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

REGULAR MEETING
Monday, December 15, 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/82740571032 **Meeting ID: 827 4057 1032** **Passcode: 401150** 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: 827 4057 1032** **Passcode: 401150**
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

Board Meeting Minutes November 17, 2025

Recommendation: Approve minutes.

C-3 2026 OCERS BOARD ANNUAL WORK PLAN

Recommendation: Approve 2026 OCERS Board Annual Work Plan.

C-4 OUTCOMES FROM THE GOVERNANCE COMMITTEE ON NOVEMBER 20, 2025

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

(1) **Pensionable Compensation Policy** with revisions approved by the Committee;
(2) **Compensation Earnable Policy** with non-substantive revisions approved by the Committee;
(3) **Withdrawing Employer Continuing Obligation Policy** with revisions approved by the Committee;
(4) **Withdrawing Employer (Fully Satisfied Obligation) Policy** with no recommended revisions at this time approved by the Committee;
(5) **Declining Employer Payroll Policy** with no recommended revisions at this time approved by the Committee; and
(6) **OCERS Administrative Procedure (OAP) regarding Military Service Credit Purchases** with revisions approved by the Committee.

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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: BASHAR ALBARRISHI
Transit Project Manager III, Orange County Transportation Authority (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant nonservice-connected disability retirement.
- Set the effective date as October 19, 2025.

DC-2: TEODORO AVILA
Senior Social Worker, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant service-connected disability retirement.
- Set the effective date as July 12, 2024.

DC-3: RYAN HUMPHREY
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 June 4, 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 REPLACEMENT HEADQUARTERS PROJECT - GUARANTEED MAXIMUM PRICE
Presentation by Brenda Shott, Assistant CEO, Internal Operations, OCERS

Recommendation: The Building Committee recommends that the Board approve the following:

1. Approve the Guaranteed Maximum Price (GMP) of $63,741,516 as proposed by the Headquarters Project (Project) Design Build Entity (DBE), Synder Langston.
2. Authorize staff to negotiate and execute an amendment to the DBE contract for the Development Phase of the Headquarters project reflecting the approved GMP.

A-3 ANNUAL CEO COMPENSATION
Presentation by Shawn Dewane, Designated Labor Negotiator, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: Approve and authorize the Board to execute a salary adjustment for the Chief Executive Officer, effective December 26, 2025, setting the annual base salary at $425,999.50 which is an increase of $26,062 (approximately 6.52%) with an estimated annual total compensation of $696,388.00 including benefits.

A-4 OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON DECEMBER 3, 2025
Presentation by Cynthia Hockless, Director of Human Resources, and Manuel D. Serpa, General Counsel, OCERS

Recommendation: The Personnel Committee recommends that the Board approve the updated OCERS Employee Policy Handbook with changes directed by the Committee.

A-5 **TRUSTEE MEETING COMPENSATION LEGISLATION**
Presentation by Steve Delaney, CEO, and Manuel Serpa, General Counsel, OCERS

Recommendation: Approve the introduction of new legislation to amend Government Code Section 31521 to permit a CERL system Board of Retirement to increase the compensation rate for meeting attendance by its fourth, fifth, sixth, eighth, and ninth members to a rate of not more than $320.

INFORMATION ITEMS

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

I-1 **RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE**
Presentation by REAOC

I-2 **30 YEAR SAFETY OFFICERS AND COLA COST**
Presentation by Andy Yeung, Segal, and David Kim, Assistant CEO, OCERS

I-3 **ALAMEDA FINAL UPDATE**
Presentation by Jeff Lamberson, Director of Member Services, and Will Tsao, Director of EPMO, OCERS

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 December 15, 2025
Death Notices December 15, 2025

R-2 **COMMITTEE MEETING MINUTES**
- July 2025- Building Committee Meeting
- August 2025- Governance Committee Meeting
- August 2025- Personnel Committee Meeting

R-3 **NEW HEADQUARTERS ACTIVITY REPORT**
Written Report

R-4 **CEO FUTURE AGENDAS (2026)**
Written Report

R-5 **QUIET PERIOD – NON-INVESTMENT CONTRACTS**
Written Report

R-6 **BOARD COMMUNICATIONS**
Written Report

R-7 **OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**
Written Report

R-8 **2026 OCERS BOARD COMMITTEE APPOINTMENTS**
Written Report

R-9 **PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT**
Written Report

R-10 **OUTCOMES FROM THE BUILDING COMMITTEE MEETING ON DECEMBER 2, 2025**
Written Report

CLOSED SESSION ITEMS

E-1 **if needed**

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

CIO COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

BOARD MEMBER COMMENTS

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

NOTICE OF NEXT MEETINGS

DISABILITY COMMITTEE MEETING
January 21, 2026
8:30 A.M.

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

REGULAR BOARD MEETING
January 21, 2026
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, November 17, 2025
9:30 A.M.

MINUTES

Chair Packard called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person:	Charles Packard, Chair; Richard Oates, Vice Chair; Arthur Hidalgo; Iriss Barriga; Jeremy Vallone; Roger Hilton; Adele Lopez Tagaloa; Shari Freidenrich; Shawn Dewane; Wayne Lindholm
Present via Zoom (under Government Code Section 54953(f)):	
Also Present:	David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Molly Murphy, Chief Investment Officer; Darren Dang, Chief Technology Officer; Will Tsao, Director of EPMO; Mark Adviento, Director of Member Services; Jeff Lamberson, Director of Member Services; Cynthia Hockless, Director of HR; Jennifer Reyes, Director of Finance; Tracy Bowman, Director of Finance; Kristine De Los Santos, Finance Manager; Fong Tse, Sr Facilities Manager; Joon Kim, Staff Attorney; Nicole McIntosh; Director of Disability; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary
Guests:	Maytak Chin, ReedSmith (ZOOM)
Absent:	

Public Comment: None

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.

- none

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Board Meeting Minutes October 20, 2025

Recommendation: Approve minutes.

A **MOTION** was made by Mr. Dewane, **seconded** by Ms. Lopez Tagaloa, to approve the Consent Agenda.

The motion passed **unanimously**.

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DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

A. Disability Committee Recommendations:
None

B. CEO Recommendations:

DC-1: JORGE CASTANEDA
Coach Operator, Orange County Transportation Authority (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant service-connected disability retirement.
- Set the effective date as May 19, 2024.

DC-2: ROBERTO DE PADUA
Deputy Sheriff I, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant service-connected disability retirement.
- Set the effective date as August 9, 2024.

DC-3: KIPP LYONS
Community Service Coordinator, City of San Juan Capistrano (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant service-connected disability retirement.
- Set the effective date as April 17, 2023.

DC-4: RAMON MUNOZ
Fire Captain, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:
- Grant service-connected disability retirement.
- Set the effective date as May 30, 2024.

DC-5: RAMI PAYNE
Library Assistant II, Orange County Public Library (General)

Recommendation: Staff recommends that the Board:
- Rescind member's nonservice-connected disability in order to allow member to withdraw accumulated contributions pursuant to Government Code section 31628.

A **MOTION** was made by Mr. Oates, **seconded** by Mr. Oates, to approve DC 1-5.

The motion passed **unanimously**.

ACTION ITEMS

A-2 OCERS' PROPOSED ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2026
Presentation by Brenda Shott, Assistant CEO, Internal Operations, and Steve Delaney, CEO

Recommendation: Approve the FY 2026 Administrative and Capital Budgets totaling $107,268,231

1. **Adopt the FY 2026 Administrative Budget** *(excluding Capital Expenditures)*
   Total: $46,433,042
   a. Personnel Costs: $28,687,727
   b. Service and Supplies: $17,745,315
2. **Adopt the FY 2026 Capital Expenditures Budget**
   Total: $60,835,189

Ms. Shott presented the 2026 Administrative and Capital Expenditures Budget, reviewing the major cost drivers and comparing previous year's budget to actuals in each of the major categories.

Mr. Lindholm questioned the amount being budgeted in the Services and Supplies as the actuals in this area have come in 20%-25% less than the amount budgeted in the past five years. He suggested that we should be able to cut the budget in this area based on the past results.

Ms. Freidenrich agreed and wants to see the budget be more challenging. She expressed her appreciation that the Staff is diligent in not spending dollars if not needed, but encouraged staff to be tighter on the amounts requested in the budget. She explained that she would prefer that staff budget only what they knew was needed and would be spent, and then come back during the year for additional dollars if needed.

When reviewing the Capital Projects category, Ms. Shott explained that the 2026 budget includes $57.8 million in cash flow estimated as needed for the new Headquarters building; however, this is a multi-year project, and the amount budgeted for 2026 does not reflect the full project cost. The full cost of the project is expected to be reviewed by the Building Committee and the Board in December.

Additionally, in the Capital Projects category, there is $3 million for the OCERS Horizon – PAS Modernization Project. The amount budgeted includes costs for the external limited-term project staff and for the Implementation Partner contract for 2026. The amount budgeted does not include the cost of the new system itself, as the vendor selection and contract negotiation will happen over the next several months. A budget amendment is anticipated to cover the vendor cost once contract negotiations are completed.

A **MOTION** was made by Mr. Dewane, **seconded** by Mr. Oates, to approve staff recommendations.

The motion passed **unanimously**.

A-3 ELECTION OF OCERS BOARD VICE-CHAIR
Presentation by Brenda Shott, Assistant CEO, Internal Operations, OCERS

Recommendation: Elect a new OCERS Board Vice-Chair for calendar year 2026.

A **MOTION** was made by Mr. Hidalgo, **seconded** by Mr. Lindholm, to nominate Mr. Dewane as OCERS Board Vice Chair for calendar year 2026.

The motion passed **unanimously**.

The Board recessed for break at 10:26 a.m.

The Board reconvened from break at 10:44 a.m.

Recording Secretary administered the Roll Call attendance.

A-4 AWARD OF CONTRACT FOR THE PENSION ADMINISTRATION SOLUTION
Presentation by David Kim, Assistant CEO, External Operations, Darren Dang, Chief Technology Officer, and Will Tsao, Director of EPMO, OCERS

Recommendation: Staff recommends the Board of Retirement award a contract for the Pension Administration Solution (PAS) to Vitech System Group, subject to satisfactory negotiation of terms.

OCERS is undertaking a major modernization under Vision 2030, replacing its legacy Pension Administration System (V3), which ends in 2028, with the new OCERS Horizon system to enhance flexibility, automation, and long-term growth. Ms. Brenda Shott emphasized that Horizon is a strategic investment, not just a technical upgrade.

Mr. David Kim outlined the strategic rationale and vendor selection, noting that the May 2025 RFP included over 1,900 requirements to limit scope creep. From five proposals, three finalists—Cognizant, Sagitec, and Vitech—were chosen after rigorous evaluations, demos, site visits, and staff input.

Mr. Will Tsao reviewed the Vision 2030 timeline and evaluation methodology, highlighting the strong Operations-IT alignment—driven by Vision 2030 goals—which made the process smoother and more thorough than past efforts.

Mr. Darren Dang assessed Vitech's Velocity platform, noting its Level 4 composable architecture, cloud readiness, modularity, and minimal customization, meeting 99% of OCERS' requirements. Vitech stood out for its modern SaaS model, low cost, familiarity with OCERS data, and deliverables-based payment structure.

The discussion covered risk mitigation, including dedicated Vitech project personnel, continuity guarantees, and OCERS approval for staffing changes. OCERS will have access to Vitech's JIRA system, CTO escalation, and source-code escrow. The 28-month implementation timeline was considered ambitious but achievable with strong monitoring and contingency plans.

During the board Q&A, the team addressed concerns on financial stability, noting cautious optimism about Vitech's new ownership. The latest Velocity system and SaaS model ensure smoother upgrades. Vitech's low cost reflects familiarity with OCERS' data, and assurances were given that OCERS will remain a priority client with contractual safeguards. Data migration risks are expected to be lower due to Vitech's existing knowledge of OCERS' dataset.

Mr. Dang notes that the next steps upon approval include starting contract negotiations with Vitech, embedding risk mitigations and deliverable-based payments, continuing OCERS' data-cleanup efforts, and monitoring implementation milestones.

A **MOTION** was made by Mr. Dewane, **seconded** by Ms. Barriga, to approve staff recommendation to award a contract for the Pension Administration Solution (PAS) to Vitech System Group, subject to satisfactory negotiation of terms.

The motion passed **unanimously**.

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	November 17, 2025
Death Notices	November 17, 2025

R-2 COMMITTEE MEETING MINUTES

- April 2025- Building Committee Meeting

R-3 NEW HEADQUARTERS ACTIVITY REPORT

Written Report

R-4 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN

Written Report

R-5 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-6 BOARD COMMUNICATIONS

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

R-9 THIRD QUARTER 2025 BUDGET TO ACTUALS REPORT
Written Report

R-10 THIRD QUARTER 2025 UNAUDITED FINANCIAL STATEMENTS
Written Report

R-11 2025 EMPLOYER AND EMPLOYEE CONTRIBUTIONS MATRIX
Written Report

R-12 REPORT OF ATTENDANCE AT CONFERENCE- IRISS BARRIGA- iDAC
Written Report

R-13 REPORT OF ATTENDANCE AT CONFERENCE- ADELE LOPEZ TAGALOA- iDAC
Written Report

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- Ms. Shott reminds Trustees to stay for lunch for our December Board meeting as it is our annual Lunch with Trustees for OCERS staff.
BOARD MEMBER COMMENTS- Ms. Lopez Tagaloa thanked everyone for attending and participating in SACRS. Mr. Oates thanked the OCERS staff for their efforts on Horizon and reminded the Committee about the meeting on Wednesday, November 19th. Ms. Freidenrich alerted staff and the broader public to be aware of potential mail fraud involving property tax forms.
COUNSEL COMMENTS- none

Meeting **ADJOURNED** at 11:38 a.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:	Approved by:
__________________________	__________________________
Steve Delaney	Charles Packard
Secretary to the Board	Chairperson

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Steve Delaney, Chief Executive Officer

SUBJECT: **2026 OCERS BOARD ANNUAL WORK PLAN**

Recommendation

Approve 2026 OCERS Board Annual Work Plan.

Background/Discussion

For nearly a decade, the OCERS Board has in the month of December adopted an annual work plan for the coming calendar year.

The attached 2026 Annual Work Plan outlines known and anticipated OCERS Board tasks in the coming year, allowing for better planning and support by your staff.

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2026 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight	Receive Quality of Member Services Report **(I)** Receive OCERS Innovation Report **(I)** Annual Disability Statistics **(I)** Quarterly 2026-2028 Strategic and Business Plan Review **(I)**	Approve 2026 COLA **(A)** Initial STAR COLA Posting **(I)** Annual Overpaid And Underpaid Plan Benefits Report **(I)** Annual Report of Contracts >$100,000 **(I)**	Approve 2026 STAR COLA **(A)** Quarterly Unaudited Financial Statements **(I)** Quarterly Budget vs Actual Report **(I)** Quarterly Travel and Training Expense Report **(I)**	SACRS Board of Directors Election and Business Meeting Direction **(A)** Quarterly 2026-2028 Strategic and Business Plan Review **(I)**	Preliminary December 31, 2025 Valuation **(I)** Quarterly Unaudited Financial Statements **(I)** Quarterly Budget vs Actual Report **(I)** Quarterly Travel and Training Expense Report **(I)**	Approve December 31, 2025 Actuarial Valuation & Funded Status of OCERS **(A)** Approve 2025 Annual Comprehensive Financial Report **(A)**	Approve Early Payment Rates for Fiscal Year 2026-28 **(A)** Quarterly 2026-2028 Strategic and Business Plan Review **(I)**	Receive OCERS by the Numbers **(I)** Receive Evolution of the UAAL **(I)** Employer Employee Contribution Matrix **(I)** Quarterly Unaudited Financial Statements **(I)** Quarterly Budget vs Actual Report **(I)** Quarterly Travel and Training Expense Report **(I)**	Strategic Planning Workshop **(I)** State of OCERS **(I)**	Approve 2027-2029 Strategic and Business Plan **(A)** SACRS Business Meeting Direction **(A)** Annual CEO Performance Review (Closed Session) **(A)** Name a Labor Negotitator for CEO Compensation process **(A)** Quarterly 2026-2028 Strategic and Business Plan Review **(I)** Propose 2026 Board Meeting Calendar **(I)** Annual OCERS Employer Review **(I)**	Approve 2026 Administrative (Operating) Budget **(A)** Annual CEO Performance Review and Compensation **(A)** Quarterly Unaudited Financial Statements **(I)** Quarterly Budget vs Actual Report **(I)** Quarterly Travel and Training Expense Report **(I)**	
Board Governance											Vice-Chair Election **(A)**	Adopt Annual Work Plan for 2027 **(A)** Receive 2027 Board Committee Appointments **(I)**
Regulation / Policies	Communication Policy Fact Sheet **(I)**											
Compliance	Status of Board Education Hours for 2025 **(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**

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Memorandum

DATE: December 15, 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 NOVEMBER 20, 2025**

Recommendation

The Governance Committee recommends that the Board adopt the following:

(1) **Pensionable Compensation Policy** with revisions approved by the Committee;
(2) **Compensation Earnable Policy** with non-substantive revisions approved by the Committee;
(3) **Withdrawing Employer Continuing Obligation Policy** with revisions approved by the Committee;
(4) **Withdrawing Employer (Fully Satisfied Obligation) Policy** with no recommended revisions at this time approved by the Committee;
(5) **Declining Employer Payroll Policy** with no recommended revisions at this time approved by the Committee; and
(6) **OCERS Administrative Procedure (OAP) regarding Military Service Credit Purchases** with revisions approved by the Committee.

Background/Discussion

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

Revisions to the Pensionable Compensation Policy

Staff recommended to the Committee, and the Committee approved, revisions to the Pensionable Compensation Policy. The revisions are set forth in underlined/strikeout text in the attached copy of the Policy.

The proposed revisions to the Pensionable Compensation Policy include minor, non-substantive edits that enhance clarity and readability, while also making it more comprehensive. For example, paragraph 2 now includes the categories of those who are PEPRA members (per Gov. Code, § 7522.04(f)):

2. PEPRA created a new class of pension plan members composed of: (1) individuals who become a member of any public retirement system for the first time on or after January 1, 2013, (2) individuals who do not have reciprocity with another public retirement system and become a member of OCERS for the first time on or after January 1, 2013, and (3) individuals who are OCERS members who had a break in service of more than six months and returned to active membership in OCERS with a different participating employer in OCERS (together, PEPRA Members).

Non-Substantive Revisions to the Compensation Earnable Policy

Staff recommended to the Committee, and the Committee approved, non-substantive revisions to the Compensation Earnable Policy. The revisions are set forth in underlined/strikeout text in the attached copy of the Policy.

The proposed revisions to the Policy are minor edits that enhance clarity and readability while aligning more closely with statutory authorities. The revisions do not alter the substance of the policy; rather, they strive to make it more comprehensive and easier to understand.

Revisions to the Withdrawing Employer Continuing Obligation Policy

Staff recommended to the Committee, and the Committee approved, revisions to the Withdrawing Employer Continuing Obligation Policy. The revisions are set forth in underlined/strikeout text in the attached copy of the Policy.

Staff and OCERS' actuary, Segal Consulting, reviewed the Policy and recommended two clarifying edits to improve the precision with which the timing and scope of actuarial calculations are described. The first edit, in paragraph 7, clarifies that, absent unique and compelling circumstances, the amortization schedule for payment of a withdrawing employer's initial funding obligation will not exceed the lesser of five years or the period over which OCERS' remaining unfunded liability is being amortized:

> Absent unique and compelling circumstances, the amortization schedule for payment of the employer's initial funding obligation will not exceed the lesser of a period of five (5) years or the period over which OCERS' remaining unfunded liability is being amortized.

The second edit, in paragraph 10, clarifies that OCERS' actuary will periodically remeasure (true-up) and certify to the Board any additional unfunded actuarial accrued liability (UAAL) obligations of the withdrawing employer at intervals not exceeding three years, following updated experience analyses. This ensures consistency in how actuarial true-ups are performed using current assumptions and methodologies:

> Periodically, after the date the employer initiated its withdrawal, in periods not to exceed three (3) years' duration, following an experience analysis, OCERS' actuary will remeasure (true-up) and certify to the Board any additional obligation of the withdrawing employer for UAAL using then current actuarial assumptions and methodologies.

Other non-substantive edits were made to correct typographical errors and improve readability.

No Revisions to the Withdrawing Employer (Fully Satisfied Obligation) Policy

Staff recommended to the Committee, and the Committee approved, no revisions to the Withdrawing Employer (Fully Satisfied Obligation) Policy. The Withdrawing Employer (Fully Satisfied Obligation) Policy is attached for the Committee's review.

No Revisions to the Declining Employer Payroll Policy

Staff recommended to the Committee, and the Committee approved, no revisions to the Declining Employer Payroll Policy. The Declining Employer Payroll Policy is attached for the Committee's review.

Revisions to the OCERS Administrative Procedure (OAP) regarding Military Service Credit Purchases

Staff recommended to the Committee, and the Committee approved, revisions to the OCERS Administrative Procedure regarding Military Service Credit Purchases. The OCERS Administrative Procedure regarding Military Service Credit Purchases is attached for the Committee's review.

OCERS Administrative Procedure (OAP) regarding Military Service Credit Purchases was adopted January 19, 2016, at which time this subject was governed by Government Code sections 31649 and 31649.5. Since then, the Legislature has revised section 31649 and repealed 31649.5. The intent was to make "technical, noncontroversial changes." Staff has revised the OAP to cite and incorporate the current version of Section 31649 and to remove references to the now-repealed Section 31649.5.

In its amendments, the Legislature revised the statute's language to clarify the time by which a member must return to county service to be eligible to purchase military service credit. It was previously unclear whether a member had to return to county service within one year of separation from *county service* or from *military service*. The current version of Section 31649 clarifies that it is the latter.

In addition, whereas benefits under USERRA are conditioned on the requirement that the employee's cumulative length of all absences for military service does not exceed five years, the CERL states members may purchase service credit for *all* periods of absence, even if it exceeds the cumulative five years, so long as the member returns to county or district employment within one year of honorable discharge from the military.

The CERL's more favorable approach toward members is compatible with Congressional intent under USERRA, as the federal law states that USERRA shall not supersede, nullify, or diminish any State law or plan that establishes a right or benefit that is *more beneficial or in addition to* what is provided by USERRA. (38 U.S.C. § 4302(a).) OCERS Administrative Procedure has been updated accordingly.

Attachments.

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Pensionable Compensation Policy

Purpose and Background

1. Effective January 1, 2013, the State of California enacted the Public Employees Pension Reform Act of 2012, Government Code sections 7522, et seq. (PEPRA).

~~1.~~2. PEPRA created a new class of pension plan members composed of ~~members enrolled in~~: (1) individuals who become a member of any public retirement system for the ~~pension plan~~first time on or after January 1, 2013 ~~(~~, (2) individuals who do not have reciprocity with another public retirement system and become a member of OCERS for the first time on or after January 1, 2013, and (3) individuals who are OCERS members who had a break in service of more than six months and returned to active membership in OCERS with a different participating employer in OCERS (together, PEPRA Members).

~~2.~~3. Under Government Code section 7522.34 (Section 7522.34), the items of compensation that are to be included in a retiring PEPRA Member's final compensation are defined as “Pensionable Compensation.”

~~3.~~4. The purpose of this policy is to set forth OCERS' interpretation of the term “Pensionable Compensation” as defined in Section 7522.34, in the context of the specific pay items utilized by OCERS’ employers.

Policy Objectives

~~4.~~5. The objective of this policy is to ensure that OCERS fully complies with applicable law when calculating a PEPRA Member's retirement benefit.

Policy Guidelines

~~5.~~6. **Pensionable Compensation**. OCERS will calculate Pensionable Compensation for PEPRA Members in accordance with the following guidelines.

(a) Pay Items Included in Pensionable Compensation.[1]

Pensionable Compensation means (i) the normal monthly rate of pay or base pay of the member; (ii) paid in cash; (iii) to similarly situated members of the same group or class of employment; (iv) for services rendered on a full-time basis; (v) during Normal Working Hours (defined below); (vi) pursuant to Publicly Available Pay Schedules (defined below); and (vi) subject to the limitations of Section ~~5~~6(b), below.

Subject to the requirements set forth in the preceding paragraph above, Pensionable Compensation includes the following items of compensation:

Base Salary and Wages (gross of any employee contributions to deferred compensation plans~~)~~), and includes additional compensation for scheduled meal periods, plus the following skill-based or

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

shift-based premium pay items (Premium Pay or Assignment Pay), and others substantially similar to them, as listed below:

- Bilingual Pay
- Educational Pay
- Aircraft Rescue Firefighting Pay
- Paramedic Pay
- Motorcycle Pay
- Emergency Dispatch Pay
- Field Training Officer Pay
- Shift Differential Pay
- Confined Space Pay

(b) Pay Items Excluded From Pensionable Compensation.

The following items of compensation will be excluded from Pensionable Compensation:

- Any compensation determined by the Board (i) to have been paid to increase a member's retirement benefit or (ii) to be inconsistent with the requirements of subsection (a) above
- Overtime, other than as defined in Section 207(k) of Title 29 of the United States Code.
- Payments for additional services rendered outside of Normal Working Hours, whether paid in a lump sum or otherwise
- Employer contributions to deferred compensation plan or retirement system
- Flexible benefits ("Cafeteria Plan") provided in-kind or paid in cash
- Automobile, uniform, or other allowances
- Payments for unused vacation, annual leave, personal leave, sick leave, holiday pay or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid
- Expense reimbursements and in-kind advantages (e.g., food, lodging, board, laundry, fuel)
- Fees, licenses, or memberships provided to or for a member by employer
- Any bonus paid in addition to the compensation defined in (a) above
- Any ad hoc or one-time pay of any sort
- Longevity Incentive Pay
- Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment.

- Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment~~,~~ but is received by the member while employed.

(c) Definition of Normal Working Hours.

- Normal Working Hours are hours that (i) are required to be worked as part of the employee's regular duties; (ii) ~~are~~) ordinarily worked ~~during the period in question~~ by all ~~other members~~persons in the same grade~~/~~ or class~~/~~ of positions during the period in question, and at the same rate of pay, as that of the employee; and (iii) are not and cannot be served voluntarily by the employee. "Ordinarily worked" does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

OCERS Board Policy

Pensionable Compensation Policy

~~6.~~7. **Publicly Available Pay Schedule.** In accordance with Section 7522.34, OCERS will exclude from Pensionable Compensation any pay code or item of compensation that is not included in a Publicly Available Pay Schedule. Publicly Available Pay Schedule means a document or documents that reflect the amount or category of pay and that meets all of the following requirements:

(a) Has been duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meetings laws;

(b) Identifies the position title for every employee position;

(c) Shows the ~~payrate~~pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;

(d) Is posted on the employer's internet website. If not on the website, it will be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours; and

(e) Does not reference a document which is not available in accordance with (d), above, in lieu of disclosing the ~~payrate~~pay rate.

The requirement for a Publicly Available Pay Schedule can be met by posting on the employer's ~~internet~~ website the applicable labor memoranda of understanding, compensation resolutions, or ordinances, and all salary schedules or matrices, so long as, taken together, the documents contain all required information. The employer need not create a new document to comply with this requirement.

If an employer fails to meet the requirements of Paragraph 6(a) above, the Board, in its sole discretion, may determine an amount that will be considered to be the applicable ~~payrate~~pay rate, taking into consideration all information the Board deems relevant, including~~, but not limited to,~~ the following:

~~a)~~(a) Documents approved by the employer's governing body in accordance with the requirements of public meetings laws and maintained by the employer;

~~b)~~(b) The last ~~payrate~~pay rate listed on a conforming pay schedule with the same employer for the position at issue;

~~(a)~~(c) The last ~~payrate~~pay rate for the member ~~that is~~ listed on a conforming pay schedule with the same employer for a different ~~positon~~position.

Policy Review

~~7.~~8. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

OCERS Board Policy

Pensionable Compensation Policy

Policy History

~~8.~~9. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended on June 21, 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.

~~Steve Delaney Secretary of the Board~~

~~OCERS Board Policy~~

~~Pensionable Compensation Policy~~

~~DATE~~

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Pensionable Compensation Policy

Purpose and Background

1. Effective January 1, 2013, the State of California enacted the Public Employees Pension Reform Act of 2012, Government Code sections 7522, et seq. (PEPRA).
2. PEPRA created a new class of pension plan members composed of: (1) individuals who become a member of any public retirement system for the first time on or after January 1, 2013, (2) individuals who do not have reciprocity with another public retirement system and become a member of OCERS for the first time on or after January 1, 2013, and (3) individuals who are OCERS members who had a break in service of more than six months and returned to active membership in OCERS with a different participating employer in OCERS (together, PEPRA Members).
3. Under Government Code section 7522.34 (Section 7522.34), the items of compensation that are to be included in a retiring PEPRA Member's final compensation are defined as "Pensionable Compensation."
4. The purpose of this policy is to set forth OCERS' interpretation of the term "Pensionable Compensation" as defined in Section 7522.34, in the context of the specific pay items utilized by OCERS' employers.

Policy Objectives

5. The objective of this policy is to ensure that OCERS fully complies with applicable law when calculating a PEPRA Member's retirement benefit.

Policy Guidelines

6. **Pensionable Compensation**. OCERS will calculate Pensionable Compensation for PEPRA Members in accordance with the following guidelines.

   (a) Pay Items Included in Pensionable Compensation.[1]

   Pensionable Compensation means (i) the normal monthly rate of pay or base pay of the member; (ii) paid in cash; (iii) to similarly situated members of the same group or class of employment; (iv) for services rendered on a full-time basis; (v) during Normal Working Hours (defined below); (vi) pursuant to Publicly Available Pay Schedules (defined below); and (vi) subject to the limitations of Section 6(b), below.

   Subject to the requirements set forth in the preceding paragraph above, Pensionable Compensation includes the following items of compensation:

   Base Salary and Wages (gross of any employee contributions to deferred compensation plans), and includes additional compensation for scheduled meal periods, plus the following skill-based

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

or shift-based premium pay items (Premium Pay or Assignment Pay), and others substantially similar to them, as listed below:

- Bilingual Pay
- Educational Pay
- Aircraft Rescue Firefighting Pay
- Paramedic Pay
- Motorcycle Pay
- Emergency Dispatch Pay
- Field Training 0fficer Pay
- Shift Differential Pay
- Confined Space Pay

(b) Pay Items Excluded From Pensionable Compensation.

The following items of compensation will be excluded from Pensionable Compensation:

- Any compensation determined by the Board (i) to have been paid to increase a member's retirement benefit or (ii) to be inconsistent with the requirements of subsection (a) above
- Overtime, other than as defined in Section 207(k) of Title 29 of the United States Code.
- Payments for additional services rendered outside of Normal Working Hours, whether paid in a lump sum or otherwise
- Employer contributions to deferred compensation plan or retirement system
- Flexible benefits ("Cafeteria Plan") provided in-kind or paid in cash
- Automobile, uniform, or other allowances
- Payments for unused vacation, annual leave, personal leave, sick leave, holiday pay or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid
- Expense reimbursements and in-kind advantages (e.g., food, lodging, board, laundry, fuel)
- Fees, licenses, or memberships provided to or for a member by employer
- Any bonus paid in addition to the compensation defined in (a) above
- Any ad hoc or one-time pay of any sort
- Longevity Incentive Pay
- Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment.

- Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment but is received by the member while employed.

(c) Definition of Normal Working Hours.

- Normal Working Hours are hours that (i) are required to be worked as part of the employee's regular duties; (ii)) ordinarily worked by all persons in the same grade or class of positions during the period in question, and at the same rate of pay, as that of the employee; and (iii) are not and cannot be served voluntarily by the employee. "Ordinarily worked" does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

7. **Publicly Available Pay Schedule.** In accordance with Section 7522.34, OCERS will exclude from Pensionable Compensation any pay code or item of compensation that is not included in a Publicly Available Pay Schedule. Publicly Available Pay Schedule means a document or documents that reflect the amount or category of pay and that meets all of the following requirements:

   (a) Has been duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meetings laws;

   (b) Identifies the position title for every employee position;

   (c) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;

   (d) Is posted on the employer's internet website. If not on the website, it will be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours; and

   (e) Does not reference a document which is not available in accordance with (d), above, in lieu of disclosing the pay rate.

   The requirement for a Publicly Available Pay Schedule can be met by posting on the employer's website the applicable labor memoranda of understanding, compensation resolutions, or ordinances, and all salary schedules or matrices, so long as, taken together, the documents contain all required information. The employer need not create a new document to comply with this requirement.

   If an employer fails to meet the requirements of Paragraph 6(a) above, the Board, in its sole discretion, may determine an amount that will be considered to be the applicable pay rate, taking into consideration all information the Board deems relevant, including the following:

   (a) Documents approved by the employer's governing body in accordance with the requirements of public meetings laws and maintained by the employer;

   (b) The last pay rate listed on a conforming pay schedule with the same employer for the position at issue;

   (c) The last pay rate for the member listed on a conforming pay schedule with the same employer for a different position.

OCERS Board Policy

Pensionable Compensation Policy

Policy Review

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

Policy History

9. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended on June 21, 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.

Steve Delaney
Secretary of the Board

Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Compensation Earnable Policy

Purpose and Background

1. The purpose of this policy is to affirm OCERS' interpretation of the term Compensation Earnable as set forth in California Government Code section 31461 (Section 31461) and OCERS Board of Retirement Resolution 98-001 (Resolution 98-001).
2. Resolution 98-001 was adopted by the OCERS Board of Retirement (Board) on February 6, 1998, in order to implement the decision of the California Supreme Court (Supreme Court) in the case Ventura County Deputy Sheriffs' Association vs. Board of Retirement of Ventura County Employees Retirement Association (1997) 16 Cal.4th 483 (Ventura Decision). The Supreme Court in the Ventura Decision interpreted Section 31461 and the term Compensation Earnable and mandated a change in the method for calculating pension benefits for members and their beneficiaries by retirement systems governed by the County Employees Retirement Law of 1937 (CERL).
3. Resolution 98-001, among other things, reflects the Board's interpretation of the Ventura Decision as it applies to various types or categories of ~~speciality~~specialty or premium pay received by OCERS members from their employers, and delineates those items of pay that are to be included in and those that are to be excluded from Compensation Earnable.
4. On May 4, 1998, Resolution 98-001 was amended by Board Resolution 98-009 in response to litigation brought by the County of Orange and others challenging the legality of Resolution 98-001. Resolution 98-009 deleted Sections 6, 8, and a portion of Section 9 of Resolution 98-001 related to the imposition of contributions in arrears stemming from the change in contribution rates that resulted from the implementation of Resolution 98-001. Additionally, on December 18, 2000, Resolution 98-001 was further amended by Resolution 00-003 to address the treatment of certain automobile allowances. For purposes of this policy, any reference to Resolution 98-001 will be as Resolution 98-001 was amended by Resolutions 98-009 and 00-003.
5. OCERS was a party to several litigation matters that arose subsequent to the Ventura Decision and adoption of Resolution 98-001. These cases were coordinated as class actions in San Francisco Superior Court with other litigation involving other county retirement systems involving the interpretation and implementation of the Ventura Decision (Coordinated Cases).
6. On November 1, 2002, the San Francisco Court entered a judgment (Judgment) approving a settlement agreement of the Coordinated Cases that, among other things, included an agreement that all parties would " . . . accept as final and binding the inclusions and exclusions from compensation, compensation earnable and final compensation . . . " as set forth in Resolution 98- 001.

~~7.~~ In 2012, the California Legislature adopted AB 197 and the Public Employees Pension Reform Act of 2012 (PEPRA), ~~which among other things,~~ effective January 1, 2013~~,~~. AB 197 amended Section 31461 to add subdivision (b), which provided a list of ~~items of~~ compensation items that are expressly excluded from the statutory definition of Compensation Earnable. Among the items of compensation excluded from Compensation Earnable by subdivision (b) of Section 31461: are (1) compensation determined by the board to have been paid to enhance a member's retirement allowance, ~~(~~including compensation for a previously provided in-kind benefit paid in cash during the final average salary period, a one-time or ad hoc payment to the member not paid to other similarly situated members, and a payment solely made due to termination of employment but received while member was still employed (except where payment does not exceed what is earned and payable in each 12 month period during the final average salary period), 2) payments for unused vacation, annual leave, ~~etc.,~~personal leave, sick leave, or compensatory time off, however denominated, in an amount that exceeds what is earned and payable in each 12-month period during the Final

OCERS Board Policy

Compensation Earnable Policy

7. Compensation Period, (3) payments for additional services rendered outside of normal working hours~~,~~ ~~whether paid in a lump sum or otherwise~~, and (4) payments made at termination of employment, except those that do not exceed what is earned and payable in each 12-month period during the Final Compensation Period. ~~PEPRA also added a new term – Pensionable Compensation~~

8. PEPRA also added a new term – Pensionable Compensation– to define the items of compensation that are permitted to be included in the calculation of the retirement allowances of OCERS members newly enrolled in the pension system on or after January 1, 2013~~. OCERS members who were members~~, known as "PEPRA Members." For PEPRA Members, refer to OCERS' Pensionable Compensation Policy, which sets forth OCERS' interpretation of ~~the system prior to January 1, 2013 are referred to as Legacy members in this policy.~~"Pensionable Compensation" as defined under Government Code § 7522.34 governing PEPRA Members' pension benefit calculations.

9. OCERS members who were members of the system before January 1, 2013, are referred to as Legacy Members" and are governed by this Compensation Earnable Policy.

~~8.~~10. A number of lawsuits were filed shortly after PEPRA became effective. One of these lawsuits was appealed to the Supreme Court, and on July 30, 2020, resulted in a decision of the court upholding as constitutional AB 197 and PEPRA, including the amendments to Section 31461~~.~~ applicable to Legacy Members. (Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association 9 Cal.~~5th 1032~~5th 1032; the Alameda Decision.) The Board has amended Paragraph 10 below to reflect the holding of the Supreme Court in the Alameda Decision.

Policy Objectives

~~9.~~11. The objectives of this policy are to ensure that OCERS fully complies with applicable law, including the Alameda Decision, when calculating Compensation Earnable and Legacy ~~members'~~Members' retirement benefits, and to reaffirm the continued applicability of Resolution 98-001 as upheld by the Judgment in the Coordinated Cases.

Policy Guidelines

~~10.~~12. **Compensation Earnable.** Compensation Earnable for Legacy ~~members~~Members will be calculated by OCERS in accordance with the following guidelines.

(a) Pay Items Included in Compensation Earnable.[1]

In accordance with Resolution 98-001 and subdivisions (a) and (b) of Section 31461, remuneration that is (i) earned and receivable in cash (under the applicable MOU) by the retiring employee, (ii) during the final compensation period (as defined by Sections 31462 and 31482.1 of the Government Code; hereafter Final Compensation Period), and (iii) for services

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

Compensation Earnable Policy

performed during Normal Working Hours (defined below) will be included in Compensation Earnable, including but not limited to the following items of compensation, and others substantially similar to them:

- Base Salary and Wages
- Bilingual Premium Pay
- Educational Incentive ("POST") Pay
- Aircraft Rescue Firefighting
- Paramedic Pay
- Motorcycle Bonus
- Emergency Dispatch Pay
- Field Training Officer Bonus
- Shift Differential Pay
- Confined Space Pay
- Longevity Incentive
- Automobile Allowance, if paid in cash; and for members whose Final Compensation Period includes time before January 1, 2001, also to the extent that the automobile was provided for personal use and declared as income
- Uniform Allowance
- Uniform Maintenance Allowance
- Payoffs of Vacation, Sick and Holiday leave time to the extent it was (i) earned in each 12-month period of the Final Compensation Period (pro-rated on a monthly basis); (ii) not taken as time off; and (iii) permitted to be cashed-out during the Final Compensation Period (pro-rated on a monthly basis) under the applicable MOU, regardless of when actually paid or cashed out
- Employee Contributions to a Deferred Compensation Plan [already included in Base Wages and Salary, above]
- "Mandatory or Scheduled Overtime" (including pay items such as On-Call and Standby~~)~~), provided that it is pay for services rendered during the~~ employee's~~ Normal Working Hours (defined below).
- Compensatory Time (excluding "True Overtime" as defined in Section ~~10~~12(b) below) in excess of minimum required reserve
- "Madera" Pay (see, Madera Police Officers Association v. City Of Madera 36 Cal.3d 403)
- Additional Compensation for Scheduled Meal Periods
- Flexible Benefits ("Cafeteria Plan") paid in cash to members retiring before January 1, 1991

OCERS Board Policy

Compensation Earnable Policy

(b) Pay Items Excluded from Compensation Earnable.

In accordance with Resolution 98-001 and subdivisions (a) and (b) of Section 31461, remuneration or other value to the employee that (i) is neither earned nor payable in cash to the employee during the Final Compensation Period; and (ii) is not for services rendered during ~~the employee's~~ Normal Working Hours (defined below) will be excluded from Compensation Earnable, including but not limited to the following items, and others substantially similar to them:

- "True Overtime", including but not limited to On-Call, Standby and similar pay, for additional services rendered outside of Normal Working Hours (as defined below), whether paid in a lump sum or otherwise

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

- Employer Contributions to a Deferred Compensation Plan
- Employer Contributions to the Retirement System
- Employer "pick up" of Employee Contributions to the Retirement System
- Payoffs or cash outs of Vacation and Sick Leave and Holiday Pay, to the extent neither earned nor permitted to be cashed out under the applicable MOU, during each 12-month period of the Final Compensation Period, regardless of when actually paid or cashed out
- Flexible Benefits (“Cafeteria Plan") provided in-kind
- Flexible Benefits (“Cafeteria Plan”) paid in cash to members retiring on and after January 1, 1991
- Terminal ("Final") Pay, unless included in Compensation Earnable under Section ~~10~~12(a), above
- Expense Reimbursements
- In-Kind Advantages (e.g. food, lodging, board, laundry, fuel)
- Fees, Licenses, Memberships provided to the member by the employer
- Automobile Allowance, if the automobile is provided for personal use and the allowance is not paid in cash, whether or not declared as income, for members whose Final Compensation Periods **do not** include time before January 1, 2001.

(c) Definition of Normal Working Hours.

Normal Working Hours are hours that (i) are required to be worked as part of the employee’s regular duties; (ii) ~~are~~ ordinarily worked ~~during the period in question~~ by all ~~other members~~persons in the same grade~~/~~ or class~~/~~ of positions during the period in question, and at the same rate of pay, as that of the employee; ***and*** (iii) are not and cannot be voluntarily worked by the employee. “Ordinarily worked” does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

(d) Calculation of Compensation Earnable.

The retiring employee's compensation will be "regularized" to what would have been received ~~had~~if the employee had been paid for a normal work schedule during the Final Compensation Period. OCERS Staff will ~~calculate~~determine Compensation Earnable ~~(Earnable Salary)~~ by ~~creating~~calculating a ~~fraction,~~ ratio in which the numerator ~~of which~~ is the ~~amount of the~~ employee's qualifying compensation and the denominator ~~of which~~ is the actual number of ordinary work hours for which the employee was ~~actually~~ paid. Staff will then multiply ~~that fraction~~this ratio by the number of paid hours that are ordinarily required to be worked by all other members in the same grade/class as the retiring employee. The ~~result~~resulting amount will be the retiring employee's Compensation Earnable for the Final Compensation Period.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Compensation Earnable Policy

Policy Review

~~11.~~13. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Policy History

~~12.~~14. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended by the Board on June 21, 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.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

~~OCERS Board Policy~~

~~Compensation Earnable Policy~~

~~Steve Delaney Secretary of the Board~~

~~OCERS Board Policy~~

~~Compensation Earnable Policy~~

~~06/21/2021~~

~~Dat~~

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Compensation Earnable Policy

Purpose and Background

1. The purpose of this policy is to affirm OCERS' interpretation of the term Compensation Earnable as set forth in California Government Code section 31461 (Section 31461) and OCERS Board of Retirement Resolution 98-001 (Resolution 98-001).
2. Resolution 98-001 was adopted by the OCERS Board of Retirement (Board) on February 6, 1998, in order to implement the decision of the California Supreme Court (Supreme Court) in the case Ventura County Deputy Sheriffs' Association vs. Board of Retirement of Ventura County Employees Retirement Association (1997) 16 Cal.4th 483 (Ventura Decision). The Supreme Court in the Ventura Decision interpreted Section 31461 and the term Compensation Earnable and mandated a change in the method for calculating pension benefits for members and their beneficiaries by retirement systems governed by the County Employees Retirement Law of 1937 (CERL).
3. Resolution 98-001, among other things, reflects the Board's interpretation of the Ventura Decision as it applies to various types or categories of specialty or premium pay received by OCERS members from their employers, and delineates those items of pay that are to be included in and those that are to be excluded from Compensation Earnable.
4. On May 4, 1998, Resolution 98-001 was amended by Board Resolution 98-009 in response to litigation brought by the County of Orange and others challenging the legality of Resolution 98-001. Resolution 98-009 deleted Sections 6, 8, and a portion of Section 9 of Resolution 98-001 related to the imposition of contributions in arrears stemming from the change in contribution rates that resulted from the implementation of Resolution 98-001. Additionally, on December 18, 2000, Resolution 98-001 was further amended by Resolution 00-003 to address the treatment of certain automobile allowances. For purposes of this policy, any reference to Resolution 98-001 will be as Resolution 98-001 was amended by Resolutions 98-009 and 00-003.
5. OCERS was a party to several litigation matters that arose subsequent to the Ventura Decision and adoption of Resolution 98-001. These cases were coordinated as class actions in San Francisco Superior Court with other litigation involving other county retirement systems involving the interpretation and implementation of the Ventura Decision (Coordinated Cases).
6. On November 1, 2002, the San Francisco Court entered a judgment (Judgment) approving a settlement agreement of the Coordinated Cases that, among other things, included an agreement that all parties would " . . . accept as final and binding the inclusions and exclusions from compensation, compensation earnable and final compensation . . . " as set forth in Resolution 98- 001.
7. In 2012, the California Legislature adopted AB 197 and the Public Employees Pension Reform Act of 2012 (PEPRA), effective January 1, 2013. AB 197 amended Section 31461 to add subdivision (b), which provided a list of compensation items that are expressly excluded from the statutory definition of Compensation Earnable. Among the items of compensation excluded from Compensation Earnable by subdivision (b) of Section 31461: are (1) compensation determined by the board to have been paid to enhance a member's retirement allowance, including compensation for a previously provided in-kind benefit paid in cash during the final average salary period, a one-time or ad hoc payment to the member not paid to other similarly situated members, and a payment solely made due to termination of employment but received while member was still employed (except where payment does not

exceed what is earned and payable in each 12 month period during the final average salary period), 2) payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, in an amount that exceeds what is earned and payable in each 12-month period during the Final Compensation Period, (3) payments for additional services rendered outside of normal working hours, and (4) payments made at termination of employment, except those that do not exceed what is earned and payable in each 12-month period during the Final Compensation Period.

8. PEPRA also added a new term – Pensionable Compensation– to define the items of compensation that are permitted to be included in the calculation of the retirement allowances of OCERS members newly enrolled in the pension system on or after January 1, 2013, known as "PEPRA Members." For PEPRA Members, refer to OCERS' Pensionable Compensation Policy, which sets forth OCERS' interpretation of "Pensionable Compensation" as defined under Government Code § 7522.34 governing PEPRA Members' pension benefit calculations.
9. OCERS members who were members of the system before January 1, 2013, are referred to as Legacy Members" and are governed by this Compensation Earnable Policy.
10. A number of lawsuits were filed shortly after PEPRA became effective. One of these lawsuits was appealed to the Supreme Court, and on July 30, 2020, resulted in a decision of the court upholding as constitutional AB 197 and PEPRA, including the amendments to Section 31461 applicable to Legacy Members. (Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association 9 Cal.5th 1032; the Alameda Decision.) The Board has amended Paragraph 10 below to reflect the holding of the Supreme Court in the Alameda Decision.

Policy Objectives

11. The objectives of this policy are to ensure that OCERS fully complies with applicable law, including the Alameda Decision, when calculating Compensation Earnable and Legacy Members' retirement benefits, and to reaffirm the continued applicability of Resolution 98-001 as upheld by the Judgment in the Coordinated Cases.

Policy Guidelines

12. **Compensation Earnable.** Compensation Earnable for Legacy Members will be calculated by OCERS in accordance with the following guidelines.

    (a) Pay Items Included in Compensation Earnable.[1]

    In accordance with Resolution 98-001 and subdivisions (a) and (b) of Section 31461, remuneration that is (i) earned and receivable in cash (under the applicable MOU) by the retiring employee, (ii) during the final compensation period (as defined by Sections 31462

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

and 31482.1 of the Government Code; hereafter Final Compensation Period), and (iii) for services performed during Normal Working Hours (defined below) will be included in Compensation Earnable, including but not limited to the following items of compensation, and others substantially similar to them:

- Base Salary and Wages
- Bilingual Premium Pay
- Educational Incentive ("POST") Pay
- Aircraft Rescue Firefighting
- Paramedic Pay
- Motorcycle Bonus
- Emergency Dispatch Pay
- Field Training 0fficer Bonus
- Shift Differential Pay
- Confined Space Pay
- Longevity Incentive
- Automobile Allowance, if paid in cash; and for members whose Final Compensation Period includes time before January 1, 2001, also to the extent that the automobile was provided for personal use and declared as income
- Uniform Allowance
- Uniform Maintenance Allowance
- Payoffs of Vacation, Sick and Holiday leave time to the extent it was (i) earned in each 12-month period of the Final Compensation Period (pro-rated on a monthly basis); (ii) not taken as time off; and (iii) permitted to be cashed-out during the Final Compensation Period (pro-rated on a monthly basis) under the applicable MOU, regardless of when actually paid or cashed out
- Employee Contributions to a Deferred Compensation Plan [already included in Base Wages and Salary, above]
- "Mandatory or Scheduled Overtime" (including pay items such as On-Call and Standby), provided that it is pay for services rendered during the Normal Working Hours (defined below).
- Compensatory Time (excluding "True Overtime" as defined in Section 12(b) below) in excess of minimum required reserve
- "Madera" Pay (see, Madera Police Officers Association v. City Of Madera 36 Cal.3d 403)
- Additional Compensation for Scheduled Meal Periods

- Flexible Benefits ("Cafeteria Plan") paid in cash to members retiring before January 1, 1991

(b) Pay Items Excluded from Compensation Earnable.

In accordance with Resolution 98-001 and subdivisions (a) and (b) of Section 31461, remuneration or other value to the employee that (i) is neither earned nor payable in cash to the employee during the Final Compensation Period; and (ii) is not for services rendered during Normal Working Hours (defined below) will be excluded from Compensation Earnable, including but not limited to the following items, and others substantially similar to them:

- "True Overtime", including but not limited to On-Call, Standby and similar pay, for additional services rendered outside of Normal Working Hours (as defined below), whether paid in a lump sum or otherwise
- Employer Contributions to a Deferred Compensation Plan
- Employer Contributions to the Retirement System
- Employer "pick up" of Employee Contributions to the Retirement System
- Payoffs or cash outs of Vacation and Sick Leave and Holiday Pay, to the extent neither earned nor permitted to be cashed out under the applicable MOU, during each 12-month period of the Final Compensation Period, regardless of when actually paid or cashed out
- Flexible Benefits ("Cafeteria Plan") provided in-kind
- Flexible Benefits ("Cafeteria Plan") paid in cash to members retiring on and after January 1, 1991
- Terminal ("Final") Pay, unless included in Compensation Earnable under Section 12(a), above
- Expense Reimbursements
- In-Kind Advantages (e.g. food, lodging, board, laundry, fuel)
- Fees, Licenses, Memberships provided to the member by the employer
- Automobile Allowance, if the automobile is provided for personal use and the allowance is not paid in cash, whether or not declared as income, for members whose Final Compensation Periods **do not** include time before January 1, 2001.

(c) Definition of Normal Working Hours.

Normal Working Hours are hours that (i) are required to be worked as part of the employee's regular duties; (ii) ordinarily worked by all persons in the same grade or class of positions during the period in question, and at the same rate of pay, as that of the employee; ***and*** (iii) are not and cannot be voluntarily worked by the employee. "Ordinarily worked" does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

(d) Calculation of Compensation Earnable.

The retiring employee's compensation will be "regularized" to what would have been received if the employee had been paid for a normal work schedule during the Final Compensation Period.

OCERS Staff will determine Compensation Earnable by calculating a ratio in which the numerator is the employee's qualifying compensation and the denominator is the actual number of ordinary work hours for which the employee was paid. Staff will then multiply this ratio by the number of paid hours that are ordinarily required to be worked by all other members in the same grade/class as the retiring employee. The resulting amount will be the retiring employee's Compensation Earnable for the Final Compensation Period.

Policy Review

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

Policy History

14. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended by the Board on June 21, 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.

Steve Delaney

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Withdrawing Employer (Continuing Obligation) Policy

Purpose and Background

From time to time, a participating OCERS employer ceases to provide OCERS' benefits to certain of its employees. *This Withdrawing Employer (Continuing Obligation) Policy* (Policy) is designed to assure that OCERS continues to collect from the employer all contributions necessary to fund all Unfunded Actuarial Accrued Liability (UAAL) attributable to the employer's active, retired, and deferred employees covered by OCERS' service. Consistent with applicable law and this Policy, OCERS will enter into a Withdrawing Employer ~~(~~Continuing Obligation~~)~~ Agreement (Continuing Obligation Agreement) with any such employer.

Policy Objectives

1. The objectives of this policy are, among other things, to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended (CERL) and other applicable provisions of law:
   a. Pursuant to CERL sections 31564.2, 31580.1, 31584, 31585, and other applicable provisions of law, an employer remains liable~~,~~ and must make the required appropriations and transfers~~,~~ to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS. This obligation continues after the employer withdraws any or all of its officers' and employees' service from the OCERS plan until the employer pays all UAAL attributable to its active, retired, and deferred officers and employees by reason of their prior service as OCERS~~'~~ members.
   b. CERL section 31564.2(d) provides, in part, that "[t]he funding of the retirement benefits for the employees of a withdrawing agency is solely the responsibility of the withdrawing agency or the board of supervisors. Notwithstanding any other provision of the law, no contracting agency shall fail or refuse to pay the employer's contributions required by this chapter within the applicable time limitations. In dealing with a withdrawing district, the board of retirement shall take whatever action needed to ensure the actuarial soundness of the retirement system."
2. The general principle applied in this policy is to establish the funding obligation of withdrawing employers as:
   a. The value of future benefits to be paid to OCERS members credited with service while employed with the withdrawing employer; *minus*
   b. The OCERS assets accumulated from contributions of the withdrawing employer and its employees, as determined by OCERS' actuary, and earnings on such contributions.
3. It is the OCERS Board of Retirement's (Board) intent to allow a withdrawing employer to satisfy its funding obligation in a manner that provides the employer reasonable flexibility; however, primary consideration will be given to ensuring the funding obligation of the withdrawing employer is properly determined and satisfied. This will generally require redetermination of the funding obligation of the employer for several years following the date the employer initiates its withdrawal.

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4. This policy covers *only* those withdrawing employers (i) who cease to provide OCERS membership for their active officers and/or employees (i.e., both current actives and new hires), (ii) who are financially viable entities when the withdrawal is initiated, and (iii) who are expected ~~ ~~to continue in existence as financially viable entities. This policy does not cover any other situation – whether a withdrawing employer, a terminating employer or otherwise – including, without limitation, an employer that is going out of business by reason of bankruptcy, loss of funding, or merger, or an employer who gradually winds down its active officers' and employees' continued participation in OCERS either through attrition or through a decision to have officers and employees hired after a specific date to not become members of OCERS (e.g., to participate in a retirement arrangement other than OCERS).

Policy Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed meeting, the guidelines for implementing this policy are set forth below.

5. Upon notice that a participating employer seeks to terminate OCERS' membership for its active employees' future service, and on the advice and recommendation of its actuary, OCERS will segregate on its books all assets and liabilities attributable to the employer as determined by OCERS' actuary, and will maintain such separate accounting for the employer until all of its liabilities have been fully satisfied.

6. OCERS and the withdrawing employer will enter into a Continuing ~~Contribution~~ Obligation Agreement, the purposes of which are to:

   a. evidence the withdrawing employer's obligations as of the date the employer initiates its withdrawal, as well as its continuing funding obligations for the ongoing benefits owed to its retired, deferred, and disabled officers and employees and their surviving beneficiaries, for their accumulated OCERS service and related benefits;

   b. provide a funding mechanism acceptable to OCERS for the withdrawing employer to timely satisfy its existing and continuing funding obligations to OCERS, the payment of which must be over a period ~~which~~ that is not longer than the period over which OCERS' remaining unfunded liability is being amortized (see CERL section 31564.2(c));

   c. require the withdrawing employer to provide OCERS with updated employee census and payroll data requested by OCERS in the years following the date the employer initiates its withdrawal;

   d. provide a mechanism for adjusting the withdrawing employer's obligations and payments due to OCERS based on periodic actuarial experience analysis; and

   e. provide a mechanism by which OCERS will consider the transfer of any Final Surplus, as defined below, to the withdrawing employer or a successor retirement system, as appropriate.

