

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

REGULAR MEETING  
Wednesday, January 16, 2019  
9:00 A.M.

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.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

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 Board; and (2) any matter appearing on the Consent Agenda. **Persons wishing to provide public comment at this time should fill out a speaker card located at the back of the room and deposit it in the Recording Secretary's box located near the back counter.** When addressing the Board, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

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

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
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C-1 OPTION 4 RETIREMENT ELECTION

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

(1) None

**ADMINISTRATION**

**C-2**     [BOARD MEETING MINUTES](#)

Regular Board Meeting Minutes

December 17, 2018

**Recommendation:** Approve minutes.

**ACTION ITEMS**

**NOTE:** Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board’s discussion of the item. Persons wishing to address items on the agenda should provide written notice to the Secretary of the Board prior to the Board’s discussion on the item by signing in on the Public Comment Sign-In Sheet located at the back of the room.

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

**A-2**     [GOVERNANCE COMMITTEE OUTCOMES FROM DECEMBER 11, 2018 MEETING](#)

*Presentation by Suzanne Jenike, Assistant Chief Executive Officer, External Operations, OCERS*

**Recommendation:** The Governance Committee recommends that the Board:

- (1) Approve the Overpayment/Underpayment of Plan Contributions Policy

**A-3**     [GOVERNANCE COMMITTEE OUTCOMES FROM THE DECEMBER 11, 2018 MEETING](#)

*Presentation by Gina Ratto, General Counsel, OCERS*

**Recommendation:** The Governance Committee recommends that the Board of Retirement:

- (1) Approve the revisions to the Monitoring and Reporting Policy as approved by the Governance Committee;
- (2) Approve the revisions to the Whistleblower Policy as approved by the Governance Committee.

**INFORMATION ITEMS**

**I-1**     [MEMBER MATERIALS DISTRIBUTED](#)

Written Report

Application Notices

January 22, 2019

Death Notices

January 22, 2019

**I-2**     [COMMITTEE MEETING MINUTES](#)

- Governance Minutes
- Audit Minutes

**I-3 CEO FUTURE AGENDAS AND 2018 OCERS BOARD WORK PLAN**

Written Report

**I-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**I-5 2018 OCERS YEAR IN REVIEW: COMMUNICATION PLAN**

Written Report

**I-6 DISABILITY RETIREMENT STATISTICS – 2018 REPORT**

Written Report

**I-7 2018 FORM 700 DESIGNATED FILERS LIST AND FACT SHEET**

Written Report

**I-8 FOURTH QUARTER 2018 EDUCATION AND TRAVEL EXPENSE REPORT**

Written Report

**I-9 2019 OCERS BOARD OF RETIREMENT COMMITTEE ASSIGNMENTS**

Written Report

**I-10 CONTRACT STATUS FOR NAMED SERVICE PROVIDERS**

Written Report

**I-11 BOARD COMMUNICATIONS POLICY FACT SHEET**

Written Report

**I-12 BOARD COMMUNICATIONS**

Written Report

**I-13 OCERS INNOVATIONS/PROCESS IMPROVEMENTS AND EMPLOYEE STAFF AWARDS**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

**\* \* \* \* \* END OF INFORMATION ITEMS AGENDA \* \* \* \* \***

**CLOSED SESSION**

**E-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Position to be evaluated: Chief Executive Officer

**Recommendation:** Take appropriate action.

**DISABILITY/MEMBER BENEFITS AGENDA**

**10:00AM**

**NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF BENEFIT OR 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 AGENDA**

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 during agenda item DA-1.

**DC-1: Steven Burkley**

Sheriff's Special Officer II, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant non-service connected disability retirement with an effective date of July 7, 2017.

**DC-2: James R. Forrester**

Fire Apparatus Engineer, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of July 19, 2017.

**DC-3: Robert Morris**

Senior Plant Operator, Orange County Sanitation Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 2, 2018.

