaluation of the complaint will proceed. The Board Chair will also provide the complaint and this Policy to the subject of the complaint and advise the subject of their right to seek independent counsel. In all cases, the subject of the complaint will be cautioned that retaliation against the complainant is unlawful and inconsistent with OCERS' policies.

11. The Director, in consultation with the Review Panel, shall gather preliminary information sufficient to assess the nature and severity of the allegations and determine whether a formal investigation is warranted. The Director shall, with the concurrence of the Review Panel, initiate a formal investigation if, based on their preliminary evaluation, they find the allegations plausible and not frivolous and that, if substantiated, the alleged conduct would constitute a violation of law or OCERS Policy. If the preliminary evaluation determines that these criteria are not satisfied, no further action shall be taken. If the Director determines, with the concurrence of the Review Panel, that no further action is warranted, the Director shall prepare a written memorandum documenting the preliminary evaluation, the information considered, and the basis for the determination. The memorandum shall be retained in accordance with Paragraph 20.

12. The subject of the complaint may hire independent counsel of their choice. If legal representation of the subject of the complaint is neither dictated by the Indemnity and Defense Policy nor covered by an applicable insurance policy, OCERS will pay the cost of such counsel, subject to a written reservation of rights, until final resolution of the complaint under this policy. As a condition of payment, the individual must agree in writing to reimburse OCERS for these costs if the Board determines, after final resolution (as described in paragraph 17), that the Workplace Complaint is substantiated and that misconduct constituting a violation of law or OCERS policy occurred.

13. Should an investigation proceed, the Director will assign an independent investigator, and the evidentiary standard applied under this Protocol shall be the preponderance of the evidence. Upon completion of fact-finding, the investigator shall prepare a written report setting forth the allegations investigated, the evidence gathered, the investigator's factual findings, and the investigator's conclusions as to whether each allegation is substantiated, unsubstantiated, or inconclusive.

~~4.~~

~~Any individual who is the subject of the Workplace Complaint will have no role in the selection of the investigator, access to investigative updates (beyond due process rights), or influence over remedial action decisions.~~

~~5. Upon commencing any procedures in response to a complaint~~Workplace Complaint ~~against a member of the Board or the CEO, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair)~~

~~will notify the subject of the complaint that a complaint has been made, the general nature of the complaint, and that an investigation of the complaint will proceed. If the subject of the complaint is a member of OCERS executive staff, such notification will be delivered to the subject of the complaint by the CEO. In all cases, the subject of the complaint will be cautioned that it is against the law and OCERS' policies to retaliate against the complainant.~~

- ~~Fiduciary Counsel will, at the outset, provide the complaint and this Policy to the subject of the complaint and advise the subject of their right to seek independent counsel and the procedure to which the Board will proceed in the investigation, including a time period for comment and written response. Any written response by the Board member shall be delivered to the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) and the investigator. In no event shall the Fiduciary Counsel be deemed to represent the subject of the complaint unless the Board has determined there is no conflict of interest in doing so by Board action.~~

- ~~The subject of the complaint may hire independent counsel of their choice. If legal representation of the subject of the complaint is neither dictated by the Indemnity and Defense Policy nor covered by an applicable insurance policy, OCERS will pay the cost of such counsel, subject to a written reservation of rights, until final resolution of the complaint under this policy. As a condition of payment, the individual must agree in writing to reimburse OCERS for these costs if the Board determines, after final resolution (as described in paragraph 18), that the Workplace Complaint is substantiated and that misconduct occurred.~~

- ~~The Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), the CEO (unless the subject of the complaint is the CEO),, the General Counsel (unless the subject of the complaint is the General Counsel),, and outside Fiduciary Counsel will together select and retain an investigator to investigate the complaint. Workplace Complaint. During the investigation, Fiduciary Counsel will serve as liaison to the investigator.~~

~~6.~~14. The investigator's report will be delivered to the Director and the Review Panel.~~Fiduciary Counsel and shared only with the individuals identified in Paragraph 4 above.~~ ~~9.~~ The investigator's report will be confidential and will not be shared with the subject of the complaint or the complainant. However, a written summary of the findings and conclusions (redacted as necessary to protect confidentiality) will be prepared by General Counsel ~~Fiduciary Counsel~~ and provided to the complainant ~~and~~, the subject of the complaint, and ~~to~~ the Board.

~~7. During the course of any such investigation, the subject of the complaint will be advised in writing of the substance of the complaint and the identity of the complainant, and will be provided a timely opportunity to respond both orally and in writing. Where the subject of the complaint is a member of the Board or the CEO, such notice will be delivered by the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair); and where the subject of the complaint is an OCERS executive staff member, such notice will be delivered by the CEO. Any written response by the Board member or CEO shall be delivered to the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) and any written response by the OCERS executive staff member shall~~

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Protocol for Handling Workplace Complaints Against Board Members ~~and Executives~~

~~be delivered to the CEO. The complainant will be advised in writing of the substance of any written response by the subject of the complaint.~~

~~8.~~15. Upon the advice of the ~~individuals identified in Paragraph 4 above9~~Review Panel, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), *on a confidential basis consistent with the Brown Act*, may advise the Board of the existence and nature of the complaint, the status of the process in response to the complaint, and any findings and recommendations resulting from that process. ~~-~~Any Board member who is the subject of the complaint must recuse themselves from the discussion during the investigative process and from the Board's discussion regarding whether the Workplace Complaint is substantiated, ~~and~~ whether misconduct occurred, and on any related action or sanction.

~~9. The Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) may authorize the Board member or the CEO who is the subject of the complaint, and the CEO may authorize the OCERS executive staff member who is the subject of the complaint, to engage independent counsel of their choice to advise them during the process, at OCERS' expense, with an appropriate reservation of rights. The authority to authorize engagement of counsel at OCERS' expense will not exceed $10,000 in actual fees and costs reasonably incurred, without further action by the Board.~~

~~10.~~16. Upon conclusion of the investigation and receipt of the investigator's report~~, where the subject of the complaint is a member of the Board or the CEO~~, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), upon the advice of the ~~individuals identified in Paragraph 4 above, will determine what actions or measures, if any, will be taken in response to the complaint. Where the subject of the complaint is a member of OCERS executive staff, the CEO, upon the advice of the individuals identified in Paragraph 49 above~~Review Panel, will determine what actions or measures, if any, will be taken in response to the complaint, including any recommended action to be taken by the Board. Before determining what actions or measures to take, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) shall ensure that the subject of the complaint has been provided the written summary described in Paragraph 14 and afforded no fewer than fourteen (14) business days from receipt of the summary to submit a written response. Any written response shall be provided to the Review Panel and shall be considered before a determination is made under this Paragraph. The time period for response may be extended by the Board Chair (or Vice Chair, as applicable) for good cause shown. ~~Before final action is taken, Fiduciary Counsel will provide a written opinion on the legal sufficiency of the proposed action.~~

~~11.~~17. Once the actions or measures determined in Paragraph ~~10~~16~~7~~ have been taken, the subject of the complaint and the complainant will be informed ~~that~~whether the ~~complaint~~Workplace Complaint has been ~~fully investigated, addressed,~~substantiated and ~~closed. Where the subject of the complaint is a member of the Board or the CEO, such~~that it has been finally resolved. Such notice will be delivered by the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair~~); and where the subject of the complaint is an OCERS executive staff member, such notice will be delivered by the CEO.~~).

~~12.~~18. ~~12. The identities of~~HR will retain the ~~complainant~~investigator's report and all documents related to the complaint until a full four years after the subject of the complaint ~~will remain confidential to the fullest extent possible, consistent with the law and customary practice.~~is no longer a member of the Board.

Policy Review

~~13.~~19. The Board will review this policy at least every three years to ensure ~~that~~ it remains relevant and appropriate.

Policy History

~~14.~~20. This policy was adopted on October 21, 2019, and reviewed and revised on June 20, 2022~~.~~, and [date].

Secretary's Certificate

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

	~~06/20/2022~~
Steve Delaney Secretary of the Board	Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Protocol for Handling Workplace Complaints Against Board Members

Purpose and Application

1. The Board of Retirement takes workplace complaints made by OCERS employees against Board members very seriously. Formal procedures and practices are required to ensure that complaints are investigated and addressed in a timely, fair, and appropriate manner, and to provide due process. All actions under this protocol will be conducted in compliance with applicable federal, state, and local laws, including whistleblower protection laws.
2. For purposes of this policy, the phrase "Workplace Complaint" is defined to include allegations of harassment, discrimination, retaliation, bullying, ethics violations, or other misconduct relating to the workplace made by an OCERS employee against a member of the Board.[1]
3. *This policy pertains to handling Workplace Complaints when neither a civil action nor a damages claim under the Government Claims Act has been filed.*
4. With the advice of legal counsel, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) should, at the outset, determine whether the OCERS Indemnity and Defense Policy or the terms of an existing employment practices liability insurance policy or other insurance policy apply to the complaint and affect how it is to be handled.
5. The objectives of the Protocol for Handling Workplace Complaints Against Board Members ("Protocol") are to:
    a. Establish protocols for the OCERS Human Resources department ("HR") and the Board Chair or Vice Chair to respond to Workplace Complaints made by OCERS employees against members of the Board; and
    b. Clarify the roles and responsibilities of HR, the Board, and OCERS staff in handling the complaints covered by this Protocol.
    c. Fiduciary Counsel will be available to provide legal advice, as needed or appropriate, to the Board Chair, Vice Chair, or the Board as a whole, regarding a Workplace Complaint. The subject of the complaint may also consult with Fiduciary Counsel unless Counsel determines an actual or potential conflict of interest prevents consultation regarding the Workplace Complaint.

[1] This policy applies to complaints from individuals within OCERS. Any informal complaint made by a party external to OCERS will be handled by OCERS Human Resources in consultation with the Legal Division.

OCERS Board Policy

Protocol for Handling Workplace Complaints Against Board Members

Policy Guidelines

6. In the event HR receives a Workplace Complaint from an OCERS employee ("complainant") against a member of the Board ("subject of the complaint"), the following Protocol will be observed in addition to the procedures typically followed by HR in response to a Workplace Complaint:

7. The HR Director ("Director") will provide a form to the complainant (if their identity is known) to document the Workplace Complaint in writing and signed. If the Director does not receive the signed form from the known complainant in a timely manner, the Director will prepare a written account based on the complainant's oral information and request that the complainant confirm the accuracy of the account. If the complainant declines or fails to confirm the accuracy of the account, or the complainant's identity is unknown, the Director will so indicate in the record of the matter. Regardless of whether the complainant confirms the account or the complainant's identity is known, the complaint shall proceed through the consultation process described in Paragraph 9 to determine whether further action under this Protocol is warranted. The evaluation and resolution of the Workplace Complaint will be handled as promptly as practicable and will be finalized within six months of receipt of the complaint, absent good cause and/or exigent circumstances.

8. The identities of the complainant and the subject of the complaint will remain confidential to the fullest extent possible, but cannot be guaranteed where disclosure is legally required or necessary for a fair investigation.

