

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

**REGULAR MEETING
Monday, April 21, 2025
9:30 A.M.**

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) Join Zoom Meeting https://ocers.zoom.us/j/81565569840 Meeting ID: 815 6556 9840 Passcode: 607866 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: 815 6556 9840 Passcode: 607866
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

AGENDA

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

1. CALL MEETING TO ORDER AND ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY)
(Government Code section 54953(f))
4. 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

All matters on the Consent Agenda are to be approved by one action unless a Board Member requests separate action on a specific item.

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

Recommendation: Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

- None

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

March 17, 2025

Recommendation: Approve minutes.

C-3 OUTCOMES FROM GOVERNANCE COMMITTEE MEETING ON MARCH 20, 2025

Recommendation: The Governance Committee recommends that the Board adopt the following:

- (1) **Digital Signature Policy;**
- (2) **Overpaid and Underpaid Plan Benefits Policy** with revisions approved by the Committee;
- (3) **Overpaid and Underpaid Contributions Policy** with revisions approved by the Committee;
- (4) **Pay Item Review Policy** with revisions approved by the Committee;
- (5) **Indemnity and Defense Policy** with no substantive revisions.

DISABILITY/MEMBER BENEFITS AGENDA

9:30 AM

NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER'S APPLICATION OR APPEAL PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.

OPEN SESSION

CONSENT ITEMS

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed in closed session during agenda item DA-1.

A. Disability Committee Recommendations:

None

B. CEO Recommendations:

DC-1: BRANDON GRINSTEAD

Fire Captain /Paramedic, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as February 9, 2024.

DC-2: ROSALINDA OCEGUEDA

Sr. Social Worker, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Deny service-connected and non-service-connected disability retirement without prejudice due to the members' decision not to join in the application.

DC-3: STEVE SINGER

Certified Journeyman Mechanic, Orange County Transportation Authority (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as November 21, 2021.

DC-4: KEVIN SKINNER

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as January 6, 2025.

DC-5: DAVIDA TIDWELL

Sheriff's Investigator, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as November 1, 2024.

CLOSED SESSION

Government Code section 54957

Adjourn to Closed Session under Government Code section 54957 to consider member disability applications and to discuss member medical records submitted in connection therewith. The applicant may waive confidentiality and request his or her disability application to be considered in Open Session.

**DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE DISABILITY/MEMBER BENEFITS
CONSENT AGENDA**

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing * 9, at the time the item is called. 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 SACRS BOARD OF DIRECTORS ELECTION 2025-2026 – DIRECTION TO OCERS' VOTING DELEGATE
Presentation by Manuel Serpa, General Counsel

Recommendation: Consider the SACRS Nominating Committee's recommended slate of candidates interested in running for the election of SACRS Directors and give direction to OCERS' Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 16, 2025.

A-3 PENSION ADMINISTRATION SYSTEM (PAS) PROJECT TEMPORARY STAFFING REQUEST
Presentation by David Kim, Assistant CEO, External Operations, and Cynthia Hockless, Director of HR, OCERS

Recommendation: The Personnel Committee recommends the Board of Retirement approve the following 22 Limited Term requests to the Member Services and Disability Departments in preparation for the PAS implementation:

1. Member Services Manager position (1)
2. Member Services Supervisor positions (3)
3. Senior Retirement Program Specialist positions (4)
4. Retirement Program Specialist (8)
5. Accounting Technician (5)
6. Disability Retirement Investigator (1)

The total estimated annual personnel cost for these staffing changes is **\$1,098,257**. The estimated personnel cost for 2025 due to mid-year hiring for several positions is **\$637,130**.

INFORMATION ITEMS

Each of the following informational items will be presented to the Board for discussion.

I-1 MOVING TO A .GOV DOMAIN

Presentation by Matt Eakin, Director of Information Security, and Mary-Joy Coburn, Director of Communications, OCERS

I-2 OCERS TRUSTEE MEETING COMPENSATION LEGISLATION UPDATE

Presentation by Steve Delaney, Chief Executive Officer, and Manuel Serpa, General Counsel, OCERS

I-3 HARASSMENT PREVENTION TRAINING

Presentation by Liebert Cassidy Whitmore

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices

April 21, 2025

Death Notices

April 21, 2025

R-2 COMMITTEE MEETING MINUTES

- October 2024 – Personnel Committee Minutes
- November 2024- Governance Committee Minutes
- January 2025 – Building Committee Minutes
- February 2025 – Audit Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER

Written Report

Orange County Employees Retirement System
April 21, 2025
Regular Board Meeting – Agenda

Page 6

R-9 NEW HEADQUARTERS ACTIVITY REPORT

Written Report

R-10 SECOND QUARTER REVIEW OF OCERS BOARD 2025-2027 STRATEGIC & BUSINESS PLAN

Written Report

R-11 PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT

Written Report

CLOSED SESSION

E-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)

Property: 1200 N. Tustin Ave., Santa Ana, CA 92705

Agency negotiator: Brenda Shott

Negotiating parties: All existing tenants under lease at the above-noted property.

Under negotiation: Price and payment terms of lease, lease termination, or lease renegotiation.

Recommendation: Take appropriate action.

CIO COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

BOARD MEMBER COMMENTS

ADJOURNMENT: (IN MEMORY OF THE ACTIVE MEMBERS, RETIRED MEMBERS, AND SURVIVING SPOUSES WHO PASSED AWAY THIS PAST MONTH)

NOTICE OF NEXT MEETINGS

GOVERNANCE COMMITTEE MEETING

May 8, 2025

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

DISABILITY COMMITTEE MEETING

May 19, 2025

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

May 19, 2025

9:30 A.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
BOARD OF RETIREMENT
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA**

**REGULAR MEETING
Monday, March 17, 2025
9:30 A.M.**

MINUTES

Chair Packard called the meeting to order at 9:32 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Adele Lopez Tagaloa, Roger Hilton, Richard Oates, Vice Chair, Charles Packard, Chair; Arthur Hidalgo, Shawn Dewane, Iriss Barriga; Jeremy Vallone

Present via Zoom (under
Government Code
Section 54953(f)):

Also Present: Steve Delaney, CEO; David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Joon Kim, Staff Attorney; Ivan Cao, Staff Attorney (Investments); Will Tsao, Director of EPMO; Fong Tse, Senior Facilities Manager; David Beeson, Director of Investments; Cynthia Hockless, Director of HR; Nicole McIntosh; Director of Disability; Philip Lam, Director of Internal Audit; Tracy Bowman, Director of Finance; Luis Barriere, I.T. Operations Manager; Jon Gossard, Senior Information Security Manager; Anthony Beltran, Audio-Visual Technician; Marielle Horst, Recording Secretary

Guests: Maytak Chin, ReedSmith; Dot Ronan, REAOC; Shelly Pardis and Bob Solheim, Provaliant

Absent: Wayne Lindholm; Shari Freidenrich

CONSENT AGENDA

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

Recommendation: Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

Σ None

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

February 19, 2025

Recommendation: Approve minutes.

MOTION by Mr. Oates, **seconded** by Mr. Dewane, to approve the Consent Agenda.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

A. Disability Committee Recommendations:

DC-1: SILVIA ZAMAITAT

Sheriff's Community Service Officer, Orange County Sheriff's Department (General)

Recommendation: The Disability Committee recommends that the Board:

- Σ Deny service-connected and non-service connected disability retirement due to insufficient evidence of permanent incapacity.

B. CEO Recommendations:

DC-2: DELIA BAILON

Supervising Probation Officer, Orange County Probation Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as March 22, 2024.

DC-3: KATHLEEN BRIDGES

Senior Social Worker, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Deny service-connected and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-4: RONALD BYERS

Sergeant, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as March 16, 2018.

DC-5: DANIEL ESCOTO

Data Entry Technician, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Deny service-connected and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-6: TIERRA HALE

Eligibility Technician, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Deny service-connected and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-7: CATALINA SIFUENTES

Custodian, Orange County Public Works (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as March 24, 2023.

DC-8: KEVIN SKINNER

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as January 6, 2025.

DC-9: CHRISTINE TRACE

Senior Social Services Supervisor, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Σ Deny service-connected and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

MOTION by Mr. Hilton, **seconded** by Mr. Dewane, to approve DC 1-9, except for DC-8 Kevin Skinner. Mr. Skinner's application is still under development.

The motion passed, with Mr. Oates abstaining due to a working relationship with an applicant.

ACTION ITEMS

A-2 2025 STAR COLA FINAL APPROVAL

Presentation by David Kim, Assistant Chief Executive Officer, External Operations, OCERS

Recommendation: Approve payment of STAR COLA for the period April 1, 2025, through March 31, 2026, in the amount of \$405,083.

Ms. Ronan, REAOC Vice President, thanked the Board for their years of support of the STAR COLA and asked for their continued support in protecting this small and fragile community. Mr. Kim provided his support for the STAR COLA. Mr. Packard agreed and emphasized the importance of continuing to approve STAR COLA.

MOTION by Mr. Dewane, **seconded** by Mr. Hilton, to approve staff recommendations.

The motion passed **unanimously**.

A-3 OUTCOMES FROM BUILDING COMMITTEE MEETING ON MARCH 10, 2025

Presentation by Brenda Shott, Assistant CEO, Internal Operations, OCERS

Recommendation: The Building Committee recommends that the Board authorize the CEO to execute an amendment to the Snyder-Langston design-build contract in an amount not to exceed \$1,135,807 plus a 5% contingency allowance to allow for construction documents to be moved forward from the Development Phase to the Predevelopment Phase of the OCERS headquarters project before receiving a Guaranteed Maximum Price proposal for the project.

After a brief discussion, a **MOTION** by Mr. Dewane, **seconded** by Ms. Lopez Tagaloa, to approve staff recommendations.

The motion passed **unanimously**.

INFORMATION ITEMS

Each of the following informational items will be presented to the Board for discussion.

I-1 OCERS TRUSTEE MEETING COMPENSATION LEGISLATION UPDATE

Presentation by Steve Delaney, Chief Executive Officer, and Manuel Serpa, General Counsel, OCERS

Mr. Serpa provided an update on the status of the legislation.

I-2 UPDATE ON REQUEST FOR PROPOSAL – FIDUCIARY COUNSEL

Presentation by Manuel Serpa, General Counsel, OCERS

Mr. Serpa informed the Board that the Request for Proposals for Fiduciary Counsel has been released and that he anticipates recommending finalists for the Board to interview at its May meeting.

I-3 BUSINESS CONTINUITY AND DISASTER RECOVERY UPDATE

Presentation by Steve Delaney, Chief Executive Officer; Jon Gossard, Senior Information Security Manager; and Luis Barriere, I.T. Operations Manager, OCERS

Mr. Delaney opened the discussion, recapping the importance of the Business Continuity and Disaster Recovery plan. Mr. Barriere continued by providing an update on the efforts to maintain the system.

I-4 PENSION ADMINISTRATION SYSTEM (PAS) PROJECT STAFFING NEEDS

Presentation by Steve Delaney, Chief Executive Officer, and David Kim, Assistant CEO, External Operations, OCERS, and Members of the Provaliant Team

Mr. Delaney introduced the PAS Project staffing needs, which include limited-term hires. Ms. Pardis provided insight into the number of dedicated staff that is needed to get OCERS fully integrated into a new PAS system. Mr. Delaney assured the Board that all limited-term hiring requests would first be considered by the Personnel Committee prior to coming to the full Board for requested approval.

The Board recessed for break at 10:33 a.m.

The Board reconvened from break at 10:51 a.m.

Recording Secretary administered the Roll Call attendance.

WRITTEN REPORTS

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices
 Death Notices

March 17, 2025
 March 17, 2025

R-2 COMMITTEE MEETING MINUTES

- December 2024- Audit Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 FOURTH QUARTER 2024 BUDGET VS. ACTUALS REPORT

Written Report

R-9 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

Written Report

R-10 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

Orange County Employees Retirement System
March 17, 2025
Regular Board Meeting – Minutes

Page 6

R-11 UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER

Written Report

R-12 2024 BUSINESS PLAN – END OF YEAR REPORT

Written Report

R-13 NEW HEADQUARTERS ACTIVITY REPORT

Written Report

R-14 GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Written Report

CIO COMMENTS/COUNSEL/STAFF COMMENTS

None

BOARD MEMBER COMMENTS

Mr. Oates congratulated the Finance Department on their GFOA Certificate of Achievement award. Mr. Packard commented that it was well deserved.

CHIEF EXECUTIVE OFFICER

With the recent federal repeal of the WEP/GPO provisions of the Social Security Act, Mr. Delaney informed the Board that mandatory Social Security payments may be coming to OCERS. Segal will be providing information on this new development.

Mr. Delaney provided a status update on the hiring of the Chief Technology Officer.

Meeting **ADJOURNED** at 11:06 a.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Charles Packard
Chairperson



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: **OUTCOMES OF THE MEETING OF THE GOVERNANCE COMMITTEE HELD ON MARCH 20, 2025**

Recommendation

The Governance Committee recommends that the Board adopt the following:

- (1) **Digital Signature Policy;**
- (2) **Overpaid and Underpaid Plan Benefits Policy** with revisions approved by the Committee;
- (3) **Overpaid and Underpaid Contributions Policy** with revisions approved by the Committee;
- (4) **Pay Item Review Policy** with revisions approved by the Committee;
- (5) **Indemnity and Defense Policy** with no substantive revisions.

Background/Discussion

The Governance Committee met on March 20, 2025, and reviewed the above-listed policies. The Committee now recommends that the Board adopt the revisions to all the policies, as set forth below.

Adoption of the Digital Signature Policy

Staff recommended to the Committee, and the Committee approved, adoption of the Digital Signature Policy. The proposed draft of the Digital Signature Policy is attached.

OCERS currently utilizes digital signatures for non-member business, such as in the hiring of employees and the procurement of vendors. Staff now wishes to extend this use to member-related documents to improve efficiency and enhance convenience for members and their beneficiaries. The law permits electronic signatures, but the best practice is for OCERS to adopt a digital signature policy that states OCERS' intent to engage in such electronic transactions and accept e-signatures from its membership. Acceptance of digital signatures, where legally permissible, is consistent with our fiduciary duty to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries.

Revisions to the Overpaid and Underpaid Plan Benefits Policy

Staff recommended revisions to the Overpaid and Underpaid Plan Benefits Policy to the Committee, and the Committee approved them. The revisions are set forth in underlined/strikeout text in the attached copy of the policy. The proposed revisions consist of changes necessitated by Assembly Bill 3025. Otherwise, the exception for overpayments or underpayments discovered in 90 days or less has been removed from the policy. The California Legislature recently enacted AB 3025, which took effect on January 1, 2025, codified as Section 31541.2 of the Government Code. AB 3025 establishes new processes for county retirement systems regarding

pay code review and handling overpayment corrections while introducing new notification requirements for specific corrections.

It prescribes the following processes, the substance of which has been added to the Overpaid and Underpaid Plan Benefits Policy as Section 12 and to the Overpaid and Underpaid Contributions Policy as Section 15:

Active Members

Unless OCERS has "Initiated a Process" before January 1, 2024: OCERS will credit all employer contributions made on the disallowed compensation against future contributions to the benefit of the employer that reported the disallowed compensation. Return any member contributions paid by, or on behalf of, that member to the member directly or indirectly through the employer.

Retired Member, Survivor, or Beneficiary

When OCERS determines that the final compensation of a retired member and that of a survivor or beneficiary was based on Disallowed Compensation, it will credit the employer contributions made on that Disallowed Compensation against future contributions for the employer that reported it. OCERS will return any member contributions paid by or on behalf of that member directly to them, and OCERS will permanently adjust the benefits of the affected retired member, survivor, or beneficiary to reflect the exclusion of the Disallowed Compensation.

Notice and Employer Obligations

Additional notice and employer payment requirements apply if all three of the following conditions are met:

1. The employer reported the compensation to the retirement system and made contributions on that compensation while the member was actively employed.
2. OCERS determined after the date of retirement that the compensation was disallowed.
3. The member was not aware that the compensation was disallowed at the time the employer reported it.

Should all three of the above conditions be met, OCERS will provide written notice to both the employer and the affected retired member, survivor, or beneficiary that includes the following information:

- Σ The overpayment amount the employer shall pay to OCERS.
- Σ The actuarial equivalent present value that the employer owes to the retired member, survivor, or beneficiary, as detailed below.
- Σ Disclosure of the employer's obligations to the retired member, survivor, or beneficiary per this policy.

In addition, should all three of the above conditions be met, the Employer is obligated to pay the following:

Pay to OCERS, as a direct payment, or through recognition in the actuarial accrued liability, as determined by OCERS, the full cost of any overpayment of the prior paid benefit made to an affected retired member, survivor, or beneficiary resulting from the Disallowed Compensation.

The employer must pay to the affected retired member, survivor, or beneficiary 20% of the actuarial equivalent present value of the following calculation:

1. the difference between the monthly allowance that included the "Disallowed Compensation" and the newly adjusted monthly allowance that excluded it, and
2. multiplied by the duration OCERS projects to pay the benefit to the affected retired member, survivor, or beneficiary.

OCERS will charge the employer the actual costs of actuarial services necessary to make this calculation. The employer must begin this payment within six months of notice from the retirement system and may have up to four years to complete the payment.

Disclosure of Member Information to Employer

Upon an employer's request, OCERS will provide the employer with contact information data of a relevant retired member, survivor, or beneficiary so that the employer or agency can fulfill its obligations to that retired member, survivor, or beneficiary under this policy. The employer shall keep this contact information data confidential, use such contact data only to the extent necessary to carry out its duties under this policy, and not disclose it under the California Public Records Act.

Revisions to the Overpaid and Underpaid Contributions Policy

Staff recommended to the Committee, and the Committee approved, revisions to the Overpaid and Underpaid Contributions Policy. The revisions are set forth in underlined/strikeout text in the attached copy of the policy.

The main substantive changes incorporate the requirements of AB 3025. Otherwise, there has been one addition to the section 10 on compromising claims:

- a. If the entire amount of underpaid contributions by an active, deferred, or retired Member under Sections 7 or 8 above does not exceed \$100 (including interest), OCERS shall not be required to collect the underpaid contributions if, in the judgment of the CEO, in consultation with legal counsel, the costs of processing and collecting the underpaid contributions would exceed the amount owed to the Member, provided that, in the case of ongoing contributions, the contribution rate shall promptly be adjusted (increased) prospectively.

Per the direction of the Governance Committee, Section 10 a. was further revised to clarify that the provision applies only when the total amount owed does not exceed \$100. Those additional changes are in blue above.

Revisions to the Pay Item Review Policy

Staff recommended to the Committee, and the Committee approved, revisions to the Pay Item Review Policy. The revisions are set forth in underlined/strikeout text in the attached copy of the policy.

The Board adopted the Pay Item Review Policy on March 18, 2019, and most recently amended it on December 9, 2024. **Although not scheduled for review, changes to the policy are necessitated by AB 3025.**

The Policy revisions add language necessary to comply with AB 3025 and rephrase some of the material to improve clarity and readability. The new requirement for OCERS to provide written guidance upon employer request during contract negotiations is contained in new paragraphs 11-13 as follows:

11. Pursuant to Government Code section 31541.2(c)(1), an employer or authorized employee representative may request OCERS' review of a proposed new or modified pay item/pay code intended to be included in a proposed employment agreement to determine the pensionability under the CERL, PEPR, the *Alameda* holding, and OCERS regulations and policies prior to the entry of the employment agreement. Each such submission to OCERS must include all supporting information OCERS deems necessary to perform its review.
12. OCERS staff will evaluate each proposed pay item/pay code under Paragraph 11 and provide guidance solely to the requestor in writing on whether the proposed pay item/paycode is pensionable within 90 days of the receipt of all information OCERS requires to perform its review.
13. Employers must submit all new or modified pay codes for pay items for review and approval by OCERS, per paragraph 4, regardless of whether written guidance has been provided on a proposed pay item or pay code under paragraph 11.

14. Additionally, an employer or authorized employee representative may request OCERS review a proposed new or modified pay item/pay code intended to be subject to consideration in an upcoming employment contract negotiation. Upon receipt of sufficient supporting information that OCERS considers necessary to review the item, OCERS will endeavor to provide timely written guidance solely to the requestor.

Also, per Governance Committee direction, the text in blue above was added to clarify that OCERS will provide written guidance only to the requestor and OCERS will respond to requests for guidance on items subject to consideration in upcoming negotiations.

Non-substantive Revisions to the Indemnity and Defense Policy

There were no substantive revisions to the Indemnity and Defense Policy recommended or approved by the Committee. The proposed revisions are to improve clarity. A marked version of the policy is attached.

Attachments

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



OCERS Board Policy Digital Signature Policy

Purpose

1. OCERS has enhanced its provision of service to members and beneficiaries through the implementation of electronic documents and digital communication channels. The Digital Signature Policy aims to improve OCERS' service and ensure the efficient administration of benefits by permitting electronic or digital signatures (also referred to as e-signatures) on documents utilizing secure technology and in compliance with governing law.

Guidelines

2. The OCERS Board of Retirement deems the DocuSign and the NeoGov platforms sufficient to ensure a document's integrity, security, and authenticity with a member or beneficiary's electronic/digital signature and compliant with the Uniform Electronic Transactions Act. Thus, a document with an electronic signature that a member or beneficiary submits to OCERS through DocuSign or through the County of Orange's NeoGov system shall be given the same force as a signed and valid original paper document.
3. However, digital signatures are not required. A member or beneficiary may choose to sign a paper document with a "wet" signature if they do not wish to conduct the transaction electronically.
4. The use of electronic signatures in the notarization process is also permissible, as long as the electronic record includes (per Civ. Code § 1633.11), in addition to the electronic signature to be notarized, the electronic signature of a notary public together with all other information required to be included in a notarization by other applicable law.

Policy Review

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

Policy History

6. This policy is adopted on [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.

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

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

Purpose and Background

1. The purpose of the Orange County Employees Retirement System ("OCERS," "System," or "Plan") *Overpaid and Underpaid Plan Benefits Policy* ("~~policy~~Policy") is to provide a framework that the System can use as a basis for resolving erroneous payments of Plan benefits to members and their beneficiaries. ~~In the event that an overpayment is the result of a felony conviction OCERS Administrative Procedure (OAP) Felony Forfeitures shall be used as a basis for resolution.~~ The OCERS Board of Retirement ("Board") is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets in a prudent manner. ~~The Internal Revenue Service ("IRS") requires that operational failures be corrected in a prompt, reasonable, and consistent manner that attempts to place the retirement system in the position it would have been in had the erroneous payment not occurred.~~
2. In the event that an overpayment is the result of a felony conviction, OCERS Administrative Procedure (OAP) on Felony Forfeitures shall be used as a basis for resolution, instead of this Policy.

Policy Objectives

- ~~2-3.~~ Members and their survivors, beneficiaries, or payees (herein referred to as "~~members~~Members") have a right to accurate retirement benefit payments. ~~No memberMember~~ has the right to receive or retain retirement benefit payments that exceed the amounts to which a memberMember is entitled, and no memberMember may be deprived of any benefit payments ~~that he or she is~~they are entitled to receive. ~~Subject to all applicable laws and consistent with this policy and the procedures established by the Board, it shall be OCERS' policy to make every reasonable effort to recover from a member the amount of any overpaid Plan benefits, and remit to a member the amount of any underpaid Plan benefits.~~

Policy Guidelines

- ~~3-4.~~ After discovery of overpaid or underpaid benefits, and within a reasonable period of time after written notification to the affected memberMember, OCERS will correct the benefit payment amount prospectively to prevent additional overpayments or underpayments, and will pay to the memberMember in a lump sum, or collect from the memberMember through lump sum or installment payments, the amounts to which the memberMember or the Plan is entitled ~~in accordance with~~per this policy and applicable law.
5. ~~These policies~~Subject to all applicable laws and consistent with this Policy and the procedures established by the Board, it shall be OCERS' policy to make every reasonable effort to: (1) recover from a Member the amount of overpaid Plan benefits and/or (2) remit to a Member the amount of underpaid Plan benefits.



OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

Policy Guidelines

6. [The procedures described in this Policy](#) are designed for use when calculation and other errors affect an individual ~~member's~~ [Member's](#) retirement benefits. [For corrections of errors affecting the overpayment of individual Member's retirement benefits identified on or after 2024, the correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below.](#)
- 4.7. In the event of a system-wide error that affects multiple ~~members'~~ [Members'](#) benefits, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances. [The determination by the Board of a correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 12 below.](#)
- 5.8. In the event of any inconsistency between applicable law (including IRS rules and guidance) and ~~these policies and procedures~~ [this Policy](#), the law shall govern.
-



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

Policy Procedures for Overpaid Benefits

9. The procedures for recouping overpaid benefits shall depend on whether the overpayment was a result of the Member's employer's reporting of "Disallowed Compensation" as that term is defined in Government Code § 31541.2., or otherwise.

~~6-10.~~ **Recovery of Overpaid Benefits Unrelated to Disallowed Compensation.** When an overpayment of Plan benefits is discovered ~~more than ninety (90) days~~ after the ~~member/~~Member or payee's initial benefit payment, OCERS will first adjust the benefit payment prospectively to reflect the correct benefit amount and to prevent additional overpayments. OCERS will also take all reasonable steps to recover the full amount of all overpayments, going back to the inception of the error, and recouping "appropriate interest," as defined in ~~section 7~~subdivision (a) below, during the period ~~in which~~when the benefit overpayments ~~were made~~occurred and ~~also during~~throughout any repayment period ~~(, i.e., applied interest will apply to the outstanding amount due until fully repaid).~~ No interest will be collected when OCERS discovers the overpayment within ninety (90) days of the payment.

~~7-a.~~ **Appropriate Interest.**

~~a.i.~~ **"Appropriate interest"** ~~menas~~Interest is an interest amount determined using the System's actuarially assumed rate of return as of the date OCERS sets ~~for commencing to commence~~ repayment.

~~b.ii.~~ In cases where OCERS determines there is evidence that the benefit overpayment resulted from fraud or dishonest conduct by the ~~member/payee~~Member or because the ~~member/payee~~Member provided, or caused to be provided, inaccurate information to OCERS or the ~~member's~~Member's employer, then ~~"appropriate interest"~~Appropriate Interest shall be recouped directly from the ~~member/payee-~~Member.

~~c.iii.~~ In cases other than those described above in ~~Section 7.b,~~ "appropriate interest" ~~subdivision (a)(ii),~~ Appropriate Interest shall be recouped from the ~~member's~~Member's employer as part of the annual actuarial valuation process.

~~8.b.~~ **Recovery Threshold.** The Board believes ~~that considerations of cost-effectiveness~~ considerations make it prudent and reasonable to pursue recovery of overpaid benefits only where the cumulative total amount of overpaid benefits is \$250 or more. ~~Accordingly,~~ OCERS is authorized ~~to not to~~ seek recovery of any such overpaid benefits where the total amount overpaid to the ~~member~~Member is less than \$250.

~~9.c.~~ **Time Period for Installment Payments.** ~~When recovering benefit overpayments, the following apply:~~

~~a.i.~~ **Director of Member Services:** ~~When the total amount of such overpaid benefits, not including interest, is \$10,000 or less, the Director of Member Services shall have authority to agree to extend the time period for the member's~~ Member's installment payments to a period not exceeding the expected lifetime of the ~~member~~Member as determined by the actuary.



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

~~b.~~ ii. Chief Executive Officer (CEO): Regardless of the amount of the Plan's claim against the ~~member~~ Member, the CEO shall have the authority to agree to extend the time period for the ~~member's~~ Member's installment payments to a period not exceeding the expected lifetime of the ~~member~~ Member as determined by the actuary.

d. 10. Compromising claims:- The amount of the Plan's claim for overpaid benefits is the difference between the amounts actually paid to the ~~member~~ Member during the overpayment period and the amounts that should have been paid, together with ~~"appropriate interest"~~ Appropriate Interest from the dates of the actual overpayments to the date(s) the correction is effective. ~~The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member~~ The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the Member will be considered by the CEO and/or the Board when determining whether to compromise a claim. ~~with the Member.~~ Compromising a such claim may include a different method of repayment than is otherwise provided by this Policy and/or, including the forgiveness or partial forgiveness of principal and/or interest, subject to applicable IRS rules and guidance.

i. a.—When the total amount of the Plan's claim against the ~~member~~ Member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.

ii. b.—Only the Board may compromise claims with Members in which the total amount of such overpaid benefits, not including interest, is greater than \$1,000.

11. 11. Recovery Procedures: The Board adopts the following procedures for accomplishing the recovery of overpaid Plan benefits:

- a. Upon discovery of the benefit overpayment, OCERS will ~~send a letter~~ notify the Member by certified mail, return receipt requested, or by express delivery service, ~~to the member/payee.~~ Subject to the provisions of this Policy, the letter will provide the following information to the ~~member/payee~~ Member regarding the overpaid benefits:
 - i. ~~Provide notice~~ Notice of the prospective adjustment to the benefit payment (to reflect the correct amount);
 - ii. ~~Request~~ A request for payment to OCERS of the amount of overpaid benefits with ~~appropriate interest as defined in section 7, above~~ Appropriate Interest; and
 - iii. Unless otherwise determined by the Board, the CEO, or the Director of Member Services ~~(see sections 9.a. and 9.b., above),~~ or, if a repayment plan for a longer period is needed due to the limitation described in section ~~6, 10~~ 6, 10 above, the letter will set a repayment plan with two options:
 - Option 1 – equal installments deducted from the ~~member/payee's~~ Member's monthly benefit over the same length of time that the overpaid benefits occurred, with ~~"appropriate interest" (as that phrase is defined in section 7, above)~~ Appropriate Interest applied during the repayment period; and



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

- *Option 2* – lump sum payment to the Plan for the full amount overpaid, with ~~“appropriate interest” (as that phrase is defined in section 7, above)~~ Appropriate Interest applied during the overpayment period.
- b. Notwithstanding the above, any reduction in the ~~member/payee’s~~ Member’s ongoing monthly benefit to recover overpayments will be limited to a maximum of 15% of the corrected gross monthly benefit unless the ~~member/payee~~ Member requests a higher reduction. The balance due will be paid over time, subject to this limitation.
- c. OCERS may pursue all legal remedies to collect such overpaid Plan benefits, including making a claim on an estate or trust. -In addition, if the ~~member~~ Member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the ~~member’s~~ Member’s estate or named beneficiaries of the ~~member~~ Member; provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the ~~member~~ Member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.
 - ~~d.i.~~ OCERS will maintain a permanent record of all amounts of such overpaid Plan benefits and the repayment to OCERS of those overpaid benefits. Every year, ~~for cases involving benefit overpayments,~~ the Director of Member Services shall provide a report to the Board for cases involving benefit overpayments.
 - ~~e.ii.~~ To the extent OCERS is unable to recoup overpaid Plan benefits from the ~~member/payee~~ Member, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.

12. **Recovery of Overpaid Benefits Due to Disallowed Compensation:** Per AB 3025, and as codified in Gov. Code Section 31541.2, when OCERS "Initiated a Process" (as defined below) before January 1, 2024, to recalculate a Member's compensation earnable under Section 31461 to exclude Disallowed Compensation (as defined below) and return contributions, it may continue using that process to ensure compliance with PEPR and the holding in *Alameda County Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032 (*Alameda*). When OCERS determines the reporting of Disallowed Compensation on or after January 1, 2024, the procedures to correct overpayments of benefits shall follow those contained in this Section 12.

a. Definitions:

- i. “Disallowed Compensation” means compensation reported by an employer to OCERS as pensionable compensation for a Member, that OCERS later determines is non-pensionable compensation and, therefore, not in compliance with the requirements of CERL, PEPR, the holding in *Alameda*, or OCERS Board policies and regulations through no fault of the Member. Disallowed Compensation also includes nonpensionable compensation that was previously included in an agreement.
- ii. “Initiated a Process” means that the Board has formally adopted a resolution or an administrative determination has been made to implement a correction process



OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

- requiring the collection of any portion of an overpayment from, or refunding of Member contributions to, any affected active or retired Member (or their survivor or beneficiary), or permanent adjustment to the retirement benefit of any affected active or retired Member (or their survivor or beneficiary), as a result of a determination that the Disallowed Compensation was erroneously reported as pensionable compensation by the Member's employer.
- b. For the related contribution corrections associated with the correction of overpaid benefits due to Disallowed Compensation pursuant to this Section 12, please refer to OCERS' Overpaid and Underpaid Plan Contributions Policy.
- c. For retired Members, if all three of the conditions provided in this subsection (c) are satisfied, the employer will be required to make the payments described in subsection (d) below, and OCERS will provide the written notice described in subsection (f) below:
- i. The employer reported the compensation to OCERS and made contributions on the compensation while the Member was actively employed;
 - ii. OCERS determined after the date of the Member's retirement that the compensation was Disallowed Compensation;
 - iii. The Member was not aware at the time the employer reported the compensation that it was Disallowed Compensation.
- d. Subject to subsection (c) above, the employer that reported contributions on Disallowed Compensation shall be required to pay:
- i. To OCERS, as a direct payment or through recognition in the actuarial accrued liability, as determined by OCERS, the full cost of any overpayment of the prior paid benefit made to a retired Member (or their survivor or beneficiary) resulting from the Disallowed Compensation;
 - ii. To the retired Member (or their survivor or beneficiary), an amount equal to (i) the actuarial equivalent present value of the difference between the monthly allowance that was based on the Disallowed Compensation and the adjusted monthly allowance that excludes the Disallowed Compensation, for the duration OCERS projects to pay the benefit to the retired Member (or their survivor or beneficiary), (ii) multiplied by 20%. The employer must begin payment of this amount within six (6) months of receiving the written notice from OCERS described in subsection (f) below and may have up to four (4) years to complete the payment. OCERS will charge the employer the actual costs of actuarial services necessary to determine the amount of the payment required to be made to the Member (or their survivor or beneficiary) under this section.
- e. Subject to subsection (c) above, OCERS shall provide written notice to the retired Member (or their survivor or beneficiary) and the employer, which shall include:
- i. The amount of the overpayment the employer shall pay to OCERS;



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

- ii. The actuarial equivalent present value that the employer owes to the retired Member (or their survivor or beneficiary) for the benefit payment described in subsection (d)(2) above;
- iii. Disclosure of the employer's obligations to the retired Member (or their survivor or beneficiary).
- f. Upon the employer's request, OCERS will provide the employer with contact information data in its possession of a relevant retired Member (or their survivor or beneficiary) for the employer or agency to fulfill their obligations to that retired Member (or their survivor or beneficiary) under this Policy. The employer shall keep this contact information data confidential, shall use such contact data only to the extent necessary to carry out its duties under this Policy, and such contact data shall not be disclosable under the California Public Records Act.

Policy Procedures for Underpaid Benefits

13. ~~12.~~ When the Plan has underpaid benefits to the ~~member, and the underpayment is discovered more than 90 days after the member/payee's initial benefit payment, the member~~ Member, the Member shall be entitled to a prospective adjustment to ~~his or her~~ their retirement benefits to reflect the correct benefit amount. -In addition, except as provided in Section ~~14,~~ 15 below, the ~~member~~ Member will be entitled to a lump sum payment for all past amounts owed ~~as a result of~~ due to the error, with interest compounded annually at the rate of 3%. The payment shall be made as soon as administratively feasible.
14. ~~13.~~ If a ~~member~~ Member who was underpaid benefits has died ~~prior to~~ before payment of the lump sum amount due, the payment, including interest, will be made according to OCERS' standard procedures for paying residual amounts following the death of the ~~member~~ Member, e.g., to the designated beneficiary, estate, personal representative, trustee of the ~~member~~ Member trust, etc.).
- a. If, after following its standard procedures and applicable IRS guidance, Plan staff has not been able to locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. -If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. -If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
 - b. The Plan will maintain a permanent record of all ~~amounts of~~ outstanding refunds of underpaid benefits and any amounts ~~that have been~~ transferred into the pension reserve fund.
15. ~~14.~~ If the total amount that the Plan owes to the ~~member,~~ Member is \$75 or less, the Plan is not required to make the corrective distribution if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the ~~member~~ Member would exceed the amount of the distribution.



OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

Administrative Review

~~15.16.~~ A ~~member/payee~~ Member may request administrative review of any decision regarding corrective actions that the Plan takes with respect to recovering ~~and/or~~ returning over and underpayments of plan benefits.

The review process will generally follow the same pattern as the review process for benefit determinations ~~pursuant to~~ under the Board's Administrative Review and Hearings Policy.

- a. Overpayment collection efforts will be stayed, but benefits will be prospectively adjusted to prevent additional overpayments, during the pendency of the administrative review process; provided, however, that the Board shall have the discretion to suspend implementing its recovery from the ~~member~~ Member in whole or in part during any ensuing court action.- Interest will continue to accrue on all amounts owed to OCERS during the administrative review process and litigation.

Policy Review

~~16.17.~~ The Board will review this policy at least every three (3) years to ensure ~~that~~ it remains relevant and appropriate.