**CLOSED SESSION**

**(Government Code sections 54957 and 54956.9)**

The Board will adjourn to Closed Session pursuant to Government Code sections 54957 or 54956.9 to discuss matters relating to member applications or appeals. The member may request that the discussion relating to his or her application or appeal take place in Open Session.

**ACTION ITEMS**

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

**DISABILITY/MEMBER BENEFITS AGENDA**

**DA-2: DISABILITY APPEAL - FAHIMEH NAZARI**

Library Clerk, Orange County Community Resources

**Recommendation:** Staff recommends the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations dated October 27, 2018, and deny Applicant's application for service connected disability retirement.

**DA-3: DISABILITY APPEAL - MAX CHANCE, JR.**

Sergeant, Orange County Sheriff's Department

**Recommendation:** Staff recommends the Board dismiss the appeal by Max Chance Jr. of OCERS' denial of his application for service and non-service connected disability retirement pursuant to Section 3.E of OCERS Adjudication Policy and Administrative Hearing Rules.

**DA-4: DISABILITY APPEAL – BARBARA BELL**

Cashier, Orange County Sheriff's Department

**Recommendation:** Staff recommends that the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations dated November 26, 2018 (Proposed Decision), and deny Applicant's application for service connected and non-service connected disability retirement.

**DA-5: DISABILITY APPEAL – KEVIN WARD**

Tree Trimmer, Orange County Public Works

**Recommendation:** Staff recommends that the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Proposed Findings of Fact, Conclusions of Law, and Recommended Decision dated November 29, 2018 (Proposed Decision), and deny Applicant's appeal for an earlier effective date.

**DA-6: BENEFITAPPEAL – DAVID ROCHA**

Administrative Manager III, County of Orange

**Recommendation:** Staff recommends that the Board, pursuant to subdivision (d) of section 31534 of the California Government Code, set the matter for a hearing before itself. Additionally, staff recommends that the hearing be held in closed session during the Board's regularly scheduled meeting on March 18, 2019.

**OPEN SESSION**

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

**BOARD MEMBER COMMENTS**

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

**COUNSEL 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**

**INVESTMENT COMMITTEE MEETING**

**January 23, 2019  
9:00 A.M.**

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

**DISABILITY COMMITTEE MEETING**

**February 5, 2019  
10:00 A.M.**

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

**REGULAR BOARD MEETING**

**February 19, 2019  
11:00 A.M. OR UPON ADJOURNMENT OF THE INVESTMENT COMMITTEE MEETING,  
WHICHEVER IS LATER**

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

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

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

C-2

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

**REGULAR MEETING  
Monday, December 17, 2018  
9:00 a.m.**

**MINUTES**

Chair Prevatt called the meeting to order at 11:14 a.m.

Attendance was as follows:

Present: Chris Prevatt, Chair; Chuck Packard, Vice-Chair; David Ball; Roger Hilton; Shawn Dewane; Frank Eley; Russell Baldwin, Jeremy Vallone

Also Present: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO, External Operations; Molly Murphy, Chief Investment Officer; Gina Ratto, General Counsel; Cynthia Hockless, HR Director; Javier Lara, Visual Technician; Cammy Torres, Recording Secretary.

Absent: Shari Freidenrich, Wayne Lindholm

Guests: Harvey Leiderman

**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.

A **motion** was made by Mr. Hilton **seconded** by Mr. Dewane to approve the consent agenda.

Motion passed **unanimously**.

<b>BENEFITS</b>
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**C-1 OPTION 4 RETIREMENT ELECTION**

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

(1) None

<b>ADMINISTRATION</b>
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**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

November 19, 2018

**Recommendation:** Approve minutes.

**ACTION ITEMS**

**NOTE:** Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board’s discussion of the item. Persons wishing to address items on the agenda should provide written notice to the Secretary of the Board prior to the Board’s discussion on the item by signing in on the Public Comment Sign-In Sheet located at the back of the room.