9. Upon receipt of a Workplace Complaint, the Director will consult with the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), the CEO, and the General Counsel (the Review Panel) to decide whether alterations to HR's standard operating procedures are warranted based on the facts and circumstances of the complaint to avoid any conflicts of interest, undue influence, or prejudice to the evaluation process.

10. Upon commencing any procedures in response to a Workplace Complaint against a member of the Board, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) will notify the subject of the complaint that a complaint has been made and that an evaluation of the complaint will proceed. The Board Chair will also provide the complaint and this Policy to the subject of the complaint and advise the subject of their right to seek independent counsel. In all cases, the subject of the complaint will be cautioned that retaliation against the complainant is unlawful and inconsistent with OCERS' policies.

11. The Director, in consultation with the Review Panel, shall gather preliminary information sufficient to assess the nature and severity of the allegations and determine whether a formal investigation is warranted. The Director shall, with the concurrence of the Review Panel, initiate a formal investigation if, based on their preliminary evaluation, they find the allegations plausible and not frivolous and that, if substantiated, the alleged conduct would constitute a violation of law or OCERS Policy. If the preliminary evaluation determines that these criteria are not satisfied, no further action shall be taken. If the Director determines, with the concurrence of the Review Panel, that no further action is warranted, the Director shall prepare a written memorandum documenting the preliminary evaluation, the information considered, and the basis for the determination. The memorandum shall be retained in accordance with Paragraph 20.

12. The subject of the complaint may hire independent counsel of their choice. If legal representation of the subject of the complaint is neither dictated by the Indemnity and Defense Policy nor covered by an applicable insurance policy, OCERS will pay the cost of such counsel, subject to a written reservation of rights, until final resolution of the complaint under this policy. As a condition of payment, the individual must agree in writing to reimburse OCERS for these costs if the Board determines, after final resolution (as described in paragraph 17), that the Workplace Complaint is substantiated and that misconduct constituting a violation of law or OCERS policy occurred.

13. Should an investigation proceed, the Director will assign an independent investigator, and the evidentiary standard applied under this Protocol shall be the preponderance of the evidence. Upon completion of fact-finding, the investigator shall prepare a written report setting forth the allegations investigated, the evidence gathered, the investigator's factual findings, and the investigator's conclusions as to whether each allegation is substantiated, unsubstantiated, or inconclusive.

14. The investigator's report will be delivered to the Director and the Review Panel. The investigator's report will be confidential and will not be shared with the subject of the complaint or the complainant. However, a written summary of the findings and conclusions (redacted as necessary to protect confidentiality) will be prepared by General Counsel and provided to the complainant, the subject of the complaint, and the Board.

15. Upon the advice of the Review Panel, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), *on a confidential basis consistent with the Brown Act,* may advise the Board of the existence and nature of the complaint, the status of the process in response to the complaint, and any findings and recommendations resulting from that process. Any Board member who is the subject of the complaint must recuse themselves from the discussion during the investigative process and from the Board's discussion regarding whether the Workplace Complaint is substantiated, whether misconduct occurred, and on any related action or sanction.

16. Upon conclusion of the investigation and receipt of the investigator's report, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair), upon the advice of the Review Panel, will determine what actions or measures, if any, will be taken in response to the complaint, including any recommended action to be taken by the Board. Before determining what actions or measures to take, the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair) shall ensure that the subject of the complaint has been provided the written summary described in Paragraph 14 and afforded no fewer than fourteen (14) business days from receipt of the summary to submit a written response. Any written response shall be provided to the Review Panel and shall be considered before a determination is made under this Paragraph. The time period for response may be extended by the Board Chair (or Vice Chair, as applicable) for good cause shown.

17. Once the actions or measures determined in Paragraph 16 have been taken, the subject of the complaint and the complainant will be informed whether the Workplace Complaint has been substantiated and that it has been finally resolved. Such notice will be delivered by the Board Chair (or Vice Chair if the subject of the complaint is the Board Chair).

18. HR will retain the investigator's report and all documents related to the complaint until a full four years after the subject of the complaint is no longer a member of the Board.

Policy Review

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

Policy History

20. This policy was adopted on October 21, 2019, and reviewed and revised on June 20, 2022, and [date].

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

Date

OCERS Board Policy

Indemnity and Defense Policy

Authority and Purpose

OCERS typically provides indemnification and defense to OCERS' employees and Board of Retirement ("Board ") members for claims arising from their conduct performed within the course and scope of their duties to the retirement system. This provision of indemnity and defense is required under the Government Claims Act, specifically, Government Code Sections 825 and 995. The purpose of this policy is to set forth how OCERS will carry out its obligations of indemnity and defense.

Introduction

A public entity like OCERS may be required to pay a judgment, settlement, or compromise in an action brought against an OCERS employee or Board member. This duty to indemnify arises where:

1) the action is based on an act or omission of the individual within the scope of their employment or official position;
2) the individual requests in writing at least 10 days before the day of the trial that OCERS defend the action; and
3) the individual cooperates in good faith in the defense of the action.[1]

Similarly, OCERS is generally required, upon request, to provide for the defense of any civil action brought against an OCERS employee or Board member on account of an act or omission conducted in the scope of their employment or official position.[2] In particular, OCERS must provide for the defense of such actions where:

1) the action is based on an act or omission of the individual within the scope of their employment or official position;
2) the individual did not act with actual fraud, corruption, or actual malice; and
3) defense of the action would not create an actual conflict of interest between OCERS and the individual.[3]

OCERS is required to provide a defense if a potential, rather than an actual, conflict of interest exists. However, in that case, OCERS is not required to provide the individual with separate defense counsel in an action that names both the employee or Board member and OCERS. Also, OCERS is not required to defend an employee or Board member when an investigation is instituted (but no civil action is yet filed) alleging a conflict of interest violation under Government Code section 1090.

[1] Govt Code, §825 subd. (a).

[2] Gov. Code, § 995; for exceptions, see Gov. Code, §§ 995.2 to 995.4.

[3] Govt Code, §§ 995, 995.2.

OCERS Board Policy

Indemnity and Defense Policy

The purpose of requiring public agencies to indemnify and defend their employees and officials is to encourage those individuals to zealously carry out their duties, secure in the belief that if they are sued for doing so, their agency will come to their aid.

These indemnity and defense obligations apply to both current and former employees and officials. For purposes of this policy, a "claim" is the filing of any civil or administrative action. In addition, "employees" include OCERS' direct employees and employees of the County of Orange who work at OCERS. However, OCERS reserves subrogation rights against the County in any case where OCERS provides an indemnity in place of the County's obligation.

Determination Process

It is vital that issues of indemnity and defense are addressed promptly and efficiently. With that objective, the Board adopts the following procedure for all claims made against Board members or employees arising from an act or omission occurring within the course and scope of performing their duties with OCERS:

1. As soon as practicable after a claim is filed or threatened to be filed, the Board member or employee will notify the OCERS' Legal Division in writing of their request for OCERS to defend the claim and provide it with all reasonably necessary or useful information about the claim.
2. The Legal Division will review the claim (or potential claim) and determine whether indemnification and defense are required or otherwise in OCERS' best interest. The Legal Division will then notify the individual of its determination, and agendize consideration of the issue by the Board in closed session held at the next regular Board meeting.[4]
3. The Board will have sole authority to determine whether OCERS will indemnify and defend the individual.[5] If the Board decides against indemnification or defense, the individual will be notified in writing as soon as practicable. If the individual commences a legal action challenging the Board's determination, and until that challenge is resolved, OCERS will advance the reasonably necessary defense costs on behalf of the individual on terms satisfactory to OCERS.
4. Indemnification by OCERS shall not apply to any criminal or civil enforcement action brought in the name of the people of the State of California by an elected district attorney, city attorney, or attorney general.[6]

[4] OCERS is required to inform the employee within 20 days from the receipt of a written request for defense whether it will or will not provide a defense, and the reason for a refusal (Govt Code, §995.2(b)).

[5] Board members and employees who have ceased their duties with OCERS prior to receiving a claim shall also be entitled to a determination of indemnity and defense.

[6] Gov. Code, § 825(f)(4).

OCERS Board Policy

Indemnity and Defense Policy

Coordination

Defense of claims requires diligent coordination and it is necessary for all individuals who seek indemnification or defense to fully cooperate with OCERS throughout the claim.[7] For its part, OCERS, through the Legal Division, will monitor the claim's status and communicate with the indemnified individual regularly through the claim process to keep them informed of the claim's progress.

If OCERS accepts the defense of the claim, OCERS will select competent legal counsel reasonably agreed to by the indemnified individual. In providing that defense, OCERS may use its own attorney, employ outside counsel, or purchase insurance requiring the insurer to provide the defense. If OCERS possesses insurance applicable to the claim, OCERS will tender the claim to the insurer and work with the insurer to ensure that any policy coverage is provided.

Prior to the determination of whether OCERS will indemnify and defend the individual, OCERS shall pay the reasonably necessary attorneys' fees and costs to defend the claim. In the event that OCERS denies defense and it is ultimately determined that OCERS correctly denied defense, OCERS will work with the individual to arrange the repayment of the amount advanced.

However, should OCERS grant defense coverage, it will cover the expenses incurred in providing a defense and will not recover them from the employee.[8] If OCERS pays any portion of a claim or judgment, the employee or official is also not required to reimburse OCERS,[9] except where the claim arises from the individual's actual fraud, corruption, or actual malice, or where the employee willfully failed or refused to defend the action in good faith, or to reasonably cooperate in good faith in the defense conducted.[10]

Policy Review

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

Policy History

The Board adopted this policy on April 16, 2007. The Board amended this policy on January 18, 2011, March 17, 2014, January 19, 2016, June 17, 2019, June 20, 2022, and April 21, 2025.

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[7] A public employee's failure to cooperate in good faith with the public entity's defense of a claim against the employee relieves the public entity of its obligation to indemnify the employee (*DeGrassi v. City of Glendora*, 207 F.3d 636 (9th Cir. 2000)).

[8] Gov. Code, § 996.

[9] Gov. Code, § 825.4.

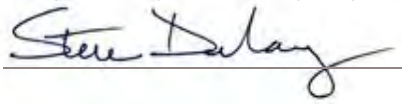
[10] Gov. Code, § 825.6.

OCERS Board Policy

Indemnity and Defense Policy

Secretary's Certificate

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



4/21/2025

Steve Delaney
Secretary of the Board

Date

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
POLICY FOR REVIEWING ALLEGATIONS OF BOARD MEMBER HARASSMENT

This policy ("Policy") sets forth the procedures to be followed when an allegation is made that a member of the Board has violated the CalPERS Harassment, Discrimination, and Retaliation Prevention Policy ("Harassment Prevention Policy"). It also sets forth potential sanctions.

I. Purpose

CalPERS' Harassment Prevention Policy establishes and memorializes that there is zero tolerance at CalPERS for harassment and discrimination of any kind based on any protected characteristic. This Policy relies upon and incorporates the Harassment Prevention Policy as a foundational document, and sets forth the procedures and sanctions that will apply when a member of the Board has been accused of violating the Harassment Prevention Policy.