Policy History

~~17.18.~~ This policy was adopted by the Board of Retirement on May 16, 2016 and amended on October 21, 2019, November 15, 2021, and _____, ~~2021~~, [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

~~11-15-2021~~

Date



OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

Purpose and Background

1. The purpose of the Orange County Employees Retirement System ("OCERS," "System," or "Plan") *Overpaid and Underpaid Plan Benefits Policy* ("Policy") is to provide a framework that the System can use as a basis for resolving erroneous payments of Plan benefits to members and their beneficiaries. The OCERS Board of Retirement ("Board") is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets in a prudent manner. The Internal Revenue Service ("IRS") requires that operational failures be corrected in a prompt, reasonable, and consistent manner that attempts to place the retirement system in the position it would have been in had the erroneous payment not occurred.
2. In the event that an overpayment is the result of a felony conviction, OCERS Administrative Procedure (OAP) on *Felony Forfeitures* shall be used as a basis for resolution, instead of this Policy.

Policy Objectives

3. Members and their survivors, beneficiaries, or payees (herein referred to as "Members") have a right to accurate retirement benefit payments. No Member has the right to receive or retain retirement benefit payments that exceed the amounts to which a Member is entitled, and no Member may be deprived of any benefit payments they are entitled to receive.
4. After discovery of overpaid or underpaid benefits, and within a reasonable period of time after written notification to the affected Member, OCERS will correct the benefit payment amount prospectively to prevent additional overpayments or underpayments and will pay to the Member in a lump sum or collect from the Member through lump sum or installment payments, the amounts to which the Member or the Plan is entitled per this policy and applicable law.
5. Subject to all applicable laws and consistent with this Policy and the procedures established by the Board, it shall be OCERS' policy to make every reasonable effort to: (1) recover from a Member the amount of overpaid Plan benefits and/or (2) remit to a Member the amount of underpaid Plan benefits.

Policy Guidelines

6. The procedures described in this Policy are designed for use when calculation and other errors affect an individual Member's retirement benefits. For corrections of errors affecting the overpayment of individual Member's retirement benefits identified on or after 2024, the correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below.
7. In the event of a system-wide error that affects multiple Members' benefits, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances. The determination by the Board of a correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 12 below.



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

8. In the event of any inconsistency between applicable law (including IRS rules and guidance) and this Policy, the law shall govern.

Policy Procedures for Overpaid Benefits

9. The procedures for recouping overpaid benefits shall depend on whether the overpayment was a result of the Member's employer's reporting of "Disallowed Compensation" as that term is defined in Government Code § 31541.2., or otherwise.
10. **Recovery of Overpaid Benefits Unrelated to Disallowed Compensation.** When an overpayment of Plan benefits is discovered after the Member or payee's initial benefit payment, OCERS will first adjust the benefit payment prospectively to reflect the correct benefit amount and to prevent additional overpayments. OCERS will also take all reasonable steps to recover the full amount of all overpayments, going back to the inception of the error, and recouping "appropriate interest," as defined in subdivision (a) below, during the period when the benefit overpayments occurred and throughout any repayment period, i.e., interest will apply to the outstanding amount due until fully repaid. No interest will be collected when OCERS discovers the overpayment within ninety (90) days of the payment.
 - a. *Appropriate Interest.*
 - i. "Appropriate Interest" is an interest amount determined using the System's actuarially assumed rate of return as of the date OCERS sets to commence repayment.
 - ii. In cases where OCERS determines there is evidence that the benefit overpayment resulted from fraud or dishonest conduct by the Member or because the Member provided, or caused to be provided, inaccurate information to OCERS or the Member's employer, then Appropriate Interest shall be recouped directly from the Member.
 - iii. In cases other than those described above in subdivision (a)(ii), Appropriate Interest shall be recouped from the Member's employer as part of the annual actuarial valuation process.
 - b. *Recovery Threshold.* The Board believes cost-effectiveness considerations make it prudent and reasonable to pursue recovery of overpaid benefits only where the cumulative total amount of overpaid benefits is \$250 or more. Accordingly, OCERS is authorized not to seek recovery of any such overpaid benefits where the total amount overpaid to the Member is less than \$250.
 - c. *Time Period for Installment Payments.* When recovering benefit overpayments, the following apply:
 - i. *Director of Member Services:* When the total amount of such overpaid benefits, not including interest, is \$10,000 or less, the Director of Member Services shall have authority to agree to extend the time period for the Member's installment payments to a period not exceeding the expected lifetime of the Member as determined by the actuary.
 - ii. *Chief Executive Officer (CEO):* Regardless of the amount of the Plan's claim against the Member, the CEO shall have the authority to agree to extend the time period for the



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

Member's installment payments to a period not exceeding the expected lifetime of the Member as determined by the actuary.

- d. *Compromising claims:* The amount of the Plan's claim for overpaid benefits is the difference between the amounts actually paid to the Member during the overpayment period and the amounts that should have been paid, together with Appropriate Interest from the dates of the actual overpayments to the date(s) the correction is effective. The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the Member will be considered by the CEO and/or the Board when determining whether to compromise a claim with the Member. Compromising such claim may include a different method of repayment than is otherwise provided by this Policy, including the forgiveness or partial forgiveness of principal or interest, subject to applicable IRS rules and guidance.
 - i. When the total amount of the Plan's claim against the Member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.
 - ii. Only the Board may compromise claims with Members in which the total amount of such overpaid benefits, not including interest, is greater than \$1,000.
11. *Recovery Procedures:* The Board adopts the following procedures for accomplishing the recovery of overpaid Plan benefits:
- a. Upon discovery of the benefit overpayment, OCERS will notify the Member by certified mail, return receipt requested, or by express delivery service. Subject to the provisions of this Policy, the letter will provide the following information to the Member regarding the overpaid benefits:
 - i. Notice of the prospective adjustment to the benefit payment (to reflect the correct amount);
 - ii. A request for payment to OCERS of the amount of overpaid benefits with Appropriate Interest; and
 - iii. Unless otherwise determined by the Board, the CEO, or the Director of Member Services, or if a repayment plan for a longer period is needed due to the limitation described in section 10 above, the letter will set a repayment plan with two options:
 - *Option 1* – equal installments deducted from the Member's monthly benefit over the same length of time that the overpaid benefits occurred, with Appropriate Interest" applied during the repayment period; and
 - *Option 2* – lump sum payment to the Plan for the full amount overpaid, with Appropriate Interest applied during the overpayment period.
 - b. Notwithstanding the above, any reduction in the Member's ongoing monthly benefit to recover overpayments will be limited to a maximum of 15% of the corrected gross monthly benefit unless the Member requests a higher reduction. The balance due will be paid over time, subject to this limitation.



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

- c. OCERS may pursue all legal remedies to collect such overpaid Plan benefits, including making a claim on an estate or trust. In addition, if the Member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the Member's estate or named beneficiaries of the Member; provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the Member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.
 - i. OCERS will maintain a permanent record of all amounts of such overpaid Plan benefits and the repayment to OCERS of those overpaid benefits. Every year, the Director of Member Services shall provide a report to the Board for cases involving benefit overpayments.
 - ii. To the extent OCERS is unable to recoup overpaid Plan benefits from the Member, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.
12. **Recovery of Overpaid Benefits Due to Disallowed Compensation:** Per AB 3025, and as codified in Gov. Code Section 31541.2, when OCERS "Initiated a Process" (as defined below) before January 1, 2024, to recalculate a Member's compensation earnable under Section 31461 to exclude Disallowed Compensation (as defined below) and return contributions, it may continue using that process to ensure compliance with PEPPRA and the holding in *Alameda County Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032 (*Alameda*). When OCERS determines the reporting of Disallowed Compensation on or after January 1, 2024, the procedures to correct overpayments of benefits shall follow those contained in this Section 12.
- a. Definitions:
 - i. "Disallowed Compensation" means compensation reported by an employer to OCERS as pensionable compensation for a Member, that OCERS later determines is non-pensionable compensation and, therefore, not in compliance with the requirements of CERL, PEPPRA, the holding in *Alameda*, or OCERS Board policies and regulations through no fault of the Member. Disallowed Compensation also includes nonpensionable compensation that was previously included in an agreement.
 - ii. "Initiated a Process" means that the Board has formally adopted a resolution or an administrative determination has been made to implement a correction process requiring the collection of any portion of an overpayment from, or refunding of Member contributions to, any affected active or retired Member (or their survivor or beneficiary), or permanent adjustment to the retirement benefit of any affected active or retired Member (or their survivor or beneficiary), as a result of a determination that the Disallowed Compensation was erroneously reported as pensionable compensation by the Member's employer.



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

- b. For the related contribution corrections associated with the correction of overpaid benefits due to Disallowed Compensation pursuant to this Section 12, please refer to OCERS' Overpaid and Underpaid Plan Contributions Policy.
- c. For retired Members, if all three of the conditions provided in this subsection (c) are satisfied, the employer will be required to make the payments described in subsection (d) below, and OCERS will provide the written notice described in subsection (f) below:
 - i. The employer reported the compensation to OCERS and made contributions on the compensation while the Member was actively employed;
 - ii. OCERS determined after the date of the Member's retirement that the compensation was Disallowed Compensation;
 - iii. The Member was not aware at the time the employer reported the compensation that it was Disallowed Compensation.
- d. Subject to subsection (c) above, the employer that reported contributions on Disallowed Compensation shall be required to pay:
 - i. To OCERS, as a direct payment or through recognition in the actuarial accrued liability, as determined by OCERS, the full cost of any overpayment of the prior paid benefit made to a retired Member (or their survivor or beneficiary) resulting from the Disallowed Compensation;
 - ii. To the retired Member (or their survivor or beneficiary), an amount equal to (i) the actuarial equivalent present value of the difference between the monthly allowance that was based on the Disallowed Compensation and the adjusted monthly allowance that excludes the Disallowed Compensation, for the duration OCERS projects to pay the benefit to the retired Member (or their survivor or beneficiary), (ii) multiplied by 20%. The employer must begin payment of this amount within six (6) months of receiving the written notice from OCERS described in subsection (f) below and may have up to four (4) years to complete the payment. OCERS will charge the employer the actual costs of actuarial services necessary to determine the amount of the payment required to be made to the Member (or their survivor or beneficiary) under this section.
- e. Subject to subsection (c) above, OCERS shall provide written notice to the retired Member (or their survivor or beneficiary) and the employer, which shall include:
 - i. The amount of the overpayment the employer shall pay to OCERS;
 - ii. The actuarial equivalent present value that the employer owes to the retired Member (or their survivor or beneficiary) for the benefit payment described in subsection (d)(2) above;
 - iii. Disclosure of the employer's obligations to the retired Member (or their survivor or beneficiary).



OCERS Board Policy

Overpaid and Underpaid Plan Benefits Policy

- f. Upon the employer's request, OCERS will provide the employer with contact information data in its possession of a relevant retired Member (or their survivor or beneficiary) for the employer or agency to fulfill their obligations to that retired Member (or their survivor or beneficiary) under this Policy. The employer shall keep this contact information data confidential, shall use such contact data only to the extent necessary to carry out its duties under this Policy, and such contact data shall not be disclosable under the California Public Records Act.

Policy Procedures for Underpaid Benefits

13. When the Plan has underpaid benefits to the Member, the Member shall be entitled to a prospective adjustment to their retirement benefits to reflect the correct benefit amount. In addition, except as provided in Section 15 below, the Member will be entitled to a lump sum payment for all past amounts owed due to the error, with interest compounded annually at the rate of 3%. The payment shall be made as soon as administratively feasible.
14. If a Member who was underpaid benefits has died before payment of the lump sum amount due, the payment, including interest, will be made according to OCERS' standard procedures for paying residual amounts following the death of the Member, e.g., to the designated beneficiary, estate, personal representative, trustee of the Member trust, etc.
 - a. If, after following its standard procedures and applicable IRS guidance, Plan staff has not been able to locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
 - b. The Plan will maintain a permanent record of all outstanding refunds of underpaid benefits and any amounts transferred into the pension reserve fund.
15. If the total amount that the Plan owes to the Member is \$75 or less, the Plan is not required to make the corrective distribution if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the Member would exceed the amount of the distribution.

Administrative Review

16. A Member may request administrative review of any decision regarding corrective actions that the Plan takes with respect to recovering or returning over and underpayments of plan benefits.

The review process will generally follow the same pattern as the review process for benefit determinations under the Board's Administrative Review and Hearings Policy.

- a. Overpayment collection efforts will be stayed, but benefits will be prospectively adjusted to prevent additional overpayments during the pendency of the administrative review process; provided, however, that the Board shall have the discretion to suspend implementing its recovery from the Member in whole or in part during any ensuing court action. Interest will



OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

continue to accrue on all amounts owed to OCERS during the administrative review process and litigation.

Policy Review

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

Policy History

18. This policy was adopted by the Board of Retirement on May 16, 2016 and amended on October 21, 2019, November 15, 2021, 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.

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

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

Purpose and Background

1. The purpose of the Orange County Employees Retirement System ("OCERS," "System," or "Plan") *Overpaid and Underpaid Plan Contributions Policy* ("policy") is to provide a framework for resolving erroneous collection of plan contributions from OCERS ~~members~~Members and employers. -The OCERS Board of Retirement ("Board") is ~~charged with the responsibility of~~responsible for administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to ~~members~~Members and their beneficiaries and of managing the ~~System's~~assets-~~of the System~~ in a prudent manner.

In the event that an overpayment is the result of a felony conviction, OCERS Administrative Procedure (OAP) on Felony Forfeitures shall be used as a basis for resolution, instead of this Policy.

Policy Objectives

2. The Board determines, in consultation with its actuary and in accordance with the law, the amount of required ~~member~~Member and employer contributions to the Plan.- Subject to all applicable laws and consistent with this policy and the procedures established by the Board, it is OCERS' policy to make every reasonable effort to recover from a ~~member~~Member or employer the amount of any underpaid contributions to the Plan, and remit or credit to a ~~member~~Member or employer the amount of any overpaid contributions to the Plan, to the extent applicable in accordance with applicable Internal Revenue Service guidance.

Policy Guidelines

3. As soon as practicable after discovery of overpaid or underpaid contributions and after written notification to the affected ~~member~~Members, survivors, beneficiaries, or payees (herein referred to as "Members") and employer, OCERS will (i) correct the contribution amount for active ~~members~~Members and employers prospectively; and (ii) pay or credit to, or collect from, the ~~member~~Member and credit to or collect from the employer, the amounts to which the ~~member~~Member, employer or the Plan is entitled in accordance with this policy and applicable law.
4. This policy is designed for use when calculation and other errors affect contributions made on behalf of an individual ~~member~~Member. For corrections of errors affecting the overpayment of individual Member's retirement benefits identified on or after 2024, the correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below.
- ~~4.5.~~ In the event of a system-wide error that affects contributions made on behalf of multiple ~~members~~Members, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances. The determination by the Board of a correction process to be implemented shall be made consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below. In the event of any inconsistency between applicable law (including IRS rules and guidance) and these policies and procedures, the law shall govern.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

~~5. In the event of any inconsistency between applicable law (including IRS rules and guidelines) and these policies and procedures, the law shall govern.~~

Procedures for Underpaid Contributions

Employers -

~~6. 6.~~ When an employer has underpaid plan contributions, the employer will be required to:

- a. Pay to the Plan the underpaid contributions associated with ~~member~~Member compensation earned in prior fiscal years as soon as reasonably practicable, and
- b. Pay to the Plan the underpaid contributions associated with ~~member~~Member compensation earned in the current fiscal year no later than the end of the current fiscal year.

Interest on the underpaid contributions shall be charged to and paid by the employer at the System's actuarially assumed rate of return. For purposes of this policy, underpaid employer contributions shall include any portion of underpaid ~~member~~Member contributions, to the extent the employer elected to pay such portion on behalf of a ~~member~~Member pursuant to Government Code section 31581.1. Such amounts shall be recovered from the employer under this Section 6, and not from the ~~member~~Member under Section 7 below.

Members

7. **Active Members.** ~~When~~Subject to Section 10(a) below, ~~when~~ an active ~~member~~Member has underpaid contributions to the Plan, OCERS will (i) make a prospective correction to (increase in) the ~~member's~~Member's contribution rate to the Plan to reflect the correct amount of ~~member~~Member contributions to the Plan ~~in order~~ to prevent additional underpaid contributions; and (ii) take all reasonable steps to recover the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the ~~member~~Member using the rate of interest credited by OCERS to ~~member~~Member contributions, compounded annually during the period in which the contributions were underpaid and during any repayment period ~~(, i.e., applied to the outstanding amount due until fully repaid).~~
 - The amount of the ~~member's~~Member's underpaid contributions for active members will be collected in accordance with section 9 below.
 - If the active ~~member~~Member retires or becomes a deferred ~~member~~Member of the Plan prior to repayment in full of the underpaid contributions, the remaining amount owing to the Plan will be collected in accordance with section 8 below.
8. **Retired and Deferred Members.** ~~When~~Subject to Section 10(a) below, ~~when~~ a retired or deferred ~~member~~Member has underpaid contributions to the Plan, OCERS will collect the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the ~~member~~Member using the rate of interest credited by OCERS to ~~member~~Member contributions, compounded annually during the period in which the contributions were underpaid.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

The amount of the ~~member's~~Member's underpaid contributions for retired and deferred ~~members~~Members will be collected in accordance with section 9 below.

~~9.~~ 9.—The Board adopts the following procedures to recover underpaid contributions by ~~members~~Members to the Plan:

- a. **For Active Members.** Upon discovery of the underpaid contributions, OCERS will notify the ~~member~~Member of the prospective adjustment to increase the ~~member's~~Member's contribution rate to the Plan (to reflect the correct amount of member contributions to the Plan) and provide the ~~member~~Member with the following two options:
 - *Option 1* – Equal pre-tax installment payments deducted from the member's biweekly salary over the same length of time that the underpaid contributions occurred, with interest as set forth in section 7 above applied during the underpayment period and during the repayment period; or
 - *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 7 above applied during the underpayment period.
- b. **For Retired and Deferred Members.** Inform the ~~member~~Member of the underpayment and provide the member with the following two options:
 - *Option 1* – Equal installments deducted from the ~~member's~~Member's monthly pension amount over a period established in the discretion of the Director of Member Services not to exceed five years; or
 - *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 8 above applied during the underpayment period.
- c. In cases of extreme hardship, the ~~member~~Member may request, and the OCERS Chief Executive Officer (CEO) may grant, a longer period of repayment of the underpaid contributions
- d. OCERS may pursue all legal remedies to collect such underpaid ~~member~~Member contributions to the Plan, including making a claim against the ~~member's~~Member's estate or trust. In addition, if the ~~member~~Member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the ~~member's~~Member's estate or named beneficiaries of the ~~member~~Member, provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the ~~member~~Member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.

~~7.~~10. Compromising Claims.

- a. If the ~~total~~entire amount of underpaid contributions by an active, deferred, or retired Member under Sections 7 or 8 above ~~does not exceed is \$100 or less~~ (including interest), OCERS shall not be required to collect the underpaid contributions if, in the judgment of the CEO, in consultation with legal counsel, the costs of processing and collecting the underpaid



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

contributions would exceed the amount owed to the Member, provided that, in the case of ongoing contributions, the contribution rate shall promptly be adjusted (increased) prospectively.

- ~~a-b.~~ When the total amount of the Plan's claim against the ~~member~~Member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.
- ~~b-c.~~ Only the Board may compromise claims in which the total amount of such underpaid contributions, not including interest, is greater than \$1,000.
- ~~c-d.~~ The amount of the Plan's claim for underpaid contributions is the difference between the amounts actually paid by the ~~member during the overcontribution~~Member and the amounts that should have been paid, together with "appropriate interest" from the dates of the actual contributions to the date(s) the correction is effective. ~~The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member~~Member will be considered by the CEO and/or the Board when determining whether to compromise a claim. Compromising a claim may include a different method of repayment than is otherwise provided by this policy and/or forgiveness or partial forgiveness of principal and/or interest, subject to applicable IRS rules and guidance.
- ~~d-e.~~ To the extent OCERS ~~is unable to~~cannot recoup all underpaid contributions and interest from the ~~member~~Member, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.

Procedures for Overpaid Contributions for Benefit Calculations Not Involving Disallowed Compensation

Employers

- ~~11.~~ ~~11-~~ When an employer has overpaid contributions to the Plan, including overpaid ~~member~~Member contributions that ~~were paid by the~~ employer paid on behalf of the ~~member~~Member pursuant to Government Code section 31581.1, the employer shall be entitled to a credit to its actuarial accrued liability in the amount necessary to correct the error, plus interest at the System's corresponding actuarial assumed rate of return.

Members

- ~~12.~~ ~~12-~~ When a ~~member~~Member has overpaid contributions to the Plan, except as provided in Section 14 below, (i) an active ~~member~~Member shall be entitled to a prospective adjustment to his or her contribution rate to reflect the correct amount, and OCERS will inform the employer of the amount of the overpayment and the employer will offset the amount against the ~~member's~~Member's future contributions via the employer's payroll system; and (ii) except as provided in Section 14 below, retired and deferred ~~members~~Members will be entitled to a lump sum payment as soon as



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

practical ~~ef~~^{after} discovery of the overpayment and receipt of all information needed to make the correction for all past overpaid amounts, with interest compounded annually using the rate of interest credited by OCERS to ~~member~~^{Member} contributions.

- ~~13.~~ ^{13.} If a ~~member~~^{Member} who overpaid contributions to the Plan dies prior to payment of the lump sum amount due, the payment, including interest, ~~will be made according to OCERS' standard procedures for paying residual amounts following the death of the member~~^{will be made according to OCERS' standard procedures for paying residual amounts following the death of the Member, e.g., to the designated beneficiary, estate, personal representative, trustee of the Member trust, etc.}.
- a. If, after following its standard procedures and applicable IRS guidance, Plan staff is not able locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. ~~If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.~~
 - b. The Plan will maintain a permanent record of all amounts of outstanding refunds of overpaid contributions and any amounts that have been transferred into the pension reserve fund.
- ~~14.~~ ^{14.} If the total amount that the Plan ~~owes a~~^{would owe an active, deferred, or} retired ~~or deferred-~~^{Member} ~~member~~^{Member} under Section 12(ii) above is \$75 or less, the Plan is not required to make the lump sum payment ~~to or offset the member amount against future contributions for the Member~~^{to or offset the Member amount against future contributions for the Member} if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the ~~member~~^{Member} would exceed the amount of the distribution.

Procedures for Overpaid Contributions on Disallowed Compensation

15. Per AB 3025, and as codified in Gov. Code Section 31541.2, when OCERS "Initiated a Process" (as defined below) before January 1, 2024, to recalculate a Member compensation earnable under Section 31461 to exclude Disallowed Compensation (as defined below) and return contributions, it may continue using that process to ensure compliance with PEPR and the holding in *Alameda County Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032 (*Alameda*). When OCERS determines the reporting of Disallowed Compensation on or after January 1, 2024, the procedures to correct overpayments of benefits shall follow those contained in this Section 15.

a. Definitions:

"Disallowed Compensation" means compensation reported by an employer to OCERS as pensionable compensation for a Member, that OCERS later determines is non-pensionable compensation and, therefore, not in compliance with the requirements of CERL, PEPR, the *Alameda* holding, or OCERS Board policies and regulations through no fault of the Member. Disallowed Compensation also includes nonpensionable compensation that was previously included in an agreement.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

"Initiated a Process" means that the Board has formally adopted a resolution or an administrative determination has been made to implement a correction process requiring the collection of any portion of an overpayment from, or refunding of Member contributions to, any affected active or retired Member (or their survivor or beneficiary), or permanent adjustment to the retirement benefit of any affected active or retired Member (or their survivor or beneficiary), as a result of a determination that the Disallowed Compensation was erroneously reported as pensionable compensation by the Member's employer.

- b. Upon OCERS' determination that Disallowed Compensation was reported for a Member, OCERS will require the employer to discontinue reporting the Disallowed Compensation.
- c. All employer contributions made on Disallowed Compensation will be credited against future contributions to the benefit of the employer who reported the Disallowed Compensation.
- d. For active and deferred Members, any Member contributions paid by or on behalf of the Member on the Disallowed Compensation will be returned to that Member, either directly or indirectly through the employer.
- e. For retired Members (or their survivors or beneficiaries) whose final compensation at the time of retirement was based on Disallowed Compensation, any Member contributions paid by or on behalf of the Member on the Disallowed Compensation will be returned directly to the Member (or their survivor or beneficiary) and OCERS will permanently adjust the benefit of the retired Member (or their survivor or beneficiary) to reflect the exclusion of the Disallowed Compensation.
- f. For the related benefit corrections associated with the corrected contributions pursuant to this Section 15 for Disallowed Compensation, please refer to OCERS' Overpaid and Underpaid Plan Benefits Policy.
- g. Upon the employer's request, OCERS will provide the employer with contact information data in its possession of a relevant retired Member (or their survivor or beneficiary) for the employer or agency to fulfill their obligations to that retired Member (or their survivor or beneficiary) under this policy. The employer shall keep this contact information data confidential, shall use such contact data only to the extent necessary to carry out its duties under this policy, and such contact data shall not be disclosable under the California Public Records Act.

Administrative Review

- 16. ~~15.~~ A memberMember may request administrative review of any decision regarding corrective actions that the Plan takes ~~with respect to recovering and/~~to recover or ~~returning~~return over and underpayments of Plan contributions.
- 17. ~~16.~~ The review process will generally follow the same pattern as the review process for benefit determinations pursuant to the Board's -Administrative Review and Hearing Policy. -Efforts to collect underpaid contributions- will be stayed, but contribution rates will be prospectively adjusted to prevent additional underpaid contributions, during the pendency of the review process;



OCERS Board Policy Overpaid and Underpaid Plan Contributions Policy

provided, however, that the Board shall have the discretion to suspend implementing its recovery from the ~~member~~ Member in whole or in part during any ensuing court action. Interest will continue to accrue on all amounts owed to OCERS during the appeals process and litigation.

Policy Review

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

Policy History

19. ~~18.~~ This policy was adopted by the Board of Retirement on January 16, 2019, and revised on ~~November 15, 2021, and~~ November 15, 2021.

Secretary's Certificate

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

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

Steve Delaney
Secretary of the Board

11/15/2021

Date



OCERS Board Policy Overpaid and Underpaid Plan Contributions Policy

Purpose and Background

1. The purpose of the Orange County Employees Retirement System ("OCERS," "System," or "Plan") *Overpaid and Underpaid Plan Contributions Policy* ("policy") is to provide a framework for resolving erroneous collection of plan contributions from OCERS Members and employers. The OCERS Board of Retirement ("Board") is responsible for administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to Members and their beneficiaries and of managing the System's assets in a prudent manner.

In the event that an overpayment is the result of a felony conviction, OCERS Administrative Procedure (OAP) on *Felony Forfeitures* shall be used as a basis for resolution, instead of this Policy.

Policy Objectives

2. The Board determines, in consultation with its actuary and in accordance with the law, the amount of required Member and employer contributions to the Plan. Subject to all applicable laws and consistent with this policy and the procedures established by the Board, it is OCERS' policy to make every reasonable effort to recover from a Member or employer the amount of any underpaid contributions to the Plan, and remit or credit to a Member or employer the amount of any overpaid contributions to the Plan, to the extent applicable in accordance with applicable Internal Revenue Service guidance.

Policy Guidelines

3. As soon as practicable after discovery of overpaid or underpaid contributions and after written notification to the affected Members, survivors, beneficiaries, or payees (herein referred to as "Members") and employer, OCERS will (i) correct the contribution amount for active Members and employers prospectively; and (ii) pay or credit to, or collect from, the Member and credit to or collect from the employer, the amounts to which the Member, employer or the Plan is entitled in accordance with this policy and applicable law.
4. This policy is designed for use when calculation and other errors affect contributions made on behalf of an individual Member. For corrections of errors affecting the overpayment of individual Member's retirement benefits identified on or after 2024, the correction process to be implemented shall be consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below.
5. In the event of a system-wide error that affects contributions made on behalf of multiple Members, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances. The determination by the Board of a correction process to be implemented shall be made consistent with the requirements of Government Code § 31541.2, as outlined in Section 15 below. In the event of any inconsistency between applicable law (including IRS rules and guidance) and these policies and procedures, the law shall govern.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

Procedures for Underpaid Contributions

Employers

6. When an employer has underpaid plan contributions, the employer will be required to:
 - a. Pay to the Plan the underpaid contributions associated with Member compensation earned in prior fiscal years as soon as reasonably practicable, and
 - b. Pay to the Plan the underpaid contributions associated with Member compensation earned in the current fiscal year no later than the end of the current fiscal year.

Interest on the underpaid contributions shall be charged to and paid by the employer at the System's actuarially assumed rate of return. For purposes of this policy, underpaid employer contributions shall include any portion of underpaid Member contributions to the extent the employer elected to pay such portion on behalf of a Member pursuant to Government Code section 31581.1. Such amounts shall be recovered from the employer under this Section 6, and not from the Member under Section 7 below.

Members

7. **Active Members.** Subject to Section 10(a) below, when an active Member has underpaid contributions to the Plan, OCERS will (i) make a prospective correction to (increase in) the Member's contribution rate to the Plan to reflect the correct amount of Member contributions to the Plan to prevent additional underpaid contributions; and (ii) take all reasonable steps to recover the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the Member using the rate of interest credited by OCERS to Member contributions, compounded annually during the period in which the contributions were underpaid and during any repayment period, i.e., applied to the outstanding amount due until fully repaid.

- Σ The amount of the Member's underpaid contributions for active members will be collected in accordance with section 9 below.
- Σ If the active Member retires or becomes a deferred Member of the Plan prior to repayment in full of the underpaid contributions, the remaining amount owing to the Plan will be collected in accordance with section 8 below.

8. **Retired and Deferred Members.** Subject to Section 10(a) below, when a retired or deferred Member has underpaid contributions to the Plan, OCERS will collect the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the Member using the rate of interest credited by OCERS to Member contributions, compounded annually during the period in which the contributions were underpaid.

The amount of the Member's underpaid contributions for retired and deferred Members will be collected in accordance with section 9 below.

9. The Board adopts the following procedures to recover underpaid contributions by Members to the Plan:



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

- a. **For Active Members.** Upon discovery of the underpaid contributions, OCERS will notify the Member of the prospective adjustment to increase the Member's contribution rate to the Plan (to reflect the correct amount of member contributions to the Plan) and provide the Member with the following two options:
 - Σ *Option 1* – Equal pre-tax installment payments deducted from the member's biweekly salary over the same length of time that the underpaid contributions occurred, with interest as set forth in section 7 above applied during the underpayment period and during the repayment period; or
 - Σ *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 7 above applied during the underpayment period.
 - b. **For Retired and Deferred Members.** Inform the Member of the underpayment and provide the member with the following two options:
 - Σ *Option 1* – Equal installments deducted from the Member's monthly pension amount over a period established in the discretion of the Director of Member Services not to exceed five years; or
 - Σ *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 8 above applied during the underpayment period.
 - c. In cases of extreme hardship, the Member may request, and the OCERS Chief Executive Officer (CEO) may grant, a longer period of repayment of the underpaid contributions
 - d. OCERS may pursue all legal remedies to collect such underpaid Member contributions to the Plan, including making a claim against the Member's estate or trust. In addition, if the Member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the Member's estate or named beneficiaries of the Member, provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the Member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.
10. Compromising Claims.
- a. If the entire amount of underpaid contributions by an active, deferred, or retired Member under Sections 7 or 8 above does not exceed \$100 (including interest), OCERS shall not be required to collect the underpaid contributions if, in the judgment of the CEO, in consultation with legal counsel, the costs of processing and collecting the underpaid contributions would exceed the amount owed to the Member, provided that, in the case of ongoing contributions, the contribution rate shall promptly be adjusted (increased) prospectively.
 - b. When the total amount of the Plan's claim against the Member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

- c. Only the Board may compromise claims in which the total amount of such underpaid contributions, not including interest, is greater than \$1,000.
- d. The amount of the Plan's claim for underpaid contributions is the difference between the amounts actually paid by the Member and the amounts that should have been paid, together with "appropriate interest" from the dates of the actual contributions to the date(s) the correction is effective. The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the Member will be considered by the CEO and/or the Board when determining whether to compromise a claim. Compromising a claim may include a different method of repayment than is otherwise provided by this policy and/or forgiveness or partial forgiveness of principal and/or interest, subject to applicable IRS rules and guidance.
- e. To the extent OCERS cannot recoup all underpaid contributions and interest from the Member, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.

Procedures for Overpaid Contributions for Benefit Calculations Not Involving Disallowed Compensation

Employers

- 11. When an employer has overpaid contributions to the Plan, including overpaid Member contributions that the employer paid on behalf of the Member pursuant to Government Code section 31581.1, the employer shall be entitled to a credit to its actuarial accrued liability in the amount necessary to correct the error, plus interest at the System's corresponding actuarial assumed rate of return.

Members

- 12. When a Member has overpaid contributions to the Plan, except as provided in Section 14 below, (i) an active Member shall be entitled to a prospective adjustment to his or her contribution rate to reflect the correct amount, and OCERS will inform the employer of the amount of the overpayment and the employer will offset the amount against the Member's future contributions via the employer's payroll system; and (ii) except as provided in Section 14 below, retired and deferred Members will be entitled to a lump sum payment as soon as practical after discovery of the overpayment and receipt of all information needed to make the correction for all past overpaid amounts, with interest compounded annually using the rate of interest credited by OCERS to Member contributions.
- 13. If a Member who overpaid contributions to the Plan dies prior to payment of the lump sum amount due, the payment, including interest, will be made according to OCERS' standard procedures for paying residual amounts following the death of the Member, e.g., to the designated beneficiary, estate, personal representative, trustee of the Member trust, etc.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

- a. If, after following its standard procedures and applicable IRS guidance, Plan staff is not able locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
 - b. The Plan will maintain a permanent record of all amounts of outstanding refunds of overpaid contributions and any amounts that have been transferred into the pension reserve fund.
14. If the total amount that the Plan would owe an active, deferred, or retired Member under Section 12 above is \$75 or less, the Plan is not required to make the lump sum payment or offset the amount against future contributions for the Member if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the Member would exceed the amount of the distribution.

Procedures for Overpaid Contributions on Disallowed Compensation

15. Per AB 3025, and as codified in Gov. Code Section 31541.2, when OCERS "Initiated a Process" (as defined below) before January 1, 2024, to recalculate a Member compensation earnable under Section 31461 to exclude Disallowed Compensation (as defined below) and return contributions, it may continue using that process to ensure compliance with PEPRA and the holding in *Alameda County Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032 (*Alameda*). When OCERS determines the reporting of Disallowed Compensation on or after January 1, 2024, the procedures to correct overpayments of benefits shall follow those contained in this Section 15.
 - a. Definitions:

"Disallowed Compensation" means compensation reported by an employer to OCERS as pensionable compensation for a Member, that OCERS later determines is non-pensionable compensation and, therefore, not in compliance with the requirements of CERL, PEPRA, the *Alameda* holding, or OCERS Board policies and regulations through no fault of the Member. Disallowed Compensation also includes nonpensionable compensation that was previously included in an agreement.

"Initiated a Process" means that the Board has formally adopted a resolution or an administrative determination has been made to implement a correction process requiring the collection of any portion of an overpayment from, or refunding of Member contributions to, any affected active or retired Member (or their survivor or beneficiary), or permanent adjustment to the retirement benefit of any affected active or retired Member (or their survivor or beneficiary), as a result of a determination that the Disallowed Compensation was erroneously reported as pensionable compensation by the Member's employer.
 - b. Upon OCERS' determination that Disallowed Compensation was reported for a Member, OCERS will require the employer to discontinue reporting the Disallowed Compensation.



OCERS Board Policy

Overpaid and Underpaid Plan Contributions Policy

- c. All employer contributions made on Disallowed Compensation will be credited against future contributions to the benefit of the employer who reported the Disallowed Compensation.
- d. For active and deferred Members, any Member contributions paid by or on behalf of the Member on the Disallowed Compensation will be returned to that Member, either directly or indirectly through the employer.
- e. For retired Members (or their survivors or beneficiaries) whose final compensation at the time of retirement was based on Disallowed Compensation, any Member contributions paid by or on behalf of the Member on the Disallowed Compensation will be returned directly to the Member (or their survivor or beneficiary) and OCERS will permanently adjust the benefit of the retired Member (or their survivor or beneficiary) to reflect the exclusion of the Disallowed Compensation.
- f. For the related benefit corrections associated with the corrected contributions pursuant to this Section 15 for Disallowed Compensation, please refer to OCERS' Overpaid and Underpaid Plan Benefits Policy.
- g. Upon the employer's request, OCERS will provide the employer with contact information data in its possession of a relevant retired Member (or their survivor or beneficiary) for the employer or agency to fulfill their obligations to that retired Member (or their survivor or beneficiary) under this policy. The employer shall keep this contact information data confidential, shall use such contact data only to the extent necessary to carry out its duties under this policy, and such contact data shall not be disclosable under the California Public Records Act.