7. Pursuant to the terms of the Continuing ~~Contribution~~ Obligation Agreement, OCERS' actuary will determine, and certify to the Board, the withdrawing employer's initial funding obligation for its

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UAAL calculated as of the date of withdrawal. Absent unique and compelling circumstances, the amortization schedule for payment of the employer's initial funding obligation will not exceed the lesser of a period of five (5) years or the period over which OCERS' remaining unfunded liability is being amortized.

8. The initial value of the assets used to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the valuation value of assets (VVA) (a smoothed value) allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal (or later date if the Continuing ~~Contribution~~ Obligation Agreement so provides), based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate groups (if any) based on payroll.

~~8.~~ Alternatively, based on recommendation of OCERS' actuary, the Board may determine VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.

Later values (i.e., those used in "true-ups" described below) will be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the Total OCERS smoothed (VVA) earnings rate.

9. The present value of future benefits owed to the withdrawing employer's retired, deferred, and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be determined using OCERS' then current actuarial assumptions and methodologies. In determining the present value of accrued benefits, benefit service will be frozen for the withdrawing employer's active employees, but~~,~~ for members who transfer to a system that has reciprocity with OCERS, pay will be projected based on OCERS' then salary growth assumptions.

10. Periodically, after the date the employer initiated its withdrawal, in periods not to exceed three (3) years' duration, following an experience analysis, OCERS' actuary will remeasure (true-up)~~,~~ and certify to the Board~~,~~ any additional obligation of the withdrawing employer for UAAL using then current actuarial assumptions and methodologies. In accordance with the terms of the Continuing Obligation~~Contribution~~ Agreement and applicable law, the withdrawing employer is liable for, and must contribute, any new UAAL determined in the true-up experience analysis, based upon an amortization schedule recommended by the actuary and adopted by OCERS.

    Absent unique and compelling circumstances, the amortization schedule for payment of the employer's periodic true-up funding obligations will not exceed a period of three (3) years. OCERS will hold any negative UAAL (Surplus) to be applied against any future UAAL of the withdrawing employer.

11. If any surplus remains after the withdrawing employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of the Continuing ~~Contribution~~ Obligation Agreement and applicable law.

12. Notwithstanding anything to the contrary herein, the OCERS Board reserves the right to pursue any other remedies under applicable law that, depending on the circumstances, may be available to

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"ensure the actuarial soundness of the retirement system" (CERL section 31564.2(d)). For example, notwithstanding the employer's obligations under the Continuing ~~Contribution~~ Obligation Agreement, if concerns arise regarding the employer's ongoing existence as a financially viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to accept ongoing payments from the employer, the Board may assess the projected full amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board) using a "risk free"discount rate as determined by OCERS in consultation with its actuary, and require an immediate lump sum payment.

A "risk free" discount rate for purposes of this policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-~~-~~based discount rate used in OCERS' actuarial valuation.

Policy Review

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

Policy History

14. The Board adopted this policy on February 17, 2015, and revised it on December 16, 2019, ~~and~~ November 14, 2022, and 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.

~~11/14/22~~

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Withdrawing Employer (Continuing Obligation) Policy

Purpose and Background

From time to time, a participating OCERS employer ceases to provide OCERS' benefits to certain of its employees. *This Withdrawing Employer (Continuing Obligation) Policy* (Policy) is designed to assure that OCERS continues to collect from the employer all contributions necessary to fund all Unfunded Actuarial Accrued Liability (UAAL) attributable to the employer's active, retired, and deferred employees covered by OCERS' service. Consistent with applicable law and this Policy, OCERS will enter into a Withdrawing Employer Continuing Obligation Agreement (Continuing Obligation Agreement) with any such employer.

Policy Objectives

1. The objectives of this policy are, among other things, to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended (CERL) and other applicable provisions of law:
    a. Pursuant to CERL sections 31564.2, 31580.1, 31584, 31585, and other applicable provisions of law, an employer remains liable and must make the required appropriations and transfers to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS. This obligation continues after the employer withdraws any or all of its officers' and employees' service from the OCERS plan until the employer pays all UAAL attributable to its active, retired, and deferred officers and employees by reason of their prior service as OCERS members.
    b. CERL section 31564.2(d) provides, in part, that "[t]he funding of the retirement benefits for the employees of a withdrawing agency is solely the responsibility of the withdrawing agency or the board of supervisors. Notwithstanding any other provision of the law, no contracting agency shall fail or refuse to pay the employer's contributions required by this chapter within the applicable time limitations. In dealing with a withdrawing district, the board of retirement shall take whatever action needed to ensure the actuarial soundness of the retirement system."
2. The general principle applied in this policy is to establish the funding obligation of withdrawing employers as:
    a. The value of future benefits to be paid to OCERS members credited with service while employed with the withdrawing employer; *minus*
    b. The OCERS assets accumulated from contributions of the withdrawing employer and its employees, as determined by OCERS' actuary, and earnings on such contributions.
3. It is the OCERS Board of Retirement's (Board) intent to allow a withdrawing employer to satisfy its funding obligation in a manner that provides the employer reasonable flexibility; however, primary consideration will be given to ensuring the funding obligation of the withdrawing employer is properly determined and satisfied. This will generally require redetermination of the funding obligation of the employer for several years following the date the employer initiates its withdrawal.

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4. This policy covers *only* those withdrawing employers (i) who cease to provide OCERS membership for their active officers and/or employees (i.e., both current actives and new hires), (ii) who are financially viable entities when the withdrawal is initiated, and (iii) who are expected to continue in existence as financially viable entities. This policy does not cover any other situation – whether a withdrawing employer, a terminating employer or otherwise – including, without limitation, an employer that is going out of business by reason of bankruptcy, loss of funding, or merger, or an employer who gradually winds down its active officers' and employees' continued participation in OCERS either through attrition or through a decision to have officers and employees hired after a specific date to not become members of OCERS (e.g., to participate in a retirement arrangement other than OCERS).

Policy Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed meeting, the guidelines for implementing this policy are set forth below.

5. Upon notice that a participating employer seeks to terminate OCERS' membership for its active employees' future service, and on the advice and recommendation of its actuary, OCERS will segregate on its books all assets and liabilities attributable to the employer as determined by OCERS' actuary, and will maintain such separate accounting for the employer until all of its liabilities have been fully satisfied.
6. OCERS and the withdrawing employer will enter into a Continuing Obligation Agreement, the purposes of which are to:
   a. evidence the withdrawing employer's obligations as of the date the employer initiates its withdrawal, as well as its continuing funding obligations for the ongoing benefits owed to its retired, deferred, and disabled officers and employees and their surviving beneficiaries, for their accumulated OCERS service and related benefits;
   b. provide a funding mechanism acceptable to OCERS for the withdrawing employer to timely satisfy its existing and continuing funding obligations to OCERS, the payment of which must be over a period that is not longer than the period over which OCERS' remaining unfunded liability is being amortized (see CERL section 31564.2(c));
   c. require the withdrawing employer to provide OCERS with updated employee census and payroll data requested by OCERS in the years following the date the employer initiates its withdrawal;
   d. provide a mechanism for adjusting the withdrawing employer's obligations and payments due to OCERS based on periodic actuarial experience analysis; and
   e. provide a mechanism by which OCERS will consider the transfer of any Final Surplus, as defined below, to the withdrawing employer or a successor retirement system, as appropriate.
7. Pursuant to the terms of the Continuing Obligation Agreement, OCERS' actuary will determine, and certify to the Board, the withdrawing employer's initial funding obligation for its UAAL calculated as

of the date of withdrawal. Absent unique and compelling circumstances, the amortization schedule for payment of the employer's initial funding obligation will not exceed the lesser of a period of five (5) years or the period over which OCERS' remaining unfunded liability is being amortized.

8. The initial value of the assets used to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the valuation value of assets (VVA) (a smoothed value) allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal (or later date if the Continuing Obligation Agreement so provides), based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate groups (if any) based on payroll.

   Alternatively, based on recommendation of OCERS' actuary, the Board may determine VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.

   Later values (i.e., those used in "true-ups" described below) will be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the Total OCERS smoothed (VVA) earnings rate.

9. The present value of future benefits owed to the withdrawing employer's retired, deferred, and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be determined using OCERS' then current actuarial assumptions and methodologies. In determining the present value of accrued benefits, benefit service will be frozen for the withdrawing employer's active employees, but for members who transfer to a system that has reciprocity with OCERS, pay will be projected based on OCERS' then salary growth assumptions.

10. Periodically, after the date the employer initiated its withdrawal, in periods not to exceed three (3) years' duration, following an experience analysis, OCERS' actuary will remeasure (true-up) and certify to the Board any additional obligation of the withdrawing employer for UAAL using then current actuarial assumptions and methodologies. In accordance with the terms of the Continuing Obligation Agreement and applicable law, the withdrawing employer is liable for, and must contribute, any new UAAL determined in the true-up experience analysis, based upon an amortization schedule recommended by the actuary and adopted by OCERS.

    Absent unique and compelling circumstances, the amortization schedule for payment of the employer's periodic true-up funding obligations will not exceed a period of three (3) years. OCERS will hold any negative UAAL (Surplus) to be applied against any future UAAL of the withdrawing employer.

11. If any surplus remains after the withdrawing employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of the Continuing Obligation Agreement and applicable law.

12. Notwithstanding anything to the contrary herein, the OCERS Board reserves the right to pursue any other remedies under applicable law that, depending on the circumstances, may be available to "ensure the actuarial soundness of the retirement system" (CERL section 31564.2(d)). For example,

notwithstanding the employer's obligations under the Continuing Obligation Agreement, if concerns arise regarding the employer's ongoing existence as a financially viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to accept ongoing payments from the employer, the Board may assess the projected full amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board) using a "risk free"discount rate as determined by OCERS in consultation with its actuary, and require an immediate lump sum payment.

A "risk free" discount rate for purposes of this policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-based discount rate used in OCERS' actuarial valuation.

Policy Review

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

Policy History

14. The Board adopted this policy on February 17, 2015, and revised it on December 16, 2019, November 14, 2022, and 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.

Steve Delaney Secretary of the Board	Date

OCERS Board Policy

Withdrawing Employer (Fully Satisfied Obligation) Policy

Purpose and Background

The purpose of this policy is to establish guidelines by which a participating employer (other than the County of Orange) in the Orange County Employees Retirement System (OCERS) may withdraw from OCERS and fully satisfy at the time of such withdrawal the employer's obligation to pay all Unfunded Actuarial Accrued Liability (UAAL) attributable to the employer's active, retired, and deferred employees by reason of their prior service as OCERS' members.

Policy Objectives

1. The objectives of this policy are, among other things, to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended (CERL) and other applicable provisions of law:
    a. Pursuant to CERL sections 31564.2, 31580.1, 31584, 31585, and other applicable provisions of law, an employer remains liable and must make the required appropriations and transfers to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS.
    b. CERL section 31564.2(d) provides, in part, that "[t]he funding of the retirement benefits for the employees of a withdrawing agency is solely the responsibility of the withdrawing agency or the board of supervisors. Notwithstanding any other provision of the law, no contracting agency shall fail or refuse to pay the employer's contributions required by this chapter within the applicable time limitations. In dealing with a withdrawing district, the board of retirement shall take whatever action needed to ensure the actuarial soundness of the retirement system."
2. The general principle applied in this policy is to establish the funding obligation of withdrawing employers as:
    a. The value of future benefits to be paid to OCERS members credited with service while employed with the withdrawing employer calculated at a "risk free" discount rate as determined by OCERS in consultation with its actuary, as of the date the employer initiated its withdrawal; *minus*
    b. The OCERS assets accumulated from contributions of the withdrawing employer and its employees, as determined by OCERS' actuary, and earnings on such contributions determined on a market value basis.

    A "risk free" discount rate for purposes of this policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-based discount rate used in OCERS' actuarial valuation.

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Withdrawing Employer (Fully Satisfied Obligation) Policy

3. Where it is the Board of Retirement's (Board) intent that the employer settle its liabilities to OCERS in full upon the employer's withdrawal (or it is the employer's desire to do so), this policy provides the guidelines to do so.
4. This policy necessarily covers any withdrawing employers that are going out of business, dissolving, or ceasing to exist as a separate entity by reason of bankruptcy, loss of funding, or merger, or similar circumstance. This policy may also be applied to other going concern employers if mutually agreed upon by OCERS and such employers.

Policy Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed meeting, the guidelines for implementing this policy are set forth below.

5. Upon notice that a participating employer seeks to terminate its membership in OCERS and to fully settle its liabilities to OCERS upon withdrawal, and on the advice and recommendation of its actuary, OCERS will segregate on its books all assets and liabilities attributable to the employer as determined by OCERS' actuary.
6. OCERS' actuary will determine, and certify to the Board, the withdrawing employer's UAAL calculated as of the date of withdrawal.
7. The value of the assets used to determine the withdrawing employer's UAAL will be based on a market value basis allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiates its withdrawal.

   The value of assets will be determined in two steps. In the first step, the assets will be allocated on a valuation value of assets (VVA) (a smoothed value) basis. In the second step, the assets as determined on the VVA basis are marked to a market value basis, taking into account any deferred investment gains/losses not yet recognized in the valuation value of assets.

   The value of the assets used in the first step to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the VVA allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate group (if any) based on payroll.

   Alternatively, based on the recommendation of OCERS' actuary, the Board may determine that the VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.
8. The present value of future benefits owed to the withdrawing employer's active, retired, deferred and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be redetermined on a market value basis by using a "risk free" discount rate as described above, together with modifications to other actuarial assumptions as appropriate

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Withdrawing Employer (Fully Satisfied Obligation) Policy

for a settlement of liabilities as recommended by OCERS' actuary. Such assumptions could include, for example, mortality tables, salary increases, and expected dates of retirement.

9. The withdrawing employer will pay the full amount of the UAAL calculated in accordance with this policy on or before the date set by OCERS as a condition to withdrawal from OCERS.

Policy Review

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

Policy History

11. The Board adopted this policy on December 16, 2019, and it was revised on November 14, 2022, and [date].

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Withdrawing Employer (Fully Satisfied Obligation) Policy

Purpose and Background

The purpose of this policy is to establish guidelines by which a participating employer (other than the County of Orange) in the Orange County Employees Retirement System (OCERS) may withdraw from OCERS and fully satisfy at the time of such withdrawal the employer's obligation to pay all Unfunded Actuarial Accrued Liability (UAAL) attributable to the employer's active, retired, and deferred employees by reason of their prior service as OCERS' members.

Policy Objectives

1. The objectives of this policy are, among other things, to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended (CERL) and other applicable provisions of law:
    a. Pursuant to CERL sections 31564.2, 31580.1, 31584, 31585, and other applicable provisions of law, an employer remains liable and must make the required appropriations and transfers to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS.
    b. CERL section 31564.2(d) provides, in part, that "[t]he funding of the retirement benefits for the employees of a withdrawing agency is solely the responsibility of the withdrawing agency or the board of supervisors. Notwithstanding any other provision of the law, no contracting agency shall fail or refuse to pay the employer's contributions required by this chapter within the applicable time limitations. In dealing with a withdrawing district, the board of retirement shall take whatever action needed to ensure the actuarial soundness of the retirement system."
2. The general principle applied in this policy is to establish the funding obligation of withdrawing employers as:
    a. The value of future benefits to be paid to OCERS members credited with service while employed with the withdrawing employer calculated at a "risk free" discount rate as determined by OCERS in consultation with its actuary, as of the date the employer initiated its withdrawal; *minus*
    b. The OCERS assets accumulated from contributions of the withdrawing employer and its employees, as determined by OCERS' actuary, and earnings on such contributions determined on a market value basis.

    A "risk free" discount rate for purposes of this policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-based discount rate used in OCERS' actuarial valuation.

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3. Where it is the Board of Retirement's (Board) intent that the employer settle its liabilities to OCERS in full upon the employer's withdrawal (or it is the employer's desire to do so), this policy provides the guidelines to do so.
4. This policy necessarily covers any withdrawing employers that are going out of business, dissolving, or ceasing to exist as a separate entity by reason of bankruptcy, loss of funding, or merger, or similar circumstance. This policy may also be applied to other going concern employers if mutually agreed upon by OCERS and such employers.

Policy Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed meeting, the guidelines for implementing this policy are set forth below.

5. Upon notice that a participating employer seeks to terminate its membership in OCERS and to fully settle its liabilities to OCERS upon withdrawal, and on the advice and recommendation of its actuary, OCERS will segregate on its books all assets and liabilities attributable to the employer as determined by OCERS' actuary.
6. OCERS' actuary will determine, and certify to the Board, the withdrawing employer's UAAL calculated as of the date of withdrawal.
7. The value of the assets used to determine the withdrawing employer's UAAL will be based on a market value basis allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiates its withdrawal.

   The value of assets will be determined in two steps. In the first step, the assets will be allocated on a valuation value of assets (VVA) (a smoothed value) basis. In the second step, the assets as determined on the VVA basis are marked to a market value basis, taking into account any deferred investment gains/losses not yet recognized in the valuation value of assets.

   The value of the assets used in the first step to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the VVA allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate group (if any) based on payroll.

   Alternatively, based on the recommendation of OCERS' actuary, the Board may determine that the VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.
8. The present value of future benefits owed to the withdrawing employer's active, retired, deferred and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be redetermined on a market value basis by using a "risk free" discount rate as described above, together with modifications to other actuarial assumptions as appropriate

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for a settlement of liabilities as recommended by OCERS' actuary. Such assumptions could include, for example, mortality tables, salary increases, and expected dates of retirement.

9. The withdrawing employer will pay the full amount of the UAAL calculated in accordance with this policy on or before the date set by OCERS as a condition to withdrawal from OCERS.

Policy Review

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

Policy History

11. The Board adopted this policy on December 16, 2019, and it was revised on November 14, 2022, and [date].

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Declining Employer Payroll Policy

Purpose and Background

1. A participating employer in the Orange County Employees Retirement System (OCERS or the System) may experience an actual or expected material decline in the payroll attributable to its OCERS' active members (OCERS-covered payroll). This Declining Employer Payroll Policy (Policy) is intended to establish guidelines to ensure that such an employer will continue to satisfy its obligation to timely pay all unfunded actuarial accrued liability (UAAL) attributable to the employer's active, retired, and deferred employees and their beneficiaries by reason of their prior and future service as OCERS members.

Background and Objectives

2. As a general rule, employers' contribution obligations for UAAL are determined by applying a contribution rate determined by OCERS' actuary to the employer's OCERS-covered payroll (the percentage-of-payroll methodology). For employers whose payrolls are generally consistent with OCERS' actuarial assumptions regarding payroll growth, the percentage-of-payroll methodology is appropriate. However, for employers whose OCERS-covered payroll is declining or is expected to decline materially over time, the OCERS Board of Retirement (Board) has determined that the percentage-of-payroll methodology is not the appropriate method of collecting employer contributions owed to the System. The objectives of this Policy are to (i) to ensure equitable and adequate funding of UAAL in cases involving employers with declining payrolls, (ii) approve procedures for identifying employers who should be subject to this Policy, and (iii) approve a different methodology for determining any UAAL attributable to such employers and setting the amount and schedule of the contributions needed to fund such UAAL. This Policy does *not* change the methodology regarding how contributions for "normal cost" are determined for participating employers.
3. Generally, the objectives of this Policy are also to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended, and other applicable provisions of law. Pursuant to Gov't. Code sections 31453, 31453.5, 31581, 31582, 31584, 31585, 31586, and other applicable provisions of law, a participating employer remains liable, and must make the required appropriations and transfers, to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS. This obligation continues after the employer no longer has active employees or payroll and until the employer has paid all UAAL attributable to the employer's active, retired, and deferred employees and their beneficiaries by reason of their prior and future service as OCERS' members.
4. It is the Board's intent to allow an employer covered by this Policy to satisfy its funding obligation in a manner that provides the employer reasonable flexibility; however, primary consideration will be given to ensuring the adequacy of the assets attributable to the employer to satisfy the employer's funding obligations. This will generally require redetermination of the funding obligations of the employer for several years.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Declining Employer Payroll Policy

Policy Procedures and Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed public meeting, the procedures and guidelines for implementing this Policy are set forth below.

Commencement of Coverage – Triggering Events

5. This Policy covers only those employers for whom the Board determines, based on a recommendation from OCERS' Chief Executive Officer (CEO), that a *triggering event* as described in this section 5 has occurred, *and* who are not excluded from coverage under this Policy as described in sections 6 and 7 below.

   a. *Triggering event resulting from ceasing to enroll new hires.* Some OCERS' participating employers cease to enroll new hires with OCERS but, for a period of time, continue to have at least some previously-enrolled employees maintaining their status as active OCERS members. These employers' OCERS-covered payroll will eventually diminish to zero as their active employees retire or otherwise terminate employment. Examples of employers in this category may include an employer that is acquired by another entity that is not an OCERS participating employer, or an OCERS employer that is taken over by a state agency whose employees are covered by another pension system, such as CalPERS. There may be other examples as well.

   b. *Triggering event resulting from a material and expected long-lasting reduction in OCERS-covered payroll.* Some employers may experience a material reduction in their OCERS-covered payroll, but continue to enroll their new hires with OCERS. The reduction may be sudden (e.g., due to a discrete event such as a partial loss of funding or partial outsourcing), or it may be more gradual, over a period of years, and might not be tied to a discrete event. Generally, the Board would determine that this type of triggering event has occurred only if the Board expects that the reduction in employer's OCERS-covered payroll is expected to be permanent, long-lasting or for an indefinite period of time that is greater than a cycle that the employer may typically experience, or a cycle similarly experienced by the other employers, if any, in the same OCERS' rate group. Generally, by its nature, the determination whether this type of triggering event has occurred is more subjective than that described in section 5.a. above.

Exclusions from Coverage; Terminations of Coverage

6. This Policy covers *only* those employers (i) who are financially-viable entities when a triggering event occurs, *and* (ii) whom OCERS expects to continue indefinitely thereafter to be financially-viable entities. This Policy does not cover any other situation, including, without limitation, an employer going out of business by reason of dissolution, loss of funding, consolidation, or merger (unless there is a surviving financially viable entity that is acceptable to the Board that will make the ongoing payments under the Policy). This Policy also does not cover a "withdrawing employer" who ceases to provide OCERS membership for *all* of the employer's active OCERS members (i.e., as of a date certain, withdraws both new hires and existing actives from membership with OCERS).

7. The Board recognizes that participating employers covered by this Policy will have UAAL funding obligations for several years. If concerns arise during that period of time regarding the employer's

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

ongoing existence as a financially-viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to apply this Policy to said employer, the Board may remove the employer from coverage under this Policy and/or take any other measures that may be available to ensure the actuarial soundness of the retirement system or that are administratively convenient and reasonable, including, without limitation, assessing the projected full amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board), applying a "risk free" discount rate as determined by OCERS in consultation with its actuary, and requiring an immediate lump sum payment.

A "risk free" discount rate for purposes of this Policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-based discount rate used in OCERS' actuarial valuation.

Procedures

8. The CEO will work with OCERS' staff, service providers (*e.g.,* the actuary), and participating employers to obtain the information (*e.g.*, OCERS-covered payroll history, financial reports) needed for the Board to make determinations regarding triggering events and exclusions from, or terminations of, coverage.
9. Upon a recommendation from the CEO and notice to the affected participating employer, the Board will make a determination at a duly-noticed public meeting regarding (i) whether a triggering event has occurred for the employer, (ii) whether the employer is expressly excluded from coverage under this Policy and if not, whether unique and compelling circumstances exist such that the Board should not apply the Policy to the employer, and (iii) for those employers that the Board has previously determined to be covered under the Policy, whether their coverage should be terminated under section 7 above. Employers may be required to provide OCERS with updated employee census, payroll data, and financial reports. *See* Gov't. Code section 31543.

Procedures When Board Determines this Policy Should Apply

10. If the Board determines that (i) a triggering event has occurred, (ii) the employer is not expressly excluded from coverage under the Policy, and (iii) unique and compelling circumstances do not exist then, solely for purposes of determining the covered employer's UAAL contribution obligation, the employer will be removed from its rate group (if any); OCERS will segregate on its books all assets and liabilities attributable to the employer based upon the recommendation of OCERS' actuary; and OCERS shall maintain such separate accounting for the employer until all of the employer's obligations to OCERS as determined under sections 11, 12, and 13 below have been fully satisfied.
11. OCERS' actuary will determine, and certify to the Board, the covered employer's funding obligation for its initial UAAL, which obligation shall not be pro-rata based on payroll, but rather based on the employer's actuarial accrued liability (AAL), including inactives. The Board may determine to require the employer's contributions to be paid in level, fixed-dollar amounts over a period to be determined in the Board's sole discretion, which in no event may exceed the maximum

amortization period for losses as defined by the OCERS Actuarial Funding Policy, beginning on July 1 of the calendar year immediately after the year in which the triggering event occurs.

12. The actuary will use the actuarial valuation performed for OCERS as of the end of the calendar year immediately before the calendar year in which the triggering event occurs (and based on all of OCERS' then current actuarial assumptions and methodologies) to determine the initial valuation value of assets (VVA), a smoothed value, allocated to the covered employer. That initial VVA will be a pro-rata allocation based on the employer's AAL (i.e., based on the employer's initial UAAL allocation determined in accordance with section 11 above). Later values of the VVA (i.e., those used in the future valuations described below) shall be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the actual smoothed (VVA) earnings rate on total OCERS assets.
13. Annually, after the determination of the covered employer's initial funding obligation, as part of the regular annual actuarial valuation of the plan, OCERS' actuary will measure any change in the UAAL of the participating employer due to actuarial experience or changes in actuarial assumptions. In addition to the amortized payments for the covered employer's initial UAAL funding obligation determined as of the initial valuation, the employer will be liable for, and must contribute to OCERS, any such new UAAL determined as of subsequent valuations, based upon an amortization schedule recommended by the actuary and adopted by the Board of Retirement. OCERS will hold any negative UAAL (Surplus) to be applied against any future UAAL of the covered employer.
14. If any Surplus remains after the covered employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of applicable law.

Procedures When Board Determines this Policy Should Not Apply

15. The Board may, in its sole discretion, determine that unique and compelling circumstances exist such that the Board should not apply the Policy to the employer. Such determination by the Board should be informed by the objectives of this Policy, which include (i) ensuring equitable and adequate funding of UAAL in cases involving employers with declining payrolls, (ii) approving procedures for identifying employers who should be subject to this Policy, (iii) approving a different methodology for determining any UAAL attributable to such employers and setting the amount and schedule of the contributions needed to fund such UAAL, and (iv) ensuring that the employer remains liable to OCERS and is required to make the required appropriations and transfers to OCERS for the employer's share of liabilities attributable to the its officers and employees who are and may be entitled to receive retirement, disability and related benefits from OCERS. Examples of unique and compelling circumstances include a determination that the decline in the employer's payroll is not material; that the impact to the other employers in the rate group resulting from the triggering event is not material; or the employer is willing to pay a premium to mitigate the additional contributions that would otherwise be shifted to the other employers in the rate pool.
16. If the Board determines that unique and compelling circumstances exist such that the Policy should not be applied to the employer, then the Board may fashion an alternative for the employer that could include allowing the employer to remain pooled with the other employers in the rate group,

and that might also require the employer to pay a premium to mitigate against a shifting of costs to the other employers in the rate group.

17. The CEO will timely report to the Board any instances of triggering events and exclusions from, or terminations of, coverage among any of the participating employers in OCERS.

Policy Review

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

Policy History

19. The Board of Retirement adopted this Policy on June 15, 2015. The Policy was revised on December 16, 2019, November 14, 2022, and [date].

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Declining Employer Payroll Policy

Purpose and Background

1. A participating employer in the Orange County Employees Retirement System (OCERS or the System) may experience an actual or expected material decline in the payroll attributable to its OCERS' active members (OCERS-covered payroll). This Declining Employer Payroll Policy (Policy) is intended to establish guidelines to ensure that such an employer will continue to satisfy its obligation to timely pay all unfunded actuarial accrued liability (UAAL) attributable to the employer's active, retired, and deferred employees and their beneficiaries by reason of their prior and future service as OCERS members.

Background and Objectives

2. As a general rule, employers' contribution obligations for UAAL are determined by applying a contribution rate determined by OCERS' actuary to the employer's OCERS-covered payroll (the percentage-of-payroll methodology). For employers whose payrolls are generally consistent with OCERS' actuarial assumptions regarding payroll growth, the percentage-of-payroll methodology is appropriate. However, for employers whose OCERS-covered payroll is declining or is expected to decline materially over time, the OCERS Board of Retirement (Board) has determined that the percentage-of-payroll methodology is not the appropriate method of collecting employer contributions owed to the System. The objectives of this Policy are to (i) to ensure equitable and adequate funding of UAAL in cases involving employers with declining payrolls, (ii) approve procedures for identifying employers who should be subject to this Policy, and (iii) approve a different methodology for determining any UAAL attributable to such employers and setting the amount and schedule of the contributions needed to fund such UAAL. This Policy does *not* change the methodology regarding how contributions for "normal cost" are determined for participating employers.
3. Generally, the objectives of this Policy are also to ensure compliance with the County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended, and other applicable provisions of law. Pursuant to Gov't. Code sections 31453, 31453.5, 31581, 31582, 31584, 31585, 31586, and other applicable provisions of law, a participating employer remains liable, and must make the required appropriations and transfers, to OCERS for the employer's share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability, and related benefits from OCERS. This obligation continues after the employer no longer has active employees or payroll and until the employer has paid all UAAL attributable to the employer's active, retired, and deferred employees and their beneficiaries by reason of their prior and future service as OCERS' members.
4. It is the Board's intent to allow an employer covered by this Policy to satisfy its funding obligation in a manner that provides the employer reasonable flexibility; however, primary consideration will be given to ensuring the adequacy of the assets attributable to the employer to satisfy the employer's funding obligations. This will generally require redetermination of the funding obligations of the employer for several years.

OCERS Board Policy

Declining Employer Payroll Policy

Policy Procedures and Guidelines

Absent unique and compelling circumstances or unless otherwise expressly approved by the Board at a duly-noticed public meeting, the procedures and guidelines for implementing this Policy are set forth below.

Commencement of Coverage – Triggering Events

5. This Policy covers only those employers for whom the Board determines, based on a recommendation from OCERS' Chief Executive Officer (CEO), that a *triggering event* as described in this section 5 has occurred, *and* who are not excluded from coverage under this Policy as described in sections 6 and 7 below.

    a. *Triggering event resulting from ceasing to enroll new hires.* Some OCERS' participating employers cease to enroll new hires with OCERS but, for a period of time, continue to have at least some previously-enrolled employees maintaining their status as active OCERS members. These employers' OCERS-covered payroll will eventually diminish to zero as their active employees retire or otherwise terminate employment. Examples of employers in this category may include an employer that is acquired by another entity that is not an OCERS participating employer, or an OCERS employer that is taken over by a state agency whose employees are covered by another pension system, such as CalPERS. There may be other examples as well.

    b. *Triggering event resulting from a material and expected long-lasting reduction in OCERS-covered payroll.* Some employers may experience a material reduction in their OCERS-covered payroll, but continue to enroll their new hires with OCERS. The reduction may be sudden (e.g., due to a discrete event such as a partial loss of funding or partial outsourcing), or it may be more gradual, over a period of years, and might not be tied to a discrete event. Generally, the Board would determine that this type of triggering event has occurred only if the Board expects that the reduction in employer's OCERS-covered payroll is expected to be permanent, long-lasting or for an indefinite period of time that is greater than a cycle that the employer may typically experience, or a cycle similarly experienced by the other employers, if any, in the same OCERS' rate group. Generally, by its nature, the determination whether this type of triggering event has occurred is more subjective than that described in section 5.a. above.

Exclusions from Coverage; Terminations of Coverage

6. This Policy covers *only* those employers (i) who are financially-viable entities when a triggering event occurs, *and* (ii) whom OCERS expects to continue indefinitely thereafter to be financially-viable entities. This Policy does not cover any other situation, including, without limitation, an employer going out of business by reason of dissolution, loss of funding, consolidation, or merger (unless there is a surviving financially viable entity that is acceptable to the Board that will make the ongoing payments under the Policy). This Policy also does not cover a "withdrawing employer" who ceases to provide OCERS membership for *all* of the employer's active OCERS members (i.e., as of a date certain, withdraws both new hires and existing actives from membership with OCERS).

7. The Board recognizes that participating employers covered by this Policy will have UAAL funding obligations for several years. If concerns arise during that period of time regarding the employer's

ongoing existence as a financially-viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to apply this Policy to said employer, the Board may remove the employer from coverage under this Policy and/or take any other measures that may be available to ensure the actuarial soundness of the retirement system or that are administratively convenient and reasonable, including, without limitation, assessing the projected full amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board), applying a "risk free" discount rate as determined by OCERS in consultation with its actuary, and requiring an immediate lump sum payment.

A "risk free" discount rate for purposes of this Policy generally refers to the set of market-based interest assumptions used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer that is terminating its single-employer defined benefit pension plan. These PBGC rates are generally lower than the expected earnings-based discount rate used in OCERS' actuarial valuation.

Procedures

8. The CEO will work with OCERS' staff, service providers (*e.g.,* the actuary), and participating employers to obtain the information (*e.g.*, OCERS-covered payroll history, financial reports) needed for the Board to make determinations regarding triggering events and exclusions from, or terminations of, coverage.
9. Upon a recommendation from the CEO and notice to the affected participating employer, the Board will make a determination at a duly-noticed public meeting regarding (i) whether a triggering event has occurred for the employer, (ii) whether the employer is expressly excluded from coverage under this Policy and if not, whether unique and compelling circumstances exist such that the Board should not apply the Policy to the employer, and (iii) for those employers that the Board has previously determined to be covered under the Policy, whether their coverage should be terminated under section 7 above. Employers may be required to provide OCERS with updated employee census, payroll data, and financial reports. *See* Gov't. Code section 31543.

Procedures When Board Determines this Policy Should Apply

10. If the Board determines that (i) a triggering event has occurred, (ii) the employer is not expressly excluded from coverage under the Policy, and (iii) unique and compelling circumstances do not exist then, solely for purposes of determining the covered employer's UAAL contribution obligation, the employer will be removed from its rate group (if any); OCERS will segregate on its books all assets and liabilities attributable to the employer based upon the recommendation of OCERS' actuary; and OCERS shall maintain such separate accounting for the employer until all of the employer's obligations to OCERS as determined under sections 11, 12, and 13 below have been fully satisfied.
11. OCERS' actuary will determine, and certify to the Board, the covered employer's funding obligation for its initial UAAL, which obligation shall not be pro-rata based on payroll, but rather based on the employer's actuarial accrued liability (AAL), including inactives. The Board may determine to require the employer's contributions to be paid in level, fixed-dollar amounts over a period to be determined in the Board's sole discretion, which in no event may exceed the maximum

amortization period for losses as defined by the OCERS Actuarial Funding Policy, beginning on July 1 of the calendar year immediately after the year in which the triggering event occurs.

12. The actuary will use the actuarial valuation performed for OCERS as of the end of the calendar year immediately before the calendar year in which the triggering event occurs (and based on all of OCERS' then current actuarial assumptions and methodologies) to determine the initial valuation value of assets (VVA), a smoothed value, allocated to the covered employer. That initial VVA will be a pro-rata allocation based on the employer's AAL (i.e.*,* based on the employer's initial UAAL allocation determined in accordance with section 11 above). Later values of the VVA (i.e., those used in the future valuations described below) shall be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the actual smoothed (VVA) earnings rate on total OCERS assets.

13. Annually, after the determination of the covered employer's initial funding obligation, as part of the regular annual actuarial valuation of the plan, OCERS' actuary will measure any change in the UAAL of the participating employer due to actuarial experience or changes in actuarial assumptions. In addition to the amortized payments for the covered employer's initial UAAL funding obligation determined as of the initial valuation, the employer will be liable for, and must contribute to OCERS, any such new UAAL determined as of subsequent valuations, based upon an amortization schedule recommended by the actuary and adopted by the Board of Retirement. OCERS will hold any negative UAAL (Surplus) to be applied against any future UAAL of the covered employer.

14. If any Surplus remains after the covered employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of applicable law.

Procedures When Board Determines this Policy Should Not Apply

15. The Board may, in its sole discretion, determine that unique and compelling circumstances exist such that the Board should not apply the Policy to the employer. Such determination by the Board should be informed by the objectives of this Policy, which include (i) ensuring equitable and adequate funding of UAAL in cases involving employers with declining payrolls, (ii) approving procedures for identifying employers who should be subject to this Policy, (iii) approving a different methodology for determining any UAAL attributable to such employers and setting the amount and schedule of the contributions needed to fund such UAAL, and (iv) ensuring that the employer remains liable to OCERS and is required to make the required appropriations and transfers to OCERS for the employer's share of liabilities attributable to the its officers and employees who are and may be entitled to receive retirement, disability and related benefits from OCERS. Examples of unique and compelling circumstances include a determination that the decline in the employer's payroll is not material; that the impact to the other employers in the rate group resulting from the triggering event is not material; or the employer is willing to pay a premium to mitigate the additional contributions that would otherwise be shifted to the other employers in the rate pool.

16. If the Board determines that unique and compelling circumstances exist such that the Policy should not be applied to the employer, then the Board may fashion an alternative for the employer that could include allowing the employer to remain pooled with the other employers in the rate group,

and that might also require the employer to pay a premium to mitigate against a shifting of costs to the other employers in the rate group.

17. The CEO will timely report to the Board any instances of triggering events and exclusions from, or terminations of, coverage among any of the participating employers in OCERS.

Policy Review

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

Policy History

19. The Board of Retirement adopted this Policy on June 15, 2015. The Policy was revised on December 16, 2019, November 14, 2022, and [date].

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Military Service Credit Purchases

I. Authority

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

This OAP addresses military service credit purchases, in conformance with Gov. Code § 31649, and in compliance with the Uniformed Services ~~Employment~~Reemployment Rights Act (USERRA), (38 U.S.C. ~~§~~§§ 4301~~,~~ et. seq~~.:~~

2. ~~Any~~.), which provides that any member who was absent from county ~~of~~or district employment for military service and is eligible for reemployment benefits pursuant to USERRA~~,~~ may, as provided in USERRA, make contributions and receive service credit for the time absent.[i] ~~(38 U.S.C. § 4301(a).)~~

   Any member who does not qualify for reemployment benefits due to the length of their military service exceeding the ~~limits~~limit imposed by USERRA, and who returns to county or district employment within one year~~[1]~~[ii] of being honorably discharged from the Armed Forces of the United States, shall receive credit for service for all or any part of the member's military service, if, before retirement from the county or district, the member contributes what they would have paid to the fund for that period based on the member's compensation earnable as defined by Government Code section 31461, or pensionable compensation, as defined by Government Code section 7522.34, whichever is applicable, at the time ~~of the beginning of the absence together.~~their absence began.[iii] ~~(38 U.S.C. § 4301(b); Gov. Code, §§ 31461, 7522.34.)~~

   Contributions are to be paid based on the rate of pay the member would have received but for their period of military service.[iv] ~~(38 U.S.C. § 4318(b)(3); 20 C.F.R. § 1002.267.)~~ The member is not required to pay interest on the contributions.[v] ~~((38 U.S.C. § 4318(b)(2); 20 C.F.R. § 1002.263.)~~

II. Process

~~1.~~3. When notified that a member has returned from a resignation or leave of absence to serve in the Armed Forces of the United States, OCERS will contact the member to determine whether the member wishes to enter into an agreement with OCERS to purchase all or part of the service credit the member would have earned as an OCERS member but for the military service. ~~In the~~

~~[1] USERRA Allows for an extension of the return to service up to~~~~allows an additional year to return to service for recovery from injuries incurred or aggravated during military service. The additional recuperation time may also be counted as service for the purpose of vesting and accrual of benefits. (20 C.F.R. § 1002.259 (b))~~

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Military Service Credit Purchases

~~event that~~If OCERS is not notified immediately ~~following the return~~after returning from ~~the~~ military leave, the member may submit a request to purchase service credit ~~form~~for any ~~time prior to retirement for~~missed service ~~credit missing as a result of the member's~~due to their military service at any time before retirement.

~~2.~~4. If the member wishes to purchase ~~missing~~military service credit, OCERS will ~~confirm~~verify the dates of military service and confirm that the member ~~reentered~~returned to OCERS~~-~~-covered employment within one year of separation from military service. The member will be required to provide such proof of military service dates by providing OCERS with one or more of the following documents:

a. Department of Defense 214 Certificate of Release or Discharge From Active Duty;

b. Copy of duty orders prepared by the facility where the orders were fulfilled, carrying an endorsement indicating completion of the described service;

c. Letter from the commanding officer of a Personnel Support Activity or someone of comparable authority;

d. Certificate of completion from military training school;

e. Discharge certificate showing character of service; and

f. Copy of extracts from payroll documents showing periods of service.

~~3.~~5. OCERS will prepare a quote for the purchase of all or any ~~portion~~part of the military service credit as requested by the member. ~~Quotes~~The quote will include the amount of contributions the member would have paid for the service, but for the resignation or leave of absence, based on the ~~member's~~member's rate of pay ~~he or she~~they would have received ~~but~~if not for the period of uniformed service and the employee contribution rate~~,~~ at the time ~~of the commencement~~ of the resignation or leave of absence.

~~4.~~6. Payment options for the service credit purchase will be presented to the member with the cost estimate. Payment may be made by lump sum, rollover, periodic payment, or payroll deductions as allowed under service credit purchase rules generally applicable to OCERS.

~~5.~~7. Upon initial agreement by the member, OCERS will prepare the service credit purchase contract, which will include~~, but not be limited to,~~ the amount of service credit to be purchased, the total amount to be paid, and the payment option requested by the member.

~~6.~~8. In the event the member does not complete the service purchase contract, the member will receive credit for any service actually paid for under the contract.

~~7.~~9. All service credit purchases for military service shall be completed ~~prior to~~before the ~~member's retirement~~member retires from OCERS~~-~~-covered employment.

10. The employer will be responsible for employer contributions for the period of service related to the member's service credit purchase. Employer contributions are based on the rate of compensation the employee would have received but for the period of uniformed service.

~~8.~~11. In the event that this procedure conflicts with statute or authoritative case law, the statute or case law will control.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Military Service Credit Purchases

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[i] (38 U.S.C. § 4301(a).)

[ii] USERRA allows an additional year to return to service for recovery from injuries incurred or aggravated during military service. The additional recuperation time may also be counted as service for the purpose of vesting and accrual of benefits. (20 C.F.R. § 1002.259 (b))

[iii] (38 U.S.C. § 4301(b); Gov. Code, §§ 31461, 7522.34.)

[iv] (38 U.S.C. § 4318(b)(3); 20 C.F.R. § 1002.267.)

[v] (38 U.S.C. § 4318(b)(2); 20 C.F.R. § 1002.263.)

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Administrative Procedure (OAP)

Military Service Credit Purchases

I. Authority

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2. This OAP addresses military service credit purchases, in conformance with Gov. Code § 31649, and in compliance with the Uniformed Services Reemployment Rights Act (USERRA), (38 U.S.C. §§ 4301 et. seq.), which provides that any member who was absent from county or district employment for military service and is eligible for reemployment benefits pursuant to USERRA may, as provided in USERRA, make contributions and receive service credit for the time absent.[i]

   Any member who does not qualify for reemployment benefits due to the length of their military service exceeding the limit imposed by USERRA, and who returns to county or district employment within one year[ii] of being honorably discharged from the Armed Forces of the United States, shall receive credit for service for all or any part of the member's military service, if, before retirement from the county or district, the member contributes what they would have paid to the fund for that period based on the member's compensation earnable as defined by Government Code section 31461, or pensionable compensation, as defined by Government Code section 7522.34, whichever is applicable, at the time their absence began.[iii]

   Contributions are to be paid based on the rate of pay the member would have received but for their period of military service.[iv] The member is not required to pay interest on the contributions.[v]

II. Process

3. When notified that a member has returned from a resignation or leave of absence to serve in the Armed Forces of the United States, OCERS will contact the member to determine whether the member wishes to enter into an agreement with OCERS to purchase all or part of the service credit the member would have earned as an OCERS member but for the military service. If OCERS is not notified immediately after returning from military leave, the member may submit a request to purchase service credit for any missed service due to their military service at any time before retirement.

4. If the member wishes to purchase military service credit, OCERS will verify the dates of military service and confirm that the member returned to OCERS-covered employment within one year of separation from military service. The member will be required to provide such proof of military service dates by providing OCERS with one or more of the following documents:

   a. Department of Defense 214 Certificate of Release or Discharge From Active Duty;

   b. Copy of duty orders prepared by the facility where the orders were fulfilled, carrying an endorsement indicating completion of the described service;

c. Letter from the commanding officer of a Personnel Support Activity or someone of comparable authority;

d. Certificate of completion from military training school;

e. Discharge certificate showing character of service; and

f. Copy of extracts from payroll documents showing periods of service.

5. OCERS will prepare a quote for the purchase of all or any part of the military service credit as requested by the member. The quote will include the amount of contributions the member would have paid for the service, but for the resignation or leave of absence, based on the member's rate of pay they would have received if not for the period of uniformed service and the employee contribution rate at the time of the resignation or leave of absence.
6. Payment options for the service credit purchase will be presented to the member with the cost estimate. Payment may be made by lump sum, rollover, periodic payment, or payroll deductions as allowed under service credit purchase rules generally applicable to OCERS.
7. Upon initial agreement by the member, OCERS will prepare the service credit purchase contract, which will include the amount of service credit to be purchased, the total amount to be paid, and the payment option requested by the member.
8. In the event the member does not complete the service purchase contract, the member will receive credit for any service actually paid for under the contract.
9. All service credit purchases for military service shall be completed before the member retires from OCERS-covered employment.
10. The employer will be responsible for employer contributions for the period of service related to the member’s service credit purchase. Employer contributions are based on the rate of compensation the employee would have received but for the period of uniformed service.
11. In the event that this procedure conflicts with statute or authoritative case law, the statute or case law will control.

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[i] (38 U.S.C. § 4301(a).)

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[iv] (38 U.S.C. § 4318(b)(3); 20 C.F.R. § 1002.267.)

[v] (38 U.S.C. § 4318(b)(2); 20 C.F.R. § 1002.263.)

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations

SUBJECT: **REPLACEMENT HEADQUARTERS PROJECT - GUARANTEED MAXIMUM PRICE**

Recommendation

The Building Committee recommends that the Board approve the following:

1. Approve the Guaranteed Maximum Price (GMP) of $63,741,516 as proposed by the Headquarters Project (Project) Design Build Entity (DBE), Synder Langston.
2. Authorize staff to negotiate and execute an amendment to the DBE contract for the Development Phase of the Headquarters project reflecting the approved GMP.

Background/Discussion

The Replacement Headquarters Project Team (Team) together with our Program Manager Griffin Structures and Snyder Langston, has worked diligently to develop a high-quality, cost-effective project that meets OCERS' operational and long-term needs. Throughout design development, the Team conducted extensive value-engineering (VE) reviews—evaluating drawings and specifications line-by-line—to identify opportunities for refinement and cost reduction without compromising building performance, code compliance, or long-term functionality.

Project progress could have been delayed earlier this year due to changes in personnel and consultants made independently by the cellular tower owner, which impacted site and utility design completion and subsequent trade coordination. However, to maintain schedule momentum, the Board authorized two DBE "pull-ahead" amendments, allowing continued development of detailed design documents while the outstanding site issues were resolved.

With the final design now sufficiently advanced, staff directed Snyder Langston on September 8, 2025, to prepare the GMP. Staff, the Program Manager, and Snyder Langston conducted multiple detailed working sessions to vet assumptions, refine estimates, and incorporate VE solutions. These efforts resulted in significant cost improvements, including the selection of a more economical exterior door system for the terrace, producing savings of approximately $120,000 while still fully meeting functional and performance criteria.

Snyder Langston submitted a draft GMP on November 10, which was thoroughly reviewed by the Building Committee Chair, staff, the Program Manager, and the DBE. Following adjustments and refinements, the final proposed GMP is **$63,741,516**.

This amount differs from the initial $55 million planning estimate in the 2024 RFP due to several key factors, including:

- Transition from a rectangular 2-story building to an "L-shaped" 3-story building configuration.
- The two-story Boardroom design.
- Addition of the atrium feature.
- Market-driven cost increases across several major trades.
- Owner-initiated design enhancements.

Despite these factors, staff believe the GMP reflects a responsible and well-vetted construction cost for a complex civic building delivered under current market conditions. Snyder Langston has demonstrated strong collaboration and cost discipline throughout the process, and the Team has a high level of confidence in the completeness of the construction documents and the reliability of the pricing received.

A detailed GMP breakdown and a full project budget summary—including Phase 1 predevelopment, program management costs, furniture and fixtures, testing, fees, and other associated expenses—are included with this memo.

We look forward to discussing any questions the Board may have.

Submitted by:

BMS - Approved

Brenda Shott
Assistant CEO, Finance and Internal Operations

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: OCERS Board Negotiator, Shawn Dewane

SUBJECT: ANNUAL CEO COMPENSATION

Recommendation

Approve and authorize the Board to execute a salary adjustment for the Chief Executive Officer, effective December 26, 2025, setting the annual base salary at $425,999.50 which is an increase of $26,062 (approximately 6.52%) with an estimated annual total compensation of $696,388.00 including benefits.

Background Information

I met with the CEO to discuss his compensation. Based on his performance evaluation and local salary survey information, we reached a tentative agreement for an approximate 6.52% increase to his base salary.

Formal Board action is needed to approve the proposed salary adjustment to the Chief Executive Officer's compensation.

Financial Impact

The negotiated salary for Steve Delaney is $425,999.50. Including the cost of benefits, the total annual cost to OCERS is anticipated to be $696,388.00. Salary and benefits appropriations are included in the OCERS Budget for 2026.

Attachments:

1. CEO Performance Evaluation Policy
2. CEO Charter

OCERS Board Policy

Chief Executive Officer Performance Evaluation Policy

Background and Objectives

1. The Board of Retirement supervises the Chief Executive Officer. Formal evaluation procedures and practices are required. This process shall be performed on an annual basis.
2. The objectives of this policy are to:
    a. Assist the Board in arriving at and communicating clear and meaningful goals and performance targets for the Chief Executive Officer;
    b. Ensure that the Chief Executive Officer receives meaningful, objective, and timely feedback that will allow the Chief Executive Officer to perform, over time, at the highest levels possible; and
    c. Enable the Board to hold the Chief Executive Officer accountable for performance.

Roles

3. The Board will be responsible for evaluating the performance of the Chief Executive Officer.
4. The Chair and Vice Chair will be responsible for coordinating the evaluation process. The Board may use a third party to facilitate the process.

Policy Guidelines

Process and Timelines

5. The Chief Executive Officer's performance review period will be September through August.
6. The Chief Executive Officer will discuss the following items with the Chair during the month of November each year:
    a. Proposed CEO evaluation criteria for the coming year;
    b. Proposed weights for each of the above criteria; and
    c. Proposed CEO Evaluation Form for the coming year.
7. In addition, the CEO's performance for the review period will be evaluated using the same rating metrics as are used by OCERS in evaluating the performance of OCERS direct employees, and may be based on the following seven categories based on the goals stated in the OCERS Strategic Plan:
    a. Fund Sustainability
    b. Excellent Service and Support
    c. Risk Management
    d. Talent Management
    e. Effective Governance

Chief Executive Officer Performance Evaluation Policy

f. Communications

g. Other criteria that the Board determines is appropriate.

The Board will attempt to ensure that the criteria:

a. Are objective and measurable; and

b. Pertain only to outcomes over which the Chief Executive Officer has a reasonable degree of control.

8. The Chair will distribute the CEO Evaluation Package to each member of the Board in September of each year. The Evaluation Package will include copies of the Evaluation Form to be completed by each Board member, Business Plan, and the CEO's self-evaluation. The Chief Executive Officer's self-evaluation report is designed to assist the Board in the evaluation process. It should describe the extent to which the CEO believes the evaluation criteria were met over the past year, as well as all relevant supporting data. Supporting data may be confirmed by internal audit material where appropriate. The report may also describe any additional accomplishments during the year.

9. The Board shall treat this material as confidential. Completed individual Evaluation Forms will be returned to the Chair or the designated third party with a copy to the Vice Chair within the time frame specified. The Chair will ensure that all data is tabulated and summarized in a Master CEO Evaluation Form and treated as confidential until released to the Board.

10. Evaluation of the Chief Executive Officer will be completed by November each year. The evaluation process itself will be conducted in executive session. The Chair will distribute a copy of the Master CEO Evaluation Form and invite discussion by the Board. At the conclusion of discussion, the Chief Executive Officer will join the Board for review and discussion of his/her performance along with any suggestions for improvement. The Board may have preliminary discussions in October, but will complete the process by November.

11. Upon completion of the Master CEO Evaluation Form, the Chair and the Chief Executive Officer will sign the Master CEO Evaluation Form and cause it to be placed in the Chief Executive Officer's personnel file.

Documentation

12. The Individual and Master CEO Evaluation Form(s) may take any format the Board deems appropriate, but must allow Board members an opportunity to provide general comments.

Compensation

13. The Board of Retirement will consider the Chief Executive Officer's compensation during the months of October and November.

14. In establishing the Chief Executive Officer's salary, the Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating for

these purposes. As directed by the Board, the designated representative will negotiate with the Chief Executive Officer the salary, salary schedule and/or compensation paid in the form of fringe benefits that will be paid to the Chief Executive Officer subject to final action by the Board.

Policy Review

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

Policy History

16. This policy will be implemented in February 19, 2002. This policy was revised May 16, 2005, May 19, 2008, March 22, 2010, January 21, 2014 , November 14, 2016, August 19, 2019 and August 21, 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.

Steve Delaney
Secretary of the Board

8/21/2023
Date

OCERS Board Charter

CEO Charter

Introduction

1. The Board of Retirement (Board) will appoint a Chief Executive Officer (CEO) who will serve at its pleasure. The CEO is the most senior executive of OCERS and is not subject to county civil service and merit system rules. This charter sets out the roles and responsibilities of the CEO.

Duties and Responsibilities

Leadership and Policy Analysis

2. The CEO will provide leadership for the OCERS staff in implementing the programs necessary to achieve the mission, goals and objectives established by the Board. The CEO will manage the day-to-day affairs of OCERS in accordance with policies established by the Board, and may delegate duties to senior management as necessary. In so doing, the CEO will solicit advice and counsel from the Board, the Board Chair, or individual Board members, as appropriate.
3. The CEO will provide support to the Board and its committees in establishing all policies of the Board including identifying and analyzing issues requiring Board policy, and providing well-supported policy recommendations for consideration by the Board or its committees.
4. The CEO will be responsible for ensuring that all policies of the Board and provisions of the County Employees Retirement Law, with the exception of governance policies pertaining to the conduct of the Board, are properly implemented.

Governance

5. The CEO will:
    a. Recommend to the Governance Committee policies to help ensure appropriate governance practices;
    b. Implement Board-approved governance policies, charters, and By-Laws; and
    c. Assist with Board member education and travel.
6. The CEO will serve as Secretary to the Board and, as such, will carry out the following duties:
    a. Coordinate meetings, agendas, schedules and presentations for both Board and committee meetings in accordance with the Ralph M Brown Act (California Government Code §§54950, *et.seq*.);
    b. Maintain minutes of Board and committee meetings;
    c. Sign minutes upon approval of the Board;
    d. Sign subpoenas; and
    e. Serve as OCERS' filing officer for purpose of compliance with the California Political Reform Act and regulations of the Fair Political Practices Commission.

Investments

7. The CEO will:
    a. Employ a Chief Investment Officer (CIO) with appropriate education and experience in institutional investing;
    b. Carry out the duties described in this section through the CIO and other professional investment staff;
    c. Recommend to the Investment Committee an Investment Policy Statement which will include investment objectives;
    d. Recommend to the Investment Committee strategies for achieving OCERS' investment objectives;
    e. Ensure the implementation of the strategies approved by the Board by establishing manager structures for each asset class, which includes among other things determining:
        i. The number of investment manager mandates to be established; and
        ii. The size of each investment manager mandate.
    f. Ensure execution of portfolio rebalancing and portfolio transitions;
    g. Ensure that necessary research is performed into investment trends, issues and opportunities that may have implications for the OCERS investment program;
    h. Ensure all necessary investment manager due diligence is performed in accordance with the Investment Policy Statement of the Board; and
    i. Oversee the CIO's hiring and termination of investment managers.