II. Application and Scope

This policy applies to the 13 members of the Board of Administration (and any Board member's designee) respecting an allegation that the Board member has engaged in conduct constituting harassment, sexual harassment, or retaliation (as those terms are defined in the Harassment Prevention Policy) in connection with service on the Board. Allegations that a Board member has violated other policies are outside the scope of this Policy and those allegations continue to be governed by applicable provisions of the Board's Governance Policy.

III. Procedures for Investigation of Allegations and Imposition of Sanctions

In carrying out its duties under this policy, an investigator shall be advised by a panel ("Review Panel") consisting of two Board members appointed by the Board President. In the event that the President is alleged to have violated the Harassment Prevention Policy, the Board Vice President shall appoint the two Review Panel members. If both the President and Vice President are the subject of the allegations or otherwise cannot serve, the matter shall be referred to the Board Governance Committee, excluding the President and Vice President, to appoint the two Review Panel members.

a. Preliminary Investigation

Board members who become aware of allegations that a fellow Board member has violated the Harassment Prevention Policy shall notify the Office of the General Counsel. Upon receipt of a complaint or allegation that a Board member has violated the Harassment Prevention Policy, the Office of the General

Counsel shall notify the Board President (or where appropriate, the Vice President or Board Governance Committee) that a complaint or allegation has been received. After it has been appointed, the Review Panel shall appoint an investigator ("Investigator"), who shall not be a CalPERS employee, to conduct a preliminary confidential investigation. The Investigator shall notify the accused Board member that a complaint or allegation has been received.

The Investigator shall, with the concurrence of the Review Panel, initiate a formal investigation if, on the basis of its preliminary investigation, it finds (a) the allegations are plausible and not frivolous, and (b) the alleged conduct, if substantiated, would constitute a violation of the Harassment Prevention Policy. If the preliminary investigation determines that these criteria are not satisfied or it is otherwise determined that it is not possible, based on the reasonable investigative methods available to the Investigator, to reach a conclusion, no further action shall be taken. The underlying records and results of the preliminary investigation shall be treated as privileged and confidential to the extent permitted by law. Where appropriate, the Investigator shall provide a copy of the Harassment Prevention Policy to the complainant.

b. Formal Investigation

Upon determining that a formal investigation is warranted, the Investigator shall, consulting as appropriate with the Review Panel, (1) gather information relevant to the allegations; (2) afford the accused Board member an opportunity to respond to the allegations; and (3) make a written report of its review, findings, and recommendation ("Investigator's Report") within 90 days from the date of appointment, unless the Review Panel determines that a longer period is warranted. The underlying records and Investigator's Report shall be treated as privileged and confidential to the extent permitted by law.

c. Opportunity to Respond to the Investigator's Findings

Prior to finding a violation of the Harassment Prevention Policy, the Investigator shall notify the accused Board member in writing of their intention to do so and the reasons therefor, and shall invite the Board member to respond. Said notification will be delivered to the residence of the accused Board member by registered mail, or by any other mutually agreed upon delivery method. The Board member may respond, either in writing or in a personal conference, or both. Such response shall be within 14 days of receipt of the notice. If there is a

personal conference, the Board member and Investigator shall each be entitled to bring a representative of their choice, including an attorney, to the conference.

Any written response by the accused Board member shall become part of the formal record and shall be appended to the Investigator's Report.

d. Determination of Appropriate Sanctions

The Investigator shall submit the Investigator's Report, upon completion, to the Office of the General Counsel and the Review Panel.

If the Investigator has determined by a preponderance of the evidence that the Board member violated the Harassment Prevention Policy, the Office of the General Counsel shall forward the Investigator's Report to each member of the Board. If the Investigator has concluded that the preponderance of the evidence standard is not met, no further action will be taken.

e. Board Action

Upon receiving from the Office of the General Counsel the Investigator's Report, and unless the matter is resolved informally, the Board shall, at either a regularly or specially set meeting, vote on an appropriate sanction. The accused Board member shall not participate in the discussion or the vote.

f. Confidentiality

Consistent with the Harassment Prevention Policy, the Office of the General Counsel, Review Panel, and Investigator will proceed with the utmost sensitivity to the privacy and other legitimate interests of both the complainant and the subject of the complaint. This includes maintaining confidentiality concerning complaints, allegations, and investigations to the extent possible. Information will be handled as sensitively as possible and will not be disclosed to others except on a need-to-know basis. All individuals affected by the investigation shall be accorded confidential treatment to the maximum extent permitted by law.

g. Required Communications

If the investigation leads CalPERS to conclude that a crime has probably been committed, the results of the investigation shall be reported to the District Attorney or other appropriate law enforcement agency.

IV. Types of Sanctions

The types of sanctions that may be imposed on a Board member include, but are not limited to, admonishment, formal censure, the requirement of additional training, removal or suspension from a committee assignment, removal or suspension from leadership roles on committees, or revocation of Board member privileges.

More than one type of sanction may be imposed for a violation of the Harassment Prevention Policy, for example, formal censure and termination of travel privileges. The severity and type of sanction selected for a particular offense must be appropriately related to the nature and circumstances of the violation, and no sanction may be imposed that would make it impossible for Board members to comply with their fiduciary duties.

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE COMMUNICATIONS POLICY**

Recommendation

Approve and recommend that the Board adopt the revisions to the Communications Policy.

Discussion

The Board of Retirement has established a review schedule requiring every charter and policy to be reviewed every 3 years. Pursuant to the board-approved review process, certain charters and policies are to be reviewed first by the Governance Committee before being presented to the Board for approval.

The Communications Policy was adopted by the Board on November 18, 2002, and most recently amended on June 19, 2023. It is scheduled for review and approval by the Board in 2026, after the Governance Committee reviews it.

Staff is recommending only non-substantive changes to the policy, including updating the code sections of the California Public Records Act. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Communications Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

OCERS Board Policy

Communications Policy

Background

1. The OCERS Board of Retirement (Board) recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board wishes to establish protocols and mechanisms for communications among Board members; and between Board members and OCERS management, employers, members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and OCERS team members with guidelines for executing the communications function of the Board.

Policy Objectives

2. To encourage and facilitate open, accurate, timely, and effective communications with all relevant parties.
3. To mitigate risks to OCERS, the Board, and Board members that may arise in connection with communications.

Principles and Assumptions

4. Inappropriate or erroneous communications from Board members or OCERS Team may represent a significant risk to OCERS, the Board, and individual Board members.
5. A Board member communications policy must balance the need to mitigate that risk with the need for open and efficient communication.

Policy Guidelines

General Guidelines

6. Members of the Board and the OCERS team represent many differing backgrounds and viewpoints. Therefore, Board members and staff will not send partisan political communications to members of the Board, OCERS team members, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members will not use OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for the fulfillment of duties in their capacity as~~of~~ a duly appointed labor representative.
8. Members of the Board and OCERS team members will not engage in communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and~~/~~/or groups of people. Electronic communications also present challenges in managing communications, potential violations of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the "Brown Act"), and compliance~~challenges in complying~~ with the California Public Records Act (Gov. Code §§ 7920.000~~6250~~, et seq.). As such, the Board has adopted the following guidelines for the use and management of electronic mail by Board members:

a. Electronic mail pertaining to OCERS business constitutes a business record of OCERS subject to the OCERS Records ~~Retention and Guidelines~~Management Policy and the Public Records Act.

b. Electronic mail between Board members must not violate any provision of the Brown Act.

c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee of the Board shall be submitted to the CEO or their designee only. The CEO or their designee will then, in their discretion, forward said communications to the full Board via ~~a special~~ email. Regardless of whether or not provided via ~~a special~~ email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

~~d. In the event that an electronic mail communication is sent by a member of the OCERS team to a Board member's personal email account, the OCERS team member shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.~~

~~e.~~d. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption), regardless of the fact that they were sent, received, or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to a member of the OCERS team, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:

    a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);

    b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);

    c. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3 of the Brown Act);

d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (section 54954.5 of the Brown Act);

e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee, either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by section 54952.3 of the Brown Act);

f. Not taking any action, whether preliminary or final, by secret ballot (section 54953(c) of the Brown Act); and

g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public~~,~~ upon request and without delay (section 54957.5 of the Brown Act).

11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education to members of the Board.

12. A member of the Board shall disclose information in their possession pertinent to the affairs of OCERS to the entire Board in a timely manner.

13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Members and Employers

14. Members of the Board shall mitigate the risk of miscommunication with employers, OCERS active and deferred members, and retirees, and potential liability ~~through adverse reliance by third parties~~ by avoiding giving explicit advice, counsel, or education ~~with respect to~~regarding the technicalities of the plan's provisions, policies, or processes.

15. Where explicit advice, counsel, or education ~~with respect to~~regarding the technicalities of the plan's provisions, policies, or process is needed, Board members will refer inquiries to the CEO or an appropriate designee. The CEO or such designee will inform the Board member when and how the matter was resolved.

16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential.

Board Member Communications with OCERS Management

17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.

b. All other Board member requests for information shall be directed to the CEO, who shall, in turn, direct staff as appropriate.

c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations, and public policy issues shall be directed solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.

18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.

    b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.

19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.

20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:

    a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all OCERS members;

    b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications, even if they may have opposed them or disagreed with them during Board deliberations;

    c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential;

    d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and

    e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board or ~~are not~~ speaking in their capacity as ~~a member of~~Board ~~the Board~~members.

22. Subject to section 21 above, in situations that call for a spokesperson for the Board, the Chair or their designee shall act as spokesperson for the Board. Generally, the spokesperson should request that reporters put questions in writing.

23. When interviewed~~,~~ or otherwise approached by the media for information concerning the affairs of OCERS, members of the Board shall refrain from making any unilateral commitments on behalf of the Board or OCERS.
24. To help ensure the accuracy of any oral and/or written material created for the purpose of publication or presentation by members of the Board, in their capacity as such, and to ensure that neither OCERS, the Board, or such member of the Board is placed at risk thereby, all such material shall be peer reviewed by the CEO or legal counsel prior to being submitted for publication or presentation.

Policy Review

25. The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

26. This policy was adopted by the Board of Retirement on November 18, 2002.
27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, May 15, 2017, April 20, 2020,~~ and~~ June 19, 2023, and [date].

Secretary's Certificate

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

	~~06/19/2023~~
Steve Delaney Secretary of the Board	Date

OCERS Board Policy

Communications Policy

Background

1. The OCERS Board of Retirement (Board) recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board wishes to establish protocols and mechanisms for communications among Board members; and between Board members and OCERS management, employers, members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and OCERS team members with guidelines for executing the communications function of the Board.

Policy Objectives

2. To encourage and facilitate open, accurate, timely, and effective communications with all relevant parties.
3. To mitigate risks to OCERS, the Board, and Board members that may arise in connection with communications.