Administrative Review

- 16. A Member may request administrative review of any decision regarding corrective actions that the Plan takes to recover or return over and underpayments of Plan contributions.
- 17. The review process will generally follow the same pattern as the review process for benefit determinations pursuant to the Board's Administrative Review and Hearing Policy. Efforts to collect underpaid contributions will be stayed, but contribution rates will be prospectively adjusted to prevent additional underpaid contributions, during the pendency of the review process; provided, however, that the Board shall have the discretion to suspend implementing its recovery from the Member in whole or in part during any ensuing court action. Interest will continue to accrue on all amounts owed to OCERS during the appeals process and litigation.

Policy Review

- 18. The Board will review this policy at least every three (3) years to ensure it remains relevant and appropriate.



OCERS Board Policy Overpaid and Underpaid Plan Contributions Policy

Policy History

19. This policy was adopted by the Board of Retirement on January 16, 2019, and revised on November 15, 2021, and _____.

Secretary's Certificate

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

A handwritten signature in blue ink that reads "Steve Delaney". The signature is written over a horizontal line.

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy

Pay Item Review Policy

Purpose and Background

1. ~~The purpose of this~~ This policy ~~is to set~~ sets forth a procedure for ~~the submittal~~ submitting and ~~approval of~~ approving pay items by OCERS participating employers. Its purpose is to assist OCERS in properly and timely determining whether elements of compensation are appropriately treated as Compensation Earnable (for Legacy ~~Member~~ Members) or Pensionable Compensation (for PEPR members ~~s~~). before a pay code for a pay item goes into use and to correct pay codes to accurately reflect pensionability.

Policy Objectives

2. The objectives of this policy are: (1) to comply with the requirements of the County Employees Retirement Law (CERL; California Government Code Title 3, Part 3, Chapters 3 & 3.9), as amended by the Public Employees Pension Reform Act (PEPRA; California Government Code sections 7522 - 7522.74) and, the holding in the California Supreme Court case of Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association (2020) 9 Cal.5th 1032 ("Alameda"), and OCERS' regulations and policies, and (2) to ensure OCERS' effective assessment and determination of whether an element of compensation is properly categorized for purposes of collecting contributions and including in the calculation of final average salary.

Policy Guidelines

Per AB 3025, employers may face significant financial consequences if they report compensation that OCERS later finds non-compliant with the CERL, PEPRA, the Alameda ruling, or OCERS Board policies and regulations, provided this is not the Member's fault. Detailed information regarding these potential consequences can be found in OCERS' policies on "Overpaid and Underpaid Plan Benefits" and "Overpaid and Underpaid Contributions."

Review of Pay Items

3. OCERS ~~shall~~ will not accept any new or modified pay items from employers for processing contributions and reporting compensation until each pay ~~item~~ item's pay code has been reviewed by OCERS staff and approved by the CEO or ~~his/her~~ their designee for inclusion ~~as~~, or exclusion from, Compensation Earnable for Legacy members and Pensionable Compensation for PEPR members. ~~OCERS staff, under the direction of the CEO and with the assistance of OCERS legal counsel,~~ the General Counsel, is responsible for implementing this Policy. ~~OCERS staff will analyze each pay item to determine whether each meets the definition of Compensation Earnable or Pensionable Compensation. Unless appealed, the CEO's determination shall be final.~~
4. Employers are responsible for notifying OCERS of new or modified pay ~~items~~ code item(s) for sufficient review and approval ~~sufficiently in advance of implementation of the items, before implementing them.~~ Failure to do so may result in OCERS imposing costs on the employer ~~in accordance with~~ per Government Code ~~section~~ sections 31580.1, 31542.5, or 31541.2(b)(2)(B).
5. OCERS staff will analyze each pay code item to determine whether each meets the Compensation Earnable or Pensionable Compensation definition and complies with the CERL, PEPRA, the Alameda



OCERS Board Policy

Pay Item Review Policy

holding, and OCERS regulations and policies. Unless appealed, the CEO's determination shall be final.

6. As a part of its review process, OCERS staff will review employer pay ~~item~~code item listings for compliance with this Policy. -When reviewing ~~items of~~compensation and pay code items, OCERS will audit pay code items to determine whether each ~~of them~~meets the applicable statutory definitions and applicable Board Policiesfor pensionability and complies with OCERS' regulations and policies.
67. After concluding the foregoing assessment, OCERS staff shall send written notification to the employer of the staff's determination, including the specific supporting facts, circumstances, reasoning, and analyses.
78. The employer shall have 30 calendar days from the date of staff's final notice of determination ~~within which~~to appeal the staff determination to the Board ~~of Retirement (Board)~~. If the employer accepts staff's determination, or ~~if does not file~~ a timely appeal ~~it to the Board is not filed~~, the matter shall be deemed concluded ~~and~~, the staff determination shall be final, and the employer shall comply with the determination.
89. Upon receipt of a timely request for appeal to the Board of staff's determination, staff shall place the matter on a future Board agenda and ~~shall~~prepare a written report to the Board making a recommendation to the Board on the pay ~~items~~code item(s) in question. Staff shall provide the employer with advance notice of the Board meeting and a copy of staff's report and all materials to be considered by the Board, ~~and likewise~~. Likewise, the employer shall provide OCERS with all materials it intends to submit to the Board.
910. The Board shall consider ~~the~~all written materials submitted ~~as well as~~and any arguments ~~presented by~~the employer ~~and OCERS staff present~~. The Board shall then ~~make a decision as to~~ decide whether the pay code item qualifies as Compensation Earnable ~~or~~, Pensionable Compensation, or both, ~~which~~. The decision shall be final, and the employer shall comply with the Board's determination.

Review of Potential New or Modified Pay Code Items During Employment Contract Negotiations

11. Pursuant to Government Code section 31541.2(c)(1), an employer or authorized employee representative may request OCERS' review of a proposed new or modified pay item/pay code intended to be included in a proposed employment agreement to determine the pensionability under the CERL, PEPR, the Alameda holding, and OCERS regulations and policies prior to the entry of the employment agreement. Each such submission to OCERS must include all supporting information OCERS deems necessary to perform its review.
12. OCERS staff will evaluate each proposed pay item/pay code under Paragraph 11 and provide guidance solely to the requestor in writing on whether the proposed pay item/paycode is pensionable within 90 days of the receipt of all information OCERS requires to perform its review.
13. Employers must submit all new or modified pay codes for pay items for review and approval by OCERS, per paragraph 4, regardless of whether written guidance has been provided on a proposed pay item or pay code under paragraph 11 or 14.



OCERS Board Policy Pay Item Review Policy

14. Additionally, an employer or authorized employee representative may request OCERS review a proposed new or modified pay item/pay code intended to be subject to consideration in an upcoming employment contract negotiation. Upon receipt of sufficient supporting information that OCERS considers necessary to review the item, OCERS will endeavor to provide timely written guidance solely to the requestor.

Policy Review

~~10.15.~~ The Board shall review this policy at least every three (3) years to ensure ~~that~~ it remains relevant and appropriate.

Policy History

16. The Board adopted this policy on March 18, 2019, and revised it on June 20, 2022~~-, December 9, 2024, and [date].~~

~~11.~~

Secretary's Certificate

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

A photograph of a handwritten signature "Steve Delaney" in blue ink on a yellow piece of paper. The signature is written twice, once above a horizontal line and once below it.

Steve Delaney
Secretary of the Board

~~06/20/2022~~

Date



OCERS Board Policy

Pay Item Review Policy

Purpose and Background

1. This policy sets forth a procedure for submitting and approving pay items by OCERS participating employers. Its purpose is to assist OCERS in properly and timely determining whether elements of compensation are appropriately treated as Compensation Earnable (for Legacy Members) or Pensionable Compensation (for PEPRA members) before a pay code for a pay item goes into use and to correct pay codes to accurately reflect pensionability.

Policy Objectives

2. The objectives of this policy are: (1) to comply with the requirements of the County Employees Retirement Law (CERL; California Government Code Title 3, Part 3, Chapters 3 & 3.9), as amended by the Public Employees Pension Reform Act (PEPRA; California Government Code sections 7522 - 7522.74), the holding in the California Supreme Court case of *Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032 ("*Alameda*"), and OCERS' regulations and policies, and (2) to ensure OCERS' effective assessment and determination of whether an element of compensation is properly categorized for purposes of collecting contributions and including in the calculation of final average salary.

Per AB 3025, employers may face significant financial consequences if they report compensation that OCERS later finds non-compliant with the CERL, PEPRA, the Alameda ruling, or OCERS Board policies and regulations, provided this is not the Member's fault. Detailed information regarding these potential consequences can be found in OCERS' policies on "Overpaid and Underpaid Plan Benefits" and "Overpaid and Underpaid Contributions."

Review of Pay Items

3. OCERS will not accept any new or modified pay items from employers for processing contributions and reporting compensation *until* each pay item's pay code has been reviewed by OCERS staff and approved by the CEO or their designee for inclusion or exclusion from Compensation Earnable for Legacy members and Pensionable Compensation for PEPRA members. OCERS staff, under the direction of the CEO and with the assistance of the General Counsel, is responsible for implementing this Policy.
4. Employers are responsible for notifying OCERS of new or modified pay code item(s) for sufficient review and approval before implementing them. Failure to do so may result in OCERS imposing costs on the employer per Government Code sections 31580.1, 31542.5, or 31541.2(b)(2)(B).
5. OCERS staff will analyze each pay code item to determine whether each meets the Compensation Earnable or Pensionable Compensation definition and complies with the CERL, PEPRA, the *Alameda* holding, and OCERS regulations and policies. Unless appealed, the CEO's determination shall be final.
6. As a part of its review process, OCERS staff will review employer pay code item listings for compliance with this Policy. When reviewing compensation and pay code items, OCERS will audit pay code items to determine whether each meets the applicable statutory definitions for pensionability and complies with OCERS' regulations and policies.



OCERS Board Policy

Pay Item Review Policy

7. After concluding the foregoing assessment, OCERS staff shall send written notification to the employer of the staff's determination, including the specific supporting facts, circumstances, reasoning, and analyses.
8. The employer shall have 30 calendar days from the date of staff's final notice of determination to appeal the staff determination to the Board of Retirement (Board). If the employer accepts staff's determination or does not file a timely appeal, the matter shall be deemed concluded, the staff determination shall be final, and the employer shall comply with the determination.
9. Upon receipt of a timely request for appeal to the Board of staff's determination, staff shall place the matter on a future Board agenda and prepare a written report to the Board making a recommendation to the Board on the pay code item(s) in question. Staff shall provide the employer with advance notice of the Board meeting and a copy of staff's report and all materials to be considered by the Board. Likewise, the employer shall provide OCERS with all materials it intends to submit to the Board.
10. The Board shall consider all written materials submitted and any arguments the employer and OCERS staff present. The Board shall then decide whether the pay code item qualifies as Compensation Earnable, Pensionable Compensation, or both. The decision shall be final, and the employer shall comply with the Board's determination.

Review of Potential New or Modified Pay Code Items During Employment Contract Negotiations

11. Pursuant to Government Code section 31541.2(c)(1), an employer or authorized employee representative may request OCERS' review of a proposed new or modified pay item/pay code intended to be included in a proposed employment agreement to determine the pensionability under the CERL, PEPR, the *Alameda* holding, and OCERS regulations and policies prior to the entry of the employment agreement. Each such submission to OCERS must include all supporting information OCERS deems necessary to perform its review.
12. OCERS staff will evaluate each proposed pay item/pay code under Paragraph 11 and provide guidance solely to the requestor in writing on whether the proposed pay item/paycode is pensionable within 90 days of the receipt of all information OCERS requires to perform its review.
13. Employers must submit all new or modified pay codes for pay items for review and approval by OCERS, per paragraph 4, regardless of whether written guidance has been provided on a proposed pay item or pay code under paragraph 11 or 14.
14. Additionally, an employer or authorized employee representative may request OCERS review a proposed new or modified pay item/pay code intended to be subject to consideration in an upcoming employment contract negotiation. Upon receipt of sufficient supporting information that OCERS considers necessary to review the item, OCERS will endeavor to provide timely written guidance solely to the requestor.



OCERS Board Policy Pay Item Review Policy

Policy Review

15. The Board shall review this policy at least every three (3) years to ensure it remains relevant and appropriate.

Policy History

16. The Board adopted this policy on March 18, 2019, and revised it on June 20, 2022, December 9, 2024, 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.

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

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 ~~the manner in~~ which 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 ~~in a prompt and efficient manner~~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~~to 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 agenda 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 ~~on a regular basis~~regularly through the claim process to keep them informed of the ~~progress 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 ~~which requires that the insurer~~requiring the insurer to provide the defense. ~~In the event that~~ 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, ~~and~~ June 20, 2022, and [date].

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.

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

~~06/20/2022~~

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 agenda 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 [date].

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.

A handwritten signature in black ink that reads "Steve Delaney". The signature is written in a cursive style with a long, sweeping tail on the "y".

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: SACRS BOARD OF DIRECTORS ELECTION 2025-2026 – DIRECTION TO OCERS' VOTING DELEGATE

Recommendation

Consider the SACRS Nominating Committee's recommended slate of candidates interested in running for the election of SACRS Directors and give direction to OCERS' Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 16, 2025.

Background/Discussion

The election for the SACRS Board of Directors for 2025–2026 will be held on May 16, 2025, during the regular business meeting portion of the SACRS Spring Conference. The Administrator of each regular member County Retirement System is responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on their board agenda. The Administrator is required to acknowledge the completion of these responsibilities with the Nominating Committee. The election will be conducted by an open roll call vote, and OCERS' voting delegate should be prepared to vote the recommended ballot and by each board position separately. Newly elected directors assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer will co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The SACRS Nominating Committee's Recommend Ballot for the 2025—2026 election includes the following candidates:

- President – Adele Tagaloe, Orange CERS
- Vice President – Jordan Kaufman, Kern CERA
- Treasurer – Zandra Cholmondeley, Santa Barbara CERS
- Secretary – Rhonda Biesemeier, Stanislaus CERA
- Regular Member – Riley Talford, Fresno CERA
- Regular Member – Chris Giboney, Sacramento CERS

The candidate submissions are attached for the Board's consideration. As you may recall, on February 19, 2025, the OCERS Board met and took action to nominate OCERS trustee, Adele Tagaloe, for the position of President on the SACRS Board of Directors.

At the SACRS business meeting, OCERS' voting delegate will have the opportunity to cast OCERS' vote as directed by the Board. In accordance with OCERS' SACRS Voting Authority Policy (copy attached), OCERS' voting delegate is the Board Chair, and all other members of the Board and the CEO are alternate delegates. If the Board Chair is unable to attend a SACRS business meeting at which a vote is taking place, the Policy provides that the Vice Chair shall be designated as alternate voting delegate. If both the Chair and Vice Chair are unable to attend, the alternate voting delegate will be determined, among the Board members in attendance at the business meeting, alphabetically by the Board member's last name. The voting delegate may vote by recommended ballot or by each position separately.

Staff requests that the Board direct the OCERS voting delegate/alternate delegates on how to cast OCERS' vote at the election.

Attachments

- (1) SACRS Memorandum dated March 25, 2025 re: SACRS Board of Director Elections 2025-2026 - Elections Notice
- (2) SACRS 2025-2026 Nomination Committee Candidate Submissions
- (3) SACRS Voting Authority Policy

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



March 25, 2025

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2025-2026 - Elections Notice

Please provide this election notice to your Board of Trustees and Voting Delegates for consideration at the upcoming elections being held at the SACRS Spring Conference May 13-16, 2025.

DEADLINE	DESCRIPTION
March 1, 2025	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election shall not be accepted.
March 25, 2025	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 16, 2025	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 16, 2025	Board of Directors takes office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members*

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.



The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee. Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections will be held at the SACRS Spring Conference May 13-16, 2025, during the Annual Business meeting on Friday, May 16, 2025, in Rancho Mirage at the Omni Rancho las Palmas Resort and Spa.

SACRS Nominating Committee Recommended Slate:

Name	System	Candidate for Position
Adele Lopez Tagaloa	Orange CERS	SACRS President
Jordan Kaufman	Kern CERA	SACRS Vice President
Zandra Cholmondeley	Santa Barbara CERS	SACRS Treasurer
Rhonda Biesemeier	Stanislaus CERA	SACRS Secretary
Riley Talford	Fresno CERA	SACRS Regular Board Member
Chris Giboney	Sacramento CERS	SACRS Regular Board Member

Please prepare your voting delegate to have the ability to vote by the recommended ballot and by each position separately.

If you have any questions, please contact Dan McAllister at Dan.McAllister@sdcounty.ca.gov.

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, Trustee, San Diego CERA, Treasurer Tax Collector San Diego County and SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director

Attached: Nominee Submissions

**SACRS Board of Directors Elections
2025-2026
Candidate Submissions**

Candidate personal information redacted



SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS (916) 701-5158.

Name of Candidate	Name: Adele Lopez Tagaloa
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 2223 East Wellington Ave, Suite 100 Santa Ana, CA 92701 Email Address: alopeztagaloa@ocers.org Phone: (714) 853-2953
Name of Retirement System Candidate Currently Serves On	System Name: Orange County Employees Retirement System (OCERS)
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input checked="" type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<ul style="list-style-type: none"> • Vice President, SACRS 2023-2024, 2024-2025 • Programming Committee Chair, SACRS 2023-2024, 2024-2025 • Secretary, SACRS 2022-2023 • Elected General Member Trustee, OCERS, 2020 to present • Over 15 years of service to the County of Orange Registrar of Voters • Chair, OCERS Audit Committee 2025 • Chair, OCERS Board 2024 • Chair, OCERS Disability Committee 2020 to 2022 • Vice Chair, OCERS Investment Committee 2022 • Chair, OCERS Investment Committee 2023 • Union Steward, Orange County Employees Association (OCEA) 2012 to present • Board of Directors, OCEA 2018 to present • Committee Member, City of Anaheim Community Services 2024 to present <p>Public Pension Trustee Certificates: SACRS Public Pension Investment Management Program - UC Berkeley 2024 NCPERS - Accredited Fiduciary Program - Accredited Fiduciary designation 2024 CALAPRS Principles of Pension Governance and Principles for Trustees Completed 219 hours of education, 2024</p>

Adele Lopez Tagaloa

2223 East Wellington Ave, Suite 100, Santa Ana, CA 92804 | 714-853-2953 | alopeztagaloa@ocers.org

February 20, 2025

Mr. Dan McAllister
SACRS Immediate Past President, Nominating Committee Chair
State Association of County Retirement Systems (SACRS)
840 Richards Blvd
Sacramento, CA 95811

Dear Mr. Dan McAllister:

Please accept this letter of my intent to run for SACRS Board of Directors for the office of President.

I believe I am qualified to serve as President based on my fifteen years of leadership positions in my employee labor organization, at the County of Orange Registrar of Voters serving 1.8 million voters by providing transparent, accurate and secure elections, over 15 years in the non-profit and private sector and most importantly, as a Trustee on the Orange County Employees Retirement System for the last five years. Most recently, serving on SACRS Board of Director as Vice President for the year 2024-2025 collaborating to enhance high-quality education for our trustees, with affiliates, staff and other CERL counties ensuring pension security.

I hold a passion for democracy, organized labor, and education accessibility that encompasses everything in my career and life. Since I have been elected to the OCERS Board of Retirement, trustee and member education has continue to be my main priorities.

Attending SACRS conferences since 2020, I have found an organization that understands the challenge and importance of pensions, education and duty, specifically for trustees in our CERL 37 Act Systems. Continuing to serve to provide professional and outstanding conferences is my desire as SACRS president and build on the work of past leadership. Not only do we provide top-notch education and fantastic speakers that reach beyond pensions, it is the relationships we build between trustees, staff and affiliates. These past years serving as your SACRS Secretary and Vice President has allowed me to represent trustees, for example:

- Provide feedback, submitting topics and speakers that would benefit trustees, investment staff, and affiliates
- Commitment to working on long-term goals for all our members

Using my leadership experience, it is my goal to continue to share all the benefits of SACRS to members and to continue to make SACRS the premier pension organization in a changing world. It would be an honor to serve on the SACRS Board of Directors as President and truly appreciate your consideration.

Sincerely,

Adele Lopez Tagaloa

Adele Lopez Tagaloa
Trustee, General Member-Elected
Orange County Employees Retirement System (OCERS)



Serving the Active and Retired Members of:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &
FAMILIES COMMISSION

ORANGE COUNTY
DEPARTMENT OF EDUCATION
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES PUBLIC
AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC LAW
LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND
CAMPUS (CLOSED TO NEW
MEMBERS)

February 20, 2025

By Mail and Electronic Mail [Dan.McAllister@sdcounty.ca.gov]

Mr. Dan McAllister
SACRS Nominating Committee Chair
SACRS
840 Richards Blvd.
Sacramento, CA 95811

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2025-2026

Dear Mr. McAllister:

As a regular member of SACRS, the Orange County Employees Retirement System (OCERS) is entitled, under the SACRS Bylaws, Article VIII, Section 2, to submit nominations for the election of directors for the SACRS Board of Directors.

On February 19, 2025, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Adele Lopez Tagalao, for the position of her choosing on the SACRS Board of Directors and directed me to submit this nomination to the SACRS Nominating Committee. Ms. Lopez Tagalao informed the OCERS Board of Retirement that she intends to pursue the position of PRESIDENT of the SACRS Board.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Adele Lopez Tagalao, for election to the position of PRESIDENT of the SACRS Board of Directors at the 2025-2026 SACRS Board of Directors Election to take place on May 10, 2025.**

Please do not hesitate to contact me at (714) 558-6222 if you have any questions or require additional information. Thank you.

Best regards,

Steve Delaney
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator



SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS (916) 701-5158.

Name of Candidate	Name: Jordan Kaufman
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 1115 Truxtun Avenue, 2nd floor Bakersfield, CA 93301 Email Address: jkaufman@kerncounty.com Phone: 661-204-1510
Name of Retirement System Candidate Currently Serves On	System Name: Kern County Employees Retirement Assoc.
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other <u>Statutory</u>
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input checked="" type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>I am the current SACRS Treasurer and am excited for the opportunity to continue in the board as the Vice President. I am in my third term as the elected Kern County Treasurer-Tax Collector with fiduciary responsibility over the \$6.7 billion Treasury Investment Pool and the responsibility of annually collecting over \$1.6 billion in local property taxes. I am also the Plan Administrator for the \$700 million deferred compensation plan for County employees. Prior to being elected, I became the assistant Treasurer-Tax Collector in 2006. Prior to 2006, I spent over a decade in the County Administrative Office where I performed budget and policy analysis and was involved in the issuance of various types of municipal bonds for the County. I am the Treasurer and past Chairman of the United Way of Kern County, Trustee and past Chairman of the Kern County Employees Retirement Association (KCERA), Treasurer of the Boy Scouts of America Southern Sierra Council. I have a Bachelor of Science degree in Industrial Technology from Cal Poly San Luis Obispo. I live in Bakersfield with my beautiful wife Kristen and we have four children.</p>



Jordan Kaufman
Treasurer and Tax Collector
Chase Nunneley
Assistant Treasurer and Tax Collector

March 5, 2025

Dan McAllister, Nominating Committee Chairman
State Association of County Retirement Systems

Re: Letter of interest to apply for the Board of Directors of SACRS in the position of Vice President

Dear Dan and members of the Nominating Committee,

Thank you for the opportunity to express my interest in continuing on the SACRS Board of Directors in the position of Vice President. I believe that I have the knowledge, experience and motivation to add value to the Board. I am in my third term as the elected Kern County Treasurer-Tax Collector, and I am a 19 year member of the Kern County Employees Retirement Association (KCERA) as a general elected, alternate, and statutory trustee. I have a deep background in public fund investment and retirement plan administration and I am or have been the Treasurer of many organizations and associations.

As the elected Treasurer-Tax Collector, I manage the County's \$6.7 billion treasury pool, provide banking services to over 200 different county agencies and districts, and collect over \$1.6 billion in local property taxes. I am also the Plan Administrator for the County's 457(b) deferred compensation plan with over \$700 million in participant assets.

I have extensive experience sitting on boards of directors and currently sit on or have previously sat on the board of the following entities: Kern County Foundation; California Association of County Treasurer's and Tax Collectors (CACTTC); United Way of Central Eastern California; Boy Scouts of America Southern Sierra Council; Kern County Management Council; and California Asset Management Program (CAMP).

I have dedicated my career to public service and I am proud to serve the residents of Kern County and the employees of the County of Kern and I feel that I can continue to bring value to SACRS Board of Directors. Thank you in advance for your consideration and feel free to call me if you have any questions at 661-204-1510.

Sincerely,

A handwritten signature in cursive script that reads "Jordan Kaufman".

Jordan Kaufman
Kern County Treasurer-Tax Collector
Deferred Compensation Plan Administrator

Attachment



SACRS Nomination Submission Form
SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair Dan McAllister **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: Zandra Cholmondeley
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: zcholmondeley@gmail.com Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: Santa Barbara County Employees' Retirement System
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input checked="" type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>Zandra Cholmondeley was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS) in November 2008. She joined the SBCERS Board in January 2009 and starting in January 2010, served two terms as Chair of the Board. She currently serves as Secretary on the SACRS Board (2023-24) and previously served as Secretary of this board from 2014-15. She has also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).</p> <p>Zandra retired in July 2008. As Principal Analyst for Santa Barbara County she was charged with overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). Her budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. Special projects experience included implementing fiscal policy for the County Executive Office.</p>

SACRS Board of Directors
Letter of Intent Elections 2025-26

Dear Mr. McAllister,

I hereby express my interest in serving as Treasurer on the SACRS Board of Directors for the 2025-26 term of office.

I have been a regular attendee at SACRS conferences since 2009, when I joined the Board of Directors the Santa Barbara County Employees' Retirement System as elected retiree trustee. I currently serve as Secretary (2023-25) and have previously served as Secretary on the SACRS Board of Directors in 2013-14. I have also served on the SACRS program committee over the past 11 years and have contributed to the lineup of speakers and panelists at SACRS conferences during this period.

I would be honored to continue to serve as Treasurer on the SACRS Board of Directors.

Yours sincerely,

Zandra Cholmondeley,
Elected Retiree Trustee,
Santa Barbara County Employees' Retirement System



SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS (916) 701-5158.

Name of Candidate	Name: Rhonda Bieseemeier
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 1121 Karen Way, Modesto, CA 95350-3414 Email Address: biesemrh@gmail.com Phone: 209-341-9828
Name of Retirement System Candidate Currently Serves On	System Name: Stanislaus County Employees' Retirement Association (StanCERA)
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>I have served on the Stanislaus County Board of Retirement since July 2017, first as Alternate, then in 2023 as Retiree Representative. I continue to serve as a Trustee in that capacity.</p> <p>In 2024, I was fortunate enough to be elected to the SACRS Board as a Regular Member. I have appreciated the opportunity to work with this dedicated Board for the past year, and as such, I would like to continue my work. I am now applying for the Board Secretary position for the 2025-2026 term.</p> <p>I am committed to retirees as evidenced by volunteer positions I have held since retiring in 2008. Including President and board member of the Retired Employees of Stanislaus County (RESCO) 2008 - present and Delegate to the California Retired County Employees Association (CRCEA) 2009 - 2023. In 2022, I was appointed to the Stanislaus County Equal Rights Commission whose goals of inclusiveness match those of SACRS.</p> <p>I was raised in Modesto, California. I have two accomplished young adult children, a dog and a cat. My favorite things include spending time with my children and my many friends, meeting new people, participating in community events, traveling, and cell phone photography.</p>

Rhonda Biesemeier



February 11, 2025

Mr. Dan McAllister
SACRS Nominating Committee Chair

Ms. Sulema Peterson
SACRS Executive Director

Dear Mr. McAllister and Ms. Peterson,

I am Rhonda Biesemeier and I am interested in serving as a member of the SACRS Board of Directors as Secretary for the 2025-2026 term. I have served as a Regular Member on the Board for the 2024-2025 term, and I am very excited to be applying for another term.

I have always been impressed by the quality of education I receive through SACRS, both at conferences and through the UC Berkeley Program. The SACRS organization is impressively well-run, providing top-notch presenters to improve member's understanding of investments and other aspects of pension management. The networking opportunities you provide enhance the educational experience.

I am a strong proponent of furthering and protecting retiree's defined benefit plans. I would like to stress that once I commit to a position, I am involved and dedicated to assuring that a certain level of excellence is maintained. I recognize that SACRS maintains such a level and I'd like to continue to be a part of its future.

I appreciate that you are willing to consider me for the position of Secretary SACRS Board of Directors.

Sincerely,

Rhonda Biesemeier

SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcountry.ca.gov **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Paterson at SACRS (916) 701-5158.

Name of Candidate	Name: Riley Talford
Candidate Contact Information (Please include -- Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Fresno, CA. 93727 Email Address: riley.talford@gmail.com Phone: (559) 577-7673
Name of Retirement System Candidate Currently Serves On	System Name: Fresno County Employees Retirement Association (FCERA)
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input checked="" type="checkbox"/> Chair <input type="checkbox"/> Alternate <input type="checkbox"/> General Elected <input type="checkbox"/> Retiree <input type="checkbox"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="checkbox"/> President <input type="checkbox"/> Vice President <input type="checkbox"/> Treasurer <input type="checkbox"/> Secretary <input checked="" type="checkbox"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>Greetings, My name is Riley Talford and I am running for SACRS Regular Member. Here is a little information on my background: First I proudly served 7 years in the United States Navy as a Cryptologic Technician. I hold a Bachelor's Degree in Psychology, and a Master's in Education, and I am currently working towards completion of my law degree. My day job for the County of Fresno is as a Supervising Juvenile Correctional Officer within the Probation Department. In addition to serving my third term on the Retirement Board, I serve as the Fresno County Chapter President of SEIU Local 521, and 521 Local wide Vice President. It would be an honor to serve as an active participant on the SACRS Board of Directors!</p>

2/18/25

To: Dan McAllister, SACRS Nominating Committee Chair, SACRS
From: Riley Talford
Subj: Letter of Intent


Dear SACRS Nominating Committee,

I am submitting this Letter of Intent to run for a position on the SACRS Board of Directors as a SACRS Regular Member for the 2025 – 2026 term. I have been endorsed by the FCERA Board of Trustees and would welcome an opportunity to represent all County Retirement Systems. My work ethic, experience, and good nature would be welcomed by the team. It is my sincere hope that you accept my candidacy.

Sincerely,

Riley Talford



(559) 577-7673 



Providing insight. Fostering oversight.

SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS (916) 701-5158.

Name of Candidate	Name: Christopher Giboney
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: giboneyc@sacounty.gov Phone: 831-444-5036
Name of Retirement System Candidate Currently Serves On	System Name: Sacramento County Employees Retirement System
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other <u>Safety Alternate</u>
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	I am Fire Captain with Sacramento Airport Fire where I have worked for 11 years. I previously worked for the state and other several other local government fire positions. I was re-elected January 1st to serve my second 3 years term on the SCERS board. I grew up with a significant interest in finance and retirement funding as my Dad with the Division Chief of Personnel Services for the County of Monterey and a major influence on my eagerness to be financially astute. I have worked as a firefighter for 18 years and I plan to work at least 18 more. I have completed my bachelors and started work on my masters. I was appointed to the Counties 457 Committee and I am eager to find ways to assist the system and those planning for retirement around me.

2/23/2025

SACRS Nomination Committee,

I want to nominate myself as a candidate for the SACRS Board of Directors. I have received the full support and backing of the SCERS board and staff at our most recent board meeting. I was re-elected in January for a second 3-year term as our Safety Alternate. I have thoroughly enjoyed and taken away an immense amount of knowledge from the SACRS conferences over the past three years. I see these conferences as an invaluable educational and networking event for all stakeholders in the retirement systems. It would be an honor to be considered to be a part of the board and the association. I have had several life changes over the past 2 years, but my daily workload and demands have significantly decreased over the past six months, which I believe will give me ample time to dedicate to the SACRS Board and any needs that arise. Please let me know if you need anything else.



Chris Giboney

Fire Captain

SCERS Elected Safety Alternate

[REDACTED]



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 have the right to vote on the election of the officers/directors of SACRS, 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 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 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 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 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, he or she 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 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 his or her best judgment to vote in accordance



OCERS Board Policy SACRS Voting Authority Policy

with the position he or she believes 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.

Secretary's Certificate

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

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

Steve Delaney
Secretary of the Board

04/17/2023

Date



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: David Kim, Assistant CEO, External Operations and Cynthia Hockless, Director of Human Resources
SUBJECT: **PENSION ADMINISTRATION SYSTEM (PAS) PROJECT TEMPORARY STAFFING REQUEST**

Recommendation

The Personnel Committee recommends the Board of Retirement approve the following 22 Limited Term requests to the Member Services and Disability Departments in preparation for the PAS implementation:

1. Member Services Manager position (1)
2. Member Services Supervisor positions (3)
3. Senior Retirement Program Specialist positions (4)
4. Retirement Program Specialist (8)
5. Accounting Technician (5)
6. Disability Retirement Investigator (1)

The total estimated annual personnel cost for these staffing changes is **\$1,098,257**. The estimated personnel cost for 2025 due to mid-year hiring for several positions is **\$637,130**.

Background/Discussion

At the March Board meeting, the OCERS management team, in collaboration with Provaliant (our PAS implementation partner), discussed the need for additional staffing in preparation for the upcoming PAS implementation. It is critical to maintain operations and service levels as OCERS' subject matter experts (PAS SMEs) become fully dedicated to the new PAS system. The PAS implementation project is expected to span between three and four years. The Personnel Committee met on April 2, 2025 to further discuss the initial PAS project temporary staffing request and as a result, recommended that the Board of Retirement approve the 22 Limited Term positions.

OCERS has identified an initial phase of positions that will be dedicated to the PAS project, which will require a longer lead time to accommodate the learning curve for backfill staff. The identified PAS SMEs are as follows:

Member Services:

- Σ Manager (1)
- Σ Supervisor/Business Analyst (2)
- Σ Senior Retirement Program Specialist (1)
- Σ Retirement Program Specialist (4)

Disability:

- Σ Disability Retirement Investigator (1)

As the PAS SMEs focus on the PAS implementation, OCERS must ensure there is a staffing plan in place to provide temporary backfill for the day-to-day operational responsibilities that the SMEs would normally handle. To

address this need, OCERS recommends utilizing Limited Term (LT) employees throughout the project lifecycle. LT employees are temporary positions with a defined start and end date, and no expectation of long-term funding. LT employees are subject to the same hiring standards as permanent employees and are entitled to full benefits. These positions can be filled by either internal or external candidates.

The PAS implementation is not only an opportunity to upgrade our technology, but also a chance to train the next generation of staff. As PAS SMEs focus on the new system, internal staff can develop new skills by taking on LT backfill positions at higher classifications. For example, to temporarily backfill a Supervisor role dedicated to the PAS, an OCERS Senior Retirement Program Specialist could fill the LT Supervisor position. This approach ensures that operational tasks left open by the PAS SME are covered, while also providing employees with valuable on-the-job learning experiences.

By using a combination of internal and external candidates to fill the LT positions, OCERS anticipates a net increase of only nine (9) additional headcounts. Below is a description of each of the 22 requested positions and the rationale behind each. Additionally, a breakdown of the 22 LT positions is included.

1. MEMBER SERVICES MANAGER

To backfill a Member Services Manager position:

- Σ A Limited Term (LT) Manager position will be created and filled by an existing Member Services Supervisor. This will create the need to backfill the Member Services Supervisor role.
- Σ A LT Supervisor position will be created and filled by an existing Member Services Senior Retirement Program Specialist (SRPS). This will create the need to backfill the Member Services SRPS role.
- Σ A LT SRPS position will be created and filled by an existing Member Services Retirement Program Specialist (RPS). This will create the need to backfill the Member Services RPS role.
- Σ A LT RPS position will be created and filled by an external candidate, resulting in an additional headcount for OCERS.
- Σ A total of four (4) LT positions will be created, resulting in one additional headcount; 2025 budget impact of \$86,125 (fully loaded); annualized impact of \$148,458 (fully loaded).

2. MEMBER SERVICES SUPERVISORS

To backfill two Member Services Supervisor positions:

- Σ Two Limited Term (LT) Supervisor positions will be created and filled by existing Member Services Senior Retirement Program Specialists (SRPS). This will create the need to backfill the Member Services SRPS roles.
- Σ Two LT SRPS positions will be created and filled by existing Member Services Retirement Program Specialists (RPS). This will create the need to backfill the Member Services RPS roles.
- Σ Two LT RPS positions will be created and filled by external candidates, resulting in two additional headcounts for OCERS.
- Σ A total of six (6) LT positions will be created, resulting in two additional headcounts; 2025 budget impact of \$154,226 (fully loaded); annualized impact of \$265,848 (fully loaded).