Benefits Administration

8. The CEO will:
    a. Recommend to the Board, as necessary, policies to ensure effective and efficient administration of member benefits;
    b. Ensure accurate payment of benefits to members, and address problems or errors in accordance with established policies and procedures;
    c. In consultation with medical evaluators and legal counsel, recommend disability applications to the Board and the Disability Committee for each of their consideration;
    d. Maintain accurate records of member accounts;
    e. Ensure delivery of high standards of service to members including calculations and counseling; and
    f. Develop staff policies and procedures to ensure effective and efficient administration of member benefits.

Operations

9. The CEO will:

   a. Recommend to the Board, as appropriate, Board policies designed to help ensure effective operations;

   b. Develop and recommend to the Board a business plan and updates to the plan as necessary;

   c. Recommend the annual Operating Budget to the Board;

   d. Transfer funds within a category of expenditures (i.e., Salaries and Benefits; Services and Supplies; Capital Projects) within the approved Operating Budget;

   e. Execute contractual agreements in accordance with the Procurement and Contracting Policy and authorize payments related to the administration of OCERS, consistent with the Operating Budget and OCERS' internal controls;

   f. Account for and ensure appropriate collection, deposit and distribution of funds as required;

   g. Implement internal operational control policies;

   h. Ensure the appropriate design, acquisition, implementation, and maintenance of all technological systems required to administer OCERS;

   i. Maintain the records of OCERS in a permanent and readily accessible format and in accordance with the Record Retention Policy and Guidelines;

   j. Assist the Audit Committee in coordinating operational audits; and

   k. Maintain an effective working relationship with the County, other participating employers and key stakeholders such as REAOC and member labor unions.

Finance, Actuarial and Accounting

10. The CEO will:

    a. Recommend to the Audit Committee as appropriate, financial and accounting policies;

    b. Implement appropriate internal financial controls to safeguard the assets of the OCERS;

    c. Assist the Audit Committee in coordinating the annual financial audit;

    d. Coordinate the actuarial valuation, actuarial experience studies, and actuarial audits;

    e. Cause to be prepared an annual comprehensive financial report on the operations of OCERS for Board approval; and

    f. File in the office of the County Auditor and with the Board of Supervisors a sworn statement which will exhibit the financial condition of the OCERS at the close of the preceding calendar year and its financial transactions for the year ending on that day as required by Government Code §31597.

Human Resources

11. The CEO will:
   a. Recommend human resources and compensation policies to the Board;
   b. Assess the human resources needs of OCERS and its employees and establish and implement appropriate human resources programs, procedures and employee benefits, consistent with the human resources and compensation policies of the Board;
   c. Hire, manage and terminate senior management, and approve all personnel decisions concerning OCERS staff; and
   d. Implement and lead agency training, talent development and succession planning.

Legislation and Litigation

12. The CEO will:
   a. Recommend legislative proposals for approval by the Board;
   b. Conduct and oversee the assigning, directing, and handling of litigation, claims, demands, disputes or legal proceedings involving OCERS and report material developments in these matters to the Board on a timely basis;
   c. In consultation with legal counsel, provide recommendations to the Board concerning the initiation and settlement of litigation, including administrative appeals, involving OCERS; and
   d. Oversee the development and implementation of plans to comply with newly enacted legislation and court rulings, as applicable.

Communications

13. The CEO will:
   a. Ensure effective and timely communications with stakeholders on matters relating to the administration of OCERS. Such communications may include press releases, newsletters, presentations, and internet communications; and
   b. In situations that call for an official spokesperson to speak on behalf of OCERS, jointly determine with the Chair, on an issue-by-issue basis, who will act in such capacity.

Appointment of Service Providers

14. The CEO will cause the necessary due diligence to be performed for Named Service Providers, as listed in the Board Procurement and Contracting Policy, and will provide the Board with appropriate recommendations, in accordance with the Procurement and Contracting Policy and the Investment Policy Statement of the Board.
15. The CEO may hire other service providers, consistent with the Operating Budget and the Procurement and Contracting Policy and other policies of the Board, provided that the Board has not specifically retained the authority to hire such service providers.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter

CEO Charter

Monitoring and Reporting

16. The CEO will provide the Board with relevant, appropriate and timely information to enable it to properly carry out its oversight and fiduciary responsibilities. Furthermore, the CEO will apprise the Board in a timely manner of all significant issues, problems, or developments pertaining to OCERS and provide recommended courses of action as appropriate.

17. The CEO will:

    a. Oversee the regular review of all policies of OCERS to ensure they are being followed and continue to meet OCERS' needs;

    b. Oversee the activities of the Investment Division and report annually to the Board regarding the administrative oversight of the division, including identifying any issues that arose during the reporting period;

    c. Oversee the funded status of OCERS and all issues that may reasonably have a significant impact on such status;

    d. Oversee the investment performance of the Fund, the component asset classes, and the investment managers retained to manage the assets of the Fund;

    e. Oversee management's response to the findings of the annual financial audit, and of any internal audits that may be performed;

    f. Oversee employees and service providers of OCERS to ensure compliance with the OCERS policies;

    g. Oversee the activities and performance of key service providers including the actuary, financial auditor, investment consultant, legal counsel, and custodian on a regular basis;

    h. Oversee the activities and performance of senior management;

    i. Oversee the collection of all payments due to OCERS and the payment of all amounts due by OCERS to ensure accuracy and timeliness;

    j. Oversee OCERS' compliance with applicable laws and regulations; and

    k. In conjunction with legal counsel, oversee the status of all claims, demands, disputes and legal proceedings involving OCERS and report to the Board as appropriate.

Emergency Authority

18. In emergency situations, the CEO, after making reasonable attempts to contact the Board Chair and Vice Chair, will have the authority to act on matters not expressly stated within this charter provided that:

    a. The action is, in the CEO's judgment, necessary to protect the System, its employees, the Fund, or System assets from loss or harm that is reasonably likely to occur if action is delayed for the scheduling of a notices meeting of the Board or its committees; and

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Charter
CEO Charter

b. The CEO promptly reports to the Board the emergency action taken, and the reasons why the CEO determined action was immediately necessary.

Charter Review

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

20. This charter was adopted by the Board on November 18, 2002, and amended on August 25, 2008, July 20, 2015, April 18, 2018, March 18, 2019, 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.

Steve Delaney

APRIL 17, 2023

Steve Delaney
Secretary of the Board

Date

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Cynthia Hockless, Director of Human Resources, and Manuel D. Serpa, General Counsel

SUBJECT: **OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON DECEMBER 3, 2025**

Recommendation

The Personnel Committee recommends that the Board approve the updated OCERS Employee Policy Handbook with changes directed by the Committee.

Background

The OCERS Employee Policy Handbook underwent a comprehensive legal review, during which all policies were evaluated and updated. The revisions encompass both substantive and non-substantive changes aimed at enhancing clarity, ensuring compliance, and modernizing policy language.

All policies in the Employee Handbook apply to OCERS Direct employees. The policies listed below apply to *both* OCERS Direct employees and County employees assigned to OCERS.

- Social Media Policy
- Copyright Compliance Policy
- Electronic Resources Policy
- Workplace Relationships Policy
- Remote Work Policy
- Visitor Safety and Security
- Outside Employment
- Professional Business Attire
- Reimbursement Programs
- Updated Lactation Policy
- Artificial Intelligence Policy

Both the County of Orange and the Orange County Employees Association (OCEA) reviewed the above policies and raised no objections to their implementation.

The Employee Handbook spotlights the new **Artificial Intelligence** Policy, which defines clear standards for the acquisition, development, deployment, and use of AI tools and systems within OCERS, in a manner consistent with the National Institute of Standards and Technology (NIST) AI Risk Management Framework and responsible best practices.

The revised handbook also consolidates and clarifies OCERS-specific compensation definitions, including the Certification Incentive Program, Incentive Compensation Plan, and a new Lump Sum Bonus Policy. These updates ensure employees understand available programs, eligibility criteria, and administrative guidelines.

Memorandum

The new **Lump Sum Bonus Policy** (Page 134) establishes guidelines for the CEO to award non-recurring bonuses to employees tied to measurable achievements or the advancement of significant agency goals, in compliance with applicable laws and within the agency's fiscal constraints.

At the direction of the Personnel Committee, the provision for "incentive pay" contained in the Compensation Policy (Page 131) was removed as redundant with the new Lump Sum Bonus Policy, edited as follows:

> **Equity Adjustments ~~and Incentive Pay~~**
>
> In addition to the performance evaluation process set forth in the Board's Compensation Policy, the Board has authorized the CEO to approve additional individual salary increases based on factors like external market data, internal salary structure, job responsibilities, individual performance, budget constraints, and sound management principles. ~~The CEO may also authorize extra one-time annual incentives that do not exceed $2,500 per employee per year.~~

The **Visitor Safety and Security Policy** is also new and formalizes the provisions for when visitors are on OCERS' premises. Additionally, there is a new **Parenthood Leave Policy** that matches the terms available to County employees.

The revised handbook strengthens compliance, modernizes policy language, and supports consistent application of HR practices across the organization. The proposed revised Employee Handbook, along with summaries of the substantive changes made to each policy, is attached.

Recommendation

The Personnel Committee recommends that the Board approve the updated OCERS Employee Policy Handbook with changes directed by the Committee.

Attachments

Submitted by:

CH - Approved

Cynthia Hockless
Director of Human Resources

MDS-Approved

Manuel D. Serpa
General Counsel

OCERS

Employee Handbook

V2.0
December 2025

Orange County Employees Retirement System (OCERS)
2223 E Wellington Avenue Suite 100
Santa Ana, CA 92701 USA
1 (714) 558-6200
http://www.ocers.org

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Welcome!

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)

Congratulations on your employment with the Orange County Employees Retirement System (OCERS).

You are now a member of a working team passionate about providing outstanding service to our members.

This Handbook is meant to facilitate your success. You will find it provides you with an overview of pertinent OCERS policies, your benefits, and your responsibilities as an OCERS employee. Please take the time to read it thoroughly. We have found that we are more effective as a team when each and every individual has a clear understanding of expectations and obligations.

During your professional employment with OCERS, the staff members of the Human Resources Department and your supervisor will work with you to ensure that you have the information you need to be successful at OCERS and will be available to assist you with questions or concerns you may have along the way.

I hope you will find your employment with OCERS both satisfying and rewarding. Your job is essential to fulfilling our mission every day for the members who trust and respect us. We are happy that you have chosen to contribute to our ongoing commitment to providing the outstanding service our members rely on and deserve.

Once again, I welcome you to the OCERS team.

Best regards,

Steve Delaney

Steve Delaney

Chief Executive Officer

2223 E. Wellington Avenue, Suite 100, Santa Ana, CA 92701 ● Telephone (714) 558-6200 ● Fax (714) 558-6234 ● ocers.org

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

Table of Contents

Preface

Introduction to Personnel Policies

Policy Statement

Orange County Employees Retirement System's ("OCERS") Employee Policy Handbook is provided to employees for their use as a ready reference to OCERS' personnel policies, work rules, and benefit information. Employees must familiarize themselves with the policies promptly after starting employment with OCERS and upon receipt of any change or update.

Scope

These personnel policies supersede all previous policies on the same topics and apply to personnel employed by OCERS unless otherwise stated.

Authority

These personnel policies are adopted by the OCERS Board of Retirement and the OCERS Chief Executive Officer ("CEO"), consistent with Section 17 of Article XVI of the California Constitution, Government Code Sections 31522.11 and 31678.3, and the OCERS CEO Charter.

The Chief Executive Officer ("CEO") is authorized to assess Human Resources needs; to establish and implement appropriate Human Resources programs and procedures, consistent with the personnel policies of the Board; to hire, manage, and terminate employees, oversee the hiring of management and termination of staff; and to develop training and job development programs for OCERS as approved in the Administrative Budget.

These Personnel Policies do not create an employment contract, and nothing in them alters the at-will nature of employment for OCERS Direct employees, unless otherwise required by law.

OCERS retains the right to modify, change, revise, supplement, delete, or rescind any or all its Personnel Policies, at any time, without notice, whenever OCERS determines that such action is required. Employees will be provided with notice of material changes as required by law.

For questions regarding any of these policies, please contact Human Resources.

Chapter 1
General Personnel Policies

This chapter contains the following policies related to general personnel policies:

- Probation Policy
- Discrimination and Harassment Policy
- Confidentiality Policy
- Electronic Resources Policy
- Social Media Policy
- Personnel Records Policy
- Remote Work Policy
- Artificial Intelligence Policy

Probation Policy

Policy statement

All new and promoted employees undergo a probationary period that begins on the first day of employment or promotion.

The probationary period is the initial period of employment, during which the supervisor carefully considers whether the employee can meet the standards and expectations of the job and if the employee should be retained as an employee. If the employee is not meeting the job requirements, the employee may be released at any time during the probationary period. Employment remains at-will during probation unless otherwise governed by a written agreement or applicable law.

Provisions

1. **New Probation**
   a. Full-Time Employee

      A new or re-employed employee employed in a regular position shall be placed on probation for 52 weeks from the date of appointment, ending with the first day of the pay period following completion of said period.

   b. Part-Time Employee

      A new or re-employed employee employed in a part-time regular position shall be placed on probation for 2,080 paid hours exclusive of overtime, ending with the first day of the pay period following the completion of said period.

2. **Promotional Probation**
   a. An employee, whether full-time or part-time, who receives a promotion—except for a temporary promotion—will be placed on promotional probation unless specified otherwise in B.2. below. A full-time employee shall serve a promotional probation period of 52 weeks, ending on the first day of the pay period following the successful completion of this period. A part-time employee shall serve a promotional probation period of 2,080 paid hours exclusive of overtime ending with the first day of the pay period following completion of said period.
   b. When a regular employee is promoted, reduced, or reassigned because the employee's position is reclassified and the class from which the employee is promoted, reduced, or reassigned is subsequently deleted or abolished, the incumbent employee shall not serve a promotional probation period.

3. **Failure of Probation**
   a. New probation

      An employee on new probation may be released from employment at any time without notice, cause, or right of appeal or hearing, consistent with California law.

   b. Promotional Probation
      i. An employee on promotional probation may be failed at any time without notice, cause, or right of appeal or hearing, except as provided in C.3. below.

When an employee fails their promotional probation, the employee shall have the right to return to their former class, provided the employee was not in the previous class to train for a promotion to the higher class and a vacancy in the former class exists. Employees returned to their former class will complete any remaining probationary period in that classification.

ii. If the employee's former class has been deleted or abolished, the employee shall have the right to return to a class in their former occupational series closest to, but no higher than, the salary range of the class which the employee occupied immediately before promotion and shall serve the remainder of any probationary period in the former class, if a vacancy in the former class exists.

c. An employee who alleges that their probationary release was based on unlawful discrimination may submit a grievance or written complaint to the CEO for review within ten days of receiving notice of failure of new probation.

4. General Provisions

a. When an employee's record consists of a combination of full-time and part-time service in regular positions, the time worked shall be calculated proportionately by using total hours worked to appropriate full-time requirements. For purposes of this section, 2,080 hours shall equal 52 weeks.

b. When the CEO or their representative determines that an employee has successfully completed their probationary period (i.e., passes an employee on probation), that determination shall be based upon a written performance evaluation and discussed with the employee. A probation period may not be extended, except as provided in Sections E.1 and. 2, and an employee permitted by OCERS to work beyond the end of a probation period shall be deemed to have passed such probationary period.

5. Extension of Probation Periods

a. The granting of an Official, Military, or Medical Leave of Absence shall cause the employee's probation period to be extended by the length of the Official Leave or by the length of the Military Leave over 15 calendar days. If the employee is on probation, the extended period resulting from Official, Military, or Medical Leave of Absence shall end with the first day of the pay period after said extended date.

b. An employee's probationary period may be extended at the sole discretion of the CEO for a period not to exceed 180 calendar days, provided such action is implemented before the regular probation is completed. Denial of a request to extend a probation period shall not be subject to appeal or hearing.

Discrimination and Harassment Policy

Policy Statement

OCERS is committed to a work environment where everyone is treated with respect and dignity. It is OCERS' policy to provide and promote equal employment opportunities for all personnel.

Purpose

OCERS is committed to fostering a work environment free from Discrimination, Harassment, retaliation, and abusive conduct. In accordance with federal and California law, including the Fair Employment and Housing Act (FEHA), Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), and other applicable laws, OCERS maintains a strict zero-tolerance policy for such behavior.

Definitions

- **Abusive Conduct** is defined under California law (Gove. Code § 12950.1) as malicious conduct in the workplace that a reasonable person would find hostile or offensive and that is unrelated to legitimate business interests.
- **Discrimination**: unlawful differential treatment of an individual based on a Protected Characteristic.
- **Harassment** includes unwelcome conduct based on a protected characteristic that has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive work environment.
- **Protected Characteristics** include race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (40 and over), sexual orientation, military and veteran status, or any other characteristic protected by federal, state, or local law.
- **Sexual Harassment** includes quid pro quo requests for sexual favors, or hostile work environment behavior of a sexual nature.

Provisions

1. **Policy Statement**
    a. All persons covered by this policy will not be discriminated against based on any Protected Characteristic.
    b. Employees are prohibited from discriminating against or harassing OCERS personnel, applicants for employment, and third-party vendors if the conduct adversely affects OCERS’ operations or reputation or takes place during an OCERS employment-related event, whether or not the incidents occur on OCERS' premises and whether or not the incidents occur during working hours.
    c. This policy applies to all terms, conditions, and privileges of employment, including recruitment, hiring, pay, benefits, job assignments, promotion, training, transfer, discipline, and termination.
    d. All personnel must review this policy annually and affirm their understanding of it and their obligation to comply with it.

e. In compliance with SB 1343 and SB 778, all employees must complete interactive anti-harassment training every two years. Non-supervisory employees must receive one hour of training every two years supervisors must receive 2 hours of training every two years.

2. Conduct Prohibited by this Policy

a. Conduct prohibited under this policy includes, but is not limited to:

i. Racial, ethnic, sexual, or religious slurs, epithets, comments, stereotyping, teasing, or jokes.

ii. Verbal abuse or derogatory or stereotypical comments based on any Protected Characteristic.

iii. Abusive or hostile treatment or offensive and unwelcome conduct based on any Protected Characteristic.

iv. Any use or transmission of electronic communication or access or viewing of websites with ethnic or racial cartoons, jokes, or any other message that may offend, disparage, or harass an individual based on any Protected Characteristic.

v. Sexual propositions, stating or implying that sexual favors are required as a condition of employment or continued employment; preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct; repeated unwanted sexual flirtations, advances, or invitations, whether verbal, written, physical, or visual in nature.

vi. Unwanted physical contact, such as touching, pinching, grabbing, kissing, patting, or brushing against another's body.

vii. Offensive leering, flirtatious eye contact, staring at parts of a person's body, or sexually oriented gestures.

viii. Displays or distribution of offensive pictures or objects, drawings, cartoons, graffiti, calendars, posters, printed material, or clothing containing sexually oriented language or graphics or derogatory content based on race, ethnicity, gender, religion, disability, or any other Protected Characteristic.

ix. Sexual Harassment at OCERS is strictly prohibited.

3. Reporting Obligations

Managers, supervisors, and executives have a duty to promptly report complaints or observations of potential violations of this policy to Human Resources.

The failure of executive, management, or supervisory personnel to promptly report or address incidents of Discrimination, Harassment, retaliation, or conduct prohibited by this policy- whether reported to them or witnessed by them- may lead to disciplinary action, up to and including termination of employment.

4. Complaint Procedure

a. All OCERS employees and applicants for employment who are subjected to, witness, or have knowledge of any actions or conduct violating this policy or that could be perceived as discriminating or harassing should report it promptly to an appropriate manager, supervisor, or Human Resources. However, an employee is not required to report it to their supervisor or manager, particularly if the supervisor or manager is the individual who is engaging in the prohibited conduct.

b. OCERS employees and applicants for employment may utilize the County of Orange's Equal Employment Opportunity (EEO) Access Office reporting procedure. Information regarding this procedure may be found at https://oceeo.oc.gov/, by calling the EEO Access Office at 714-834-5259, or by visiting the EEO Access Office at 333 W. Santa Ana Blvd. Room 200, Santa Ana, CA 92701.

5. Investigation and Remedial Action

a. All reports of violations of this policy will be timely, fairly, and thoroughly investigated. Reasonable efforts will be made to protect the confidentiality and privacy of the parties involved.

b. If an investigation confirms that a policy violation has occurred, appropriate corrective action will be taken, up to and including termination of employment or the employment contract.

6. Retaliation is Prohibited

a. OCERS policy and applicable federal and state laws prohibit retaliation, intimidation, or reprisal against applicants, employees, and independent contractors who file complaints or cooperate with or participate in any procedures or investigations related to complaints of Discrimination or Harassment.

b. Employees are encouraged to report violations of this policy without fear of reprisal or retaliation.

c. If it is determined that an employee has committed acts of retaliation in response to the actual or perceived filing of a complaint or participation in the investigation of a complaint under this policy, that person will be subject to disciplinary action, up to and including termination of employment.

7. Compliance with Applicable Law

a. This policy and its provisions are subject to such other terms and conditions as are provided in Title VII of the Civil Rights Act of 1964 ("Title VII"), the Rehabilitation Act of 1973, the Americans with Disabilities Act ("ADA"), and the Fair Employment and Housing Act ("FEHA").

b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Civil Rights Department or bring a private lawsuit against an employer for failing to comply with Title VII, the Rehabilitation Act, the ADA, or the FEHA.

   i. For the federal government, personnel may contact the Equal Opportunity Commission (EEOC) at 1-800-669-4000, www.eeoc.gov, or visit a local EEOC office.

   ii. For the State of California, personnel may contact the California Civil Rights Department ("CRD") at 1-800-884-1684 or https://calcivilrights.ca.gov/contactus/.

For questions about the exercise of rights pursuant to Title VII, the Rehabilitation Act, the ADA, or the FEHA, contact Human Resources, the EEOC, or the DFEH.

8. Violation of Policy

Any violation of this policy may result in disciplinary action up to and including termination of employment.

Related Topics

1. County of Orange - Equal Employment Opportunity Access Office
2. Whistle Blower Policy

Confidentiality Policy

Policy Statement

OCERS expects its employees to take all reasonable steps to protect confidential and business information from unauthorized access, use, or disclosure.

Purpose

The purpose of this policy is to establish confidentiality obligations for individuals with access to confidential information.

Definitions

- **Confidential Information** includes but is not limited to member or employee Personally Identifiable Information or personal data, business and financial records, personnel files, proprietary OCERS information, and any data classified as confidential under applicable laws and OCERS policies.
- **Personally Identifiable Information (PII)** refers to information that can be used to identify an individual, such as name, address, SSN, financial data, or health information.

Provisions

1. **Protection of Confidential Information**
    a. Individuals covered by this policy are responsible for protecting the confidentiality of information obtained or accessed during their employment at OCERS. They must restrict the distribution of Confidential Information to individuals authorized to receive it and who have a legitimate business need to know.
    b. Individuals covered by this policy must take all steps necessary to protect Confidential Information from accidental or unauthorized disclosure, including, but not limited to:
        i. taking precautions to prevent unauthorized users from accessing confidential data;
        ii. not disclosing user IDs or passwords to others or using anyone else's user ID or password; and
        iii. promptly placing discarded material identifying a member's social security number, address, contribution balance, pension amount, or other Confidential Information in the secured shredding bins placed throughout OCERS' facility.
    c. Individuals covered by this policy must create communications and documents with the understanding that all such items created in the course of employment are the property of OCERS. Employees should not have any expectation of personal privacy in any messages or documents created or transmitted using OCERS systems, including email and voicemail.
2. **Prohibited Conduct**
    a. Individuals covered by this policy may not access, use, or disclose Confidential Information without authorization or a business need to do so.

b. Individuals covered by this policy who are authorized to access, use, or disclose Confidential Information must do so in a manner that limits access, use, or disclosure only to what is necessary to perform their assigned job duties.

3. Violation of Policy

Any violation of this policy could result in discipline up to and including termination.

Related Topics

1. OCERS Electronic Resources Policy
2. OCERS Code of Conduct Policy
3. OCERS Board Policy – Records Retention Guidelines

Electronic Resources Policy

Policy Statement

Personnel must use electronic devices provided to them by OCERS in a legal, ethical, and appropriate manner. OCERS' Electronic Resources are business resources and tools. OCERS gives its personnel access to Electronic Resources to assist them in performing their work duties. Limited personal use of OCERS' Electronic Resources is permitted, as described in this policy.

Purpose

The purpose of this policy is to set forth OCERS' expectations regarding the appropriate use of its Electronic Resources to ensure compliance with applicable laws and the policies established by OCERS.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Definitions

- **Discrimination**: unlawful differential treatment of an individual based on a Protected Characteristic.
- **Electronic Resources:** All OCERS electronic media and computing systems or devices, including desktop computers, laptops, portable devices, voice mail, email, printers, copiers, scanners, fax machines, cell phones, and internet access.
- **Harassment** includes unwelcome conduct based on a protected characteristic that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.
- **Protected Characteristics** include race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (40 and over), sexual orientation, military and veteran status, or any other characteristic protected by federal, state, or local law.

Provisions

1. **Electronic Asset Usage**
    a. Individuals must use sound judgment when using OCERS' Electronic Resources.
    b. OCERS' policies against Discrimination, Harassment, retaliation, or abusive conduct extend to the use of its Electronic Resources. Electronic Resources should not be used in any way that would violate those policies.
2. **Prohibited Use of OCERS' Electronic Resources**
    a. Individuals may not use OCERS' Electronic Resources to access any member information except as authorized by established OCERS processes and only for business purposes.

b. Individuals may not use OCERS' Electronic Resources in any way that may be insulting, disruptive, abusive, or offensive to other persons, harmful to morale, or that may harass or disparage others.

c. Individuals may not use OCERS' Electronic Resources to send, forward, or store sexually explicit messages, cartoons, jokes, videos, or unwelcome propositions, and individuals may not access or view gambling, weapons production, pornographic, or sexually oriented websites.

d. Individuals may not use OCERS' Electronic Resources in a manner that infringes upon the rights of other persons, entities, or organizations to proprietary, confidential, or trade secret information.

e. Individuals may not download or run audio, video, picture, or other large data files that require significant computer storage space and that may impact OCERS' system operations unless such uses are business-related.

f. Individuals may not use voicemail to make unauthorized messages or solicitations.

g. Individuals may not utilize or download unauthorized software on any OCERS' Electronic Resource.

h. Individuals may not use Electronic Resources to advocate a partisan position or to support their personal political activities or viewpoints.

3. Personal Use of OCERS' Electronic Resources

a. Personal use of OCERS' Electronic Resources must be incidental, limited in frequency, and occur outside the employee's official duty time.

b. Personal use of OCERS' Electronic Resources cannot interfere with productivity or job performance.

c. Personal use of OCERS' Electronic Resources shall not involve Internet sites that would be objectively viewed as inappropriate for a business setting.

d. Personal use of OCERS' Electronic Resources shall not involve personal business transactions except personal banking transactions.

4. Access by OCERS

a. While Electronic Resources are made accessible to personnel to assist them in the performance of their positions, all such Electronic Resources, whether used entirely or partially on OCERS' premises or with the aid of OCERS' equipment or resources, must remain fully accessible to OCERS and, to the maximum extent permitted by law, will remain the sole and exclusive property of OCERS.

b. OCERS personnel and all others using OCERS' Electronic Resources should not have an expectation of privacy concerning information transmitted over, received by, or stored in any Electronic Resources owned, leased, or operated in whole or in part by or on behalf of OCERS. OCERS retains the right to gain access to any information received by, transmitted by, or stored in any such Electronic Resources at any time, with or without an employee's or individual's knowledge or permission.

c. OCERS personnel and all others using OCERS' Electronic Resources to access personal web-based email or social networking accounts (for example, Gmail, Instagram, and

Facebook) must understand that those communications are subject to review, imaging, and disclosure by OCERS.

5. **Maintaining Security and Confidentiality**

    a. Individuals covered by this policy using OCERS' Electronic Resources are responsible for maintaining the security of OCERS' Electronic Resources and complying with the Confidentiality Policy.

    b. Individuals covered by this policy must restrict access to or distribution of confidential, private, or personnel information to those authorized to access or receive it and who have a legitimate business need to know.

6. **Violation of Policy**

    Any violation of this policy could result in discipline up to and including termination.

Related Topics

1. OCERS Discrimination and Harassment Policy
2. OCERS Social Media Policy
3. OCERS Confidentiality Policy

Social Media Policy

Policy Statement

The Orange County Employees Retirement System (OCERS) maintains pages on multiple Social Media sites to inform its members, employers, and the public about OCERS' services, news, and events, and to establish interactive communication platforms related to OCERS' business. OCERS prioritizes protecting the integrity of information posted on its social media pages and ensuring that any content posted represents the organization accurately. While appropriate uses of Social Media may aid in achieving certain business objectives, all personnel at OCERS must take care to protect Confidential Information while using Social Media.

Purpose

The purpose of this policy is to provide employees with guidelines for participation in Social Media when an employee's affiliation with OCERS is known, identified, or presumed. This policy is intended to promote legal and ethical behavior while prohibiting inappropriate activities that may violate OCERS' policies or the law.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Definitions

- **Social Media** means an electronic service or account, or electronic content, including, but not limited to, videos, still photographs, blogs, video blogs, podcasts, instant and text messages, email, online services or accounts, or Internet website profiles or locations.[1]
- **Confidential Information** includes but is not limited to member or employee Personally Identifiable Information or personal data, business and financial records, personnel files, proprietary OCERS information, and any data classified as confidential under applicable laws and OCERS policies.
- **Personally Identifiable Information (PII)** refers to information that can be used to identify an individual, such as name, address, SSN, financial data, or health information.

Provisions

1. **Guidelines**
    a. OCERS' website at www.ocers.org will remain the primary source of internet communication. Whenever possible, a link to that website will be included on any OCERS' social media page. Social media pages will supplement and not replace required notices and standard methods of communication.

[1] Labor Code § 980

b. OCERS' Director of Communications and Communications Department staff will be responsible for posting and moderating content as well as responding to comments when appropriate. In addition, Communications Department staff will review OCERS' social media pages daily to ensure compliance with this policy. Only employees authorized by the Director of Communications are permitted to post content on OCERS' social media pages.

c. Not all forms of social media are suitable for use by OCERS. Any social media page established on behalf of OCERS must be approved by the Chief Executive Officer (CEO). Social media sites approved for official use by OCERS include:

   i. X (formerly Twitter)

   ii. Facebook

   iii. LinkedIn

   iv. Instagram

   v. YouTube

2. Content

a. All social media content must align with OCERS' policies, including the Copyright Compliance Policy, and represent OCERS' views rather than personal opinions.

b. Content in any post or response shall not specifically refer to any OCERS vendor, supplier, member, contractor, employee, or official without the approval of the CEO.

c. OCERS' Social Media pages are subject to the California Public Records Act. Thus, content maintained on a social media site or application related to OCERS' business may be a public record subject to disclosure.

d. OCERS intends for its use of Social Media to relate solely to matters of OCERS' business. The following posts or comments are inappropriate and subject to removal or restriction by OCERS:

   i. Comments not relevant to the topic being discussed.

   ii. Profane language or content.

   iii. Sexual content or links to sexual content.

   iv. Posts or links that contain malicious software (malware) such as viruses, worms, trojans, spyware, adware, or any other unwanted software.

   v. Comments that imply endorsement, approval, or sponsorship by OCERS.

   vi. Content that promotes, fosters, or perpetuates discrimination or harassment based on race, creed, color, age, religion, gender, national origin, sexual orientation, or any other category protected by local, state, or federal law.

   vii. Defamatory, derogatory, or personal attacks on any OCERS employee or official.

   viii. Threats to any person or organization or encouragement of illegal activity.

   ix. Information that tends to compromise the safety or security of OCERS' employees, the public, or OCERS' technological resources.

x. Content containing personally identifiable information, such as home addresses, phone numbers, or social security numbers.

xi. Solicitation of commerce, including any advertising or business services or products for sale.

xii. Promotion or endorsement of political issues, ballot measures, groups, or candidates.

xiii. Comments that violate a legal ownership interest (such as trademark or copyright infringement) or disclose proprietary information.

3. Prohibited Conduct

a. Personnel may not disclose Confidential Information.

b. When employees use Social Media in a personal capacity, they are not speaking for OCERS, and it should not appear to others as though they are speaking for or on behalf of OCERS. Personnel must not imply that they are expressing the views of OCERS or present themselves in a way that could reasonably suggest they are communicating on behalf of or as a representative of OCERS, regardless of whether the topic is related to retirement.

c. Ordinarily, an employee need not use a disclaimer to disavow OCERS' endorsement of their personal Social Media communications. If, however, they have concerns that their use of Social Media may create the impression that their views are sanctioned by the agency (beyond using an official title or position in an area dedicated to biographical information), the employee may use a disclaimer to address this misapprehension. Prominently displaying the following disclaimer in one's user profile could be helpful: "The views presented here are my own and do not represent my employer.”

d. Personnel should not use OCERS' e-mail addresses or accounts to establish personal Social Media accounts or as an identifier during participation in personal or otherwise unofficial Social Media activities.

e. Personnel may not use or disclose member information of any kind on Social Media without the express written permission of the member, even if a member is not identified by name.

f. Personnel may not use OCERS’ logos, trademarks, or official imagery without prior authorization.

4. Policy Applicability

a. Personnel must comply with all OCERS’ Policies when engaging in Social Media.

b. This policy does **not** restrict or prohibit:

i. Communications protected under the National Labor Relations Act (NLRA), including those discussing wages, working conditions, organizing activities, or other terms and conditions of employment.

ii. Lawful off-duty conduct protected by California Labor Code §96(k) and §98.6.

5. Violation of Policy

Any violation of this policy may result in discipline up to and including termination.

Related Topics

1. OCERS Discrimination and Harassment Policy
2. OCERS Electronic Resources Policy
3. OCERS Copyright Compliance Policy

Personnel Records Policy

Policy Statement

Personnel Records are confidential, and access to them is limited.

Purpose

The purpose of this policy is to govern access to Personnel Records.

Definitions

- **Confidential Information** includes but is not limited to member or employee Personally Identifiable Information or personal data, business and financial records, personnel files, proprietary OCERS information, and any data classified as confidential under applicable laws and OCERS policies.
- **Personally Identifiable Information (PII)** refers to information that can be used to identify an individual, such as name, address, SSN, financial data, or health information.
- **Personnel Records or Personnel File:** Documents maintained to record necessary information regarding an employee's employment standing and position with OCERS, such as employment application, resume, offer letter, payroll authorization forms, records reflecting a job transfer or promotion or other change in job title or payroll rate, name change, or corrections to date of birth, annual performance evaluations, notices of commendation or discipline, and leave request forms.

Provisions

1. **Access to Personnel Records**
    a. Personnel Records will be accessible to OCERS managers and supervisors with an OCERS business need for the information, an employee's supervisor, Human Resources, internal or outside legal counsel, and the OCERS Workers' Compensation administrator.
    b. Orange County will have access to specific Personnel Records when necessary to administer benefits and process payroll.
    c. Individuals covered by this policy will have access to their own Personnel Records.
    d. Former employees or their designated representatives, with written authorization, have the right to inspect and request copies of their Personnel Records as outlined in Section 4.
2. **Confidential Information**

    Personnel Records containing Confidential Information are stored separately and accessed only by authorized personnel in accordance with state and federal law.
3. **Disclosure of Personnel Records**
    a. Except for those individuals mentioned in Section 1 above, OCERS will not release or disclose Personnel Records without the written authorization of an employee or former employee unless OCERS is compelled to do so by one of the following:
        i. A lawful court order, administrative summons, search warrant, or subpoena;

ii. A lawful order or demand as a part of a statutorily authorized governmental investigation or audit; and

iii. As otherwise required by law.

4. Personnel Records Inspection

a. An employee, former employee, or authorized representative (e.g., attorney, labor representative, or anyone with written authorization to access information) wishing to inspect their Personnel Records must submit a written request to Human Resources. Before making Personnel Records available to an employee, former employee, or authorized representative, Human Resources will review the contents of the files to determine which documents the employee, former employee, or authorized representative is entitled to inspect.

i. An employee, former employee, or authorized representative is entitled to inspect or receive copies of any records related to their work performance or any complaints concerning the employee or former employee. These documents include:

1. Employment Application;
2. Performance Reviews;
3. Attendance Records;
4. Complaints;
5. Records used to determine an employee's qualifications for promotion; and
6. Any other documents required by applicable law, including California Labor Code § 1198.5.

ii. Except to the extent required by applicable law, an employee, former employee, or authorized representative is not entitled to inspect the following documents:

1. Records relating to the investigation of conduct constituting a possible violation of the criminal laws of California or another state of the United States;
2. Confidential reports from previous employers or letters of reference;
3. Ratings, reports, or records that were obtained as a part of the pre-hire process; ratings, reports, or records prepared by any examination committee members who were a part of the hiring process; and ratings, reports, or records created in connection with a promotional evaluation;
4. Any confidential records, such as medical records of persons other than the employee, records of other employees or third parties, or records Human Resources reasonably believes raise issues of confidentiality;
5. Any privileged documents, including those subject to an attorney-client privilege; and

6. Any other documents that applicable law requires to be held confidential.

iii. Human Resources will redact the names of any non-supervisory personnel and any other information Human Resources deems confidential before providing Personnel Records to an employee, former employee, or authorized representative.

b. OCERS will make the records available no later than 30 calendar days from receipt of a written request from an employee, former employee, or authorized representative to inspect or copy their Personnel Records.

c. Human Resources will contact the employee, former employee, or authorized representative who has submitted a written request to inspect or copy the Personnel Records to schedule a time to review or copy the documents during normal business hours at OCERS.

d. A Human Resources representative will be present when the employee, former employee, or authorized representative inspects the Personnel Records.

e. An employee, former employee, or authorized representative may not remove, photograph, or alter any Personnel Record.

f. Upon written request, Human Resources will provide an employee, former employee, or authorized representative with a copy of any Personnel Records that the employee, former employee, or authorized representative is permitted to inspect. OCERS may charge the actual cost of copying the Personnel Records to the employee, former employee, or authorized representative.

g. When a former employee who was terminated due to a violation of law or an employment-related policy involving Harassment or workplace violence requests to inspect or copy their Personnel Records, OCERS will mail a copy to an address designated by the former employee.

Related Topics

OCERS Board Policy – Records Management

Remote Work Policy

Policy Statement

Remote work is a voluntary, cooperative, and mutually beneficial work alternative that may be appropriate for some employees and positions. Hybrid office/remote work arrangements may be permitted when, in individual cases, they are cost-effective, support OCERS' business objectives, allow the employee to perform their duties remotely effectively, are acceptable to executive management and supervisors, and are desirable to the employee.

Purpose

The purpose of this policy is to set forth OCERS' standards, requirements, and expectations regarding Remote Work Arrangements.

Scope/Coverage

This policy supersedes all previously promulgated policies on this topic and applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Provisions

1. **Guidelines**
    a. General
        i. Remote work is not an entitlement and does not change the duties, obligations, compensation, benefits, responsibilities, or terms and conditions of employment with OCERS, including the MOU provisions applicable to County employees assigned to work at OCERS.
        ii. Employees remain obligated to comply with all OCERS and/or County policies, procedures, rules, instructions, and expectations. Violation of such may result in immediate discontinuance of the remote work arrangement and/or disciplinary action, up to and including termination of employment.
    b. Location/Availability
        i. Employees working remotely must work from a home office location within the State of California and be able to report to the OCERS office within a reasonable time as agreed upon with the employee's supervisor.
        ii. Employees working remotely are expected to be as accessible as their counterparts working in the office during their agreed-upon regularly scheduled work hours (i.e., employees must be available for phone calls, video conference meetings with functioning cameras turned on, and/or electronic communication within the hours specified by the employee's supervisor).
        iii. Employees who work remotely may not host in-person work-related meetings at their remote work location.

iv. Employees may be required to work in the office on scheduled remote days when needed and at OCERS' sole discretion. In addition, on any given scheduled remote workday, employees should use good judgment as to whether it is advisable under the circumstances to forgo the remote workday in order to be at the office.

v. Employees approved for a Remote Work Arrangement are authorized to work in the office even if scheduled to work remotely.

c. Accountability

i. At the department's discretion, the employee must check in when directed by their supervisor.

ii. Employees may be required to provide a summarized report to their supervisor of how time was spent on days worked remotely and be able to show proof of completed tasks if requested.

d. Workspace

i. Employees working remotely are expected to maintain a safe and professional work environment that is ergonomically correct. They are required to notify their supervisor or Human Resources immediately of any situation or circumstance that affects their health, safety, or welfare or of any accidents or injuries that occur while working remotely.

ii. Employees who do not have or are not able to provide themselves with an ergonomically appropriate place to work should not work remotely and should work instead at the OCERS office.

iii. Employees who handle confidential or sensitive information are to have a private workspace to ensure information security.

iv. Remote Work Arrangements are not a substitute for childcare, elder care, or other forms of family or dependent care assistance during working hours. The employee is responsible for ensuring that provisions for such care have been made in advance of their agreed-upon daily schedule. Employees are expected to maintain a work area free from personal interruptions.

v. Employees are responsible for setting up their home office/workspace. OCERS IT team members will not be permitted to go to home offices to assist with setting up OCERS' or personal equipment. Expenses incurred for setting up or maintaining a home office/workspace or when working remotely (e.g., internet access, utilities, data charges, furniture, housing costs, homeowner's insurance) will not be reimbursed by OCERS.

vi. Any individual tax implications related to the home workspace are the employee's sole responsibility.

e. Equipment and Supplies

i. OCERS may, but is not required to, provide certain equipment for remote working purposes (e.g., mobile device, monitors, docking station, keyboard, mouse). Any equipment provided will remain the property of OCERS, will be maintained by OCERS, and will be returned to OCERS if the employee either no longer works remotely or leaves OCERS. Remote workers will adhere to OCERS Electronic Resources Policy.

ii. If OCERS equipment malfunctions, the remote worker must notify their supervisor/manager immediately. If equipment repairs or maintenance cannot be implemented immediately, remote workers may be asked to report to the OCERS office in lieu of working remotely.

iii. Any employee-owned equipment will be the responsibility of the employee. Remote workers may be required to report to the OCERS office if employee-owned equipment and/or resources (e.g., internet access) malfunction or are unavailable on a scheduled remote workday.

iv. Employees must use OCERS' authorized applications for telecommunications (e.g., DialPad must be used, and personal phones are not to be used for conducting OCERS business).

2. Workers' Compensation

a. OCERS' Workers' Compensation coverage for job-related injuries to the employee is in effect during the employee's working time while remote. OCERS and/or the County of Orange will not be held responsible for non-employee injuries incurred at the employee's remote work location, including those incurred by visitors, other residents, or the public. Any employee injuries that occur while working remotely must be promptly reported to a supervisor.

b. OCERS and/or the Workers' Compensation Administrator may investigate circumstances in the remote work location, including the employee's home, related to workers' compensation claims.

c. Employees are responsible for ensuring a safe and ergonomically correct work setup at their remote work location.

3. Training Materials

a. For supervisors: In addition to any department-specific training, courses and other training materials on effectively managing a remote workforce are available in Eureka. These resources have been designed to help supervisors lead, guide, communicate effectively, and maintain productivity in a remote work environment.

b. For employees: Any employee who participates in remote work must review the Risk Management's Home Safety for Telecommuting Document in Eureka.

4. Requests for Remote Work Arrangements

a. Remote Work Arrangements are available to employees who work a standard 8-hour-per-day/five-day-per-week schedule or a 9-80-hour flexible work schedule. Part-time employees may be considered for Remote Work Arrangements on a case-by-case basis.

b. Eligibility for working remotely will vary by position and by OCERS department.

c. Eligibility criteria for a Remote Work Arrangement are based on the department, position, and the employee.

i. Position Eligibility

An employee's position may be suitable for remote work when the job duties:

- Are independent in nature
- Are primarily knowledge-based
- Do not require frequent in-person interaction with supervisors, colleagues, members, stakeholders, or vendors
- Do not require the employee's immediate presence at the office to address unscheduled events unless alternative arrangements for coverage are possible
- Are not essential to the management or completion of on-site work
- Are determined by the department to be suitable for remote work

ii. Employee Eligibility

In order to receive consideration for a Remote Work Arrangement, the employee must meet the following criteria:

- Be a regular employee of OCERS (Temporary Staff and Volunteers are not eligible);
- Have an overall performance rating of "Meets Expectations" or higher on the most recent performance review.

d. Eligible employees who wish to have a Remote Work Arrangement must submit a Remote Work Arrangement Request Form (available on the OCERS Intranet or from Human Resources) to their supervisor.

e. Remote Work Arrangement Requests may be approved or denied at OCERS' sole discretion. Denied requests may not be appealed.

5. Approval of Requests for Remote Work Arrangements

a. No employee has a right or entitlement to work remotely.

b. OCERS's operational needs take precedence over an employee's request to work remotely. Remote Work Arrangement Requests will be approved on a case-by-case basis with terms and conditions acceptable to OCERS and may include a schedule different from the one requested.

c. Remote Work Arrangement Requests will be approved in writing by the employee's supervisor, manager, and senior executive. Approved requests will be filed with the Director of Human Resources.

6. Timekeeping and Meal/Rest Periods

a. The actual time worked must be accurately recorded on the employee's timesheet. Any time not worked during a remote workday must be reported in the usual manner (e.g., annual leave, vacation, sick), just as the employee would report the time not worked if there were no Remote Work Arrangements.

b. The procedures for requesting time off, unplanned leave, sick leave, or a change in work hours remain the same as those when working in the OCERS office.

c. Non-Exempt employees who receive approval for a Remote Work Arrangement must comply with all record-keeping requirements and accurately record all working time.

d. Non-Exempt Employees who receive approval for a Remote Work Arrangement must take all meal and rest periods in accordance with applicable legal requirements, County and OCERS policies, and applicable Memoranda of Understanding (MOUs).

e. Non-Exempt Employees who receive approval for a Remote Work Arrangement may not perform any remote work (regular or occasional) outside of regular work hours without advance written direction or approval from their supervisor. This includes checking email and phone messages, which is considered work time and must be documented.

f. Non-Exempt Employees who receive approval for a Remote Work Arrangement are prohibited from working overtime except when directed to do so and approved in advance by their supervisor.

7. Termination, Suspension or Modifications of Remote Work Arrangements

a. OCERS may terminate, suspend, or modify a Remote Work Arrangement at any time, with or without cause. Modifications may be temporary or long-term. All changes will be made in writing.

b. An employee with an approved Remote Work Arrangement may request to terminate, suspend, or modify their arrangement at any time. The request will be approved at the senior executive's discretion. Modification requests may be temporary or long-term.

8. Occasional Remote Work

Employees may need or desire to work remotely on an ad hoc basis or for a one-off period of time. Approval for remote work in these situations will be made by the employee's supervisor, manager, or senior executive on a case-by-case basis, with the business needs of OCERS being the primary consideration.

9. Security and Confidential Information

a. Employees must comply with all provisions of the OCERS Confidentiality Policy.

b. All files, records, documents, or other materials created while working remotely are OCERS property. Employees working remotely will ensure the appropriate safeguards are used to protect all confidential, private, or personal information and records. Employees may be required to work in a private location when handling confidential or sensitive materials. Employees are prohibited from printing confidential information while working remotely to avoid a breach of confidentiality.

c. Employees may not disclose confidential or private files, records, documents, materials, or information and may not allow anyone who is not authorized to have access to OCERS networks or databases.

Related Topics

OCERS Confidentiality Policy

Artificial Intelligence Policy

Policy Statement

OCERS is dedicated to the responsible, ethical, and secure adoption and use of Artificial Intelligence technologies, encompassing both AI tools and the development and integration of AI systems. This commitment is driven by the goals of ensuring complete accuracy in pension benefit calculations, providing superior service delivery, improving operational efficiency, and strengthening trust among members. OCERS will leverage AI to empower employees, enhancing their capabilities to deliver more effective and personalized service to members. Through this policy, OCERS establishes guiding principles and requirements to ensure that AI is implemented in full alignment with the organization’s mission, values, and all applicable laws.

Purpose

The purpose of this policy is to define clear standards for the acquisition, development, deployment, and use of AI tools and systems within OCERS. It is designed to mitigate risks associated with artificial intelligence, including those related to privacy, security, fairness, and reliability, while ensuring full compliance with all legal, regulatory, and ethical requirements. By promoting transparency, accountability, and continuous improvement in the use of AI, this policy supports OCERS’ commitment to responsible innovation and the safeguarding of trust among its members, employees, and stakeholders.

Scope

This policy applies to:

1. All OCERS employees (including County and Direct employees), contractors, consultants, and any member of the workforce who develops, deploys, manages, or interacts with AI tools or systems on behalf of OCERS.
2. All AI technologies used for OCERS work purposes.
3. Both off-the-shelf AI tools (e.g., Copilot, ChatGPT, Gemini) and AI systems (custom-developed or procured) that are integrated into OCERS operations.

Provisions

1. **Roles and Responsibilities**
    a. Senior Executive Leadership:
        i. Provide strategic direction for AI initiatives.
        ii. Ensure alignment with organizational goals and risk appetite.
        iii. Foster a culture of responsible AI innovation.
    b. Executive Leadership (Directors):
        i. Ensure workforce awareness and support compliance with this policy.
        ii. Proactively identify AI opportunities and partner in evaluating and justifying their use within the division or department.

   iii. Encourage and support team members in proactively upskilling and developing competencies in AI technologies.

c. AI Committee:
   i. Maintain and update the OCERS AI policy and related guidelines.
   ii. Review and approve AI use cases, risk assessments, and system integrations.
   iii. Monitor advancements in AI and recommend updates to policies, procedures, and training.

d. Information Technology:
   i. Design, implement, and maintain AI systems in accordance with risk management and ethical principles.
   ii. Document AI methodologies for transparency and explainability.
   iii. Conduct regular testing of AI systems for bias, accuracy, and unintended consequences.

e. Information Security:
   i. Implement security controls for AI systems and data.
   ii. Assess third-party AI tools and services for security and compliance.
   iii. Monitor AI systems for security threats, vulnerabilities, and misuse to maintain protection and compliance.

f. Legal and Compliance:
   i. Ensure AI systems and practices comply with applicable laws, regulations, data governance requirements, and ethical standards.
   ii. Conduct legal and ethical risk assessments and review contracts or vendor agreements for AI-related provisions.
   iii. Monitor emerging AI regulations and advise leadership and departments on compliance obligations and policy adjustments.

g. Human Resources/Learning and Organizational Development:
   i. Provide training that promotes ethical, responsible, and effective use of AI across the organization.
   ii. Support AI adoption through organizational change management, communication, and cultural alignment initiatives.
   iii. Ensure workforce skills alignment by updating roles, competencies, and performance metrics to reflect new AI-related skills and capabilities.

h. All Users:
   i. Use AI responsibly and in compliance with this policy and guidelines.
   ii. Validate AI-generated outputs before use.
   iii. Report AI risks, biases, or unintended impacts to the AI Committee.

iv. Maintain a commitment to continuous learning by upskilling in AI technologies and responsible use practices.

2. Definitions

a. Artificial Intelligence (AI): Technologies enabling machines to perform tasks that typically require human intelligence, such as learning, reasoning, problem-solving, and decision-making.

b. AI Tools: Off-the-shelf applications (e.g., Copilot, ChatGPT, Gemini, etc.) capable of autonomously producing content (text, audio, visual) to support productivity and efficiency.

c. AI Systems: Integrated AI-driven solutions, either developed internally or procured, that interface with OCERS' technology infrastructure to support operations or decision-making.

d. Personally Identifiable Information (PII): Data that can identify an individual (e.g., name, address, SSN).

e. Protected Health Information (PHI): Health-related data protected by law.

3. Principles

a. **Responsible Use**

i. AI technologies may only be used for work-related purposes that support OCERS operations and mission.

ii. The use of AI for any illegal, unethical, or harmful activity is strictly prohibited.

iii. AI must not be used in any way that causes discrimination, bias, or unfair treatment of individuals or groups.

b. **Privacy, Confidentiality, and Security**

i. AI systems must only use data that has been collected and maintained in accordance with applicable data protection regulations and organizational policies.

ii. Processing of personally identifiable or confidential information using AI systems is permitted only when authorized, necessary, and fully compliant with these standards.

iii. The use of AI must never compromise the confidentiality, integrity, or availability of agency or member data.

c. **Human Oversight and Accountability**

i. Authorized personnel must review all AI outputs used to inform consequential decisions affecting members or staff.

ii. Final eligibility or benefit determinations must not be made by AI without human review and oversight.

iii. Staff are responsible for ensuring the factual accuracy of all AI-generated content they produce and must not knowingly create false or misleading information using AI.

d. **Transparency and Explainability**

   i. Documentation must be maintained that explains the purpose, logic, and outcomes of AI systems, to the extent possible and appropriate.

   ii. Stakeholders shall be informed when AI is used in decisions that affect them and shall have the right to request clarification or human review.

   iii. Acknowledge the use of artificial intelligence in substantial development of content or ideas to ensure transparency, uphold integrity, and accurately represent the origin of work.

e. **Risk Management**

   i. All AI systems included in business processes shall undergo a risk assessment prior to adoption, evaluating potential legal, ethical, operational, and reputational impacts.

   ii. Risk assessments for AI systems shall be performed, documented, and retained for audit purposes.

   iii. AI systems shall be regularly evaluated to ensure accuracy, fairness, and to identify any unintended consequences.

f. **Intellectual Property**

   i. Staff shall respect copyright, trademark, and intellectual property rights when using AI systems.

   ii. For any questions or concerns about potential copyright infringement, contact the Legal Division.

g. **Vendor Requirements**

   i. Third-party vendors providing AI capabilities shall meet OCERS standards for privacy, security, and ethical practices.

   ii. Contracts with AI vendors shall include provisions for audit rights, transparency, and explainability of AI systems.

   iii. AI vendors shall disclose whether their models were trained with copyrighted or sensitive data.

4. AI System Development and Integration

a. When developing or integrating AI systems:

   i. Adopt a Risk-Based Approach: Employees must integrate a risk management process aligned with the National Institute of Standards and Technology AI Risk Management Framework (NIST AI RMF), ensuring early and continuous identification, assessment, and mitigation of risks related to safety, fairness, reliability, and operational impact.

   ii. Ensure Cross-Disciplinary Collaboration: The agency must establish and maintain collaboration between technical teams, legal counsel, compliance, and subject matter experts to ensure AI systems are developed with a comprehensive understanding of both technical performance and member impact.

iii. Prioritize Resilience: Employees must design AI systems with built-in safeguards, robust testing protocols, and continuous monitoring mechanisms to ensure reliable and secure performance as technologies and conditions evolve.

iv. Maintain Flexibility: The agency must implement modular, adaptable AI system architectures that support efficient updates and integration of future innovations without requiring full system replacements.

5. Compliance and Enforcement

a. Violations of this policy may result in administrative and disciplinary action, up to and including contract termination or termination of employment.

Chapter 2
Personal Conduct Policies

This chapter contains the following policies related to general personnel policies:

- Code of Conduct Policy
- Conflict of Interest Policy
- Outside Employment Policy
- Copyright Compliance Policy
- Attendance Policy
- Alcohol and Controlled Substance Policy
- Professional Business Attire Policy
- Workplace Relationships Policy
- Employment of Relatives Policy
- Disciplinary Actions and Appeal Procedure Policy

Code of Conduct Policy

Policy Statement

OCERS expects its employees to conduct themselves in a manner that promotes professionalism, efficiency, productivity, and cooperation among their colleagues.

Purpose

The purpose of this policy is to provide guidelines to employees for acceptable and lawful business practices, promote professionalism, and establish standards of conduct applicable to all OCERS employees.

Provisions

1. **General Policy**
   a. Individuals covered by this policy will provide coworkers, active and retired members, Plan Sponsors, and Board Members with the highest level of customer service.
   b. Individuals covered by this policy shall conduct OCERS business in compliance with any and all applicable state, federal, and local laws, statutes, regulations, and OCERS Board policies.
   c. Individuals covered by this policy have the duty to deal honestly, ethically, and respectfully with each other, the Board of Retirement, Plan Sponsors, active, deferred, and retired members, vendors, visitors, and members of the public.
   d. Individuals covered by this policy will act in a manner consistent with all applicable Personnel Policies.
   e. Individuals covered by this policy will devote their full efforts and energies while performing their duties for OCERS.
2. **Reporting Obligations and Non-Retaliation**
   a. Employees who observe or suspect a violation of this policy should report it promptly to their supervisor, Human Resources, or the Compliance Department.
   b. Employees must cooperate fully with investigations into alleged misconduct.
   c. OCERS strictly prohibits retaliation against any employee for reporting or inquiring in good faith about what the employee believes to be wrongful or unlawful activity, or for participating in an investigation or proceeding related to such activity.
3. **Violation of Policy**

   Any violation of this policy may result in discipline up to and including termination.