Principles and Assumptions

4. Inappropriate or erroneous communications from Board members or OCERS Team may represent a significant risk to OCERS, the Board, and individual Board members.
5. A Board member communications policy must balance the need to mitigate that risk with the need for open and efficient communication.

Policy Guidelines

General Guidelines

6. Members of the Board and the OCERS team represent many differing backgrounds and viewpoints. Therefore, Board members and staff will not send partisan political communications to members of the Board, OCERS team members, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members will not use OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for the fulfillment of duties in their capacity as a duly appointed labor representative.
8. Members of the Board and OCERS team members will not engage in communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and/or groups of people. Electronic communications also present challenges in managing communications, potential violations of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the "Brown Act"), and compliance with the California Public Records Act (Gov. Code §§ 7920.000, et seq.). As such, the Board has adopted the following guidelines for the use and management of electronic mail by Board members:

a. Electronic mail pertaining to OCERS business constitutes a business record of OCERS subject to the OCERS Records Management Policy and the Public Records Act.

b. Electronic mail between Board members must not violate any provision of the Brown Act.

c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee of the Board shall be submitted to the CEO or their designee only. The CEO or their designee will then, in their discretion, forward said communications to the full Board via email. Regardless of whether or not provided via email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

d. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption), regardless of the fact that they were sent, received, or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to a member of the OCERS team, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:

    a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);

    b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);

    c. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3 of the Brown Act);

    d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (section 54954.5 of the Brown Act);

    e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee, either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by section 54952.3 of the Brown Act);

f. Not taking any action, whether preliminary or final, by secret ballot (section 54953(c) of the Brown Act); and

g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public upon request and without delay (section 54957.5 of the Brown Act).

11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education to members of the Board.

12. A member of the Board shall disclose information in their possession pertinent to the affairs of OCERS to the entire Board in a timely manner.

13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Members and Employers

14. Members of the Board shall mitigate the risk of miscommunication with employers, OCERS active and deferred members, and retirees, and potential liability by avoiding giving explicit advice, counsel, or education regarding the technicalities of the plan's provisions, policies, or processes.

15. Where explicit advice, counsel, or education regarding the technicalities of the plan's provisions, policies, or process is needed, Board members will refer inquiries to the CEO or an appropriate designee. The CEO or such designee will inform the Board member when and how the matter was resolved.

16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential.

Board Member Communications with OCERS Management

17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.

b. All other Board member requests for information shall be directed to the CEO, who shall, in turn, direct staff as appropriate.

c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations, and public policy issues shall be directed solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.

18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the

matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.

b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.

19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.

20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:

    a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all OCERS members;

    b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications, even if they may have opposed them or disagreed with them during Board deliberations;

    c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential;

    d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and

    e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board or speaking in their capacity as Board members.

22. Subject to section 21 above, in situations that call for a spokesperson for the Board, the Chair or their designee shall act as spokesperson for the Board. Generally, the spokesperson should request that reporters put questions in writing.

23. When interviewed or otherwise approached by the media for information concerning the affairs of OCERS, members of the Board shall refrain from making any unilateral commitments on behalf of the Board or OCERS.

24. To help ensure the accuracy of any oral and/or written material created for the purpose of publication or presentation by members of the Board, in their capacity as such, and to ensure that neither OCERS, the Board, or such member of the Board is placed at risk thereby, all such material shall be peer reviewed by the CEO or legal counsel prior to being submitted for publication or presentation.

OCERS Board Policy

Communications Policy

Policy Review

25. The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

26. This policy was adopted by the Board of Retirement on November 18, 2002.
27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, May 15, 2017, April 20, 2020, June 19, 2023, and [date].

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

Date

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE QUIET PERIOD POLICY**

Recommendation

Approve and recommend that the Board adopt the revisions to the Quiet Period Policy.

Discussion

The Board of Retirement conducts a review of all charters and policies every three years under its Board-approved review schedule. As part of this process, the Governance Committee reviews designated policies before presenting them to the full Board for approval. The Quiet Period Policy, originally adopted on July 17, 2006, and last amended on June 19, 2023, is now before the Committee for review and proposed revision.

The policy establishes guidelines for communications among Board Members, OCERS staff, and financially interested parties during the process leading to OCERS's award of a contract. The proposed revisions are intended to strengthen the policy by clarifying key terms, broadening the scope of covered communications, establishing documentation and reporting requirements, and narrowing an exception that could be susceptible to misuse.

Scope of Communications (Section 1)

Specifically, a new sentence has been added to the Purpose and Background section stating: “This policy applies to all forms of communication, including verbal, electronic, and indirect communications through a third party.” The prior version of the policy did not expressly address the mode or method of communication. This addition clarifies that the policy covers all forms of contact and prevents circumvention through intermediaries or informal channels.

Definition of “Financially Interested Party” (Section 3)

In addition, a new definition section has been added, defining “financially interested party” as any person or entity that would derive a direct or indirect financial benefit from the award of a contract subject to a pending solicitation. The definition enumerates four categories of covered parties: (a) respondents and prospective respondents; (b) subcontractors, joint venture partners, and affiliates of respondents; (c) placement agents, lobbyists, consultants, and other intermediaries representing respondents; and (d) officers, directors, employees, and agents of the foregoing acting in that capacity. The proposed definition provides clarity for Board Members and staff regarding who is covered and expressly addresses intermediaries such as placement agents and lobbyists whose contacts on behalf of candidates present the same risks the policy is designed to address.

Documentation and Reporting Requirements (Section 4(e))

A new subsection 4(e) has been added, requiring Board Members and staff to document and report certain communications during the quiet period. Specifically, if a financially interested party persists in attempting to communicate with a Board Member or staff member after being referred to the designated contact person, or if

any substantive communication regarding the solicitation occurs despite the referral, the Board Member or staff member must promptly document the communication in writing and report it to the OCERS contact for the solicitation. The provision also requires any Board Member or staff member who becomes aware of a potential policy violation to report it to OCERS Compliance or the Legal Division. Required documentation includes the date and method of the communication, the identity of the financially interested party, and a summary of the subject matter discussed.

Existing Contract Exception (Section 4(i)(iii))

The exception for communications related to services provided under an existing contract has been revised to include the following limitation: "provided that such communications are limited to matters arising under the existing contract's scope of work and do not extend to the terms, subject matter, or selection criteria of the pending solicitation." This revised language clearly distinguishes permissible contract administration communications from impermissible discussions about the pending procurement.

Other non-substantive changes were made to the document to improve readability. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

BS-Approved

Brenda Shott

Assistant CEO, Finance and Internal Operations

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

OCERS Board Policy

Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy establishes guidelines for Board Members and OCERS staff when communicating with financially interested parties during the process leading to an award of any contract by OCERS. This policy applies to all forms of communication, including verbal, electronic, and indirect communications through a third party.

Policy Objectives

2. The objectives of the policy are to ensure that:
   a. Potential service providers competing for a contract with OCERS (also referred to as candidates) have equal access to information regarding the search parameters, candidate selection, and contract award processes;
   b. Communications related to the search, selection, and award of the contract are consistent and accurate; and
   c. The search, selection, and contract award processes are efficient, diligent, and fair.

Definition

3. **"Financially interested party"** means any person or entity that would derive direct or indirect financial benefit from the award of a contract subject to a pending solicitation. This includes, but is not limited to:

   a. any person or entity that has submitted, or intends to submit, a response to the solicitation;

   b. any subcontractor, joint venture partner, or affiliate of a respondent or prospective respondent;

   c. any placement agent, lobbyist, consultant, or other intermediary representing, or seeking to represent, a respondent or prospective respondent in connection with the solicitation; and

   d. any officer, director, employee, or agent of a person or entity described in subsections a. through c. acting in that capacity.

Policy Guidelines

~~1.~~4. The following guidelines will apply during the process leading to an award of any contract by OCERS:
   a. A quiet period will commence upon the release/publication of a solicitation for a contract with OCERS and will end when a contract is signed;
   b. To help prevent inadvertent violations of this policy, the CEO (or ~~his or her~~their designee) will ensure that for every solicitation, the initiation, continuation, and conclusion of the quiet

period is (i) communicated to Board Members and OCERS staff, (ii) publicly communicated, and (iii) published on OCERS' website;

c. Except as provided in section ~~h.~~ i., below, during the quiet period, Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract, or the selection process;

d. During the quiet period, if any Board Member or staff member is contacted by a party financially interested in a prospective contract with OCERS, the individual contacted shall refer the party to the OCERS consultant or staff member identified as the contact person(s) in the solicitation document;

~~d.~~ If, after being referred to the designated contact person pursuant to section d., a financially interested party persists in attempting to communicate with a Board Member or staff member regarding the pending solicitation, the contract, the services to be provided under the contract, or the selection process, or if any substantive communication on those topics occurs despite the referral, the Board Member or staff member shall promptly document the communication in writing and report it to the OCERS contact for the solicitation. Any Board Member or staff member who becomes aware of a potential violation of this policy shall also promptly report it to OCERS Compliance or the Legal Division. Documentation shall include the date and method of the communication, the identity of the financially interested party, and a summary of the subject matter discussed.

e.

~~e.~~ f. Any authority related to a search conducted by the Board shall be exercised solely by the Board as a whole, and not by individual Board Members;

~~f.~~ g. Any information related to a search conducted by the Board shall be communicated by OCERS consultants and staff to the Board as a whole, and not to individual Board Members;

~~g.~~ The quiet period does not prevent Board-approved due diligence or client conference attendance; however, discussions related to the pending solicitation shall be avoided during those activities;

h.

~~h.~~ i. The quiet period does not apply to communications that are:

(i) part of the process expressly described in the solicitation;

(ii) part of a noticed Board meeting;

(iii) related to services currently provided by the candidate under an existing contract with OCERS, provided that such communications are limited to matters arising under the existing contract's scope of work and do not extend to the terms, subject matter, or selection criteria of the pending solicitation;

(iv) incidental, exclusively social, and that do not involve OCERS or its business; or

(v) within the scope of the Board or staff member's private business or public office, wholly unrelated to OCERS and that do not involve OCERS or its business;

~~i.~~ j. The provisions of this policy will be communicated to candidates in the solicitation document, and candidates will be required to acknowledge the receipt and requirements of the policy; and

OCERS Board Policy

Quiet Period Policy

~~j.~~k. Any candidate who intentionally ~~knowingly~~ violates this policy will be disqualified from the search process.

Policy Review

~~2.~~5. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Policy History

~~3.~~6. The Board of Retirement adopted this policy on July 17, 2006.

~~4.~~7. The policy was revised on April 16, 2007, May 17, 2011, December 19, 2011, October 20, 2014, July 17, 2017, April 20, 2020, ~~and~~ June 19, 2023, and [date].

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

~~06/19/2023~~
Date

OCERS Board Policy

Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy establishes guidelines for Board Members and OCERS staff when communicating with financially interested parties during the process leading to an award of any contract by OCERS. This policy applies to all forms of communication, including verbal, electronic, and indirect communications through a third party.