3. MEMBER SERVICES SENIOR RETIREMENT PROGRAM SPECIALIST

To backfill a Member Services SRPS position:

- Σ A Limited Term (LT) SRPS position will be created and filled by an existing Member Services Retirement Program Specialist (RPS). This will create the need to backfill the Member Services RPS role.

- Σ A LT RPS position will be created and filled by an existing Member Accounting Technician (AT). This will create the need to backfill the Member Services AT role.
- Σ A LT AT position will be created and filled by external candidates, resulting in one additional headcount for OCERS.
- Σ A total of three (3) LT positions will be created, resulting in one additional headcount; 2025 budget impact of \$70,931 (fully loaded); annualized impact of \$122,268 (fully loaded).

4. MEMBER SERVICES RETIREMENT PROGRAM SPECIALISTS

To backfill four Member Services RPS positions:

- Σ Four Limited Term (LT) RPS positions will be created and filled by four existing Member Accounting Technicians (AT). This will create the need to backfill the Member Services AT roles.
- Σ Four LT AT positions will be created and filled by external candidates, resulting in four additional headcounts for OCERS.
- Σ A total of eight (8) LT positions will be created, resulting in four additional headcounts; 2025 budget impact of \$255,353 (fully loaded); annualized impact of \$440,167 (fully loaded).

5. DISABILITY RETIREMENT INVESTIGATOR

To backfill one Disability Retirement Investigation, a Limited Term Disability Retirement Investigator position is created and would be filled by an external candidate, resulting in one additional headcount to OCERS.

- Σ One (1) LT position will be created with one additional headcount; 2025 budget impact of \$70,495 (fully loaded); annualized impact of \$121,516 (fully loaded).

Conclusion:

In summary, I am requesting 22 new Limited Term positions resulting in nine (9) additional headcounts to OCERS.

The total estimated annual personnel cost for these staffing changes is **\$1,098,257**. The estimated budget impact for 2025 due to timing of hiring for several positions is **\$637,130**.

Submitted by:



DK - Approved

David Kim

Assistant CEO, External Operations

Attachment:

Exhibit A – Breakdown of Budget Impact by Position

Exhibit A – Breakdown of Budget Impact by Position**1. MEMBER SERVICES MANAGER****Member Services Manager**

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Manager	1	0	\$9,012	\$15,534
Supervisor	1	0	\$8,066	\$13,904
Sr. Retirement Program Specialist	1	0	\$7,093	\$12,226
Retirement Program Specialist **	1	1	\$61,954	\$106,793
	4	1	\$86,125	\$148,458

**External candidate - Additional headcount

*Figures based on 2025 rates

2. MEMBER SERVICES SUPERVISORS**Member Services Supervisor**

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Supervisor	2	0	\$16,132	\$27,808
Sr. Retirement Program Specialist	2	0	\$14,186	\$24,453
Retirement Program Specialist**	2	2	\$123,908	\$213,587
	6	2	\$154,226	\$265,848

**External candidate - Additional headcount

*Figures based on 2025 rates

3. MEMBER SERVICES SENIOR RETIREMENT PROGRAM SPECIALIST**Member Services Sr RPS**

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Sr. Retirement Program Specialist	1	0	\$7,093	\$12,226
Retirement Program Specialist	1	0	\$6,563	\$11,313
Accounting Technician**	1	1	\$57,275	\$98,729
	3	1	\$70,931	\$122,268

**External candidate - Additional headcount

*Figures based on 2025 rates

4. MEMBER SERVICES RETIREMENT PROGRAM SPECIALISTS**Member Services RPS**

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Retirement Program Specialist	4	0	\$26,252	\$45,251
Accounting Technician**	4	4	\$229,102	\$394,916
	8	4	\$255,353	\$440,167

**External candidate - Additional headcount

*Figures based on 2025 rates

5. DISABILITY RETIREMENT INVESTIGATOR**Disability Retirement Investigator**

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Disability Retirement Investigator**	1	1	\$70,495	\$121,516

**External candidate - Additional headcount

*Figures based on 2025 rates

SUMMARY

Department	Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Member Services	Manager	1	0	\$9,012	\$15,534
Member Services	Supervisor	3	0	\$24,198	\$41,712
Member Services	Sr. Retirement Program Specialist	4	0	\$28,372	\$48,906
Member Services	Retirement Program Specialist	8	3	\$218,676	\$376,944
Member Services	Accounting Technician**	5	5	\$286,377	\$493,644
Disability	Disability Retirement Investigator **	1	1	\$70,495	\$121,516
Total		22	9	\$637,130	\$1,098,257

**External candidate - Additional headcount

*Figures based on 2025 rates



Employment Strategy for PAS Project

April 21, 2025

David Kim, Assistant CEO, External Operations and
Cynthia Hockless, Director of Human Resources



Staffing for OCERS Horizon, new PAS Project

March Board meeting discussion:

- Why are additional staff needed for system modernization?
 - Keeping Operations at Target Service Levels requires all existing Staff
 - Modernization projects require additional resources from all areas to provide bandwidth for:
 - ✓ Detailed Design and Requirements
 - ✓ Testing and Training
 - ✓ Organizational Transition
 - Modernization projects are enterprise-wide, affecting everyone

OCERS
Horizon Team
Subject
Matter
Experts
(SME) – Q2
2025

Member Services

Manager (1)

Supervisor/Business Analyst (2)

Sr. Retirement Prog. Specialist (1)

Retirement Program Specialist (4)

Disability

Disability Retirement Investigator (1)

OCERS HORIZON EMPLOYEE CYCLE WORKFLOW DIAGRAM

OCERS HORIZON



**LIMITED-TERM SR.RPS IS
OPEN**



**LIMITED-TERM RPS ROLE IS
OPEN**



EXTERNAL CANDIDATE JIMMY

Headcount Impact:
1 External Candidate



2025 Budgeted Headcount

135 Budgeted Headcount

120 Employees on Payroll

15 Vacant Positions

14 currently in the Recruitment Phase

1 scheduled to open in Q3

Turnover Rate 2.50%

OCERS Horizon Staffing Approach

- Plan staffing needs 6 months to a year in advance to accommodate learning curve
- Keep adequate staffing a priority
- Keep staffing plans visible
- Actively manage project resource loads in coordination with vendor schedules

Temporary Backfill
Limited Term/Contractor/Extra Help

Employment Types Overview

Limited-Term Employee

Temporary Employee/
Contractor

Extra-Help

Working Retiree

Internal Temporary
Promotion

**1. Limited-Term
Employee
(Recommended
by County of
Orange, HRS/CEO
– Shared Services)**

Pros:

- ✓ Fixed duration aligns with project timeline
- ✓ Eligible for benefits
- ✓ More stability than temp staff
- ✓ Accrues service credit

Cons:

- X Limited retention post-project
- X Potential recruitment challenges
- X Will have to pay contributions

2. Temporary Employee/ Contractor

Pros:

- ✓ High flexibility
- ✓ No long-term commitment
- ✓ Specialized skills on demand

Cons:

- X Higher hourly cost
- X No institutional knowledge
- X Limited engagement 12 months

3. Extra-Help

Pros:

- ✓ Quick hiring process
- ✓ Short-term workload support
- ✓ Can purchase service credit after becoming a member

Cons:

- ✗ Limited benefits
- ✗ Not viable for long-term projects over 12 months

4. Working Retiree

Pros:

- ✓ Retains institutional knowledge
- ✓ Short-term and cost-effective
- ✓ Can obtain resources from other systems

Cons:

- ✗ Limited work hours 960 hrs. per fiscal year
- ✗ Not a sustainable long-term solution
- ✗ Limited resources

5. Internal Temporary Promotion

Pros:

- ✓ Utilizes existing staff expertise
- ✓ Career growth opportunity

Cons:

- ✗ Backfilling required
- ✗ Could disrupt existing workflows
- ✗ Limited to 18-months

Limited Term Operational SME Backfill – Summary Q2 2025

Department	Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Member Services	Manager	1	0	\$9,012	\$15,534
Member Services	Supervisor	3	0	\$24,198	\$41,712
Member Services	Sr. Retirement Program Specialist	4	0	\$28,372	\$48,906
Member Services	Retirement Program Specialist **	8	3	\$218,676	\$376,944
Member Services	Accounting Technician**	5	5	\$286,377	\$493,644
Disability	Disability Retirement Investigator **	1	1	\$70,495	\$121,516
Total		22	9	\$637,130	\$1,098,257

**External candidate - Additional headcount

*Figures based on 2025 rates



Recommendation

Approve and recommend to the Board of Retirement the following 22 Limited Term requests to the Member Services and Disability Departments in preparation for the PAS Implementation:

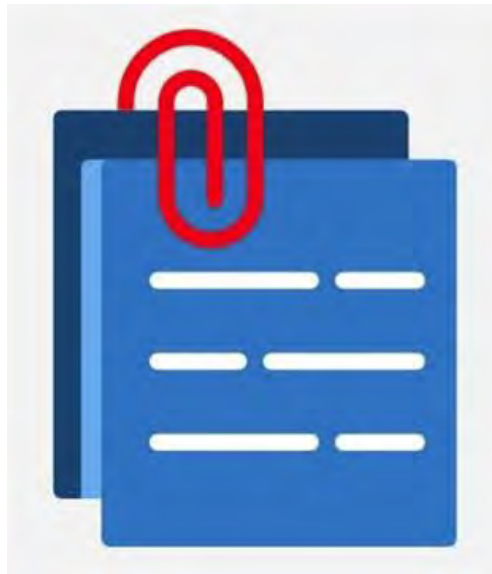
1. Member Services Manager position (1)
2. Member Services Supervisor positions (3)
3. Senior Retirement Program Specialist positions (4)
4. Retirement Program Specialist (8)
5. Accounting Technicians (5)
6. Disability Retirement Investigator (1)

The total estimated annual personnel cost for these staffing changes is **\$1,098,257**. The estimated budget impact for 2025 due to mid-year hiring for several positions is **\$637,130**.



Questions?

Appendix



Employment Type Overview

Employment Type	Definition	OCERS Recruitment	3rd Party Vendor	Duration	Receives OCERS Pension	Full County of Orange Benefits Eligibility	Partial County of Orange Benefits (No Defined Benefit Plan)	End Date	Comments
Regular Employee	A year-round position requiring work on a regular schedule.	Yes	No	Ongoing (Employee-Determined)	Yes	Yes	No	No	
Temporary Employee/Contractor	An individual hired by a company for a specific period or project, rather than on a permanent basis.	No	Yes	Up to 12 months	No	No	No	Yes	Employees of a Participating Employer must be enrolled in the Plan if they are hired with the expectation of working more than one year and at least 1,040 hours annually.
Extra Help	A position intended for short-term needs, including seasonal peak workloads, emergency extra workloads, vacation relief, paid sick leave, or fluctuating staff demands.	Yes	No	Up to 12 months	No	No	Yes	Yes	
Working Retiree - Extra Help	Is a retired member who satisfies the requirements of Government Code section 7522.56 to serve a Participating Employer without reinstatement from retirement and that does not exceed a total of 960 work hours per year	Yes	No	Up to 960 hours per fiscal year	No	No	No	No	Per the PEPPA Act 2013, any employee returning after January 1, 2013, shall not be eligible to be reemployed for 180 days following the date of retirement.
Internal Temporary Promotion	A regular, probationary, or limited-term employee temporarily assigned to a higher-level vacant regular or limited-term position, performing all significant duties and responsibilities of the higher class. Maximum duration: 18 months.	Yes	No	Up to 18 months	Yes	Yes	No	Yes	An employee promoted from a County to an OCERS Direct position will receive higher benefits for the duration of the temporary promotion.
Limited-Term Employee (External)	A position with no anticipated long-term funding. Employees are subject to the same hiring standards and earn all benefits. (except layoff rights)	Yes	No	Up to 3 years (extendable to 5 years)	Yes	Yes	No	Yes	The only benefits that external limited-term employees do not receive are layoff rights.
Limited-Term Employee (Internal Promotion)	Regular employees who transfer or promote to limited-term positions at the direction of the department head retain their former status and layoff benefits.	Yes	No	Up to 3 years (extendable to 5 years)	Yes	Yes	No	Yes	1. Internal limited-term employees receive layoff rights and will retain their former status. 2. An employee promoted from a County to an OCERS Direct position will receive higher benefits for the duration of the limited-term promotion.



Limited Term Backfill by Position – Q2 2025

PAS Project Team Subject Matter Experts (SME) – Q2 2025	Member Services
	Manager (1)
	Supervisor/Business Analyst (2)
	Sr. Retirement Prog. Specialist (1)
	Retirement Program Specialist (4)
Disability	Disability Retirement Investigator (1)

Member Services Manager

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Manager	1	0	\$9,012	\$15,534
Supervisor	1	0	\$8,066	\$13,904
Sr. Retirement Program Specialist	1	0	\$7,093	\$12,226
Retirement Program Specialist **	1	1	\$61,954	\$106,793
	4	1	\$86,125	\$148,458

**External candidate - Additional headcount

*Figures based on 2025 rates



Limited Term Backfill by Position – Q2 2025

PAS Project Team Subject Matter Experts (SME) – Q2 2025	Member Services
	Manager (1)
	Supervisor/Business Analyst (2)
	Sr. Retirement Prog. Specialist (1)
Disability	Retirement Program Specialist (4)
	Disability Retirement Investigator (1)

Member Services Supervisor

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Supervisor	2	0	\$16,132	\$27,808
Sr. Retirement Program Specialist	2	0	\$14,186	\$24,453
Retirement Program Specialist**	2	2	\$123,908	\$213,587
	6	2	\$154,226	\$265,848

**External candidate - Additional headcount

*Figures based on 2025 rates

Member Services Sr RPS

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Sr. Retirement Program Specialist	1	0	\$7,093	\$12,226
Retirement Program Specialist	1	0	\$6,563	\$11,313
Accounting Technician**	1	1	\$57,275	\$98,729
	3	1	\$70,931	\$122,268

**External candidate - Additional headcount

*Figures based on 2025 rates



Limited Term Backfill by Position – Q2 2025

PAS Project Team Subject Matter Experts (SME) – Q2 2025	Member Services
	Manager (1)
	Supervisor/Business Analyst (2)
	Sr. Retirement Prog. Specialist (1)
	Retirement Program Specialist (4)
	Disability
	Disability Retirement Investigator (1)

Member Services RPS

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Retirement Program Specialist	4	0	\$26,252	\$45,251
Accounting Technician**	4	4	\$229,102	\$394,916
	8	4	\$255,353	\$440,167

**External candidate - Additional headcount

*Figures based on 2025 rates

Disability Retirement Investigator

Limited Term (LT) Position	LT Count	Additional Headcount	2025 Budget Impact (fully loaded)	Annualized Budget Impact (fully loaded)*
Disability Retirement Investigator**	1	1	\$70,495	\$121,516

**External candidate - Additional headcount

*Figures based on 2025 rates





Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Matt Eakin, Director of Information Security; Mary-Joy Coburn, Director of Communications, OCERS
SUBJECT: MOVING TO A .GOV DOMAIN

Background/Discussion

At the April 2025 Board meeting, we will provide an overview of OCERS plan to move to a .gov domain. We will review the reasons for changing to a .gov domain, the benefits associated with the change, and a high-level migration plan and stakeholder outreach timeline.

Submitted by:



ME-Approved

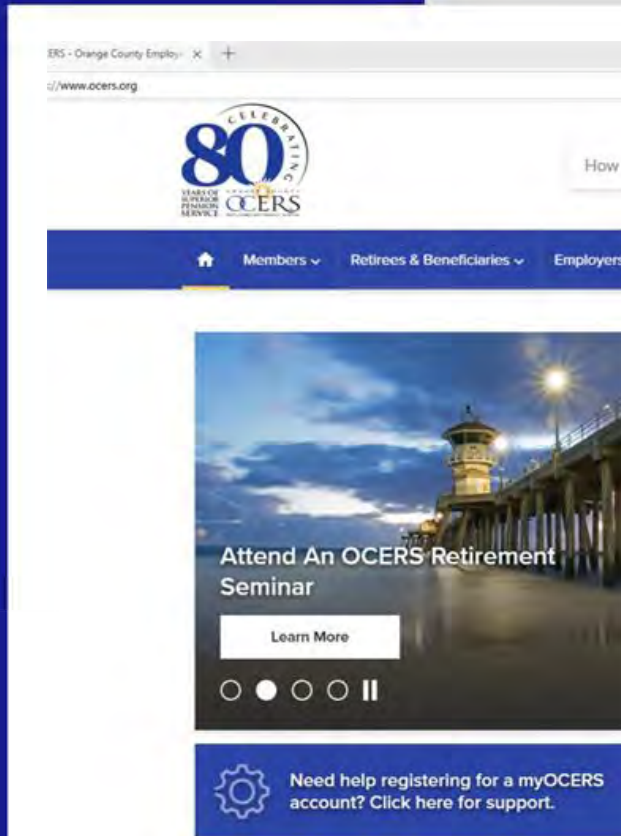
Matt Eakin
Director of Information Security

Submitted by:



MJC-Approved

Mary-Joy Coburn
Director of Communications



Migration to .GOV Domain

MATT EAKIN, Director of Cyber Security
MARY-JOY COBURN, Director of Communications



Current Domain



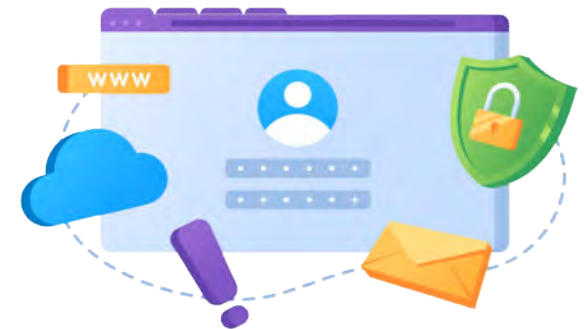
.org Associated with Non-Profits



Unclear Brand Identity for Stakeholders



Higher Risk of Security Issues



Orange County Employees Retirement System

Benefits of .GOV Domain



Increased Public Recognition & Trust



Security Enhancements



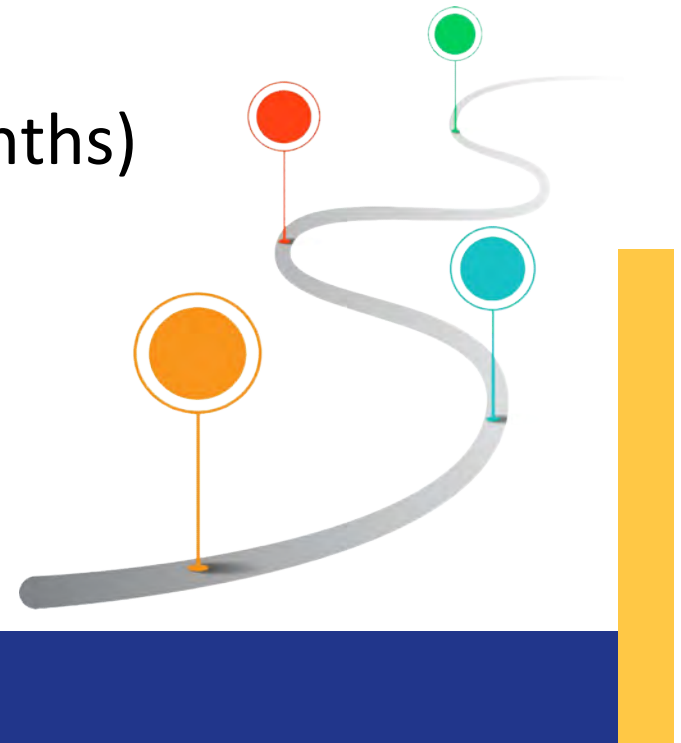
Alignment with Federal & State Regulations



Orange County Employees Retirement System

Migration Plan & Timeline

- ① Microsoft 365 Tenant Migration (4 Months)
- ② Planning and Coordination (2 Months)
- ③ Communication (2 Months)
- ④ Implementation (1 Month)



Costs

- ① .GOV Domain is Free
- ② Printed Materials Already Budgeted
- ③ No Additional Cost



Thank you!



(714) 558-6200



communications@ocers.org



www.ocers.org



@myOCERS



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, CEO; Manuel D. Serpa, General Counsel
SUBJECT: **OCERS TRUSTEE MEETING COMPENSATION LEGISLATION UPDATE**

Background/Discussion

At the February 2025 regular meeting of the Board of Retirement, the Board approved the introduction of legislation to amend Government Code Section 31521 to permit the OCERS Board of Retirement to increase the compensation rate for meeting attendance by its fourth, fifth, sixth, eighth, and ninth members.

This legislation has been introduced by its sponsor, Assemblymember Philip Chen, and co-sponsor, Assemblymember Avelino Valencia, as Assembly Bill No. 1323 (AB 1323).

AB 1323 amends the County Employees Retirement Law of 1937 (CERL) to authorize the OCERS Board of Retirement to raise the compensation rate for designated board members for board and committee meeting attendance from \$100 to a maximum of \$320 per meeting. This authorization is limited to Orange County and does not affect other counties operating under CERL.

Tracking of AB 1323 shows that it has a Committee Hearing Date of April 23rd.

We have provided a letter of support for AB 1323, which you will find attached. A current version of the bill is also attached.

Attachments

Submitted by:



SD-Approved

Steve Delaney
CEO

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel

AMENDED IN ASSEMBLY MARCH 24, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 1323

Introduced by Assembly Member Chen

February 21, 2025

An act to amend Section 31521 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1323, as amended, Chen. ~~Public retirement. County employees' retirement: administration: Orange County.~~

Existing law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment, as specified. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board.

This bill would authorize the above-described compensation rate to be increased by the board of retirement, for members in Orange County only, to not more than \$320 per meeting.

This bill would make legislative findings and declarations as to the necessity of a special statute for Orange County.

~~Existing law establishes that it is the intent and purpose of the Legislature, in enacting specified provisions of law, to safeguard the solvency of all public retirement systems and funds.~~

AB 1323

— 2 —

~~This bill would state the intent of the Legislature to enact legislation relating to public retirement.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 31521 of the Government Code is*
2 *amended to read:*

3 31521. (a) The board of supervisors may provide that the
4 fourth and fifth members, and in counties having a board consisting
5 of nine members or nine members and an alternate retired member,
6 the fourth, fifth, sixth, eighth, ninth, and alternate retired members,
7 and in counties having a board of investments under Section
8 31520.2, the fifth, sixth, seventh, eighth, and ninth members of
9 the board of investments, shall receive compensation at a rate of
10 not more than one hundred dollars (\$100) for a meeting, or for a
11 meeting of a committee authorized by the board, for not more than
12 five meetings per month, together with actual and necessary
13 expenses for all members of the board.

14 (b) *The compensation rate established by the board of*
15 *supervisors pursuant to subdivision (a) may be increased by the*
16 *board of retirement to a rate of not more than three hundred twenty*
17 *dollars (\$320). This subdivision shall apply only in a county of*
18 *the second class.*

19 *SEC. 2. The Legislature finds and declares that a special statute*
20 *is necessary and that a general statute cannot be made applicable*
21 *within the meaning of Section 16 of Article IV of the California*
22 *Constitution because of the unique circumstances facing Orange*
23 *County.*

24 ~~SECTION 1. It is the intent of the Legislature to enact~~
25 ~~legislation relating to public retirement.~~

O



**Active Participating
Employers:**

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN
& FAMILIES COMMISSION

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES
PUBLIC AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC
LAW LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

March 31, 2025

California Assembly, Public Employment and Retirement Committee

RE: Support for AB 1323 - An act to amend Section 31521 of the Government Code, relating to public employees' retirement.

Dear Members of the Assembly Committee:

We write on behalf of the Board of Retirement of the Orange County Employees Retirement System (OCERS) to respectfully request that the Committee and your colleagues in the Assembly vote in favor of AB 1323 (Chen). On February 19, 2025, the OCERS Board voted to introduce legislation amending Government Code Section 31521 to enable the Board to increase the compensation rate for board member meeting attendance. Thus, we fully support AB 1323.

Assembly Bill 1323 seeks to amend Government Code § 31521 under the County Employees Retirement Law of 1937 (CERL) to enable the OCERS Board to raise the per-meeting compensation for designated board members from the current statutory limit of \$100 to a maximum of \$320. The bill acknowledges the significant fiduciary and governance responsibilities of the OCERS Board, which oversees a system with over \$24 billion in assets. It provides a long-overdue method for adjusting compensation to better reflect the time and expertise required of board members.

Nearly forty years ago, in 1986, the Orange County Board of Supervisors adopted the \$100 per meeting rate pursuant to Section 31521. When adjusted for inflation, the value of \$100 in 1986 will be approximately \$300 in 2026, underscoring the need for an increase. This compensation is paid from OCERS' trust fund and does not draw from the county's general fund or taxpayer dollars. And the increase aligns with adjustments made for governing boards of other special districts in California.

Adopting AB 1323 is not just about adjusting figures; it's about ensuring that OCERS can maintain a strong and dedicated board of trustees equipped to meet the challenges of today's complex pension system landscape. We strongly believe the proposed increase will help us recruit and retain the experienced trustees we need to ensure our future success. We hope that OCERS' endorsement of AB 1323 will help you secure the passage of this bill. Please let us know if there is any way we can support that effort.

Sincerely,

Steve Delaney
Chief Executive Officer

Charles E. Packard
Chair of the OCERS Board of Retirement

P.O. Box 1229, Santa Ana, CA 92702 • Telephone (714) 558-6200 • www.ocers.org

"We provide secure retirement and disability benefits with the highest standards of excellence."



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: **HARASSMENT PREVENTION TRAINING**

Presentation

The OCERS Board's *Trustee Education Policy* regarding its purpose states:

"Trustees are also required to complete two hours of harassment prevention training every two years. (Gov. Code § 12950.1) Harassment prevention training is in addition to the 24 hour education requirement set forth in Gov. Code § 31522.8." (Section 4)

On April 21, the OCERS Board is scheduled to complete that two-hour mandatory training.

Ms. Alison Kalinski from Liebert Cassidy Whitmore will be our presenter. Her biography is attached.

Submitted by:



MS - Approved

Manuel D. Serpa
General Counsel

LCW



Alison R. Kalinski

Senior Counsel

310.981.2099
akalinski@lcwlegal.com



Alison Kalinski is an experienced litigator representing independent schools and public agencies, including cities, counties, and special districts before state and federal court, arbitrations, and administrative agencies. She represents clients on claims of harassment and discrimination, whistleblower retaliation, wage and hour violations, wrongful termination, failure to accommodate, defamation, First Amendment, and due process violations from employees. Alison has obtained workplace violence restraining orders to protect employees. In addition, Alison defends schools in litigation on student issues, including disability discrimination, failure to accommodate, breach of contract, and defamation claims.

Alison also regularly advises independent schools, including religious schools, nonprofit organizations, and public agencies in matters pertaining to employment and students. She is a trusted advisor to employers in all aspects of employment issues, including the hiring and termination of employees, the interactive process and leave requests, discrimination and harassment issues, investigations, overtime, layoffs, performance issues, employee handbooks and agreements. In addition to employment advice, Alison counsels schools on student and parent issues, including bullying, student discipline, accommodating disabilities, enrollment agreements, student handbooks, and parent and tuition disputes. Alison especially enjoys working with schools and nonprofit clients by helping them meet their legal obligations while achieving their mission and maintaining the values of their school and organization.

Alison is also an experienced presenter and regularly trains clients on preventing discrimination, harassment, and retaliation in the workplace, accommodating disabilities in the workplace, mandated reporting, investigations, and other employment matters.

Prior to joining Liebert Cassidy Whitmore, Alison practiced as a litigator in the New York City offices of two international law firms before relocating to Los Angeles. At her prior firms, Alison represented large private employers in class action litigation arising from gender discrimination and wage and hour matters, and obtained a full dismissal of all claims in both actions.

Committed to pro bono work, Alison obtained cancellation of removal under the Violence

Against Women Act for a victim of domestic violence and sex-trafficking and obtained asylum for a refugee from Cameroon who was tortured for being a homosexual.

While in law school, Alison served as managing editor of the Tulane Law Review. Upon her graduation magna cum laude, Alison clerked for the Honorable Steven M. Gold in United States District Court for the Eastern District of New York. Alison is admitted to practice in California and New York.

Expertise

Nonprofit

- [Employment Law](#)
- [Employment Litigation](#)
- [Workplace Investigations](#)

Private Education

- [Employment Law](#)
- [Litigation](#)
- [Workplace Investigations](#)

Public Employers

- [Employment Law](#)
- [Litigation](#)
- [Workplace Investigations](#)

Education

JD, Tulane Law School

BA, Washington University, St. Louis

Representative Matters

Administrative Hearings

Police Officer v. City (2016) - Following a two-day hearing, a Personnel Appeals Board upheld the termination of a Police Officer for dishonesty and failing to properly investigate and report domestic violence. The Police Officer responded to a call for a battery and arrived on the scene to find evidence of domestic violence. The Officer, however, failed to follow Department policies and procedures and adequately investigate the domestic violence. At the hearing, the Officer admitted his investigation was deficient and he could have done a better job. Even more troubling, however, is that when the Officer was investigated for failing to properly investigate the domestic violence, he provided misleading and dishonest statements. While the Officer stated he did not notice visible signs of domestic violence on the night of the incident, the body camera video plainly shows that he noticed an injury on the victim that night. The Board upheld his termination for dishonesty.

Litigation

Community College District v. Former Student (2024) - LCW obtained a workplace violence restraining order for a Community College District against a former student, following months

of escalating harassment and threats toward faculty and staff. Despite disciplinary actions, the former student's behavior worsened, including threats of violence against employees. The LCW team secured a temporary restraining order, and after a hearing, the court granted the restraining order, providing protection and relief for the College's employees.

Former Fire Chief v. City(2023) - A city manager terminated the fire chief for comments made at a public meeting and on a podcast that lacked compassion, sensitivity or judgment regarding civil unrest after George Floyd's murder. The former fire chief sued in U.S. District Court for retaliation in violation of Labor Code section 1102.5, retaliation for exercising his right to free speech in violation of the First Amendment, and violation of the Firefighters Procedural Bill of Rights Act. The LCW team won a motion to dismiss and then won a motion for summary judgment as to the remaining claims.

Community College District v. Former Employee (2023) - Convinced the court to grant a three-year Workplace Violence Restraining Order, preventing a former employee from harassing and threatening three community college district employees. The judge found that although the former employee has a First Amendment right to threaten another with a legal claim, the vulgar and threatening portion of the former employee's text messages had no legitimate purpose. This Restraining Order prohibits the former employee from contacting, approaching, or interacting with the three employees for three years.

Scott v. Azusa Pacific University, et. al(2019) - A former employee of the University's Campus Safety Department brought claims of wage and hour violations, wrongful termination, sexual harassment, retaliation, emotional distress, and workplace violence against the University. Plaintiff claimed that he was entitled to overtime for the time he spent socializing and going to the movies with the former Chief of the department, as well as for time he spent doing the Chief's homework. The firm obtained dismissal of the claim for sexual harassment on demurrer on the grounds that APU was exempt from the Fair Employment and Housing Act as a religious corporation. The firm then initially obtained summary adjudication on all causes of action except the wage and hour claims. On the wage and hour claims, the trial court found that while the employee was an exempt executive employee, a question of fact remained as to whether he was entitled to overtime compensation for the hours he was on-call, which the employee claimed was 24/7. The firm sought a writ of mandate from the Court of Appeal on the basis that the employee was not entitled to any additional pay for on-call time once he was found to be exempt from overtime. The Court of Appeal issued a coercive *Palma* notice to the trial court stating its intention to grant the peremptory writ of mandate. In response, the trial court scheduled a further hearing and then granted summary judgment to APU in its entirety.

Special District v. Former Employee (2019) - In this case, one employee assaulted another employee, without provocation, at the Special District workplace. The employee who was attacked did not know why the other employee assaulted him. The Special District terminated the attacker-employee, but thereafter, other employees saw him in the parking lot and they were concerned. The employee who was attacked feared he would be attacked again if he encountered the former-employee. Kalinski guided the employee's testimony in court about the attack and his fears that it could re-occur. In response, the court issued a permanent restraining order that keeps the attacker away from the employee and the worksite for three years.

Miller v. City of Los Angeles, et. al. (2015) – In a whistleblower retaliation federal lawsuit, the former Independent Assessor for the City of Los Angeles’s Fire Commission brought a lawsuit against the City and several individual defendants, alleging FEHA, § 1983, and Labor Code 1102.5 violations. The firm obtained complete summary judgment on all causes of action on behalf of the City, the Mayor, all five Fire Commissioners, and a Mayoral employee.

Publications

07/24/2024

To Pay Or Not To Pay? The Ninth Circuit Addresses Whether Work Time Is Compensable Or De Minimis

California Public Agency Labor & Employment Blog

11/02/2023

What Employers Need to Know about California’s New Reproductive Loss Leave Law

California Public Agency Labor & Employment Blog

08/24/2023

Raines v. U.S. Healthworks Medical Group Rains Down Liability Under FEHA To Business-Entity Agents

California Public Agency Labor & Employment Blog

04/24/2023

Five Considerations for Background Checks Of Nonprofit Volunteers

10/18/2022

Don’t Stay Silent In An Era of Quiet Quitting

California Public Agency Labor & Employment Blog

07/19/2022

The Government’s Flagpole or the Public’s? The U.S. Supreme Court Rules Against Boston in First Amendment Case

California Public Agency Labor & Employment Blog

04/22/2022

Must Have Employee Policies for California Nonprofits

03/15/2022

Masks May Come Off, But Is Remote Litigation Here To Stay?

California Public Agency Labor & Employment Blog

03/18/2021

What To Do When Employees Decline COVID-19 Vaccinations?

California Public Agency Labor & Employment Blog

02/17/2021

Do Good Mission; Do Good Employees

10/13/2020

Litigating During a Pandemic

California Public Agency Labor & Employment Blog

06/15/2020

Special Bulletin: The U.S. Supreme Court Rules That Title VII Protects LGBTQ Workers

LCW Special Bulletin

05/14/2020

Working From Home + Homeschooling - A Journey During A Pandemic

California Public Agency Labor & Employment Blog

10/07/2019

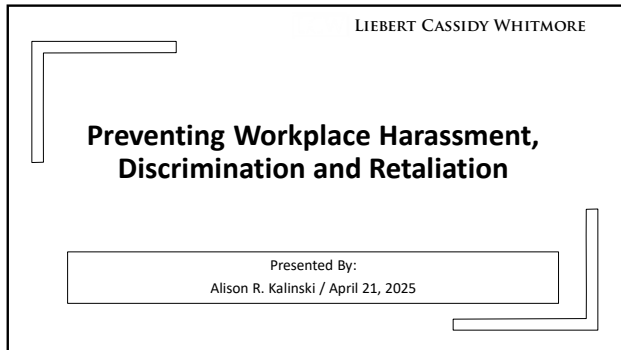
#MeToo 2.0: A Guide to Help Navigate New Workplace Harassment Laws

Western City Magazine

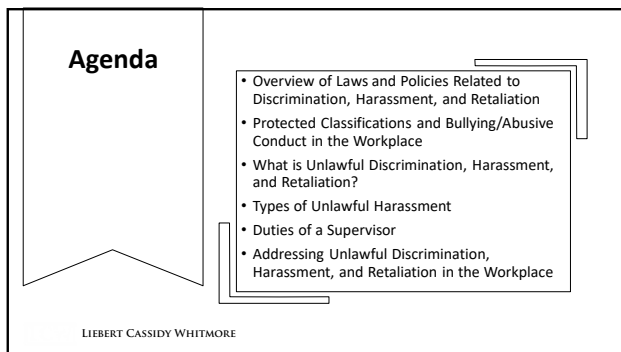
Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

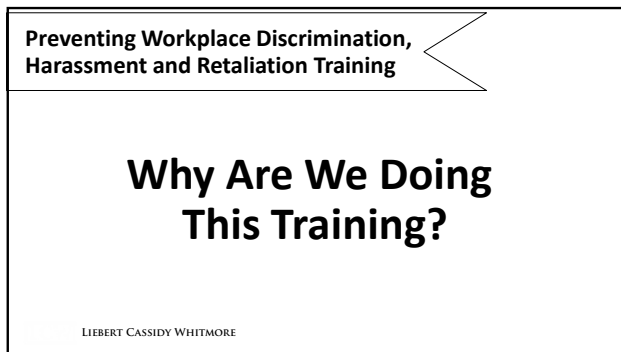
Presented by: Alison R. Kalinski



1



2



3

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Unlawful Harassment Unfortunately Still Takes Place....



LIEBERT CASSIDY WHITMORE

4

Preventing Workplace Discrimination, Harassment and Retaliation Training

**Should You Want To Be
at This Training?**

LIEBERT CASSIDY WHITMORE

5

Preventing Workplace Discrimination, Harassment and Retaliation Training

**So, What Do We Need to Know?
&
What Can We Do to Prevent It?**

LIEBERT CASSIDY WHITMORE

6

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

True or False?...

Harassment can be based upon any protected classification.

LIEBERT CASSIDY WHITMORE

7

True or False?...