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

**A-2 ELECTION OF BOARD VICE-CHAIR**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

**Recommendation:** Elect a new OCERS Board Vice-Chair for calendar year 2019.

A **motion** was made by Mr. Eley **seconded** by Mr. Baldwin to nominate Mr. Hilton as the OCERS new Vice-Chair for calendar year 2019.

Motion passed **unanimously**.

**A-3 2019 OCERS BOARD MEETING CALENDAR**

*Presentation by Steve Delaney, Chief Executive Officer*

**Recommendation:** Approve the 2019 OCERS Board Meeting Calendar as well 2019 Calendar for the Investment Committee.

The Board discussed the 2019 proposed meeting dates month by month and made changes accordingly.

Below are the approved Regular Board meeting and Investment Committee meeting dates:

January –  
Regular Board Meeting – 16  
I/C meeting – 23

February –

Regular Board Meeting - 19  
I/C meeting – 27

March –

Regular Board Meeting – 18  
I/C meeting – 28

April –

Regular Board Meeting - 15  
I/C meeting – 23

May –

Regular Board Meeting - 20  
I/C meeting – 29

June –

Regular Board Meeting – 17  
I/C meeting – 26

July –

Regular Board Meeting – 11  
I/C meeting – 31

August –

Regular Board Meeting - 19  
I/C meeting – 28

September –

Strategic Planning Workshop: September 18-19

October –

Regular Board Meeting – 21  
I/C meeting – 31

November –

Regular Board Meeting – 18  
I/C Meeting – 25

December –

Regular Board Meeting – 16  
I/C Meeting – 19

A **motion** was made by Mr. Ball **seconded** by Mr. Hilton to approve the 2019 OCERS Board Meeting Calendar as the 2019 Calendar for the Investment Committee.

Motion passed unanimously.

**INFORMATION ITEMS**

**I-1 MEMBER MATERIALS DISTRIBUTED**

Written Report

Application Notices

December 17, 2018

Death Notices

December 17, 2018

**I-2 COMMITTEE MEETING MINUTES**

- None

**I-3 CEO FUTURE AGENDAS AND 2019 OCERS BOARD WORK PLAN**

Written Report

**I-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**I-5 OCERS TRUSTEE EDUCATION SUMMARY REPORT**

Written Report

**I-6 GENERAL MEMBER ELECTION OUTCOME**

Written Report

**I-7 BOARD COMMUNICATIONS**

Written Report

**I-8 RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE**

*Presentation by Linda Robinson and Doug Storm, Co-Presidents, REAOC*

Linda Robinson and Doug Storm, REAOC co-presidents, gave an overview of challenges faced by retirees in 2018. They also thanked OCERS staff for their services on behalf of retired members.

**\* \* \* \* \* END OF INFORMATION ITEMS AGENDA \* \* \* \* \***

***The Board recessed for lunch at 12:15 p.m.***

***Mr. Dewane left for the day.***

***The Board reconvened from lunch at 1:02 p.m.***

***The Board adjourned into closed session at 1:02 p.m.***

***The Board reconvened from closed session at 2:08 p.m.***

**CLOSED SESSION**

**E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED**

**(Government Code section 54956.9(d)(1).)**

**Jeffrey Gross v. OCERS; County of Orange; et al., CA Superior Court, County of Orange (Case No. 30-2017-00944959)**

Adjourn to closed session pursuant to Government Code section 54956.9(d)(1).

Recommendation: Take appropriate action.

No reportable action taken on item E-1.

**DISABILITY/MEMBER BENEFITS AGENDA**

**11:00 A.M.**

**NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF BENEFIT OR 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 AGENDA**

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 during agenda item DA-1.

A **motion** was made by Mr. Baldwin, **seconded** by Mr. Ball to approve the Disability Consent Agenda. The motion carried **7-0** with voting as follows:

**AYES**

Chair Prevatt  
Mr. Dewane  
Mr. Ball  
Mr. Baldwin  
Mr. Packard  
Mr. Eley  
Mr. Hilton

**NAYS**

**ABSTAIN**

**ABSENT**

Ms. Freidenrich  
Mr. Lindholm

**DC-1: Chris Anderson**

Sheriff Special Officer II, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant non-service connected disability retirement with an effective date of October 13, 2017.