Policy Objectives

2. The objectives of the policy are to ensure that:

   a. Potential service providers competing for a contract with OCERS (also referred to as candidates) have equal access to information regarding the search parameters, candidate selection, and contract award processes;

   b. Communications related to the search, selection, and award of the contract are consistent and accurate; and

   c. The search, selection, and contract award processes are efficient, diligent, and fair.

Definition

3. **"Financially interested party"** means any person or entity that would derive direct or indirect financial benefit from the award of a contract subject to a pending solicitation. This includes, but is not limited to:

   a. any person or entity that has submitted, or intends to submit, a response to the solicitation;

   b. any subcontractor, joint venture partner, or affiliate of a respondent or prospective respondent;

   c. any placement agent, lobbyist, consultant, or other intermediary representing, or seeking to represent, a respondent or prospective respondent in connection with the solicitation; and

   d. any officer, director, employee, or agent of a person or entity described in subsections a. through c. acting in that capacity.

Policy Guidelines

4. The following guidelines will apply during the process leading to an award of any contract by OCERS:

   a. A quiet period will commence upon the release/publication of a solicitation for a contract with OCERS and will end when a contract is signed;

   b. To help prevent inadvertent violations of this policy, the CEO (or their designee) will ensure that for every solicitation, the initiation, continuation, and conclusion of the quiet period is (i) communicated to Board Members and OCERS staff, (ii) publicly communicated, and (iii) published on OCERS' website;

   c. Except as provided in section i., below, during the quiet period, Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective

contract with OCERS regarding the contract, the services to be provided under the contract, or the selection process;

d. During the quiet period, if any Board Member or staff member is contacted by a party financially interested in a prospective contract with OCERS, the individual contacted shall refer the party to the OCERS consultant or staff member identified as the contact person(s) in the solicitation document;

e. If, after being referred to the designated contact person pursuant to section d., a financially interested party persists in attempting to communicate with a Board Member or staff member regarding the pending solicitation, the contract, the services to be provided under the contract, or the selection process, or if any substantive communication on those topics occurs despite the referral, the Board Member or staff member shall promptly document the communication in writing and report it to the OCERS contact for the solicitation. Any Board Member or staff member who becomes aware of a potential violation of this policy shall also promptly report it to OCERS Compliance or the Legal Division. Documentation shall include the date and method of the communication, the identity of the financially interested party, and a summary of the subject matter discussed.

f. Any authority related to a search conducted by the Board shall be exercised solely by the Board as a whole, and not by individual Board Members;

g. Any information related to a search conducted by the Board shall be communicated by OCERS consultants and staff to the Board as a whole, and not to individual Board Members;

h. The quiet period does not prevent Board-approved due diligence or client conference attendance; however, discussions related to the pending solicitation shall be avoided during those activities;

i. The quiet period does not apply to communications that are:

(i) part of the process expressly described in the solicitation;

(ii) part of a noticed Board meeting;

(iii) related to services currently provided by the candidate under an existing contract with OCERS, provided that such communications are limited to matters arising under the existing contract's scope of work and do not extend to the terms, subject matter, or selection criteria of the pending solicitation;

(iv) incidental, exclusively social, and that do not involve OCERS or its business; or

(v) within the scope of the Board or staff member's private business or public office, wholly unrelated to OCERS and that do not involve OCERS or its business;

j. The provisions of this policy will be communicated to candidates in the solicitation document, and candidates will be required to acknowledge the receipt and requirements of the policy; and

k. Any candidate who intentionally violates this policy will be disqualified from the search process.

Policy Review

5. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

OCERS Board Policy

Quiet Period Policy

Policy History

6. The Board of Retirement adopted this policy on July 17, 2006.
7. The policy was revised on April 16, 2007, May 17, 2011, December 19, 2011, October 20, 2014, July 17, 2017, April 20, 2020, June 19, 2023, and [date].

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

Date

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Steve Delaney, CEO; Manuel Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE GOVERNANCE COMMITTEE CHARTER**

Recommendation

Approve and recommend that the Board adopt the Governance Committee Charter with no revisions.

Discussion

The Board of Retirement has established a review schedule requiring that every charter and policy be reviewed every 3 years. Under the board-approved review process, the Governance Committee will first review certain charters and policies before presentation to the Board for approval. The Board adopted the Governance Committee Charter on November 18, 2002, and most recently amended it on April 17, 2023.

Staff is not recommending any changes to the charter at this time. A copy of the Governance Committee Charter is attached for the Committee's ease of review.

Attachments

Submitted by:

SD-Approved

Steve Delaney
CEO

Submitted by:

MDS-Approved

Manuel Serpa
General Counsel

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter

Governance Committee Charter

Introduction

1. The OCERS Board of Retirement (Board) has established a Governance Committee to assist the Board in recommending, reviewing, and amending, as necessary, policies and procedures for governance of the Board. The Governance Committee is an advisory committee to the Board, and its recommendations are subject to final approval by the Board.
2. The Board Chair will appoint members to the Governance Committee as provided in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
3. The Governance Committee will be comprised of four (4) members of the Board. As provided in OCERS' By-Laws, two members of the Governance Committee constitute a quorum.

Duties and Responsibilities

4. The Governance Committee will:
    a. In consultation with the Chief Executive Officer, develop terms of reference for the Board, the Committee Chairs, and the Chief Executive Officer, and periodically recommend to the Board such amendments as may be necessary or advisable;
    b. Review, develop, and recommend to the Board for approval, new governance policies as may be necessary, review existing governance policies based upon the established schedule for review, and review and recommend changes to the By-Laws as directed by the Board or Board Chair;
    c. Review the charters, policies, and administrative procedures assigned to the Governance Committee by the Board at least once every three years in accordance with the established schedule for review, and recommend the same for approval by the Board;
    d. Report regularly to the Board on the Committee's activities; and
    e. At the request of the Board Chair or the Board, undertake such other governance-related initiatives as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.

Charter Review

5. 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

6. This Charter was adopted by the Board of Retirement on November 18, 2002, and amended on March 17, 2014, July 20, 2015, May 15, 2017, April 20, 2020, ~~and~~ April 17, 2023, and [date].

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter

Governance Committee Charter

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	~~04/17/2023~~ Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter

Governance Committee Charter

Introduction

1. The OCERS Board of Retirement (Board) has established a Governance Committee to assist the Board in recommending, reviewing, and amending, as necessary, policies and procedures for governance of the Board. The Governance Committee is an advisory committee to the Board, and its recommendations are subject to final approval by the Board.
2. The Board Chair will appoint members to the Governance Committee as provided in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
3. The Governance Committee will be comprised of four (4) members of the Board. As provided in OCERS' By-Laws, two members of the Governance Committee constitute a quorum.

Duties and Responsibilities

4. The Governance Committee will:
    a. In consultation with the Chief Executive Officer, develop terms of reference for the Board, the Committee Chairs, and the Chief Executive Officer, and periodically recommend to the Board such amendments as may be necessary or advisable;
    b. Review, develop, and recommend to the Board for approval, new governance policies as may be necessary, review existing governance policies based upon the established schedule for review, and review and recommend changes to the By-Laws as directed by the Board or Board Chair;
    c. Review the charters, policies, and administrative procedures assigned to the Governance Committee by the Board at least once every three years in accordance with the established schedule for review, and recommend the same for approval by the Board;
    d. Report regularly to the Board on the Committee's activities; and
    e. At the request of the Board Chair or the Board, undertake such other governance-related initiatives as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.

Charter Review

5. 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

6. This Charter was adopted by the Board of Retirement on November 18, 2002, and amended on March 17, 2014, July 20, 2015, May 15, 2017, April 20, 2020, April 17, 2023, and [date].

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter

Governance Committee Charter

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

Date

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE SACRS VOTING AUTHORITY POLICY**

Recommendation

Approve and recommend that the Board adopt the revisions to the SACRS Voting Authority Policy.

Discussion

The Board of Retirement has established a review schedule requiring every charter and policy to be reviewed every 3 years. Pursuant to the board-approved review process, certain charters and policies are to be reviewed first by the Governance Committee before being presented to the Board for approval.

The SACRS Voting Authority Policy was adopted by the Board on May 19, 1998, and most recently amended on April 17, 2023. It is scheduled for review and approval by the Board in 2026, after the Governance Committee reviews it.

Staff is only recommending non-substantive changes to the document to improve readability. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the SACRS Voting Authority Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

MDS-Approved

Manuel Serpa
General Counsel

OCERS Board Policy

SACRS Voting Authority Policy

Background

1. The State Association of County Retirement Systems (SACRS) is an association of 20 California county retirement systems, established under the County Employees Retirement Law of 1937. SACRS meets as an organization twice a year, with all 20 counties participating through attendance by Trustees, Administrators, and staff.
2. Regular member County Retirement Systems, such as OCERS, have the right to vote on the election of the ~~officers/directors of~~ SACRS Board of Directors, amendments to the Articles of Incorporation and By-laws, legislative proposals for SACRS' sponsorship and positions on non-SACRS'~~-~~sponsored legislation, resolutions, and other items of SACRS' business. Regular member County Retirement Systems are entitled to one (1) voting delegate.
3. The voting delegate must be designated in writing by the member County Retirement Board and must be a Trustee or an Administrator who is employed directly by the County Retirement System. Alternate delegates may be designated in writing by the member County Retirement Board.

Policy Guidelines

4. ~~In order t~~To ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as OCERS' voting delegate, and each ~~member of the~~ Board member and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed by OCERS with the SACRS Credentials Committee in writing prior to any ~~meeting of~~ SACRS meeting at which voting will take place. Credentials will include the name of the member County Retirement System, ~~and~~ designate the Board Chair as OCERS' voting delegate, and designate all other Board members and the ~~Administrator~~ Chief Executive Officer as alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or one of the alternate delegates. If the Board Chair is present at the SACRS business meeting, they will cast OCERS' vote(s) at the meeting. If the Board Chair is not present at the SACRS business meeting at which a vote is taking place, the Vice Chair shall cast OCERS' vote(s) at the meeting. If neither the Board Chair nor Vice Chair ~~are~~ is present, the alternate voting delegate to cast OCERS' vote(s) will be determined, among the Board members in attendance, alphabetically by the Board member's last name. The voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the SACRS membership.
7. Where the OCERS' Board has taken an official Board position on an item to be voted on at a SACRS business meeting, the voting delegate or designated alternate voting delegate must cast a vote consistent with the Board position. If the Board has not taken a position on an item to be voted on, the voting delegate or designated alternate voting delegate must comply with the Board policy or policies that address(es) the subject matter of the item. When the item to be voted on is not addressed in any OCERS' Board policy, and the Board has not taken a position, the voting delegate or designated alternate voting delegate may use their best judgment to vote in accordance with the

position they believe the Board would take on the item, or abstain from voting. Notwithstanding the foregoing, the voting delegate and designated alternate voting delegate shall not vote on any item that would obligate OCERS financially to pay any sums other than SACRS dues.