Conflicts of Interest Policy

Policy Statement

Avoiding Conflicts of Interest and the appearance of Conflicts of Interest is critical to OCERS' reputation. Individuals covered by this policy must avoid Conflicts of Interest, including the appearance of Conflicts of Interest, at all times.

Purpose

The purpose of this policy is to provide direction regarding actual, potential, and apparent Conflicts of Interest.

Definitions

- **Conflict of Interest**: A situation in which an individual's Financial Interest, personal relationship, or outside activity interferes, may interfere, or appears to interfere with the individual's duty to act in the best interests of OCERS.
- **Financial Interest**: Any financial interest that might interfere with the employee's unqualified devotion to their duty to OCERS. A financial interest may be indirect as well as direct, and may involve financial losses, the possibility of losses, or the prospect of pecuniary gain.

Provisions

1. **General Provisions**

   Individuals covered by this policy are expected to comply with all applicable laws, including those regarding government contracts (Gov. Code, § 1090), Conflicts of Interest, and disclosures of interest (The Political Reform Act, Gov. Code § 87200 et seq.).

2. **Prohibited Conduct**

   a. OCERS strictly prohibits activities or relationships that create an actual or potential Conflict of Interest. Such activities or relationships include, but are not limited to:

      i. The use of OCERS' time, facilities, or equipment for personal gain or advantage, or the personal gain or advantage of another;

      ii. The use of the prestige or influence of employment at OCERS for personal gain or advantage, or the personal gain or advantage of another;

      iii. The use of confidential information acquired by virtue of employment at OCERS for personal gain or advantage, or the personal gain or advantage of another;

      iv. The acceptance of money, gift cards, checks, or other forms of consideration from any person or non-OCERS entity for the performance of an act which would be required or expected in the regular course of one's position at OCERS; and

      v. The solicitation of future employment with an entity engaged in business with OCERS over which the employee has some control or influence in their official capacity at OCERS.

   b. Employees must not accept gifts, gratuities, or honoraria that would violate the Political Reform Act, the Fair Political Practices Commission (FPPC) regulations, or the OCERS

Conflict of Interest Code. Employees are responsible for knowing and complying with applicable FPPC gift limits and reporting obligations.

c. Employees must promptly disclose any actual, potential, or perceived Conflicts of Interest to their supervisor or the Compliance Department.

   i. For procurement-related matters, the responsible executive must consult with the Legal Division to determine whether a Conflict of Interest or the appearance of one restricts an employee's participation or otherwise affects the procurement.

d. Employees must recuse themselves from participating in any decision or action in which they have a Financial Interest as defined by law or this policy.

3. Outside Business Activities and Employment

Individuals covered by this policy shall not engage in outside business activities or employment, including self-employment or related activities, whether paid or unpaid, that are inconsistent, incompatible, or in conflict with the employee's duties to OCERS, or might imply that OCERS endorses the work performed.

4. Violation of Policy

Any violation of this policy may result in discipline up to and including termination.

Related Topics

OCERS Outside Employment Policy

Outside Employment Policy

Policy Statement

California law (Government Code section 1126) prohibits OCERS employees from engaging in any outside employment, activity, or enterprise for compensation that is inconsistent, incompatible, in conflict with, or inimical to their duties as employees of OCERS or with the duties, functions, or responsibilities of OCERS as an organization.

Purpose

The purpose of this policy is to:

1. Communicate the process for OCERS employees to report outside employment, activities, and enterprises.
2. Establish a process for OCERS to determine whether an outside employment, activity, or enterprise is consistent and compatible with the employee's duties as an employee of OCERS and with the duties, functions, or responsibilities of OCERS as an organization.
3. Ensure OCERS employees do not engage in outside employment, activities, or enterprises for compensation that are inconsistent, incompatible, in conflict with, or inimical to their duties as OCERS employees or with the duties, functions, or responsibilities of OCERS as an organization.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Provisions

1. OCERS employees shall not engage in activities that are inconsistent with, incompatible with, or in conflict with their duties as OCERS employees.
2. An employee's outside employment, activity, or enterprise may be prohibited if it:
    a. Involves the use for private gain or advantage of OCERS' time, facilities, equipment, or supplies, or use of the badge, prestige, or influence of the employee's employment with OCERS;
    b. Involves receipt or acceptance by the employee of any money or other benefit from anyone other than OCERS for the performance of an act which the employee would be required or expected to render in the regular course or hours of their employment with OCERS or as a part of their duties as an OCERS employee;
    c. Involves the performance of an act other than their capacity as an OCERS employee, which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other OCERS employee or by OCERS; or
    d. Involves the time demands that would render the performance of their duties to OCERS less efficient.

3. An employee must complete the Secondary Employment Reporting Form (attached) prior to engaging in any outside employment, activity, or enterprise for compensation. In this context, "compensation" does not include reimbursement for expenses.
4. The following sets forth the steps in the approval process:
    a. The Secondary Employment Reporting Form will be given to the employee's supervisor for review.
    b. The supervisor will review the Secondary Employment Reporting Form for accuracy and completeness. If any discrepancies or conflicts in information (e.g., employee work information, employee schedule, job duties, etc.) are found, the supervisor will notate the discrepancy and give the report back to the employee for correction and resubmission.
    c. The supervisor will review the Secondary Employment Reporting Form and determine whether each outside employment, activity, and enterprise identified by the employee is compatible and consistent with, creates a conflict with, or is inimical to the employee's job duties.
    d. Once the supervisor's review is complete, the Secondary Employment Reporting Form and the supervisor's findings will be submitted to Human Resources for review and filing.
    e. Human Resources will review the Secondary Employment Reporting Form and independently determine whether each outside employment, activity, and enterprise identified by the employee is compatible and consistent with, creates a conflict with, or is inimical to the employee's job duties.
        i. If the reported employment, activity, or enterprise is determined not to be inconsistent, incompatible, or in conflict with the employee's job duties, Human Resources will approve the request and notify the employee and supervisor of the approval. Human Resources will retain a copy of the completed Secondary Employment Reporting Form.
        ii. If the reported employment, activity, or enterprise is determined to be inconsistent, incompatible, or in conflict with the employee's duties, the Director of Human Resources will deny the request and document the reason(s) for denial. The Secondary Employment Reporting Form will be returned to the employee for review and additional action.
        iii. If the employee accepts the denial, the employee must not engage in outside employment, activity, or enterprise. The employee, the supervisor, and Human Resources are notified of the denial, and the process is complete. A copy of the completed form is provided to Human Resources for filing.
        iv. If the employee does not accept the denial, the employee can petition the CEO for review. Once the CEO has reviewed the appeal, the employee, supervisor, and Human Resources are notified of the final approval/denial, and the process is complete. A copy of the completed form is provided to Human Resources for filing.
5. Human Resources maintains all records submitted.

6. The Secondary Employment Reporting Form does not replace the Form 700 Statement of Economic Interests.

7. **Violation of Policy**

   Any violation of this policy may result in disciplinary action up to and including termination of employment.

Related Topics

OCERS Conflicts of Interest Policy

Copyright Compliance Policy

Policy Statement

OCERS respects intellectual property rights and is committed to complying with all legal obligations concerning the use of copyright-protected works.

OCERS prohibits any use, production, reproduction, distribution, display, or other exploitation of copyrighted works that violates copyright laws. In addition, employees are prohibited from using content they know, have reason to know, or suspect contains copyright-protected material.

Purpose

This policy sets forth the OCERS' use requirements regarding copyright and ensures that the use of third-party content is in compliance with copyright law.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Policy Provisions

1. The owner of a copyrighted work has the exclusive rights of reproduction, distribution, public performance, public display, and creation and authorization of derivative works.[2] Copyright protection begins the moment the copyrighted work is first "fixed." According to § 102(a) of the Copyright Act,"[c]opyright protection subsists . . . in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." Works of authorship that fall within the scope of copyright protection include (per 17 U.S.C. § 102(a)):

   (1) literary works, including computer programs in source code or object code, databases, operating systems, programs embedded in ROMS, PROMS, etc., and microcode;

   (2) musical works and any accompanying words;

   (3) dramatic works and any accompanying music;

   (4) pantomimes and choreographic works;

   (5) pictorial, graphic, and sculptural works;

   (6) motion pictures and other audiovisual works;

   (7) sound recordings; and

   (8) architectural works.

[2] Copyright protection is governed by Title 17 of the United States Code.

The above list is not all-encompassing. The types of works that qualify for copyright protection were intentionally left open-ended by the law, so new forms of expression not specifically identified may also receive protection. Examples of copyrighted works include printed articles from publications, electronic articles in online publications or email newsletters, online videos, movies, TV and radio programs, recorded music, photos and image files, manuals, software programs, databases, websites, and blogs.

2. **What Constitutes Infringement**
    a. Copyright law gives the owner of the copyrighted work the *exclusive* right to reproduce, publish, perform, display, or create derivative works from it.
    b. Copyright infringement occurs when any of the following exclusive rights are violated:
        i. Reproduction: to reproduce the work in copies;
        ii. Derivation: to prepare derivative works based on the copyrighted work;
        iii. Distribution: to distribute copies of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
        iv. Performance: to perform the work publicly; or
        v. Display: to display the copyrighted work publicly.
    c. Works are protected even if they are not registered with the U.S. Copyright Office, and whether or not they carry the copyright symbol (©). It is also important to note that just because photos, documents, or files may be available online does not mean such materials can be used without violating copyright.
3. **Performances and Displays as Infringement**
    a. Public performance or display of copyrighted material without authorization may violate copyright laws.
    b. For example, copyright restrictions may apply to the showing, streaming, or performance of songs, shows, movies, or YouTube videos. Any such use must comply with the copyright holder's terms of use.
    c. To perform or display a work "publicly" means—
        i. to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances are gathered; or
        ii. to transmit or otherwise communicate a performance or display of the work to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.
4. **Copying as Infringement**
    a. The illegal duplication or copying of a protected work can take many forms.
    b. Restrictions on the reproduction and distribution of copies may prohibit the copying or "cutting and pasting" of content into a document or email and the creation of an electronic file/copy, such as a Portable Document Format (PDF), image file, audio recording, or video recording. Infringement of the right to reproduce a work can also

occur through forwarding the content by email, printing it out, photocopying it, or saving it in a shared electronic folder or database.

5. **How Subscriptions Can Lead to Infringement**
   a. Authorization for use under a subscription or license may not eliminate the risk of copyright infringement.
   b. Any use of a specific license or subscription must comply with copyright laws generally and with the terms of the agreement. The terms of such an agreement typically specify the permitted use of the content and usually restrict that use to the specific subscriber. Employees are prohibited from sharing their username, password, or other information necessary to gain access to a third-party website, service, or product. Some subscriptions may permit the sharing of content in limited circumstances.
6. **Use of Hypertext Links**
   a. Generally, providing a hypertext link to a third-party website is permissible, but anything more than linking may be a copyright violation.
   b. Sending a link to material on the Internet does not constitute duplication of the work. However, the terms of a specific subscription may disallow the sharing of links to material behind its "pay wall."
7. **Obtaining Permission to Use Copyrighted Works**
   a. Employees are prohibited from making any digital or paper copies of, distributing, or otherwise using any content authored, developed, or owned by a party other than OCERS unless compliance with the copyright owner’s terms of use has been ensured and all necessary licenses or permissions are obtained.
   b. Employee use of content obtained from other sources is limited by the copyright laws and the terms of any agreements with the owners of that material, whether contained within a website’s terms and conditions, in a signed contract, or the terms of a subscription or license. This process is known as “rights clearance.” The basic process requires you to:
      iii. Identify all copyrightable content you plan to use, such as an article or photo.
      iv. Identify the owners of applicable copyrights or all agents, licensees, or others with authority to grant permissions.
      v. Determine whether a license or other permission may be required.
      vi. Secure the necessary licenses or written permissions.
   c. **Employees are required to contact the Legal Division before finalizing any rights clearance.** Any questions regarding copyright, terms of use, or this policy should be forwarded to the Legal Division.
8. **Violation of Policy**

   Any violation of this policy may result in disciplinary action up to and including termination of employment.

9. **Resources for permission to use copyrighted works:**

TEXT COPYRIGHT RESOURCES
• The Authors Guild, https://authorsguild.org
• Association of American Publishers, Inc., www.publishers.org
• Copyright Clearance Center, Inc., www.copyright.com
• International Federation of Reproduction Rights Organizations, www.ifrro.org
• National Writers Union, www.nwu.org
• U.S. Copyright Office, www.copyright.gov

NON-TEXTUAL COPYRIGHTED WORKS
Music • American Society of Composers, Authors and Publishers, www.ascap.com • Broadcast Music, Inc., www.bmi.com • Recording Industry Association of America, www.riaa.com • SESAC, www.sesac.com
Photography/Design • American Society of Media Photographers, www.asmp.org • Graphic Artists Guild, https://graphicartistsguild.org
Software • The Business Software Alliance, www.bsa.org • Software & Information Industry Association, www.siia.net
Movies • Motion Picture Licensing Corporation, www.mplc.org
General • U.S. Copyright Office, www.copyright.gov

Related Topics

OCERS Conflicts of Interest Policy

Attendance Policy

Policy Statement

Attendance and punctuality are important to the efficient operation of the business of OCERS and are essential to successful employee performance.

Purpose

This policy sets forth OCERS' expectations regarding attendance and punctuality and defines procedures for reporting absences and tardiness. It is intended to comply with all applicable local, state, and federal laws, including protected leaves of absence.

Scope

This policy applies to individuals employed by OCERS (Direct Employees).

Provisions

1. **Hours of Operation**

   OCERS' office is open five days per week, Monday through Friday, except for County holidays. OCERS' regular business hours are Monday through Thursday from 8:00 a.m. to 5:00 p.m. and Friday from 8:00 a.m. to 4:30 p.m. Employee work hours are determined by each department manager and may include hours before or after OCERS' business hours and weekends and holidays.

2. **Attendance**

   Regular and reliable attendance is expected from all employees. Employees should be at their workstation and /or conducting OCERS business by the start of each workday at the time designated by their supervisor. Unapproved or excessive absenteeism or tardiness, even if unintentional, may lead to disciplinary action.

3. **Punctuality**

   a. Employees with regularly scheduled work hours must be prepared to commence work at their scheduled start time.

   b. Notice Required for Tardiness of 15 minutes or more

      i. An employee who is unable to report to work within 15 minutes of the commencement of their regularly scheduled work time, who has not previously requested the use of Annual Leave or other time off from work, must promptly report the tardiness and an expected arrival time to their supervisor. The employee may report the tardiness to their supervisor by phone, voicemail message, text message, and/or email, and must do so no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding their late arrival.

      ii. Supervisors must document an employee's unscheduled tardiness and the reasons provided for each late arrival.

   c. Excessive Tardiness

Excessive tardiness occurs when an employee has had more than three unexcused and unscheduled tardies in any thirty-day period.

Excessive tardiness may result in discipline up to and including termination.

4. Unscheduled Absences

a. Notice of an Unscheduled Absence

   i. An employee who is unable to report to work should contact their supervisor by phone, voicemail message, text message, and/or email, no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

   ii. At the commencement of an absence, an employee must provide their supervisor with the reason for the absence and its expected duration.

   iii. An employee's supervisor may request that the employee provide satisfactory evidence of a reported illness, injury, or medical condition, consistent with applicable law.

b. Excessive Absenteeism

   i. An employee's absences may be considered excessive when the number of unscheduled and unapproved absences exceeds twelve days in any twelve-month period and/or three or more days in any thirty-day period before an employee's most recent absence.

   ii. An employee's absences may be deemed excessive when their unapproved absences follow a consistent pattern. Examples of such patterns include:

      1. Unscheduled leave on days for which annual leave was requested and denied.

      2. Unscheduled leave on the days before or after scheduled annual leave.

      3. Unscheduled leave on the days before or after OCERS-recognized holidays.

      4. Repeated use of unscheduled leave due to illness in increments of one or two days.

      5. Frequent family or personal emergencies.

   iii. OCERS reserves the right to investigate patterns of absenteeism. The determination of whether a pattern exists is at OCERS' sole discretion.

   iv. **Note:** Absences protected under applicable law will not be counted against an employee under this policy.

   v. Excessive absenteeism may result in discipline up to and including termination.

5. Job Abandonment

An employee who fails to provide notice of an absence and fails to report to work for three consecutive days will be considered to have abandoned their job and voluntarily resigned unless the employee offers a reasonable excuse that the Chief Executive Officer accepts.

Related Topics

1. OCERS Annual Leave Policy
2. OCERS Extra Help Employee Sick Leave Policy
3. OCERS Family and Medical Leave Policy
4. OCERS Pregnancy Leave Policy
5. OCERS Workers' Compensation Leave Policy
6. OCERS Discipline Policy

Alcohol and Prohibited Drugs Policy

Policy Statement

To maintain a safe and healthy workplace, OCERS prohibits the unlawful use, possession, distribution, or being under the influence of alcohol or Prohibited Drugs by all persons on OCERS property, during work hours, or while conducting OCERS business.

Purpose

This policy defines OCERS's expectations regarding the possession, use, or influence of alcohol or Prohibited Drugs in the workplace or in connection with OCERS business activities.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS
2. Third-party vendors and contract employees.

Definitions

- **Alcohol:** Ethanol alcohol in any consumable form (e.g., beer, wine, liquor).
- **Prohibited Drug:** Any drug which is not legally obtainable: any “illicit” drug or “controlled substance” the possession or use of which could result in arrest or other legal sanction according to state or federal law. Prohibited Drugs include:
  - Any drug that is legally obtainable but has not been legally obtained.
  - Prescribed drugs used without a valid prescription or used in a manner inconsistent with a lawful prescription.
  - Any non-prescription substances that are used contrary to the manufacturer’s recommendations.
  - Cannabis and cannabis-derived products (e.g., marijuana, THC concentrates) are considered Prohibited Drugs when used, possessed, or if an employee is impaired by them in the workplace, despite their legal status under California law.
- **Under the Influence:** The state of being intoxicated or impaired by alcohol or a drug, or the combination of alcohol and drugs.

Provisions

1. The use, possession, sale, distribution, or being Under the Influence of Alcohol or Prohibited Drugs while on OCERS property, during working hours, or while conducting OCERS business is strictly prohibited.
2. The use of Alcohol or Prohibited Drugs, on or off OCERS’ property, in a manner that causes reputational risk to OCERS is prohibited.
3. Consequences of Violations of this Policy
   a. Persons violating this Policy will be subject to disciplinary action up to and including termination of employment. The services of any third-party vendor who violates this

policy will be terminated per the provisions of OCERS' contract with the third-party vendor.

b. The sale or possession (e.g., on the person or in a desk or vehicle) of Prohibited Drugs may also result in criminal prosecution; any such Prohibited Drugs found by OCERS will be provided to the appropriate law enforcement agency.

4. Drug and Alcohol Testing

   a. OCERS may require an employee to submit to testing procedures designed to detect the presence of Prohibited Drugs and/or Alcohol when there is a reasonable suspicion that the employee is under the Influence of such Drugs and/or Alcohol.

   b. A supervisor may have a "reasonable suspicion" that an employee is Under the Influence based upon observation of conduct or events, including, without limitation:

      i. Acting in a manner that suggests that the employee is Under the Influence of Alcohol or Prohibited Drugs (e.g., illogical or slurred speech)

      ii. Sudden unexplained changes in behavior that adversely impact work performance.

      iii. Discovery or presence of Prohibited Drugs or any open container of Alcohol in an employee's possession or near the employee's workspace.

      iv. Odor or residual odor associated with Alcohol or Prohibited Drugs.

      v. Personality changes or disorientation.

   c. When there is a reasonable suspicion that an employee is Under the Influence of Alcohol or Prohibited Drugs, the employee, at the sole discretion of OCERS, will be asked to provide breath, blood, and/or urine specimens for testing by a third-party laboratory as soon as practical.

      i. The provision of a specimen is voluntary; however, if an employee refuses to submit to required testing, the refusal will be considered a significant factor in determining disciplinary action, including termination.

5. OCERS and the County of Orange have established a voluntary Employee Assistance Program (EAP) to assist and support employees who voluntarily seek help before becoming subject to discipline or termination under this or other OCERS policies. Participation in the EAP is confidential and, where applicable, may be considered a mitigating factor during disciplinary processes. Contact Human Resources for additional information on the EAP.

Professional Business Attire Policy

Policy Statement

OCERS' professional atmosphere is maintained, in part, by the image that employees present. Employees are expected to use sound judgment in determining their professional appearance and attire.

Purpose

The purpose of this policy is to set forth OCERS' standards for professional business attire in the workplace and outside the OCERS workplace while on OCERS business.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS).

Provisions

1. All persons covered by this policy are expected to present a professional, businesslike image.
2. All persons covered by this policy should use their best judgment when determining their attire and appearance. They are expected to be well-groomed and clean, and their attire should be clean, well-maintained, and appropriate for the setting.
3. These guidelines apply to all staff without regard to gender, gender identity, or gender expression.
4. OCERS respects the religious and cultural practices of its employees. Reasonable accommodations will be made for attire and grooming practices required by sincerely held religious beliefs or cultural traditions, consistent with OCERS' Religious Accommodations Policy and applicable law.
5. OCERS will make reasonable modifications to this policy to accommodate employees with disabilities, in compliance with the Americans with Disabilities Act (ADA) and California's Fair Employment and Housing Act (FEHA).
6. Questions about these guidelines should be directed to Human Resources.

Workplace Relationships Policy

Policy Statement

OCERS is committed to fostering a professional, respectful, and legally compliant work environment. Personal relationships of a romantic or sexual nature between employees, particularly those involving supervisory or evaluative authority, may present actual or perceived conflicts of interest, claims of favoritism, disruption of team dynamics, or claims of Sexual Harassment. This policy is intended to prevent such situations, promote transparency, and ensure compliance with California law and OCERS' workplace standards.

Definitions

- **Sexual Harassment:** The making of unwanted and offensive sexual advances or sexually offensive remarks or acts, especially by one in a superior or supervisory position or when acquiescence to such behavior is a condition of continued employment, promotion, or satisfactory evaluation. Examples of sexual harassment include: (a) unwelcome requests for sexual favors; (b) lewd or derogatory comments or jokes; (c) comments regarding sexual behavior or the body of another employee; (d) sexual innuendo and other vocal activity such as catcalls or whistles; (e) obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual natures; (f) repeated requests for dates after being informed that interest is unwelcome; (g) retaliating against an employee for refusing a sexual advance or reporting an incident of possible sexual harassment to OCERS or any government agency; (h) offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; (i) any unwanted physical touching or assaults, or blocking or impeding movements; and (j) retaliation for having reported sexual harassment.
- **Workplace Relationship:** As used in this policy, "Workplace Relationship" refers to personal relationships of a romantic or sexual nature between two employees, including dating, cohabitation, or partnerships.

Provisions

1. **Prohibited Workplace Relationships**
    a. Employees are prohibited from engaging in or continuing a Workplace Relationship with any employee who reports directly or indirectly to them, or over whom they have supervisory, evaluative, or decision-making authority.
    b. Workplace Relationships between employees in the same department or project team that may create a perceived or actual conflict of interest, favoritism, or disruption to the work environment may also be subject to review and action by Human Resources.
    c. Individuals covered by this policy are prohibited from engaging in Workplace Relationships when, in the sole opinion of OCERS, the relationship creates a potential conflict of interest, causes disruption, creates a negative or unprofessional work environment, or presents concerns regarding supervision, safety, judgment, security, or morale.
2. **Disclosure**

a. Employees who enter a Workplace Relationship must promptly disclose the relationship to Human Resources if it poses a conflict of interest or involves a supervisory, evaluative, or decision-making dynamic.

b. Disclosures will be kept confidential to the extent possible, and no disciplinary action will be taken solely based on disclosure. Human Resources will evaluate the situation to determine if a change in reporting structure, assignment, or other reasonable accommodation is necessary.

3. Corrective Measures

a. If OCERS determines that a Workplace Relationship has resulted in a conflict of interest, disrupted team dynamics, or violated professional conduct expectations, it may take steps to resolve the issue. This could include modifying work assignments, transfers, or, when appropriate, disciplinary action.

4. Retaliation Prohibited

a. OCERS strictly prohibits retaliation against any employee who declines or terminates a Workplace Relationship or reports concerns regarding potential favoritism, harassment, or conflicts of interest.

5. Violation of Policy

Any violation of this policy may result in discipline up to and including termination.

Employment of Relatives Policy

Purpose

To provide guidelines for the employment of close relatives, as situations involving relatives working at OCERS may result in morale problems, inappropriate supervision, conflict of interest, or public criticism. The intent is to ensure employment decisions are based solely on merit and business necessity, and to prevent actual or perceived influence based on personal relationships.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS).

Definitions

- **Close Relative:** Includes spouse, domestic partner, parent, stepparent, child, stepchild, sibling, stepsibling, grandparent, grandchild, aunt, uncle, niece, nephew, in-law (mother, father, son, daughter, brother, or sister-in-law), or any individual residing in the same household as the employee.
- **Direct Line of Supervision**: When one employee has the authority to influence employment decisions (such as hiring, promotion, disciplinary action, compensation, scheduling, evaluation, or assignment of duties) concerning another employee.

Provisions

1. **General**

   No person may be appointed, promoted, reduced, transferred, or reassigned to a position in which that person will be in the direct line of supervision of a Close Relative; nor shall Close Relatives have the same immediate supervisor. Employees must not participate in decisions affecting a Close Relative's employment or working conditions.

2. **Disclosure**

   a. All applicants for employment, promotion, reduction, transfer, or reassignment to a position in an agency/department shall be required to disclose the name(s) and position title(s) of any Close Relative currently employed in that agency/department before appointment, promotion, reduction, transfer, or reassignment. An employee who becomes a Close Relative by marriage after appointment must promptly disclose the new relationship(s) to their supervisor.

   b. The Director of Human Resources shall provide appropriate forms and procedures for the disclosure process.

3. **Exemptions**

   OCERS' CEO may grant exemptions required for the effective and efficient operation of the agency/department provided safeguards are established to avoid actual or perceived conflicts of interest. OCERS' CEO shall develop appropriate procedures to ensure the objective review of requests for exemption.

Procedure for Exemption from Policy

1. The hiring supervisor shall request authority for an exemption from this policy from the OCERS' CEO before appointing, promoting, reducing, transferring, or reassigning a close relative of an employee if such action will result in a policy violation.
2. The written request for exemption from this policy shall include:
    a. Names of prospective employee and known Close Relative employee(s) and relationship(s).
    b. Titles and summary of duties, and work relationship of affected positions.
    c. Qualifications of the applicant indicating why the selected applicant is the best qualified or better qualified than other candidates.
    d. Justification for exemption, indicating why it is necessary for the effective and efficient operation of the agency/department, and including a statement of why the supervisor believes problems will not result.
    e. Mitigation plan to address potential conflicts (e.g., third-party oversight, recusal from employment decisions).
3. OCERS' CEO will approve or disapprove of the supervisor's recommendation and notify the Director of Human Resources of specific reasons for the decision. Upon request, the Director of Human Resources will review and provide comments to OCERS' CEO. The Director of Human Resources shall maintain a listing of exemptions granted.

Violation of Policy

Any violation of this policy, including failure to disclose Close Relationships, may result in discipline up to and including termination.

Disciplinary Actions and Appeals Procedure Policy

Policy Statement

Employees must abide by applicable federal, state, and local laws and regulations and comply with OCERS' policies and procedures. Failure to do so, including engaging in misconduct or demonstrating poor performance, may result in disciplinary action, up to and including termination of employment.

Purpose

This policy sets forth the disciplinary actions available to OCERS for employee violations of the law or OCERS' policies, employee misconduct, or poor performance. It also sets forth the appeal procedures available to employees who desire to contest employment actions taken by OCERS.

Provisions

1. **Disciplinary Actions**
   a. An employee who fails to comply with applicable legal/regulatory requirements or OCERS policies and procedures, engages in misconduct (including insubordination, inappropriate conduct, or disruptive behavior), and/or performs the duties of their position in an unsatisfactory manner may be subject to discipline up to and including termination.
   b. Disciplinary actions may include:
      i. Verbal counseling and/or warning;
      ii. Written warning;
      iii. Suspension (with or without pay, in compliance with applicable law); and
      iv. Termination.
   c. The above disciplinary actions serve as general guidelines; they are not mandatory and need not be issued in in a specific sequence. Disciplinary actions are not required to be progressive in nature and will be issued at the discretion of an employee's supervisor in consultation with Human Resources.
   d. There are instances where conduct and/or performance is of such an egregious or serious nature that immediate termination, without prior warning, may be the appropriate course of action.
   e. Factors that may be considered in determining the level of disciplinary action include:
      i. The severity and frequency of the violations;
      ii. The number of violations;
      iii. Whether the violation was part of a pattern or practice of improper behavior;
      iv. The impact on OCERS' operations or reputation;
      v. The individual's disciplinary, non-compliance, or performance history;
      vi. Whether the employee knew or should have known the rules, regulations, or policies at issue;

vii. Length of employment with OCERS;

viii. Whether the conduct was intentional, negligent, or reckless;

ix. Whether the action was committed for personal gain.

f. Management will determine the level of disciplinary action in consultation with Human Resources after reviewing the circumstances and determining which laws, policies, performance standards, and/or practices were violated.

g. When disciplinary action is taken, it will be documented to indicate the conduct that resulted in the discipline and what specific disciplinary action was taken.

h. Employees who report compliance or ethics concerns in good faith will not be subject to disciplinary action.

2. Termination for Cause Only

a. Discipline, up to and including termination, shall be for cause.

b. For purposes of this policy, cause means:

i. a violation of any OCERS policy or procedure;

ii. insubordination, inappropriate conduct, or disruptive behavior;

iii. failure to satisfactorily perform the duties of one's position;

iv. an act of fraud, embezzlement, theft, serious misconduct, or any other material violation of law committed in one's capacity as an OCERS employee;

v. intentional or reckless disclosure of Confidential Information;

vi. job abandonment, including an unauthorized absence from work for more than three (3) consecutive work days, or failing to return to work after the completion of an authorized absence;

vii. failure to provide requested medical documentation supporting a leave of absence or failure to return to work following an approved leave of absence.

c. Appeal Procedure

i. An employee who wishes to contest a personnel action taken against them may follow this appeal procedure.

ii. Specifically excluded from the scope of appeals are:

1. Subjects involving an action by the Board of Retirement, administrative orders or policies, legislative mandates, or selection/appointment decisions and procedures that do not incorporate the provisions of these policies and regulations.

2. Matters that the employee has other means of appeal, including matters which may be appealed through the Workers' Compensation Appeals Board;

3. Position classification;

iii. The appeal procedure shall consist of the following steps, each of which must be completed before any request for further consideration of the matter unless waived by mutual consent or as otherwise provided herein.

Step 1: Immediate Supervisor

An employee may submit an appeal to their immediate supervisor within fourteen (14) calendar days from the occurrence that gives rise to the personnel action. Such submission shall be in writing and state the appeal's nature and the proposed resolution. Upon receipt of the written appeal, the immediate supervisor or other representative(s) designated by OCERS shall meet with the employee to discuss the appeal. Thereafter, the immediate supervisor or the OCERS designee shall inform the employee of OCERS' determination regarding the appeal.

Step 2: Senior Executive Level

If the employee is unsatisfied with the determination issued at Step 1, they may present the appeal to the respective Senior Executive or such other representative(s) as may be designated by OCERS within seven (7) calendar days after receipt of the Step 1 determination. Upon receipt of the written appeal, the Senior Executive or the OCERS designee shall meet with the employee to discuss the appeal. Thereafter, the Senior Executive or the OCERS designee shall inform the employee of their determination regarding the appeal.

Step 3: Chief Executive Officer

If the employee is unsatisfied with the determination issued at Step 2, he or she may present the appeal to the Chief Executive Officer within seven (7) calendar days after receipt of the Step 2 determination. The Chief Executive Officer (CEO) shall meet with the employee to discuss the appeal. Thereafter, the CEO shall inform the employee of their determination regarding the appeal. The CEO shall have the right to uphold, modify, or reject any personnel action. The determination of the CEO shall be final, except in the cases of terminations and as specified in Step 4 below.

Step 4: The Board of Retirement

If the employee is unsatisfied with the determination issued at Step 3 concerning a termination, they may present the appeal to the Board of Retirement within seven (7) calendar days after receiving the Step 3 determination. OCERS will then place the employee's appeal on the Board's agenda, after which the Board will have the unlimited right to uphold, modify, or reject any personnel action. The Board's determination shall be final.

Each of the above-referenced steps may involve reviewing documentation provided by the employee and their supervisor and interviewing the supervisor and other OCERS personnel.

Chapter 3

Professional Development Policies

This chapter contains the following policies related to general personnel policies:

- Performance Evaluation Policy
- Educational and Professional Reimbursement Policy

Performance Evaluation Policy

Policy Statement

OCERS employees will receive an annual evaluation of their job performance.

Purpose

The performance evaluation provides a means for discussing, planning, and reviewing each employee's performance for the current year and performance goals for the future year.

Scope

This policy applies to individuals employed by OCERS (Direct Employees).

Definitions

- **Personnel File or Personnel Records:** Documents maintained to record necessary information regarding an employee's standing and position with OCERS, such as employment application, resume, offer letter, payroll authorization forms, records reflecting a job transfer or promotion, other change in job title, payroll rate, name change, or corrections to date of birth, annual performance evaluations, notices of commendation or discipline, and leave request forms.

Provisions

1. OCERS shall maintain a system of employee performance ratings designed to give a fair evaluation of the quality and quantity of work performed by an employee. At least once each year, such ratings shall be prepared and recorded in the employee's personnel file for all regular and part-time employees.
2. Employees may be asked to complete a self-assessment prior to the evaluation to reflect on achievements, challenges, and goals.
3. OCERS shall discuss the specific ratings with the employee before they are included in their Personnel File.
4. Employees can submit written objections or comments about their evaluation, and such information will be included with the evaluation in their Personnel File.
5. When a performance evaluation is recorded in an employee's Personnel File, they will receive a copy of the evaluation and any related attachments.
6. Where an employee takes authorized leave (e.g., Family and Medical Leave of Absence, Pregnancy Disability Leave), the date of their performance review will be extended by the length of time of their leave.

Education and Professional Reimbursement Policy

Policy Statement

OCERS supports the continued professional development of its employees through its Educational and Professional Reimbursement Program.

Purpose

The Educational and Professional Reimbursement Program is designed to reimburse eligible employees for qualifying educational costs. OCERS encourages employees to continue their professional development by taking advantage of the various educational opportunities available.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Definitions

- **Full-Time Employee:** An employee employed in one (1) or more regular or limited-term positions who's normally assigned work hours are at least forty hours per week.

Provisions

1. **General Provisions:**

   Eligibility for reimbursement is subject to evaluation by the department head and Human Resources, based on alignment with OCERS' strategic goals and employee development plans. Educational opportunities are eligible for reimbursement if they have a reasonable potential of contributing to achieving OCERS' business objectives and meet one or more of the following criteria:

   a. Relate to the work of the employee's position or occupation at OCERS;

   b. Prepare the employee to transition to an alternate OCERS position or occupation; or

   c. Prepare the employee for advancement to positions of greater responsibility at OCERS.

2. **Eligible Employees**

   All full-time, part-time, regular, and probationary employees with a performance rating of "meets expectations" or above are eligible for reimbursement. Employees on an approved leave of absence may be eligible for reimbursement on a case-by-case basis, subject to department head approval.

3. **Reimbursement Eligibility**

   a. The following types of educational courses are eligible for reimbursement:

      i. Courses related to obtaining a degree (AA, BA, BS, Master's, Ph.D.);

      ii. Accredited certificate programs;

      iii. Vocational skills programs;

iv. Courses related to obtaining or maintaining a business-related certification, license, or accreditation;

v. Courses that prepare the employee to take a test to obtain business-related certifications, licenses, or accreditations;

vi. Professional conferences, conventions, and seminars that are related to business objectives;

vii. Fees related to obtaining and/or renewing a license, including special driver's licenses;

viii. Fees related to certifications or accreditations;

ix. Fees related to taking professional examinations; and

x. Professional association membership fees.

b. In general, courses taken through the program must be taken on the employee's time. At the discretion of the department head, a course may be taken on OCERS' time when the course specifically meets a business need and is not available during the employee's non-work hours.

4. Reimbursement Non-Eligibility:

The following types of educational courses are not eligible for reimbursement:

a. Courses taken to bring unsatisfactory performance up to an acceptable level;

b. Courses taken to acquire skills or knowledge that were a minimum qualification for the employees' position.

c. Courses that duplicate courses available for in-service training; and,

d. Courses that are duplicative of internal training or external training previously reimbursed by OCERS.

5. Nature of Reimbursement:

a. An employee may be reimbursed for required fees and costs related directly to the approved educational or professional course or program. This may include, but is not limited to, registration fees, books, class materials, lab fees, testing fees, parking, processing fees, etc.

b. Expenses for travel, meals, and lodging are not reimbursable; however, the department head may authorize payment for these items when they meet the department's business needs and are budgeted in the department's travel expense budget.

c. For degree programs, reimbursement shall be made to the employee upon completion of the course with a minimum final grade of a "C" or its equivalent in an undergraduate course, and a "B" or its equivalent in a graduate-level course.

d. Reimbursement for non-graded courses shall be made upon completion of an approved course and proof of payment.

e. Tuition and fees may be reimbursed up to three (3) times for a failed test required to achieve a certification.

f. If an employee is receiving reimbursement from another source that covers a portion of the cost, OCERS will only pay the remaining amount after other reimbursements are exhausted.

g. The maximum reimbursement that eligible employees may receive in one (1) Fiscal Year is $10,000.

6. Request Procedure:

a. The employee shall apply for approval for reimbursement through normal supervisory channels on forms provided by Human Resources.

b. Approval must be granted **before** the employee registers and pays for the course.

c. The employee’s department head shall either approve or deny the application as they deem justified based on the criteria set forth in this policy.

d. Upon completion of an approved course or payment of fees for approved memberships, licenses, certifications, or accreditations, the employee shall furnish the department head with proof of payment and proof of grade (where applicable).

e. The department head will provide final approval for the reimbursement upon proof of a satisfactory grade and/or payment of fees.

Chapter 4

Leave and Workplace Accommodation

This chapter contains the following policies related to different types of leave situations, from annual leave to workers' compensation:

- Interactive Process and Accommodations Policy
- Family and Medical Leave of Absence Policy
- Pregnancy Disability Leave Policy
- Lactation Policy
- Leave of Absence with Pay Policy
- Authorized Unpaid Leaves of Absence Policy
- Military Related Leaves of Absence Policy
- Military Family Leave Policy
- Catastrophic Leave Donation Policy
- Bereavement Leave Policy
- Voting, Jury and Witness Duty Policy
- Extra Help Sick Leave Policy

Interactive Process and Accommodations Policy

OCERS is committed to the principles of equal employment opportunity for all employees.

Purpose

The policy's purpose is to comply with state and federal law, enable qualified individuals with disabilities to perform the essential functions of their jobs, and allow these individuals to enjoy equal employment opportunities.

Definitions

- **Essential Job Functions:** The fundamental job duties of the employment position the employee with a disability holds or desires. A job function may be considered essential for any of several reasons, including, but not limited to, the following:
    - The reason the position exists is to perform that function.
    - The limited number of employees available among whom the performance of that job function can be distributed.
    - The function may be highly specialized.
- **The Genetic Information Nondiscrimination Act of 2008 (GINA):** Prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as explicitly allowed by this law (e.g., to certify the need for leave for a family member's serious health condition).
- **Human Resources:** The department responsible for managing various employment processes and procedures within an organization, including recruitment, onboarding, training and development, performance management, compensation and benefits, employee relations, and compliance with labor laws organizational policies.
- **Interactive Process:** A timely, good-faith communication between OCERS and an employee or, when necessary because of the disability or other circumstances, their representative, to explore whether the employee needs Reasonable Accommodation of a disability in order to perform the essential functions of their job, and when needed, how the employee can be reasonably accommodated.
- **Qualified Individual:** An individual with a disability who satisfies the requisite skill, experience, education, and other job-related requirements of the position held or desired, and who can perform the Essential Job Functions of the position, with or without Reasonable Accommodation.
- **Reasonable Accommodation:** Modifications or adjustments to an employee's position that are effective in enabling an employee to perform the Essential Job Functions the employee holds or desires, or effective in enabling an employee with a disability to enjoy equivalent benefits and privileges of employment as are enjoyed by similarly situated employees without disabilities. The elimination of an Essential Job Function or the creation of a new position is not a Reasonable Accommodation nor required by law.

Provisions

1. **Eligibility**

Any Qualified Individual with a physical disability, mental disability, or medical condition that limits a major life activity, including their ability to work, is eligible for Reasonable Accommodations from OCERS to enable them to perform their Essential Job Functions.

2. Accommodation Request

a. An employee may request accommodation at any time. Alternatively, a family member, friend, health professional, or other representative may make a request on an employee's behalf. The request does not have to be made in writing.

b. Employees or their representatives are encouraged to make requests for Reasonable Accommodation directly to Human Resources. Employees may also make a request for accommodations to their supervisor, who will then immediately relay the request to Human Resources.

c. Human Resources will consider each request for Reasonable Accommodation and determine: (1) whether the accommodation is needed; (2) if needed, whether the accommodation would be effective; and (3) if effective, whether providing the Reasonable Accommodation would impose an undue hardship to OCERS.

3. Accommodations Absent a Request

a. When OCERS is put on notice that an employee cannot perform their job duties due to a physical disability, mental disability, or medical condition, OCERS must engage the employee in an Interactive Process (see below), even when the employee has not made a request for an accommodation. OCERS can be put on such notice by a third party, by observation, or because a disabled employee has exhausted their protected leave (see OCERS Family and Medical Leave Policy) and their health care provider indicates the need for continued leave or other accommodations.

4. Interactive Process

a. Upon an employee's request for an accommodation or acceptance of OCERS' offer to consider an accommodation, Human Resources, with input from the employee's supervisor when appropriate, will initiate a dialogue with the employee to determine what accommodations are available to them. This dialogue may include:

   i. A review of the employee's work limitations or restrictions that require accommodation;

   ii. A review of the employee's Job Functions;

   iii. The identification of accommodations requested by the employee; and

   iv. The identification of potential accommodations available to OCERS and an assessment of the effectiveness that each would have in enabling the employee to perform their Essential Job Functions.

b. OCERS will not require the employee or their health care provider to disclose a specific medical diagnosis or underlying condition unless such information is necessary to determine the need for accommodation and is permitted by law.

c. An employee must cooperate with OCERS in the Interactive Process. Cooperation includes providing documentation regarding work restrictions or limitations, communicating with OCERS, and exchanging essential information without delay or obstruction of the process.

d. An employee may refuse the offer of an accommodation that they deem unnecessary. However, the employee may not be qualified to remain in their job if they need a Reasonable Accommodation to perform an Essential Job Function and refuse to accept this Reasonable Accommodation. Further, rejecting a Reasonable Accommodation may terminate OCERS' obligation to engage further in the Interactive Process.

e. Human Resources may require an employee to provide reasonable medical documentation of their need for accommodation. However, any genetic information must be excluded when responding to requests for medical information, in accordance with the Genetic Information Nondiscrimination Act of 2008 (GINA).

f. Upon identifying possible accommodations, Human Resources may grant the employee's requested accommodation or reject it after due consideration and discuss alternative accommodations with the employee.

g. The Interactive Process will be documented.

5. Accommodation Request Grant

a. While OCERS will consider an employee's preference for an accommodation, it has the right to implement an accommodation that is effective in assisting the employee in performing their Essential Job Functions. OCERS has the ultimate discretion to choose the manner of effective accommodation and may consider reasonableness in cost and feasibility.

b. OCERS will not disclose to other employees that a disabled employee is receiving a Reasonable Accommodation unless a disclosure is necessary to effectuate the accommodation.

c. For Reasonable Accommodations that extend beyond one year or beyond the date set forth in the employee's medical documentation, OCERS may ask for medical documentation substantiating the need for continued accommodation every year.

d. If a granted accommodation is not effective, OCERS will resume the Interactive Process and attempt to identify more effective accommodations.

6. Accommodation Request Denial

a. The law does not require OCERS to provide any and every accommodation requested by an employee. OCERS is required to provide only those accommodations that would allow an employee to perform the Essential Job Functions of their position and to enjoy equal employment opportunity. OCERS is not required to provide accommodations that would impose an undue hardship on its operations.

b. If OCERS denies an employee's requested accommodation, it will continue the Interactive Process and attempt to identify other possible accommodations.

7. Compliance with Applicable Law

a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Rehabilitation Act of 1973, the Americans with Disabilities Act ("ADA"), and the Fair Employment and Housing Act ("FEHA"). An employer is prohibited from discriminating or retaliating against an employee for requesting, accepting, or rejecting an accommodation.

b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Civil Rights Department ("CDR") or bring a private lawsuit against an employer for failure to comply with the Rehabilitation Act, the ADA, or the FEHA.

c. For questions about the exercise of rights pursuant to the Rehabilitation Act, the ADA, or the FEHA, contact Human Resources.

Related Topics

1. The Rehabilitation Act
2. The Americans with Disabilities Act
3. Fair Employment and Housing Act

Family and Medical Leave of Absence Policy

Policy Statement

OCERS provides eligible employees with leave under the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA). OCERS intends to administer this policy in accordance with all applicable state and federal laws.

Purpose

The purpose of this policy is to provide leave to employees in compliance with FMLA and CFRA, and to inform employees and managers of their responsibilities in requesting or providing such leave.

Definitions

- **Affected by Pregnancy:** When, because of pregnancy, childbirth, or a related medical condition, it is medically advisable for an employee to transfer or otherwise be reasonably accommodated by her employer.
- **Annual Leave:** Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments, or personal business.
- **Child**: A biological, adopted, or foster child, stepchild, a legal ward of the employee, or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.
- **Disabled by Pregnancy**: An employee is disabled by pregnancy when, in the opinion of her health care provider, she is unable, because of pregnancy, to perform any one or more of the essential functions of her job or to perform any of these functions without undue risk to herself, to her pregnancy's successful completion, or to other persons. An employee also may be considered to be "disabled by pregnancy" if, in the opinion of her health care provider, she is suffering from severe "morning sickness" or needs to take time off for: prenatal or postnatal care; bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; post-partum depression; childbirth; loss or end of pregnancy; or recovery from childbirth.
- **Healthcare Provider**: A medical doctor, osteopath, podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner, clinical social worker, midwife, Christian Science practitioner, and any other person determined by the Secretary of Labor to be capable of providing health care services.
- **The Genetic Information Nondiscrimination Act of 2008 (GINA)**: Prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as explicitly allowed by this law (e.g., to certify the need for leave for a family member's serious health condition).
- **Intermittent leave:** Leave from work granted under the Family and Medical Leave Act (FMLA) that is staggered instead of continuous but is permissible, e.g., the recurrence of a dangerous condition.
- **Key Employee:** A salaried FMLA-eligible employee who is among the highest paid 10 percent of all the employees employed by OCERS.

- **Parent:** A biological, adoptive, step, or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.
- **Registered Domestic Partner:** A person registered as a domestic partner with the Secretary of State of California or registered as a domestic partner in any other state in which domestic partnerships or civil unions are recognized.
- **Serious Health Condition:** An illness, injury, impairment, or physical or mental condition that involves:
    - Inpatient care in a hospital, hospice, or residential medical care facility, or overnight stay in a hospital, hospice, or residential medical care facility. This includes inpatient care for any period of incapacity or treatment in connection with such incapacity.
    - Continuing treatment by a health care provider, including (1) a period of incapacity of more than three consecutive calendar days; (2) a period of incapacity that involves at least two treatments by a health care provider within 30 days after the first day of incapacity (unless extenuating circumstances prevent the second treatment); or (3) at least one treatment by a health care provider within 7 days after the first day of incapacity that results in a regimen of continuing treatment under that provider's care.
- **Spouse:** A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.

Provisions

1. **Eligibility**
    a. An employee is eligible for leave under the FMLA and CFRA if they:
        i. Have been employed by OCERS for at least twelve (12) months; and
        ii. Have worked at least 1,250 hours during the twelve (12)-month period immediately before the start of leave.
2. **Leave Entitlement**
    a. **FMLA**: An employee is entitled to a leave of absence under the FMLA because of:
        i. The employee’s own serious health condition;
        ii. The care of a child, spouse, or parent with a serious health condition;
        iii. The birth of a child and to care for the child within the first year of birth; or
        iv. The care of an adopted or foster child within the first year of placement with the employee.
    b. **CFRA**: An employee is entitled to a leave of absence under the CFRA for all of the reasons listed above for entitlement to FMLA leave. Unlike the FMLA leave, an employee is not entitled to leave due to pregnancy disability under the CFRA. (See OCERS Personnel Policy: Pregnancy and Pregnancy Disability Leave). If an employee takes FMLA leave for pregnancy disability, they may still be eligible for an additional twelve (12) weeks of leave under CFRA for other family and medical leave purposes.

CFRA also provides an eligible employee with up to twelve (12) weeks of leave to care for a domestic partner with a serious health condition. In addition, CFRA leave is available to care for grandparents, grandchildren, siblings, and parents-in-law with serious health conditions. CFRA leave is also available to care for a person designated by the employee at the time the leave is requested, who is related by blood or whose association with the employee is the equivalent of a family relationship (a "Designated Person"). An employee may designate only one such individual per 12-month period for purposes of such leave.

3. Notice of Need for Leave

a. Employee's Obligations: In order to obtain FMLA or CFRA leave, an employee must inform OCERS of their need for leave verbally or in writing. For all FMLA or CFRA leaves other than Military Exigency Leave (see OCERS Personnel Policy: Military Family Leave), an employee must give OCERS thirty (30) calendar days' notice of their need for leave if they know of the leave in advance. If an employee does not have advance notice of the need for FMLA or CFRA leave, they must notify OCERS of their need for leave as soon as practicable. Failure to comply with this provision may result in FMLA or CFRA leave being denied or delayed. However, if the need for leave results from an emergency or is otherwise unforeseeable, the leave will not be denied simply because an employee fails to provide advance notice.

b. OCERS Obligations: Any OCERS manager or supervisor who receives notice that an employee may need time off for a FMLA or CFRA qualifying reason must immediately notify Human Resources. Human Resources will provide employees with information about their rights under FMLA or CFRA and determine whether they are eligible for FMLA or CFRA leave.

4. Leave Designation

a. Upon an employee's request for FMLA or CFRA leave, Human Resources will inform the employee within five (5) business days whether they are entitled to FMLA or CFRA leave. If Human Resources determines that the employee is not eligible for FMLA or CFRA leave, they will be informed of the reasons for ineligibility, including any additional information required.

b. OCERS is responsible for designating time off work, paid or unpaid, as FMLA, CFRA, or both FMLA/CFRA leave. OCERS will give the employee notice of said designation. OCERS may conditionally designate time off work as FMLA, CFRA, or both FMLA/CFRA leave pending receipt of appropriate medical certification and eligibility determination.

c. If OCERS learns that an employee's absence was for a FMLA or CFRA leave-qualifying purpose after the absence has begun, OCERS may, in its discretion, retroactively designate the entire absence or some portion of the time off work as FMLA, CFRA, or both FMLA/CFRA leave, to the extent that the period qualified as such, and as long as a late designation did not cause an employee to take leave they would not have taken had they known the leave would be counted against their FMLA/CFRA entitlement.

d. An eligible employee who takes a leave for a FMLA or CFRA leave-qualifying reason cannot avoid having the time counted against their FMLA or CFRA entitlement by stating that they do not want it considered as FMLA or CFRA leave.

5. Medical Certification

a. OCERS may conditionally designate a leave for purposes of personal or family illness while notifying the employee that their final FMLA/CFRA leave designation depends on their timely submission of a satisfactory medical certification.

b. An employee must obtain their treating Healthcare Provider's medical certification and submit it to OCERS within fifteen (15) calendar days of OCERS' request for medical certification, unless there are extenuating circumstances that make this impracticable despite the employee's diligent, good faith efforts or OCERS' grant of additional time. Untimely submission of medical certification may result in denial of FMLA/CFRA protection for the employee's absence, subjecting the absence to OCERS' Attendance Policy.

c. An employee must provide complete and sufficient medical certification to OCERS. If they do not, OCERS will give the employee seven (7) calendar days to cure the deficiency. If an employee fails to provide appropriate medical certification within the time limits, OCERS may deny FMLA/CFRA protection for their absence, impose penalties pursuant to the Attendance Policy, or deny their reinstatement to work.

d. For FMLA/CFRA, OCERS requires that the employee provide the following documentation:

    i. Medical certification from the treating Healthcare Provider that the employee: (1) needs a period of leave because of a serious health condition affecting the employee or their child, parent, spouse, domestic partner, or Designated Person; (2) needs Intermittent Leave for a serious health condition of the employee or their child, parent, spouse, domestic partner, or Designated Person; or (3) needs a reduced work schedule for the employee's own serious health condition.

    ii. Recertification by the treating Healthcare Provider may be required every thirty (30) calendar days in connection with an employee's absence, unless one of the following applies:

        1. When the medical certification indicates that the minimum duration of the condition is more than thirty (30) calendar days, OCERS may request recertification when that minimum duration has lapsed; or

        2. OCERS may request recertification in less than thirty (30) calendar days if: the employee requests an extension of leave; there has been a significant change in circumstances, such as the duration or frequency of the absences or the severity of the condition; or OCERS receives information that casts doubt on the employee's stated reason for absence.

    iii. The employee may be required, at OCERS' expense, to obtain the opinions of a second and third Healthcare Provider supporting the need for FMLA/CFRA leave due to a serious health condition.

e. The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits OCERS from requesting or requiring genetic information of an employee or their family member, except as specifically allowed by this law (e.g., to certify the need for leave for a family member's serious health condition). To comply with GINA, OCERS asks that the Healthcare Provider not provide any genetic information when responding to a request for medical information or a certification. “Genetic Information” as defined by GINA includes an individual’s family medical history, the results of an individual’s or family member’s genetic tests, the fact that an individual or family member sought or received genetic services, and genetic information of a fetus carried by an individual or family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

6. Family Leave for Newborn or Newly Adopted Child

a. FMLA/CFRA leave for the care of a newborn or a newly placed adopted or foster child must conclude within one (1) year of the birth or placement. FMLA/CFRA leave for placement of an adopted or foster child may commence prior to the placement if the absence from work is required for the placement to proceed.

7. Length of Leave

a. An employee may take up to twelve (12) workweeks of FMLA/CFRA leave within a twelve (12)-month period. For all FMLA/CFRA leave other than military caregiver leave (see OCERS Military Family Leave Policy), OCERS calculates FMLA/CFRA leave using a calendar-year rolling period measured backward from the date the employee uses such leave. Each time an employee takes FMLA/CFRA leave, the remaining leave entitlement is the balance of the twelve (12) workweeks they have not used during the immediately preceding calendar year.

b. If an employee needs to extend their leave, and their initial FMLA/CFRA leave was less than twelve (12) weeks, they must request an extension for FMLA/CFRA leave. The employee must notify OCERS as soon as they are aware of the need, but not later than two (2) business days before the anticipated return to work date, when the need for an extension is foreseeable. For extension of FMLA/CFRA leave relating to a serious health condition, employees must provide a Healthcare Provider’s recertification within fifteen (15) calendar days of OCERS’ request, if practicable.

c. If an employee has taken the entire twelve (12) weeks FMLA/CFRA leave permitted by law and they still need additional leave, they can request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as they are aware of the need, but not later than two (2) business days before the anticipated return to work date, where the need for an extension is foreseeable. For extensions relating to a serious health condition, employees must provide a Health Care Provider’s recertification within fifteen (15) calendar days of OCERS’ request, if practicable.

d. Upon expiration of the time needed for FMLA/CFRA leave set forth in any medical certification document and in the absence of recertification, the leave will automatically terminate, and the employee will be expected to return to work, unless OCERS has approved additional non-FMLA/CFRA leave. If an employee fails to return to work within three (3) days after the approved FMLA/CFRA leave or other approved leave expires, they may be subject to the penalties imposed by OCERS’ Attendance Policy, up to and including termination.

e. OCERS may require an employee on leave to report periodically on their status and intent to return to work.

8. Intermittent Leave or Reduced Work Schedule

a. Intermittent leave or a reduced work schedule may be approved with medical certification for an employee's serious health condition or to allow the employee to care for a child, parent, spouse, or domestic partner (domestic partners are only included under the CFRA) with a serious health condition.

b. Intermittent leave or a reduced work schedule must be based on a medical need that is best met through such intermittent leave or reduced work schedule. OCERS may request that the treating Health Care Provider verify that the employee's absence or reduced schedule is consistent with their medical need.

c. For employees on intermittent leave or a reduced work schedule, only the amount of leave actually taken is counted toward the twelve (12) weeks of leave the employee is entitled to.

d. An Exempt Employee on FMLA/CFRA leave with medical certification stating that they will need intermittent leave or reduced hours may have their salary reduced proportionately for the hours not worked. Employees may substitute accrued annual leave to avoid the loss of pay.

e. Under CFRA, an employee who wishes to take intermittent leave to care for and bond with a child within one (1) year of the birth or placement of the child must take the leave in increments of two (2) weeks or more at a time, with the exception that leaves of less than (2) two weeks can be taken twice during the year.