**DC-2: Betty Fenton**

Correctional Service Technician, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 20, 2018

**DC-3: Gary Mueller**

Deputy Sheriff II, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 30, 2018.

**DC-4: Andrew Ogren**

Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of September 14, 2018.

**DC-5: James Stark**

Fire Apparatus Engineer, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of the day after the last day of regular compensation.

**CLOSED SESSION**

**(Government Code sections 54957 and 54956.9)**

The Board will adjourn to Closed Session pursuant to Government Code sections 54957 or 54956.9 to discuss matters relating to member applications or appeals. The member may request that the discussion relating to his or her application or appeal take place in Open Session.

**ACTION ITEMS**

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

**DISABILITY/MEMBER BENEFITS AGENDA**

**DA-2: DISABILITY APPEAL - FAHIMEH NAZARI**

Library Clerk, Orange County Community Resources

**Recommendation:** Staff recommends the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations dated October 27, 2018, and deny Applicant’s application for service connected disability retirement.

Item DA-2 was **pulled** from the agenda.

**DA-3: DISABILITY APPEAL - MAX CHANCE, JR.**  
Sergeant, Orange County Sheriff’s Department

**Recommendation:** Staff recommends the Board dismiss the appeal by Max Chance Jr. of OCERS’ denial of his application for service and non-service connected disability retirement pursuant to Section 3.E of OCERS Adjudication Policy and Administrative Hearing Rules.

Item DA-3 was **pulled** from the agenda.

**OPEN SESSION**

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

**BOARD MEMBER COMMENTS**

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

Ms. Hockless provided staffing updates as of December 17, 2018.

**COUNSEL COMMENTS**

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

**Active Members**

Johnson, Jerome

**Retired Members**

Betts, Jack  
Booke, Jessie  
Field, Annabel  
Heim, Victor  
Hightower, Marna  
Hunnell, Harley  
Kaelber, Fred  
Kozar, Robert  
Metcalf, Shawn

Peruzzi, Ernest  
Ramsey, James  
Street, Robert  
Wachs, Robert  
Zavala, Ruben  
Zverina, Amaly

**Surviving Spouses**

Bacon, Dolores  
Carlisle, Donald  
Olson, Maurice  
Reese, Ralph  
Smallwood, Helga  
Stanton, Robert  
Stephens, Bonnie  
Wheeler, Lee

There being no further business to bring before the Board, the meeting adjourned at 2:14 p.m.

Submitted by:

Approved by:

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Steve Delaney  
Secretary to the Board

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Chris Prevatt  
Chairman

A-2



## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Suzanne Jenike, Assistant CEO, External Operations  
**SUBJECT:** **GOVERNANCE COMMITTEE OUTCOMES FROM DECEMBER 11, 2018 MEETING**

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### Recommendation

The Governance Committee recommends that the Board of Retirement:  
(1) Approve the Overpayment/Underpayment of Plan Contributions Policy

### Background/Discussion

The *Overpayment and Underpayment of Plan Contributions Policy* was presented to the Governance Committee for initial reading and discussion at the October 11, 2018 meeting. Based on direction from the Committee the policy was updated so that language in the *Policy* was harmonized with the *Overpayment and Underpayment of Plan Benefits Policy* as well as to make other minor typographical/nomenclature updates. The Governance Committee had a second reading on December 11, 2018 and recommends that the Board of Retirement approve the *Policy*.

As of the date of this memo staff has not received any feedback on the *Overpayment and Underpayment of Plan Contributions Policy* from any of OCERS participating Plan Sponsors or stakeholder groups.