Policy Review

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

Policy History

9. This policy was adopted on May 9, 1988.
10. This policy was revised on August 25, 2008, May 17, 2011, March 17, 2014, May 15, 2017, April 20, 2020, ~~and~~ April 17, 2023, and [date].

Secretary's Certificate

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

	~~04/17/2023~~
Steve Delaney Secretary of the Board	Date

OCERS Board Policy

SACRS Voting Authority Policy

Background

1. The State Association of County Retirement Systems (SACRS) is an association of 20 California county retirement systems, established under the County Employees Retirement Law of 1937. SACRS meets as an organization twice a year, with all 20 counties participating through attendance by Trustees, Administrators, and staff.
2. Regular member County Retirement Systems, such as OCERS, have the right to vote on the election of the SACRS Board of Directors, amendments to the Articles of Incorporation and By-laws, legislative proposals for SACRS' sponsorship and positions on non-SACRS-sponsored legislation, resolutions, and other items of SACRS' business. Regular member County Retirement Systems are entitled to one (1) voting delegate.
3. The voting delegate must be designated in writing by the member County Retirement Board and must be a Trustee or an Administrator who is employed directly by the County Retirement System. Alternate delegates may be designated in writing by the member County Retirement Board.

Policy Guidelines

4. To ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as OCERS' voting delegate, and each Board member and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed by OCERS with the SACRS Credentials Committee in writing prior to any SACRS meeting at which voting will take place. Credentials will include the name of the member County Retirement System, designate the Board Chair as OCERS' voting delegate, and designate all other Board members and the Chief Executive Officer as alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or one of the alternate delegates. If the Board Chair is present at the SACRS business meeting, they will cast OCERS' vote(s) at the meeting. If the Board Chair is not present at the SACRS business meeting at which a vote is taking place, the Vice Chair shall cast OCERS' vote(s) at the meeting. If neither the Board Chair nor Vice Chair is present, the alternate voting delegate to cast OCERS' vote(s) will be determined, among the Board members in attendance, alphabetically by the Board member's last name. The voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the SACRS membership.
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position they believe the Board would take on the item, or abstain from voting. Notwithstanding the foregoing, the voting delegate and designated alternate voting delegate shall not vote on any item that would obligate OCERS financially to pay any sums other than SACRS dues.

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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.

Steve Delaney
Secretary of the Board

Date

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **OFF-CYCLE REVIEW OF THE VERIFICATION OAP**

Recommendation

Approve and recommend that the Board adopt revisions to the OCERS Administrative Procedure (OAP) on Verification.

Background/Discussion

OCERS Administrative Procedure (OAP) regarding document verification was adopted in April 2023. That version of the OAP addressed the documentation that OCERS would consider in verifying an individual's date of birth or marriage status.

Staff has revised and expanded the OAP to include the documentation OCERS will consider to verify identity and to establish the dissolution of a marriage. In addition, a section on electronic records was added. These additions are recommended by staff to provide the public with more detailed information on the OCERS verification process and to provide internal guidance to staff.

For example, guidelines for documentation evidence were added at the beginning of section III, as follows:

> All records submitted to OCERS intended to establish identity, birth date, marriage/domestic partnership status, or termination of marriage/domestic partnership must be true and correct copies, with no alterations from the original document. An individual who provides false or altered documentation may be liable for repayment of any funds received based on the false documentation submitted, may forfeit any related benefit, and may be subject to criminal prosecution.
> An authentic copy is a legible photocopy, scan, or photograph of an original document that has not been altered or modified. OCERS reserves the right to request certified copies or to view original documents if authenticity cannot be verified.
> Documents in languages other than English must be accompanied by a certified English translation prepared by a qualified translator.

Also, identity verification is addressed as follows:

> OCERS will deem authentic and current copies of the following government-issued documents sufficient to verify the identity of a member or beneficiary:

- State-issued driver's license or identification card (including REAL ID-compliant documents)
- Passport
- U.S. Military ID

- Permanent Resident Card (Form I-551, “Green Card”)

A section on electronic records was added that includes the statement that OCERS will accept electronic documents only if they satisfy all three of the following conditions: the record was issued directly by a government agency, court, or authorized vital records entity; it contains verifiable security features (such as a digital signature, QR code, or verification number); and it can be independently verified through the issuing agency's official system. OCERS also reserves the right to request paper documents.

A clean and redlined version of the OAP is attached for the Committee’s review. Staff requests that the committee approve these changes and recommend that the Board adopt them.

Attachments

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Verification of Identity, ~~Documentation of~~ Birthdate, and Marriage/Domestic Partnership Status

I. Purpose

This OCERS administrative procedure (OAP) sets forth the documentation OCERS staff will consider when verifying a member or beneficiary's identity, date of birth, marital/domestic~~aims to set forth what documentation OCERS' staff will consider when verifying a member or beneficiary's identity, birth date or marriage/domestic~~ partnership status, or termination of marriage/domestic partnership.~~.~~

II. Authority

This OAP is established pursuant to the Chief Executive Officer (CEO) Charter, section 8.f., which directs the CEO to develop staff policies and procedures to ensure effective and efficient administration of member benefits. The OAP is in conformance with Board Policy, the County Employees Retirement Law (California Government Code section 31450, *et seq*.) (CERL), and the Public Employees' Pension Reform Act (Government Code, sections 7522 - 7522.74) (PEPRA).

III. Documentation

All records submitted to OCERS intended to establish identity, birth date, marriage/domestic partnership status, or termination of marriage/domestic partnership must be true and correct copies, with no alterations from the original document. An individual who provides false or altered documentation may be liable for repayment of any funds received based on the false documentation submitted, may forfeit any related benefit, and may be subject to criminal prosecution.

An authentic copy is a legible photocopy, scan, or photograph of an original document that has not been altered or modified. OCERS reserves the right to request certified copies or to view original documents if authenticity cannot be verified.

Documents in languages other than English must be accompanied by a certified English translation prepared by a qualified translator.

Identity Verification

OCERS will deem authentic and current copies of the following government-issued documents sufficient to verify the identity of a member or beneficiary:

- ~~State-issued driver's license or identification card (including REAL ID-compliant documents)Real ID~~
-
- ~~State Issued Driver's License~~
- Passport ~~(including passport cards and e-passports?)~~
- U.S. Military ID

- ~~U.S. Military ID~~
- ~~Voter Registration Card~~
- Permanent Resident Card (Form I-551, "Green Card")

Date of B~~b~~irth ~~evidence~~Verification

OCERS will deem authentic copies of the following documents sufficient to establish the birthdate of a member or beneficiary:

- Birth certificate or delayed birth certificate
- ~~Certificate of Naturalization or~~ U.S. passport
- Certificate of Naturalization (Form N-550 or N-570)
- Foreign passport with I-94
- Border crossing card with I-94
- Permanent Residen~~t~~~~cy~~ Card (Form I-551, "Green Card")~~?~~
- State-issued driver's license or identification card (including REAL ID-compliant documents)~~Real ID/State Issued Driver's License~~
-
- Social Security Card issued by the Social Security Administration~~certification~~
- U.S. Military ID
- Military Discharge Certificate (DD214)

- ~~(with government issued photo ID)~~

Marriage or Domestic Partnership Status ~~Evidence~~Verification

Marriage certificates or domestic partnership registrations from other states will be accepted if the marriage or partnership was valid where contracted. OCERS will deem authentic copies of the following documents sufficient to establish the marriage or domestic partnership status of a member:

- Marriage certificate
- Declaration of Domestic Partnership or s~~S~~tate-recognized certificate of domestic partnership
-

Termination of a marriage or partnership may be established by the following documents:

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

- Final judgment of dissolution of marriage or divorce decree
- Certificate of divorce (where issued by the jurisdiction)
- Certificate of termination of domestic partnership
- Death certificate of former spouse or domestic partner
- Domestic Relations Order (DRO) pertaining to the member's retirement benefits

Alternative Birthdate, Marriage, or Domestic Partnership Evidence

When none of the above documents can be produced, an alternative document, such as those listed below, may be submitted for review. OCERS will make a determination on ~~whether or not~~whether they are sufficient to establish the date of birth, marriage, or ~~or~~ domestic partnership status, or termination of marriage/domestic partnership:

- Sworn and notarized affidavits from at least two individuals with personal knowledge of the birth, marriage, or domestic partnership. ~~relatives~~Affidavits must state the basis of the affiant's knowledge, the specific date and location of the event, and the relationship of the affiant to the member. ~~– must be notarized~~
- Records of religious ceremonies (e.g., church, temple, or mosque records of a birth or marriage ceremony)
- State census records
- Hospital records/vaccination records
- Physician or midwife birth record
- ~~DD214 (military discharge certificate)~~
- School records
- Insurance policy records
- Court records or certified copies of divorce/dissolution proceedings~~.~~
- Other credible records contemporaneous with the event~~ Other credible records~~

~~All records submitted to OCERS intended to establish identity, birth date or marriage/domestic partnership status must be true and correct copies, with no alterations from the original document. An individual who provides false or altered documentation may be liable for repayment of any funds received based on the false documentation submitted and may forfeit any related benefit.~~

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Verification of Identity, ~~Documentation of~~ Birthdate, and Marriage/Domestic Partnership Status

OCERS retains sole discretion to determine the sufficiency of alternative documentation and may request additional supporting documentation before making a final determination.

Electronic and Digitally-Issued Records

OCERS will accept electronic versions of the documents listed above if they meet all of the following criteria:

1. The electronic record is issued directly by a government agency, court, or authorized vital records entity;
2. The record contains verifiable security features such as a digital signature, digital seal, QR code, verification number, or other authentication mechanism; and
3. The record is verifiable through the issuing agency's official system or verification portal accessible to OCERS staff.

All three criteria must be met for OCERS to accept an electronic record.

Acceptable electronic records include:

- Electronic vital records certificates (birth, death, marriage) with digital seals issued by state or county vital records offices
- Digital immigration documents verified through USCIS online systems (myUSCIS account verification)
- Social Security Administration online account records showing verified information (mySSA account documentation)
- Mobile driver's licenses (mDL) verified through official state digital credential applications

The following are not acceptable as electronic records:

- Screenshots of online records without independent verification features
- Unverified printouts of web pages or online portals
- Photographs of computer or mobile device screens
- Records from unofficial third-party aggregator websites
- Documents that cannot be independently verified by OCERS through official channels

OCERS reserves the right to request original paper documents or certified copies if the authenticity of an electronic record cannot be verified, or to directly access records through official government portals when available.

OCERS Administrative Procedure (OAP)

Verification of Identity, Birthdate, and Marriage/Domestic Partnership Status

I. Purpose

This OCERS administrative procedure (OAP) sets forth the documentation OCERS staff will consider when verifying a member or beneficiary's identity, date of birth, marital/domestic partnership status, or termination of marriage/domestic partnership.

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This OAP is established pursuant to the Chief Executive Officer (CEO) Charter, section 8.f., which directs the CEO to develop staff policies and procedures to ensure effective and efficient administration of member benefits. The OAP is in conformance with Board Policy, the County Employees Retirement Law (California Government Code section 31450, *et seq*.) (CERL), and the Public Employees' Pension Reform Act (Government Code, sections 7522 - 7522.74) (PEPRA).