9. Compensation and Benefits Continuation during FMLA/CFRA Leave

a. An employee is required to use their accrued Annual Leave and, where applicable, vacation and sick leave, during FMLA/CFRA leave.

b. An employee will maintain OCERS' health care benefits while they are on FMLA/CFRA leave, whether it is paid or unpaid, for a maximum of twelve (12) workweeks in a twelve (12)-month period. Health care benefits coverage may be extended if the employee is also entitled to additional leave under the Pregnancy Disability Leave Law (see OCERS Pregnancy and Pregnancy Disability Leave Policy) or other OCERS-approved leaves.

10. Continuation of Health Coverage (COBRA)

a. If an employee exhausts all eligibility for continuation of OCERS-paid health care benefits, the employee may extend those benefits at their own expense through COBRA.

11. Coordination with Other Leaves

a. FMLA and CFRA leave will run concurrently with all other paid and unpaid family and medical-related leaves when determining the maximum duration of the leaves. However, CFRA leave does not run concurrently with FMLA Pregnancy Disability Leave (see Pregnancy and Pregnancy Disability Leave Policy).

b. CFRA leave to care for a domestic partner with a serious health condition does not count as FMLA leave.

c. FMLA and CFRA leaves run concurrently with occupational leaves of absence when an employee has a serious health condition that meets the requirements for an Occupational Medical Leave (see Occupational Medical Leave Policy).

d. FMLA and CFRA leaves run concurrently with Kin Care under the California Employment Sick Leave Act when the leave is for a FMLA and CFRA-qualifying reason.

e. CFRA leave for a Designated Person does NOT run concurrently with FMLA leave.

12. Return from Leave and Reinstatement

a. OCERS encourages employees returning from leave to provide their manager with at least fourteen (14) calendar days' advance notice of the date on which they intend to return to work. OCERS requires reasonable notice, which is typically at least two (2) business days, if there is a change in the date on which the employee will be ready and able to return to work. If the employee provides less than fourteen (14) calendar days' advance notice of the intended date of return to work, OCERS may delay the date on which it reinstates the employee in order to allow two (2) additional business days in which to make arrangements, such as scheduling adjustments, for the employee's return to work.

b. When FMLA or CFRA leave is taken for an employee's own serious health condition and the leave extends for a period of fourteen (14) days or more, the employee will be required to submit medical certification from their Health Care Provider at or before the date of return to work, indicating they are fit to return to work, either with or without work restrictions. Delay in providing a certification may result in OCERS delaying the employee's return to work until such time as the certificate is obtained. If the employee fails or refuses to provide a return-to-work certification, OCERS may deny reinstatement and terminate their employment.

c. If an employee has complied with their obligations under this policy, OCERS will reinstate them to their former position if it is available. If the former position is not available, the employee will be reinstated to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. An equivalent position will involve the same or substantially the same duties, responsibilities, and authority, and will entail substantially the same skills and efforts. OCERS may not reinstate an employee to their former position or an equivalent position if OCERS' business conditions resulted in the elimination of the former position during the leave, or if the employee would not otherwise have continued to be employed had they continued in active employment.

d. An employee's use of FMLA/CFRA leave will not result in the loss of any employment benefit they earned or were entitled to before commencing their leave.

e. An employee has no greater right to reinstatement or to other benefits and conditions of employment than if they had been continuously employed during the FMLA/CFRA leave period.

f. A Key Employee who takes a Family Medical Leave of Absence may be denied reinstatement if this would cause substantial and grievous economic injury to OCERS' operations.

13. Compliance with Applicable Law

a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Family and Medical Leave Act of 1993 and applicable California leave laws. An employer is prohibited from interfering with an eligible employee's right to take either an FMLA or CFRA leave, or from discriminating or retaliating against an employee for taking such a leave.

b. An employee may file a complaint with the U.S. Department of Labor, the U.S. Equal Employment Opportunity Commission, or the California Department of Fair Employment and Housing, or they may bring a private lawsuit against an employer for failure to comply with the FMLA or CFRA.

c. For questions about the exercise of FMLA or CFRA rights, contact Human Resources.

Related Topics

1. OCERS Pregnancy and Pregnancy Disability Leave Policy
2. OCERS Attendance Policy
3. OCERS Military-Related Leaves of Absence Policy
4. OCERS Workplace Injuries and Workers' Compensation Policy

Pregnancy Disability Leave Policy

Policy Statement

OCERS provides eligible employees with pregnancy disability leave under the Family Medical Leave Act (FMLA), the Fair Employment and Housing Act (FEHA), and the California Pregnancy Disability Leave Regulations (PDL). OCERS intends to administer this policy in accordance with all applicable state and federal laws.

Purpose

The purpose of this policy is to provide pregnancy disability leave to employees in compliance with the FMLA, the FEHA, and the PDL, and to inform employees and managers of their responsibilities in requesting or providing such leave.

Definitions

- **Condition related to pregnancy, childbirth, or a related medical condition:** A physical or mental condition intrinsic to pregnancy or childbirth that includes, but is not limited to, lactation. Generally, lactation without medical complications is not a disabling medical condition requiring pregnancy disability leave, although it may require transfer to a less strenuous or hazardous position or other reasonable accommodation.
- **Disabled by Pregnancy**: An employee is disabled by pregnancy when, in the opinion of her Health Care Provider, she is unable, because of pregnancy, to perform any one or more of the essential functions of her job or to perform any of these functions without undue risk to herself, to her pregnancy's successful completion, or to other persons. An employee also may be considered to be "disabled by pregnancy" if, in the opinion of her Health Care provider, she is suffering from severe "morning sickness" or needs to take time off for: prenatal or postnatal care; bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; post-partum depression; childbirth; loss or end of pregnancy; or recovery from childbirth.
- **Health Care Provider**: A medical doctor, osteopath, podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner, clinical social worker, midwife, Christian Science practitioner, and any other person determined by the Secretary of Labor to be capable of providing health care services.
- **The Genetic Information Nondiscrimination Act of 2008 (GINA)**: Prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as specifically allowed by this law (e.g., to certify the need for leave for a family member's serious health condition).
- **Intermittent leave:** Leave from work granted under the Family and Medical Leave Act (FMLA) that is staggered instead of continuous but is permissible, e.g., the recurrence of a dangerous condition.
- **Reasonable Accommodation:** Modifications or adjustments to an employee's position that are effective in enabling an employee to perform the essential functions of the job the employee holds or desires, or effective in enabling an employee with a disability to enjoy equivalent benefits and privileges of employment as are enjoyed by similarly situated employees without disabilities. The elimination of an Essential Job Function or the creation of a new position is not a reasonable accommodation and is not required by law.

Provisions

1. **Eligibility:**
   a. FMLA: An employee is eligible for leave under the FMLA if the employee:
      i. Has been employed by OCERS for at least twelve (12) months; and
      ii. Has worked at least 1250 hours during the twelve (12)–month period immediately preceding commencement of the leave
   b. PDL: An employee is eligible for pregnancy disability leave upon the commencement of employment.
2. **Leave Entitlement**
   a. FMLA: An employee who is Disabled by Pregnancy, childbirth, or related medical condition may take up to twelve (12) workweeks of leave during a twelve (12)-month period.
   b. PDL:
      i. An employee Disabled by Pregnancy, childbirth, or a related medical condition is entitled to up to four months (17 1/3 weeks) of leave under PDL. Up to twelve (12) workweeks of this time is concurrently counted as leave under FMLA but is not counted as leave under the California Family Rights Act (CFRA). (See OCERS Family and Medical Leave Policy). An employee who has taken PDL is entitled to an additional twelve (12) workweeks under CFRA for other family and medical leave purposes, such as taking care of the newborn child within the first year of birth. Employees interested in taking this “bonding leave” following PDL should refer to the OCERS Family and Medical Leave Policy and the OCERS Parenthood Leave Policy. They should contact Human Resources to coordinate this additional leave.
      ii. An employee affected by pregnancy or a related medical condition is eligible to transfer to a less strenuous position (if one is available) or to be given a reasonable accommodation, if such a transfer or accommodation is based on the advice of the Health Care Provider.
3. **Notice of Need for Leave:**
   a. Employee’s Obligations:
      i. An employee must provide OCERS with at least thirty (30) calendar days’ advance notice of the date on which a PDL leave, transfer, or reasonable accommodation will begin. If an employee does not have advance notice, they must notify OCERS of the need for leave as soon as practicable. Failure to comply with this provision may result in the delay of a leave, accommodation, or transfer, but under no circumstances shall it result in the delay of such a request if doing so would endanger an employee’s health or pregnancy. In addition, if the need for leave, transfer, or accommodation results from an emergency or is otherwise unforeseeable, the leave, transfer, or accommodation will not be denied simply because an employee failed to provide advance notice.

b. OCERS Obligations: Any OCERS manager or supervisor who receives notice that an employee may need time off for a PDL qualifying reason must immediately notify Human Resources. Human Resources will provide the employee with information regarding their rights under PDL and will determine whether they are eligible for leave.

4. Leave Designation

a. Upon an employee's request for PDL leave, transfer, or reasonable accommodation, the Director of Human Resources will inform the employee within five (5) business days whether they are entitled to the leave, transfer, or accommodation. If the Director of Human Resources determines that the employee is not eligible, they will be informed of the reasons for their ineligibility, including any additional information required. The employee may appeal the decision to the Director of Human Resources within fifteen (15) days of notice of the denial. Upon receipt of an appeal, the Director of Human Resources shall provide the appeal to the Chief Executive Officer or to the Chief Executive Officer's designee for final determination.

b. OCERS is responsible for designating time off work, paid or unpaid, as FMLA/PDL leave, and for giving the employee notice of whether the time off has been designated as FMLA/PDL leave or not. OCERS may conditionally designate time off work as FMLA/PDL leave pending receipt of appropriate medical certification and eligibility determination.

c. If OCERS learns that an employee's absence was for a FMLA/PDL leave-qualifying purpose after the absence has begun, OCERS may, in its discretion, retroactively designate the entire absence or some portion of it as FMLA/PDL leave, to the extent that the period qualifies as such leave, and a retroactive designation did not cause an employee to take leave they would not have taken if they had known the leave would be counted against their FMLA/PDL entitlement.

d. An eligible employee who takes leave for a FMLA/PDL leave-qualifying reason cannot avoid having the time counted against their FMLA/PDL entitlement by stating they do not want it considered as FMLA/PDL leave.

5. Medical Certification

a. An employee requesting PDL leave, a transfer, or a reasonable accommodation must provide OCERS with a written medical certification from their treating Health Care Provider. The certification

b. must state the employee needs a period of leave, a transfer, a reasonable accommodation, Intermittent Leave, or reduced work schedule due to a pregnancy disability, childbirth, or a related medical condition, and set forth the duration of said leave, transfer, reasonable accommodation, Intermittent Leave, or reduced work schedule.

c. An employee must obtain and submit the medical certification to OCERS within fifteen (15) calendar days of OCERS' request, unless there are extenuating circumstances that make this impracticable despite the employee's diligent, good faith efforts, or when OCERS has granted additional time. An employee's untimely submission may result in denial of FMLA/PDL protection for their absence, which will be subject to OCERS' Attendance Policy.

d. If a timely-submitted medical certification does not meet the requirements, above, OCERS will grant the employee seven (7) calendar days to cure the deficiency. If the deficiency is not timely cured, OCERS may deny FMLA/PDL protection for the employee's absence, impose penalties pursuant to the Attendance Policy, or deny their reinstatement to work.

e. Recertification by the treating Health Care Provider may be required every thirty (30) calendar days in connection with an employee's leave, transfer, or reasonable accommodation, unless the following applies:

   i. If the medical certification indicates the minimum duration of the condition is more than thirty (30) calendar days, OCERS may request recertification when that minimum duration expires;

   ii. OCERS may request recertification in less than thirty (30) calendar days if: the employee requests an extension of leave; there has been a significant change in circumstances, such as the duration or frequency of the absences or the severity of the condition; or OCERS receives information that casts doubt on the employee's stated reason for the absence.

f. The employee may be required, at OCERS' expense, to obtain the opinion of a second and third Health Care Provider supporting the need for PDL leave due to a pregnancy disability, childbirth, or a related medical condition affecting the employee.

g. The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits OCERS from requesting or requiring genetic information of an employee or employee's family member, except as specifically allowed by GINA (e.g., to certify the need for leave for the family member's serious health condition). To comply with this law, OCERS requests that the employee and their Health Care Provider omit any genetic information when responding to a request for medical information or a certification. "Genetic Information" as defined by GINA includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or family member sought or received genetic services, and genetic information of a fetus carried by an individual or family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

6. Extending Leave

a. If an employee's initial request for PDL leave was less than the four months (17 1/3 weeks) permitted under the law, and it becomes necessary to extend the leave, the employee can request an extension of the PDL leave. OCERS must be notified as soon as the employee has knowledge of the need, but not later than two (2) business days before the anticipated return-to-work date, where the need for an extension is foreseeable. The employee must provide a Health Care Provider's recertification within fifteen (15) calendar days of OCERS' request, if practicable.

b. If an employee has taken the entire four months (17 1/3 weeks) PDL leave permitted under the law and needs additional leave, they may request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as the need is identified, but not later than two (2) business days before the anticipated return-to-work date, where the need for an extension is foreseeable. The employee must provide a Health Care Provider's recertification within fifteen (15) calendar days of OCERS' request, if practicable.

c. Upon expiration of the time needed for PDL leave as set forth in any medical certification or a recertification, the leave will automatically terminate, and the employee will be expected to return to work unless OCERS has approved additional non-PDL leave. If an employee fails to return to work within three (3) days after the approved PDL leave or other approved leave expires, they may be subject to penalties under OCERS' Attendance Policy, up to and including termination.

d. OCERS may require an employee on leave to report periodically on their status and intent to return to work.

7. Intermittent Leave or Reduced Work Schedule

a. Intermittent Leave or a reduced work schedule may be approved with medical certification for an employee's condition related to pregnancy disability, childbirth, or a related medical condition.

b. For Intermittent Leave or leave on a reduced work schedule, there must be a medical need that is best met through intermittent leave or a reduced work schedule. OCERS may request that the treating Health Care Provider verify that an employee's pattern of absence is consistent with the need for the Intermittent Leave.

c. For intermittent leave or a reduced work schedule, only the amount of leave or hours actually taken are counted toward the four months (17 1/3 weeks) of leave they are entitled to.

d. An exempt employee on intermittent leave or a reduced work schedule may have their salary reduced proportionately for the hours not worked. Employees may substitute accrued annual leave benefits to avoid the loss of pay.

8. Compensation and Benefits Continuation during PDL Leave

a. An employee may elect to use accrued annual leave during PDL leave.

b. OCERS will maintain health care benefits while an employee is on PDL leave, whether it is paid or unpaid, for a maximum of four months (17 1/3 weeks). Benefits coverage may be extended when the employee is also entitled to additional leave under other OCERS-approved leaves.

c. If an employee exhausts all eligibility for continuation of OCERS-paid health care benefits, the employee may extend those benefits at their own expense through COBRA (Consolidated Omnibus Budget Reconciliation Act).

9. Coordination with Other Leaves

a. FMLA,CFRA, and Parenthood leave will run concurrently with all other paid and unpaid family and medical-related leave when determining the maximum duration of leave. However, CFRA leave will not run concurrently with PDL.

10. Return from Leave and Reinstatement

a. OCERS encourages employees returning from leave to provide their manager with at least fourteen (14) calendar days advance notice of the date on which they intend to return to work. OCERS requires reasonable notice, which is typically two (2) business days, if there is a change in the date on which the employee will be ready and able to return to work. If the employee provides less notice, OCERS may delay the date on which it reinstates the employee in order to allow two (2) business days to prepare for the employee's return to work.

b. If an employee's PDL leave exceeds fourteen (14) days, they will be required to submit a medical certification from their Health Care Provider, on or before their return-to-work date, indicating the employee is fit to return to work either with or without work restrictions. Delay in providing a certification may result in OCERS delaying the employee's return to work until such time as the certificate is obtained. If the employee fails or refuses to provide return-to-work certification, OCERS may deny reinstatement and terminate employment.

c. Upon return from PDL leave, an employee will be reinstated to the same position held prior to commencing leave or to a comparable position. If, however, employment in that position would have ceased even if PDL had not been taken (e.g., limited term positions), the employee will not be returned to the same position. An employee returning from PDL whose employment would have ceased even if PDL had not been taken may be placed in a comparable position with equivalent benefits, pay, and other terms and conditions of employment, depending on the reason why employment would not have continued had they remained in active employment. Such placement in a comparable position should occur on the date the employee was to return from PDL. If there was no agreed-upon return date, the placement will occur within two (2) business days of the notice of return. If placement is not possible within two (2) business days, the employee should be returned to a comparable position as soon as possible. If a comparable position is available within sixty (60) calendar days following the scheduled return date, then reinstatement to the comparable position must occur. During this sixty (60)-day period, the employee will be notified of all comparable positions that are available. However, the employee must be qualified to perform the job duties of the comparable position. Employees whose leave extends beyond PDL under other available leaves, such as CFRA, may be returned to a comparable position in accordance with policies applicable to such other available leaves.

d. An employee's use of PDL leave will not result in the loss of any employment benefit they earned or were entitled to before commencing PDL leave.

e. An employee has no greater right to reinstatement or other benefits and conditions of employment than if they had been continuously employed during the PDL leave period.

11. Compliance with Applicable Law

a. This policy and all its provisions are subject to such other terms and conditions as are provided in the Family and Medical Leave Act of 1993 and applicable California leave laws. An employer is prohibited from interfering with an eligible employee's right to take FMLA, CFRA, or PDL leave, or from discriminating or retaliating against an employee for taking such a leave.

b. An employee may file a complaint with the U.S. Department of Labor, the U.S. Equal Employment Opportunity Commission, or the California Civil Rights Department or bring a private lawsuit against an employer for failure to comply with the FMLA, CFRA, or PDL.

Related Topics

1. OCERS Family and Medical Leave Policy

2. OCERS Attendance Policy
3. OCERS Authorized Unpaid Leaves of Absence Policy
4. OCERS Parenthood Leave Policy

Lactation Policy

Policy Statement

OCERS wishes to provide employees who desire to express breast milk while at work with a private and comfortable space to do so.

Purpose

The purpose of this policy is to comply with state and federal law regarding lactation and lactation accommodations in the workplace.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Provisions

1. **Lactation Accommodation**
    a. Employees who wish to express breast milk while at work will be given the opportunity to do so. All such requests should be made to Human Resources.
    b. An employee who wishes to express breast milk will be provided with a private area shielded from view and intrusion from co-workers and the public. When an employee has a private office, it may be used for this purpose.
    c. California and federal laws provide employees the right to break time to express breast milk. In accordance with the law, OCERS will provide reasonable break time for each time the employee must express breast milk.
    d. Exempt Employees may express milk during work time each time they need to do so.
    e. Non-Exempt Employees may express breast milk during work time each time they need to do so. However, if a Non-Exempt employee uses time in addition to a normal rest period to express breast milk, that additional time may be unpaid. When a Non-Exempt Employee uses a normal rest period to express breast milk, the time will be paid.
2. **Compliance with Applicable Law**
    a. This policy and all its provisions are subject to such other terms and conditions as are provided in the Americans with Disabilities Act (ADA) and the Fair Employment and Housing Act ("FEHA"). An employer is prohibited from discriminating or retaliating against employees for exercising their rights under these acts.
    b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Department of Fair Employment and Housing.

Related Topics

OCERS Family and Medical Leave Policy

Parenthood Leave Policy

Policy Statement

OCERS provides eligible employees with parenthood leave in connection with the birth or placement for legal adoption of a child. OCERS intends to administer this policy in accordance with all applicable state and federal laws. This policy does not diminish or supersede any rights provided to employees under applicable federal or state leave laws, including but not limited to FMLA, CFRA, and PDL.

Purpose

The purpose of this policy is to provide parenthood leave to employees in a manner parallel to that provided to County employees under the General Unit Memorandum of Understanding.

Definitions

- **Parenthood Leave**: Leave for the birth of an employee's child or the placement for legal adoption of a child.
- **Comparable Position**: A position with equivalent pay, benefits, and working conditions.
- **Placement for Legal Adoption**: The placement of a child for adoption with the employee, according to applicable law.

Provisions

1. **Eligibility**
    a. To qualify for Parenthood Leave, employees must meet the following conditions:
        i. Employees must provide reasonable advance notice of the need for Parenthood Leave and should submit required documentation to Human Resources to facilitate the timely processing of their leave request.
        ii. Sufficient documentation of the birth of the employee's child or placement of a child with the employee for legal adoption is submitted with the request for Leave. Documentation may include a birth certificate, hospital documentation, or adoption placement documentation.
        iii. The requested Leave is commenced within one (1) month before, or six (6) months after, the date of birth or placement for legal adoption of the child.
2. **Leave Entitlement**
    a. OCERS employees may qualify for parenthood leave of up to six (6) months.
    b. OCERS probationary employees may qualify for Parenthood Leave of up to three (3) months.
    c. Human Resources will determine whether they are eligible for leave. Human Resources will provide employees with required leave notices, including rights and responsibilities under FMLA, CFRA, and PDL, and will confirm eligibility, leave designations, and reinstatement rights in writing.
    d. Parental leave under this policy will be unpaid unless the employee elects to use accrued paid leave balances in accordance with OCERS policies and applicable law.

3. **Leave Designation**
    a. Parenthood Leave runs concurrently with Pregnancy Disability Leave (PDL), Family and Medical Leave Act (FMLA), and California Family Rights Act (CFRA), where applicable. In those situations, the law pertaining to those leaves shall supersede this policy.
    b. If OCERS learns that an employee's absence was for a FMLA/PDL leave-qualifying purpose after the absence has begun, OCERS may, in its discretion, retroactively designate the entire absence or some portion of it as FMLA/PDL leave, to the extent that the period qualifies as such leave, and a retroactive designation did not cause an employee to take leave they would not have taken if they had known the leave would be counted against their FMLA/PDL entitlement.
    c. An eligible employee who takes leave for a FMLA/PDL leave-qualifying reason cannot avoid having the time counted against their FMLA/PDL entitlement by stating they do not want it considered as FMLA/PDL leave.
    d. OCERS may require an employee on leave to report periodically on their status and intent to return to work.
4. **Return from Leave and Reinstatement**
    a. OCERS encourages employees returning from leave to provide their manager with at least fourteen (14) calendar days advance notice of the date on which they intend to return to work. OCERS requires reasonable notice, which is typically two (2) business days, if there is a change in the date on which the employee will be ready and able to return to work. If the employee provides less notice, OCERS may delay the date on which it reinstates the employee to allow two (2) business days to prepare for the employee's return to work.
    b. Upon return from Parenthood Leave, the employee will be reinstated to the same position held before the leave, or to a comparable position, per applicable law. If the position has been eliminated or the employee would not otherwise have been employed during the leave, reinstatement may be denied as permitted under applicable law.
    c. An employee's use of Parenthood Leave will not result in the loss of any employment benefit they earned or were entitled to before commencing Parenthood Leave.
    d. An employee has no greater right to reinstatement or other benefits and conditions of employment than if they had been continuously employed during the Parenthood Leave period.
5. **Compliance with Applicable Law**
    a. This policy and all its provisions are subject to such other terms and conditions as are provided in the Family and Medical Leave Act of 1993 and applicable California leave laws.
    b. Employees may be eligible for wage replacement benefits through the California Paid Family Leave program, administered by the Employment Development Department (EDD), while on unpaid Parenthood Leave.

Related Topics

1. OCERS Family and Medical Leave Policy
2. OCERS Attendance Policy
3. OCERS Authorized Unpaid Leaves of Absence Policy
4. OCERS Pregnancy Disability Leave Policy

Leave of Absence with Pay Policy

Policy Statement

OCERS provides eligible employees a leave of absence with pay.

Purpose

The purpose of this policy is to specify the circumstances under which an employee may be granted a leave of absence with pay.

Definitions

Leave of Absence with Pay: A temporary approved absence from work during which the employee receives their regular compensation, not charged against vacation, sick leave, or other leave balances.

Provisions

Eligibility:

1. The Chief Executive Officer (CEO) may authorize an employee to be absent with pay from their regular work area for reasons other than physical or mental illness for a period of time not to exceed six (6) months, if the CEO finds that such absence with pay:
    a. Contributes to the employee's effectiveness in their assigned duties and responsibilities;
    b. Contributes to the functions and goals of OCERS; or
    c. Is necessary for other reasons.
2. An employee may not be absent with pay from their regular work area for more than 120 regular scheduled working days or six (6) months without the approval of the Board of Retirement.
3. Requests for Leave of Absence with Pay must be submitted in writing to the CEO with justification.
4. CEO approval must be documented in writing and will be maintained in the employee's personnel file.
5. Employees will be reinstated to the same or a comparable position upon return from leave approved under this Policy.

Authorized Unpaid Leaves of Absence Policy

Policy Statement

OCERS provides eligible employees leaves of absence without pay under limited circumstances in addition to Family, Medical, and Pregnancy Leave.

Purpose

The purpose of this policy is to describe the process for an employee to request a leave of absence without pay.

Definitions

- **Annual Leave**: Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments, or personal business.

Provisions

1. **Departmental leave**
   a. Employees may request a departmental leave for a period not exceeding fifteen (15) calendar days. Departmental leaves shall be without pay.
   b. OCERS and the employee's department head shall decide whether to grant departmental leave.
   c. An employee who is granted departmental leave is required to use all of their Annual Leave hours and unused compensatory time prior to commencing a departmental leave.
   d. An employee who leaves OCERS employment and is re-employed by OCERS within fifteen (15) calendar days shall be deemed to have been on departmental leave for such period of time.
2. **Official leave**
   a. An employee may request an official leave of absence for a period of time not to exceed one (1) year. Such a leave may be authorized only after an employee completes departmental leave and after all unused compensatory time and Annual Leave balances have been exhausted. Official leaves shall be without pay.
   b. An official leave may be extended for up to an additional year.
   c. The grant or extension of an official leave shall be at the discretion of OCERS and its CEO.
   d. An employee on official leave shall provide OCERS with at least two (2) weeks' notice of their intended return to work date. OCERS shall not be required to return an employee to work absent such notice, but may waive or reduce the notice period at its discretion.
3. **Non-Occupational Disability Leave**
   a. An employee may request a leave of absence for a non-occupational disability for a period not to exceed six (6) months.
   b. To be eligible for a non-occupational disability leave, an employee must:

i. Provide OCERS with a medical statement certifying they are disabled and unable to return to work, and specifying an expected return to work date;

ii. Use all accrued annual leave and compensatory time prior to beginning the Leave and,

iii. Have been paid by OCERS for at least 6,240 regularly scheduled hours prior to the beginning of the leave, unless otherwise required by law.

c. An employee who desires additional leave after exhausting non-occupational disability leave may request an official leave of absence.

d. Unless otherwise required by law, an employee shall not be entitled to more than one (1) non-occupational disability leave in a twelve (12)-month period.

4. Procedure for Requesting a Leave Without Pay

a. An employee must submit a request for leave without pay or an extension of an existing leave in writing to their supervisor and the Director of Human Resources. The request must state the general reason for the request for leave without pay or extended leave (e.g., medical, family, educational pursuits, etc.).

b. Upon receipt and review of the request, the Director of Human Resources will inform the employee in writing whether their leave request is granted, modified, or denied.

c. If a request for leave is modified or denied, the employee may appeal the decision to the CEO (or the CEO’s designee) within fifteen (15) days of notice of the denial or modification.

d. Employees who fail to return to work for three (3) consecutive days after their authorized leave expires will be considered to have abandoned their job and voluntarily resigned unless the CEO accepts a reasonable excuse.

Related Topics

1. OCERS Family and Medical Leave Policy
2. OCERS Pregnancy Leave Policy
3. OCERS Annual Leave Policy
4. OCERS Compensatory Time Policy

Military Related Leaves of Absences Policy

Policy Statement

Military Leaves of Absence are granted to eligible employees who are absent from employment in order to perform duty on either a voluntary or involuntary basis in the United States Uniformed Services, the California National Guard, or the Reserves. OCERS intends to administer this policy in accordance with all applicable state and federal laws as amended.

Purpose

The purpose of this policy is to set forth the rights and responsibilities of military service members for military leave. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

Definitions

- **Active Duty:** Duty under a call or order to active duty under Title 10 of the United States Code or any other provision of law during a war or during a national emergency declared by the President or Congress.
- **Emergency Military Duty:** A call to active military duty by federal or state governmental order for purposes of war, national emergency, domestic emergency or military operations.
- **Military Duty:** Includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and any period of absence for the purpose of an examination to determine the fitness of the employee to perform any such duty.
- **Military Training Duty:** Annual active-duty training for military reserves.
- **Seniority:** Total continuous full-time equivalent service as a regular employee with OCERS or the County of Orange.

Provisions

1. **Military Leave**
    a. Eligibility: Federal and state-mandated military leaves of absence are granted to members of the United States Uniformed Services, the California National Guard, or the Reserves. To be eligible, you must submit written verification from the appropriate military authority. Such leaves will be granted in accordance with state and federal law.
    b. Pay: An employee who has been employed with OCERS for a year prior to the commencement of a military leave is entitled to receive their regular pay for thirty (30) days following the commencement of said military leave.
    c. Benefits: When an employee goes on military leave for more than thirty (30) days, any applicable group insurance (existing provisions will apply) continues for ninety (90) days following the commencement of unpaid military leave. Beyond the ninety (90) days, the employee may elect to continue the same group health care coverage, including dependent coverage, if applicable, for up to twenty-four (24) months at their own expense.
    d. Use of Annual Leave: An employee may elect to use earned Annual Leave at the beginning of unpaid military service or may retain earned and accrued Annual Leave for

use upon returning from the leave. The employee must request/elect to do so in writing to their supervisor before starting the military leave.

e. Reinstatement: At the conclusion of military service, an employee will be reinstated upon giving notice of their intent to return to work by either: (1) reporting to work; or (2) submitting a timely oral or written request to OCERS for reinstatement within ninety (90) days after their release from active duty or any extended period required by law. The Military Leave will expire upon the employee's failure to request reinstatement or return to work in a timely manner after concluding their service.

    i. Reinstatement Procedure

        1. An employee must give advance verbal or written notice of military service in order to be eligible for reemployment rights and benefits upon completing their service, unless giving notice is precluded by military necessity or circumstances that make it impossible or unreasonable to give such notice. The advance notice should be given as soon as the employee knows of their military service dates. The employee should submit to their supervisor a copy of the military orders, if available, containing the dates and duration of their leave.

        2. An employee returning from military service of less than thirty-one (31) days' duration must report to work no later than the beginning of the second full, regularly scheduled work period following the first calendar day after their completion of service, unless doing so is impractical.

        3. An employee returning from military service of more than thirty (30) days must submit a request for reemployment:

            a. No later than fourteen (14) days after completing service of less than 181 days.

            b. No later than ninety (90) days after completing service of more than 180 days.

        4. An employee who requests reemployment must provide, at OCERS' request, information confirming the timeliness of their request, the length of military service, and the qualifying status of their discharge from service.

    ii. Position upon Reemployment

        1. If the military service was less than ninety-one (91) days, the individual will be promptly reemployed in the following order of priority:

            a. To the position they would have attained with reasonable certainty if continuously employed without the interruption of military service.

                i. However, if the individual is not qualified to perform the duties of such position after reasonable training efforts by the Employer, they will instead be reinstated to the same position they held on the date their military service started.

b. If an individual returning from military service is not qualified to perform any of the positions described above, they will be reinstated to any other position that is the nearest approximation to a position they are qualified to perform.

2. If the military service was more than ninety (90) days, the individual will be promptly reemployed in the following order of priority:

   a. To the position they would have attained with reasonable certainty if continuously employed without the interruption of military service, or to a position of like Seniority, status, and pay;

      i. However, if the individual is not qualified to perform the duties of either such position after reasonable training efforts by the Employer, they will instead be reinstated to the same position they held when their military service started, or to a position of equivalent seniority, status, and pay.

      ii. Determinations of status are based on applicable collective bargaining agreements, employer policy, or employer practices, and may include opportunities for advancement, general working conditions, job location, shift assignment, rank, responsibility, and geographical location.

   b. If an individual returning from military service is not qualified to perform any of the positions described above, they will be reinstated to any other position that is the nearest approximation to one of those positions they are qualified to perform.

3. If, due to a military related disability or aggravation of a disability, an individual is unable to perform the job they would have attained if continuously employed, and if reasonable efforts to accommodate the disability fail, they will be reinstated to any other position which they are qualified for, or could reasonably be qualified to perform that is equivalent in seniority, status, and pay. If there is no such position, the individual will be reemployed in a position that is the nearest approximation in terms of seniority, status, and pay.

iii. Rights and Benefits upon Reemployment

1. Upon reemployment after returning from military service, the employee is entitled to the seniority, status, and rate of pay, and any other rights and benefits determined by seniority that they would have attained with reasonable certainty had they remained continuously employed. The rate of pay must be determined by taking into account any pay increases, differentials, step increases, merit increases, or periodic

increases that would have been attained with reasonable certainty had the employee remained continuously employed.

2. Employees serving in the military are treated as if they are on a leave of absence and are entitled to the same rights and benefits not based on seniority as are provided to employees on non-military leaves of absence.
3. Employees are entitled to be reinstated in the Employer's health plan upon reemployment, even if they did not elect to continue coverage during the leave of absence. Generally, reinstatement will be without any waiting periods or preexisting condition limitations, except for service-related illnesses or injuries.
4. During any portion of unpaid military leave for more than thirty (30) days, the employee ceases to earn or accrue Annual Leave. Earnings or accrual will resume on the employee's date of return from military leave. The accrual rate upon return is the rate that would have been attained if the employee had remained continuously employed.
5. An employee returning from a period of military service of thirty-one (31) to one hundred eighty (180) days and reemployed under USERRA may not be discharged without cause for a period of six (6) months after reemployment. An employee returning from a period of service that exceeds one hundred eighty (180) days and reemployed under USERRA may not be discharged without cause for a period of twelve (12) months after reemployment.
6. Military service will not be considered a break in employment service for purposes of applicable pension plans, and military service will be considered service with the Employer for vesting and pension benefit accrual purposes.

2. California Civil Air Patrol Leave (AB 485)

a. Eligibility: An employee with at least ninety (90) days of employment and who is a volunteer member of the California Wing of the Civil Air Patrol ("CAP"), a civilian auxiliary of the U.S. Air Force, is eligible for Civil Air Patrol Leave.

b. Leave Entitlement: An eligible employee is provided up to ten (10) days per calendar year, with a three (3)-day limit per emergency.

c. Qualifying Reasons: The employee is covered only when they are called to respond to "an emergency operational mission." This may include search and rescue missions and disaster relief efforts, but not non-emergency duties.

d. Notice: The law requires the employee to provide as much notice as possible of the intended dates upon which the leave would begin and end.

e. Certification: To be eligible for the leave, the employee must provide documentation of the need for the leave.

f. Paid or Unpaid Time Off: An employee may elect, but is not required, to use earned annual leave while on CAP Leave. If the employee wishes to use paid time off, they may be required to provide a written request to their manager at the time the leave is requested.

g. Return from Leave and Reinstatement: An employee who takes CAP Leave will be restored to the position they held when the leave began.

3. Compliance with the Law

The provisions stated in this policy are subject to such other terms and conditions as are provided in the Military and Veterans Code, the Uniformed Services Employment and Reemployment Rights Act (USERRA), and California law (e.g., the California Military and Veterans Code).

a. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

b. State and federal law prohibit employers from discharging or otherwise discriminating against an employee because they are a member of the state or U.S. military or are ordered to duty or training.

Related Topics

1. OCERS Family and Medical Leave of Absence Policy
2. OCERS Attendance Policy
3. Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)
4. Veteran Benefits Improvement Act of 2004
5. California Civil Air Patrol Leave
6. Military and Veterans Code, Sections 395 et seq.

Military Family Leave Policy

Policy Statement

OCERS grants eligible employees leave to care for a covered service member with a serious injury or illness, as well as military exigency leave to tend to issues that arise due to a covered military member's active status. OCERS intends to administer this policy in accordance with all applicable state and federal laws, as amended. Note, the California Family Rights Act (CFRA) does not provide for military caregiver or exigency leave. These provisions apply under the federal Family and Medical Leave Act (FMLA) only.

Purpose

The purpose of this policy is to set forth the rights and responsibilities of employees seeking military caregiver leave or military exigency leave. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

Definitions

- **Active Duty:** Full-time duty in the active military service of the United States, including duty under a call or order to active duty under Title 10 of the United States Code, or any other provision of law during a war or a national emergency declared by the President or Congress.
- **Child**: A biological, adopted, or foster child, stepchild, a legal ward of the employee, or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.
- **Covered Service Member**: A current member of the Armed Forces, including National Guard or Reserves, or a veteran within five years of separation, who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness incurred or aggravated in the line of active duty.
- **Covered Veteran**: A veteran discharged within the past five years (not dishonorably) who is receiving medical treatment, recuperation, or therapy for a qualifying serious injury or illness incurred in the line of duty.
- **Deployment**: The movement or assignment of a service member to a location outside the United States in support of military operations.
- **Emergency Military Duty:** A call to active military duty by federal or state governmental order for purposes of war, national emergency, domestic emergency, or military operations.
- **Family Member:** For purposes of this policy, "Family Member" is defined in accordance with the FMLA and refers to the employee's spouse, parent, son, daughter, or next of kin of a covered service member.
- **Military Duty:** Includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and any period of absence for the purpose of an examination to determine the fitness of the employee to perform any such duty.
- **Military Training Duty:** Annual active-duty training for military reserves.
- **Parent:** A biological, adoptive, step, or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially

support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.

Provisions

1. **Military Caregiver Leave**
    a. Employees eligible for leave under the Family and Medical Leave Act ("FMLA" – see OCERS Family and Medical Leave Policy) may take up to twenty-six (26) workweeks of FMLA leave during a "single 12-month period" to care for a covered service member with a serious injury or illness. The "single 12-month period" begins on the first day the employee takes military caregiver leave and ends twelve (12) months after that date.
    b. An employee must be the spouse, son, daughter, parent, or next of kin of a covered service member to be eligible for military caregiver leave.
        i. A son or daughter means the covered service member's biological, adopted, or foster child, stepchild, legal ward, or a child for whom the covered service member stood in loco parentis, and who is of any age.
        ii. A parent means a covered service member's biological, adoptive, step, or foster father or mother, or any other individual who stood in loco parentis to the covered service member. This definition does not include parents-in-law.
        iii. A covered service member's next of kin is the nearest blood relative other than the member's spouse, parent, son, or daughter. Nearest blood relative in order of priority: blood relatives who have been granted legal custody, siblings, grandparents, aunts/uncles, first cousins, or a person designated in writing by the service member.
    c. A covered service member includes:
        i. A current member of the Regular Armed Forces, National Guard, or Reserves who is undergoing medical treatment, recuperation, therapy, is in outpatient status, or on the temporary disability retired list, for a serious injury or illness incurred in the line of active duty; and
        ii. A veteran who has left military service (regular Armed Services, National Guard, or Reserves) at any time during the five-year period prior to the first date they take FMLA leave to care for the veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness that they incurred in the line of active duty, and that manifested itself before or after the service member became a veteran. Veterans must have been discharged under conditions other than dishonorable.
    d. A serious injury or illness is one that is incurred in the line of duty while on active duty, or that existed before the service member's active duty, but which was aggravated by service in the line of duty while on active duty, and that:
        i. May render the service member medically unfit to perform the duties of their office, grade, rank, or rating; or
        ii. Is a physical or mental condition for which the veteran received a U.S. Department of Veterans Affairs Service-Related Disability Rating of 50% or higher; or

iii. A physical or mental condition that substantially impairs the veteran's ability to secure or follow gainful employment; or

iv. An injury, including a psychological injury, for which the veteran has been enrolled in the VA's program of Comprehensive Assistance for Family Caregivers.

e. Military caregiver leave applies on a per-covered service member, per-injury basis. An eligible employee may be entitled to take more than one period of twenty-six (26) workweeks of leave if the leave is to care for different covered service members or to care for the same service member with a subsequent serious injury or illness, except that no more than 26 workweeks of leave may be taken within any single twelve (12)-month period. This leave may be taken intermittently.

f. Entitlement to military caregiver leave is in addition to FMLA leave for other covered reasons. However, if an employee requires time off during a single twelve (12)-month period for leave as a caregiver for an injured service member and also for a different qualifying reason (for example, birth/adoption of a child, or the employee's own serious health condition), the maximum amount of time off for all types of FMLA leave during that twelve (12)-month period is twenty-six (26) weeks. In no event may an employee take more than twenty-six (26) weeks of FMLA leave in a single twelve (12)-month period, regardless of the reason(s) for the leave.

g. If both spouses are employed by OCERS and take military caregiver leave, they are limited to a maximum combined total of twenty-six (26) weeks for all types of FMLA leave.

2. Military Exigency Leave

a. FMLA-eligible employees may take up to twelve (12) workweeks of FMLA leave while their spouse, child, or parent (the "covered military member") is on active duty or on call to active-duty status. Military exigency leave does not extend to Family Members of service members called to active duty by a State. This leave may be taken before or after the active duty period begins if the qualifying exigency is related to the call to duty.

b. "Covered military members" are: (1) members of the Reserves or National Guard who are called to active duty in connection with a national emergency, military action, operation, or hostilities outside the U.S.; and (2) members of the regular Armed Forces who are deployed to an assignment outside the U.S.

c. Military exigency leave may be taken for one or more of the following qualifying exigencies:

i. To address any issues that arise when there is short notice of seven (7) calendar days or less prior to the date of deployment. Leave taken for this purpose can be used for a period of seven (7) calendar days beginning on the date the covered military member is notified of an impending call or order to active duty.

ii. To attend to childcare and school activities pertaining to the covered military member's child.

iii. To attend to financial and legal arrangements for the covered military member.

iv. To attend counseling that is needed due to the covered military member's active duty or call to active duty.

v. To spend time with a covered military member who is on short-term, temporary, rest and recuperation leave during the period of deployment. Eligible employees may take up to fifteen (15) days of leave for each instance of rest and recuperation.

vi. To attend post-deployment activities during the period of ninety (90) days following the termination of the covered military member's active-duty status or to address issues that arise from the death of a covered military member while on active-duty status.

vii. To provide care for the covered military member's parent who is incapable of self-care by arranging alternative care when a change in the existing care arrangement is needed; caring for the parent on an urgent, immediate need basis; admitting or transferring the parent to a care facility; and attending meetings with staff at a care facility.

viii. To address other events that arise out of the covered military member's active duty or call to active-duty status, provided that OCERS and the employee agree that such leave qualifies as an exigency, and agree to both the timing and duration of such leave.

ix. This leave may be taken intermittently.

d. Military exigency leave is an additional qualifying reason for FMLA leave and may be taken along with other qualifying reasons for FMLA (e.g., birth/adoption of a child, care for a covered Family Member with a serious health condition, the employee's own serious health condition). However, the maximum time off during any twelve (12)-month period for FMLA leave for any reason or combination of reasons (except military caregiver leave) is twelve (12) weeks.

3. California Military Leave

a. Employees in the Guard, Reserves, or Naval Militia are entitled to up to 17 days of unpaid leave per year for military training, drills, encampment, naval cruises, special exercises, or similar activities.

4. Extending Leave

a. If an employee's initial request for Military Caregiver leave or Military Exigency leave is less than the twenty-six (26) weeks or twelve (12) weeks, respectively, permitted under the law, and the employee needs to extend their leave, they can request an extension of the Military Caregiver leave or Military Exigency leave. The employee must notify OCERS as soon as they have knowledge of the need, but no later than two (2) business days before the anticipated return to work date, if the need for an extension is foreseeable.

b. If an employee has taken the entire twenty-six (26) weeks or twelve (12) weeks of the Military Caregiver leave or Military Exigency leave, respectively, permitted under the law and still needs additional leave, they can request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as they have knowledge of the need, but no later than two (2) business days before the anticipated return to work date, if the need for an extension is foreseeable.

c. Upon expiration of the time approved for Military Caregiver leave, Military Exigency leave, or any other authorized unpaid leave, the leave will automatically terminate, and the employee will be expected to return to work. If an employee fails to return to work within three (3) business days after the approved Military Caregiver leave, Military Exigency leave, or any other approved leave expires, they may be subject to the penalties imposed by OCERS Attendance Policy up to and including termination following appropriate due process.

5. Compliance with the Law

a. The provisions stated in this policy are subject to such other terms and conditions as are provided in the Uniformed Services Employment and Reemployment Rights Act (USERRA) and California law (e.g., the California Military and Veterans Code).

  i. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

  ii. State and federal law prohibit employers from discharging or otherwise discriminating against an employee because they are a member of the state or U.S. military or are ordered to duty or training.

Related Topics

1. OCERS Family and Medical Leave of Absence Policy
2. OCERS Attendance Policy
3. Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)
4. Veteran Benefits Improvement Act of 2004
5. California Civil Air Patrol Leave
6. CA AB 2500 (2010), Business and Professions Code §§ 114, 114.5

Catastrophic Leave Donation Policy

Policy Statement

OCERS participates in a catastrophic leave program that provides a means for leave balance replacement for eligible employees after a fourteen (14)-day unpaid leave of absence. This program permits limited individual donations of vacation, annual leave, PIP, and compensatory time to an employee who is required to be on an extended unpaid leave due to a catastrophic medical condition or other serious circumstances.

Purpose

The purpose of this policy is to provide employees with an opportunity to donate vacation, annual leave, PIP, and compensatory time hours to a co-worker under certain circumstances.

Definitions

- **Annual Leave:** Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments, or personal business.

Provisions

1. **Eligibility**

   An employee is eligible for catastrophic leave donations when:

   a. An illness or injury is serious and incapacitates the employee or a family member;

   b. The employee has exhausted all leave accruals; and

   c. The employee is or will be absent from work for at least fourteen (14) days on an unpaid leave of absence.

2. **Donated Hours**

   Employees may donate vacation, annual leave, PIP, or Compensatory time to the eligible employee. Donations must be a minimum of two (2) hours but cannot exceed twenty-four (24) hours per donating employee. Donations must be made in whole hour increments.

3. **Official Leave of Absence**

   An employee on a leave without pay at the time they receive a Catastrophic Leave donation will be treated as if they are on an Official Leave of Absence for purposes of probation and merit increase eligibility.

4. **OCERS will administer this policy in accordance with the County of Orange Catastrophic Leave Procedures.**

Bereavement Leave Policy

Policy Statement

OCERS provides bereavement leave to eligible employees who request it.

Purpose

The bereavement leave policy establishes uniform guidelines for providing paid time off to employees for absences related to the death of immediate family members.

Definitions

- **Child**: A biological, adopted, or foster child, stepchild, a legal ward of the employee, or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.
- **Immediate Family Member:** Father, mother, child (including adopted), brother, sister, husband, wife, father-in-law, mother-in-law, stepparent, stepchild, stepbrother, stepsister, grandparent, grandchild, Registered Domestic Partner, legal guardian, or another family member who lives in the house of the employee.
- **Full-Time Employee:** An employee employed in one (1) or more regular or limited-term positions who's normally assigned work hours equal those of a full workweek or work period as described hereinafter.
- **Parent:** A biological, adoptive, step, or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.
- **Spouse:** A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.

Provisions

An employee who wishes to take time off due to the death of an Immediate Family Member should notify their manager. Upon request, regular Full-Time Employees employed by OCERS for at least 30 days may request up to five (5) days of time off with pay to grieve the death of an immediate family member. Part-time employees employed by OCERS for at least 30 days may request up to twenty (20) hours of time off.

The days of bereavement leave do not need to be consecutive but must be completed within three months of the Immediate Family Member's death.

OCERS reserves the right to request proof of death of the Immediate Family Member.

Related Topics

OCERS' Authorized Unpaid Leaves of Absence Policy

Voting, Jury Duty, and Witness Duty Policy

Policy Statement

OCERS permits employees to take time off for voting, jury duty, and witness duty.

Purpose

The purpose of this policy is to afford employees time off to vote, perform jury duty, or serve as a witness.

Provisions

1. **Time Off for Voting**
    a. Employees who are unable to vote during non-work hours may take off up to two (2) hours from work to vote in a public election.
    b. Employees must obtain advance approval from their supervisor for time off to vote.
2. **Jury Duty**
    a. All employees should fulfill their jury duty as required by law.
    b. Employees should notify their supervisor promptly upon receipt of a summons for jury service. Employees must provide proof of jury service to Human Resources should service be required.
    c. An employee who is called for jury duty or for examination for jury duty shall be compensated at the employee’s regular rate of pay for those hours of absence which occur during the employee’s regularly scheduled work hours, provided the employee does not accept fees for their jury duty, exclusive of mileage.
    d. Employees may retain fees for jury duty performed outside of their regularly scheduled working hours.
    e. It is each employee's responsibility to report to work the next business day after completing jury service. Failure to do so may result in discipline up to and including termination.
3. **Witness Duty**
    a. Employees who are required by law to appear in court or at another legal proceeding will be provided time off for that purpose.
    b. Employees should notify their supervisor immediately upon receipt of a notice to appear in a legal proceeding.
    c. Employees who are subpoenaed to appear as a witness during their work hours will be compensated at their regular rate of pay for all hours of absence related to the appearance, provided the employee shows proof of the subpoena, does not accept witness fees for such hours (exclusive of mileage), and the subpoena and legal proceeding are not the result of the employee’s unlawful conduct.
    d. Employees may accept witness fees when their subpoenaed appearance occurs outside their regularly scheduled working hours.

4. **No Retaliation**

   No employee shall be subject to retaliation for taking time off from work for any purpose authorized by this policy.

Related Topics

OCERS Authorized Unpaid Leaves of Absence Policy

Extra Help Sick Leave Policy

Policy Statement

Extra Help Employees will be provided with paid time off from work to attend to their health or the health of their Family Members.

Purpose

The purpose of this policy is to afford Extra Help Employees with sick leave benefits in accordance with the California Healthy Workplace Healthy Family Act of 2014, or as amended.

Definitions

- **Extra Help Employee:** A person employed in an extra help position. An extra help employee serves at the pleasure of OCERS in an extra help position and may be removed from their position at any time, with or without notice or cause, and without a hearing.
- **Extra Help Position:** A position intended to be occupied for less than a year-round basis and for circumstances, including, but not limited to seasonal peak workloads of limited duration, necessary vacation relief, paid sick leave, and other situations involving a fluctuation in staff.
- **Family Member:** An employee's child (regardless of age or dependency status), parent, spouse, registered domestic partner, grandparent, grandchild, or sibling. "Child" includes a biological, adopted, or foster child, a stepchild, a legal ward, or a child to whom the employee stands in loco parentis. "Parent" includes a biological, adoptive, or foster parent, a stepparent, or a legal guardian of the employee or the employee's spouse or registered domestic partner, or any other individual who stood in loco parentis to the employee. In addition, a family member may include a person designated by the employee at the time the leave is requested, who is related by blood or whose association with the employee is the equivalent of a family relationship. An employee may designate only one such individual per 12-month period for purposes of paid sick leave.

Provisions

1. **Sick Leave Accrual**
    a. Extra Help Employees accrue sick leave upon the first day of employment.
    b. Extra Help Employees will accrue one (1) hour of sick leave for every thirty (30) hours worked.
    c. Extra Help Employees shall accrue a maximum of six (6) days or forty-eight (48) hours of sick leave.
    d. When an Extra Help Employee's use of sick leave hours reduces the total accrued sick leave hours below the maximum allowed, the employee will resume accruing sick leave hours again.
2. **Sick Leave Availability**

    Extra Help Employees may begin to use accrued sick leave during the pay period after which the sick leave hours were accrued.
3. **Sick Leave Usage**

a. Sick leave may be taken in fifteen (15) minute increments.

b. Extra Help Employees may use up to three (3) days or twenty-four (24) hours of sick leave, whichever is greater, within each calendar year.

4. Permissible Uses of Sick Leave

a. Sick leave may be used for the following reasons:

i. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee; or

ii. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee's family member.

iii. Sick leave may also be used by a victim of domestic violence, sexual assault, or stalking.

5. Procedure for Requesting Foreseeable Sick Leave

An employee must submit a sick leave request to their supervisor for approval at least thirty (30) days before the sick day(s). In situations where thirty (30) days' advance notice is impractical, the employee must notify OCERS promptly by phone, voicemail, message, or email. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

6. Procedure for Requesting Unforeseeable Sick Leave

When using sick leave for unforeseeable reasons (e.g., illness), employees must report their absence to their supervisor promptly by phone, voicemail message, or email. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

7. Sick Leave Upon Reinstatement with OCERS

Extra Help Employees who leave OCERS' employ for any reason and are re-hired as an Extra Help Employee within one (1) year of separation from OCERS will be credited with any unused sick leave hours they had accrued as of their departure date. The unused sick leave hours will be available for use beginning the second pay period after the employee is rehired.

8. Compliance with Applicable Law

This policy and all of its provisions are subject to any other terms and conditions as provided under California law.

Chapter 5
Benefits

This chapter contains the following policies related to personnel benefits:

- Introduction to Benefits
- Employee Health Benefits Policy
- Annual Leave (Paid Time Off) Policy
- Holidays Policy
- Additional Employee Benefits Policy
- Defined Contribution Program Policy
- Retirement Benefits Policy
- Retiree Medical Grant Policy

Introduction to Benefits

This section of the Employee Handbook is designed to acquaint employees with some of the significant features of the benefits offered by OCERS. More detailed information is set forth in the official plan documents and insurance policies that govern the plans, which are available for inspection upon request. Accordingly, if there is any actual or apparent conflict between the summaries or descriptions contained in OCERS' policies and the terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents will control.

In addition, while it is OCERS' present intention to continue providing benefits identified herein, OCERS reserves the right to modify, curtail, reduce or eliminate any benefit, in whole or in part, either with or without notice. Finally, neither the benefit programs nor their descriptions are intended to create any guarantees regarding employment or continued employment. Unless otherwise noted in these policies, employment relationships are for an indefinite term and are terminable at will, whether at the option of the employee or the employer.

Employee Health Benefits Policy

Statement

OCERS provides eligible employees and their eligible dependents the opportunity to enroll in health benefit plans administered by the County of Orange Benefits Department.

Please note that the information in this section is subject to change. If you have any questions, please consult with an Employee Benefits Representative on the Benefits Resource Line at 1-800-858-7266 or visit the Benefits Center Site at https://hrs.ocgov.com/employeebenefits.

Definitions

- **Dependent**: an individual who is eligible to be added to the employee's health insurance coverage, which includes:
    - Spouse: A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.
    - Registered Domestic Partner: A person registered as a domestic partner with the Secretary of State of California or registered as a domestic partner in any other state in which domestic partnerships or civil unions are recognized.
    - Children under age 26, including biological, stepchildren, foster children, children placed for adoption, legally adopted children, and children of domestic partners.
    - Disabled children aged 26 and over who are financially dependent on the employee and were disabled prior to their 26^{th} birthday.
- **Open enrollment**: the period when employees can either enroll or make changes to the health insurance plans that provide coverage to them, their family, and dependents.

Purpose

OCERS offers health plans to all regular and probationary employees, as well as their eligible dependents, in compliance with the Patient Protection and Affordable Care Act (PPACA), commonly referred to as the Affordable Care Act (ACA).

Provisions

1. Health insurance is available to OCERS' employees along with eligible dependent coverage. OCERS pays a portion of an employee's health insurance premiums and dependent coverage premiums. OCERS will continue to share the cost of such health insurance premiums as provided in the Health Plan Rate Schedule adopted by, and as modified by, the County of Orange, Board of Supervisors.
2. OCERS will pay the full cost of employee and dependent coverage for two full-time OCERS employees who are married to each other and enrolled in the same County health plan. Two married full-time employees enrolled in the same health plan must be enrolled as employees married to each other. They may work for any agency or department that shares the same Orange County Benefit plan number.