Anti-harassment laws do not apply to volunteers and interns.

LIEBERT CASSIDY WHITMORE

8

True or False?...

Employees who report harassment must put their complaint in writing.

LIEBERT CASSIDY WHITMORE

9

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

True or False?...

Unlawful discrimination generally does not occur when a supervisor applies work rules uniformly.

LIEBERT CASSIDY WHITMORE

10

True or False?...

If an employee's religious beliefs preclude the employee from working with any gay, lesbian, or transgender employees, the employer has to reasonably accommodate the employee.

LIEBERT CASSIDY WHITMORE

11

True or False?...

If the employer is investigating a claim of harassment and the harassment stops, the employer may discontinue the investigation?

LIEBERT CASSIDY WHITMORE

12

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Overview of Laws and Policies Related to Discrimination, Harassment, and Retaliation

13

Sources of Law

- **Federal Law**
 - Equal Pay Act of 1963
 - Title VII of the 1964 Civil Rights Act
 - Age Discrimination in Employment Act (ADEA)
 - Americans with Disabilities Act (ADA)
 - 42 U.S.C. §§ 1981 and 1983
- **California Law**
 - Fair Employment and Housing Act (FEHA)
 - California Equal Pay Act

LIEBERT CASSIDY WHITMORE

14

Administrative Agencies

- **U.S. Equal Employment Opportunity Commission (EEOC)**
 - Federal Agency Administering Title VII, ADA, and ADEA Employment Discrimination Laws
- **Civil Rights Department of the State of California**
<https://civildiscrimination.ca.gov>
 - State Agency Administering FEHA Employment Discrimination Laws

LIEBERT CASSIDY WHITMORE

15

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Agency Policy

- The Agency's Policy Against Harassment, Discrimination and Retaliation
 - Prohibits employees and non-employees from discriminating, harassing and retaliating based on any protected status (all must be listed)
 - Protects applicants, volunteers, independent contractors and employees from being subject to prohibited conduct
 - Provides a complaint procedure for employees to report violations for the Agency to investigate
 - Identifies Civil Rights Department (formerly the Department of Fair Employment and Housing)/EEOC resources including website or link to training
 - Provides confidentiality to extent possible
 - Appropriate remedies for sustained violations

LIEBERT CASSIDY WHITMORE

16

Agency Policy

- Zero Tolerance
 - Single violation of Agency's policy can subject employee to appropriate disciplinary action even if violation would not establish liability or be a violation of state/federal law
- Distribution of Policy
 - Review with and provide to new and current employees with acknowledgement form to ensure receipt
 - Post in the workplace/intranet
 - Update policy when appropriate and notify employees of update

LIEBERT CASSIDY WHITMORE

17

Protected Classifications and Bullying/Abusive Conduct

18

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Unlawful Harassment?

What is Unlawful Harassment?

Is There Such a Thing as Lawful Harassment?

LIEBERT CASSIDY WHITMORE

19

Protected Classifications

- Sex/Gender/Gender Identity/Gender Expression
- Sexual Orientation
- Race/National Origin/Color
- Disability/Medical Condition
- Genetic Information/Characteristics
- Religious Creed
- Marital Status
- Military/Veteran Status
- Age (40 Years of Age and Older)
- Reproductive Health Decisionmaking
- Opposition to Discrimination/Harassment
- Association/Perception
- Based on a Combination of Any Two or More Protected Characteristics

**Note NEW protections for cannabis use (when off the job and away from the workplace)*

LIEBERT CASSIDY WHITMORE

20

Gender Identity / Expression

Employers **Must:**

- Permit employees to use the restroom that corresponds to the employee's gender identity/expression
- Refer to employees using the employee's preferred name, gender, and pronouns
- Designate single occupancy facilities using gender-neutral signage

LIEBERT CASSIDY WHITMORE

21

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Gender Identity / Expression

Employers **Must Not:**

- Enforce dress codes more harshly against an employee based on their gender identity/expression
- Discriminate against an applicant for failing to designate a gender or designating a gender that is inconsistent with the applicant's sex assigned at birth
- Inquire about or require documentation or proof of an individual's sex or gender

LIEBERT CASSIDY WHITMORE

22

Bullying/Abusive Conduct?

What About Bullying and Abusive Conduct in the Workplace?



LIEBERT CASSIDY WHITMORE

23

Bullying/Abusive Conduct Is Improper In The Workplace

- "Bullying/abusive conduct"
 - Conduct in the workplace with malice that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests
 - Includes verbal abuse, derogatory remarks/insults, threatening/intimidating/humiliating physical or verbal conduct, or undermining of a person's work performance
- Bullying/abusive conduct issues are generally covered by the agency's standards of conduct rules and such rules should be enforced

LIEBERT CASSIDY WHITMORE

24

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Bullying v. Unlawful Harassment

Both unlawful harassment and bullying consist of offensive conduct that is either pervasive or severe, and thus goes beyond mere incivility...

So, what's the difference?

LIEBERT CASSIDY WHITMORE

25

Bullying v. Unlawful Harassment

Protected Classification

LIEBERT CASSIDY WHITMORE

26

Difference Between Unlawful Harassment and Bullying

- Unlawful harassment is directed at membership in a protected classification
 - Therefore, it is unlawful
- Bullying is **NOT** necessarily directed at membership in a protected classification
 - Therefore, bullying is **NOT** unlawful
- While not necessarily unlawful, bullying/abusive conduct towards employees in the workplace is entirely inappropriate and should not be tolerated



LIEBERT CASSIDY WHITMORE

27

Preventing Workplace Harassment, Discrimination and Retaliation

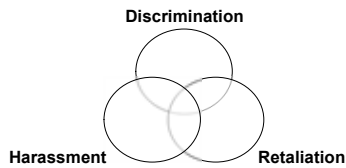
Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

What is Unlawful Discrimination, Harassment, and Retaliation?

28

Unlawful Discrimination, Harassment and Retaliation



LIEBERT CASSIDY WHITMORE

29

Unlawful Discrimination

Elements of Unlawful Discrimination

- An adverse employment action taken based on a protected classification

Adverse Employment Action =

- Action taken within the course and scope of employment
 - Hiring, firing, demotion, failure to promote, assignment of job duties, etc.

LIEBERT CASSIDY WHITMORE

30

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Unlawful Harassment

- Harassment is **NOT** within the course and scope of employment
- Verbal, visual, or physical actions that are unwelcome and directed to or related to an employee's protected classification
- Includes actions by/towards employees, independent contractors, vendors, and other non-employees

LIEBERT CASSIDY WHITMORE

31

Unlawful Retaliation

Elements of Unlawful Retaliation

- Protected activity – broad standard
 - Reporting discrimination or harassment
 - Participating in an investigation
 - Refusing to follow order reasonably believed to be discriminatory
- Adverse action – broad standard
- Causal connection

LIEBERT CASSIDY WHITMORE

32

Case Study

Daisy files a sexual harassment claim against her supervisor John. Susie, who is also supervised by John, participates in the investigation of this claim. John expresses annoyance with the investigation and complains to the other employees in the department that Susie is "looking for attention" and tells their higher-level supervisor that she is "difficult to work with," resulting in Susie's demotion to a lower position.

Has Susie been subjected to unlawful retaliation?

While this is going on, what if John ignores Daisy at work following the harassment complaint and leaves the room when she comes in because he does not want her to accuse him of anything else?

LIEBERT CASSIDY WHITMORE

33

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

What If You Are Accused?

- Refer the accuser to a superior, human resources, or upper management
- Report the accusation to your supervisor and to human resources
- Refrain from **ANY** action that could be interpreted as retaliation
- Seek constructive counseling from human resources/upper management
- Cooperate in the investigation
- Follow the agency's policy

LIEBERT CASSIDY WHITMORE

34

Types of Unlawful Harassment

35

Two Types of Harassment

1. Quid Pro Quo
("Economic")



2. Hostile Work Environment
("Environmental")



LIEBERT CASSIDY WHITMORE

36

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Quid Pro Quo Sexual Harassment ("Economic" Harassment)

Classic Example:

"Sleep with me and I'll make sure you get that promotion..."



LIEBERT CASSIDY WHITMORE

37

Quid Pro Quo Sexual Harassment ("Economic" Harassment)

Elements of "Economic" Harassment:

- Job benefits promised;
- Explicitly or implicitly;
- In exchange for:
 - Sexual favors; or
 - Denied if sexual favors are not given

LIEBERT CASSIDY WHITMORE

38

Case Study

Natalie is an Accountant within the City's Finance Department. One day in the Department's break room while getting her lunch, she confides to Chris, a Finance Manager, that she has applied for a Senior Accountant position, and that she desperately wants to get the promotion. Chris excitedly responds: "That's great! I'm actually on the interview panel for that recruitment, and I'm good friends with the other members of the panel. I can put in a good word for you!" She thanks him. Towards the end of the workday, Natalie gets a text message from Chris, asking her if she wants to grab a drink with him after work. Chris and Natalie have never socialized outside of work before.

Is Chris guilty of quid pro quo sexual harassment?

LIEBERT CASSIDY WHITMORE

39

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Case Study

Pete and Dan both work as Entry Level Dispatchers at the Police Department. They have worked together for a year and have the same level of experience at the Department. One day, Pete turns to Dan and says, "I know you've been wanting that extra overtime. Sleep with me and I'll make sure your overtime request gets approved."

Has Pete Engaged in Quid Pro Quo Sexual Harassment?

LIEBERT CASSIDY WHITMORE

40

Case Study

Brian and Alex, both Data Analysts, like to exchange memes that they find funny, using their Agency email addresses. One day, Brian accidentally copies Becky, another Data Analyst, on his email to Alex, which includes a meme ranking the breast size of various Hollywood actresses. Becky is immediately offended and complains to her supervisor.

***Is this quid pro quo sexual harassment?
If not, could this still constitute unlawful harassment in the workplace?***

LIEBERT CASSIDY WHITMORE

41

Hostile Work Environment ("Environmental" Harassment)

Elements of "Environmental" Harassment:

- Protected Classification
- Physical, Verbal, or Visual Conduct
- Objectively and Subjectively Offensive (Unwelcome)
- Severe **or** Pervasive
 - Single Incident May Establish Liability Under FEHA
- Unreasonably Interferes With Work

LIEBERT CASSIDY WHITMORE

42

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Hostile Work Environment ("Environmental" Harassment)

2019 Changes to California Law:

- Decline in productivity not required to establish harassment – it is sufficient that the conduct *"so altered working conditions as to make it more difficult to do the job."*
- A single incident of harassing conduct may be sufficient to create a hostile work environment
- Totality of the circumstances matter, including "stray remarks" by nondecisionmakers
- Standards do not vary by workplace
- Rarely determinable "on paper" alone

LIEBERT CASSIDY WHITMORE

43

Physical Conduct

Obvious Examples:

- Sexual assault
- Touching/Groping
- Physical intimidation

Less Obvious Examples:

- Massages
- Hugging



LIEBERT CASSIDY WHITMORE

44

Case Study – Verbal Conduct

Although Daniela was assigned at birth as a male, she recently began presenting as a female, consistent with her gender identity. She notified her co-workers of her new changed presentation as she previously presented as male, named Daniel. John and Ashley refuse to refer to Daniela by her name or female pronouns and still call her "Daniel" and frequently ask "him" why "he" uses the Women's Restroom and wears skirts.

Have John and Ashley created a hostile work environment?

LIEBERT CASSIDY WHITMORE

45

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Verbal Conduct

- Sexual comments
- Jokes
- Mocking accent
- Teasing
- Slurs



LIEBERT CASSIDY WHITMORE

46

Case Study – Visual Conduct

Ron arrives to work and finds a noose hanging in his office's doorway, with his co-workers and supervisor in the hallway looking at it and doing nothing. As an African-American, Ron is extremely offended and also embarrassed in front of his co-workers.

Has Ron been subjected to a hostile work environment?

LIEBERT CASSIDY WHITMORE

47

Visual Conduct

- Social media posts/images
- Emails
- Cartoons or drawings
- Gestures
- Staring/leering
- Sexual conduct/Affection between other employees at work

LIEBERT CASSIDY WHITMORE

48

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

“Gray” (Borderline) Areas

- “Private” and “consensual” relationships between supervisors and subordinates? (**Warning:** not for long!)
- Off-duty conduct
- Invitations to lunch, drinks or dinner
- References to appearance or dress
- Casual touching of non-intimate body parts
 - Hands on shoulders
 - Hands on waist
 - Hand on arm or leg

LIEBERT CASSIDY WHITMORE

49

Duties of a Supervisor

50

Who is a “Supervisor”?

- Anyone who has any responsibility or discretion to lead others

Government Code Section 12926(t)

LIEBERT CASSIDY WHITMORE

51

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Supervisor's Duty to Respond

- "Harassment... Shall be Unlawful if the Entity, or its Agents or Supervisors, **Knows or Should Have Known of This Conduct** and Fails to Take Immediate and Appropriate Corrective Action."

Government Code Section 12940(j)(1)

Supervisors have an obligation to report harassment, discrimination, and retaliation of which they become aware.

LIEBERT CASSIDY WHITMORE

52

Case Study

Lauren supervises a team of five employees, four of whom are male, and one of whom is female. Today, Lauren overheard the male employees standing around a food truck at lunch speculating on how their female colleague must be "in bed." The female colleague was not in the office and did not overhear the discussion.

Does Lauren have an obligation to take action even though the female employee was not there to overhear the discussion?

LIEBERT CASSIDY WHITMORE

53

Supervisor's Duty to Respond

- Report observed/overheard conduct
- Forward complaints/issues to management and Human Resources promptly, including:
 - Third-party complaints
 - Verbal complaints
 - Rumors

Remember:

The word "harassment" need not be used to trigger your duty to act

LIEBERT CASSIDY WHITMORE

54

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Supervisor's Duty to Respond

Don't Ignore the Response!

- Take immediate action and report/ follow-up on any harassment, discrimination, or retaliation complaints received
- Cooperate in the investigation
- Prevent further harassment
- Assure no retaliation



LIEBERT CASSIDY WHITMORE

55

Addressing Unlawful Discrimination, Harassment, and Retaliation in the Workplace

56

What Can the Agency Do?

- Appropriate corrective action
 - Conduct prompt and thorough investigation
 - (Confidentiality is limited)
 - Keep the victim informed
 - Discipline perpetrator appropriately
 - Preventative training to prevent future violations
 - Re-publish/update agency policy

LIEBERT CASSIDY WHITMORE

57

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Options for Resolution

- Follow the Agency's harassment policy complaint procedure
- The alleged victim can also take the following actions:
 - Report to the U.S. Equal Employment Opportunity Commission (EEOC)
 - Report to the Civil Rights Department of the State of California <https://civildrights.ca.gov>
 - Lawsuits in State or Federal Court

LIEBERT CASSIDY WHITMORE

58

Consequences – Agency Liability

- The **Agency** is liable for:
 - The conduct of **supervisors** who engage in unlawful harassment, discrimination, or retaliation
 - Failing to take all reasonable steps necessary to prevent harassment from occurring

LIEBERT CASSIDY WHITMORE

59

Consequences – Personal Liability

- **ALL** employees can be personally liable for engaging in unlawful harassment
- **Supervisors** can also be personally liable for condoning unlawful harassment or failing to act in response to an unlawful harassment complaint

LIEBERT CASSIDY WHITMORE

60

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Consequences – Damages

Damages Can Include:

- Back pay
- Emotional distress
- Punitive damages (individual employees)

LIEBERT CASSIDY WHITMORE

61

Prevention

- Never play favorites
- Report all complaints immediately
- Take all complaints seriously
- Monitor the workplace
- Follow the Agency's policy
- Be a good role model!

LIEBERT CASSIDY WHITMORE

62

***The Ultimate Goal is to Establish a
Workplace Defined By Courtesy,
Sensitivity, and Respect***

63

Preventing Workplace Harassment, Discrimination and Retaliation

Orange County Employees Retirement System (OCERS) | April 21, 2025

Presented by: Alison R. Kalinski

Thank You!

Alison R. Kalinski

Senior Counsel | Los Angeles

310-981-2000 | akalinski@lcwlegal.com

www.lcwlegal.com/our-people/alison-kalinski

LIEBERT CASSIDY WHITMORE

64

**Retirement Board Meeting****April 21, 2025****Application Notices**

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ALDAY, CRUZ	Sheriff's Dept	2/21/2025
ALIMOHAMMADI, GHOLAMREZA	County Executive Office (CEO)	2/21/2025
ALVAREZ, MARITZA	Health Care Agency	1/24/2025
ALVAREZ, THELMA	Social Services Agency	2/21/2025
APARICIO, MARIA	Social Services Agency	2/21/2025
AVILA, MICHAEL	Probation	2/21/2025
AVINA, NORA	Child Support Services	2/21/2025
BILARDO, ANTOINETTE	Sheriff's Dept	12/31/2024
BRANSCOME, MICHAEL	OCWR	2/21/2025
BROADWATER, JENNIFER	Health Care Agency	1/29/2025
BROADWATER, JOSHUA	Sheriff's Dept	1/30/2025
CABRAL, JAMES	Sanitation District	2/12/2025
CACHO, MA	Assessor	2/7/2025
CAHUE, AGUSTINA	Social Services Agency	1/11/2025
CASTELLANOS, VERONICA	Child Support Services	2/7/2025
CHAVARRIA, DEBRA	Social Services Agency	1/24/2025
CHEN, DIANE	Health Care Agency	2/3/2025
CHORN-MEY, MELLISA	Sheriff's Dept	2/7/2025
DUMAS, SEAN	Sheriff's Dept	3/11/2025
FRALEY, SHAWN	Fire Authority (OCFA)	1/24/2025
FUKUDA, DAVID	OCTA	2/16/2025
GALLARDO, RACHAEL	Child Support Services	1/10/2025
GARCIA, JOSE	OCTA	1/26/2025
GIANG, QUYEN	Assessor	3/7/2025
GILBERT, AARON	Sheriff's Dept	2/7/2025
GONZALES, JED	Sanitation District	1/24/2025
GRAY, BARBARA	Assessor	2/21/2025
GRECO, DEBORAH	Child Support Services	1/31/2025

**Retirement Board Meeting****April 21, 2025****Application Notices**

GUZMAN, DEBBIE	Social Services Agency	2/21/2025
HAGOS, ASMERET	Health Care Agency	2/7/2025
HECKER, JUDY	Superior Court	2/7/2025
HESELTINE, DAVID	Superior Court	2/1/2025
HOFFMAN-FITCH, LINDA	Child Support Services	2/21/2025
HOLTMAN, DAVID	Registrar of Voters	2/21/2025
HOOPES, MARTHA	Superior Court	2/7/2025
HOUL, PONDORY	Auditor Controller	2/7/2025
HOULIHAN, JAY	Social Services Agency	2/7/2025
JAMILI, DAPHNE	Sheriff's Dept	2/7/2025
JUAREZ, JOSE	OCTA	2/23/2025
KAURA, JAGJIT	Sanitation District	1/24/2025
KING, GARY	OCTA	3/4/2025
LANE, CHRISTINE	Health Care Agency	2/7/2025
LARWOOD, CHARLES	OCTA	2/4/2025
LEBLANC, TEARA	County Executive Office (CEO)	1/28/2025
LILIO, SHARON	Superior Court	3/7/2025
LIM, BELINDA	Health Care Agency	3/15/2025
LOW, PHILLIP	OCTA	2/21/2025
LUYEN, VYVYENNE	Social Services Agency	2/7/2025
MACHADO, KENNETH	Sheriff's Dept	2/7/2025
MANUEL, JOSE	Sheriff's Dept	2/21/2025
MARQUEZ, GERARDO	Sheriff's Dept	2/21/2025
MARTIN, ANN	Child Support Services	2/10/2025
MCCONNELL, TAMARA	Health Care Agency	2/21/2025
MCCOY, STACEY	Probation	2/21/2025
MEDINA, TAWNIA	Probation	1/24/2025
MENDOZA, JACKIE	Child Support Services	1/24/2025
MILONE, RON	OC Community Resources	2/21/2025
MORALES, JOSE	Sheriff's Dept	2/7/2025

**Retirement Board Meeting****April 21, 2025****Application Notices**

MORA-MARTINEZ, ALICIA	Social Services Agency	1/24/2025
MOSES, JEFF	Superior Court	2/21/2025
NAJERA, ROSANNA	Social Services Agency	2/21/2025
NEILSON, THOMAS	OC Public Works	2/7/2025
NGO, THUY	Probation	2/21/2025
PENROSE, PATRICIA	Superior Court	2/2/2025
PEREZ, JULIE	Sheriff's Dept	3/11/2025
PINCI, CHRISTINA	Superior Court	1/18/2025
RAMOS, JANA	Probation	12/27/2024
REAMAROON, NIPON	OCTA	2/23/2025
REDWOOD, MICHAEL	Probation	2/21/2025
REYNOLDS, BARRY	OCTA	1/26/2025
ROSALES, DONNA	Superior Court	2/7/2025
SAMPSON, LORI	OC Community Resources	3/7/2025
SAUERWEIN, KRIS	Child Support Services	2/2/2025
SCOTT, JENNIFER	Superior Court	3/7/2025
SHAMEL, MASSOUD	County Counsel	2/4/2025
SHARMA, SASHI	Child Support Services	1/10/2025
SNYDER, DARLENE	Health Care Agency	2/21/2025
SUCHOR, GLENN	Sanitation District	2/21/2025
SWEENEY, ALMA	County Executive Office (CEO)	2/7/2025
SWINT, ERIC	Auditor Controller	1/24/2025
TAN, SHEILA	Health Care Agency	2/19/2025
TRAN, NINA	Social Services Agency	2/21/2025
TRAN, TAM	Superior Court	1/24/2025
VERPLANK, ANITA	Superior Court	2/21/2025
VILLANUEVA, ALAN	Sheriff's Dept	1/3/2025
WATSON, DEBORAH	Superior Court	2/7/2025
WATT, SCOTT	OCTA	1/1/2025
WHALEN, HARVEY	Superior Court	2/7/2025



Retirement Board Meeting

April 21, 2025

Application Notices

WONG, HELEN

Sheriff's Dept

2/21/2025



Retirement Board Meeting

April 21, 2025

Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
DE NEVE, DANIEL	OC Community Resources
MICHEL, SCOTT ALFRED	OCTA

RETIRED MEMBERS	AGENCY/EMPLOYER
ANDERSON, SCOTT	OC Public Works
ARGUELLES, JOHN	Social Services Agency
BALLARD, DAVID	OCTA
BEVANS, BARBARA	Social Services Agency
BREEN, JOSEFINA	UCI
BREKER, DONNA	Health Care Agency
COX, CATHERINE	John Wayne Airport
DAILEY, SHEILA	Social Services Agency
DAVILA, DAVID	John Wayne Airport
DAVIS, ERROL	OCTA
EVANS, RAY	Health Care Agency
GRUNDEL, ANA	District Attorney
HALL, MARY	OCTA
HARDIN, JACQUELINE	Health Care Agency
JOHNSON, JACQUELINE	County Clerk/Recorder
JOHNSON, LEO	Health Care Agency
KNOY, HOMER	OC Public Works
LOHREY, KENNETH	Sheriff's Dept
LONG, MARILYN	OCTA
MCQUEENEY, JAMES	OC Public Works
MEADOWS, LAURA	Superior Court
MERWIN, JAMES	Public Defender
MUIR, IRMA	Auditor Controller
PHAM, THERESA	Social Services Agency
RAITH, JOHN	OCTA
RECHT, WILLIAM	OC Public Works
REES, MICHAEL	OC Community Resources
RICHARDS, BETTY	Health Care Agency
RICHMAN, DOROTHY	District Attorney
SCHMIDT, CHARLES	Sheriff's Dept
SHEA, RUTH	Probation
TANKENSON, JANICE	Social Services Agency
TEVES, EDITHA	Sheriff's Dept
THOMAS, JOYCE	Sheriff's Dept
ULHMEYER, LAURA	Social Services Agency
VANZANT, MARTHA	County Clerk/Recorder



Retirement Board Meeting

April 21, 2025

Death Notices

VU, CHIU	Health Care Agency
WHITE, NANCY	District Attorney
WILKINSON, DON	OC Community Resources
WILLIAMS FRANCES	Social Services Agency
WINDHAM, CURTIS	John Wayne Airport
YOUNG, CHARLES	Health Care Agency

SURVIVING SPOUSES	
ALVAREZ, REMIJIO	
ARRIOLA, ANNETTE	
CARDELLO, NADINE	
DAVIS, JEAN	
DAVIS, LLOYD	
HOIN, EDWARD	
KITTRELL, YVONNE	
LE, LUCY	
MC GUIRE, DOLORES	
MONZINGO, LISCIA	
WILSON, JOHN	

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

**PERSONNEL COMMITTEE MEETING
Tuesday, October 8, 2024
8:30 A.M.**

MINUTES

OPEN SESSION

Chair Hilton called the meeting to order at 8:31 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Roger Hilton, Chair; Shawn Dewane, Vice Chair; Charles Packard, Board Member; Richard Oates, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott (Zoom), Assistant CEO of Internal Operations; David Kim, Assistant CEO of External Operations; Manuel Serpa, General Counsel; Cynthia Hockless, Director of Human Resources; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Will Tsao, Director of Enterprise Project Management Office; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary; Tracy Bowman, Director of Finance; Rafael Lopez, Retirement Benefits Program Supervisor; Charles Barfield (CB), General Manager for the Orange County Employees Association (OCEA)

CONSENT AGENDA

C-1 PERSONNEL COMMITTEE MEETING MINUTES

Personnel Committee Meeting Minutes

August 27, 2024

Recommendation: Approve minutes.

A **Motion** by Mr. Dewane, **seconded** by Mr. Oates, to approve staff's recommendation to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

Orange County Employees Retirement System
October 8, 2024
Personnel Committee Meeting

A-2 PROPOSED 2025 STAFFING PLAN

Presentation by Steve Delaney, CEO, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: Approve and recommend the Board of Retirement approve the following items related to the 2025 Staffing Plan to be presented at the October 21, 2024, Board meeting:

- A.** Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct and fund with the removal of the following two vacant positions:
 - a. Deputy General Counsel – OCERS Direct
 - b. Retirement Benefits Technician – County

At the August 27, 2024, Personnel Committee meeting, the following positions were approved to bring to the Board with the 2025 budget:

- B.** Add one IT Intern position to the Information Technology Department – Extra Help
- C.** Add two Investment Analyst positions to the Investment Department – OCERS Direct

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.

After discussion, a **Motion** by Mr. Packard, **seconded** by Mr. Dewane, to approve and recommend the Board of Retirement add the position of a Chief Technology Officer to the Executive Department and fund with the removal of the vacant Deputy General Counsel and Retirement Benefits Technician positions.

Mr. Oates recommended obtaining more information regarding other retirement systems' comparative staffing levels before presenting the Chief Technology Officer (CTO) position to the Board for approval.

Mr. Dewane suggested developing a policy according to the National Institute of Standards and Technology (NIST) framework to support the budget for IT and Information Security. Mr. Oates also suggested establishing and implementing these policies prior to hiring for the position.

The motion passed **unanimously**.

PUBLIC COMMENT

Mr. Barfield from the Orange County Employees Association (OCEA) commented on the Gallagher Classification and Compensation report from the prior Personnel Committee meeting minutes. The OCEA will be working with staff to address the recommendations from Gallagher. Once the Board adopts the outcome from the Gallagher report, OCEA will facilitate a survey to evaluate County employee interest in becoming OCERS Direct. If there is a substantial interest in becoming OCERS Direct, OCEA would then pursue the legislative activity to proceed. If the results of the survey reflect no interest, the process would then stop. Chair Hilton responded to Mr. Barfield stating that the Committee is waiting for the benefits portion of the Classification and Compensation report before making a recommendation to the Board.

INFORMATION ITEMS

DocuSign Envelope ID: BACC3B24-B20C-480A-9037-695F6791AE94

Orange County Employees Retirement System
October 8, 2024
Personnel Committee Meeting

I-1 UPDATE ON OUTREACH REGARDING EMPLOYER DATA

*Presentation by Silviu Ardeleanu, Director of Member Services & Employer Relations Section,
and David Kim, Assistant CEO of External Operations, OCERS*

Mr. Ardeleanu provided an update regarding the employer data policy implementation and outreach progress.

CEO/COMMITTEE MEMBER/COUNSEL/STAFF COMMENTS

None.

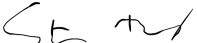
Chair Hilton **ADJOURNED** the meeting at 9:34 A.M.

Submitted by:


DocuSigned by:

C3FEC03C3717411...
Cynthia Hockless
Liaison

Submitted by:

DocuSigned by:

G00D5744FF39463...
Steve Delaney
Secretary to the Board

Approved by:

DocuSigned by:

27DA17D0F23344E...
Shawn Dewane
Chair

-71:9436Ä.6;25782Ä0-*(Ä)!)"-!"Ä,%""Ä\$,#"Ä+ '(Ä,\$\$/'!&"!"

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

**GOVERNANCE COMMITTEE MEETING
Friday, November 1, 2024
9:30 a.m.**

MINUTES

The Chair called the meeting to order at 9:34 a.m.

Recording Secretary administered the roll call.

Attendance was as follows:

Present: Chris Prevatt, Chair; Arthur Hidalgo, Vice-Chair; Roger Hilton, Board Member; Richard Oates, Board Member.

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; David Kim, Assistant CEO, External Operations; Rosie Baek, Staff Attorney; Jenny Sadoski, Director of IT; Todd Tauzer, Segal, Senior Vice President & Actuary; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Bill Singleton, Paralegal; Will Tsao, Director of Enterprise Project Management Office; Kwame Addo, Chief Compliance Officer; Amanda Evenson, Executive Secretary; Carolyn Nih, Executive Secretary; Jeff Lamberson, Director of Retirement Operations - Member Services; Phillip Lam, Director of Internal Audit; Marielle Horst, Executive Secretary; Joon Kim, Staff Attorney; Mark Adviento, Senior Internal Auditor; Jenny Davey, Internal Auditor; Brenda Shott, Assistant CEO, Finance and Internal Operations; Adam Cupp, Member of the Public; Liza Le, Member of the Public; Nikhil Daftary, Member of the Public; Jingle Doan, Member of the Public; Bryan Drinkward, Member of the Public; Anthony Beltran, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

August 15, 2024

MOTION by Mr. Hidalgo, **seconded** by Mr. Hilton, 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.

-71:9436Ä.6;25782Ä0-*(Ä)!)!"-!"Ä,%""Ä\$,#"Ä+ '(Ä,\$\$/'!&"!"

Orange County Employees Retirement System
November 1, 2024
Governance Committee Meeting – Minutes

Page 2

A-2 TRIENNIAL REVIEW OF THE DISPOSITION OF SURPLUS PROPERTY POLICY

Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations

Recommendation: Approve, and recommend that the Board adopt, revisions to the Disposition of Surplus Property Policy.

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

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE PAY ITEM REVIEW POLICY

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

Recommendation: Approve and recommend that the Board adopt revisions to the Pay Item Review Policy.

After discussion, **MOTION** by Mr. Hidalgo, **seconded** by Mr. Hilton to adopt staff's recommendations.

The motion passed **unanimously**.

A-4 TRIENNIAL REVIEW OF THE RECORDS MANAGEMENT POLICY

Presentation by Manuel Serpa, General Counsel

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

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff's recommended revisions to the Policy, with the following additions/changes:

- "The Chief Executive Officer ("CEO") may authorize the request to exceed the retention schedule beyond the period shown on the Retention Schedule by designating it as an archival record..."
- Increase the retention period of the Investment Manager Contracts to "Active + 7 years."
- Move the Background Checks category under the Recruitment Process Records.
- Remove the Legal Memoranda and other Attorney Work Product record category.
- Change the retention period of the Compliance Program Documents to "Active + 7 years."
- Remove the full Communications category from the Policy.

The motion passed **unanimously**.

A-5 OFF-CYCLE REVIEW OF THE MEMBERSHIP ELIGIBILITY REQUIREMENTS POLICY

Presentation by Manuel Serpa, General Counsel

-71:9436Ä.6;25782Ä0-Ä)!)!"-!Ä,%""Ä\$,#"Ä+ '(Ä,\$\$/'!&"!"

Orange County Employees Retirement System
November 1, 2024
Governance Committee Meeting – Minutes

Page 3

Recommendation: Approve and recommend the Board adopt revisions to the Membership Eligibility Requirements Policy.

After discussion, the Committee provided direction to staff to continue to meet with Employers before the first Governance Committee meeting in 2025 to ensure all issues are addressed and provide an update on current progress with Employers at the December Board meeting.

The Committee provided further direction to staff to create an additional policy that will address working retirees.

The Committee recessed for break at 10:45 a.m.

The Committee reconvened from break at 10:58 a.m.

The Chair administered the Roll Call attendance.

A-6 CONSIDERATION OF AN EMPLOYER DATA POLICY

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

Recommendation: Consider and provide guidance on the current draft of an Employer Data Policy.

After discussion, Committee consensus was to return Policy back to staff for further development.

With the Employers expressing concern regarding the possible addition of fee implementation language to the draft policy, the committee agreed to the following schedule:

1. Year one, the fee implementation language will be shared in the policy cover memo each time it is reviewed, and benchmarks for employer progress will be provided for the end of year one. If an employer does not meet its benchmark at the end of the one-year review, the fee implementation language will be immediately adopted and available for staff to use in future interactions.
2. Year two, the fee implementation language will again be shared in the policy cover memo each time it is reviewed, and new benchmarks for employer progress will be provided for the end of year two. If an employer does not meet its benchmark at the end of the year two review, the fee implementation language will be immediately adopted and available for staff to use in future interactions.
3. At the end of year three, at the time of the policy's triennial review, the fee implementation language will be immediately adopted and available for staff to use in future interactions.

The Committee also provided direction to staff to continue to meet with Employers to discuss the next draft of the policy and to provide the future committee members a quarterly update on the progress with Employers. The Committee discussed the potential implementation of the AB 2284 definition of "grade."

A-7 REVIEW OF THE OCERS ADMINISTRATIVE PROCEDURE ON THE TOPIC OF THE DIVISION OF RETIREMENT BENEFITS UPON DIVORCE

Presentation by Rosie Baek, Staff Attorney

-71:9436Ä.6;25782Ä0-*(Ä)!)!"-!Ä,%""Ä\$,#"Ä+ '(Ä,\$\$/'!&"!"

Orange County Employees Retirement System
November 1, 2024
Governance Committee Meeting – Minutes

Page 4

Recommendation: Review and recommend that the Board approve the revisions to the OCERS Administrative Procedure on the Topic of the Division of Retirement Benefits Upon Divorce.

After discussion, **MOTION** by Mr. Hidalgo, **seconded** by Mr. Hilton to adopt staff's recommendations.

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 STRATEGY TO PREPARE FOR ACTUARIAL SURPLUS IN OCERS ACTUARIAL FUNDING POLICY

Presentation by Todd Tauzer, Segal

The Committee provided direction to staff to schedule a similar presentation at the 2025 Strategic Planning Workshop to inform the Board on the glide plan for Surplus Management Process within the Actuarial Funding Policy. The Committee provided additional direction to begin planning for surplus after the Strategic Planning Workshop by meeting with plan sponsors to discuss the implementation of a glide plan and begin discussing updating the Actuarial Funding Policy with the Governance Committee meeting in 2026.

COMMITTEE MEMBER COMMENTS

Mr. Hidalgo and Mr. Oates thanked Mr. Prevatt for his work as the committee chair.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney shared that the information item will count as 1-hour of education for the Committee members

COUNSEL COMMENTS

None.

ADJOURNMENT

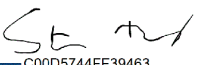
Chair adjourned meeting at 12:12 p.m.

Submitted by:

DocuSigned by:


A2F2C5E9E4FA4F6...

Manuel Serpa
General Counsel/Staff Liaison

DocuSigned by:

C00D5744FF39463...

Steve Delaney
Chief Executive Officer/Secretary

Approved by:

Signed by:

57A155CB86EB460...

Arthur Hidalgo
Chair

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

**BUILDING COMMITTEE MEETING
Wednesday, January 15, 2025
9:30 A.M.**

MINUTES

Chair Lindholm called the meeting to order at 9:33 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Arthur Hidalgo, Board Member; Adele Lopez Tagaloo, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Nicholas Acevedo, Gensler; JT Theeuwes, Gensler; Roger Torriero, Griffin Structures (Zoom); Deryl Robinson, Griffin Structures; John Rochford, Snyder-Langston; Adam Schneider, Snyder-Langston; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 COMMITTEE MEETING MINUTES:

Building Committee Meeting Minutes

October 3, 2024

Recommendation: Approve minutes.

A **Motion** by Mr. Hidalgo, **seconded** by Ms. Lopez Tagaloo, to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

Orange County Employees Retirement System
January 15, 2025
Building Committee Meeting – Minutes

Page 2

No items were trailed from the Consent Agenda.