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All records submitted to OCERS intended to establish identity, birth date, marriage/domestic partnership status, or termination of marriage/domestic partnership must be true and correct copies, with no alterations from the original document. An individual who provides false or altered documentation may be liable for repayment of any funds received based on the false documentation submitted, may forfeit any related benefit, and may be subject to criminal prosecution.

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Documents in languages other than English must be accompanied by a certified English translation prepared by a qualified translator.

Identity Verification

OCERS will deem authentic and current copies of the following government-issued documents sufficient to verify the identity of a member or beneficiary:

- State-issued driver's license or identification card (including REAL ID-compliant documents)
- Passport
- U.S. Military ID
- Permanent Resident Card (Form I-551, "Green Card")

Date of Birth Verification

OCERS will deem authentic copies of the following documents sufficient to establish the birthdate of a member or beneficiary:

- Birth certificate or delayed birth certificate
- U.S. passport
- Certificate of Naturalization (Form N-550 or N-570)
- Foreign passport with I-94
- Border crossing card with I-94
- Permanent Resident Card (Form I-551, “Green Card”)
- State-issued driver's license or identification card (including REAL ID-compliant documents)
- Social Security Card issued by the Social Security Administration
- U.S. Military ID
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- Sworn and notarized affidavits from at least two individuals with personal knowledge of the birth, marriage, or domestic partnership. Affidavits must state the basis of the affiant's knowledge, the specific date and location of the event, and the relationship of the affiant to the member.

- Records of religious ceremonies (e.g., church, temple, or mosque records of a birth or marriage ceremony)
- State census records
- Hospital records/vaccination records
- Physician or midwife birth record
- School records
- Insurance policy records
- Court records or certified copies of divorce/dissolution proceedings
- Other credible records contemporaneous with the event

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2. The record contains verifiable security features such as a digital signature, digital seal, QR code, verification number, or other authentication mechanism; and
3. The record is verifiable through the issuing agency's official system or verification portal accessible to OCERS staff.

All three criteria must be met for OCERS to accept an electronic record.

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- Electronic vital records certificates (birth, death, marriage) with digital seals issued by state or county vital records offices
- Digital immigration documents verified through USCIS online systems (myUSCIS account verification)
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- Photographs of computer or mobile device screens
- Records from unofficial third-party aggregator websites
- Documents that cannot be independently verified by OCERS through official channels

OCERS reserves the right to request original paper documents or certified copies if the authenticity of an electronic record cannot be verified, or to directly access records through official government portals when available.

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **GOVERNANCE COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2026**

Work Plan of the Governance Committee for 2026

The Charters and Policies listed below are due for review by the Governance Committee and the Board in 2026.

Meeting Dates:

1. March 19, 2026
2. May 7, 2026
3. August 20, 2026
4. November 19, 2026

March 19, 2026 - Meeting Agenda Items:

1. Triennial Review of the Protocol for Handling Workplace Complaints Against Board Members Policy
2. Triennial Review of the Communications Policy
3. Triennial Review of the Quiet Period Policy
4. Triennial Review of the Governance Committee Charter
5. Triennial Review of the SACRS Voting Authority Policy
6. Off-Cycle Review of the OAP re: Verification of Identify, Birthdate, and Marriage/Domestic Partnership
7. Update on the Employer Data Policy

May 7, 2026 - Meeting Agenda Items:

1. Triennial Review of the Public Records and Data Request Policy
2. Triennial Review of the Rules of Parliamentary Procedure
3. Triennial Review of the Election Procedures Policy
4. Triennial Review of the CEO Performance Evaluation Policy
5. Triennial Review of the CEO Charter
6. Off-Cycle Review of the OAP re: Reciprocity
7. Off-Cycle Review of the OAP re: Retirees Returning to Work

August 20, 2026 - Meeting Agenda Items:

1. Triennial Review of the Planning Policy
2. Off-Cycle Review of the Board Member Travel Policy
3. Off-Cycle Review of the Employee Travel Policy
4. Off-Cycle Review of the Trustee Education Policy

November 19, 2026 - Meeting Agenda Items:

1. Triennial Review of the Actuarial Valuation Policy
2. Triennial Review of the Budget Approval Policy
3. Triennial Review of the Procurement and Contracting Policy

Governance Committee Reviews Performed in 2025

Charters:

1. Board of Retirement Charter
2. Board of Retirement Chair Charter
3. Board Vice Chair Charter
4. Committee Chair Charter
5. CEO Charter

Policies:

1. Digital Signature Policy
2. Overpaid and Underpaid Plan Benefits Policy
3. Overpaid and Underpaid Contributions Policy
4. Pay Item Review Policy
5. Indemnity and Defense Policy
6. Retirement Enhancement Review Policy
7. Whistleblower Policy
8. Monitoring and Reporting Policy
9. Trustee Education Policy
10. Board Member Travel Policy
11. Membership Eligibility Requirements Policy
12. Reserves and Interest-Crediting Policy
13. Budget Approval Policy
14. Chief Executive Officer Performance Evaluation Policy
15. Monitoring and Reporting Policy
16. Planning Policy
17. Procurement and Contracting Policy
18. Records Management Policy
19. Succession Policy
20. Trustee Education Policy
21. Pensionable Compensation Policy
22. Compensation Earnable Policy
23. Withdrawing Employer Continuing Obligation Policy
24. Withdrawing Employer Fully Satisfied Obligation Policy
25. Declining Employer Payroll Policy

OAPs:

1. OAP re: Retirees Returning to Work
2. OAP re: Military Service Credit Purchases

Rolled Over to 2025:

1. Protocol for Handling Workplace Complaints Against Board Members Policy

Submitted by:

MDS - Approved

Manuel D. Serpa
General Counsel

Memorandum

DATE: March 19, 2026

TO: Members of the Governance Committee

FROM: Mark Adviento, Director of Member Services

SUBJECT: **UPDATE ON THE EMPLOYER DATA POLICY**

Background

OCERS staff continues to work with Employers to strengthen the completeness, accuracy, and timeliness of employer payroll and member data submissions in support of accurate benefit administration, operational efficiency, and future automation initiatives. This memo provides an informational update on the draft Employer Data Policy, which is included in the meeting materials for reference, along with recent employer engagement and employer progress related to key data elements needed to support future automation.

Employer Data Policy (Informational)

Staff has continued work on updates to the Employer Data Policy to further clarify employer payroll reporting responsibilities and OCERS' administrative framework related to the completeness, accuracy, and timeliness of employer data submissions. The draft Employer Data Policy is presented to the Governance Committee in March 2026 for information only. Staff will return to the Governance Committee in May 2026 to formally present the policy for review and approval.

Employer Engagement

On March 3, 2026, OCERS held a Quarterly All Employer Meeting where staff reviewed how the recently completed (December 2025) Employer Handbook aligns with the draft Employer Data Policy, as well as how enhanced payroll transmittal exception reports are being developed to support improved visibility into payroll reporting variances. Staff informed employers that the administrative fee methodology reflected in the draft Employer Data Policy represents the most recent revision to the policy, and reiterated the importance of improved data quality in supporting future automation initiatives.

Employer Data Readiness for Automation

As part of the Employer Data Partnership Project (formerly known as the "Data Project"), staff is tracking employer progress related to key data elements needed to support automation of benefit calculations and improved system functionality. The table below provides a high-level snapshot of employer readiness in two focus areas: payroll transmittal reporting of vacation data and holiday compensation data, with supplemental data sharing reflected where applicable. The color indicators reflect current status with employers.

 = standardized and consistently reported

 = partially implemented or in progress

 = not yet implemented

N/A = standard payroll transmittal process is sufficient; no alternate data sharing required

Employer Data Readiness Snapshot

Employer	Vacation Data Reporting	Holiday Compensation Data Reporting
County of Orange *	□	□
Orange County Fire Authority (OCFA)	□	□
Orange County Transportation Authority (OCTA)	□	□
OC San (Orange County Sanitation District)	□	□
Superior Court	□	□
Transportation Corridor Agencies (TCA)	□	□
Children and Families Commission	□	□
OCERS	□	□
LAFCO	□	□
City of San Juan Capistrano *	□	□
IHSS Public Authority	□	□
Cemetery District	□	□
Law Library	□	□

***** *Supplemental data sharing, in addition to payroll transmittals, will be required and is currently in progress to support future automation.*

Next Steps

- Return to the Governance Committee in May 2026 with the Employer Data Policy for review and approval.
- Continue employer outreach and individual consultations to support consistent data standards and employer readiness for automation.

Submitted by:

MA-Approved

Mark Adviento
Director of Member Services

OCERS Board Policy
Employer Data Policy

Purpose and Objective

1. The Orange County Employees Retirement System (OCERS) requires the timely submission of detailed information from its Participating Employers (Employers) to fulfill its responsibilities in administering the retirement system. This policy states the information and data that OCERS requires from its Participating Employers to help them fulfill their responsibilities under the County Employees Retirement Law (CERL), as amended by the Public Employees' Pension Reform Act (PEPRA). These laws establish the fundamental obligations of Participating Employers and employee members. The policy's objective is to clarify the roles and responsibilities of OCERS and its Employers to facilitate the accurate exchange of the data elements required for OCERS to perform its function, including benefit calculation and payment. The policy also outlines the actions OCERS will take in response to insufficient, inaccurate, or untimely data from Employers.

Policy Guidelines

2. ***Definitions***[1]

Grade or Classification: Groups of similarly situated employees with the same OCERS' benefit structure in the same grade or classification as set by the Participating Employer.
Benefit: A payment to a participant (Member or Beneficiary) for retirement or death from OCERS.
Employee Contributions: Contributions towards retirement that are deducted by the employer from each member's compensation based on the employee's contribution rate and forwarded to OCERS to fund the normal cost associated with the member's retirement benefits from OCERS, as defined under the CERL and PEPRA.
Employer Contributions: Contributions by the Participating Employers paid to fund the employer's portion of normal costs associated with their employees' retirement benefits from OCERS, as defined under the CERL and PEPRA.
Employer Data: Gross base salary, approved pay codes for pay items determined as compensation earnable as approved by the OCERS Board of Retirement (Board), hours worked, expected hours, and employer/employee contributions based upon the rates set by the Board for pensionable pay items and salary, any additional negotiated contributions between the Employer and employees, and any other required data elements as designated in the Employer Handbook.
Employer Handbook: Employer Self Service (ESS) Portal User Guide located on the ESS Portal.
Employment Status: The employment status of an OCERS member as reported by the Employer. This includes Active or Active on Leave and separated with a separation date.

[1] Terms are defined here for ease of reference and are intended to remain consistent with their definition under OCERS Compensation Earnable and Pensionable Compensation Policies.