3. OCERS shall continue to pay health insurance premiums for an employee who is on an approved Family Leave and Medical Leave of Absence and Pregnancy Disability Leave (refer to Chapter 4, Family and Medical Leave, and Pregnancy Disability Leave policies) as required by applicable law.
4. New eligible employees will be enrolled in the health plan of their selection effective the first day of the month following the first thirty (30) days of employment. Eligible full-time employees who fail to elect a plan will be automatically enrolled in the Wellwise Health Plan, which offers employee-only coverage. Eligible part-time employees who fail to elect a plan will be automatically enrolled in the Sharewell Health Plan, which offers employee-only coverage.
5. Employees may opt out of participation in the County's health insurance programs at any open enrollment or within thirty (30) days of qualifying life event, provided they sign a waiver of the offer of health coverage that complies with the Affordable Care Act ("ACA") and/or any other relevant Federal or California State requirements, and upon request, provide the County proof they will maintain continuous health insurance coverage that complies with the ACA and any other relevant Federal or California State requirements.
6. Terminated employees and their eligible dependents will continue to be eligible for health plan benefits they are enrolled in until the last day of the calendar month in which they terminate employment.
7. The County of Orange Benefits Department will provide an open enrollment period once each Calendar Year for employees and their dependents to change their enrollment in a County-offered health plan.
8. Employee-paid health insurance premiums are paid on a pre-tax basis.

Annual Leave (Paid Time Off) Policy

Statement

Annual Leave is a paid time-off benefits program. Accrued hours can be used for any reason, including vacation, illness, doctor's appointments, or personal business. Employees are encouraged to take full advantage of available Annual Leave hours on an annual basis.

Definitions

- **Child**: A biological, adopted, or foster child, stepchild, a legal ward of the employee, or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.
- **Parent:** A biological, adoptive, step or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.
- **Registered Domestic Partner:** A person registered as a domestic partner with the Secretary of State of California or registered as a domestic partner in any other state in which domestic partnerships or civil unions are recognized.
- **Spouse:** A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.

Provisions

1. **General Provisions**
    a. Employees begin to earn Annual Leave upon the first day of employment, and Annual Leave hours are credited at the end of each pay period.
    b. Annual Leave may be taken in one (1) hour increments.
    c. Annual Leave hours are earned while an employee is on approved paid leave of absence.
    d. Annual Leave does not accrue during unpaid leave unless required by law.
2. **Accrual Rates**

YEARS OF SERVICE	APPROXIMATE ACCRUAL RATE PER PAY PERIOD	YEARLY ANNUAL LEAVE ACCRUAL
Less than 3 years	7 hours and 25 minutes	24.5 days
3 years to less than 10 Years	9 hours and 52 minutes	32 days
10 Years +	11 hours and 24 minutes	37 days

Annual Leave for full-time employees is earned in each pay period, subject to the limitations set forth in Paragraph 3 below. Employees earn Annual Leave hours based on their years of full-time, continuous service with OCERS. All such employees will earn Annual Leave in accordance with the following schedule up to the maximum set forth in Paragraph 3 below:

a. For employees beginning their third (3rd) or tenth (10th) year of service, the applicable rate of accrual will take effect with the pay period following the one in which the employee completes their third (3rd) or tenth (10th) year of service.

b. Annual Leave accruals for part-time employees will be prorated based on their part-time status (e.g., half-time, 75% time).

3. Maximum Annual Leave Balance

a. Accrual of Annual Leave hours shall be limited to 640 hours.

b. If at any point an employee accrues 640 Annual Leave hours, the employee will cease to earn and accrue Annual Leave until the Annual Leave balance falls below 640 hours.

c. Employees are encouraged to work with their supervisor to plan their use of Annual Leave so that the accrual of hours can continue uninterrupted.

d. Cessation of Annual Leave accrual could impact retirement benefits for Legacy members.

4. Permissible Uses of Annual Leave

Annual Leave may be used for any reason, including:

a. Vacation.

b. Personal business.

c. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee or an employee's family member (e.g., spouse/registered domestic partner, child, parent, parents-in-law, grandparents, grandchildren, and siblings). An employee’s supervisor may request that the employee provide satisfactory evidence of their illness, injury, or medical condition.

d. For victims of domestic violence, sexual assault, or stalking.

5. Procedure for Requesting Foreseeable Annual Leave

a. An employee requesting one (1) or more weeks of time off should submit a request for time off to their supervisor for approval at least two (2) weeks in advance of the desired time-off. Exceptions to this requirement may be granted when doing so would not disrupt OCERS’ business, when the time-off is due to illness or injury to the employee or a family member, or for emergency personal situations.

b. An employee requesting less than one (1) week of time off should submit a request for time off to his or her supervisor for approval as early as possible prior to the desired time-off.

c. No scheduled leave shall be cancelled by OCERS except in cases of emergencies.

6. Procedure for Requesting Unforeseeable Annual Leave

When an absence is unforeseeable (e.g., illness), employees must report their absences to their supervisor as soon as possible by phone, voicemail message, text message, or email, but no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

7. **Accrual Payout During Employment**

   During each calendar year, an employee may request to be paid for accrued Annual Leave in one (1) or two (2) increments up to a total of 120 hours. Executive Employees refer to Terms and Conditions of Employment for Executives Policy.

8. **Annual Leave Payout Upon Involuntary or Voluntary Termination of Employment**

   Upon termination of employment, employees will be paid for their accrued and unused Annual Leave through the date of termination. Annual Leave cannot be utilized to extend the date of termination, except with the approval of the CEO. Annual Leave payments are computed on the basis of the salary rate in effect at the time of termination. The payout of any time banked while an employee for the County of Orange before becoming an OCERS direct employee will follow the terms of the MOU for the County position the employee left, which was in effect at the time of the transfer.

9. **Compliance with Applicable Law**

   a. This policy and all its provisions are subject to any other terms and conditions as may be provided under California law.

   b. For questions about Annual Leave, contact Human Resources.

Related Topics

1. OCERS Attendance Policy
2. OCERS Pregnancy and Pregnancy Disability Leave Policy
3. OCERS Occupational Leave Policy
4. OCERS Sick Leave Policy for Extra-Help Employees

Holidays Policy

Policy Statement

OCERS observes certain legal holidays.

Purpose

The purpose of this policy is to educate employees regarding the legal holidays observed by OCERS and eligibility for holiday pay.

Definitions

- **Extra Help Employee:** A person employed in an extra help position. An extra help employee serves at the pleasure of OCERS in an Extra Help Position and may be removed at any time, with or without notice or cause, and without a hearing.
- **Extra Help Position:** A position intended to be occupied for less than a year-round basis and for circumstances, including seasonal peak workloads of limited duration, necessary vacation relief, paid sick leave, and other situations involving a fluctuation in staff.
- **Temporary Employee**: A person hired for a specific, limited time period in a position that is not permanent.

Provisions

1. **Holidays Observed**

   OCERS observes the following holidays on dates specified by the County of Orange (those in bold are Major Holidays, the others are Minor Holidays):

   - **Christmas Day**
   - **New Year's Day**
   - **Memorial Day**
   - **Independence Day**
   - **Labor Day**
   - **Native American Day**
   - **Thanksgiving Day**
   - Martin Luther King Junior's Birthday
   - Lincoln's Birthday
   - Presidents Day
   - Veteran's Day
   - Friday after Thanksgiving

2. **Holidays that fall on Sunday or Saturday**

   When holidays listed in Section 1, above, fall on a Saturday or Sunday, OCERS will observe the holiday on the date specified by the County of Orange.

3. Eligibility for Holiday Pay

a. To receive holiday pay, an employee must be in paid status for all or a portion of both the last regularly scheduled workday immediately preceding and the first regularly scheduled workday immediately following the holiday, unless on authorized paid leave.

b. A new employee whose first working day is the day after a holiday shall not be paid for that holiday.

c. An employee who elects paid retirement on a holiday shall be paid for the holiday.

d. An employee who separates from employment for reasons other than paid retirement and whose last day as a paid employee is the day before a holiday shall not be paid for that holiday.

e. Extra Help and Temporary employees shall not be eligible for holiday pay.

f. Holidays observed during an employee's annual leave period shall not be charged against the employee's annual leave balance.

g. An employee on an unpaid leave of absence during a holiday shall not receive holiday pay.

4. Compensatory Time for Holidays Falling on Scheduled Days Off

a. When a holiday falls on a full-time employee's regularly scheduled day off, the employee shall receive one hour of compensatory time per hour worked if it is a Minor Holiday and 1.5 hours per hour worked if it is a Major Holiday. Refer to the Compensatory Time Off Policy.

b. A part-time employee shall receive compensatory time at the rate of one (1) hour for each five (5) hours of regularly scheduled work in the workweek to a maximum of eight (8) hours of compensatory time.

c. With OCERS' approval, an employee will be permitted to use compensatory time on the date requested unless doing so would unduly disrupt OCERS' operation.

Additional Employee Benefits Policy

Policy Statement

OCERS provides eligible employees and their eligible dependents the opportunity to enroll in benefit plans administered by the County of Orange Benefits Department.

Significant features of the benefit plans OCERS offers to its employees and their dependents, in addition to the Employee Health Benefits, Employee Assistance Program,[3] Retiree Medical Benefit, Retirement Benefits, and Reimbursement Programs, are summarized below. Detailed information is set forth in the official plan documents and insurance policies that govern the plans. The provisions of the official plan documents and/or insurance policies will control over any potential conflict raised by the information stated below. Employees who desire to inspect the official plan documents or insurance policies can contact the Human Resources Department or the County of Orange Benefits Center.

Definitions

- **Disability Insurance**: provides coverage through the County's insurance plan to provide income to employees who meet the requirements for eligibility and are unable to work due to a disability caused by nonoccupational injury or illness. Employees have coverage under short-term and long-term disability plans.
- **Flexible Spending Account**: a tax-advantaged account that allows employees to set aside pre-tax dollars to pay for qualifying healthcare or dependent care expenses, including those not covered by a health insurance plan.

Provisions

Additional benefit plans offered to OCERS' employees through the County of Orange Benefits Department include short-term and long-term disability insurance, life insurance, accidental death and dismemberment insurance, and an option for a voluntary annual physical examination.

1. Short-term disability insurance coverage is provided at no cost to the employee to provide sixty (60) percent of salary for up to one (1) year for certified non-occupational injury or illness. An employee must exhaust all sick leave or 192 hours of annual leave before the insurance begins. The plan will also provide for the continuation of OCERS' share of premiums for health, dental, and life insurance benefits while the employee is on official leave due to non-occupational disability for up to one (1) year from the effective date of the disability.
2. Up to sixty (60) percent of salary can be provided through long-term disability insurance coverage at no cost to the employee. If the employee is receiving short-term disability, enrollment is automatic with the proper documentation. Once on long-term disability, the employee becomes responsible for one hundred (100) percent of the employee and employer portion of health insurance premiums.
3. Basic Life insurance in the amount of $100,000 ($125,000 for senior executives) for individuals employed by OCERS will be provided to all full-time employees at no cost to the employee, regardless of age and without proof of insurability.

[3] Refer to policies on Workplace Health and Safety.

4. Accidental Death and Dismemberment insurance in the amount of $100,000 ($125,000 for senior executives) for individuals employed by OCERS will be provided to all full-time employees at no cost to the employee, regardless of age and without proof of insurability.
5. Employees can purchase additional life insurance coverage without proof of insurability within thirty (30) days of eligibility. Some levels of additional life insurance coverage, or any additional life insurance coverage purchased after thirty (30) days of eligibility, require proof of insurability. Employees will have the option to purchase additional supplemental life and accidental death and dismemberment coverage, including dependent coverage. Such insurance will be subject to the limitations of liability contained in those insurance policies.
6. Voluntary annual physical examinations by a County-designated physician are available at no cost to the employee.
7. Dental insurance will be provided to all full-time OCERS direct employees and their eligible dependents at no cost to the employee. Dental insurance is available for part-time OCERS direct employees at their cost.
8. Vision insurance will be provided to full-time OCERS direct employees at no cost for employee-only coverage and provided to part-time OCERS direct employees at their cost. Any eligible dependents added will be at a cost.
9. Optional Benefit Plan
    a. Eligibility – a regular or limited-term employee is eligible to receive an optional benefit provided he/she is continuously employed in a regular full-time capacity. Part-time employees whose normal work week consists of twenty (20) hours or more will be eligible to receive fifty (50) percent of the Optional Benefit amount available to full-time employees. Employees hired or promoted after the commencement of a plan will be eligible for the optional benefit on a pro rata basis, the first day of the month following the twenty-eighth (28th) day of employment.
    b. Each eligible employee is entitled to select benefits from those listed below at a cost to OCERS not to exceed $3,500, effective the beginning of each Calendar Year. Senior executive employees are entitled to select benefits not to exceed $4,500, or such amount as is provided to executive management employees of the County of Orange, per plan year.
    c. The Optional Benefit Plan choices may include:
        i. Cash lump sum (taxable);
        ii. Health Care Flexible Spending Account, including a Health Care Reimbursement Account or Dependent Care Reimbursement Account.
        iii. The Defined Contribution Plan: a pre-tax contribution to the OCERS Section 457(b) Defined Contribution Plan.
    d. An eligible employee who does not make an election during the election period shall receive a taxable cash lump sum following the close of the election period.
    e. The County Chief Human Resources Officer shall administer the plan in accordance with its stated purpose. Each employee must follow the enrollment instructions prepared by the County Human Resources department. Annual employee designations are irrevocable unless there has been a change in family status.

10. Flexible Spending Accounts

    a. Health Care Flexible Spending Account (HCFSA): Employees have the opportunity to allocate a specified amount of biweekly pre-tax salary into a HCFSA, which is administered by the County, to pay for health care expenses as permitted by state and federal law, regulations, and guidelines, and as permitted by the County's plan document.

       Dependent Care Flexible Spending Account (HCFSA): Employees have the opportunity to allocate a specified amount of biweekly pre-tax salary into a DCFSA, which is administered by the County, to pay for dependent care expenses as permitted by state and federal law, regulations, and guidelines, and as permitted by the County's plan document.

Defined Contribution Program Policy

Statement

The County of Orange Benefits Department ("Benefits Department") offers and administers a defined contribution program through Empower Retirement (Formerly known as Great-West).

The significant features of this plan are summarized below. Executive Employees refer to the Terms and Conditions of Employment for Executive Employees Policy.

457 Defined Contribution

The 457 Defined Contribution Program ("The Program") is a voluntary retirement savings program that enables employees to contribute a portion of their bi-weekly salary to a 457 account. Contributions to the Program are deducted from the employee's paycheck on a pre-tax basis. This reduces taxable income, which lowers their current tax liability. Additionally, all of their savings grow tax-free until they remove money from their account. Employees can withdraw their money from the 457 account, either at retirement or upon separation from employment. The Program offers a wide variety of professionally managed investment options, ranging from conservative to aggressive in risk/return potential. Employees manage their account by choosing to invest their account balance among the investment options at their own risk.

For additional information go to the County of Orange Defined Contribution website: https://hrs.ocgov.com/page/financial-programs.

Retirement Benefits Policy

OCERS provides retirement benefits to its eligible employees, including service retirement, deferred retirement, disability retirement, and survivor benefits.

An overview of the retirement benefits available to employees upon retirement or disability, as well as potential survivor benefits upon the death of an eligible employee, is set forth below. For a complete overview of all OCERS' benefits, employees are encouraged to review the Summary Plan Descriptions posted on OCERS' website.

Scope/Coverage

These benefits apply to individuals employed by OCERS as full-time employees or part-time employees scheduled to work twenty (20) hours or more per week. Part-time employees scheduled to work fewer than twenty (20) hours per week, extra-help employees, or independent contractors (or personnel of independent contractors) are not entitled to these benefits. More detailed information is set forth in the official plan documents. In the event of an actual or apparent conflict between the summaries or descriptions contained in OCERS' policy and the terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents shall prevail.

Definitions

- **Deferred retirement**: When an employee separates from service but is not eligible to retire, they may elect to leave their contributions on deposit with OCERS. The contributions will continue to earn interest. The member may become eligible to retire and receive a deferred retirement allowance on a later date.
- **Disability retirement**: Employees who become permanently incapacitated for duty – i.e., they are permanently incapable of performing the usual duties of their assignment within their job classification due to a disabling physical or mental condition – may be eligible for disability retirement benefits. A disability retirement may be either service-connected or nonservice-connected.
- **Service retirement**: Retirement based on an employee meeting requirements for years of service and age under their specific retirement plan formula and provides a lifetime retirement allowance.
- **Survivor benefits**: The employee's surviving spouse, registered domestic partner, or children (including stepchildren and adopted children) may be entitled to receive certain benefits upon the employee's death, whether before or after retirement. Children must be unmarried and under the age of eighteen (18), and eligibility is extended to age twenty-two (22) if they remain unmarried and a full-time student in an accredited school.

Provisions

1. **Retirement System, Membership**
    a. An employee automatically becomes a member of the OCERS' pension plan on the date they commence employment with the County of Orange in an eligible position.

b. While a member of the pension plan, the employee and OCERS make mandatory contributions to the pension plan. Employees' contributions are made on a pre-tax basis.

c. Contributions paid to the OCERS Pension Plan by an employee cannot be withdrawn or borrowed against while the employee remains employed.

2. Service Retirement

An active member of the OCERS pension plan is eligible for a retirement allowance when they meet the minimum age and years of service requirements as outlined in the plan documents. An employee's retirement allowance is based on years of service accrued according to the plan formula, final average salary, and age at retirement.

3. Deferred Retirement

If an employee separates from employment with OCERS, but is not eligible to service retire, they may leave their contributions on deposit with the Retirement System, and the account will continue to earn interest. The employee may also become eligible for a "Deferred Retirement" allowance on a later date.

If an employee has earned five (5) or more years of service credit at the time of their separation from employment, they are eligible to receive a Deferred Retirement allowance based on the requirements of their plan formula. Plan J (i.e., 2.7% @ age 55) members are eligible when they would have accrued ten (10) years of service had they remained working and are at least age fifty (50). Plan U members (i.e., 2.5% @ age 67) are eligible at age fifty-two (52). If an employee has earned less than five (5) years of service credit at the time of their separation, the employee becomes eligible for a Deferred Retirement allowance at age seventy (70).

If an employee does not wish to leave their contributions on deposit or elect a Deferred Retirement allowance, they may elect to receive a lump sum payment consisting of the accumulated employee contributions and interest.

4. Disability Retirement Benefits

If an employee becomes permanently incapacitated while employed by OCERS, they may be eligible for a Disability Retirement allowance.

a. Nonservice-Connected Disability Retirement:

Eligibility for a Nonservice-Connected Disability Retirement allowance requires the following:

i. the employee must have five (5) or more years of service credit,

ii. the Board of Retirement must determine that the employee is permanently incapacitated, either physically or mentally, from performing the usual duties of their permanent assignment within their job classification, and

iii. the incapacity is not due to a job-related illness or injury.

b. Service-Connected Disability Retirement:

Eligibility for a Service-Connected Disability Retirement allowance requires the following:

i. the Board of Retirement must determine that the employee is permanently incapacitated, either physically or mentally, from performing the usual duties of their permanent assignment within their job classification, and

ii. the incapacity arose out of, and in the course of their employment, and such employment contributed substantially to their permanent incapacity.

5. Beneficiaries and Survivors

Employees of OCERS are asked to designate a beneficiary who may be entitled to receive certain benefits upon the employee's death. The employee may designate anyone they choose and change the beneficiary at any time prior to retirement. To designate or change a beneficiary, the employee must complete and submit the "Beneficiary Change Form." This form can be obtained from Member Services, through the OCERS member portal, or downloaded from www.ocers.org. It is the employee's responsibility to notify Member Services of a life event change, such as a marriage, domestic partnership registration, or death, including the death of a designated beneficiary.

Surviving spouses, domestic partners, and children may be entitled to certain survivor benefits upon the member's death, whether or not they were designated as beneficiary.

In addition, spouses, ex-spouses, Registered Domestic Partners, ex-Registered Domestic Partners, and children may have legal rights that supersede the rights of any other beneficiaries designated by an employee.

Related Topics

1. Summary Plan Description, Plans I & J (2.7 @ 55)
2. Summary Plan Description, Plan U (2.5% @ 67)

Health Reimbursement Arrangement Plan

Statement

OCERS previously provided eligible employees with a retiree medical grant to use towards healthcare insurance premiums after retirement. As of 2023, the retiree medical grant was frozen. Existing employees were given the choice to receive the frozen Retiree Medical Grant or to opt out of the Retiree Medical Grant and receive a credit for the value of their Retiree Medical Grant ($855 for each full year of Qualified Credited Service) in their County Health Reimbursement Arrangement Plan (HRA) account. Effective on June 16, 2023, the HRA is available for current and future employees.

Purpose

The purpose of this policy is to provide OCERS' employees with an overview of the HRA plan. The County of Orange established the HRA to assist career employees in maintaining health insurance coverage after they retire from OCERS service.

Scope/Coverage

This policy supersedes all previously promulgated policies regarding the Medical Grant Plan. It applies to individuals whom OCERS employs as a full-time or part-time employee scheduled to work twenty (20) hours per week or more. This policy does not apply to part-time employees scheduled to work less than twenty (20) hours per week, extra-help, or independent contractors (or personnel of independent contractors) who are not members of the Retirement System. Please also note that more detailed information is set forth in the official plan documents. Accordingly, if there is any real or apparent conflict between the summaries or descriptions contained in OCERS' policy and the terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents will control.

Policy provisions

1. Effective June 16, 2023, the retiree medical grant benefits were frozen (Frozen Grant), and the County transitioned to the HRA.
    a. For those who chose to retain their Frozen Grant to offset the cost of their County Retiree Health Plan, the monthly Frozen Grant formula is $25.37 multiplied by your continuous years of credited service by $25.37 (up to a maximum of 25 years). The Value of excess service years goes to the HRA as a one-time deposit at $855 per year.
    b. The Frozen Grant is used to offset the cost of your County Retiree Health Plan premiums and Medicare Part B Reimbursement (if applicable).
    c. The Frozen Grant is neither a vested nor guaranteed benefit.
2. For those who chose to roll over their Frozen Grant, the formula for the one-time deposit into the HRA is $855 for each continuous full year of credit service.
    a. The HRA is a medical expense reimbursement program. Funds can be used to pay for various health care costs once you separate from the County, including post-tax health plan premiums.

3. The County and the HRA administrator, under the oversight of the HRA Advisory Committee, shall administer the HRA program in accordance with the requirements outlined in the County Health Reimbursement Arrangement Plan Document.
4. $60.00 will be contributed to the HRA per pay period for each employee, effective the pay period beginning June 16, 2023, and will increase by 2.5% annually each first full pay period beginning in July 2024.
5. The County, by establishing and maintaining the HRA, does not grant any employee, retiree, or any other person a legal right against OCERS or the County, nor does it guarantee any employee the right to remain in the service of OCERS or the County. The HRA may be amended or terminated at any time, in whole or in part, at the County's sole discretion.
6. For details about the Frozen Grant, the HRA, please visit: https://hrs.ocgov.com/retiree.benefits, where you will find a link to the HRA account and additional resources.

Chapter 6

Compensation – Policies

This chapter contains the following policies related to personnel compensation, salary basis and ranges, and payroll:

- Payroll Practice Policy
- Salary Basis Policy
- Compensatory Time Off Policy
- Compensation Policy
- Incentive Compensation Plan
- Lump Sum Bonus Policy
- Terms and Conditions of Employment for Executive Employees Policy

Payroll Practice Policy

Policy Statement

OCERS follows a structured, documented payroll process.

Purpose

The purpose of this policy is to establish uniform standards for OCERS to pay its employees.

Definitions

- **Annual Leave** means paid time-off earned by an employee under OCERS Annual Leave (Paid Time Off) Policy.
- **PAN** means Personnel Action Notices.

Provisions

1. **Method of Compensation for Employees**
    a. OCERS' office hours are Monday through Thursday, 8:00 a.m. to 5:00 p.m. and Friday 8:00 a.m. to 4:30 p.m. OCERS' employees generally work between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday. Occasionally, employees may be required to work on weekends or holidays. An employee's work schedule will be determined by their supervisor with the approval of the head of the Department.
    b. Employees shall receive compensation at the biweekly or hourly rate within the range for the position in which they are employed. Pursuant to OCERS Compensation Policy, the Chief Executive Officer will be responsible for managing employee salaries within the salary ranges approved by the Board of Retirement.
2. **Salary Payment Procedure**
    a. A pay period shall cover 14 calendar days, starting on a Friday and ending on the second Thursday thereafter, and shall consist of an 80 hour work period. Employees shall be paid approximately eight (8) days after the end of a pay period, usually on a Friday. Employees hired after June 29, 2001, are required to authorize automatic deposit of their paycheck to a financial institution of the employee's choice.
    b. When an employee separates from OCERS service, the separating employee shall receive all amounts due at the time of separation. In the event an employee provides less than 72 hours' notice of separation, then all amounts due will be paid within 72 hours of separation.
    c. The hours worked must be approved by the employee's supervisor before being submitted to Human Resources. The supervisor who approves the hours must verify that the hours reported by the employee are accurate.
3. **Time Keeping**
    a. Electronic timesheets are used as a means of accurately recording hours worked and calculating pay. Electronic timesheets must be consistent with approved PAN forms when applicable. All employees must submit timesheets every two (2) weeks according to the annual payroll schedule. All employees are required to report their regular hours

worked and absences from work, such as Annual Leave time, holidays, or any other leaves of absence. In instances where an absence occurs that is two (2) hours or less, such absence does not need to be reported. Timesheets must be received in a timely fashion.

b. Timesheets shall be prepared by the employee electronically and signed by both the employee and their supervisor.

c. Accuracy when preparing timesheets is critical. Employees are responsible for ensuring the accuracy of their timesheets. Altering, falsifying, or tampering with timesheets may result in disciplinary action, up to and including immediate termination.

d. OCERS reserves the right to verify that all employees are in compliance with this policy.

4. Annual Leave Payout

An employee requesting to be paid for accrued Annual Leave shall record such request on the timesheet in the pay period during which the employee would like the payout to occur.

Related Topics

1. OCERS Compensation Policy
2. OCERS Annual Leave (Paid Time Off) Policy

Salary Basis Policy

Policy Statement

OCERS is committed to complying with the salary basis requirements of the Fair Labor Standards Act.

Purpose

The purpose of this policy is to comply with the Fair Labor Standards Act.

Definitions

- **Exempt Employees** means employees who meet the exemption standards of FLSA. OCERS Direct Employees are Exempt Employees.
- **FLSA** means the United States Fair Labor Standards Act and the rules and regulations promulgated thereunder.

Provisions

1. It is OCERS' policy to comply with the salary basis requirements of the FLSA. All employees directly employed by OCERS are Exempt Employees; therefore, OCERS prohibits any improper deductions from the salaries of its employees.
2. Employees who believe that an improper deduction has been made to their salary should immediately report this information to Human Resources. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, affected employees will be promptly reimbursed for any such improper deduction.

Compensatory Time Off Policy

Policy Statement

OCERS permits its employees to earn compensatory time off under certain limited circumstances.

Definitions

- **Comp Time:** compensatory time granted to OCERS employees in accordance with this policy.
- **Exempt Employees:** employees who meet the exemption standards of FLSA. OCERS direct employees are Exempt Employees.
- **FLSA**: the United States Fair Labor Standards Act and the rules and regulations promulgated thereunder.
- **Full-Time Employee:** an employee employed in one (1) or more regular or limited-term positions whose normally assigned work hours equal those of a full workweek or work period.
    - Major Holidays are:
        - Christmas Day
        - New Year's Day
        - Memorial Day
        - Independence Day (July 4)
        - Labor Day
        - Thanksgiving Day
    - Minor Holidays are:
        - Native American Day
        - Veteran's Day
        - Day after Thanksgiving
        - Martin Luther King, Jr.'s Birthday
        - Lincoln's Birthday
        - Washington's Birthday
- **Non-Exempt Employees:** employees who do not meet the exemption standards of the FLSA. OCERS County employees are Non-Exempt Employees.
- **PAN**: Personnel Action Notices.
- **Part-Time Employee**: an employee employed in one (1) or more regular or limited-term positions who's normally assigned work hours are less than those of a full workweek or work period.
- **Pay Period:** shall cover 14 calendar days, starting on a Friday and ending on the second Thursday thereafter, and shall consist of an 80-hour work period.
- **Pay Status**: employees who are not on unpaid leave from their position at OCERS.

Purpose

While there is no obligation under the FLSA to grant compensatory time off to Exempt Employees or to pay Exempt Employees for hours worked in excess of their work period, OCERS has established this policy to compensate its employees who are required to work on their regularly scheduled flex day off, or on recognized holidays due to extraordinary circumstances.

Provisions

1. **Eligibility for Comp Time**
    a. Full-time employees on Pay Status during the Pay Period that includes March 1st of each Fiscal Year will be credited with two (2) hours of Comp Time at the end of such Pay Period.
    b. Part-time employees on Pay Status during the Pay Period that includes March 1 of each Fiscal Year will be credited with one (1) hour of Comp Time at the end of such Pay Period.
    c. Full-time employees may earn up to eight (8) hours of Comp Time (one hour per hour worked) when they work on a Minor Holiday, and 1.5 hours per hour worked of Comp Time should they work on a Major Holiday.
    d. Notwithstanding the foregoing, if any employee is required to work an unusually large number of hours as a result of natural disasters and/or officially declared emergencies such as floods, fires, storm conditions, high tides, etc., or due to extraordinary circumstances, the Chief Executive Officer may authorize additional compensation, which may be in the form of Comp Time, for such employee or group of employees.
    e. Full-time employees working an approved flexible work schedule may earn up to eight (8) hours of Comp Time when required to work on their scheduled flex day off, as approved by their supervisor.
2. **Procedures**
    a. Comp Time earned may be used as compensatory time off or paid to an employee at the discretion of OCERS.
    b. An employee may not maintain a Comp Time balance of more than 80 hours. All Comp Time earned in excess of 80 hours will be automatically paid to the employee.
    c. An employee who wishes to use earned Comp Time must submit a PAN form request to their supervisor setting forth the date(s) on which the Comp Time will be used.
    d. An employee will be permitted to use Comp Time on the date requested, unless doing so would unduly disrupt OCERS' operations.
3. **Payment of Comp Time**
    a. An employee may obtain a payoff of all or a portion of their Comp Time at any time by submitting a PAN form to Human Resources *and* recording the request on their timesheet.
    b. An employee will be paid for all earned but unused Comp Time hours at the time of separation from employment at the employee's rate of pay at the time of separation.

Compensation Policy

Policy Summary

The Board of Retirement has established a Compensation Policy applicable to all employees employed by OCERS. The Board's Compensation Policy outlines the structure and guidelines for employee compensation. It aims to attract, develop, and retain strong leaders by maintaining competitive pay, promoting fair and transparent salary growth, and recognizing individual performance. The policy emphasizes fairness, transparency, and alignment with OCERS' goals and financial needs. Key provisions of OCERS Compensation Policy include:

- **Compensation Program;**
- **Incentive Compensation Program; and**
- **Certification Incentive Program.**

The Board-approved OCERS Compensation Policy can be found on the OCERS website. Under the policy, the Board approves competitive salary ranges based on peer data and market analysis. These ranges are reviewed every three years.

Annual Performance Reviews

In November of each year, or such other time of year as determined by the Chief Executive Officer (CEO), each employee who OCERS employed as of June 1 of that year will receive a written performance evaluation Each OCERS Direct Employee's performance will be rated as Does Not Meet Expectations; Meets Expectations; Exceeds Expectations; or Exceptional.

Annual Salary Increases

Employees who receive a performance rating of Meets Expectations or better will be eligible for a salary increase tied to their performance ratings.

Equity Adjustments

In addition to the performance evaluation process set forth in the Board's Compensation Policy, the Board has authorized the CEO to approve additional individual salary increases based on factors like external market data, internal salary structure, job responsibilities, individual performance, budget constraints, and sound management principles.

Certification Incentive Program

OCERS offers a Certification Incentive Program that provides a 5.5% salary increase to eligible OCERS Direct Employees who hold specific professional certifications that support the agency's operational goals. Only one incentive is granted per employee, regardless of the number of qualifying certifications held. To maintain eligibility, employees must meet the certifying organization's continuing education requirements (or complete 20 hours annually if none exist) and submit documentation to Human Resources by December 31 each year, in accordance with the OCERS Board Compensation Policy.

- CFA - Chartered Financial Analyst certification granted by the CFA Institute,
- CIA - Certified Internal Auditor certification granted by the Institute of Internal Auditors,
- CISSP - Certified Information Systems Security Professional certification granted by the International Information System Security Certification Consortium, also known as ISC2,

- CPA - Certified Public Accountant certification granted by the American Institute of Certified Public Accountants, or
- SHRM-SCP - Senior Certified Professional certification granted by the Society for Human Resource Management, also known as SHRM.

Related Topics

OCERS Compensation Policy

Incentive Compensation Plan

Incentive Compensation Plan

Purpose

The Incentive Compensation Plan sets forth the elements, design, calculation, and details of the Incentive Compensation Program described in the OCERS Compensation Policy. The Compensation Policy describes the list of covered positions and eligible employees. Changes to this Incentive Compensation Plan require approval by the Board of Retirement.

Program Design and Benchmark

1. The Program is designed around three components: 1) total portfolio excess return (alpha) over a benchmark; 2) risk-adjusted return (Sharpe Ratio); and 3) employee performance, as shown in the chart below. For the alpha and Sharpe Ratio calculations, the OCERS' Total Fund Plan Benchmark serves as the relative comparison benchmark.
2. The measurement period is the prior three years ("Rolling 3-year Period") ending December 31. For example, on December 31, 2022, the measurement period would include performance results for the calendar years 2020, 2021, and 2022. All OCERS' portfolio results will be reflected as net of fees.
3. Portfolio Excess Return vs. Benchmark: eligible employees earn 10% of their maximum payout for each 25 basis points of alpha generated by the OCERS' Total Portfolio, up to 50% of the maximum payout.
4. Risk-adjusted return:
    a. Sharpe Ratio exceeds Benchmark: eligible employees earn 10% of their maximum payout if the Sharpe Ratio of the OCERS' Total Portfolio exceeds that of the Benchmark (i.e., that a dollar of risk was invested more efficiently relative to an indexed portfolio).
    b. Sharpe Ratio Peer Rank: eligible employees earn 10% of their maximum payout if the OCERS' Total Portfolio Sharpe Ratio exceeds the median Sharpe Ratio of the public pension peer group, with an additional 10% credited for a first quartile Sharpe Ratio, relative to peers.
5. Annual Employee Performance Appraisal: eligible employees earn 10% of their maximum payout for a rating of "Exceeds" on their annual review; they earn the full 20% of maximum for this component of the Program with a rating of "Exceptional."

Incentive Calculation and Payment

1. The Incentive Compensation Program requires an annual calculation for the period ending December 31, with payments made in two tranches, Year 1 and Year 2. Once eligibility has been confirmed and the annual incentive compensation has been earned and calculated, the two payments for the Program are paid as follows:
    - Year 1: the first 50% of the annual award paid within 60 days of the calculation of the OCERS' Total Plan Benchmark and its rolling three-year returns (period ended December 31) and the availability of the relevant Sharpe ratio information.
    - Year 2: the remaining 50% of the annual award paid in the calendar year following the first payment, prior to March 31 of that year.

2. If a Covered Employee earns a promotion to another Covered Position during the most recent calendar year of the measurement period, the Covered Employee shall have their incentive compensation calculated to reflect the proportion of calendar days spent in each position.
3. If an Eligible Employee takes a Leave of Absence, other than Annual Leave, during the most recent calendar year, then the annual incentive payment amount will be reduced by a percentage that reflects the amount of leave time taken during the year by the employee.

QUANTITATIVE COMPONENT (Rolling 3-year period, net of fees)	% of Incentive	% of Incentive
Portfolio Excess Return vs Benchmark (Alpha)		**0-50%**
0-25 bps	10%	
26-50 bps	+10%	
51-75 bps	+10%	
76-100 bps	+10%	
>101 bps	+10%	
Risk Adjusted Return (Sharpe Ratio)		**0-30%**
A) Portfolio Sharpe Exceeds Benchmark	10%	
B) Above Median Peer Rank	10%	
1st Quartile Peer Rank	+10%	
QUALITATIVE COMPONENT		
Annual Employee Performance Appraisal		**0-20%**
Meets	0%	
Exceeds	10%	
Exceptional	20%	

Lump Sum Bonus Policy

Policy Statement

OCERS may award discretionary, non-recurring lump sum bonuses to employees tied to measurable achievements or the advancement of significant agency goals, in compliance with applicable laws and within the agency's fiscal constraints.

Purpose

The purpose of this policy is to establish a transparent framework for awarding discretionary lump sum bonuses to employees.

Scope

This policy applies to all OCERS employees, subject to applicable collective bargaining agreements.

Provisions

1. Lump sum bonuses may be awarded from time to time for incentive purposes at the sole discretion of the Chief Executive Officer (CEO).
2. The CEO may award a lump sum bonus in an amount not to exceed ten percent of the employee's base salary.
3. During any single calendar year, the CEO may award lump sum bonuses totaling no more than one percent (1%) of regular salaries without requiring Board approval.
4. An employee must be in good standing and have no disciplinary actions within the previous two years to be eligible to receive a lump sum bonus.
5. A lump sum bonus may also be given, as per the terms set forth in an offer letter (i.e., a signing bonus), to a new employee when the CEO deems it appropriate and justified.
6. Lump sum bonuses awarded under this policy are non-recurring, not considered part of base pay, and not guaranteed.
7. All lump sum bonuses shall be supported by written documentation that identifies the achievement, business purpose, or agency goal served, and that confirms eligibility criteria. Human Resources will maintain a record of all lump sum bonus awards, including the amount, justification, and approval.
8. The CEO shall provide an annual summary report to the Board detailing the number, amount, and justification of bonuses awarded under this policy.
9. Nothing in this policy shall be construed as a guarantee or entitlement to a bonus. The awarding of lump sum bonuses remains entirely within OCERS' discretion.

Terms and Conditions of Employment for Executive Employees Policy

Policy Statement

Executive Employees are subject to the terms, conditions, and benefits of their employment as set forth herein.

Purpose

The purpose of this policy is to establish the terms, conditions, and benefits of Executive Employees in their employment with OCERS. More detailed information about the benefit programs offered by OCERS is set forth in the official plan documents and/or insurance policies that govern the plans. The provisions of the official plan documents and/or insurance policies will control over any potential conflict raised by the information stated below. Executive Employees who desire to inspect the official plan documents or the insurance policies may submit such requests to Human Resources.

Definitions

- **Annual Leave:** Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments, or personal business.
- **At-Will**: An employment status in which OCERS can terminate the employment relationship at any time, with or without cause, and with or without notice.
- **Executive Employees** means the Chief Executive Officer, the Chief Investment Officer, the Assistant Chief Executive Officer of Finance and Internal Operations, the Assistant Chief Executive of External Operations, the Chief Technology Officer, the Chief Information Security Officer, and the General Counsel.
- **Non-CEO Executive Employees** means the Executive Employees other than the Chief Executive Officer.

Provisions

1. **Chief Executive Officer**
   a. In accordance with current statutes, the Chief Executive Officer ("CEO") shall be appointed by and serve at the pleasure of a majority of the Board of Retirement ("Board").
   b. The Board shall set the pay and benefits for the CEO.
2. **Non-CEO Executive Employees**
   a. Non-CEO Executive Employees shall serve at the pleasure of the CEO (i.e., At-Will).
   b. Non-CEO Executive Employees may be released from service by the CEO at any time, without notice, cause, or rights of appeal.
   c. Non-CEO Executive Employees shall be required to sign At-Will employment agreements as a condition of appointment.
3. **Insurance**
   a. Health insurance is available to Executive Employees, with eligible dependent coverage. OCERS pays 95 percent of an Executive Employee's health insurance premium and, if

dependent coverage is selected, OCERS will pay approximately 75 percent of the total health coverage premiums for both the Executive Employee and their eligible dependents.

b. Basic Life insurance in the amount of one hundred and twenty-five thousand ($125,000) dollars will be provided at no cost to Executive Employees regardless of age and without proof of insurability. Executive Employees also have an option to purchase additional coverage, including eligible dependent coverage.

c. Accidental Death and Dismemberment insurance of one hundred and twenty-five thousand ($125,000) dollars will be provided at no cost to Executive Employees regardless of age and without proof of insurability. Executive Employees have an option to purchase additional coverage, including eligible dependent coverage.

d. OCERS will provide dental insurance to all Executive Employees and their eligible dependents at no cost to them.

e. OCERS will make available to Executive Employees a premium only plan that will allow Executive Employees to pay for health insurance premiums on a pre-tax basis as permitted in the Internal Revenue Code. Under such plan, an Executive Employee's gross taxable salary will be reduced by the amount of their share of the premium costs of health insurance coverage.

f. Executive Employees are provided short-term disability insurance coverage at no cost to the employee to provide 60 percent of salary for up to one (1) year for certified non-occupational injury or illness. An employee must exhaust up to 192 hours of annual leave before the insurance begins. The plan will also provide for continuation of OCERS' share of premiums for health, dental, and life insurance benefits while the employee is on Official Leave for non-occupational disability for up to one (1) year from the effective date of disability.

g. Executive Employees are also provided long-term disability insurance coverage at no cost to the employee to provide up to 60 percent of salary continuation while the employee is on official leave for a non-occupational disability.

h. Voluntary annual physical examinations are available by a County-designated physician at no cost to the Executive Employee.

4. Optional Benefit Plan

Executive Employees have the Optional Benefit Plan available to them. The terms of the Optional Benefit Plan for the Executive Employees are the same as the terms for non-executive employees, except that Executive Employees are provided four thousand five hundred ($4,500), or such amount as is provided to executive management employees of the County of Orange, per plan year. For further details of the terms of the Optional Benefit Plan, see Benefits, Additional Employee Benefits, Optional Benefit Plan.

5. Accrual Payout During Employment

During each calendar year, an Executive Employee may request to be paid for accrued Annual Leave of up to 170 hours. Executive Employees can make up to two (2) separate requests per calendar year.

Chapter 7

Workplace Health and Safety

This chapter contains the following policies related to workplace Health and Safety:

- Workplace Safety Policy
- Employee Assistance Program Policy
- Tobacco and Smoke Free Workplace Policy
- Workplace Injuries and Workers' Compensation Policy
- Visitor Safety and Security Policy

Workplace Safety Policy

Policy Statement

OCERS is committed to complying with applicable laws related to health and safety and to providing a healthy and safe workplace for all employees, visitors, and guests. To do this, OCERS must be aware of conditions in all work areas that can produce injuries. Cooperation from all personnel in detecting, reporting, and controlling safety issues in the workplace is expected and required.

Purpose

The purpose of this policy is to comply with state and federal laws regarding health and safety in the workplace and to maintain a safe and healthy work environment at OCERS. Detailed information about workplace safety and security can be found in the **OCERS Safety Manual** (which includes a Facility Emergency Plan, Fire Prevention Plan, Hazardous Chemical Communication Program, Injury and Illness Prevention Program, Workplace Violence Prevention Plan, and Covid-19 Prevention Plan).

Definitions

- **Emergency**: Any unanticipated circumstances that can be life-threatening or pose a risk of significant injuries to employees or other persons.
- **Workplace Violence**: Any act or threat of violence that occurs in a place of employment. It includes, but is not limited to the following: the threat or use of physical force against an employee that results in, or has a high likelihood of resulting in, injury, psychological trauma, or stress, regardless of whether the employee sustains an injury; or an incident involving a threat or use of a firearm or other dangerous weapon, including the use of common objects as weapons, regardless of whether the employee sustains an injury.

Provisions

1. **OCERS' Obligations**
    a. To ensure a safe and healthy workplace, OCERS will:
        i. Work to integrate workplace health and safety into all aspects of the workplace.
        ii. Promote communication about workplace health and safety.
        iii. Monitor working conditions to find, eliminate, or control safety and health hazards and unsafe working conditions and practices.
        iv. Take effective action to provide a safe and healthy workplace.
        v. Offer and provide mandatory and optional training to employees on topics related to workplace safety.
2. **Employee Obligations**
    a. Each employee must review and abide by the procedures contained in the **OCERS Safety Manual** (which includes a Facility Emergency Plan, Fire Prevention Plan, Hazardous Chemical Communication Program, Injury and Illness Prevention Program, Workplace Violence Prevention Plan, and COVID-19 prevention Plan). The Safety Manual and all related Plan/Program documents may be requested from Human Resources.

b. Each employee is responsible for ensuring their own personal health and safety, and that of their guests, while on OCERS' premises both during working hours and after hours.

c. Behavior by employees or their guests that places the safety and well-being of OCERS personnel, members, and visitors at risk of harm will not be tolerated and may result in discipline, up to and including termination.

d. All employees are encouraged to report any incident, hazard, or unsafe condition that affects the well-being of employees or visitors to their supervisor, Human Resources, and the Chair of OCERS' Safety Committee without fear of reprisal.

3. **Procedures**

   a. Employees must abide by all procedures contained in OCERS' Safety Manual.

   b. Workplace Violence Prevention

      i. Employees should review and follow the procedures contained in OCERS' Workplace Violence Prevention Plan.

      ii. OCERS does not tolerate violence in the workplace. Actual incidents or threats of violence against employees, visitors, or any persons on OCERS' premises are strictly prohibited and must be reported to a supervisor and Human Resources.

      iii. Employees who engage in threatening or violent behavior may be subject to disciplinary action, up to and including termination.

      iv. In the event of an emergency, employees should call 911 and alert a supervisor, Human Resources, department Director, or Senior Executive as soon as it is safe to do so. The OCERS Crisis Management Team will activate an emergency notification to be sent to all employees. Emails will be sent from notifications@castellanbc.com, and SMS messages will be sent from 91950. The emergency notification will include instructions for evacuating or sheltering in place.

   c. Emergency Evacuation

      i. Employees must comply with instructions to evacuate in the event of an emergency. All employees should review and follow procedures contained in the Facility Emergency Plan portion of OCERS' Safety Manual.

   d. Fire Prevention

      i. All employees should review and follow procedures contained in the Fire Prevention Plan portion of OCERS' Safety Manual.

   e. Safety Committee

      i. OCERS' Safety Committee is comprised of employees who meet regularly to evaluate, discuss, and respond to reported incidents, hazards, procedures, and any concerns relating to employee safety. The current Chair of the committee is Fong Tse, (714) 558-6212, ftse@ocers.org.

   f. Injury and Illness Prevention

i. All employees should review and follow the procedures in the Injury and Illness Prevention Plan section of OCERS' Safety Manual.

ii. Employees are encouraged to report any hazards or safety concerns to their supervisor, Human Resources, or the Safety Committee Chair without fear of reprisal.

iii. When an injury occurs on OCERS' premises, employees must report the incident immediately to their supervisor, who will assess the severity of the incident and initiate an appropriate response. This may include providing first aid, contacting public safety or 9-1-1 for emergencies, and alerting Human Resources and the Safety Committee Chair.

iv. Refer to the Workplace Injuries and Workers' Compensation Policy, herein, for additional procedures to be followed.

g. Transportation to seek medical care

i. **Emergency Medical Situations - I**f an injury or illness appears to be life-threatening or requires immediate emergency medical attention:

1. Call **9-1-1** immediately.
2. Do **not** attempt to transport the employee yourself.
3. Notify the injured employee's supervisor and HR, who must ensure that emergency services are contacted as soon as possible.

ii. **Non-Emergency Situations -** When medical attention is needed but the condition is not life-threatening, notify the employee's supervisor or HR, who must:

1. Consult with the injured employee to determine whether they are able and willing to drive themselves or if another method of transportation is appropriate.
2. Offer alternative transportation options, which may include:
   a. Ride-share or taxi service;
   b. Assistance in contacting a family member or friend;
   c. Requesting an ambulance, if warranted;
   d. Public transportation.

iii. **Prohibition on Employee Transport -** Employees may not transport other employees to or from a medical facility unless all of the following apply:

1. It is a genuine emergency, and no other timely transportation option is reasonably available.
2. The injured employee is conscious and consents to the transport;
3. The supervisor or Human Resources approves the exception in advance (when possible);

4. The transportation is voluntary and outside the course and scope of employment for both individuals.

iv. **Assumption of Risk -** If an exception is made to permit one employee to transport another, both individuals must:

1. Acknowledge that they are acting voluntarily by providing verbal consent, which the supervisor or Human Resources must document in writing and retain.
2. Confirm that the transportation is being conducted outside the course and scope of employment;
3. Assume all personal risk and liability for the transportation;

v. **Agency Liability Disclaimer:** OCERS assumes no liability for any injuries, accidents, or damages that occur during employee-to-employee transportation. Such transportation is conducted at the individuals' own risk and shall not be considered part of their official job duties.

Related Topics

1. Workplace Injuries and Workers' Compensation Policy
2. OCERS Safety Manual

Employee Assistance Program Policy

Policy Statement

OCERS offers its employees an Employee Assistance Program to assist employees and their family in resolving physical, mental, emotional, and personal problems.

Purpose

The purpose of this policy is to provide information about the Employee Assistance Program and to encourage OCERS' employees to take advantage of the services offered by the program.

Definitions

- **Employee Assistance Program (EAP)**: A confidential resource providing short-term counseling, assessments, referrals, and follow-up services to help employees and their family members address personal or work-related issues.
- **Unpaid Leave of Absence**: An employee's authorized absence for Departmental, Official, or Nonoccupational Disability Leave. Refer to the Authorized Unpaid Leaves of Absence Policy.

Provisions

1. The Employee Assistance Program ("EAP") is available to employees and their family 24-hours/7-days per week for emergency telephone counseling. EAP provides private, confidential assessments and referral counseling; including assistance with alcoholism, drug addiction, and emotional or personal challenges. Employees who desire assistance can contact the EAP by going to www.resourcesforliving.com.
    - Login:
        - Orange County CA
    - Password:
        - eap
2. An employee may request an Unpaid Leave of Absence to enroll in a voluntary drug or alcohol rehabilitation program. OCERS will reasonably accommodate such requests unless doing so would cause an undue hardship.
3. Each employee is responsible for seeking necessary assistance before alcohol, drug, or other problems adversely affect the employee's performance or conduct in the workplace. Participation in EAP does not excuse violations of OCERS policies or workplace misconduct. If an employee's violation of OCERS policy warrants discipline, any subsequent attempts to seek help through EAP will not shield an employee from the imposition of discipline.
4. An employee's decision to seek assistance from EAP will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary matters, provided the employee is not violating other OCERS policies or performance standards.

Related Topics

1. EAP Brochure

2. OCERS Unpaid Leave of Absence Policy
3. OCERS Disciplinary Action and Appeals Procedure
4. OCERS Alcohol and Controlled Substance Policy

Tobacco and Smoke-Free Workplace Policy

Policy Statement

OCERS maintains a tobacco and smoke-free workplace environment. A tobacco and smoke-free environment helps foster a safe and healthy workplace. Tobacco use, smoking, and secondhand smoke are known causes of serious lung diseases, heart disease, and cancer. OCERS recognizes the hazards caused by tobacco use and exposure to second-hand smoke. OCERS' policy is to provide all employees and visitors with a tobacco- and smoke-free environment. This policy applies to all tobacco products, including combustible, smokeless, and electronic nicotine delivery systems (ENDS), such as e-cigarettes, vapes, and heated tobacco products, and the use of oral tobacco, including chewing tobacco.

Purpose

The purpose of this policy is to maintain a safe and healthy workplace environment.

Provisions

Smoking and tobacco use are strictly prohibited within all company work areas and public spaces, including conference rooms, private offices, reception areas, restrooms, stairwells, hallways, workstations, and all other enclosed areas. Employees may smoke outside during breaks in the designated smoking area or 100 feet from any building entrance or exit. No additional breaks beyond those allowed under the Meal and Breaks Policy may be taken for the purpose of using tobacco products.

Complaint Procedure

Persons observing a violation of this policy should bring it to the attention of their supervisor. All complaints received will be investigated as confidentially as possible. All personnel are expected to cooperate fully with any such investigation. Any violations of this policy will be handled through the Disciplinary Actions and Appeals Procedure Policy.

Related Topics

OCERS Meal and Rest Period Policy

Workplace Injuries and Workers' Compensation Policy

Policy Statement

OCERS is committed to providing a safe and healthy workplace. In the event of a work-related injury or illness, OCERS will comply with the provisions of the State Workers' Compensation laws.

Purpose

The purpose of this policy is to comply with the California Workers' Compensation laws and to acquaint OCERS' employees with the procedures for reporting work-related injuries and illnesses, obtaining medical care, integrating disability benefits, and maintaining effective communication between OCERS and the injured or ill employee.

Definition

- **Interactive Process**: Employers must initiate an interactive process when an employee requests or the employer becomes aware of the need for Reasonable Accommodation due to the employee's disability. It is a collaborative effort to determine whether accommodations are available that will allow the employee to continue performing their job duties.
- **Maximum Medical Improvement**: a determination in workers' compensation that an employee's injury or illness has reached a permanent and stationary condition and is unlikely to substantially change with or without additional treatment.
- **Reasonable Accommodation:** Modifications or adjustments to an employee's position that are effective in enabling an employee to perform the Essential Job Functions the employee holds or desires, or effective in enabling an employee with a disability to enjoy equivalent benefits and privileges of employment as are enjoyed by similarly situated employees without disabilities. The elimination of an Essential Job Function or the creation of a new position is not a Reasonable Accommodation nor required by law.
- **Workers' Compensation**: a program mandated by law and administered by the California Department of Industrial Relations, Division of Workers' Compensation, to provide medical care and benefits to workers who are injured or disabled in a work-related accident, illness, or injury.
- **Workers' Compensation Leave**: an employee's authorized leave due to a work-related injury as determined through workers' compensation.

Provisions

1. **General Provisions**
    a. Whenever an employee sustains an injury or disability arising out of and in the course of OCERS' employment that requires medical care, the employee shall obtain treatment medically necessary as recommended by a medical doctor and according to the provisions of California Labor Code Section 4600 et seq as soon as reasonably practicable.
    b. OCERS carries Workers' Compensation insurance coverage as required by law to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment in addition to payment for loss of earnings that result from work-related injuries. Compensation payments begin from the first day of an employee's

hospitalization or after the third day following the injury if the employee is not hospitalized. The cost of coverage is paid completely by OCERS.

c. When an injury is determined to be job-related, an employee shall be placed on Workers' Compensation Leave. If such a determination cannot readily be made, and all Annual Leave and Compensatory Time (paid time off) has been applied to the absence, the employee shall be placed on an approved leave until a final determination is made.

d. Prior to qualifying for workers' compensation temporary disability benefits, an injured employee may, at their option, use any accrued paid time off.

e. When an injury is determined to be job-related by OCERS or by the Workers' Compensation Appeals Board, paid time off expended since the fourth day of disability shall be restored to the employee's account(s), except that if the injury required the employee's hospitalization or caused disability of more than fourteen (14) days, all paid time off extended since the first day of disability shall be restored to the employee's account(s).

f. The probation period of any employee who receives workers' compensation benefits shall be extended by the length of time the employee receives such benefits, except that the first fifteen (15) consecutive calendar days from the date of the injury shall be considered OCERS service for merit increase eligibility and completion of the probation period.

g. While an employee is receiving temporary disability payments, the employee may, at their option, use paid time off to supplement such pay so that the employee receives no more than their regular salary during the employee's industrial injury leave. Employees who wish to supplement temporary disability with leave accruals must coordinate with Human Resources.

h. The time during which an employee receives workers' compensation or temporary disability benefits shall be counted toward the computation of OCERS Seniority and the determination of annual leave earning rates.

i. Whenever an employee is compelled by direction of an OCERS-designated physician to be absent from duty due to an on-the-job exposure to a contagious disease, the employee shall receive full compensation for a period not to exceed eighty (80) working hours for a full-time employee or fourteen (14) calendar days for a part-time employee. If the absence extends beyond the applicable period, paid time off may be used, at the employee's option.

2. Duration of Workers' Compensation Leave

Workers' Compensation Leave shall continue until the employee:

a. Is determined to be physically able to return to work, and such medical determination, if disputed, is confirmed by the Workers' Compensation Appeals Board; or

b. Is determined to be physically able to return to work with medical restrictions that OCERS can accept, and such determination, if disputed, is confirmed by the Workers' Compensation Appeals Board; or

c. Accepts employment outside of OCERS; or

d. Accepts employment in another OCERS position; or

e. Has been found to have reached maximum medical improvement and is not physically able to return to work; or

f. Retires.

3. Injury Reporting

a. If you are injured while working, please report it immediately to your supervisor, regardless of how minor the injury may be. Supervisors must immediately report any such injuries to Human Resources. For critical injuries or illness, immediately call paramedics by dialing 911.

b. Failure to immediately report any injury may result in a delay in Workers' Compensation benefits.

4. Treatment Referrals

a. Upon receipt of a report of a workplace injury, Human Resources will provide an injured employee with the following documents:

i. Medical Services Authorization is used by the injured worker's supervisor or manager to authorize one-time treatment on the day of injury only. The claims administrator must approve subsequent treatment.

ii. Workers' Compensation Treatment Facility List—The employer has medical control from the time the injury occurs and should select the treatment location. Employees may predesignate a personal physician prior to injury in accordance with Labor Code § 4600 and should submit the appropriate form to Human Resources annually.

iii. Mitchell Script Advisor Card for required prescriptions.

iv. The Guide to Your Workers' Compensation Medical Care provides information the State requires injured workers to receive regarding legislative changes to medical treatment in work comp.

v. WellComp Medical Provider Network brochure provides information that the State requires injured workers to be given regarding the Medical Provider Network.