A-2 OCERS REPLACEMENT HEADQUARTERS PROJECT – QUARTERLY UPDATE

Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS, and Gensler

Recommendation: Direct staff to remove the perimeter fence option from the building design plan for the OCERS Replacement Headquarters Project.

Mr. Theeuwes and Mr. Acevedo from Gensler presented an update on the OCERS Replacement Headquarters Project including the schedule and process, site, exterior building design, and interior planning.

The Gensler team discussed the requirements for incorporating fencing around the property. The City of Santa Ana stated that the fencing between the West side and the North side properties must be a solid masonry wall. Furthermore, the fencing on Tustin Avenue and Wellington Avenue is only allowed to be a 42-inch-high fence, which is less than Gensler's recommendation of a 60-inch-high fence. Ms. Shott stated that a masonry wall would increase maintenance. Mr. Lindholm commented that the current OCERS Headquarters does not have fencing and that the 24-hour security is sufficient. Ms. Lopez Tagalao stated that eliminating the fence would support the goal of creating a warm and inviting area.

After discussion, a **Motion** by Ms. Lopez Tagalao, **seconded** by Mr. Hidalgo, to direct staff to remove the perimeter fence option from the building design plan for the OCERS Replacement Headquarters Project.

The motion passed **unanimously**.

The Gensler team and the Committee discussed the exterior building design main plaza options. Mr. Lindholm commented that he wanted to see the entrance highlighted more. Mr. Hidalgo commented that the fountain option would require additional maintenance and increase the cost. Ms. Lopez Tagalao expressed a preference for the fountain to create a serene environment and a sense of peace and tranquility for the OCERS members and staff. After deliberation, the Committee and staff recommended that Gensler proceed with developing the entrance design to include a fountain along with the plaza and grove.

Regarding the exterior building design for the Boardroom, the Committee discussed options on what to include on the perforated panel. They stated their concern with putting the logo on the panel because logos are likely to change over time. They asked that the project team continue to look at options for either the full OCERS name, art or plain for the perforated panel.

Mr. Robinson from Griffin Structures presented the quarterly project status report and overall project development summary schedule. He discussed the continued efforts with the Verizon cell tower as well as initiating discussions with So Cal Edison for the movement of dry utilities. Design Development Plans have been commenced.

Mr. Lindholm asked Mr. Robinson to discuss some of the comments received back from the City of Santa Ana specifically those related to water run-off.

Orange County Employees Retirement System
January 15, 2025
Building Committee Meeting – Minutes

Page 3

INFORMATION ITEMS

I-1 PROPOSED 2025 BUILDING COMMITTEE MEETING SCHEDULE

Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS

The Committee directed staff to proceed with scheduling the upcoming 2025 Building Committee meetings on April 2nd, July 30th, and October 8th.

The Committee adjourned to Closed Session at 10:51 A.M.

CLOSED SESSION

E-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)

Property: 1200 N. Tustin Ave., Santa Ana, CA 92705

Agency negotiator: Brenda Shott

Negotiating parties: All existing tenants under lease at the above-noted property.

Under negotiation: Price and payment terms of lease, lease renewal, or lease renegotiation.

Recommendation: Take appropriate action.

The Committee returned from Closed Session at 10:59 A.M.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION - Mr. Serpa noted there was no reportable action for item E-1.

WRITTEN REPORTS

R-1 BUILDING COMMITTEE REVIEW OF ACTIVITIES

Written Report

CEO COMMENTS

Mr. Delaney recommended communicating with the Griffin Structures team regarding the decision to proceed with an L-shape building design to address the recommended beautification efforts.

COMMITTEE MEMBER COMMENTS

Mr. Hidalgo welcomed Ms. Lopez Tagaloa to the Building Committee.

Ms. Lopez Tagaloa expressed that she is looking forward to contributing to great discussions and providing her input for the new OCERS headquarters.

COUNSEL COMMENTS

Mr. Serpa updated the Committee on the FPPC (Fair Political Practices Commission) annual gift limit increasing from \$590 to \$630 for 2025.

Ms. Shott informed the Committee that the CPI (Consumer Price Index) for Los Angeles, Long Beach, and Anaheim was released today. The CPI is a 3.4% increase for the 12 months ended December 31, 2024, which will be the input Segal uses to calculate the COLA (Cost of Living Adjustment).

DocuSign Envelope ID: 10FDF434-CFB4-4539-9534-AE9FB0C151E5

Orange County Employees Retirement System
January 15, 2025
Building Committee Meeting – Minutes


Page 4

STAFF COMMENTS

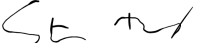
None.

The meeting **ADJOURNED** at 11:02 A.M.


Submitted by:

DocuSigned by:

CD71C40C87B4408...
Brenda Shott
Staff Liaison to the Committee

Submitted by:

DocuSigned by:

C00D5744FF39403...
Steve Delaney
Secretary to the Committee

Approved by:

DocuSigned by:

3DAD00A9E35B4F2...
Wayne Lindholm
Chair

,6098325A-5:14671A/,(A-."-+):!A\$***A#*)A& \$'A#,')#.%"" %

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

**AUDIT COMMITTEE MEETING
TUESDAY, FEBRUARY 11, 2025
9:00 A.M.**

MINUTES

OPEN SESSION

Chair Lopez Tagaloa called the meeting to order at 9:02 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Adele Lopez Tagaloa, Chair; Iriss Barriga; Board Member; Charles Packard, Board Member (via Zoom)

Also Present: Steve Delaney, Chief Executive Officer; David Kim, Assistant CEO of External Operations, Brenda Shott, Assistant CEO of Internal Operations; Manuel Serpa, General Counsel; Philip Lam, Director of Internal Audit; Mark Adviento, Senior Internal Auditor; Jenny Davey, Internal Auditor; Esther Hong, Internal Auditor; Michelle Pak, Audio Visual Technician; Marielle Horst, Recording Secretary.

Absent: Shari Freidenrich, Vice Chair

Guests: *Chris Kalafatis, Stacey Gill, Madhu Maganti, and Peter Tsengas, Baker Tilly; Alfred Ko, Joe Strain, Baru Sanchez, and Jane Schneider, RSM; and Mike Del Giudice and Trevor Krause, Crowe LLP.*

Mr. Packard provided a statement regarding his participation via Zoom, citing *AB2429 Just Cause*.

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 APPROVE AUDIT COMMITTEE MEETING MINUTES

Audit Committee Meeting Minutes

December 12, 2024

MOTION by Mr. Packard, **seconded** by Ms. Lopez Tagaloa, to approve the Consent Items.

,6098325Ä-5:14671Ä/,(Ä-."-+):!Ä\$***Ä#**)Ä& \$'Ä#,)'#.%" %

Orange County Employees Retirement System
February 11, 2025
Audit Committee Meeting

The motion passed with two votes, Ms. Barriga abstained.

ACTION ITEMS

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

None.

A-3 CONSIDERATION OF 2025 RISK ASSESSMENT AND AUDIT PLAN

Presentation by Philip Lam, Director of Internal Audit, and Mark Adviento, Senior Internal Auditor

Recommendation: Approve the 2025 Risk Assessment and Audit Plan.

Mr. Lam presented the 2025 Risk Assessment and Audit Plan. In the first half of the year, there will be audits on Investment Due Diligence and Investment Compensation Calculation Review.

Mr. Delaney questioned if the Audit team will require additional assistance from an Investment expert for the upcoming audits. Mr. Lam confirmed the Audits focus on procedures and are within the scope of the department; however, if they are directed to do additional investigations that are outside of their scope, they would need support.

In the second half of the year, there will be an audit on Service Credit Purchases (SCP). Ms. Lopez Tagaloa requested to add the County Registrar Office to the Audit Plan. Mr. Packard sought clarification on how a member could purchase service credit. Mr. Serpa confirmed that a member can buy back all, or a portion of the credits. Mr. Delaney commended Jeff Lamberson and the Member Services Department for cleaning up the SCP process, reducing the amount of time it takes to calculate.

Ms. Lopez Tagaloa directed Internal Audit to provide a matrix of the audits that were presented throughout the years. Mr. Adviento noted a matrix is available in the Risk Assessment Matrix. Ms. Lopez Tagaloa confirmed she would like to see a simpler form of the matrix.

MOTION by Mr. Packard, **seconded** by Ms. Barriga, to approve the 2025 Risk Assessment and Audit Plan.

The motion passed **unanimously**.

The Committee recessed for break at 9:30 a.m.

The Committee reconvened from break at 9:43 a.m.

The Recording Secretary administered Roll Call attendance, noting Mr. Packard was not in attendance.

Mr. Packard arrived at 9:54 am.

A-2 IT AUDIT CONSULTANT FINALIST INTERVIEWS

Introduction by Philip Lam, Director of Internal Audit

,6098325Ä-5:14671Ä/,(Ä-."-+):.Ä\$***Ä#**)Ä& \$'Ä#,')#.%"" %

Orange County Employees Retirement System
February 11, 2025
Audit Committee Meeting

Presentations by Chris Kalafatis, CPA, Baker Tilly; Mike Del Giudice, Principal, Crowe LLP; and Alfred Ko, Risk Consultant, RSM.

Recommendation: Staff recommends awarding the contract (subject to satisfactory negotiation of terms) to perform co-sourced IT audits, to one of the three finalists, based on the firm's presentation, responsiveness to the Audit Committee's questions, and the written proposal submitted.

Mr. Lam introduced the candidates for the IT Audit Consultant interviews. BakerTilly, RSM, and Crowe, LLP, presented their firm's capabilities to serve OCERS and fulfill the contract.

The Committee recessed for break at 10:23 a.m.

The Committee reconvened from break at 10:31 a.m.

The Recording Secretary administered Roll Call attendance, noting Mr. Packard was not in attendance.

Mr. Packard arrived at 11:24 am.

After discussion, a **MOTION** by Mr. Packard, **seconded** by Ms. Barriga, to award the contract to RSM.

The motion passed **unanimously**.

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Committee requests discussion.

R-1 REPORTING OF INTERNAL AUDIT KEY PERFORMANCE INDICATORS

Written Report

R-2 MANAGEMENT ACTION PLAN VERIFICATION REPORT

Written Report

R-3 AUDIT COMMITTEE REVIEW OF ACTIVITIES

Written Report

COMMITTEE MEMBER COMMENTS

Mr. Packard thanked the Audit Committee for his ability to participate via Zoom.

Ms. Barriga thanked the Audit Committee and staff for making her first Committee meeting easy.

Ms. Lopez Tagaloa thanked the Audit Committee and staff for her first meeting as Chair.

CHIEF EXECUTIVE OFFICER COMMENTS

Mr. Delaney reminded the Committee that the upcoming Board meeting will be on Wednesday, February 19th, due to the holiday.

,6098325Ä-5:14671Ä/,(Ä-."-+)!.Ä\$***Ä#**)Ä& \$'Ä#,')#.%"" %

Orange County Employees Retirement System
February 11, 2025
Audit Committee Meeting

STAFF/COUNSEL COMMENTS

None.

ADJOURNMENT

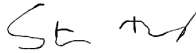
Chair Lopez Tagaloa adjourned the meeting at 12:46 p.m.

Submitted by:

Signed by:

D1340A2B2E654B6...
Philip Lam
Committee Liaison

Submitted by:

DocuSigned by:

C00D5744FF39463...
Steve Delaney
Secretary to the Board

Approved by:

Signed by:

D4180179322C41D...
Adele Lopez Tagaloa
Chair



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

MAY 2025

- Preliminary December 31, 2024 Valuation
- Review of OCERS Multiple Plans
- Quarterly Unaudited Financial Statements
- Quarterly Budget vs Actual Report

JUNE 2025

- Preliminary December 31, 2024 Valuation - Final Approval
- Strategic Planning Workshop – Proposed Agenda
- GASB 68 Valuation and Audit Report
- Audited Financial Statements and Annual Comprehensive Financial Reports
- CIO Comments

JULY 2025

- Fiduciary Training
- Approve Early Payment Rates for Fiscal Year 2025-2027
- Strategic Planning Workshop – Proposed Agenda
- SEGAL Cost Illustrations
- Quarterly 2025-2027 Strategic Plan Review
- Contract Status for Named Services Providers
- CIO Comments

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2025 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight	Receive Quality of Member Services Report (I)	Approve 2025 COLA (A)	Approve 2025 STAR COLA (A)	SACRS Board of Directors Election and Business Meeting Direction (A)	Preliminary December 31, 2023 Valuation (I)	Approve December 31, 2024 Actuarial Valuation & Funded Status of OCERS (A)	Approve Early Payment Rates for Fiscal Year 2025-27 (A)	Receive OCERS by the Numbers (I)	Strategic Planning Workshop (I)	Approve 2026-2028 Strategic and Business Plan (A)	Approve 2026 Administrative (Operating) Budget (A)	Annual OCERS Employer Review (I)
	Receive OCERS Innovation Report (I)	Initial STAR COLA Posting (I)	Quarterly Unaudited Financial Statements (I)	Quarterly 2025-2027 Strategic and Business Plan Review (I)	Quarterly Unaudited Financial Statements (I)	Approve 2024 Comprehensive Annual Financial Report (A)	Quarterly 2025-2027 Strategic and Business Plan Review (I)	Receive Evolution of the UAAL (I)	State of OCERS (I)	SACRS Business Meeting Direction (A)	Annual CEO Performance Review and Compensation (A)	
	Annual Disability Statistics (I)	Annual Overpaid And Underpaid Plan Benefits Report (I)	Quarterly Budget vs Actual Report (I)		Quarterly Budget vs Actual Report (I)			Quarterly Unaudited Financial Statements (I)		Annual CEO Performance Review (Closed Session) (A)	Quarterly Unaudited Financial Statements (I)	
	Quarterly 2025-2027 Strategic and Business Plan Review (I)	Annual Report of Contracts >\$100,000 (I)	Quarterly Travel and Training Expense Report (I)		Quarterly Travel and Training Expense Report (I)			Quarterly Budget vs Actual Report (I)		Name a Labor Negotiator for CEO Compensation process (A)	Quarterly Budget vs Actual Report (I)	
								Quarterly Travel and Training Expense Report (I)		Quarterly 2025-2027 Strategic and Business Plan Review (I)	Quarterly Travel and Training Expense Report (I)	
										Propose 2025 Board Meeting Calendar (I)		
Board Governance											Vice-Chair Election (A)	Adopt Annual Work Plan for 2026 (A) Receive 2026 Board Committee Appointments (I)
Regulation / Policies	Communication Policy Fact Sheet (I)											
Compliance	Status of Board Education Hours for 2024 (I) Annual Information Security Summary (closed session) (I)	Annual Policy Compliance Report (I)	Semi Annual Business Continuity Disaster Recovery Updates (I)	Form 700 Due (A)		Receive Financial Audit (I)				Semi Annual Business Continuity Disaster Recovery Updates (I)		

(A) = Action

(I) = Information



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report Background/Discussion

1. **Quiet Period Policy Guidelines**

The following guidelines established by the Quiet Period Policy, section 3.c, will govern a search process for any contract to be awarded by OCERS:

“...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;”

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed Requests for Proposals (RFP):

“From the date of issuance of this RFP until the selection of one or more respondents is completed and announced, respondents are not permitted to communicate with any OCERS staff member or Board Members regarding this procurement, except through the Point of Contact named herein. Respondents violating the communications prohibition may be disqualified at OCERS’ discretion. Respondents having current business with OCERS must limit their communications to the subject of such business.”

Distributed RFP’s

The RFP and RFQ’s noted below are subject to the quiet period until such time as a contract is finalized.

- Σ An RFP for Independent Medical Evaluation Services was distributed in July. This RFP is to select at least one vendor that can coordinate medical examinations for the OCERS Disability department. Four Proposals were received September 13th. Two vendors were selected for which we are currently developing the contract(s).
- Σ An RFP for Information Technology Audit & Consulting Services was distributed late October. This is to bid-out services currently performed by RSM whose 6-year maximum contract expires June of 2025. Seven (7) Proposals were received with three finalists were selected that provided presentations to the Audit Committee on February 11, 2024. A finalist was selected to receive a contract award for which we are currently negotiating a contract.
- Σ An RFQ for Securities Litigation Monitoring Services was distributed January 9th. Additional monitoring firms are needed and so this RFQ was distributed. Fourteen (14) solicitations were received and contracts with two selected firms were put into place: Labaton Keller Sucharow LLP, and Saxena White P.A. This RFQ is now completed.

- Σ To help manage Investment risks, an RFP was distributed to find a firm that can provide an Investments Risk Management System. Six Proposals were received that are currently being evaluated. Preliminary interviews are scheduled for Mid-April.
- Σ An RFP for Fiduciary Counsel Services was distributed early March. The intent is to put into place a new contract as the incumbent contract with Reed Smith expires June 30, 2025. Five Proposals were received that are currently being evaluated.

Submitted by:





Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: BOARD COMMUNICATIONS

Written Report

Background/Discussion

To ensure that the public has free and open access to those items that could have bearing on the decisions of the Trustees of the Board of Retirement, the OCERS Board has directed that all written communications to the entire Board during the interim between regular Board meetings be included in a monthly communications summary.

News Links

The following news and informational item was provided by the CEO for distribution to the entire Board:

From Steve Delaney, CEO:

- Σ Bill Gates: Within 10 years, AI will replace many doctors and teachers—humans won't be needed 'for most things' <https://www.cnbc.com/2025/03/26/bill-gates-on-ai-humans-wont-be-needed-for-most-things.html>

From Mary-Joy Coburn, Director of Communications:

- Σ NASRA News Clips

Other Items: (See Attached)

- Σ Monthly summary of OCERS staff activities and updates, starting with an overview of key customer service metrics, for the month of FEBRUARY 2025.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



MONTHLY ACTIVITIES AND UPDATE REPORT



February 2025

ocers.org



OCERS Activities and Update Report

February 2025

To the members of the OCERS Board of Retirement,

The following is my regular monthly summary of OCERS' team activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for February 2025.

MEMBER SERVICES MONTHLY METRICS

Month	Retirement Apps Received			Service Credit Purchases				Customer Service Statistics					
	2023	2024	2025	Requests Received	Remaining in Queue	Requests Completed	Cost Notifications Provided within 45 Days	Unplanned Recalculations	Member Satisfaction Approval Rate	Calls Received via Call Center	Calls Direct to Extension	Calls Received by Operator	Total Calls (monthly)
January	244	278	206	65	1	64	100%	4	95%	2,351	3,719	968	7,038
February	152	151	121	52	9	43	100%	1	93%	2,501	3,695	1,103	7,299
March	135	68											
April	54	82											
May	60	63											
June	45	43											
July	28	52											
August	45	45											
September	46	49											
October	54	53											
November	50	75											
December	39	69											
Grand Total	952	1028	327	117	10	107	100%	5	188%	4,852	7,414	2,071	14,337

MEMBER SURVEY RESPONSES

"I learned I could retire sooner than expected! The RPS corrected my own misinformation. She was kind and compassionate too." – **February 2025**

"The RPS has been very knowledgeable & professional in her presentation. She is a very sincere & super nice person with a lot of patience. You have such a great person working for you at the retirement system." – **January 2025**

"The RPS was extremely helpful and informative about my situation." – **December 2024**



OCERS Activities and Update Report

February 2025

ACTIVITIES

Random Acts of Kindness Day – February 17

The People Engagement Committee marked Random Acts of Kindness Day with a heartfelt celebration centered on generosity and gratitude in the workplace. This staff-led event featured a delicious cake, encouragement notecards, interactive opportunities for colleagues to connect, and thoughtful reminders about the importance of self-kindness. The event was warmly received, creating an uplifting and inspiring atmosphere for all.



Winter Executive Team Offsite- February 20

The OCERS Executive Team had the opportunity to meet offsite and learn more about psychological safety, coaching and project prioritization. The learning opportunity was well received as noted in a confidential survey held after the fact.



Meeting with Interim County CEO- February 28

On February 28 Trustee Roger Hilton and I met for with Supervisor Nguyen and her staff, our first meeting since her recent election.

We took along some pages from prior OCERS BY THE NUMBERS documents, showing OCERS was at 67% funding, and a portfolio of \$11 billion when she left the County Board of Supervisors at the end of 2014, and we are today 82%+ funded, with more than \$23 billion in assets. She was impressed and asked when we would hit 100% funding. We let her know the actuary projects that would occur in the 2033 time period, depending of course upon investments over the coming years. She asked if OCERS had an ESG investment program, which would have been a concern, but we assured her while OCERS is always aware of the impact of climate and other related issues on our investments, we do not have a program that proactively invests in ESG funds.



OCERS Activities and Update Report

February 2025

UPDATES- DEPARTMENTS

INVESTMENTS

Ms. Walander-Sarkin reports:

As of January 31, 2025, the portfolio year-to-date is up 1.6% net of fees, while the one-year return is up 11.3%. The fund value now stands at \$24.7 billion. The OCERS Investments Team closed on one re-up private equity fund, one re-up unique strategies fund, and one new core plus real estate open-end fund during February. The OCERS Investments Team held its 2025 project/goal setting meeting during the month. This process involved the entire OCERS Investments Team getting together to discuss team projects for the year across the following categories: technology, operations/compliance/legal, communications/reporting, portfolio management, team development, strategy and vision, and automation. Additionally, the OCERS Investments Team worked on preparing the items for the March Investment Committee Meeting during the month.

OPERATIONS SUPPORT SERVICES

Mr. Tse reports:

Facilities and Operations Support

- Replaced a malfunctioned drinking water dispenser in HQ building.
- Resolved Tustin medical building elevator malfunction.
- Completed HQ building fire alarm/sprinkler system testing and repairs.
- Handled HQ building roof storm leaks.
- Replaced all fire extinguishers within HQ building with new.

HUMAN RESOURCES

Ms. Hockless reports:

In February, OCERS promoted two employees: one to the position of Accountant/Auditor I and the other to Senior Investment Analyst. Additionally, OCERS welcomed back a returning Extra Help Retirement Program Specialist to assist with the Member Services Department's busy season.

During the month, the HR Department reviewed 579 applications, organized two exam sessions, and conducted one on-site interview.

YEAR-TO-DATE OVERVIEW:

As of February 25, 2025, OCERS had a budgeted workforce of 135 positions. At that time, there were 121 employees on payroll, leaving 14 vacancies and resulting in a **vacancy rate of 10.37%**. February experienced



OCERS Activities and Update Report

February 2025

one new separation due to resignation, bringing the year-to-date total to two and yielding a **turnover** rate of **1.65%**.

COMMUNICATIONS

Ms. Coburn reports:

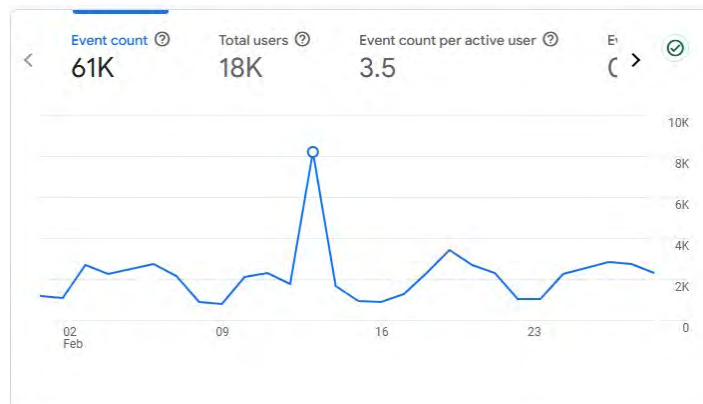
February was a dynamic month for member communications. We distributed the Winter Newsletter, highlighting key topics such as the upcoming COLA adjustment, updates on the Social Security Fairness Act, retiree medical benefits—a top inquiry among those nearing retirement—and details on our 80th anniversary celebration. Across all platforms, we shared 60 social media updates and published four news updates on our website.

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	1,203 (+112 since January 2025)
Twitter (X)	607
Instagram	193 (+6 since January 2025)
Facebook	235 (+8 since January 2025)

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

OCERS WEBSITE



Top Pages Visited	Views
Homepage	26,460
About OCERS	2,578
Benefits Calculator	1,942
Board Meetings	1,852
COLA and Star	1,528

For the period between February 1st through February 28th, the agency website had 60,805 views.



OCERS Activities and Update Report

February 2025

MEMBER SERVICES

MEMBER SERVICES OUTREACH/SEMINARS

Mr. Lamberson reports:

The Customer Service team participated in a number of outreach events during the month of February 2025. The events were well attended, with members engaged and asking relevant retirement questions.

- 02.05.2025 – OC Sanitation Retirement Planning Session - Gema Garcia
- 02.07.2025 – OCFA Firefighter Academy - Erika Gonzales
- 02.11.2025 – OCFA Pre-Retirement Seminar - Erika Gonzales
- 02.19.2025 – OCTA Pre-Retirement Seminar - Christine Guerrero and Erika Gonzales
- 02.20.2025 – OCTA Pre-Retirement Seminar - Christine Guerrero and Erika Gonzales
- 02.26.2025 – OCTA Pre-Retirement Seminar - Christine Guerrero and Erika Gonzales
- 02.26.2025 – OCERS Virtual Pre-Retirement Seminar - Steven Ismael

EMPLOYER DATA AND NEW PAS

Mr. Ardeleanu reports:

As part of the ongoing effort to collect data from Employers, OCERS facilitated the first All Employer Quarterly meeting of 2025 on Wednesday, February 25. The meeting was well-attended, and OCERS, together with the Employers, discussed key topics, including the Employer Data Policy, the Employer Handbook, known challenges, and upcoming meetings.

A key focus of the meeting was the Employer Handbook. The OCERS team continues to work on providing more specific details and addressing gaps in the information requested from Employers. Prior to the meeting, a revised draft of the Employer Handbook was shared with Employers and further distributed to additional participants after the session.

A status update was provided by David Kim, Assistant CEO, External Operations, February 26, 2025 Employer Informational Update Meeting.



OCERS Activities and Update Report

February 2025

UPDATES- PROJECTS

VISION 2030

February marked significant milestones in our automation and infrastructure projects. We successfully concluded our contract with Roboyo, completing the SCP processing bot development and deployment. Additionally, the FAS reconciliation bot has been fully implemented, improving efficiency in our retirement processes. Internally, we developed and deployed the Termination Notices bot, further enhancing automation capabilities.

We are also advancing additional internal automation efforts, focusing on data cleansing and process optimization. Bots currently under development aim to streamline tasks such as closing pending participant accounts with zero balances and automating the student verification letter process, further improving data accuracy and operational efficiency.

Beyond IT, substantial work was dedicated to the new PAS IT Strategic Roadmap, aligning technology initiatives with long-term organizational goals. These advancements reflect our continued commitment to process automation, operational efficiency, and digital transformation under Vision 2030.

ALAMEDA PROJECT

Alameda I

All our milestones associated with Alameda I are completed. The remaining project close out activities will begin being worked once Alameda II is complete.

Alameda II

In February, the team was able to complete the remaining 8 members for March's payroll cycle. This significant milestone marks the beginning of the completion of our Alameda project!

Additionally, the team received and verified the remaining transmittal adjustment files for OCSD Active members impacted for Alameda II. This action is important because it contributes to our data quality of what is in our current V3 system and helps us ensure accuracy for our OCSD Active members that were impacted for Alameda II.



OCERS Activities and Update Report

February 2025

MASTER REPOSITORY PROJECT (MRP)

Mr. Tsao reports:

In February, we continued our Phase 2 of the MRP. The OCERS team agreed on temporarily slowing down the urgency for completion of Phase 2 to enable our limited resources to focus on the new Pension Administration System project work. This does not mean OCERS staff will not make any progress on the MRP; instead, it simply means progress for the next few months may be slower than normal. The target completion date for Phase 2 of MRP is end of 2025. There are no major concerns with meeting this deadline.

For February, the writing team finalized 5 documents and advanced work on 38 procedural documents. The EPMO team worked with departments that will be involved in Phase 2 to ensure smooth completion of target procedures.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the April 21, 2025 meeting of the OCERS Board of Retirement.



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: LEGISLATIVE UPDATE

Written Report

State Legislative Update

The California Legislature reconvened on January 6, 2025, for the first year of the 2025 – 2026 Legislative Session. The Legislature will adjourn for Spring Recess on April 10th and will reconvene on April 21st. May 2nd will be the last day for policy committees to hear and report to fiscal committees the fiscal bills introduced to their house.

New or updated information since the last report to the Board is indicated in bold text.

SACRS Sponsored Bills

None to report.

Bills That Would Amend the CERL or Other Laws (PEPRA, the Brown Act, etc.) That Apply to OCERS

AB 259 (Rubio)

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act authorizes the legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified requirements, including that the local agency post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public.

Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Existing law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Existing law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative

teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less.

This bill would remove the January 1, 2026, date from those provisions, thereby extending the alternative teleconferencing procedures indefinitely.

Existing law authorizes a member to participate remotely pursuant to the alternative teleconferencing provisions described above under specified circumstances, including participating due to emergency circumstances. Under existing law, the emergency circumstances basis for remote participation is contingent on a request to, and action by, the legislative body, as prescribed.

Existing law generally requires the legislative body of the local agency or its designee, at least 72 hours before a regular meeting, to post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session, as specified. Existing law, until January 1, 2026, authorizes a legislative body, notwithstanding that provision, to consider and take action on a request from a member to participate in a meeting remotely due to emergency circumstances if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made, as specified.

This bill would remove the January 1, 2026, date from that provision, thereby extending the authorization for a legislative body of a local agency to consider and take action on a request from a member to participate in a meeting remotely due to emergency circumstances as described above indefinitely.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced on 01/16/25. Referred to Com. on L. GOV. on 02/10/25.)

AB 409 (Arambula)

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate

from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified.

Existing law, until January 1, 2026, authorizes a California Community College student body association and other specified student-run community college organizations to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the board of trustees of the community college district has adopted an authorizing resolution and $\frac{2}{3}$ of an eligible legislative body votes to use the alternate teleconferencing provisions, as specified.

This bill would delete the January 1, 2026, sunset date, thereby authorizing California Community College student body associations and student-run community college organizations to use the above-described alternate teleconferencing provisions indefinitely.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced on 02/04/25. Referred to Coms. on L. GOV. and Higher ED. on 02/18/25.)

AB 467 (Fong)

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified.

Existing law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and $\frac{2}{3}$ of the neighborhood city council votes to use alternate teleconference provisions, as specified. This bill would extend the authorization for specified neighborhood city councils to use the alternate teleconferencing provisions described above until January 1, 2031.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect. This bill would make legislative findings and declarations as to the necessity of a special statute for the neighborhood councils of the City of Los Angeles.

(STATUS: Introduced on 02/06/25. Referred to Com. on L. GOV. on 02/18/25.)

AB 569 (Stefani)

PEPRA on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with PEPRA, as specified. Among other things, PEPRA prohibits a public employer from offering a defined benefit pension plan exceeding specified retirement formulas, requires new members of public retirement systems to contribute at least a specified amount of the normal cost, as defined, for their defined benefit plans, and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement. PEPRA prohibits a public employer from offering a supplemental defined benefit plan if the public employer did not do so before January 1, 2013, or, if it did, from offering that plan to an additional employee group after that date. This bill would, notwithstanding that prohibition, authorize a public employer, as defined, to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an exclusive bargaining representative of one or more of the public employer's bargaining units.

(STATUS: Introduced on 02/12/25. Referred to Com. on P. E. & R. on 02/24/25.)

AB 1067 (Quirk-Silva)

PEPRA, requires a public employee who is convicted of any state or federal felony for conduct arising out of, or in the performance of, the public employee's official duties in pursuit of the office or appointment, or in connection with obtaining salary, disability retirement, service retirement, or other benefits, to forfeit all accrued rights and benefits in any public retirement system from the earliest date of the commission of the felony to the date of conviction, and prohibits the public employee from accruing further benefits in that public retirement system.

This bill would require a public employer that is investigating a public employee for misconduct arising out of the actions described above, to continue the investigation even if the public employee retires while under investigation. The bill would require a public employer, if the investigation indicates that the public employee may have committed a crime, to refer the matter to the appropriate law enforcement agency. Under the bill, if a felony conviction results arising out of any conduct described above, the public employee would forfeit all accrued rights and benefits in any public retirement system pursuant to the provisions described above. By

imposing new duties on public employers who are local governmental entities, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above. (STATUS: Introduced. Read first time on 02/20/25.)

AB 1323 (Chen) – Applicable only to OCERS

The CERL, authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment, as specified. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board.

This bill would authorize the above-described compensation rate to be increased by the board of retirement, for members in Orange County only, to not more than \$320 per meeting. This bill would make legislative findings and declarations as to the necessity of a special statute for Orange County.

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. on 03/24/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended. Re-referred to Com. on P. E. & R. on 03/25/25.)

SB 239 (Arreguin)

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified.

Existing law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and $\frac{2}{3}$ of the neighborhood city council votes to use alternate teleconference provisions, as specified.

This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the

subsidiary body to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting.

The bill would require the legislative body that established the subsidiary body electing to use teleconferencing pursuant to these provisions to establish the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter. The bill would require the subsidiary body to approve the use of teleconference by $\frac{2}{3}$ vote before using teleconference pursuant to these provisions.

The bill would exempt from these alternative teleconferencing provisions a subsidiary body that has subject matter jurisdiction over police oversight, elections, or budgets. The bill would require any member of a subsidiary body who is an elected official to comply with specified agenda and quorum requirements to participate in a meeting through teleconferencing pursuant to this section, and would require any final recommendations adopted by a subsidiary body to be presented at a regular meeting of the legislative body that established the subsidiary body.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced on 01/30/25. Referred to Coms. on L. GOV. and JUD. on 02/14/25.)

SB 301 (Grayson) – Amended in Assembly on 3/24/2025

The CERL prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions. **Existing law prohibits a resolution, ordinance, contract, or contract amendment under CERL from providing retirement benefits for some, but not all, general members of a county or district.**

This bill, beginning on or after January 1, 2026, would prohibit a city or district that contracts with a retirement system under CERL from amending their contract with the system in a manner that provides for the exclusion of some, but not all, employees.

(STATUS: Introduced. Read first time. to Com. on RLS. for assignment on 02/10/25. Referred to Com. on RLS. on 02/19/25. **From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS. on 03/24/2025. Re-referred to Com. on L., P.E. & R. on 04/02/25.)**

SB 443 (Rubio)

PEPRA requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan for employees first hired on or after January 1, 2013. Existing law, the Joint Exercise of Powers Act, generally authorizes 2 or more public agencies, by agreement, to jointly exercise any common power, which may include hiring employees and establishing retirement systems.

Existing law authorizes a joint powers authority to offer defined benefit plans or formulas that are not PEPRA plans or formulas, provided that the plans or formulas were those the employees received prior to the creation of the authority, the employees are not new members under PEPRA, and they are employed by the authority within 180 days, as specified.

This bill would also authorize a joint powers authority to offer those defined benefit plans or formulas to a member agency that is a non-founding member of the joint powers authority, for employees who are not new members under PEPRA and are employed by the joint powers authority within 180 days of the agency becoming a member agency.

(STATUS: Introduced on 02/18/25. Referred to Com. on L., P. E. & R. on 02/26/25. From committee: Do pass as amended and re-refer to Com. on APPR. on 03/26/25. Read second time and amended. Re-referred to Com. on APPR on 03/27/25.)

SB 470 (Laird)

The Bagley-Keene Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act authorizes meetings through teleconference subject to specified requirements, including, among others, that the state body post agendas at all teleconference locations, that each teleconference location be identified in the notice and agenda of the meeting or proceeding, that each teleconference location be accessible to the public, that the agenda provide an opportunity for members of the public to address the state body directly at each teleconference location, and that at least one member of the state body be physically present at the location specified in the notice of the meeting.

The act authorizes an additional, alternative set of provisions under which a state body may hold a meeting by teleconference subject to specified requirements, including, among others, that at least one member of the state body is physically present at each teleconference location, as defined, that a majority of the members of the state body are physically present at the same teleconference location, except as specified, and that members of the state body visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, except as specified. The act authorizes, under specified circumstances, a member of the state body to participate pursuant to these provisions from a remote location, which would not be required to be accessible to the public and which the act prohibits the notice and agenda from disclosing. The act repeals these provisions on January 1, 2026. This bill would delete the January 1, 2026 repeal date, thereby authorizing the above-described additional, alternative set of teleconferencing provisions indefinitely.

The act authorizes a multimember state advisory body to hold an open meeting by teleconference pursuant to an alternative set of provisions that are in addition to the above-described provisions generally applicable to state bodies. These alternative provisions specify requirements, including, among others, that the multimember state advisory body designates the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting, observe and hear the meeting, and participate, that at least one staff member of the state body to be present at the primary physical meeting location during the meeting, and that the members of the state body visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, except as specified. Existing law repeals these provisions on January 1, 2026. This bill would delete the January 1, 2026 repeal date, thereby authorizing the above-described alternative set of teleconferencing provisions for multimember state advisory bodies indefinitely.