Member: An employee who is a member of the OCERS Plan and is eligible to accrue benefits in OCERS.
Participating Employer or Employer: Orange County or any contracting agency or district employing or representing an employee who is a member of OCERS. Participating Employer is synonymous with "Plan Sponsor."
Pay Period: Monthly or biweekly payroll period.
Payroll Transmittal Exception: An exception in the Transmittal due to missing, incorrect, or incomplete information required to be included by the Employer, per the Employer Handbook.
Pensionable Pay Items*:* Items of pay that are pensionable and that will be considered in calculating normal cost contributions owed by the member and Participating Employer, and for which the Participating Employer will report contributions.
Pensionable Salary*:* The amount of an employee's salary on which expected normal cost contributions will be calculated and for which the Participating Employer will report contributions.
Transmittal File or Transmittal: A Participating Employer's regular payroll report of Employer Data.

Roles and Responsibilities

OCERS

3. OCERS uses information received from Participating Employers to, among other things, update its information on members in its pension administration system, compute benefit estimates, perform benefit calculations, establish official termination dates, process refunds of contributions, and update member account balances. OCERS must accurately account for all Employer Data it receives, transmit that data to its actuary, and timely communicate with Employers regarding plan liabilities.

4. OCERS must maintain records of all contributions deposited by all Participating Employers and members and all benefits paid to members.[2]

Participating Employers

5. Each Participating Employer must designate one or more reporting officials and their backup as the organization's OCERS contact. The reporting official is authorized to sign OCERS documents and is responsible for timely and accurate management, transmission, and reporting of the Transmittal File and Employer Data to OCERS. The Employer must notify OCERS if its reporting official changes.

6. Employers are required to timely certify and transmit complete and accurate Employer Data to OCERS on a pay period basis in accordance with the CERL, PEPRA, the OCERS Compensation Earnable and Pensionable Compensation Policies, and this Employer Data Policy. The Employer Data

[2] Gov. Code, § 31599

must be transferred using the protocol and schedule specified in **the Employer Handbook**, available on the OCERS website. OCERS shall provide Employers with at least 30 days' written notice of any material changes to the Employer Handbook that affect reporting obligations or data transmission protocols.

Employers are responsible for providing OCERS with their list of Pensionable Pay Items.

Any new pay item must be submitted to OCERS in accordance with OCERS Pay Item Review Policy and the Pay Item Request & Approval Procedures for Employers.

7. Employers must submit Employer Data to OCERS bi-weekly per the designated payroll cycle and the schedule outlined in the Employer Handbook. The Employer must immediately notify OCERS if it cannot meet this schedule or if the payroll schedule changes (i.e., twenty-seven (27) pay periods).
8. Employers must promptly notify OCERS of changes to any labor/collective bargaining agreements affecting OCERS members, Employer plans, County grade or classifications, and Pensionable Pay Items. Participating Employers are also required to promptly notify OCERS of any anticipated changes to their payroll system or system provider. Failure to notify OCERS of such changes could result in errors in Employer Data transmission and processing, which could significantly impact the delivery of benefits, crediting of members' accounts, accurate reporting, and appropriate reserve funds.
9. **Employer Annual Compliance Certification**: All Employers will submit an annual compliance certification by December 31st of each calendar year, confirming ongoing compliance with this Policy. This certification will also confirm that the current list of users with approved ESS access on the ESS Portal Authorization Form is up to date.

Employer Payroll Reporting and Data Transmission

10. Employer Data transmission is the process by which Employers submit information, such as Employer and employee contributions, salaries, and hours worked, to OCERS for processing and posting to members' accounts or the appropriate reserve fund. Employer Data and transaction details for amounts related to individual employees are submitted through OCERS' Employer Self-Service portal or secure file transfer protocol (FTP). Employers must transmit Employer Data to OCERS via the methods described in the Employer Handbook.
    a. The payroll record is the most common record type. It contains information about an employee's earnings, contributions, and other pertinent information. Required fields on the payroll record are detailed in the "Transmittal Layout" in **the Employer Handbook.**
11. All documentation for each payment is due on the payment date for that contribution. OCERS retains the right to determine the accuracy and completeness of all data submissions supporting contribution payments. OCERS will exercise its authority to audit the Employer's records to determine the accuracy of benefits, reportable compensation, enrollment, and reinstatement.[3]

[3] Gov. Code, § 31543

12. Employers must correct previously submitted transmittal data using an adjustment file by the second pay period following OCERS notification.

Administrative Fees and Costs

13. OCERS may charge Employers administrative fees in the event of significant and continued preventable errors related to transmittals and contribution payments. In addition, OCERS is authorized to assess an Employer for the costs of administering the retirement system unique to that Employer; for example, costs directly related to each Employer's plan design characteristics and employment practices (e.g., work schedules) that affect the transmission of payroll data to OCERS.[4] Any fee application will be considered only after full implementation of the Employer Handbook and in accordance with the attached fee schedule. Any fee application for Payroll Transmittal Exceptions will be considered only after full implementation of the Employer Handbook and in accordance with the attached Appendix. Fees for other violations, including late payments, audit costs, and correction costs, will be assessed based on OCERS' actual costs, as provided in paragraph 15.
14. OCERS Board of Retirement (Board) hereby adopts the Fee Schedule attached and delegates to the Chief Executive Officer (CEO), or their designee, the authority to assess any other fees or costs authorized under this policy. Any assessment of fees or costs will be communicated in writing to the Employer by the CEO. The Employer will then have thirty days to appeal this invoice by submitting, in writing, a request for review by the Board and stating the basis for disputing the assessment or requesting its abatement. The Board shall review the CEO's determination de novo and issue a final determination within 90 days of receiving the complete appeal submission. The Board's decision is final and binding.
15. **Timely and Incomplete Submissions:** OCERS may assess a reasonable amount to cover costs incurred when an Employer fails to submit the requisite Employer Data and contributions, or to do so in a timely manner.[5] OCERS may also assess an Employer a reasonable amount to cover the audit, adjustment, or correction cost if it determines the Employer knowingly failed to report compensation by pay period.[6]

    OCERS will calculate fees by measuring the cost of labor for OCERS staff to analyze, assist the Employer in resolving, and communicate outcomes to the Employer regarding the applicable issue.

16. **Employer Transmittal Files**: Transmittal files must be formatted correctly and contain correct and accurate employee information, as set forth in the Employer Handbook, and Employer Data as specified in this Policy. If a transmittal file contains errors that prevent it from being imported into the OCERS pension administration system, the Employer must create a new file.

[4] Gov. Code, § 31580.1
[5] Id.
[6] Gov. Code, §31542.5

17. **Payment Discrepancies**: Employer and employee contributions stated in electronic or hard-copy reports from the Employer, including transmittal files, spreadsheets, and other reporting formats, should generally match the actual payment amounts. Any discrepancy between these amounts requires communication from the Employer upon payment remittance and clearing of the error. The Employer communication must explain the discrepancy and the necessary action to resolve it. OCERS staff will send a notice to the Employer via e-mail if an explanation of the discrepancy is not included with the contribution payment.

18. **Interest on Late Contribution Payments and Administrative Charges**: Any payment or partial payments received after the pay date of each pay period are considered late payments. An Employer will be assessed an interest penalty for late payments.[7] OCERS will ordinarily apply interest to the underpaid amount at OCERS' semi-annual interest crediting rate[8], but reserves the right to assess additional interest (e.g., OCERS' assumed rate of investment return) to the underpaid amount for late payments outstanding beyond thirty (30) days or repeated late payments (three or more instances within twelve months). OCERS will invoice an Employer for any additional interest payment related to late contribution payments, supported by the interest calculation. An Employer should ensure that OCERS receives payment within thirty days of the invoice date. Interest will continue to accrue if the payment is not received within thirty days of the invoice date. An Employer may appeal in writing to the Board for abatement of interest within thirty days of its receipt of the invoice.

19. **Implementation and Fee Schedule**: See attached Appendix.

Policy Review

The Board shall review this policy at least every three years to ensure it remains relevant and appropriate.

Policy History

The Board adopted this policy on…

Secretary's Certificate

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

[7] Gov. Code, § 31580.1
[8] Gov. Code, § 31472.1

Appendix
Fee Schedule

1. OCERS may charge Participating Employers administrative fees and costs in the event of significant and continued preventable errors pertaining to transmittals and contribution payments.
2. The fee assessment method in this Appendix will become operative in the third year following its approval by the Board of Retirement. For example:
   2026: OCERS implements enhanced payroll exception reports and provides employers access to these new reporting tools.
   2027: Employers use the reports for a full calendar year to identify issues and improve data quality.
   2028: Fees for payroll transmittal exceptions become assessable.
3. **Assessment Measuring Period:** Administrative fees will be evaluated quarterly using a snapshot-based review approach tied to employer payroll cycles and designed to provide employers a defined opportunity to correct payroll reporting errors before any fee is assessed. Payroll reporting exceptions used for fee assessment will be determined using OCERS-generated exception reports and administrative review processes as described in the Employer Handbook. OCERS will provide employers with access to exception reporting and written notice of potential fee exposure following each quarterly snapshot, allowing employers to resolve outstanding snapshot exceptions prior to assessment.
4. **Quarterly Snapshot**: Once the fee assessment becomes operative, for each calendar quarter, OCERS will establish a snapshot of payroll transmittal exceptions as of the employer pay period that includes the applicable quarter-end date (i.e., March 31, June 30, September 30, and December 31). The “snapshot exceptions” are those payroll transmittal exceptions identified in OCERS-generated exception reports as of the snapshot date.
5. **Cure Window**: Following the snapshot date, the employer will be provided two (2) subsequent employer pay periods to resolve the snapshot exceptions.
6. **Assessment and Fee Determination**: At the end of the second subsequent employer pay period following the snapshot, OCERS will determine which snapshot exceptions remain unresolved. Only those exceptions that (1) existed as of the snapshot date and (2) remain unresolved as of the assessment date will be included in the quarterly fee determination. Exceptions created after the snapshot date will not be included in the current quarter’s fee determination and will be evaluated during the subsequent quarter’s snapshot review if still unresolved at that time.
7. Fees, if applicable, will be assessed once per quarter in accordance with the adopted Fee Table below when payroll transmittal exceptions exceed three percent (3%) of total payroll transactions for the applicable measurement period.
8. **Fee Table:** If the Payroll Transmittal Exceptions do not fall below the acceptable threshold (3% of total payroll transactions) consistently during the quarter following the above notification, the following fees will be assessed for each quarter in which the threshold is exceeded:

a. 11–50 Payroll Transmittal Exceptions (over 3% of total): $2,500
b. 51–100 Payroll Transmittal Exceptions (over 3% of total): $6,500
c. 101–150 Payroll Transmittal Exceptions (over 3% of total): $10,500
d. 151–200 Payroll Transmittal Exceptions (over 3% of total): $15,000
e. 200+ Payroll Transmittal Exceptions (over 3% of total): $25,000

9. Fees will be assessed for each non-compliant quarter until the Employer achieves the required compliance rate, at which point fee assessment will cease. If the Employer subsequently fails to maintain compliance, the notification and remediation process in paragraph 3 will restart.