5. Documentation Required from Injured Employees

a. Human Resources will provide the following forms to an injured employee either in person if the employee is still on the job or by mail to the employee's home address if the employee is unable to work. The injured employee must complete and return both forms to Human Resources in a timely manner.

i. Employee's Report of Occupational Injury or Illness

ii. Workers' Compensation Claim Form & Notice of Potential Eligibility

b. An injured employee must provide Human Resources with notice of all restrictions placed on the employee's ability to work. If an employee has an active Workers' Compensation claim that results in a leave of absence, OCERS' Workers' Compensation claims manager will provide OCERS with relevant documentation regarding the management of the employee's Workers' Compensation status and returning the employee to work.

6. **Return to Work After a Workplace Injury**
    a. An employee is required to return to work when released by the treating physician. An employee on leave due to a workplace injury should provide as much advance notice of the treating physician's release or return-to-work order as reasonably possible. If an employee fails to return to work or notify the supervisor within three (3) workdays following the notice release or return-to-work date, the employee may be terminated.
    b. If an employee is released to return to work without restrictions, OCERS will return the employee to their former position as soon as it is reasonable. If the former position has been filled or other operational changes make it unreasonable to return the employee to their former position, OCERS will make a reasonable, good-faith effort to place the employee in a vacant position that is comparable to the former position. The employee must cooperate and respond in a timely manner throughout the interactive process, including the job search process. If the employee rejects an offer of a comparable position, they may be terminated.
    c. If the employee is released to return to work with restrictions, OCERS will place the employee in the former job (if it is available), provided the employee can perform all the essential functions of the job with or without Reasonable Accommodation. OCERS will engage the employee in the interactive process to determine Reasonable Accommodation, which may include the job search process if reassignment to a vacant position is legally required. The employee must cooperate and respond timely throughout the interactive process, including the job search process. If the employee rejects an offer of a vacant position that would reasonably accommodate the employee's limitations, they may be terminated. The foregoing actions may occur at the same time that OCERS' Workers' Compensation claims manager is meeting its obligations under Workers' Compensation Laws.
    d. An employee cannot return to work unless released by a physician.
7. **Compliance with Applicable Law**
    a. This policy and its provisions are subject to other terms and conditions as provided in California Workers' Compensation Law. An employer is prohibited from discriminating or retaliating against an employee for filing a report of injury or illness, taking a leave due to a work-related injury, or for their involvement in any proceeding relating to a work-related injury claim.
    b. All decisions to terminate or separate employees in connection with a disability or injury will be made in consultation with Human Resources and the Legal Division to ensure compliance with applicable law.
    c. For questions about exercising your Workers' Compensation rights, contact Human Resources.

Related Topics

1. OCERS Family and Medical Leave Policy
2. OCERS Attendance Policy
3. OCERS Authorized Unpaid Leaves of Absence

Visitor Safety and Security Policy

Policy Statement

OCERS is committed to providing a safe, secure, and respectful work environment for employees, visitors, and members of the public. All visitors must comply with established safety, security, and confidentiality protocols to maintain workplace integrity and protect OCERS' assets and information. This policy will be administered in accordance with applicable federal, state, and local laws. Any exception to this policy must be approved in advance by Human Resources or a Senior Executive.[4]

Purpose

The purpose of this policy is to promote safety, security, and confidentiality when visitors are on OCERS' premises, and to prevent unauthorized access to facilities, systems, or information.

Scope

This policy applies to individuals who are employed by the following entities:

1. OCERS; and
2. County of Orange (County employees who work at OCERS)

Definitions

Confidential Information includes but is not limited to member or employee Personally Identifiable Information or personal data, business and financial records, personnel files, proprietary OCERS information, and any data classified as confidential under applicable laws and OCERS policies.

Premises: All OCERS-owned, -leased, or -controlled properties, including buildings, parking areas, and interior/exterior spaces accessible to visitors.

Visitor: Any person who is not a current employee (including full-time, part-time, whether an OCERS Direct or County employee), Extra Help employee, intern, or volunteer working for OCERS. Visitors include independent contractors, vendors, delivery personnel, media representatives, personal guests of an employee (e.g., family members, friends), and former employees who are visiting OCERS Premises by invitation or request of a current employee.

Provisions

1. **Visitor Check-In**
    a. All Visitors to OCERS headquarters must check in at the reception desk upon arrival.
    b. Visitors must sign the visitor log and provide valid photo identification.
    c. A Visitor badge (or name tag) will be issued and must be worn visibly at all times while on the Premises.

[4] A Senior Executive is a personal employed in the position of: Chief Executive Officer, Chief Investment Officer, Assistant Chief Executive Officer, Finance and Internal Operations, Assistant Chief Executive Officer, External Operations, Chief Technology Officer, and the General Counsel.

   d. Visitor badges are for single-day use only and must not be altered or transferred.

2. **Escort Requirements and Access Restrictions**

   a. Visitors must be accompanied by a designated employee at all times, unless authorized by a Senior Executive or a department Director.

   b. In general, Visitors may not be given OCERS security badges, access cards, or computer credentials. However, exceptions may be made for contractors if necessary for them to perform their services and if authorized by the executive responsible for the contract.

   c. Employees are responsible for ensuring guests follow all OCERS policies and access only authorized areas reasonably necessary for and related to their visit.

   d. Access to Confidential Information, computers, and other electronic resources, or server rooms, is strictly prohibited, unless contractor access is necessary for the performance of their services and if authorized by the executive responsible for the contract.

3. **Visitor Conduct**

   a. All Visitors are expected to behave in a professional and respectful manner.

   b. Disruptive, unsafe, or inappropriate behavior should be reported immediately to a supervisor and may result in the Visitor being escorted off the Premises and having future visitation privileges revoked.

   c. Visitors may not take photos, videos, or record conversations unless authorized by a Senior Executive or department Director.

   d. OCERS prohibits visitors from possessing weapons, illegal substances, or hazardous materials while on the Premises, except as otherwise required by law.

4. **Personal Guests**

   a. Visitors who are personal guests of a current employee are subject to all requirements of this policy. Employees who wish to bring a personal guest (e.g., family member, friend) must obtain approval from their supervisor.

   b. Visits by personal guests should be brief and non-disruptive. Employees are responsible for ensuring that personal guests do not interfere with OCERS' operations or other employees' duties.

   c. Employees who bring a minor (under age 18) as a guest are responsible for supervising them at all times during the visit unless the minor's parent or legal guardian is also a guest and is supervising them.

   d. Babies (ages 0 to 1 year) may visit only when accompanied by their parent or legal guardian, and a supervisor has given approval. Visits should be brief (generally not exceeding one hour) and confined to areas clear of hazards. Babies must be supervised at all times by their parent or legal guardian and should never be left unattended or under the supervision of other employees.

5. **Check-Out Procedure**

   a. Before leaving, Visitors must return their badge and sign out at the front desk.

6. **Exceptions**
    a. OCERS hosts Visitors from time to time for special events. Exceptions to this policy may be made in connection with special events as authorized by a Senior Executive.

Related Topics

4. OCERS Family and Medical Leave Policy
5. OCERS Attendance Policy
6. OCERS Authorized Unpaid Leaves of Absence
7. OCERS Confidentiality Policy

Chapter 8
Miscellaneous Policies

- Reimbursement Programs Policy
- Religious Accommodation Policy

Reimbursement Programs Policy

Policy Statement

OCERS recognizes that under certain circumstances, employees should be reimbursed for costs incurred in the course of their employment.

Purpose

The purpose of this policy is to set forth reimbursement programs and the procedures to follow when seeking reimbursement.

Provisions

1. **Travel Reimbursement**

   OCERS shall reimburse employees for travel and related costs in accordance with OCERS Employee Travel Policy. The Employee Travel Policy is reviewed by the Governance Committee of the Board every 3 years and may be amended by the Board at any time. Exceptions to any provision of the Employee Travel Policy by an employee require the CEO's pre-approval.

2. **Personal Property Reimbursement**

   OCERS will consider requests for personal property reimbursement on a case-by-case basis.

3. **Membership Fees**

   Upon request, OCERS shall reimburse employees for job-related membership dues of professional organizations or professional license or certificate fees. (e.g., State and County Bar fees, CFA, CPA).

Related Topics

OCERS Employee Travel Policy

Religious Accommodation Policy

Policy Statement

OCERS respects the religious observances, beliefs, and practices of all employees and will, upon request, make a reasonable accommodation that does not create an undue hardship on the conduct of OCERS' business for such observances, beliefs, or practices.

Purpose

The purpose of this policy is to ensure that OCERS respects the religious observances, beliefs, and practices of all employees and complies with state and federal laws relating to religious accommodations in the workplace.

Provisions

1. OCERS will reasonably accommodate employees so that they may follow their sincerely held religious observances, beliefs, and practices unless doing so results in undue hardship on the conduct of OCERS' business. In determining whether a requested accommodation would impose an undue hardship on the conduct of OCERS' business, OCERS will consider such factors as business necessity, financial cost or expense, operational considerations, safety issues, legal requirements (including collective bargaining agreements), and whether it infringes on the rights of other employees or requires other employees to bear more than their fair share of potentially hazardous or burdensome work.
2. An employee whose religious beliefs or practices conflict with their job, work schedule, OCERS' policy or practice on dress and appearance, or other aspects of employment, and who seeks a religious accommodation should submit a written request to Human Resources.
3. Upon receipt of a religious accommodation request, OCERS will engage in an interactive process with the employee to assess whether reasonable accommodation can be provided without causing undue hardship on the conduct of OCERS' business. A reasonable accommodation may include using paid leave or leave without pay, allowing an exception to the dress and appearance code that does not affect safety or other requirements, or other conditions of employment.
4. It is not possible to anticipate every request for religious accommodation that OCERS might receive. All requests will be examined on a case-by-case basis.

Glossary

Active Duty: Duty under a call or order to active duty under Title 10 of the United States Code or any other provision of law during a war or during a national emergency declared by the President or Congress.

Affected by Pregnancy: When because of pregnancy, childbirth, or a related medical condition, it is medically advisable for an employee to transfer or otherwise to be reasonably accommodated by her employer.

Alcohol: Ethanol alcohol in any consumable form (e.g., beer, wine, liquor).

At-Will: Employment that has no specified term and may be terminated at any time at the will of either the employee or OCERS

Annual Leave: Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments or personal business.

Being Under the Influence: When an individual is impaired by alcohol or a drug, or the combination of alcohol or drugs, regardless of the level detected.

Board: The Board of Retirement of the Orange County Employees Retirement System

Child: A biological, adopted or foster child, stepchild, a legal ward of the employee or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.

Close Relative: An individual related by blood, adoption or marriage, e.g., spouse, parent, child, sibling, grandparent, grandchild, uncle, aunt, first cousin, nephew, niece, mother/father in-law, son/daughter in-law, sister/brother in-law, stepparent, stepchild, stepbrother/sister or half-brother/sister.

Condition related to pregnancy, childbirth, or a related medical condition: A physical or mental condition intrinsic to pregnancy or childbirth that includes, but is not limited to, lactation. Generally, lactation without medical complications is not a disabling "related medical condition" requiring pregnancy disability leave, although it may require transfer to a less strenuous or hazardous position or other reasonable accommodation.

Conflict of Interest: A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity at OCERS. A conflict of interest may occur any time one's personal interests or personal relationships might impair, or might reasonably appear to impair, one's ability to make an objective and fair decision based solely on what is best for OCERS and its members

Continuous Service: Employment in a regular position with OCERS, which has not been interrupted by resignation, discharge, or retirement. Official Leaves of Absence shall not be credited toward Continuous Service.

Contract Worker: Independent contractors; workers who are employed by, or have an independent contractor arrangement with, third-party vendors, staffing agencies, or independent contractors; and non-executive staff whose employment relationships with OCERS are subject to a contract for employment.

County of Orange Employee: A person employed by the County and covered by terms of the Memorandum of Understanding, except where the natural construction of the Memorandum of Understanding indicates otherwise.

Disabled by Pregnancy: An employee is disabled by pregnancy when, in the opinion of her health care provider, she is unable, because of pregnancy, to perform any one or more of the essential functions of her job or to perform any of these functions without undue risk to herself, to her pregnancy's successful completion, or to other persons. An employee also may be considered to be "disabled by pregnancy" if, in the opinion of her health care provider, she is suffering from severe "morning sickness" or needs to take time off for: prenatal or postnatal care; bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; post-partum depression; childbirth; loss or end of pregnancy; or, recovery from childbirth.

Director of Human Resources: The person delegated the authority and responsibility by the Chief Executive Officer to make decisions concerning Human Resources matters on behalf of OCERS.

Discrimination: Unlawful differential treatment of an individual based on a protected characteristic.

Donee: A current employee for whom the employing agency has approved an application to receive leave from the eligible leave accounts of one or more leave donors.

Donor: An employee whose voluntary written request for transfer of eligible leave to the leave account of a leave recipient is approved by the requesting agency

Electronic Resources: All OCERS electronic media and computing systems or devices, including desktop computers, laptops and other portable devices, voice mail, email, printers, copiers, scanners, fax machines, cell phones, and internet access.

Emergency Military Duty: A call to active military duty by federal or state governmental order for purposes of war, national emergency, domestic emergency or military operations.

Essential Job Functions: The fundamental job duties of the employment position the employee with a disability holds or desires. A job function may be considered essential for any of several reasons, including, but not limited to, the following:

a. The reason the position exists is to perform that function.
b. The limited number of employees available among whom the performance of that job function can be distributed.
c. The function may be highly specialized

Executive Employee: A person employed in the positions of the following: Chief Executive Officer, the Chief Investment Officer, the Assistant Chief Executive Officer, Finance and Internal Operations, Assistant Chief Executive Officer, External Operations and the General Counsel.

Exempt Employees: A person employed directly by OCERS.

Extra Help Employee: A person employed in an extra help position. An extra help employee serves at the pleasure of OCERS in an extra help position may be removed from an extra help position at any time with or without notice or cause and without a hearing.

Extra Help Position: A position which is intended to be occupied on less than year-round basis including, but not limited to the following: to cover seasonal peak workloads of limited duration; necessary vacation relief, paid Sick Leave and other situations involving a fluctuation staff.

Family Member: The following are considered members of the employee's family:

a. Spouse and parents thereof;

b. Children, including adopted children;

c. Parents, including step-parents;

d. Brothers and sisters; and,

e. Grandparents or legal guardian.

Final Average Salary: A measure of a member's level of earnings based on average salary for a specified period of time (i.e. 36 months for all Tier II members). It includes base salary and may also include other pay items as permitted under the Board's Compensation Earnable Policy (Legacy members) or Pensionable Compensation Policy (PEPRA members). This is one of the factors used in calculating monthly retirement allowance.

Fiscal Year: The Fiscal Year is the established period of time when an organization's annual financial records commence and conclude. OCERS' Fiscal Year is January 1 through December 31.

Full-Time Employee: An employee employed in one (1) or more regular or limited-term positions who's normally assigned work hours equal those of a full workweek or work period as described hereinafter.

The Genetic Information Nondiscrimination Act of 2008 (GINA): Prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as specifically allowed by this law (e.g., to certify the need for leave for family member's serious health condition).

Harassment: A form of discrimination that involves unwelcomed conduct based on an individual's protected characteristic.

Healthcare Provider: A medical doctor, osteopath, podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner, clinical social worker, midwife, Christian Science practitioner, and any other person determined by the Secretary of Labor to be capable of providing health care services.

Human Resources: Manages, plans, directs, and coordinates supportive services of OCERS such as, facilities maintenance and contracts, Human Resources, mail distribution, and office upkeep.

Interactive Process: A timely good faith communication between OCERS and an employee or, when necessary because of the disability or other circumstances, his/her representative, to explore whether the employee needs reasonable accommodation for the employee's disability to perform the essential functions of her/her job, and if so, how the employee can be reasonably accommodated.

Intermittent leave: Leave from work granted under the Family and Medical Leave act (FMLA) that is staggered instead of continuous but is permissible, e.g. the recurrence of a dangerous condition.

Key Employee: A salaried FMLA-eligible employee who is among the highest paid 10 percent of all the employees employed by OCERS.

Limited-Term Employee: An employee employed in a limited-term position except where a regular position is converted to a limited-term position, the incumbent shall retain his or her former status. As an exception to this definition, a limited-term employee may also be used to fill a regular position when the incumbent employee is on Official Leave of Absence.

Meal Period: An uninterrupted period of time of at least 30 minutes in which an employee is relieved of all work duties. This period is unpaid time.

Military Duty: Includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and any period of absence for the purpose of an examination to determine the fitness of the employee to perform any such duty.

Military Training Duty: Annual active duty training for military reserves.

Non-Exempt Employees: Non-exempt employees do not meet the exemption standards of the FLSA. Non-exempt employees will report all hours worked for each day worked using the appropriate payroll codes as outlined in the payroll system when completing their electronic time sheets.

OCERS: Abbreviation for Orange County Employees Retirement System.

OCERS Direct Employee: A person employed by OCERS who is in an Executive, Management, or Professional job classification.

Other Serious Circumstance: A serious circumstance other than medical that will be disclosed to other employees.

Parent: A biological, adoptive, step or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.

Period of Incapacity: Any period of time in which an employee is unable to work, attend school or perform other regular daily activities due to the employee's serious health condition, treatment, or recovery from a serious health condition.

Personnel Records: Documents maintained to record necessary information regarding an employee’s employment standing and position with OCERS, such as employment application and/or resume, offer letter, payroll authorization forms, records reflecting a job transfer or promotion or other change in job title and/or payroll rate, name change or corrections to date of birth, annual performance evaluations, notices of commendation or discipline, and leave request forms.

Prohibited Drug: Any drug which is not legally obtainable: any “illicit” drug or “controlled substance” the possession or use of which could result in arrest or other legal sanction according to state or federal statute;

a. Any drug which is legally obtainable but has not been legally obtained;
b. Prescribed drugs not being used for prescribed purposes or at prescribed dosages; and/or
c. Any non-prescription substances that are used contrary to manufacturer’s recommendations.

Protected Characteristics: Race, color, religion, sex (including pregnancy, breastfeeding and medical conditions related to breast feeding), gender identify, gender expression, national origin, age, physical or mental disability, veteran status, sexual orientation, genetic information, ancestry, marital status, medical condition, or religious creed.

Qualified Individual: An employee who has the requisite skill, experience, education, and other job related requirements of the employment position such individual hold or desires, and who, with or without reasonable accommodation, can perform the essential functions of such position.

Reduction: Movement of a regular or probationary employee form one (1) class to another class where the maximum step of the new salary range is at least one (1) full step or 2.75 percent (for ML & PL range classes) lower than the minimum step of the old salary range.

Reasonable Accommodation: Modifications or adjustments to an employee's position that are effective in enabling an employee to perform the essential functions of the job the employee holds or desires, or effective in enabling an employee with a disability to enjoy equivalent benefits and privileges of employment as are enjoyed by similarly situated employees without disabilities. The elimination of an Essential Job Function or the creation of a new position is not a reasonable accommodation and is not required by law.

Registered Domestic Partner: A person that is registered as a domestic partner with the Secretary of State of California or is registered as a domestic partner in any other state in which domestic partnerships or civil unions are recognized.

Rest Period: An uninterrupted 15-minute period of time in which an employee is relieved of all work duties. This period is paid time.

Seniority: Total continuous full-time equivalent service as a regular employee with OCERS and/or the County of Orange

Serious Health Condition: An illness, injury, impairment, or physical or mental condition that involves:

a. Inpatient care in a hospital, hospice, or residential medical care facility or overnight stay in a hospital, hospice or residential medical care facility. This includes inpatient care for any period of incapacity or treatment in connection with such incapacity.
b. Continuing treatment by a health care provider, including (1) a period of incapacity of more than three consecutive calendar days; (2) a period of incapacity that involves at least two treatments by a health care provider within 30 days after the first day of incapacity (unless extenuating circumstances prevent the second treatment); or (3) at least one treatment by a health care provider within 7 days after the first day of incapacity that results in a regimen of continuing treatment under that provider's care.

Sexual Harassment: The making of unwanted and offensive sexual advances or of sexually offensive remarks or acts, especially by one in a superior or supervisory position or when acquiescence to such behavior is a condition of continued employment, promotion, or satisfactory evaluation. Examples of sexual harassment include, but are not limited to: (a) unwelcome requests for sexual favors; (b) lewd or derogatory comments or jokes; (c) comments regarding sexual behavior or the body of another employee; (d) sexual innuendo and other vocal activity such as catcalls or whistles; (e) obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual natures; (f) repeated requests for dates after being informed that interest is unwelcome; (g) retaliating against an employee for refusing a sexual advance or reporting an incident of possible sexual harassment to OCERS or any government agency; (h) offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; (i) any unwanted physical touching or assaults, or blocking or impeding movements; and (j) retaliation for having reported sexual harassment.

Social Media: Forms of electronic communication through which users create online communities to share information, ideas, personal messages, and other content. Social media includes but are not limited to blogs, podcasts, discussion forums, on-line collaborative information and publishing (i.e., Wikis), RSS feeds, video sharing, and social networks like LinkedIn, Twitter and Facebook.

Spouse: A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.

Telecommuting: The practice of working at a location outside of OCERS, typically one's home. Telecommuting can be done on a regular basis (e.g., once per week), or an occasional basis.

Unapproved Absences: Absences that have not been approved by OCERS in advance and are not covered under OCERS' Family and Medical Leave, Pregnancy Leave, or Workers' Compensation Leave policies.

Under the Influence: The state of being intoxicated or impaired by alcohol or a drug, or the combination of alcohol and drugs.

Undue Hardship: An action requiring significant difficulty or expense incurred by OCERS.

United States Uniformed Services: The Armed Forces (Army, Navy, Marine Corps, Air Force or Coast Guard), the Army National Guard and Air National Guard, the Commissioned Corps of the Public Health Service, and any other category of persons designated by the President in a time of war or national emergency (e.g., Disaster Medical Assistance Team).

Workplace Relationship: As used in this policy, “workplace relationship” refers to personal relationships of a romantic or sexual nature.

Y-RATE: A pay rate outside of the assigned salary range of a class.

OCERS Employee Handbook Update

Cynthia Hockless, Director of Human Resources
Manuel D. Serpa, General Counsel
December 15, 2025

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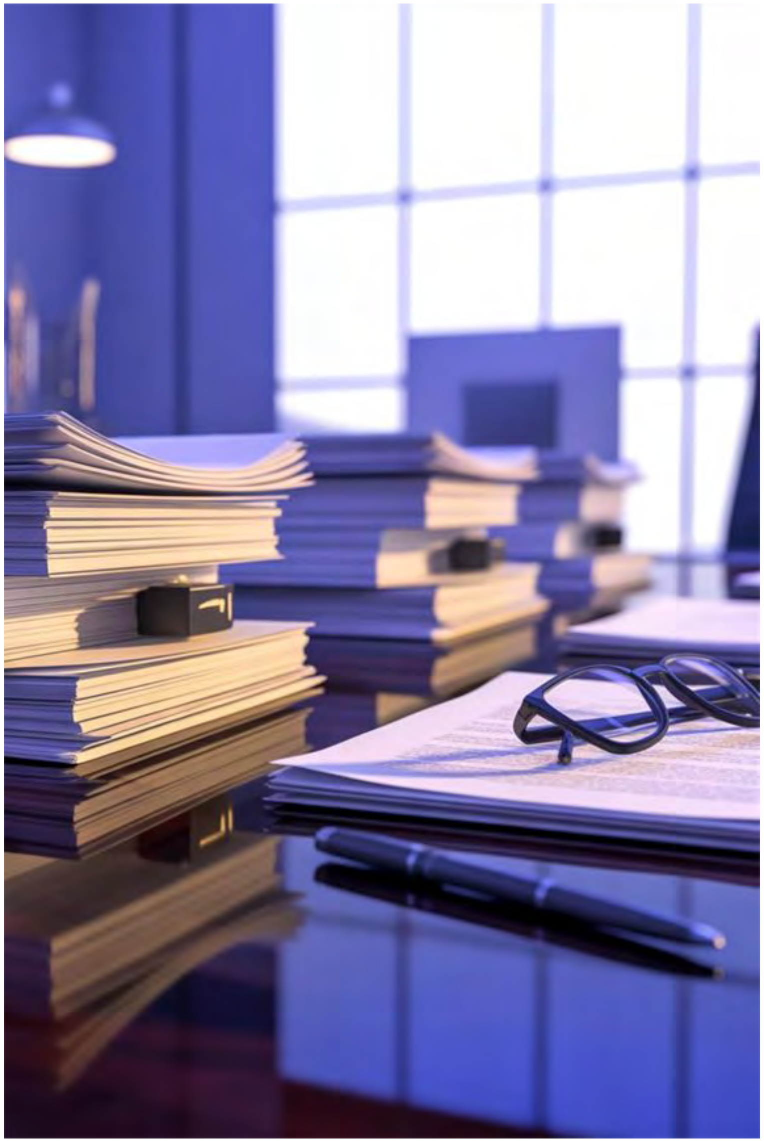


Handbook Update Overview

The employee handbook has undergone a comprehensive review **by our Legal team** to ensure all policies are current, compliant, and aligned with best practices. Every policy was carefully examined and edited to clarify language, improve understanding, and reflect any necessary updates. The revisions include both substantive and non-substantive changes.

The **Orange County Employees Association (OCEA)** and the **County of Orange** were given the opportunity to review the handbook and provide feedback.

Review and Approval Timeline

1. **Legal Review**

   Comprehensive legal review completed with both substantive and non-substantive modifications incorporated throughout the handbook

2. **Employee Feedback Sessions**

   Employee feedback sessions were conducted

3. **Personnel Committee**

   December 3, 2025 — Initial committee review and discussion of proposed changes

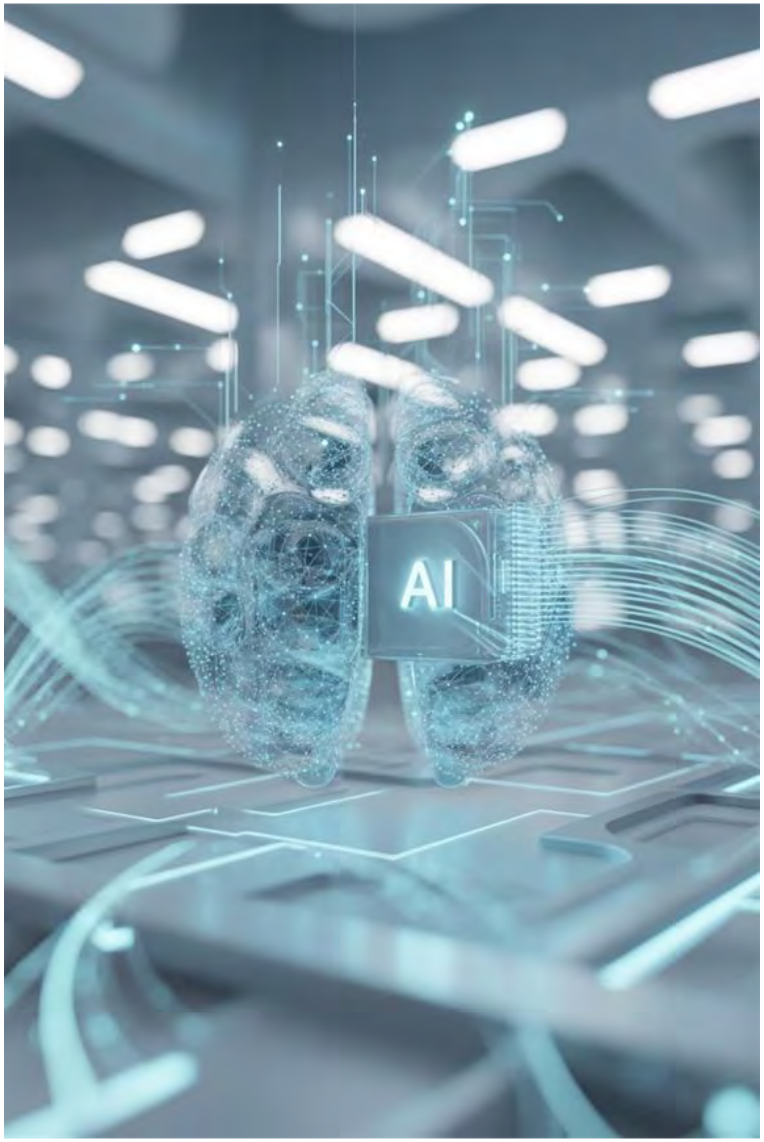
4. **Full Board Approval**

   December 15, 2025 — Final presentation to full board for approval and adoption

Policies Applicable to All OCERS (including County) Employees

- Social Media Policy
- Electronic Resources Policy
- Remote Work Policy
- Visitor Safety and Security Policy
- Outside Employment Policy
- Reimbursement Programs Policy
- Copyright Compliance Policy
- Professional Business Attire Policy
- Workplace Relationships Policy
- Employment of Relatives Policy
- Lactation Policy
- Artificial Intelligence Policy

There are no policy conflicts with the current MOUs. In all instances, the County's MOUs take precedence over OCERS policies.



Spotlight: New Artificial Intelligence Policy

Policy Location

Pages 30-34 of the updated handbook contain the Artificial Intelligence Policy, establishing clear guidelines for AI tool usage within OCERS operations.

OCERS Compensation Policies Definitions

Certification Incentive Program

A program that provides a 5.5% salary increase to eligible employees who hold specific professional certifications that support the agency's operational goals.

Incentive Compensation Plan

A performance-based bonus for the Investments Team, with payouts determined by 3 key factors: the total portfolio's excess return (alpha) relative to its benchmark, the risk-adjusted performance, and the performance of each employee.

Lump Sum Bonus Policy

Discretionary, non-recurring lump sum bonuses to employees tied to measurable achievements or the advancement of significant agency goals, in compliance with applicable laws and within the agency's fiscal constraints.

Lump Sum Bonus Policy - Details

- Lump sum bonuses may be awarded at the sole discretion of the Chief Executive Officer (CEO).
- CEO will provide an annual summary report to the Board detailing the number, amount, justification, and approval.
- Employee must be in good standing.
- Amount can not exceed ten percent (10%) of the employee's base salary.
- During any single calendar year, the CEO may award lump sum bonuses ***totaling no more than one percent (1%) of regular salaries.***
- Require written supportive documentation.
- Bonuses are non-recurring.
- Replaces the current one-time incentive provision in the Compensation Policy.

Recommendation:

The Personnel Committee recommends that the Board approve the updated OCERS Employee Policy Handbook **with changes directed by the Committee.**

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Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

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

SUBJECT: **TRUSTEE MEETING COMPENSATION LEGISLATION**

Recommendation

Approve the introduction of new legislation to amend Government Code Section 31521 to permit a CERL system Board of Retirement to increase the compensation rate for meeting attendance by its fourth, fifth, sixth, eighth, and ninth members to a rate of not more than $320.

Summary

AB 1323, the bill amending the County Employees Retirement Law of 1937 (CERL) to permit OCERS to increase the compensation rate for board member meeting attendance, will no longer be pursued by its sponsors. Instead, Assemblymember Avelino Valencia will sponsor a new bill that gives each county the option to permit the Board of Retirement of a CERL system to increase the compensation rate up to $320 per meeting. We are seeking the Board's approval and support for this legislation.

Background/Discussion

At the February 2025 regular meeting of the Board of Retirement, the Board approved introducing 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 (the appointed member positions and the member elected by the retired members).

This legislation was introduced by its sponsor, Assemblymember Philip Chen, and co-sponsor, Assemblymember Avelino Valencia, as Assembly Bill No. 1323. AB 1323 would have amended the 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 was limited to Orange County, though, and would not affect other counties operating under the CERL.

The fact that the ability to increase the amount was limited to OCERS, however, garnered resistance. Instead of continuing to pursue AB 1323, a decision has been made to introduce a new bill that would allow each county to decide whether to increase the compensation rate for meeting attendance. The broader approach, allowing each county to opt in, is expected to reduce opposition and increase the likelihood of passage.

Assemblymember Valencia will sponsor the new bill, and the initial language will be as follows:

> § 31521. Compensation of members; expenses
>
> (a) The board of supervisors may provide that the fourth and fifth members, and in counties having a board consisting of nine members or nine members and an alternate retired member, the fourth, fifth, sixth, eighth, ninth, and alternate retired members, and in counties having a board of investments under Section 31520.2, the fifth, sixth, seventh, eighth, and ninth

members of the board of investments, shall receive compensation at a rate of not more than one hundred dollars ($100) for a meeting, or for a meeting of a committee authorized by the board, for not more than five meetings per month, together with actual and necessary expenses for all members of the board.

(b) The compensation rate established by the board of supervisors pursuant to subdivision (a) may be increased by the board of retirement to a rate of not more than three hundred and twenty dollars ($320). This subdivision shall not be operative in any county until it is adopted by a majority vote of the board of supervisors.

The new bill has not yet been assigned a bill number; we will provide this information to the Board once it becomes available. If the new bill passes, it would require two steps for implementation in Orange County: (1) adoption by a majority vote of the Orange County Board of Supervisors to make the provision operative, and (2) action by the OCERS Board of Retirement to establish the increased compensation rate up to $320 per meeting.

A mechanism to increase compensation for designated Board of Retirement members is long overdue. Thus, Staff recommends the Board support this legislation. We will keep the Board advised on the progress of the new bill, a current version of which is attached.

Attachments

Submitted by:

SD-Approved

Steve Delaney
CEO

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

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

260077070882BILL

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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

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

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

(b) The compensation rate established by the board of supervisors pursuant to subdivision (a) may be increased by the board of retirement to a rate of not more than three hundred twenty dollars ($320). This subdivision shall not be operative in any county until it is adopted by a majority vote of the board of supervisors.

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LEGISLATIVE COUNSEL'S DIGEST

Bill No.
as introduced, Valencia.
General Subject: County employees' retirement: administration.

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 to not more than $320 per meeting, and would provide that this provision would not be operative in any county until it is adopted by a majority vote of the board of supervisors.

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

2600770708882BILL

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Steve Delaney, Chief Executive Officer

SUBJECT: **RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE**

Background/Discussion

At the OCERS Board's continued invitation, members of the Retired Employees Association of Orange County (REAOC) Board and Executive Team will be at the December 15th meeting.

They will share thoughts and comments on what challenges our retired members have faced through 2025 as well as comments regarding the services OCERS as an organization provides to those same members.

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: David Kim, Assistant CEO, External Operations

SUBJECT: **30 YEAR SAFETY OFFICERS AND COLA COST**

Presentation

Background/Discussion

This memo introduces the informational item presentation from Segal concerning a recommended change in the methodology for allocating normal cost COLA benefits for Safety legacy members who have attained at least 30 years of service. Currently, the COLA normal cost for these members has been allocated to the remaining legacy members who have less than 30 years of service. The presentation details the recommendation to change this practice, allocating the suspended COLA normal cost contributions for Safety legacy members with 30 or more years of service from the member to the Employers.

This matter was first introduced to the Board in August 2023 as part of the most recent triennial experience study. At that time, Segal recommended this change in methodology for the December 31, 2023 valuation, but the Board elected to postpone the change pending additional OCERS staff review and outreach to Employers. The Board directed OCERS staff and Segal to bring the COLA method change back for consideration before the next triennial experience study, which is scheduled for late 2026.

We are now bringing this methodology change back to the Board's attention, following discussions with the impacted Employers. In 2025, OCERS staff and Segal reached out to the County of Orange and the Orange County Fire Authority (OCFA) to discuss the financial impact of the proposed change using the results from the December 31, 2024 valuation. The County specifically requested an additional breakdown of costs, which is summarized and illustrated within this presentation. This presentation outlines the proposed allocation change and its potential financial impact, including a hypothetical two-year phase-in option requested by the County,

Submitted by:

DK - Approved

David Kim
Assistant CEO, External Operations

Orange County Employees Retirement System

30 Year Safety Officers and COLA Cost

Informational Item

December 15, 2025 / Andy Yeung

 5971008v1

Segal

Agenda

Allocation of Normal Cost COLA Benefits

Timeline of Discussion with OCERS and Employers

Illustration of Financial Impact

Method to Apply in Future Valuations

Allocation of Normal Cost COLA Benefits

Change in Methodology

- Employee's basic normal cost for Safety legacy members with at least 30 years of service has been allocated to the employer
- Employee's COLA normal cost for Safety legacy members with at least 30 years of service has been allocated to the remaining legacy members with less than 30 years of service
- As of December 31, 2024:
  - Rate Group #6 (Probation): 4.9% of legacy members have >= 30 years of service (22 out of 452)
  - Rate Group #7 (Law): 2.1% of legacy members have >= 30 years of service (20 out of 975)
  - Rate Group #8 (OCFA): 2.9% of legacy members have >= 30 years of service (18 out of 612)
- **Recommend** a **change** to allocate the suspended COLA normal cost contributions for Safety legacy members with at least 30 years of service from member to employer

Timeline of Discussion with OCERS and Employers

Change in Methodology

- Introduced in August 2023 as part of last triennial experience study recommending assumption and COLA method changes for December 31, 2023 valuation
  - Board decided to postpone making recommended COLA method change pending additional OCERS staff review and outreach to employers
  - Board directed OCERS staff and Segal to bring COLA method change back before next triennial experience study scheduled for late 2026
- In 2024, Segal prepared analysis illustrating year-by-year cost impact for OCERS staff review using results from December 31, 2022 valuation
- In 2025, OCERS staff and Segal reached out to County and OCFA to discuss financial impact using results from December 31, 2024 valuation
  - County requested additional breakdown of the costs and those are summarized in this presentation

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2025 COLA NC	$142,000	$182,000	$130,000	$454,000
(a)	0.31%	0.11%	0.14%	0.15%
(b)	0.32%	0.12%	0.14%	0.16%
(c)	405	877	546	1,828
(d)	405	511	389	1,305
(e)	$350	$360	$330	$350

(a) Expressed as a % of payroll of all Legacy members
(b) Expressed as a % of payroll of Legacy members with < 30 years of service
(c) Number of Legacy members in Plans F & R with < 30 years of service
(d) Number of Legacy members in Plan F with < 30 years of service
(e) COLA NC / (d)

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2026 COLA NC	$158,000	$150,000	$152,000	$460,000
(a)	0.35%	0.10%	0.17%	0.16%
(b)	0.37%	0.10%	0.17%	0.16%
(c)	374	809	505	1,688
(d)	374	451	353	1,178
(e)	$420	$330	$430	$390

(a) Expressed as a % of payroll of all Legacy members
(b) Expressed as a % of payroll of Legacy members with < 30 years of service
(c) Number of Legacy members in Plans F & R with < 30 years of service
(d) Number of Legacy members in Plan F with < 30 years of service
(e) COLA NC / (d)

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2027 COLA NC	$210,000	$240,000	$143,000	$593,000
(a)	0.49%	0.16%	0.16%	0.21%
(b)	0.54%	0.17%	0.17%	0.22%
(c)	335	738	471	1,544
(d)	335	388	322	1,045
(e)	$630	$620	$440	$570

(a) Expressed as a % of payroll of all Legacy members
(b) Expressed as a % of payroll of Legacy members with < 30 years of service
(c) Number of Legacy members in Plans F & R with < 30 years of service
(d) Number of Legacy members in Plan F with < 30 years of service
(e) COLA NC / (d)

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2028 COLA NC	$241,000	$319,000*	$130,000	$691,000
(a)	0.60%	0.23%	0.15%	0.26%
(b)	0.67%	0.24%	0.16%	0.27%
(c)	298	670	437	1,405
(d)	298	330	293	921
(e)	$810	$970	$440	$750

(a) Expressed as a % of payroll of all Legacy members
(b) Expressed as a % of payroll of Legacy members with < 30 years of service
(c) Number of Legacy members in Plans F & R with < 30 years of service
(d) Number of Legacy members in Plan F with < 30 years of service
(e) COLA NC / (d).
*For Rate Group #7, includes COLA NC of $4,000 to $5,000 for one member in Plan R who reaches 30 years of service.

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2029 COLA NC	$340,000	$392,000*	$150,000	$882,000
(a)	0.90%	0.30%	0.18%	0.35%
(b)	1.07%	0.31%	0.19%	0.37%
(c)	253	606	402	1,261
(d)	253	275	263	791
(e)	$1,340	$1,430	$570	$1,120

(a) Expressed as a % of payroll of all Legacy members
(b) Expressed as a % of payroll of Legacy members with < 30 years of service
(c) Number of Legacy members in Plans F & R with < 30 years of service
(d) Number of Legacy members in Plan F with < 30 years of service
(e) COLA NC / (d)

*For Rate Group #7, includes COLA NC of $4,000 to $5,000 for one member in Plan R who reaches 30 years of service.

Allocation of Normal Cost COLA Benefits

COLA Normal Cost (NC) Contributions by Rate Group

All Future Years	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
Present value future COLA NC	$3,259,000	$4,731,000	$2,391,000	$10,381,000
(f)	1.04%	0.39%	0.33%	0.46%
(g)	1.30%	0.42%	0.36%	0.51%

(f) Expressed as a % of present value future payroll of all Legacy members
(g) Expressed as a % of present value future payroll of Legacy members with < 30 years of service

Method to Apply in Future Valuations

Change in Methodology

- It would be reasonable to anticipate a continued increase in COLA NC for Legacy members
  - Rate Group #6 (Probation): $350 (in 2025) to $1,340 (in 2029)
  - Rate Group #7 (Law): $360 (in 2025) to $1,430 (in 2029)
  - Rate Group #8 (Fire): $330 (in 2025) to $570 (in 2029)
- Does the Board want to change the methodology to allocate COLA NC for Legacy members in December 31, 2025 and future valuations?
- Question raised by County as to whether additional cost could be phased in over time
  - Hypothetical 2-year phase-in starting in 2026 provided to illustrate the impact

Method to Apply in Future Valuations

Hypothetical 2-Year Phase-In Starting in 2026

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2026 COLA NC	$158,000	$150,000	$152,000	$460,000
Paid by Employer	$79,000	$75,000	$76,000	$230,000
Paid by Employee	$79,000	$75,000	$76,000	$230,000
2027 COLA NC	$210,000	$240,000	$143,000	$593,000
Paid by Employer	$210,000	$240,000	$143,000	$593,000
Paid by Employee	$0	$0	$0	$0

Thank You

Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary
ayeung@segalco.com

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Steve Delaney, Chief Executive Officer

SUBJECT: **FINAL ALAMEDA IMPLEMENTATION REPORT**

Background/Discussion

Over the past four years, the Orange County Employees Retirement System (OCERS) has diligently worked to implement the California Supreme Court's Alameda decision, which clarified how pension benefits should be calculated in cases where employees had performed work outside of normal working hours. This landmark ruling addressed whether the time spent during such periods should be included in the calculation of pensionable compensation.

To comply with the California Supreme Court's ruling, OCERS conducted an extensive review of its existing policies, processes, and systems. The team worked closely with legal advisors, member services, and other stakeholders to ensure that all aspects of the Alameda decision were fully integrated into the retirement system's operations. This work involved recalculating pensionable compensation for affected members and adjusting past benefit calculations where necessary as well as ensuring the correct amount of interest is applied to affected member's participant accounts. The implementation required significant updates to OCERS' data systems to accommodate the new criteria based on the Alameda decision and compensation calculation. That phase of the project is referred to as Alameda I.

Nearly three years later, the County of Orange Board of Supervisors passed a Resolution, which altered the outcome of the Alameda decision for certain safety members. This impacted our calculation processes, as safety members had to be recalculated and notified of the Resolution's impact. OCERS has focused on aligning its practices with these decisions, ensuring that the pension benefits of impacted members are accurately adjusted in accordance with the ruling. That process became known as Alameda II.

The OCERS team also prioritized transparent communication with its members throughout both processes, providing them with clear information regarding the impact of the Alameda decision on their retirement benefits. This communication strategy included hosting informational sessions, updating the OCERS website, and offering personalized support for those with specific questions. We extend our sincere thanks to AOCDS and Executive Director Paul Bartlett for their invaluable partnership in our communications efforts. Through these efforts, OCERS ensured that affected members understood the changes and were able to adjust their retirement planning accordingly. The team's commitment to efficient implementation of the Alameda decision has reinforced the integrity of the pension system and helped maintain trust with the retirement system's members.

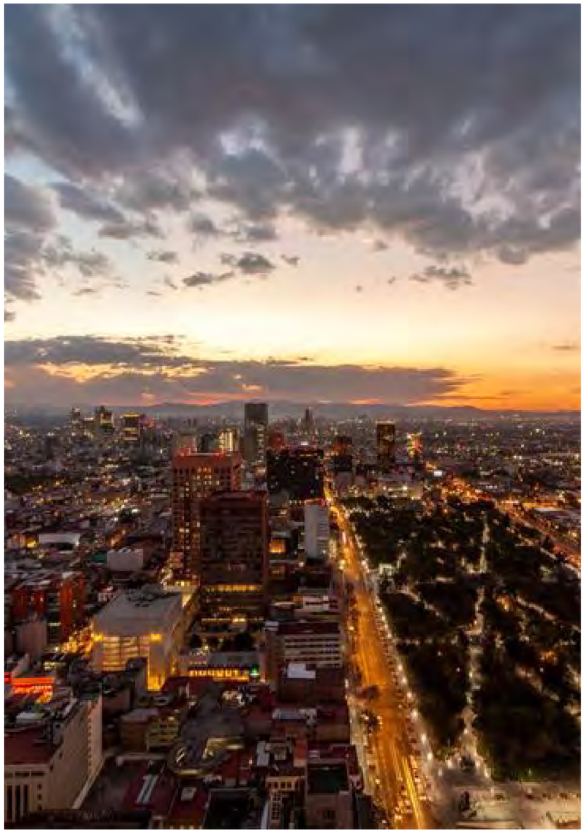
On Monday, December 15, 2025, Mr. Jeff Lamberson and Mr. Will Tsao will provide a conclusive summary of OCERS' multi-year efforts in the Alameda Implementation Project, specifically following the completion of the activities in Alameda 2.

Mr. Lamberson and Mr. Tsao's materials are detailed, at my request. This presentation will not only serve to remind us all of the incredible work done over the past years by both the OCERS Board and staff, but it will also serve as a historical record of those efforts for future researchers.

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer



Alameda Implementation Report

Board of Retirement Meeting

December 15, 2025

Mr. Jeff Lamberson – Director, Member Services
Mr. Will Tsao – Director, EPMO

Overall Status Summary

Alameda Decision Implementation resulted in three projects. Here is a status of each project:

- **Alameda 1 is COMPLETE** - Staff have completed implementation of the July 30, 2020 California Supreme Court decision, Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al, (Alameda), based on directions received from the Board. This project is referred to as Alameda 1. (Completed June 2024 and presented to the Board December 2024)
- **Alameda 2 is COMPLETE**. Staff finalized work on retracting the actions taken previously in Alameda 1, due to the December 20, 2022 Orange County Board of Supervisors Resolution (Resolution) related to the Memorandum of Understanding with the Association of Orange County Deputy Sheriffs (AOCDS). This project is referred to as Alameda 2.
- **Alameda 3 is COMPLETE**. Staff have completed benefit recalculations to restore pensionable on-call pay for three employees of the Orange County Fire Authority (OCFA). Also reviewed classifications in the Health Care Authority (HCA) but determined they did not qualify for pensionable on-call. This project is referred to as Alameda 3. (Completed June 2024 and presented to the Board December 2024)

Project Team

Project Leadership
David Kim
Project Executive Sponsor

William Tsao
Enterprise Project Management

Jeff Lamberson
Member Services Director

Mark Adviento
Member Services Director

Benefits Recalculations Team:
Jigsaw

Member Services:
Irene Warkentine
Rafael Lopez
Teresa Panameno
Mike Persi

Quality Assurance (QA):
Gabriel Pel
Zaida Miramontes
Marius Ugarcovici
Rick Serrano
Barbara Fields

IT:
Jenny Sadoski
Noemi Zajzon

Finance:
Jennifer Reyes
Vincent Durigon

EPMO:
Bhargav Dabhi

Alameda 2 - Board of Supervisors Resolution

Background

- On December 20, 2022, the County Board of Supervisors passed a Resolution (Resolution) related to the Memorandum of Understanding with the Association of Orange County Deputy Sheriffs (AOCDS) which impacts the retirement benefit calculations for several specialized units of the Orange County Sheriff's Department (OCSD) and Orange County District Attorney's Office (OCDA) and required OCERS to reverse corrections made due to Alameda.
- **The Resolution established that ten enumerated specialized assignments were considered unique job grades,** each of which requires all the employees serving in those assignments to provide on-call or canine handler maintenance service as part of their normal working hours.
- On January 17, 2023, the OCERS Board provided staff direction regarding the County Resolution affecting members' retirement allowances subject to OCERS' Compensation Earnable Policy.
- On July 15, 2024, the OCERS Board approved no interest on repayment of underpaid contributions from members and lifetime repayment option.

Alameda 2 – Board of Supervisors Resolution Job Grades

The December 20, 2022, Resolution applies to members of the OCDA and OCSD who served/serve in one of the following job grades included in the Resolution:

1. Homicide Detail
2. Hazardous Devices Squad – Explosive Detection Squad
3. Statewide Transportation
4. Special Victims Detail
5. Special Weapons and Tactics (SWAT)
6. Tactical Support Team - Crisis Negotiator
7. Major Accident Reconstruction Team
8. DA Special Assignment Unit
9. DA Homicide Unit
10. Canine Handler

As directed by the OCERS Board, staff examined extensive County documentation and payroll data and determined that affected members may now qualify for the inclusion of their on-call and K9 pay as part of their benefit calculations.

Alameda 2 Process – A rework of Alameda 1

Work with the County to identify members who were/are in a Resolution assignment → Restore pensionable on-call and K9 pay that were excluded due to Alameda to impacted member accounts → Coordinate with the County to start contributions and reporting on pensionable on-call and K9 pay[1] → Obtain calculations of missing contributions & interest for pensionable on-call/K9 pay for gap period[2] from the County

→ Obtain pay adjustment files for impacted members from the County → Recalculate benefits to add back or include pensionable on-call/K9 pay, underpayments and recover contribution and interest refunds and/or missing contributions for gap period by offsetting them against any underpaid benefits → Recoup from affected members previously refunded contribution & interest payments and collect missing contributions for gap period

[1] County stopped contributions on Alameda excluded pay on 9/10/20.
[2] The gap period is 9/11/20 to the date the the County starts reporting pensionable on-call and K9 pay.

Alameda 2 Timeline

Month/Year	Milestone	Status
January 2023-April 2024	Analyzed on-call for Resolution assignments and determined whether on-call and canine hours served may be considered pensionable	COMPLETE
April 2023-April 2024	Identified all members who were/are in a Resolution assignment	COMPLETE
September 2023-July 2024	Implement new pay code for pensionable on-call and canine pay; County starts contributions and reporting pensionable on-call and canine pay (gap period)	COMPLETE
December 2023-July 2024	Restore pensionable on-call and canine pay exclusions in V3 for on-call and canine pay reported before 9/11/2020	COMPLETE
December 2023-November 2024	Reverse Alameda recalculations for Resolution members (retired before 7/31/2020) who were recalculated due to Alameda	COMPLETE
December 2023-December 2024	Obtain pensionable on-call/canine pay adjustment files from the Auditor-Controller for impacted members for the gap period; verified calculations of missing contributions and interest for gap period from the County	COMPLETE
June 2024-March 2025	Complete recalculation of benefits to include pensionable on-call/canine pay for retired members who did not have pensionable on-call/canine pay included in their benefit	COMPLETE
August 2024-August 2025	Send notifications and start to recover contributions and interest refunds and gap period contributions from members	COMPLETE
December 2025	True up interest to impacted member’s participant account	COMPLETE

Alameda 2 Impact and Status - OCDA

DA's Office Members in Resolution Assignment	Count	Status
Active		
1. Recoup Refunds/Gap Contributions	**24**	**Complete**
Retired		
2. Reverse Alameda Recalc to add back on-call	1	**Complete**
3. Cancel Alameda recalculation (keep on-call), no refund/gap contributions	19	**Complete**
4. Recalculate benefit to include on-call & offset refund/gap contributions with benefit underpayment	4	**Complete**
5. No benefit recalculation, recoup refund/gap	8	**Complete**
Total Retired	**32**	
Total Active & Retired Impacted	**56**	

Alameda 2 Impact and Status - OCSD

OCSD Members in Resolution Assignment	Count	Status
Active/Deferred		
6. Recoup Refunds/Gap Contributions	286	Complete
7. No refund and/or Gap Contributions	6	Complete
Total Active/Deferred	**292**	
Retired OCSD		
8. Retired 1/1/2013 - 7/31/2020		
a) Reverse Alameda recalculation to add back on-call/ K9 pay	12	Complete
b) Cancel Alameda 1 recalculation (keep on-call/K9), no refund/gap contributions	56	Complete
c) Cancelled Recalc - C&I refund is less than $100	3	Complete
9. Retired after 7/31/2020		
a) No benefit recalculation, recoup refund/gap contributions	12	Complete
b) Recalculation needed to include on-call/K9 & offset any refund/gap contributions owed with benefit underpayment	49	Complete
c) Cancel recalc because refund is under $100	12	Complete
Total Retired	144	
Total Active/Deferred & Retired Impacted	**436**	
*436 does not include DROs		

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Summary - Alameda by the Numbers

518

MEMBER MANUAL RECALCULATIONS

18

MEMBER CALCULATIONS TO REVERSE RECALCULATIONS

3,113

CONTRIBUTION & INTEREST REFUNDS PROCESSED

222,666

RECORDS REVIEWED

90,354 TRANSACTIONS REVIEWED

OVER **40+** UPDATE LETTER TEMPLATES

OVER **18,000** HOURS WORKED

Thank you!

APPENDIX

Overall Actual Timeline

Aug. 2020
Began setting up new retirement benefits without the identified pay items starting with benefits effective October 1, 2020

17 Aug. 2020
Presentation to the Board on the Alameda Decision

10 Sep. 2020
Employers stop reporting contributions on identified pay items

16 Feb. 2021
Presentation to the Board on staff's recommendations for discussion only

15 Mar. 2021
Board approves the Test and Definition of "Normal Working Hours" for Compensation Earnable

19 Mar. 2021
Governance Committee approves proposed revisions to policies, administrative procedures and other OCERS documents

21 Jun. 2021
Board approves Staff Recommendations Regarding Resolution and Implementation of the Alameda Decision

Aug. 2021
Identified impacted participants and sent them letters on the impact on benefits due to Alameda

Mar. 2022
Corrected member accounts to remove excluded pay items

Overall Actual Timeline

24 Jun. 2022

Completed calculation of member contribution refunds plus interest

27 Jul. 2022

Contributions & Interest Refund Notification Letter and Refund Election Form – Active and Deferred sent

15 Aug. 2022

Board approves staff to coordinate with the Employers to process refunds of contributions and interest to active members entitled to a refund of $75 or less

1 Sep. 2022

State benefit recalculations for Alameda 1

Sep. 2022

Refunds of $75 or less processed for active members by the Employers

1 Oct. 2022

First benefit recalculations taken effect. (Benefits recalculations processed monthly thereafter)

16 Nov. 2022

Contribution and interest refund payments/rollovers over $75 processed for active and deferred members by OCERS

14 Dec. 2022

Contribution and interest refund payments/rollovers processed for retired members, who did not require a benefit recalculation by OCERS

Overall Actual Timeline

20 Dec. 2022
Unplanned Board of Supervisors passes Resolution. This decision heavily impacted the original estimated completion date of the project

17 Jan. 2023
Board accepts the Resolution and directs staff to reexamine whether affected members may now qualify for the inclusion of their on-call and canine handler maintenance pay as part of "compensation earnable"

17 Feb. 2023
Notified AOCDS members of potential impact of the Resolution on the Alameda decision implementation

20 Mar. 2023
Update to the Board

12 May 2023
Determination of Pensionable on-call for District Attorney's Office (DA) – Special Assignment

30 Jun. 2023
Requested AOCDS members retired 1/1/13 – 7/31/20 from the Sheriff's Department to self-certify Resolution Job Assignments

14 Jul. 2023
Determination of Pensionable On-call for DA - Homicide

22 Sep. 2023
County starts reporting and collecting pensionable on-call for DA's Office

20 Oct. 2023
Received gap contribution and interest calculations for DA from the County

6 Dec. 2023
Restored pensionable on-call in member accounts for impacted DA members

12 Dec. 2023
Notified DA active and retired members on pensionable on-call due to BOS Resolution

Overall Actual Timeline

25 Feb. 2024
Received pay adjustment files for DA from the County

24 Mar. 27
Repayment of Contribution Refund & Gap Contribution Letter Sent to DA Active members

8 Apr. 2024
Determination of pensionable on-call and canine maintenance pay for OCSD Resolution Assignments

8 Apr. 2024
Determination of pensionable on-call for OCFA

15 Apr. 2024
Board direction to suspend work associated with the DA group until May meeting

May 2024
Completed benefit recalculations to add back pensionable on-call (Alameda reversal), effective 6/1/24 for impacted OCFA retirees

12 May 2024
Notified impacted OCSD active and retired members on pensionable on-call/K9 pay due to BOS Resolution

Jun 2024
Completed last benefit recalculations for Alameda 1

Jun 2024
Start benefit recalculations to add back pensionable on-call/K9 pay (Alameda reversal) for impacted OCSD retirees. Alameda 2

13 Jun. 2024
CEO approves lifetime repayment option for benefit overpayments for retirees/payees

Jul. 2024
Start benefit recalculations to include pensionable on-call/K9 pay for impacted OCSD retirees. Alameda 2

12 Jul. 2024
County starts reporting pensionable on-call and K9 pay for OCSD

15 Jul. 2024
Board approves no interest on repayment of underpaid contributions from members and lifetime repayment option

Overall Actual Timeline

25 Jul. 2024
Started receiving gap contribution and interest calculations for OCSD in batches from the County

26 Jul. 2024
Restored pensionable on-call and K9 pay in member accounts for impacted OCSD members

Aug 2024
Completed benefits recalculations to include pensionable on-call pay for impacted DA members, benefit increase effective 9/1/24

3 Oct. 2024
Received pay adjustment files for OCSD retirees from the County

22 Nov. 2024
County provided first batch of pay adjustment files for OCSD active members

Dec 2024 - Mar 2025
Complete remaining benefit recalculations for OCSD retirees.