### Submitted by:

\_\_\_\_\_  
SJ- Approved  
Suzanne Jenike  
Assistant CEO, External Operations

OCERS Board Policy  
**Overpaid and Underpaid  
Plan Contributions Policy**

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## **Purpose and Background**

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

## **Policy Objectives**

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

## **Policy Guidelines**

3. As soon as practicable after discovery of overpaid or underpaid contributions and after written notification to the affected member and employer, OCERS will (i) correct the contribution amount for active members and employers prospectively; and (ii) pay or credit to, or collect from, the member and credit to or collect from the employer, the amounts to which the member, employer or the Plan is entitled in accordance with this policy and applicable law.
4. This policy is designed for use when calculation and other errors affect an individual member’s plan contributions. In the event of a system-wide error that affects multiple members’ contributions, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances.
5. In the event of any inconsistency between applicable law (including IRS rules) and these policies and procedures, the law shall govern.

## **Procedures for Underpaid Contributions**

### ***Employers***

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

**OCERS Board Policy**  
**Overpaid and Underpaid**  
**Plan Contributions Policy**

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Interest on the underpaid contributions shall be charged to and paid by the employer at the System's actuarially assumed rate of return.

**Members**

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

The amount of the member's underpaid contributions for active members will be collected in accordance with section 9 below.

If the active member retires or becomes a deferred member of the Plan prior to repayment in full of the underpaid contributions, the remaining amount owing to the Plan will be collected in accordance with section 8 below.

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

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

9. The Board adopts the following procedures to recover underpaid contributions by members to the Plan:
- a. **For Active Members.** Upon discovery of the underpaid contributions, OCERS will notify the member of the prospective adjustment to (increase in) the member's contribution rate to the Plan (to reflect the correct amount of member contributions to the Plan) and provide the member with the following two options:
- *Option 1* – Equal pre-tax installment payments deducted from the member's biweekly salary over the same length of time that the underpaid contributions occurred, with interest as set forth in section 7 above applied during the underpayment period and during the repayment period; or
  - *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 7 above applied during the underpayment period.
- b. **For Retired and Deferred Members.** Inform the member of the underpayment and provide the member with the following two options:.

**OCERS Board Policy**

# **Overpaid and Underpaid Plan Contributions Policy**

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- *Option 1* – Equal installments deducted from the member’s monthly pension amount over a period established in the discretion of the Director of Member Services not to exceed five years; or
  - *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 8 above applied during the underpayment period.
- c. In cases of extreme hardship, the member may request, and the CEO may grant, a longer period of repayment of the underpaid contributions
- d. OCERS may pursue all legal remedies to collect such underpaid member contributions to the Plan, including making a claim against the member’s estate or trust. In addition, if the member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the member’s estate or named beneficiaries of the member; provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.
10. Compromising Claims.
- a. When the total amount of the Plan’s claim against the member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.
- b. Only the Board may compromise claims in which the total amount of such underpaid contributions, not including interest, is greater than \$1,000.
- c. The amount of the Plan’s claim for underpaid contributions is the difference between the amounts actually paid by the member for the recovery period and the amounts that should have been paid, together with “appropriate interest” from the dates of the actual payments to the date(s) the correction is effective. The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member will be considered by the CEO and/or the Board when determining whether to compromise a claim. Compromising a claim may include a different method of repayment than is otherwise provided by this policy and/or forgiveness or partial forgiveness of principal and/or interest.

## **Procedures for Overpaid Contributions**

### ***Employers***

11. When an employer has overpaid contributions to the Plan, the employer shall be entitled to a credit to its actuarial accrued liability in the amount necessary to correct the error, plus interest at System’s actuarial assumed rate of return.