The act, beginning January 1, 2026, removes the above-described requirements for the alternative set of teleconferencing provisions for multimember state advisory bodies, and, instead, requires, among other things, that the multimember state advisory body designates the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting and participate. This bill would repeal those provisions.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

(STATUS: Introduced on 02/19/25. Referred to Coms. on G.O. and JUD. on 02/26/25. **From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on 03/25/25.**)

SB 707 (Durazo)

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. This bill would, until January 1, 2030, require a city council or a county board of supervisors to comply with additional meeting requirements, including that all open and public meetings include an opportunity for members of the public to attend via a two-way telephonic option or a two-way audiovisual platform, as defined, that a system is in place for requesting and receiving interpretation services for public meetings, as specified, and that good faith efforts are made to encourage residents to participate in public meetings, as specified. By imposing additional meeting requirements on city councils and county boards of supervisors, this bill would impose a state-mandated local program.

Existing law requires a legislative body of a local agency or its designee, at least 72 hours before a regular meeting, to post an agenda that meets specified requirements, including that the agenda contain a brief general description of each item of business to be transacted or discussed at the meeting, as specified.

This bill would also require the agenda to be provided in English and in all other languages spoken jointly by 20% or more of the population in the county in which the local agency is located that, among other things, speaks English less than "very well," as specified. By imposing additional agenda requirements on legislative bodies of

local agencies, this bill would impose a state-mandated local program. Existing law requires every agenda for regular meetings to provide an opportunity for members of the public to directly address the legislative body on any item of interest of the public, as specified. Existing law specifies that the agenda is not required to provide an opportunity for members of the public to address the legislative body on any item that has already been considered by a committee, as specified. This bill would remove the provision related to an item that has already been considered by a committee.

Existing law authorizes the legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified general requirements, including that the local agency post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified.

Existing law authorizes members who are outside the jurisdiction of a health authority, as defined, that conducts a teleconferencing meeting to, notwithstanding the above-described general teleconference provisions, count towards the establishment of a quorum when participating in the teleconference if, among other things, at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction.

Existing law, authorizes, in certain circumstances, the legislative body of a local agency to use specified alternative teleconferencing which include provisions related to, among others, notice of the means by which members of the public may access the meeting and offer public comment and identifying and including an opportunity for all persons to attend via a call-in option or an internet-based service option. Those circumstances in which the legislative body of a local agency is authorized to use the alternative teleconferencing provisions include specified circumstances relating to a state of emergency, as defined, and, until January 1, 2026, subject to specified limitations, a member's need to participate remotely due to just cause or emergency circumstances, as defined.

Existing law also authorizes certain eligible legislative bodies, including neighborhood councils and student body associations and student-run community college organizations to, until January 1, 2026, use alternate teleconferencing if, among other requirements, the city council or board of trustees, as applicable, has adopted an authorizing resolution and $\frac{2}{3}$ of the neighborhood city council or specified student organization, as applicable, votes to use alternate teleconference provisions, as specified.

This bill would revise and recast the above-specified alternative teleconferencing provisions to uniformly apply certain noticing, accessibility, and public commenting provisions. The bill would require a legislative body of a local agency that elects to use teleconferencing pursuant to these alternative teleconferencing provisions to comply with specified requirements, including that the legislative body provides at least either two-way audiovisual platform or two-way telephonic service and a live webcasting of the meeting as a means by which the public may, among other things, remotely hear and visually observe the meeting, and that a member of the legislative body who participates in a teleconference meeting from a remote location is listed in the minutes of

the meeting. The bill would require the local agency to identify and make available to legislative bodies a list of meeting locations that the legislative bodies may use to conduct their meetings.

The bill would instead authorize a health authority, as defined, to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions.

The bill would revise and recast the alternative teleconferencing provisions applicable in a state of emergency, as defined. The bill would also include a local emergency, as defined, as a circumstance in which a legislative body of a local agency is authorized to use the alternative teleconferencing provisions.

The bill would revise and recast the alternative teleconferencing provisions applicable in cases of a member's need to participate remotely due to just cause or emergency circumstances, as defined, to remove the provision applicable to emergency circumstances and to broaden the definition of just cause to include a physical or family medical emergency that prevents a member from attending in person. The bill would extend the authorization to use the alternative teleconferencing provision until January 1, 2030.

The bill would revise and recast the alternative teleconferencing provisions applicable to neighborhood councils and student body associations and student-run community college organizations and would extend the authorization to use the alternative teleconferencing provision until January 1, 2030.

The bill would, until January 1, 2030, also authorize specified subsidiary bodies of local agencies to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions, provided that it complies with the requirements for alternative teleconferencing described above and additional requirements, including that the subsidiary body designates a primary physical meeting location where members of the public may physically attend, observe, hear, and participate in the meeting, as specified. The bill would, until January 1, 2030, also authorize specified multijurisdictional bodies of local agencies to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions, provided that it complies with the requirements for alternative teleconferencing described above and additional requirements, including that the eligible multijurisdictional body has adopted a resolution that authorizes the multijurisdictional body to use teleconferencing at a regular meeting in open session. Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason. (STATUS: Introduced. to Com. on RLS. for assignment on 02/21/25. Read first time on 02/24/25. **Referred to Coms. on L. GOV. and JUD. on 3/12/2025.**)

Other Bills of Interest

AB 288 (McKinnor)

Existing law declares the public policy of the state regarding labor organization, including, among other things, that it is necessary for a worker to full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Existing law establishes the Public Employment Relations Board (PERB) in state government as a means of resolving disputes and enforcing the statutory duties and rights of specified public employers and employees under various acts regulating collective bargaining. Under existing law, PERB has the power and duty to investigate an unfair practice charge and to determine whether the charge is justified and the appropriate remedy for the unfair practice.

This bill would expand PERB's jurisdiction by authorizing a worker, as defined, who is subject to the National Labor Relations Act (NLRA) as of January 1, 2025, and who petitions the National Labor Relations Board (NLRB) to vindicate their rights to full freedom of association, self-organization, and designation of representatives of their own choosing, but who does not receive an effective response or remedy within the specified statutory timeframe, to petition PERB to vindicate those rights, as specified. The bill would authorize PERB to, among other things, decide unfair labor practice cases, as specified, and order all appropriate relief for a violation, including civil penalties. The bill would establish the Public Employment Relations Board Enforcement Fund (fund) in the State Treasury, require the above-described civil penalties to be deposited into the fund, and would make moneys in the fund available upon appropriation by the Legislature for PERB to fund increased workload. (STATUS: Introduced on 01/22/25. Referred to Com. on P. E. & R. on 02/10/25. **From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/24/25. Re-referred to Com. on P.E. & R. on 03/25/25.)**

AB 339 (Ortega)

The Meyers-Milias-Brown Act contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Existing law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations.

Existing law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions.

This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other

exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. If the recognized employee organization demands to meet and confer within 30 days of receiving the written notice, the bill would require the public agency and recognized employee organization to promptly meet and confer in good faith, as specified. By imposing new duties on local public agencies, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement shall be made pursuant to these statutory provisions for costs mandated by the state pursuant to this act, but would recognize that a local agency or school district may pursue any available remedies to seek reimbursement for these costs.

(STATUS: Introduced. Read first time on 01/28/25. Referred to Com. on P. E. & R. on 02/18/25. **From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR on 03/19/25.)**

AB 340 (Ahrens)

Existing law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation. The bill would also prohibit a public employer from compelling a public employee, a representative of a recognized employee organization, or an exclusive representative to disclose those confidential communications to a third party. The bill would not apply to a criminal investigation or when a public safety officer is under investigation and certain circumstances exist.

(STATUS: Introduced on 01/28/25. Referred to Com. on P. E. & R. on 02/18/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/05/25. Re-referred to Com. on P. E. & R. on 03/06/25. **From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 03/19/2025.)**

AB 814 (Schiavo)

The Personal Income Tax Law, in conformity with federal income tax law, generally defines "gross income" as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income. This bill, for taxable years beginning on or after January 1, 2025, and before January 1, 2030, would exclude from gross income qualified payments received by a taxpayer during the taxable year. The bill would define qualified payments to mean either amounts received from a pension plan the taxpayer is the beneficiary of based on services performed as a peace officer, as defined, or amounts received as the beneficiary of an annuity plan set up for the surviving spouse or dependent of a person that lost their life in services as a peace officer, as specified. Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals that the tax expenditure will achieve, detailed performance indicators, and data collection requirements.

This bill also would include additional information required for any bill authorizing a new tax expenditure. The bill would require the Franchise Tax Board to provide any data requested by the Legislative Analyst's Office to

write the report, as provided, and would make taxpayer information received by the Legislative Analyst's Office subject to specified law limiting the collection and use of that information, the violation of which is a crime. By expanding the scope of a crime, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason. This bill would take effect immediately as a tax levy.

(STATUS: Introduced. Read first time on 02/19/25. Referred to Com. on Rev. & Tax. on 03/10/25. In committee: Set, first hearing. Referred to suspense file on 03/24/25.)

ACA 2 (Jackson) – Assembly Constitutional Amendment

The California Constitution prohibits Members of the Legislature from accruing any pension or retirement benefit other than participation in the federal Social Security program as a result of legislative service. This measure, the Legislative Diversification Act, would repeal that prohibition and instead require the Legislature to establish a retirement system for Members elected to or serving in the Legislature on or after November 1, 2010. The measure would require a Member to serve at least 10 years in the Legislature to be eligible to receive benefits under the retirement system. The measure would authorize a Member who serves fewer than 10 years to transfer the service credit earned as a result of service in the Legislature to any other public employees' pension or retirement system in which the Member participates.

(STATUS: Introduced on 12/02/24.)

SB 827 (Gonzalez)

Existing law imposes ethics training on specified local agency officials. Existing law requires each training to be 2 hours and requires the officials to receive each training every 2 years, and as described otherwise, with the first training within one year of commencing service. Existing law requires the local agency to maintain records of the trainings, as prescribed.

This bill would expand which local agency officials are required to complete the above-described ethics training to include any managerial-level employee with responsibility over the agency's finances and would instead require officials who commence service on or after January 1, 2026, to receive their initial training within 6 months of commencing service. The bill would require the local agency to publish the training records on its internet website, as specified.

This bill would additionally require, if a local agency provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, all local agency officials, as defined, to receive at least 2 hours of ethical, fiscal, and financial training, as described. The bill would require the training to be received at least once every 2 years, as provided. The bill would exempt from these requirements specified local agency officials if they are in compliance with existing education requirements specific to their positions.

This bill would authorize a local agency or an association of local agencies to contract with or otherwise collaborate with a provider of a training course to offer one or more training courses, or sets of self-study

materials with tests, to its local agency officials to meet the training requirement, as described. The bill would require the training courses and materials to be developed in consultation with experts in local government finance. The bill would require providers of training courses to provide participants with proof of participation for purposes of complying with specified recordkeeping requirements. The bill would require a local agency to provide information on training available at least once annually. By imposing additional duties on local officials, the bill would create a state-mandated local program.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(STATUS: Introduced. To Com. on RLS. for assignment on 02/21/25. Read first time on 02/24/25. Referred to Com. on RLS. on 03/12/25. From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS. on 03/26/25.)

Bills that Apply to CalPERS and/or CalSTRS Only

AB 1054 (Gipson)

The CERL prescribes retirement benefits for members of specified county and district retirement systems. Existing law establishes the Deferred Retirement Option Program as an optional benefit program for specified safety members of those systems that, by ordinance or resolution by the county board of supervisors or the governing body, elect to adopt it. The program provides eligible members access, upon service retirement, to a lump sum or, in some cases, monthly payments in addition to a monthly retirement allowance, as specified.

The PERL creates CalPERS for the purpose of providing pension benefits to state employees and employees of contracting agencies and prescribes the rights and duties of members of the system and their beneficiaries. Existing law vests management and control of PERS in its board of administration. CalPERS provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations.

This bill would establish the Deferred Retirement Option Program as a voluntary program within CalPERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill would require these state bargaining units to bargain with the Department of Human Resources to implement the program. The bill would also require the program to result in a cost savings or be cost neutral. The bill would further require the department to work with the board of CalPERS to develop the program.

(STATUS: Introduced on 02/20/25. Referred to Com. on P. E. & R. on 03/24/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended. Re-referred to Com. on P. E. & R. on 03/25/25.)

AB 1383 (McKinnor)

The PERL establishes CalPERS to provide a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law creates the Public Employees' Retirement Fund, which is continuously appropriated for purposes of CalPERS, including depositing employer and employee contributions. Under the California Constitution, assets of a public pension or retirement system are trust funds.

PEPRA establishes a variety of requirements and restrictions on public employers offering defined benefit pension plans. In this regard, PEPRA restricts the amount of compensation that may be applied for purposes of calculating a defined pension benefit for a new member, as defined, by restricting it to specified percentages of the contribution and benefit base under a specified federal law with respect to old age, survivors, and disability insurance benefits.

This bill, on and after January 1, 2026, would require a retirement system to adjust pensionable compensation limits to be consistent with a defined benefit limitation established and annually adjusted under federal law with respect to tax exempt qualified trusts. By increasing the contribution to continuously appropriated funds, this bill would make an appropriation.

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. on 03/10/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/10/25. Re-referred to Com. on P. E. & R. on 03/11/25.)

AB 1439 (Garcia)

The California Constitution grants the retirement board of a public employee retirement system plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement fund and system. These provisions qualify this grant of powers by reserving to the Legislature the authority to prohibit investments if it is in the public interest and the prohibition satisfies standards of fiduciary care and loyalty required of a retirement board.

Existing law prohibits the boards of the CalPERS and the CalSTRS from making certain new investments or renewing existing investments of public employee retirement funds, including in a thermal coal company, as defined. Existing law provides that a board is not required to take any action regarding those investments unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

This bill would prohibit the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in California or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections, as defined. The bill would provide that a board is not required to take action pursuant to this provision unless it determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. on 03/24/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended. Re-referred to Com. on P. E. & R. on 03/25/25.)

Divestment Proposals (CalPERS and CalSTRS Only)

None to report.

Attachments:

2025 Tentative Legislative Calendar

Submitted by:



Manuel D. Serpa
General Counsel

2025 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 10-16-24

DEADLINES

JANUARY							
	S	M	T	W	TH	F	S
				1	2	3	4
Wk. 1	5	6	7	8	9	10	11
Wk. 2	12	13	14	15	16	17	18
Wk. 3	19	20	21	22	23	24	25
Wk. 4	26	27	28	29	30	31	

FEBRUARY							
	S	M	T	W	TH	F	S
Wk. 4							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	

MARCH							
	S	M	T	W	TH	F	S
Wk. 4							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	29
Wk. 1	30	31					

APRIL							
	S	M	T	W	TH	F	S
Wk. 1			1	2	3	4	5
Wk. 2	6	7	8	9	10	11	12
Spring Recess	13	14	15	16	17	18	19
Wk. 3	20	21	22	23	24	25	26
Wk. 4	27	28	29	30			

MAY							
	S	M	T	W	TH	F	S
Wk. 4					1	2	3
Wk. 1	4	5	6	7	8	9	10
Wk. 2	11	12	13	14	15	16	17
Wk. 3	18	19	20	21	22	23	24
Wk. 4	25	26	27	28	29	30	31

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 6 Legislature reconvenes (J.R. 51(a)(1)).

Jan. 10 Budget bill must be submitted by Governor (Art. IV, Sec. 12(a)).

Jan. 20 Martin Luther King, Jr. Day observed.

Jan. 24 Last day to submit **bill requests** to the Office of Legislative Counsel.

Feb. 17 Presidents' Day observed.

Feb. 21 Last day for bills to be **introduced** (J.R. 61(a)(1), J.R. 54(a)).

Mar. 31 Cesar Chavez Day observed.

Apr. 10 **Spring Recess** begins upon adjournment (J.R. 51(a)(2)).

Apr. 21 Legislature reconvenes from Spring Recess (J.R. 51(a)(2)).

May 2 Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(a)(2)).

May 9 Last day for **policy committees** to hear and report to the Floor **nonfiscal** bills introduced in their house (J.R. 61(a)(3)).

May 16 Last day for **policy committees** to meet prior to June 9 (J.R. 61(a)(4)).

May 23 Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house (J.R. 61(a)(5)).

Last day for **fiscal committees** to meet prior to June 9 (J.R. 61(a)(6)).

May 26 Memorial Day observed.

*Holiday schedule subject to final approval by Rules Committee.

2025 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 10-16-24

JUNE							
	S	M	T	W	TH	F	S
No Hrgs.	1	2	3	4	5	6	7
Wk. 1	8	9	10	11	12	13	14
Wk. 2	15	16	17	18	19	20	21
Wk. 3	22	23	24	25	26	27	28
Wk. 4	29	30					

June 2-6 Floor Session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees (J.R. 61(a)(7)).

June 6 Last day for each house to pass bills introduced in that house (J.R. 61(a)(8)).

June 9 Committee meetings may resume (J.R. 61(a)(9)).

June 15 Budget bill must be passed by midnight (Art. IV, Sec. 12(c)(3)).

JULY							
	S	M	T	W	TH	F	S
Wk. 4			1	2	3	4	5
Wk. 1	6	7	8	9	10	11	12
Wk. 2	13	14	15	16	17	18	19
Summer Recess	20	21	22	23	24	25	26
Summer Recess	27	28	29	30	31		

July 4 Independence Day observed.

July 18 Last day for **policy committees** to hear and report bills (J.R. 61(a)(10)).

Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51(a)(3)).

AUGUST							
	S	M	T	W	TH	F	S
Summer Recess						1	2
Summer Recess	3	4	5	6	7	8	9
Summer Recess	10	11	12	13	14	15	16
Wk. 3	17	18	19	20	21	22	23
Wk. 4	24	25	26	27	28	29	30
No Hrgs.	31						

Aug. 18 Legislature reconvenes from **Summer Recess** (J.R. 51(a)(3)).

Aug. 29 Last day for **fiscal committees** to hear and report bills to the Floor (J.R. 61(a)(11)).

SEPTEMBER							
	S	M	T	W	TH	F	S
No Hrgs.		1	2	3	4	5	6
No Hrgs.	7	8	9	10	11	12	13
Interim Recess	14	15	16	17	18	19	20
Interim Recess	21	22	23	24	25	26	27
Interim Recess	28	29	30				

Sept. 1 Labor Day observed.

Sept. 2-12 Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(a)(12)).

Sept. 5 Last day to **amend** on the Floor (J.R. 61(a)(13)).

Sept. 12 Last day for each house to pass bills. (J.R. 61(a)(14)).

Interim Recess begins upon adjournment (J.R. 51(a)(4)).

IMPORTANT DATES OCCURRING DURING FINAL RECESS

2025

Oct 12

Last day for Governor to sign or veto bills passed by the Legislature before Sept. 12 and in the Governor's possession on or after Sept. 12 (Art. IV, Sec. 10(b)(1)).

2026

Jan. 1

Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 5

Legislature reconvenes (J.R. 51(a)(4)).

*Holiday schedule subject to final approval by Rules Committee.



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

Background/Discussion

At the Board's request, OCERS' executive staff produced a calendar and running list of upcoming OCERS Travel Policy approved conferences and Board education opportunities.

Attachment:

1. Annual Calendar with Travel Policy Section 10 conferences (dates boxed in red) and scheduled Board and Committee meeting dates
2. Legend and details for Travel Policy Section 10 conferences
3. Appendix of additional pre-approved conferences and Board education opportunities.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

2025 Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Federal Holidays 2025

Jan 1	New Year's Day	May 26	Memorial Day	Sep 1	Labor Day	Nov 27	Thanksgiving Day
Jan 20	Martin Luther King Day	Jul 4	Independence Day	Sep 26	Native American Day	Dec 25	Christmas Day
Feb 17	Presidents' Day			Nov 11	Veterans Day		

Federal Holidays

Regular Board Meeting

Disability Committee Meeting

Strategic Planning Workshop

Investment Committee Meeting

Audit Committee Meeting

Building Committee Meeting

Governance Committee Meeting

Personnel Committee Meeting

Informational Update Meeting

Updated: 4/3/2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1/26/2025	1/27/2025	NCPERS	Pension Comm Summit	Washington DC	
1/27/2025	1/29/2025	NCPERS	Legislative Conference	Washington DC	
2/2/2025	2/4/2025	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	
3/1/2025	3/3/2025	NASRA	Winter Meeting	Washington DC	
3/3/2025	3/4/2025	NIRS	Annual Conference	Washington DC	*Estimated
3/2/2025	3/5/2025	CALAPRS	General Assembly	Napa, CA	
5/13/2025	5/16/2025	SACRS	Spring Conference	Rancho Mirage, CA	
5/18/2025	5/21/2025	NCPERS	Annual Conference & Exhibition (ACE)	Denver, CO	
6/16/2025	6/18/2025	NCPERS	Chief Officers Summit	New York	
7/20/2025	7/23/2025	NAPO	ANNUAL CONVENTION	Phoenix, AZ	
8/9/2025	8/13/2025	NASRA	Annual Conference	Seattle WA	
8/17/2025	8/19/2025	NCPERS	Public Pension Funding Forum	Chicago, IL	
9/24/2025	9/26/2025	NCPERS	Public Pension HR Summit		
10/26/2025	10/29/2025	NCPERS	FALL Conference		
Nov 2025		CRCEA	Contra Costa (CCREA)		
11/11/2025	11/14/2025	SACRS	Fall Conference	Huntington Beach, CA	
Oct 2026		NCPERS	Public Safety Conference		none for 2025

The following are upcoming conferences and Board education opportunities, pre-approved under the Travel Policy section 12 (highlighted in yellow) and section 14. Note that conferences pre-approved under section 14 AND require overnight accommodations are subject to the limit of three events per year.

January 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
9-Jan	10-Jan	Opal	Public Funds Summit	Scottsdale, AZ	Section 14
26-Jan	27-Jan	NCPERS	Pension Comm Summit	Washington DC	Section 10
28-Jan	29-Jan	IFEBP	Health Benefits Conference & Expo	St. Pete Beach, FL	Section 14
28-Jan	29-Jan	NCPERS	Legislative Conference	Washington DC	Section 10

February 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
2-Feb	4-Feb	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	Section 10
8-Feb	9-Feb	IFEBP	Trustee Institute: Level 2	Orlando, FL	Section 14
10-Feb	12-Feb	IFEBP	Advanced Trustees and Administrators Institute	Orlando, FL	Section 14
10-Feb	12-Feb	IFEBP	Trustee Institute: Level 1 (New Trustees)	Orlando, FL	Section 14
24-Feb	25-Feb	Gartner	CIO Leadership Forum	Phoenix, AZ	Section 10

March 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
March 2025		CALAPRS	Advanced Principals of Pension Governance for Trustees at UCLA	UCLA	Section 12
1-Mar	3-Mar	NASRA	Winter Meeting	Washington, DC	Section 10
2-Mar	5-Mar	CALAPRS	General Assembly	Napa, CA	Section 10
3-Mar	4-Mar	NIRS	Annual Conference	Washington DC	Section 10
24-Mar	26-Mar	WithIntelligence	Pension Bridge The Annual 2025	San Francisco, CA	Section 14
30-Mar	2-Apr	Investment and Wealth Institute	Experience 2025	Austin, TX	Section 14

April 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
13-Apr	16-Apr	PRISM	PRISM 2025 Conference	Memphis, Tennessee	Section 10
14-Apr	18-Apr	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA	Section 12
30-Apr	1-May	IFEBP	Investments Institute	Fort Myers, FL	Section 14

May 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
13-May	16-May	SACRS	Spring Conference	Rancho Mirage, CA	Section 10

17-May	18-May	NCPERS	Trustee Educational Seminar (TEDS)	Denver, CO	Section 12
17-May	18-May	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Denver, CO	Section 12
17-May	18-May	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Denver, CO	Section 12
18-May	21-May	NCPERS	Annual Conference & Exhibition (ACE)	Denver, CO	Section 10
20-May	21-May	Gartner	CFO & Finance Executive Conference	National Harbor, MD	Section 10

June 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Jun		Global Financial Markets Association	Annual Global ABS Conference		Section 12
12-Jun	12-Jun	Markets Group	4th Annual Southern California Institutional Forum	Los Angeles, CA	Section 14
16-Jun	18-Jun	NCPERS	Chief Officers Summit	New York, NY	Section 10

July 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Jul		NAPO	Annual Convention		Section 10
13-Jul	16-Jul	SACRS	SACRS/UC Berkeley	Berkeley, CA	Section 12

August 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Aug		CALAPRS	Principles of Pension Governance for Trustees	SoCal	Section 12
9-Aug	13-Aug	NASRA	Annual Conference	Seattle, Washington	Section 10
17-Aug	19-Aug	NCPERS	Public Pension Funding Forum	Chicago, IL	Section 10

September 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
8-Sep	10-Sep	Counsel of Institutional Investors	Fall 2025 Conference	San Francisco, CA	Section 14
14-Sep	17-Sep	IFEBP	Public Employees Benefits Institute	Minneapolis, MN	Section 14
15-Sep	17-Sep	SuperReturn	The West Coast's LP/GP Networking Hub	Los Angeles, CA	Section 14
24-Sep	26-Sep	CALAPRS	Administrators Institute	Carmel, CA	Section 10
24-Sep	26-Sep	NCPERS	Public Pension HR Summit	Philadelphia, PA	Section 10

October 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Oct		Gartner	Gartner IT Symposium/Xpo		Section 10
20-Oct	22-Oct	Global ARC	22nd Annual Global ARC	Boston, MA	Section 14
20-Oct	24-Oct	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA	Section 12
22-Oct	24-Oct	PREA	35th Annual Institutional Investor Conference	Boston, MA	Section 14
25-Oct	26-Oct	NCPERS	NAF	Tampa, FL	Section 12
25-Oct	26-Oct	NCPERS	Program for Advanced Trustee Studies (PATS)	Tampa, FL	Section 12
26-Oct	29-Oct	NCPERS	FALL Conference	Tampa, FL	Section 10

November 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
Nov 2025		CRCEA	Contra Costa (CCREA)		Section 10
Nov 2025		Institutional Limited Partners Association	ILPA Summit 2025		Section 14
9-Nov	12-Nov	IFEBP	71st Annual Employee Benefits Conference	Honolulu, HI	Section 14
11-Nov	14-Nov	SACRS	Fall Conference	Huntington Beach, CA	Section 10

December 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Dec		Institutional Shareholder Services Media Solutions	Influential Investors Forum		Section 14

Ad Hoc/No schedule available yet

NCPERS	Public Safety Conference – October 2026	Section 10
--------	---	------------



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: **UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER**

Written Report

Background

OCERS is currently conducting elections for the General Member and Retired Member positions on the Board of Retirement. OCERS requested two separate elections to be held concurrently.

The Registrar of Voters has provided OCERS with an election schedule. Using the attached schedules, OCERS notified eligible members about the Board of Retirement election scheduled for **June 18, 2025**, through US mail.

The nomination period began on **March 17, 2025, and ended at 5:00 P.M. on April 16, 2025**. We are following the schedule and will continue to provide updates as we progress.

Attachments:

1. Response Letter from the Registrar of Voters with Calendar of Events

Submitted by:



CH – Approved

Cynthia Hockless
Director of Human Resources



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7556
ocvote.gov

BOB PAGE
Registrar of Voters

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

February 4, 2025

Ms. Cynthia Hockless
Director of Administrative Services
Orange County Employees Retirement System
2223 Wellington Avenue, Suite 100
Santa Ana, CA 92701

Dear Ms. Hockless:

This is in response to your January 9, 2025 letter requesting the Registrar of Voters' Office to conduct a Special Election for the positions of General Member and Retired Member for the term of office from January 1, 2026 through December 31, 2028.

The election schedule is as follows:

February 28 and March 14 (E-109 and E-95)	The Orange County Retirement office shall notify the General and Retired Members of the Retirement System that an election will be conducted on June 17, 2025. The notice shall include the filing period, qualifications and requirements to be a candidate for General Member and Retired Member of the Orange County Retirement Board of Directors and shall be provided with the payrolls on February 28, 2025 and March 14, 2025.
March 10 (E-99)	The Retirement Office shall provide the number of eligible General Members and Retired Members to the Registrar of Voters' Office.
March 10 (E-99)	The Retirement Office shall provide the Registrar of Voters' Office with Willingness to Serve forms.
March 17 (E-92)	First day the Nomination Petition is available for pick up from the Registrar of Voters' Office. A General Member requires 75 nomination signatures and a Retired Member requires 25 nomination signatures.
April 16 (E-62)	Last day to file the Nomination Petition, Willingness to Serve Form, and Biographical Statement with the Registrar of Voters' office by 5:00 p.m.

April 17 (E-61)	Random draw will be held to determine the candidate placement on the ballot.
April 28 (E-50)	Retirement Office shall provide the Registrar of Voters with names and addresses of eligible General Members and Retired Members in an electronic format.
May 12 (E-36)	Mailing of ballots begins.
June 17 (E-0)	Tally voted ballots at the Registrar of Voters' Office.
June 24 (E+7)	Deadline to receive mailed ballots. Ballots that are mailed must be postmarked on or before election day and received by the Registrar of Voters no later than seven (7) calendar days after Election Day.
TBD (E+)	Certificate of Election on Board of Supervisors' agenda.
January 1, 2026 (E+198)	Term begins for General Member and Retired Member. Term expires on December 31, 2028.

If you have any questions, I can be reached at (714) 567-7568.

Sincerely,



Marcia Nielsen
Candidate and Voter Services Manager





Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations
SUBJECT: NEW HEADQUARTERS ACTIVITY REPORT

Written Report

Background/Discussion

This memo provides a monthly update on the OCERS Replacement Headquarters Project, highlighting key developments, decisions, and next steps.

Design Development Progress

At the April 2, 2025, Building Committee meeting, Gensler presented updates to the Design Development (DD) documents, including exterior value engineering (VE) options intended to reduce costs. The proposed VE items—removal of the trellis, substitution of shadowboxes with back-painted glass, and elimination of the perforated metal screen—were not approved by the Committee due to their negative impact on the building's design. The Committee may revisit alternative exterior VE options later if needed. Staff continues to explore and implement VE opportunities within the building's interior.

Gensler also presented concepts to enhance the front entry. The Committee approved a new paving design and supported further development of a digital display near the entrance. The previously proposed fountain has been removed from the current scope but may be reconsidered in the future.

After evaluating long-term operational and regulatory implications, the Committee directed the team to proceed with an all-electric heating system, in alignment with California's sustainability goals and to mitigate future permitting risks.

Board Action

At the March 17, 2025, Board meeting, the Board approved a contract amendment to the Snyder-Langston design-build agreement. The amendment, not to exceed \$1,135,807 plus a 5% contingency, authorizes advancement of construction document development during the Predevelopment Phase, prior to receiving the Guaranteed Maximum Price (GMP) proposal.

Entitlement Progress

EPD Solutions resubmitted the Development Project Plan Review (DPR) to the City on February 20, 2025. Staff received minor comments from the second round of review and is preparing final responses, expected to be submitted by month-end. The next milestone is Zoning Administrator approval following City staff presentation.

Upcoming Activities

- Σ Staff comments on the DD package are due to Snyder-Langston and Gensler by April 18

- Σ Final design decisions for incorporation into the Construction Documents are due by May 26
- Σ The next Building Committee meeting is scheduled for July 30, 2025

Attachments:

1. OCERS HQ Monthly Project Status Report from Griffin Structures

Submitted by:



BMS - Approved

Brenda Shott
Assistant CEO, Finance and Internal Operations



OCERS Headquarters Building

Monthly Project Status Report

March 31, 2025



Schedule

OCERS Headquarters Schedule
Mar-25

Task	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
City Site Plan Approval Process												
GMP preparation												
GMP approval												
Construction documents												
Plan check and permit												
Commence construction												

Monthly Summary of Activity

During the Month of March 2025, the project team completed the following on the OCERS new headquarters Project:

- Held multiple conference calls to discuss the latest budget updates and review possible value engineering items.
- Presented to Building Committee and received approval of a plan to advance partial Construction Documents ahead of the development phase GMP approval.
- Provided updated master development budget based on the latest design development estimates.
- Coordinated with the project team on value engineering to align project scope with best value budget.
- Continued working with the city for entitlement.



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: William Tsao, Director of Enterprise Project Management Office (EPMO)
SUBJECT: **SECOND QUARTER REVIEW OF OCERS BOARD 2025-2027 STRATEGIC AND BUSINESS PLAN
 EXECUTIVE DASHBOARD REPORT**

Written Report

Background/Discussion

The OCERS Strategic Plan Dashboard for April 2025 presents a quarterly review of the organization's progress towards its strategic goals, overseen by the CEO as approved by the Board of Retirement. The report uses a **scorecard system** with color-coded metrics (red, yellow, green) measured annually or quarterly to assess performance across key areas. These areas include **fund sustainability, excellent service and support, talent management, effective governance, and risk management**, each with specific targets and action items for 2025. The attached dashboard provides a snapshot of completed activities and planned initiatives within these strategic pillars.

Main Themes and Summary:

- Σ **Progress Towards Strategic Objectives:** The central theme of the dashboard is to monitor and report on OCERS' advancement in achieving its strategic objectives across five key areas: Fund Sustainability, Excellent Service and Support, Talent Management, Effective Governance, and Risk Management.
- Σ **Data-Driven Performance Monitoring:** The document relies heavily on quantifiable metrics, each with defined thresholds for red, yellow, and green ratings. This highlights a commitment to data-driven decision-making and performance evaluation. As stated in the "Scorecard Business Rules," "Each metric will be graded by a color designation of red, yellow, or green with different thresholds for every metric because every metric is unique."
- Σ **Transparency and Accountability:** The dashboard serves as a tool for internal transparency and accountability, outlining progress, completed actions, and planned activities for each strategic area.
- Σ **Continuous Improvement:** Beyond simply reporting on status, the dashboard details completed and planned action items, demonstrating a proactive approach towards addressing challenges and enhancing performance in each strategic domain.
- Σ **Integration of Compliance and Risk Management:** The dashboard gives significant attention to risk management and governance, indicating the importance OCERS places on these foundational elements for long-term sustainability and operational integrity.

Conclusion:

The April 2025 OCERS Strategic Plan Dashboard indicates positive progress across key strategic areas. Notably, Excellent Service and Support and Risk Management show strong performance with many metrics meeting or exceeding targets. Talent Management demonstrates success in controlling vacancy rates and achieving high employee engagement through training. Fund Sustainability remains a key focus with ongoing and planned actions to improve performance. Effective Governance indicators also show positive trends in board training, budget adherence, and capital project management. The dashboard provides a clear and structured overview of OCERS' strategic execution and commitment to continuous improvement.

Attachments:

1. OCERS Strategic Dashboard April 2025 Update

Submitted by:

William Tsao, Director of EPMO



OCERS Quarterly Strategic Plan Dashboard

April 21, 2025

Mr. Steve Delaney

Chief Executive Officer, OCERS



A Look Back






Scorecard Business Rules

- Each metric will be graded by a color designation of red, yellow, or green with different thresholds for every metric because every metric is unique
- Metrics will be measured annually or quarterly and will be designated with an “A” or a “Q” respectively.
 - The measuring period of a metric will be for the most recent period of time unless the data is not yet available






OCERS Strategic Scorecard






Fund Sustainability

- A Funded Ratio Status greater than 100% 
- Q Sharpe Ratio above the peer median 
- Q Excess net return over the Actuarial Expected Return 

Excellent Service and Support

- Q 100% Benefit Accuracy 
- Q Payroll Initiation within 45-60 Days 
- A Hours saved by automation **625 hrs.**
- Q Bot Utilization Rate 



Risk Management

- A 100% Annual Policy Compliance Verification 
- A 100% Triennial Policy Review 
- Q Establish Compliance Framework (100% in next 2 years) 
- Q 100% Form 700 Compliance 
- Q IT System Availability (98% uptime) 

Talent Management

- Q Vacancy Rate (12.9% or better) 
- Q Turnover Rate (9.4% or better) 
- Q Employee Engagement Rate (12-hour training rate) 

Effective Governance











- A Board Member Training Hours meets CERL Requirements (24 hours every 2 years) 
- A Annual Budget meets CERL 21 Basis Points Test 
- Q Capital Projects on Budget and on Schedule 

Comments



OCERS Strategic Scorecard

Fund Sustainability

		'22	'23	'24	'25
A	Funded Ratio Status greater than 100% Red = <70% Yellow = 70-99.99% Green = 100% or above				
		81.5%	82.6%		
Q	Sharpe Ratio above the peer median Red = 4 th quartile (below 75 th percentile) Yellow = third quartile (between 75 th and 50 th quartile) Green = above median	2024 1Q	2Q	3Q	4Q
					
		5th	12th	10th	13th
Q	Excess net return over the Actuarial Expected Return Red = >30bps below actuarial rate Yellow = 0-30bps below actuarial rate Green = >actuarial rate				
		21 bps	1 bp	57 bps	43 bps

*Sharpe Ratio and Excess Return are based on trailing 10-year

2025 Action Items

Completed:

- **Funded Ratio Status** – Approved 2025 annual pacing plan for Private Equity, Real Assets, Real Estate, and Private Income Strategies.
- **Sharpe Ratio above peers** – Continued to expand knowledge of competitive landscape through increased but targeted manager meetings.
- **Excess Net Return** – Expand usage of current technology platforms for enhanced risk management, idea sharing, and communication.