Dec. 2024/Jan. 2025
Send repayment notification letter to impacted OCSD active and deferred members (pending County adjustment files), and

Start recoupment of refunded contributions and gap contributions from impacted DA members.

Feb./Mar. 2025
Start recoupment of refunded contributions and gap contributions from impacted OCSD members.

Overall Actual Timeline

Feb. 2025

Determination on how to handle a change in employment status after a lifetime repayment election has been made and payments have been received

Apr./May 2025

Determination on interest posting methods regarding one-time adjustments and future interest application

15 Jul. 2025

Determination of corrected 1099-R documentation

22 Jul. 2025

Determination on refunded amounts in relation to member's participant accounts and voided checks

28 Jul. 2025

Codified detailed mechanics on new deduction codes in V3 for Lifetime repayment, Standard deduction, and Overpayment recoupment

Sep. 2025

Reviewed all Alameda 2 members Gap period and Refund amounts

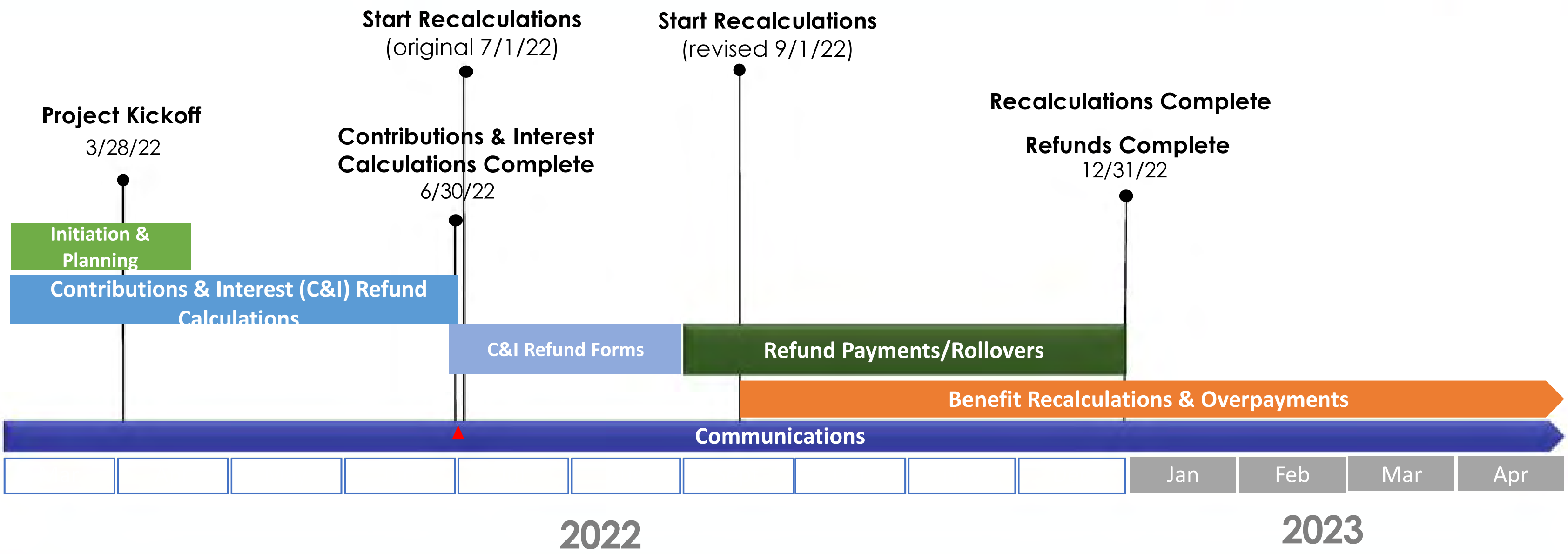
Oct. 2025

Finalized total list of all Alameda impacted members

Dec. 2025

Finished truing up interest for member participant accounts

Original Estimated Project Timeline



Alameda 1

Immediate and Preparation Steps Taken by Board and Staff after the *Alameda* Decision

- Staff and Fiduciary Counsel made a presentation to the Board on the Alameda Decision on August 17, 2020, provided subsequent Board updates and held discussions with stakeholders.
- Staff completed an analysis to identify pay items impacted by the *Alameda* decision.
- Staff coordinated with employers to stop accepting contributions on *Alameda* pay items effective September 10, 2020.
- Staff implemented a process to exclude affected pay items from all new benefit calculations beginning on October 1, 2020.
- The Board adopted the test and definition of “normal working hours” for purposes of determining whether certain items of pay can be included in compensation earnable under the terms of the OCERS plan.
- The Board designated pay items as non-pensionable using the test and definition of normal working hours.
- The Board approved revisions to applicable policies, administrative procedures and other OCERS documents.
- Staff developed recommendations to implement *Alameda* based on Board direction.
- Staff notified members of the *Alameda* decision and potential impact.

Board Directions to Staff on June 21, 2021, to Implement the *Alameda* Decision

1. **Recalculate** retirement allowances prospectively excluding on-call pay, stand by pay, Attorney special duty pay and Sheriffs canine pay from compensation earnable for any retiree with a benefit effective date of January 1, 2013 through October 1, 2020[1];
2. **Recover** overpayments made to such retirees between January 1, 2013 and October 1, 2020 by offsetting overpaid retirement allowances against any over-collected employee contributions during that period. Any remaining overpayments made between January 1, 2013 and October 1, 2020 will be recovered via the actuarial valuation process;
3. **Credit/refund** overpaid employee contributions that are remaining after being offset against the benefit overpayments to the retirees, if applicable;
4. **Credit/refund** any overpaid employee contributions made between January 1, 2013 and September 10, 2020 to active and deferred members as of October 1, 2020; and
5. **Collect** overpayments made between October 1, 2020 and the date of the benefit recalculation from the retiree in accordance with the Overpayment/Underpayment of Plan Benefits Policy.

   As directed by the Board on December 22, 2022, for payees with a monthly benefit impact of $100 per month or less, the overpayments will be recovered from the employer through the UAAL valuation process and not from the payee.

22

[1] These pay items were excluded from compensation earnable for payees with benefit effective dates beginning October 1, 2020, pursuant to the Board's discussion on August 17, 2020.

Alameda 1
Milestones Achieved

IDENTIFIED IMPACTED MEMBERS AND CORRECTED MEMBER ACCOUNTS TO EXCLUDE PAY ITEMS

COMPLETED AND VERIFIED CONTRIBUTION REFUND PLUS INTEREST CALCULATIONS

PROCESSED CONTRIBUTION & INTEREST REFUND PAYMENTS/ROLLOVERS

COMPLETED RECALCULATION OF BENEFITS, OVERPAYMENTS AND CONTRIBUTION OFFSETS

Alameda 1
Contribution and Interest Refunds Processed

OCERS staff reviewed individual member pay history and approximately **222,666 records** to identify **80,248** *Alameda* pay transactions subject to contribution refunds and **10,106** pay transactions included in retiree measuring periods.

OCERS staff processed member contributions and interest refund payments/rollovers for **2,798** active/deferred members and **231** retired members, who did not require benefit recalculations as Alameda- pay items had already been excluded.

Alameda 1 Process and Timeline

	Alameda I	
Month / Year	**Task**	**Status**
January 2021 - March 2022	Data analysis and corrections to identify and remove excluded pay items from individual member accounts	**Complete**
March 2022 – June 2022	Develop a tool and calculate contributions refunds and interest	**Complete**
July 2022	Send Notifications and Refund Election Forms to Impacted Members (Members were given 45 days to elect check payment or rollover)	**Complete**
September 2022 – June 2024	Recalculate Benefits, Overpayments and Contribution Offsets	**Complete**
November 2022	OCERS Process Contributions & Interest Refund Payments/Rollovers – Actives (over $75) & Deferred	**Complete**
November 2022 – December 2022	Employer Process Contributions & Interest Refund Payments Under $75 Processed by Employers – Actives	**Complete**
December 2022	Process Contributions & Interest Refund Payments/Rollovers – Retired (no benefit recalculations)	**Complete**
August 2021 - 2024	Member Communications – Update Letters	**Complete**

Alameda 1 Benefit Recalculations

Original Breakdown of Retiree Benefit Recalculations to remove Alameda Pay Items

Monthly Reduction Estimate	Main Retiree	Attorney Retiree	High Dollar Impact	DRO/Surv	Totals
$0.01 to $1.00	91				91
$1.01 to $10.00	201	3		43	247
$10.01 to $50.00	82	14		7	103
$50.01 to $100.00	35	11		4	50
$100.01 to $500.00	73	21		6	100
$500.01 to $1,000.00	42			2	42
$1,000.01 to $2,000.00			24	2	26
$2,000.01 to $3,000.00			5		5
$4,500.01 to $5,500.00			2		2
Totals	**524**	**49**	**31**	**62**	**666**

Final Status

Total To Be Recalc	Completed Recalcs	Reversed Recalc	Net Total Completed	Alameda 1 Cancelled	OCDA Resolution Cancelled	OCSD Resolution Cancelled
666	455	18	437	130	19	62

- Started with 666 estimated for recalculations
- 455 individual manual recalculations and QA were completed
    - Of those, 18 were **reversed** due Alameda 2 & Alameda 3
- 211 (130+19+62) were **cancelled** as they did not require a recalculation
- Final count of recalculations completed for Alameda 1 is **437** (after reversals)

Alameda 1
Challenges Overcome

Through proper planning, coordination and dedicated effort from staff and partners, the project team overcame challenges to complete Alameda 1.

Challenges included:

- High volume of regular retirements which consumed the bandwidth of the team. That was mitigated by hiring contractors to assist with Alameda.
- Competing priorities and new initiatives. Using Agile methodology and project oversight helped maintain focus on Alameda.
- Introduction of the Board of Supervisors Resolution, which had a positive impact for our members but created a new project midstream of Alameda implementation.
- Individual manual calculations requirement due to the OCERS process and system.

Alameda 3

Alameda 3 – Orange County Fire Authority and Health Care Authority

- In December 2023, after review of the data in our files from discussions and communications with OCFA leadership, OCERS determined that the four positions with OCFA under question did not qualify for pensionable on-call.
- On April 8, 2024, OCERS received official documentation from OCFA regarding their past practice related to mandatory on-call pay applicable to Fire Mechanics and Senior Fire Apparatus Technicians. After reviewing all the details of this pay, we determined that it met the Alameda test and should be considered pensionable.
- Benefits were recalculated for the three affected members to restore their on-call pay and increase their monthly benefit effective June 1, 2024.
- OCERS also reviewed the data provided by HCA on 12/1/2023 and determined that six classifications under question did not qualify based either on the non-mandatory nature of the scheduling within the class for on-call or the number of members in the classes that did not have on-call worked for the programs they were assigned to within the classes.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Retirement Board Meeting
December 15, 2025
Application Notices

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
BADER, ANDY	Sheriff's Dept	9/26/2025
BAQUING, DANILO	OC Public Works	10/10/2025
BITTAR, FRANK	Public Defender	10/3/2025
BURY, GAIL	District Attorney	10/17/2025
CARDONA, ANDRES	Sheriff's Dept	10/17/2025
CASTRO, CARLOS	Sheriff's Dept	10/3/2025
CASTRO, MAYA	Superior Court	10/3/2025
CATALDO, JANETTE	Assessor	10/17/2025
CHUNG, WAI	OCTA	10/10/2025
ESPARZA, BLANCA	Health Care Agency	10/3/2025
ESPARZA, MANUEL	OCTA	10/5/2025
FERENTZ, DEBBI	Child Support Services	10/17/2025
FLAGG, CORNELL	OCTA	10/19/2025
GUNSOLLEY, BRIAN	Sheriff's Dept	10/3/2025
HADDEN, ANDREW	Health Care Agency	9/3/2025
HERNANDEZ, MIGUEL	OCTA	9/19/2025
HERNANDEZ, SERGIO	OCTA	10/10/2025
HSIA, CECILIA	Health Care Agency	9/4/2025
HWANG, SUSAN	Social Services Agency	10/17/2025
KUTSCHAL, WALTER	OC Waste & Recycling	9/22/2025
LOPEZ, FLORINA	Social Services Agency	10/17/2025

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Retirement Board Meeting

December 15, 2025

Application Notices

MARTIN, LINDA	Superior Court	10/17/2025
MEBANE, MICHAEL	Probation	10/3/2025
MERTZ, PAULA	Transportation Corridor (TCA)	10/4/2025
MISSAKIAN, CROSS	Public Defender	10/19/2025
MONACO, VINCENT	OC Waste & Recycling	10/1/2025
MURPHY, JOHN	OCTA	10/5/2025
NELSON, ERIK	OC Public Works	10/3/2025
NGUYEN, PETER	Social Services Agency	10/17/2025
NGUYEN, RAYMOND	Social Services Agency	10/3/2025
NIEMI-GERING, PAMELA	CEO	10/20/2025
PHAM, TAM	OC Public Works	10/3/2025
PHAN, DUNG	Health Care Agency	10/3/2025
RODRIGUEZ, ISELA	Social Services Agency	10/17/2025
SANTANGELO, ELIZABETH	Health Care Agency	10/3/2025
SENGA, DORCAS	Health Care Agency	10/17/2025
TAGORDA, FELICIANO	Health Care Agency	10/3/2025
TORRES, GUILLERMO	Sheriff's Dept	10/3/2025
TURNER, STACIE	Superior Court	10/17/2025
UYEDA, CLIFFORD	District Attorney	9/22/2025
VUONG, CINDY	Sheriff's Dept	10/17/2025
WALLINGFORD, MICHELLE	Child Support Services	10/17/2025
YOSHINAGA, MONISHA	Social Services Agency	10/17/2025

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Retirement Board Meeting

December 15, 2025

Application Notices

YOUNG, LYNN	Social Services Agency	10/30/2025
ZELLER, LORI	Fire Authority (OCFA)	10/7/2025

Retirement Board Meeting
December 15, 2025
Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
CHU, COI	Assessor
PAN, ANN	Health Care Agency
WESTON, RANDY	Sanitation District

RETIRED MEMBERS	AGENCY/EMPLOYER
AGUILA, EDGARDO	Probation
ANCKAER, FRANK	OC Public Works
BABIAK, CATHY	Health Care Agency
BOOE, EVERETTE	OCTA
BOYER, JOSEPH	Sheriff's Dept
DAVIS, SHIRLEY	OC Community Resources
GONZALEZ, VIRGILIO	OC Public Works
GRANGER, DONALD	Health Care Agency
KAYE, STAN	Health Care Agency
KELBY, ELAINE	OC Community Resources
KIRKLAND, JOY	Social Services Agency
KY, TZEE	OC Superior Court
LEWIS, MARGARET	Social Services Agency
MACARTHUR, JOHN	Health Care Agency
MARTINEZ, RUBEN	OC Public Works
MITCHELL, STEVEN	OCTA
MORALES, STEPHEN	OCTA
MOSER RUBY, JODY	OC Community Resources
NEESON, ROBERT	Transportation Corridor (TCA)
NEWMAN, DON	Fire Authority (OCFA)
POLANCO, JESSE	OCTA
RUIZ, JOSE	OCTA
SIGUA, CESARIO	Sanitation District
STALMAN, MARJORIE	Sheriff's Dept
STANTON, ROGER	Board of Supervisors
TEAGUE, DAVID	Sheriff's Dept
TUDOR, GARY	District Attorney
WEIR, DUANE	Probation
WILKER, NORMA	Health Care Agency

SURVIVING SPOUSES	
APPEL, VIANNA	
COLEMAN, SHIRLEY	
FROOME, MARIE	
HAYNES, CHERYL	
MUNGUIA, SYLVIA	

Retirement Board Meeting

December 15, 2025

Death Notices

MURPHY, MILLICENT	
SINGER, NORMA	
HA, HIEN HUNG	
LOSER, BENJAMIN	

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

BUILDING COMMITTEE MEETING
Wednesday, July 30, 2025
9:30 A.M.

MINUTES

Chair Lindholm called the meeting to order at 9:30 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Jeremy Vallone, Vice Chair; Adele Lopez Tagaloa, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, Darren Dang, Chief Technology Officer; General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Roger Torriero, Griffin Structures; Tristen Nichols, Griffin Structures; John Rochford, Snyder Langston; Rick Cavecche (Zoom), Snyder Langston; Bryan Hatch, Snyder Langston; Utar Pollard, Gensler; JT Theeuwes, Gensler; Jaimelynn Shah, Gensler; Peter Barsuk, Gensler; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

PUBLIC COMMENT
None.

CONSENT AGENDA

C-1 COMMITTEE MEETING MINUTES:

Building Committee Meeting Minutes April 2, 2025

Recommendation: Approve minutes.

A **Motion** was made by Ms. Lopez Tagaloa, **seconded** by Mr. Vallone, to approve the minutes.

The motion passed **unanimously**.

INFORMATION ITEMS

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

I-1 OCERS REPLACEMENT HEADQUARTERS UPDATE
Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS, Snyder-Langston, Gensler and Griffin Structures

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 AMENDMENTS TO THE DESIGN-BUILD ENTITY CONTRACT
Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS, and Griffin Structures

Recommendation: Approve and recommend that the Board of Retirement authorize the CEO to execute amendments to the Snyder-Langston design-build contract as presented to allow for finalizing of construction documents, bidding, and plan check activities to be moved forward as part of the Predevelopment Phase of the OCERS headquarters and for additional work required during the Predevelopment Phase.

After discussion, a **Motion** was made by Mr. Vallone, **seconded** by Ms. Lopez Tagaloa, to approve and recommend that the Board of Retirement authorize the CEO to execute amendments to the Synder-Langston design-build contract as presented.

The Committee agreed with staff's recommendation to schedule a Special Board Meeting immediately before or after the August Investment Committee meeting to facilitate timely Board approval of the item.

The motion passed **unanimously**.

COMMITTEE Chair Lindholm commended the design-build team, expressing appreciation for their outstanding efforts.
STAFF COMMENTS Ms. Shott also thanked the design-build team, stating that it has been a pleasure working with them. She noted their responsiveness and helpfulness, and shared that she's been very impressed with the quality of their work.
CEO None.
COUNSEL None.

The meeting **ADJOURNED** at 10:12 A.M.

Submitted by:	Submitted by:	Approved by:
________________	________________	________________
Brenda Shott	Steve Delaney	Wayne Lindholm
Staff Liaison to the Committee	Secretary to the Committee	Chair

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

PERSONNEL COMMITTEE MEETING
Wednesday, August 20, 2025
9:00 A.M.

MINUTES

OPEN SESSION

Chair Dewane called the meeting to order at 9:05 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

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

Also Present: Steve Delaney, CEO; David Kim, Assistant CEO of External Operations; Molly Murphy, Chief Investments Officer; Darren Dang, Chief Technology Officer; Manuel Serpa, General Counsel; Cynthia Hockless (Zoom), Director of Human Resources; Tracy Bowman, Director of Finance; Nicole McIntosh, Director of Disability; Will Tsao, Director of EPMO; Jeff Lamberson, Director of Retirement Operations Section - Member Services; Michelle Pak, Audio Visual Technician; Amanda Evenson, Recording Secretary

CONSENT AGENDA

C-1 PERSONNEL COMMITTEE MEETING MINUTES

Personnel Committee Meeting Minutes June 25, 2025

Recommendation: Approve minutes.

A **Motion** was made by Mr. Hilton, **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

A-2 PROPOSED 2026 STAFFING PLAN

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

Recommendation: Approve and recommend that the Board of Retirement approve the following items related to the 2026 staffing plan to be presented at the October 20, 2025, Board meeting:

Approve the creation of four (4) new career ladders and one (1) new career ladder series:

A. Add two (2) career ladders to the Investments Division
B. Add one (1) career ladder to the Disability Department
C. Add one (1) career ladder to the Human Resources Department
D. Add one (1) career ladder series to the Enterprise Project Management Office (EPMO)

The total estimated annual personnel cost for the creation of these career ladders is **$77,132.**

Ms. Hockless introduced the concept of career ladders, emphasizing their role in employee retention and professional development by providing clear pathways for progression. Over the past 10 years, OCERS has established 19 career ladders, achieving an 84% retention rate for those positions.

Mr. Delaney then presented the proposed career ladder series and recommendation for EPMO. Mr. Hilton expressed concern that the series might be designed with a specific individual in mind. In response, Mr. Delaney clarified that career ladder steps are intended to retain individuals with specialized skill sets by offering structured growth opportunities. Mr. Hilton expressed support for implementing the first step of the EPMO career ladder and recommended deferring the second step for future Committee discussion when needed.

Mr. Oates requested clarification on the fundamental purpose of a career ladder. Ms. Hockless explained that career ladders provide advancement opportunities for high-performing employees who are otherwise limited by their current job classifications. She added that career ladders are developed with the agency's long-term projects and goals in mind. In addition, Mr. Delaney noted that prior to the implementation of career ladders some eight or more years prior, OCERS was a training ground with employees leaving for County employment once they had obtained experience. Career ladders have made that outcome rare.

Mr. Oates requested a comparison between the limited-term positions created for the new Pension Administration System (PAS) project, the County position title and job description recommendations from Gallagher's Classification and Compensation study, and the proposed career ladders. Mr. Delaney clarified that the OCERS Board approved for the County of Orange to leverage the work of the Gallagher study, which will go through the County's process and be approved by the Board of Supervisors. He also noted that the transition of all staff to OCERS Direct has been halted. Ms. Murphy added that the Information Technology and Member Services departments are hiring staff to support PAS implementation, while other departments are leveraging career ladders to retain skilled, high-performing employees. Ms. Hockless clarified that the limited-term PAS project positions will be capitalized under the PAS budget in the 2026 annual budget.

Mr. Hilton recommended that the costs associated with the career ladders be reflected in the annual budget report. Staff confirmed that the career ladder cost of $77k will be reflected in the personnel expenses of the 2026 budget.

Chair Dewane inquired about the replacement cost of a position. Ms. Hockless responded that Human Resources estimates the cost at approximately one year's salary for the role. Chair Dewane emphasized that "dead-end" positions can hinder recruitment efforts and noted that career ladders help mitigate such risks by reducing turnover and replacement costs.

After discussion, a **Motion** was made by Mr. Dewane, **seconded** by Mr. Oates, to approve and recommend that the Board of Retirement approve the item as presented.

A **Substitute Motion** was made by Mr. Hilton, **seconded** by Mr. Oates, to approve and recommend 1A., 1B., and 1C. as presented and vote on 1D. separately.

The substitute motion passed **unanimously**.

A **Motion** was made by Mr. Hilton, **seconded** by Mr. Oates, for 1D. to approve the one-step career ladder for Project Assistant to Project Specialist instead of a career ladder series.

Mr. Serpa emphasized the importance of the EPMO, noting its role in embracing new technology and successfully completing projects. He stated that the department is vital to current operations and that the expense is justified given the agency's present needs.

Mr. Hilton questioned the need for the second step of the EPMO career ladder series if the intent is for the individual to advance directly into the Project Analyst role. Mr. Delaney clarified that the series was structured around organizational needs and that the employee will be expected to gain experience and demonstrate growth before progressing to the last step. He also raised the question of whether it would be efficient for the Committee to review and approve the second step of the EPMO career ladder at a later date.

Following staff's explanation, Mr. Oates acknowledged the importance of the role and expressed confidence in staff's recommendation.

The motion fails by the following vote:

AYES	**NAYS**	**ABSTAIN**	**ABSENT**
Mr. Hilton	Mr. Dewane		Mr. Packard
	Mr. Oates		

A **Motion** was made Mr. Dewane, **seconded** Mr. Oates, to approve and recommend 1D. as presented by staff.

The motion passes by the following vote:

AYES	**NAYS**	**ABSTAIN**	**ABSENT**
Mr. Dewane	Mr. Hilton		Mr. Packard
Mr. Oates			

INFORMATION ITEMS

I-1 UPDATE ON OUTREACH REGARDING EMPLOYER DATA
Presentation by David Kim, Assistant CEO of External Operations, OCERS

COMMITTEE MEMBER/CHIEF EXECUTIVE OFFICER/COUNSEL/STAFF COMMENTS
None.

ADJOURNMENT

Chair Dewane **ADJOURNED** the meeting at 10:28 A.M.

Submitted by:	Submitted by:	Approved by:
____________________	____________________	____________________
Cynthia Hockless Liaison	Steve Delaney Secretary to the Board	Shawn Dewane Chair

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

GOVERNANCE COMMITTEE MEETING
Thursday, August 21, 2025
9:30 A.M.

MINUTES

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

Recording Secretary noted the attendance of Mr. Hilton, Mr. Oates, and Chair Hidalgo.

Attendance was as follows:

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

Absent: Shari Freidenrich, Board Member.

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Darren Dang, Chief Technology Officer; Tracy Bowman, Director of Finance; Jennifer Reyes, Finance Manager; Joon Kim, Staff Attorney; Michelle Pak, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary; Jeff Lamberson, Director of Member Services; Jenny Sadoski, Director of IT; Marielle Horst, Executive Secretary; Amanda Evenson, Executive Secretary; Carolyn Nih, Executive Secretary; Will Tsao, Director of Enterprise Project Management Office; Rosie Baek, Staff Attorney; Philip Lam, Director of Internal Audit.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes May 8, 2025

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

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 OFF-CYCLE REVIEW OF THE MEMBERSHIP ELIGIBILITY REQUIREMENTS POLICY

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

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

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

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE PROTOCOL FOR HANDLING WORKPLACE COMPLAINTS AGAINST BOARD MEMBERS AND EXECUTIVES
Presentation by Manuel Serpa, General Counsel

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

After discussion, the Committee directed staff to return the Policy to them for further development before consideration at the next Governance Committee meeting.

The Committee instructed staff to invite Fiduciary Counsel for participation in the next Governance Committee meeting and to incorporate the following revisions:

- Include reference to the Indemnity and Defense Policy and provide a clear delineation between that policy and the Protocol for Handling Workplace Complaints Against Board Members and Executives Policy.
- Remove reference to executive personnel to ensure the policy maintains Board-specific focus and application.
- Include a time period for retention of related records to maintain consistency with established Human Resources practices.
- Establish a definitive parameter for complaint duration: For example, "…in a prompt, expedited manner, and in no case not more than one (1) year from the date the complaint was made known to Human Resources."
- Enhance the confidentiality provisions outlined in paragraph 16
- Modify the paragraph on independent counsel to remove the need for initial authorization.

A-4 TRIENNIAL REVIEW OF THE RESERVES AND INTEREST-CREDITING POLICY
Presentation by Brenda Shott, Assistant CEO, Internal Operations

Recommendation: Approve and recommend that the Board of Retirement approve proposed revisions to the Reserves and Interest-Crediting Policy as presented.

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

The motion passed **unanimously**.

A-5 TRIENNIAL REVIEW OF THE BOARD OF RETIREMENT CHARTER
Presentation by Steve Delaney, CEO; *Manuel D. Serpa, General Counsel*

Recommendation: Approve and recommend that the Board adopt the Board of Retirement Charter revisions.

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

The motion passed **unanimously**.

A-6 TRIENNIAL REVIEW OF THE BOARD OF RETIREMENT CHAIR CHARTER
Presentation by Steve Delaney, CEO; *Manuel D. Serpa, General Counsel*

Recommendation: Approve and recommend that the Board adopt the Board of Retirement Chair Charter revisions.

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

The motion passed **unanimously**.

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

The Committee reconvened from break at 11:01 a.m.

Recording Secretary administered roll call.

A-7 OFF-CYCLE REVIEW OF THE BOARD VICE CHAIR CHARTER
Presentation by Steve Delaney, CEO; *Manuel D. Serpa, General Counsel*

Recommendation: Approve and recommend that the Board adopt the Board Vice Chair Charter revisions.

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

The motion passed **unanimously**.

A-8 TRIENNIAL REVIEW OF THE COMMITTEE CHAIR CHARTER
Presentation by Steve Delaney, CEO; *Manuel D. Serpa, General Counsel*

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

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

The motion passed **unanimously**.

A-9 ADOPTION OF THE OAP ON RETIREES RETURNING TO WORK
Presentation by Joon Kim, Staff Attorney

Recommendation: Approve and recommend that the Board adopt OCERS Administrative Procedure regarding Retirees Returning to Work, as presented.

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

The motion passed **unanimously**.

A-10 OFF-CYCLE REVIEW OF THE POLICIES AND CHARTER REFERENCING THE STRATEGIC AND BUSINESS PLAN
Presentation by Steve Delaney, CEO

Recommendation: Approve and recommend that the Board adopt the revisions to the following policies and charter:
(1) Budget Approval Policy
(2) Chief Executive Officer Performance Evaluation Policy
(3) Monitoring and Reporting
(4) Planning Policy
(5) Procurement and Contracting
(6) Records Management Policy
(7) Succession Policy
(8) Trustee Education Policy
(9) CEO Charter

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

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 UPDATE ON THE EMPLOYER DATA POLICY
Presentation by David Kim, Assistant CEO, External Operations, and Darren Dang, Chief Technology Officer

Mr. Kim and Mr. Dang informed the Committee of the status of the Employer Data Policy and Employer Handbook, as well as the partnership between OCERS Member Services and IT. Mr. Kim identified the primary operational challenge currently impacting members, employers, and OCERS staff: the collection and processing of paid time off data within transmittal files. Due to the exclusion of paid time off data from transmittal files, members are required to provide pay stubs and time sheets for the measuring period to determine their final average salary, which causes more strain on the member and employer to manually produce that information. OCERS is working with the employers to look into ways to automate the process. OCERS is actively collaborating with employers to develop and implement automated processes that will streamline data collection and reduce administrative burden on all stakeholders.

COMMITTEE MEMBER COMMENTS
Chair Hidalgo instructed staff to look into whether an additional meeting is needed before the end of the year.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS
Dr. Delaney thanked Mr. Oates and Mr. Hilton attending two committee meetings in a row.

COUNSEL COMMENTS

Mr. Serpa agreed he would create a preliminary schedule for the November Governance Committee meeting to determine whether another meeting is required before the end of the year.

ADJOURNMENT

Chair adjourned meeting at 11:22 a.m.

Submitted by: **Approved by:**

DocuSigned by:
Manuel Serpa
A2F2C5E9E4FA4F6...

Manuel Serpa
General Counsel/Staff Liaison

DocuSigned by:
C00D5744FF39463...

Steve Delaney
Chief Executive Officer/Secretary

Signed by:
Arthur Hidalgo
57A155CB86EB460...

Arthur Hidalgo
Chair

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Memorandum

DATE: December 4, 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 the monthly status update on the OCERS Replacement Headquarters Project for November, highlighting key developments, recent decisions, and upcoming milestones.

Design Development Updates

- **Cellular Tower Relocation**
  Coordination with Verizon and its agents continues to move forward. Temporary and permanent tower relocation plans were submitted to the City of Santa Ana on October 23, 2025. The City has since provided comments, and the team is actively working with Verizon to address them.
  Relocation of the cellular tower remains a critical-path activity and presents schedule risk if approval for the temporary tower is not secured within the next month. The team is prioritizing this effort to maintain progress.

- **Construction Documents**
  The City issued second-round comments on November 10, 2025, and updated plans were resubmitted on November 24, 2025.

  The first round of comments from OCFA was received on November 25, 2025, and corrections are now underway.

  Griffin Structures continues to coordinate dry utility design and permitting.

- **Guaranteed Maximum Price**
  Snyder Langston completed subcontractor bid solicitations and presented the initial GMP to staff and the Building Committee Chair on November 10, 2025. Through several meetings and discussions, staff, Chair Lindholm, and Griffin Structures collaborated with Snyder Langston to review and refine the initial GMP.

  The final GMP was presented to and approved by the Building Committee on December 2, 2025. A recommendation to approve the GMP and amend the Snyder Langston contract to advance the project into the Development Phase has been forwarded to the Board for consideration on December 15, 2025.

  Griffin Structures also developed an all-inclusive master development budget providing transparency into the total project cost, including expenditures outside the DBE contract (e.g., permits, fees, testing, abatement, furniture and fixtures, insurance, legal). This development budget is included in Item A-2 of the December 15, 2025, Board meeting materials.

- **Public Plaza:**

  Upon review of the GMP, staff and Chair Lindholm determined the plaza costs were not aligned with an acceptable budget. To avoid project delays, the team established an allowance within the GMP, enabling limited redesign work within the approved budget parameters. This allowance was approved by the Building Committee on December 2, 2025.

- **Furniture, Fixtures, and Equipment (FF&E):**
  Griffin Structures received cost proposals from the two finalist furniture vendors. Proposal reviews and interviews are in progress, and Gensler has been asked to provide an independent assessment.
  Staff previously reviewed competitively procured contracts from other public agencies and plans to leverage those cooperative agreements in accordance with OCERS' Procurement and Contracting Policy.

Upcoming Activities and Key Dates

- **December 15, 2025** – Board consideration of the GMP
- **January 15, 2025** – Final tenant scheduled to vacate medical office building (the 30-day extension has been exercised; however, the tenant has indicated they expect to leave before January 15)
- **January 2026** – Target demolition and abatement of the Medical Office Building
- **February 2026** -Target issuance of required permits
- **March 2026** – Commence Construction

Attachments:

1. OCERS HQ Monthly Project Status Reports for November 2025 from Griffin Structures

Submitted by:

BMS - Approved

Brenda Shott
Assistant CEO, Finance and Internal Operations

OCERS Headquarters Building

Monthly Project Status Report

November 30, 2025

Schedule

OCERS Headquarters Schedule
Nov-25

Task	Dec	Jan	Feb	Mar	Apr	May	Jun
GMP preparation							
Plan check and permit							
GMP review and approval							
MOB demolition							
Commence construction							
Construction							

Monthly Summary of Activity

During the Month of November 2025, the project team completed the following on the OCERS new headquarters Project:

- Continued to meet with Verizon and confirmed the submission of their temporary and permanent tower plans to the city.
- Attended an in-person meeting to review and begin discussions on the Snyder Langston GMP.
- Developed an all-in master development budget to completion of the project.
- Held multiple meetings to facilitate and review GMP revisions.
- Coordinated Citadel to be on-site and perform more abatement and demolition testing of the MOB.
- Prepared presentation to the Building Committee to recommend approval of DBE’s GMP.

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Steve Delaney, Chief Executive Officer

SUBJECT: **CEO FUTURE AGENDAS (2026)**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

JANUARY 2026

Annual Disability Statistics
Annual OCERS Innovations
Annual Preview of "Year in Review" Communication Plan
Board Education Report
Communication Policy Fact Sheet
Form 700 Filing Requirements
Annual Information Security Summary (Closed Session)
Quarterly 2026-2028 Strategic Plan Review
CIO Comments

FEBRUARY 2026

Annual Cost of Living Adjustment
Initial STAR COLA Posting
Annual Overpaid and Underpaid Plan Benefits Report
Annual Policy Compliance Report
Report Outcome of Prior Year Business Plan
Annual Report of Contacts > $100,000
CIO Comments

MARCH 2026

STAR COLA Final Approval
GFOA Awards
Semi Annual Business Continuity Disaster Recovery Updates
Quarterly Unaudited Financial Statements
Quarterly Budget vs Actual Report
Quarterly Travel and Training Expense Report

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Darren Chilton, Senior Manager of Contracts and Operations Support Services

SUBJECT: **QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

Background/Discussion

The Quiet Period Policy, among other guidelines and requirements require:

1. *"…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;" and*

2. *"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-Status Update

- An RFP was distributed in May 2025 for Project Horizon, a new <u>Pension Administration Solution</u> to replace the current system. Five Proposals were received by the July 14,2025 deadline. Of the three finalists, two vendors were invited to submit their Best and Final Offer (BAFO) during September and October 2025. The Quiet Period Policy will remain in effect on this RFP effort until further notice.

Memorandum

DATE: December 15, 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 Mary-Joy Coburn, Director of Communications:

- NASRA News Clips

Other Items: (See Attached)

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

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Steve Delaney, Chief Executive Officer

SUBJECT: **OCTOBER 2025 ACTIVITIES and UPDATE REPORT**

PLACE HOLDER

Submitted by:

SD - Approved

Steve Delaney
Chief Executive Officer

Memorandum

DATE: December 15, 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
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February

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August

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September

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October

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December

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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	Audit Committee Meeting
Regular Board Meeting	Building Committee Meeting
Disability Committee Meeting	Governance Committee Meeting
Strategic Planning Workshop	Personnel Committee Meeting
Investment Committee Meeting	Informational Update Meeting

Updated: 9/11/2025

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 Habor, 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 Insitutional 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: December 15, 2025

TO: Members of the Board of Retirement

FROM: Richard Oates, Vice Chair

SUBJECT: **2026 OCERS BOARD COMMITTEE APPOINTMENTS**

To the members of the OCERS Board of Retirement,

I am happy to share my OCERS Board trustee committee appointments for calendar year 2026.

My goal was to honor your individual requests while adhering to OCERS policy and past practice. Humbly, this is a cohesive Board with each member bringing a unique skillset. In these appointments, I attempted to pair each member's strengths with the respective committee.

Thank you to each one of you for your kind words and support. Here's to a successful 2026 for our Board of Retirement!

Submitted by:

RO-Approved

____

Richard Oates
Vice Chair

2026					
Audit	**Building**	**Disability**	**Governance**	**Personnel**	**Investment**
Ms. Lopez Tagaloa, Chair	Mr. Vallone, Chair	Mr. Packard, Chair	Ms. Barriga, Chair	Mr. Hilton, Chair	Mr. Hidalgo, Chair
Ms. Freidenrich, Vice	Mr. Lindholm, Vice	Mr. Vallone, Vice	Mr. Packard, Vice	Mr. Dewane, Vice	Mr. Hilton, Vice
Mr. Oates	Mr. Hidalgo	Mr. Oates	Mr. Hilton	Mr. Packard	
Mr. Packard	Ms. Lopez Tagaloa	Mr. Hilton	Ms. Freidenrich	Ms. Barriga	

2025					
Audit	**Building**	**Disability**	**Governance**	**Personnel**	**Investment**
Ms. Lopez Tagaloa, Chair	Mr. Lindholm, Chair	Mr. Hilton, Chair	Mr. Hidalgo, Chair	Mr. Dewane, Chair	Mr. Oates, Chair
Ms. Freidenrich, Vice	Mr. Vallone, Vice	Mr. Packard, Vice	Mr. Hilton, Vice	Mr. Hilton, Vice	Mr. Hidalgo, Vice
Ms. Barriga	Mr. Hidalgo	Ms. Barriga	Ms. Freidenrich	Mr. Oates	
Mr. Packard	Ms. Lopez Tagaloa	Mr. Vallone	Mr. Oates	Mr. Packard	

2024					
Audit	**Building**	**Disability**	**Governance**	**Personnel**	**Investment**
Mr. Packard, Chair	Mr. Lindholm, Chair	Mr. Oates, Chair	Mr. Prevatt, Chair	Mr. Hilton, Chair	Mr. Packard, Chair
Ms. Tagaloa, Vice	Mr. Prevatt, Vice	Mr. Packard, Vice	Mr. Hidalgo, Vice	Mr. Dewane, Vice	Mr. Oates, Vice
Ms. Freidenrich	Mr. Hidalgo	Mr. Hilton	Mr. Hilton	Mr. Packard	
Mr. Prevatt	Mr. Vallone	Mr. Vallone	Mr. Oates	Mr. Oates	

Memorandum

DATE: December 15, 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 11/10/2025 to 11/21/2025 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 (Initial Procurement Activities) is in progress and currently on track overall. The project continues to progress as planned. The current stage of the project is in contract negotiations with our selected vendor, Vitech.

Within this report, Provaliant has also included the status of various "workstreams" which are also projects for the OCERS staff. These workstreams will ultimately feed into the pension administration system solution.

Phase 2 progress summary:

- **Intent to Award** is complete. The Board approved the recommendation to send the intent to award to Vitech and begin negotiations, which is a major milestone in this project.
- Negotiations are currently underway with Vitech. The project team has put a tentative deadline of **1/30/2026**. However, we will not rush this process as the contract is a foundational and critical piece of ensuring this project and implementation is successful.

Key Risks/Issues identified include:

- **Delays in Negotiation:** if the contract negotiation phase is extended past the 1/30/2026 tentative deadline, then there may be a chance the implementation schedule could slip to the right. We have enlisted the help of Mr. Tom Walsh with Ice Miller to collaboratively work with our Legal team and assist in ensuring the contract negotiations occur smoothly.

Milestones/Metrics/Action Items:

Upcoming Milestones include:

- Finalize contract negotiations: January 30, 2026

Key Takeaways:

- Phase 2 of the Horizon Program is progressing well and on track to complete the next major milestone of finalizing the contract negotiations on January 30, 2026.

Attachments:

1. R-9A OCERS HORIZON ACTIVITY REPORT 12.15.2025

Submitted by:

WT – Approved

William Tsao, Director of EPMO

Status Report as of 11/28/25

11/28/2025

Version 1.0

Document Control

Document Information	
Document Owner	Shelly Pardis
Effective Date	11/28/2025
Covering Period	11/10/25-11/21/25

Revision History

Version	Date	Description of Changes
0.1	11/28/2025	Initial Draft
1.0	12/01/2025	Review by PM team
1.1		
1.2		

Dashboard Update Period Ending: 11/28/2025 Prepared on: 12/01/2025 Published on: 12/03/2025

OCERS Horizon Program Status

Overall Engagement Status

Phase 1 – Visioning & Needs Assessment - COMPLETE

Phase 2 – In Progress RFP Development & Procurement

OCERS Horizon Accomplishments

- OCERS Board of Retirement approved the committee recommendation
- Sent Intent to Award notification to Vitech
- Conducted Process Review and Collaboration Workshop

Upcoming Milestones
1. Finalize contract negotiations (tentative date of 1/30/2026)
2.

Current / Upcoming Activity Updates:

- **Contract Negotiations**

- Negotiations have been initiated
- Based on the experience of the legal consultant, Tom Walsh with Ice Miller, with Vitech end of January is achievable but aggressive. If we are unable to complete negotiations by the end of January, it may impact the ability for the implementation project to start Q1. The PM team will continue to monitor progress and report on downstream impacts.
- Initial contact has been made with Vitech and planning is in progress for both the legal negotiations and the SOW.

Planning for the next phase:

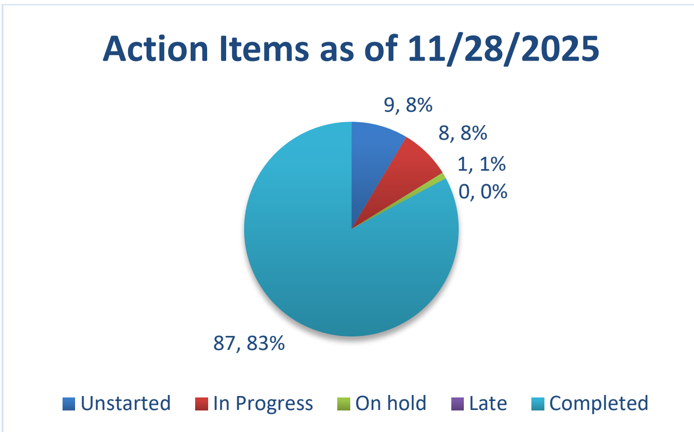
In preparation for the next phase of the project we will start tracking progress on the IT Roadmap Workstreams and any other new projects related to the OCERS modernization program. OCERS will need to assign owners (sponsors) and a project manager to each workstream.

Number	Workstream Description	Status	Notes
1	RFP and Vendor Selection	In Progress	One final deliverable (Contract Negotiations) remains.
2	Program Management, Oversight and Consultation	Not Started	Discussion related to the contract amendment are in progress
3	Business Rules and Policies	In Progress	Steady progress is being made in this workstream.
4	Organizational Change Management (OCM)	Not Started	OCERS is in the progress of determining if they wish to hire an OCM staff member or contract with a third party
5	Business, and IT Support and Backfill	In Progress	This workstream is on track and OCERS is working with the personnel committee to finalize plans and hires.
6	Employer Outreach	Not started	The project has not officially started, but there is some preliminary work in progress through the Data project.
7-12	PAS Implementation	Not started	A vendor has been recommended, and contract negotiations are in progress.
13	Data Services	In progress	OCERS is working on data cleansing of known issues. OCERS is working with Vitech to determine what will be covered in their 5,000 hours.

Number	Workstream Description	Status	Notes
14	AI Capabilities	Not Started	Some of what was planned in this workstream may overlap with the "Bridging the Gap" project(s)
15	Testing and Quality Assurance	Not Started	

Action Items:

- All Action items are being closely monitored for impact to the timeline. There are no late actions at this time, however, contract negotiations are expected to take longer than initially planned. Rescheduling is in progress.



- Late Actions:
  - None
- Key action items:
  - 1/30/2026 – Contract negotiations completed

OCERS Horizon Risk Management (Next meeting is scheduled 12/23): Risk Management is an ongoing process and will continue through the length of the project.

One new risk was added at the last meeting (#76) and three potential new risks are being investigated to see if they are already covered. The potential new risks are listed in the "New Risks to look at" action card in Hive.

- #76 - Changes to vendor project team during the execution of the project

Two risks are recommended to close. We ran out of time during the November meeting to decide and will look at these first in December.

Other Items

Issues

- None

Links

- Link to the RAID (Risk, Action, Issue, Decision) Log
  - **Risk/Issue Inventory:** Are tracked in Hive.
  - **Decision Log:** Are tracked in Hive
  - **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 - 20251201.pdf

Memorandum

DATE: December 15, 2025

TO: Members of the Board of Retirement

FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations

SUBJECT: **OUTCOMES FROM THE BUILDING COMMITTEE MEETING ON DECEMBER 2, 2025**

Written Report

Background/Discussion

As the project nears 100% design completion, the Team has systematically evaluated the remaining open design items. Most have been resolved; however, several items required Committee direction to finalize the design and maintain the schedule. The Committee met on Tuesday, December 2, 2025, to discuss and provide direction on the following design items:

1. BUILDING ENTRANCE PUBLIC PLAZA

   Gensler initiated the design of the public plaza during Schematic Design. In addition to the feedback received from the Building Committee and the Board, the Team conducted site visits throughout the County and collected employee input to inform the design of the approximately 70' x 120' space between the parking lot and the building's north elevation. Senior Executives reviewed all concepts and cost estimates from Snyder Langston (SL), resulting in a preference for a landscaped plaza with shade trees, ample concrete seating, concrete planters, trellises, and a water feature. Gensler then developed a design incorporating these elements (see attached plans and renderings).

   SL's refined cost estimate for the most recent plaza concept—which includes a shallow fountain, significant concrete seating, planters and a trellis—is $1.3 million more than the base design (which includes paving, trees with limited seating), exceeding the target budget. Additional design development will be required to create a plaza that delivers the desired amenities within available funding.

   To keep the overall project on schedule, an allowance must be included in the GMP while the Team continues to refine the design. Staff requested and received the Committee's approval of the allowance amount recommended at $800,000. The project team will work together to finalize a design that meets the budgeted allowance while meeting the design intent and functionality requirements BUILDING

2. METAL FACADE SCREEN

   The new headquarters features a contemporary design with extensive curtain walls (windows). A perforated metal screen will cover the upper portion of the boardroom windows to enhance the façade and reduce solar heat gain.

The screen, approximately 20 feet tall, creates an opportunity for an integrated graphic element such as artwork, lettering, or other visual treatment. The Team received direction from the Committee to include funding in the GMP for incorporating a graphic or design feature into the screen.

3. FLAGPOLE HEIGHT

A Trustee has requested that the flagpole be at least as tall as the building to ensure visibility from the street. The new building parapet height is 47 feet and 9 inches. The current design includes a 35-foot flagpole, consistent with City guidance. For reference, the existing headquarters flagpole is approximately 30 feet.

Increasing the flagpole height would require redesign of the foundation to address additional wind loads and would necessitate further City review and approval, resulting in added cost and possible schedule impact.

Staff received the Committee's direction to keep the flagpole height at 35 feet in the final project design.

4. TERRACE DOORS

As part of our ongoing value-engineering efforts, the Team also evaluated options for the exterior door systems at the third-floor terrace. After reviewing several alternatives, we selected a lower-cost manufacturer that still meets all performance, safety, and durability requirements for the building. This option results in a slightly less refined aesthetic compared to the premium brand originally specified, but it achieves the necessary functionality while generating approximately $120,000 in cost savings. Staff received concurrence from the Committee that this represents a responsible balance between design quality and fiscal stewardship.

Conclusion

At the December 2, 2025, Building Committee meeting, the Committee approved the expected outcomes below as discussed:

1. The Committee approved the total allowance to be included in the Guaranteed Maximum Price (GMP) for the public plaza.
2. The Committee provided direction to discuss the perforated metal screen graphics at a future Building Committee meeting.
3. The Committee provided direction to leave the height of the outdoor flagpole at 35 feet, making no changes to the budget.
4. The Committee verified the value engineering decision made related to the terrace doors.

Submitted by:

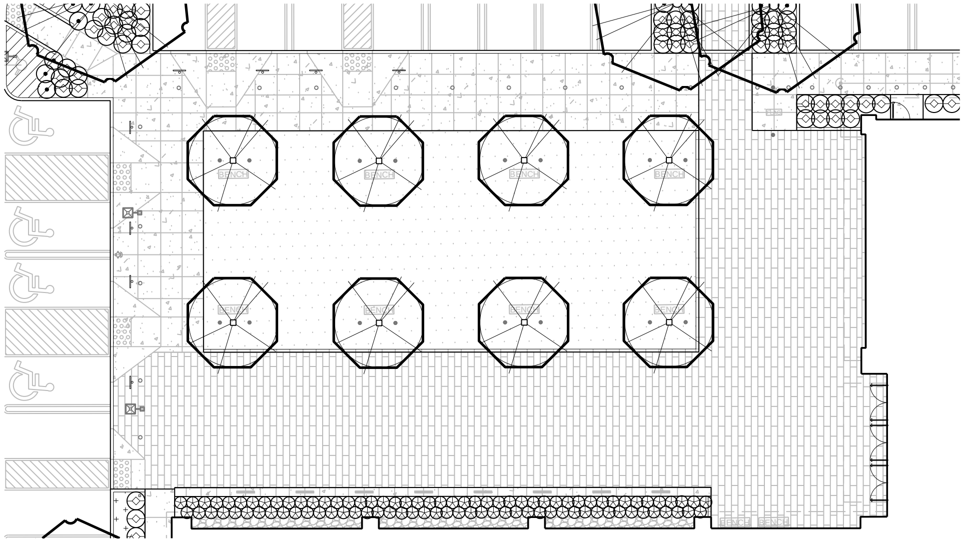
BMS - Approved

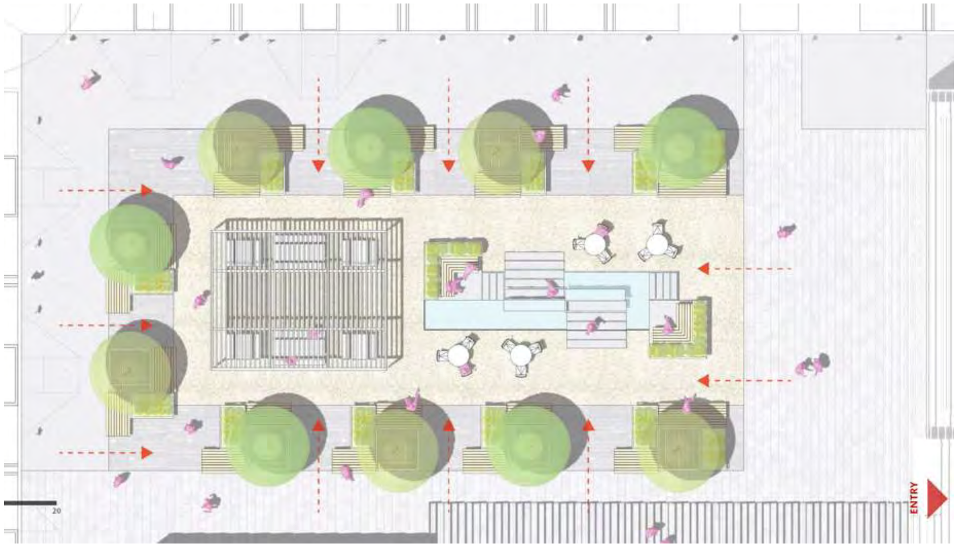
Brenda Shott, Assistant CEO, Finance and Internal Operations

Attachments Site plans and Plaza rendering
Building Façade Metal Screen Rendering and Details
Terrace door options

OCERS - PLAZA DESIGN HISTORY

Snyder Langston
Building with Mastery



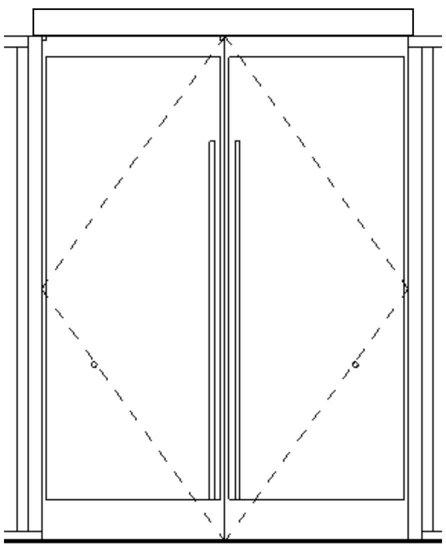



SNYDER
LANGSTON
Building with Mastery
DIAMOND
PERFORATED METALS

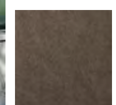
Terrace Door Options - $120,000 savings

SNYDER LANGSTON
Building with Mastery

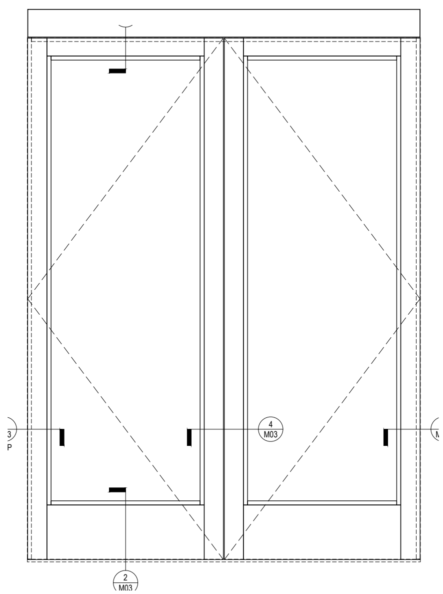
Specified Door - Ellison Bronze

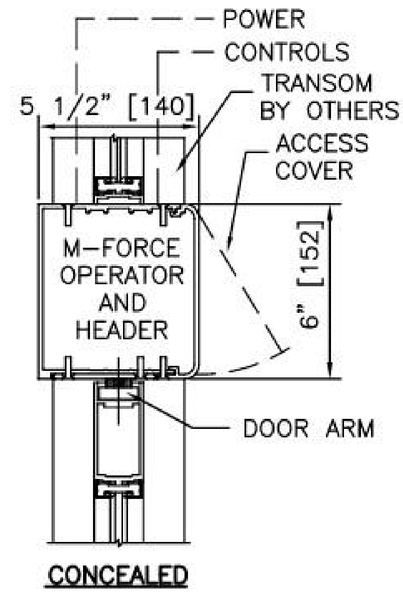


Proposed Door - Standard Curtain Wall Door



Color to match Ellison Bronze





Automatic Door Operator Detail:

1) Concealed above door
2) Detail applies to both door types