Planned Activities:

- Continue utilizing consultants, custodians, technology solutions, and risk management tools to monitor portfolio risks.
- Continue to connect with industry peers to discuss ongoing initiatives, best practices, innovations, and technology.
- Continue to expand OCERS' co-investment program.
- Evaluate and opportunistically participate in secondaries market.
- Create more robust investment reports using advance technology.



OCERS Strategic Scorecard

Excellent Service and Support

	2024	1Q	2Q	3Q	4Q
Q 100% Benefit Accuracy Red = <95% Yellow = 95-99% Green = 100%		 95%	 95%	 100%	 100%
Q Payroll Initiation within 45-60 Days Red = >90 Days Yellow = 61-90 Days Green = 45-60 Days		 95%	 95%	 95%	 95%
Q Bot Utilization Rate Red = 0 bots active Yellow = 1 bot active Green = All bots (2) active		 2	 2	 3	 5
A Hours saved by automation					
		'22	'23	'24	'25
			537 hrs.	625 hrs.	

2025 Action Items

Completed:

- **100% Accuracy** – Presented the first Member Services Quality Assurance report in the June Audit Committee meeting.
- **Payroll Initiation within 45-60 Days** – We continue to meet our goals of paying our members timely per our customer service policy goals, averaging 45 days to initiate payment.
- **Bot Utilization Rate** – 3 additional Bots in production for a total of 5 Bots. Member Services Retirement Processing Bot (2024), Payroll Reconciliation Bot (2024), Withdrawal Bot (2024 – Internally Developed), Member Services Audit Bot (2023), Retirement Assignment Bot (2023).

















Planned Activities:

- **100% Accuracy** – Employer Data meetings continuing. Member Services held our second quarterly meeting and are in the process of meeting individually with employers.
- **Bot Utilization Rate** – 2 Bots in progress. SCP Assignment Bot and FAS Worksheet Generation Bot.



OCERS Strategic Scorecard

Risk Management

		'22	'23	'24	'25
A	100% Annual Policy Compliance Verification Red = <75% Yellow = 75-89% Green = 90-100%				
		100%	100%	100%	
A	100% Triennial Policy Review Red = <75% Yellow = 75-89% Green = 90-100%				
		100%	100%	100%	
	2024	1Q	2Q	3Q	4Q
Q	Establish Compliance Framework (100% in next 2 years) Red = <2 Elements fully documented and trained Yellow = 3-4 Elements fully documented and trained Green = 5-6 Elements fully documented and trained				
				3	4
Q	100% Form 700 Compliance Red = >2 missing Yellow = 1 missing Green = 0 missing				
		1	0	0	0
Q	IT System Availability (98% uptime) Red = <85% Yellow = 85-94% Green = 95-100%				
		99.88%	99.88%	99.88%	99.88%

2025 Action Items

Completed

- New compliance governance Risk Assessment, Control Monitoring, Ethics & Fraud Hotline, and Management Action Plan (MAP) program documents
- New compliance awareness activities including guidance posters, informational videos, open house, and participation in National Compliance Week events
- Introduction of Compliance's role as second line of defense in reviewing MAP closure request evidence before submitting to Internal Audit

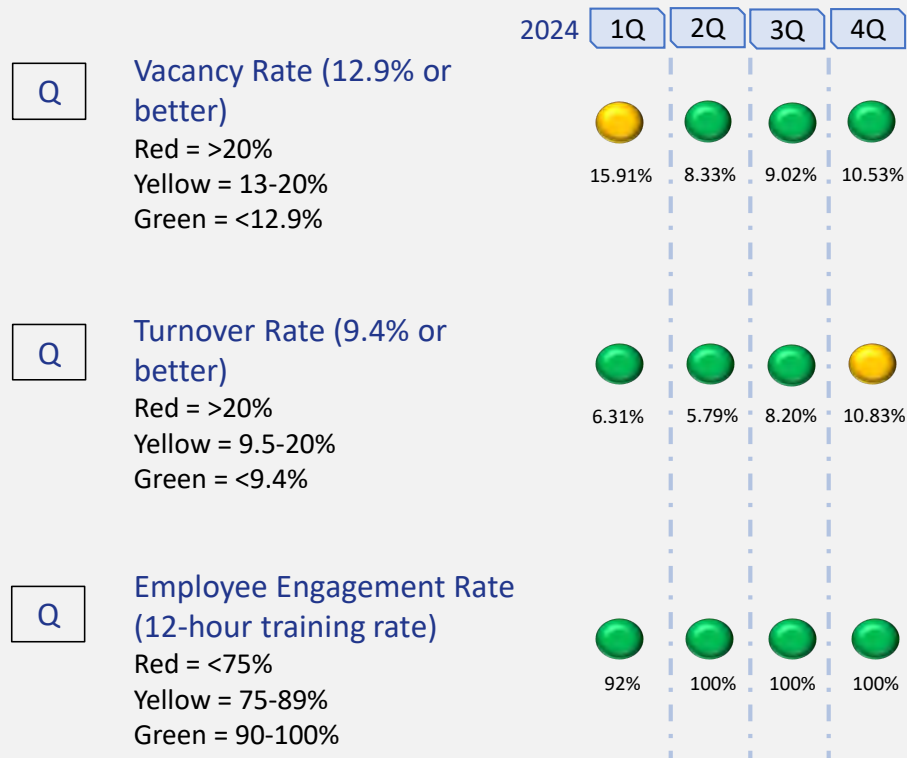
Planned Activities

- Draft Education & Training and Reporting program documents
- Develop risk assessment and control monitoring protocols
- Introduce compliance and risk-themed micro-learning materials
- Establish year-round awareness activities and events calendar
- Implement completed program documents
- Finalize operational risk assessment and reporting utilizing new database.



OCERS Strategic Scorecard

Talent Management



2025 Action Items

Completed

- Implemented NeoGov Onboard: An employee portal that provides new hires with a centralized location to easily review and sign important documents, access employee resources, and learn more about OCERS before their start date
- Conducted Interviewer Training: Equipped hiring managers and interview panelists with the skills necessary to conduct fair and effective job interviews and ensure they are hiring the right candidates
- Launched the HR Hiring Center on the OCERS website
- Participated in Chapman University's Spring Career Fair
- Launched the "ELEVATE" staff development program.
- Launched the NLL – Next Level Leadership Program, UCI continued education
- Winter Executive Offsite – Psych Safety, Coaching, EPMO- RICE, Business and Strategic Planning
- Custodial LOD programs for first quarter, NEO, LOD Learning Lounge-virtual classroom.

Planned Activities

- Summer (onsite) Knowledge & College Fair – September 17th



OCERS Strategic Scorecard

Effective Governance

		'22	'23	'24	'25	
A	Board Member Training Hours meets CERL Requirements (24 hours every 2 years) Red = <70% Yellow = 70-89% Green = 90-100%	 89%	 89%	 100%		
A	Annual Budget meets CERL 21 Basis Points Test Red = >21 Basis Points Yellow = 21 Basis Points Green = <21 Basis Points	 9.75	 10.73	 11.22	 10.85	
		2024	1Q	2Q	3Q	4Q
Q	Capital Projects on Budget and on Schedule Red = <85% Yellow = 85-92.4% Green = 92.5-100%		 93%	 95%	 98%	

2025 Action Items

Completed

- Schematic Design including:
 - The Basis Of Design (guiding parameters) for the different disciplines for the Project such as Architectural, Civil/Electrical/Mechanical/Structural Engineering, Landscaping, Power, and Photovoltaic.
 - Site Plan
 - Floor plans
 - Exterior designs
 - Building structural framing strategy
 - Landscaping scheme
 - Heating, Ventilation and Air Conditioning (HVAC) equipment selection
- Collaboration with Verizon Wireless on siting of their future cell tower
- Development Project Review application submittal to City Planning Dept.

Planned Activities

- Respond to City comments on Development Project Review package
- Develop interior finishes.
- Develop the details to complete the Design Development Phase.
- Develop and present the Guaranteed Maximum Price at the conclusion of the 330-day Design Build Entity Predevelopment Contract.





Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT

Written Report

Attached you will find Item R-11, which is our promised monthly written update regarding the current status of OCERS' new Pension Administration System (PAS) project.

You will also find attached a PowerPoint presentation regarding the next phase of this project as we work towards a summer release of an RFP to find a vendor to build our new system. That presentation was originally to be an A-item presentation in this April 21 agenda, with a 2025 budget amendment request for over half a million dollars to keep us moving forward - when our Finance Team, led by our Director of Finance, Ms. Tracy Bowman, indicated it was too soon to be asking for a budget amendment, we may well have all the funds we need in the current budget.

While no longer needing to ask the Board to take an action, I felt the materials in the PowerPoint had already been carefully crafted and are helpful to better visualize where we are with the project. I didn't want to just scrap all the great work that had been done. I considered having us change the A-item to an I-item, and allow the team to walk each of you through the materials. However, the April 21 agenda is long due to the two- hour harassment training session all Trustees are required to attend.

Therefore I directed our Director of Enterprise Project Management Office, Mr. Will Tsao, to attach the PowerPoint presentation to the monthly PAS update (Item R-11). I've asked him to provide you with a short summary paragraph explaining what important information you will find in the PowerPoint:

"This presentation provides an update on OCERS Horizon, our phased PAS project. When we began this project, we made the decision to split the project into distinct phases to allow for greater flexibility and responsiveness to the ever-changing technological environment. Phase 1 is complete and established a clear vision for our next PAS solution and a comprehensive IT Strategic Roadmap. This IT Strategic Roadmap is comprised of several different initiatives that are termed "workstreams" that lay out the plan for a successful PAS project. Phase 2, currently underway, involves selecting an implementation vendor. Phase 3 workstreams will focus on successful PAS deployment. Preliminary budget figures are included for reference."

Attachments:

1. Mr. Tsao's Cover Memo for the new "OCERS Horizon (PAS) Activity Report"
2. OCERS Horizon Status Report 04.04.2025
3. OCERS Horizon Update PowerPoint

Submitted by:



Steve Delaney, CEO



Memorandum

DATE: April 21, 2025
TO: Members of the Board of Retirement
FROM: William Tsao, Director of Enterprise Project Management Office
SUBJECT: **PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT**

Written Report

Background/Discussion

The attached report covering the period 3/24/2025 to 4/4/2025 summarizes the most recent key updates, decisions, risks, and upcoming activities outlined in the status report for the OCERS Horizon project.

The **Overall Engagement Status** indicates that Phase 1 (Visioning & Needs Assessment) is complete, and Phase 2 (Request For Proposal [RFP] Development & Procurement) is in progress and currently on track overall.

Phase 2 progress summary:

- Σ **Commitment Sign Off** is behind schedule due to a high volume of changes in Round 2 reviews but is now targeted for completion by April 11th, with a few potential isolated sign-offs on April 14th due resource availability. The high-volume of changes were necessary to ensure all commitments for the new system were accurately captured and of high quality.
- Σ The **1st Draft of the RFP** is scheduled to be delivered to OCERS for review on April 21st.
- Σ **Initial planning for the Vendor Selection process** is underway, with meetings scheduled for kickoff and joint scoring discussions. Provaliant recommends the selection committee block out 15-20 hours per week between July 29th and August 18th for proposal review.
- Σ The **Terms and Conditions** section of the RFP has a first draft finalized by OCERS and sent to Ice Miller for review.
- Σ The **Technology sections** are targeted to be finalized by OCERS technical staff by Monday, April 7th, with plans to send this content to Gartner for a technical review.
- Σ Preliminary review of all RFP sections is complete except for the Project Requirements section, which will be finalized and incorporated into the 1st Draft review.

Key Risks/Issues identified include:

- Σ **Resources:** Resource constraints at OCERS impact daily operations, project quality, and cause delays. OCERS is addressing this with a staffing plan potentially involving limited term hires. Provaliant will include OCERS staffing constraints in the RFP.

- Σ **Data:** Incomplete and inaccurate data causes manual work, sync problems, and project delays. OCERS is working on an RFP for a data services vendor and data cleansing.
- Σ **Complexity:** Technology changes and complexity may impact schedule, quality, and performance. OCERS has refined processes and confirmed alignment with the IT strategic roadmap. While OCERS Management is actively pursuing simplification initiatives, the RFP will require vendors to have a structured Change Control process.
- Σ **Testing:** Insufficient time and planning for User Acceptance Testing (UAT) may cause inaccurate results. The RFP will require a minimum of 20% of the project schedule for UAT.
- Σ The **Risk Management process** is an iterative process that the team is working through, which means outcomes from mitigation strategies are not realized as quickly as planned.

Milestones/Metrics/Action Items:

Upcoming Milestones include:

- Σ Commitment Gathering Sign Off: Delayed - New Target April 11, 2025 (originally March 28, 2025)
- Σ RFP 1st Draft review: April 21, 2025
- Σ RFP Issuance: May 19, 2025

Metrics provided show the status of Commitment Gathering and Sign Off, with 37 Business Processes/Supporting Services remaining to be signed off, 9 signed off, and 1 covered under another review as of April 4, 2025. These metrics reflect slower than planned progress regarding Commitment Gathering and Sign Off, but it does not have an impact on the critical path of the project at this time.

Key Takeaways:

- Σ Phase 2 of the Horizon Program is progressing, but the delay in Commitment Sign Off requires attention to ensure it does not impact subsequent milestones.
- Σ The identified risks related to resources, data, and complexity are being actively managed, but continuous monitoring is crucial. The inclusion of UAT duration requirements and a structured Change Control process in the RFP are positive steps.
- Σ The vendor selection process planning is underway, and OCERS selection committee members should be prepared for a significant time commitment for proposal review in late July and August.

Conclusion:

In conclusion, the status report ending April 4, 2025, indicates that the OCERS Horizon Program's Phase 2, **RFP Development & Procurement**, is on track, although the Commitment Sign Off was delayed and is now targeted for completion by April 11th. Key activities in progress include RFP section development, with the **1st Draft of the RFP scheduled for delivery on April 21st**. Several **key risks and issues** related to resources, data, complexity, and testing are being addressed by OCERS and Provaliant. Lastly, the report outlines upcoming milestones and the status of commitment gathering and RFP section reviews.

Attachments:

1. OCERS Horizon Status Report 04.04.2025

Submitted by:



William Tsao, Director of EPMO



Status Report as of 4/4/25

4/4/2025

Version 1.0



Document Control

Document Information	
Document Owner	Shelly Pardis
Effective Date	4/4/2025
Covering Period	3/24/2025 – 4/4/2025

Revision History

Version	Date	Description of Changes
0.1	4/4/2025	Initial Draft
1.0	4/7/2025	Review by PM team
1.1		
1.2		



Dashboard Update Period Ending: 4/4/2025

Prepared on: 4/4/2025

Published on: 4/8/2025

OCERS Horizon Program Status



Overall Engagement Status



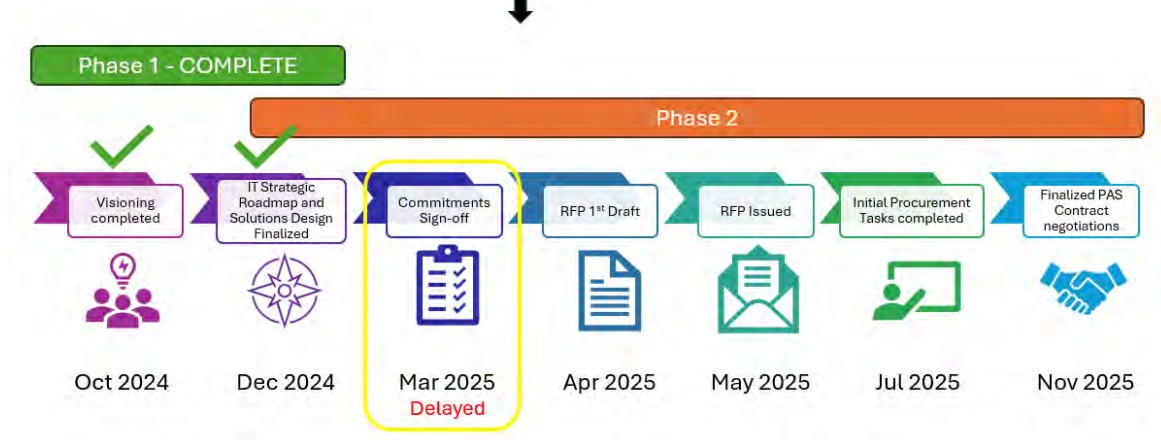
Phase 1 – Visioning & Needs Assessment - COMPLETE



Phase 2 – In Progress RFP Development & Procurement – ON TRACK

- Commitment Sign Off is behind schedule due to the higher-than-normal volume of changes in Round 2 reviews. No downstream impacts on other milestones are anticipated. The original targeted completion date for this activity was 3/28. We are planning to complete the work by 4/11.

We are here



Key Decisions that require OCERS action

Evaluation Criteria

- Confirm whether OCERS would like to include percentages in the RFP on the Evaluation Criteria – previous discussions indicate that we want to set the percentages for future vendor selection processes but may choose to remove them in the RFP. Some additional feedback from the Gartner review may be relevant to this decision.

Vendor Selection Committee assignments

- Finalize the section committee and which resources will be responsible for which activities.



Selection Committee: David Kim, Brenda Shott, Jenny Sadowski, Matt Eakin, Jeff Lamberson, Silviu Ardeleanu (retiring-replacement TBD), Nicole McIntosh, Tracy Bowman, Jim Doezie, Manuel Serpa, Joon Kim, Ivan Cao

- Virtual Client Visits (8/14 – 8/21)
- Proof of Concept (9/2 – 9/12)
- Oral Presentations (9/15 - 9/19)
- In Person Client Visits (9/16 – 10/9)

Proof of Concept

- Confirm approach, objectives, and timeline. This is scheduled for the next EC meeting.

Commitment Duplicates

- As part of Provaliant's commitment check list there were items identified that could be cleaned up that require OCERS review/confirmation – such as use of standard language, duplication in different process areas, covered at a higher level, etc. In most cases, Provaliant believes the commitments will not likely result in unnecessary inflating of cost if they are accurate and do not conflict with other commitments. In cases where there could be confusion or contradiction, we are pointing these out. Once Commitment Sign Off is complete, we could continue to refine the list of commitments, but this would require addition time from OCERS.

Key Risks/Issues

Resources: Resource constraints impact daily operations (SLAs), project quality, and causes delays

- OCERS is working on a staffing plan with the Personnel Committee that includes use of Temporary hires/assignments to address this risk.
- Provaliant will include planned OCERS staffing and other schedule constraints for the project in the RFP and instructions that the vendor should consider this when proposing the project schedule.

Data: Incomplete and inaccurate data causes manual work, sync problems and project delays

- OCERS is working on an RFP for a data services vendor and is in the process of working on cleansing data.

Complexity: Technology changes and complexity may impact schedule, quality, and performance

- OCERS has refined their process for the Simplification Committee processes and improved tracking and prioritization of this work.
- OCERS is confirmed alignment with the IT strategic roadmap and Solution design which provides stability to the vision for the future.
- Provaliant will include requirements that the vendors have a structured Change Control process that makes sure we continue to be aligned



Testing: Insufficient time and planning of User Acceptance Testing (UAT) may cause inaccurate results and system error/failure

- Provaliant has included commitments in the RFP to require a minimum of 20% of the project schedule for UAT and this is planned to also be in the Service Agreement.

Upcoming Milestones

1. **Commitment Gathering Sign Off – 3/28/2025 – Delayed - New Target 4/11/2025**
2. **RFP 1st Draft review – 4/21/2025**
3. **RFP Issuance – 5/19/2025**

Project Status

- Phase 2 is on track overall.
 - OCERS Commitment Gathering activity is near completion. Commitment Sign off is planned to be completed by 4/11. There may be a couple of isolated reviews that may need to be confirmed on 4/14 due to vacation, but this should be limited.
 - RFP Section review is on track. The 1st Draft of the RFP is scheduled to be delivered to OCERS for review on 4/21.
 - Initial planning for the Vendor Selection process is in progress.

Accomplishments

- Completed Vendor Showcase and wrap up meetings.
- Initiated final commitment sign off based on Key Business Processes
- The project schedule has been updated as of 4/4/2025.

Current / Upcoming Activities

- **Commitment Gathering:** Commitment sign off activity is in progress and is planned to be concluded on 4/11.
 - There is one area that may not be able to sign off until 4/14 as the owner is on vacation. Preliminary discussion with this owner indicated alignment and it is believed we will be able to achieve sign off when he returns.
 - Provaliant has met with the BPOs and technical leads and sign off is going well so far. The heaviest workload for this process is on Member Services BPOs. We have met and confirmed the list of sign offs and priorities. The team is planning to complete all the work by 4/11, but we will monitor closely to make sure it is feasible.
- **RFP Sections Development in progress:**
The following topics have been provided for OCERS to review:



- Terms and Condition – OCERS has finalized the first draft and has sent it to Ice Miller for review.
- Technology sections – OCERS technical staff is targeting the section to be finalized by Monday 4/7. OCERS plans to send this content document to Gartner for a technical review.

The following sections have been reviewed by OCERS.

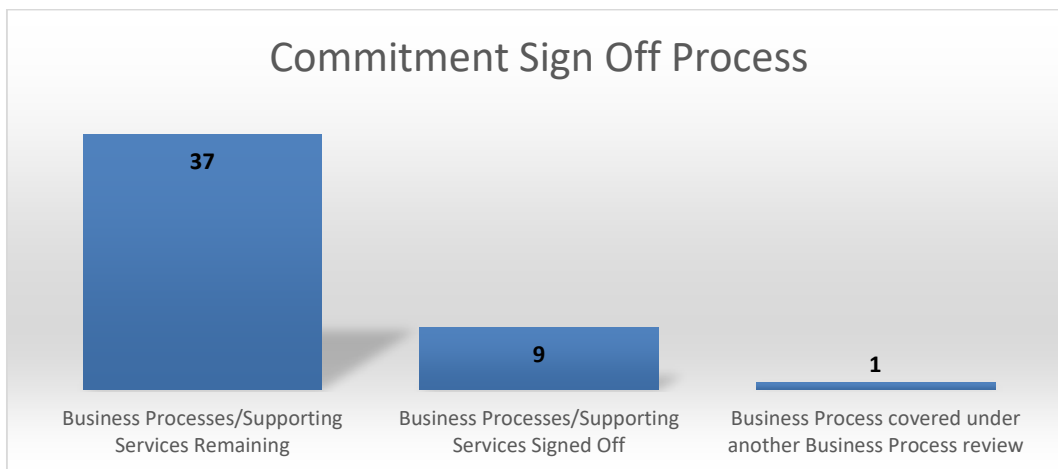
- All sections have had the preliminary review completed except for: Project Requirements section. This section will be finalized and incorporated into the 1st Draft review. Some sections have been discussed so most of the team has had visibility into what this will look like.
- **Vender Selection process planning in progress:**
 - Some meetings have been scheduled for kick off of the process and joint scoring discussions.
 - Provaliant recommends OCERS selection committee block out time on their calendars for reviewing proposals to ensure they have enough time available for this activity. The current period for this review activity is 7/29 to 8/18. It is recommended members of the committee should anticipate an average of 15 to 20 hours per week during this period to review proposals.
 - Other considerations: NASRA Conference 8/9-8/13; Individual departmental budget meetings begin 8/18, Strategic Planning Workshop lead up time.

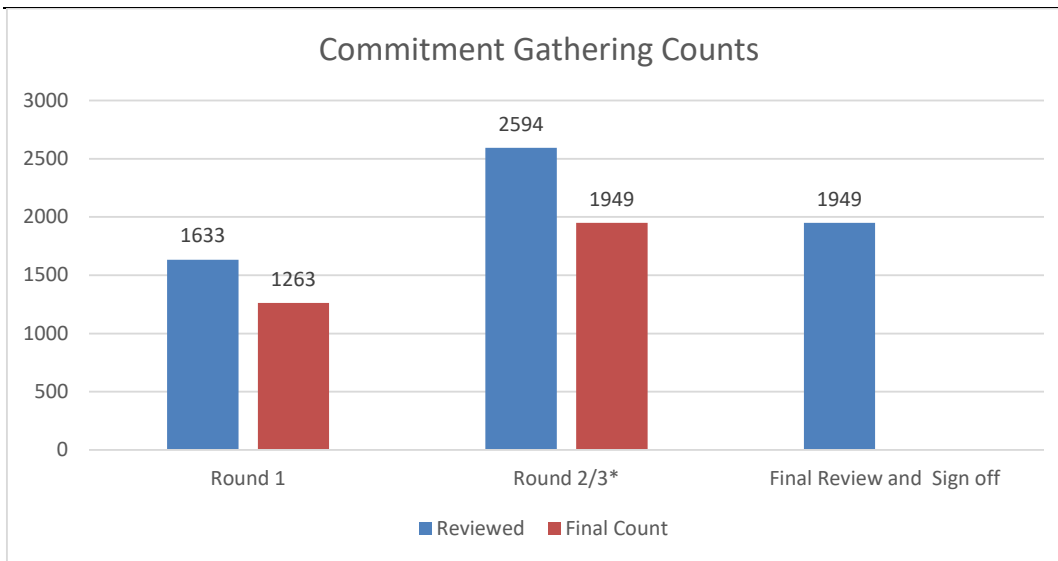
Other Items

- None

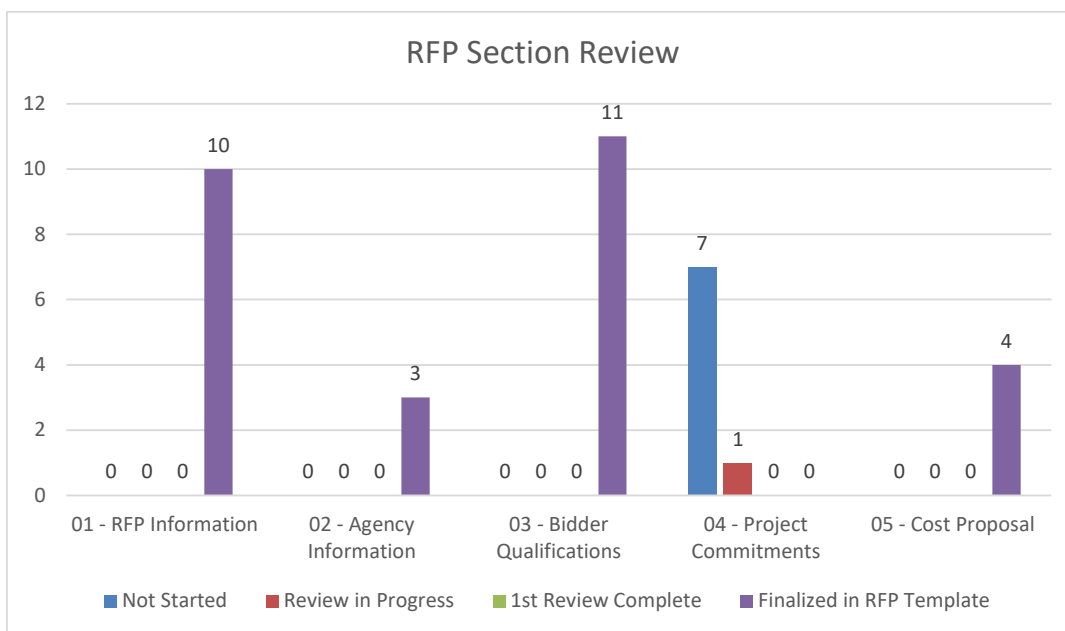
Metrics

Commitment Gathering and Sign Off as of 4/4/2025.





RFP Section Review as of 4/4/2025:

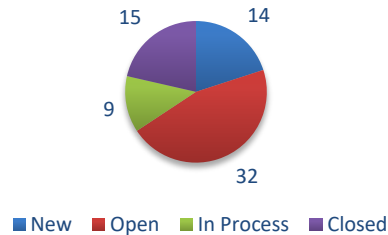


Key Risks and Next Risk Review – Not updated this report period. Will provide new metrics in the next report.

- Next risk review meeting is scheduled for 3/31. This meeting will start assessing new risks identified by OCERS.
- No change to this from the last report.



OCERS New PAS Risk Inventory

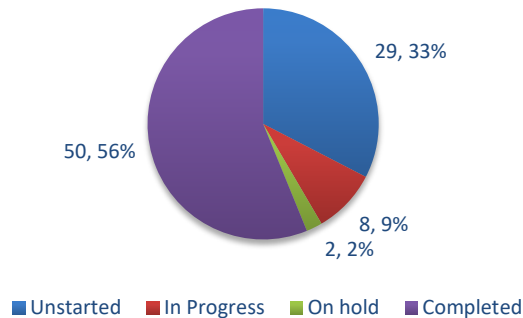


Issues

Action Items

- Some interim tasks/sub-actions are being monitored for potential impacts to the schedule, but all key activities are on track to complete as scheduled.
 - The Risk Management process continues to progress slowly, but action is occurring on critical risks.
- All Action items are being closely monitored for impact to the timeline.

Action Items as of 4/4/2025



- Key action items:
 - Due 4/4 – RFP Section Project Requirements – Functional Commitments and Business Processes
 - Due 4/7 – Bi-weekly Status Report
 - Due 4/7 – Provaliant Monthly Executive Dashboard – April 2025
 - Due 4/7 – Executive Committee meeting agenda
 - Due 4/11 – OCERS Sign Off on Commitments (P201)



-
- Due 4/14 – Acceptance of Deliverable P201 – Commitment Gathering Sign Off
 - Due 4/21 – Deliver 1st Draft of the RFP to OCERS for review.

Links

- Link to the RAID (Risk, Action, Issue, Decision) Log – Both the Risk and Decision log will be converted to Hive.
 - **Risk/Issue Inventory:** [Risk Log Provaliant OCERS.xlsx](#)
 - **Decision Log:** [Decision Log-OCERS.xlsx](#)
 - **Action Items:** Are tracked in Hive.
- Link to individual SharePoint sites: [General](#)
- Link to the most recent Project Schedule snapshot: [OCERS New PAS - RFP Development Project - Phase 2 - 20250404.pdf](#)



OCERS Horizon (PAS) Update

April 21, 2025

Steve Delaney & Will Tsao

Chief Executive Officer & Director of EPMO

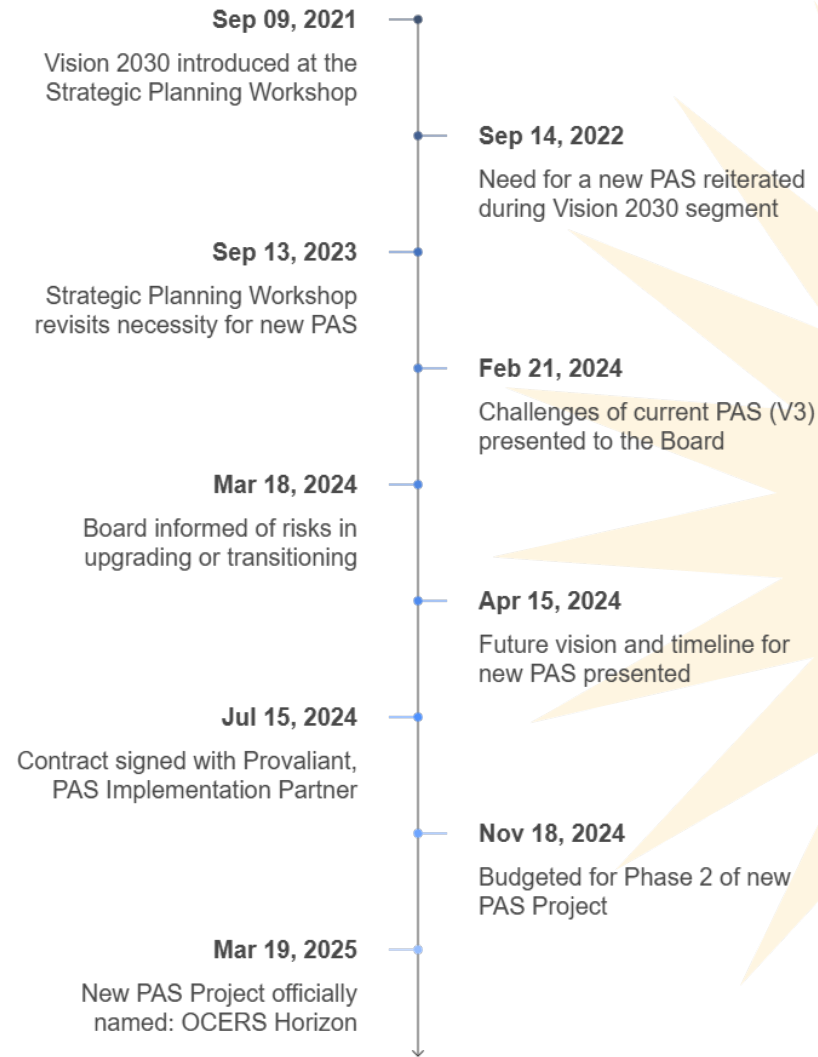


Agenda

- The Journey and Timeline
- Phase 3
- Q&A



The Journey So Far

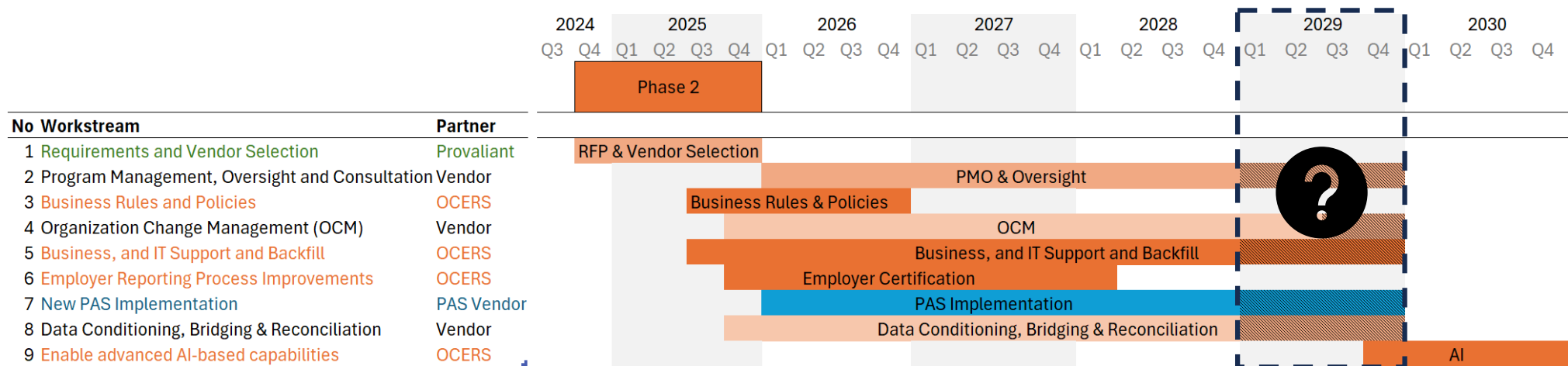


OCERS Horizon RFP Timeline



Phase 3 Timeline: 2026 and Beyond

- Phase 3 encompasses the workstreams that were identified on the IT Strategic Roadmap



OCERS' Response

- The Executive team agrees with Provaliant's recommendations and offers the following:
 - Retain current implementation partner to see us through project completion*
 - Workstream #2: Program Management, Oversight, and Consultation (\$2M over 3 years which equates to \$667k per year starting in 2026)
 - Draft and release RFPs for:*
 - Workstream #3: Business Rules and Policies (\$140k for 9 months covering rest of 2025)
 - Workstream #4: Organizational Change Management (\$1.2M over 4.5 years which equates to \$267k per year starting in 2025)
 - Workstream #8: Data Conditioning, Bridging, and Reconciliation (\$2M over 4 years which equates to \$500k per year starting in 2025)

Year	(#2) Program Management Projected Cost	(#3) Business Rules and Policies Projected Cost	(#4) Org. Change Management Projected Cost	(#8) Data Conditioning Projected Cost	Total Projected Cost by Year
2025	-	\$140k	\$267k	\$500k	\$907k
2026	\$667k	-	\$267k	\$500k	\$1.434M
2027	\$667k	-	\$267k	\$500k	\$1.434M
2028	\$667k	-	\$267k	\$500k	\$1.434M
2029	-	-	\$133k	-	\$133k



Any questions?



April 2025 Board of Retirement Meeting

CLOSED SESSION ITEMS

- E-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)**
Property: 1200 N. Tustin Ave., Santa Ana, CA 92705
Agency negotiator: Brenda Shott
Negotiating parties: All existing tenants under lease at the above-noted property.
Under negotiation: Price and payment terms of lease, lease termination, or lease renegotiation.

Recommendation: Take appropriate action.

If available, information on the case can be found in the “Closed Session” tab in Diligent.