## OCERS Board Policy

# Overpaid and Underpaid Plan Contributions Policy

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### **Members**

12. When a member has overpaid contributions to the Plan, (i) an active member shall be entitled to a prospective adjustment to his or her contribution rate to reflect the correct amount, and OCERS will inform the employer of the amount of the overpayment and the employer will offset the amount against the member's future contributions via the employer's payroll system; and (ii) retired and deferred members will be entitled to a lump sum payment within 45 days of discovery of the overpayment and receipt of all information needed to make the correction for all past overpaid amounts, with interest compounded annually using the rate of interest credited by OCERS to member contributions.
13. If a member who overpaid contributions to the Plan dies prior to payment of the lump sum amount due, the payment will be made according to OCERS' standard procedures for paying residual amounts following the death of the member (*e.g.*, to the designated beneficiary, estate, personal representative, trustee of the member trust, etc.).
  - a. If, after following its standard procedures, Plan staff is not able locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
  - b. The Plan will maintain a permanent record of all amounts of outstanding refunds of overpaid contributions and any amounts that have been transferred into the pension reserve fund.

### **Member Appeal Rights**

14. A member shall have the right to appeal any decision regarding corrective actions that the Plan takes with respect to recovering and/or returning over and underpayments of Plan contributions.
15. The appeal process will generally follow the same pattern as benefit appeals as set forth in the Adjudication and Administrative Hearing Rules (Disability and Non-Disability Benefits) Policy. Offsets and other collection efforts will be stayed during the pendency of the appeals process; provided, however, that the Board shall have the discretion to suspend implementing its recovery from the member in whole or in part during any ensuing court action. Interest will continue to accrue on all amounts owed to OCERS during the appeals process and litigation.

### **Policy Review**

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

### **Policy History**

17. This policy was adopted by the Board of Retirement on MONTH, DATE, 2018.

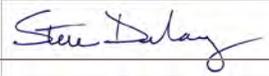


**OCERS Board Policy**  
**Overpaid and Underpaid**  
**Plan Contributions Policy**

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**Secretary's Certificate**

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



Steve Delaney  
Secretary of the Board

\_\_\_\_\_ Date

A-3

## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT:** **GOVERNANCE COMMITTEE OUTCOMES FROM DECEMBER 11, 2018 MEETING**

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### Recommendation

The Governance Committee recommends that the Board of Retirement:

- (1) Approve the revisions to the Monitoring and Reporting Policy as approved by the Governance Committee;
- (2) Approve the revisions to the Whistleblower Policy as approved by the Governance Committee.

### Background/Discussion

The Governance Committee met on December 11, 2018 and reviewed the Monitoring and Reporting Policy and Whistleblower Policy, both of which were scheduled for review by the Board, after review by the Governance Committee.

#### Monitoring and Reporting Policy

Incident to its duty to oversee the activities and performance of OCERS, the Board established the Monitoring and Reporting Policy in 2001 to set out the Board's expectations concerning the reports it should receive on a regular basis. The policy was due for review by the Governance Committee and the Board in 2017, but was not presented to the Governance Committee until December 2018 due to staff oversight.

Attached are redlined and clean drafts that set forth the revisions to the Monitoring and Reporting Policy that were approved by the Governance Committee at its December 11, 2018 meeting and that are now recommended to the Board for approval.

The policy includes an attachment (Appendix I to the policy) that lists the routine reports and identifies who is responsible for preparing them. The changes in Appendix I will conform the list of reports to actual current reporting practices.

The recommended revisions to Appendix I include the following:

- Four reports have been modified in their titling or description;
- Five reports are recommended to be deleted as follows:
  - The Portfolio Rebalancing Report, because it is now part of the Portfolio Activity Report
  - The Derivatives Report, because it was deleted by the Investment Committee in current IPS

- The Performance Review of Direct Hedge Fund Investments, because it was discontinued upon termination of Hedge Fund Consultant
- The Economic Dashboards and CIO House Views, which was replaced by CIO monthly verbal report to the Investment Committee
- The Annual Derivatives Report, which was deleted by the Investment Committee in current IPS

▪ Three reports are recommended to be added as follows:

**INVESTMENTS**

Issue	Description and Purpose of Report	Frequency	Prepared By
Manager Selection and Terminations	Enables Committee to review recent manager activity	Monthly	CIO

**AUDIT**

Issue	Description and Purpose of Report	Frequency	Prepared By
Business Continuity and Disaster Recovery	Enables Board to evaluate staff activities ensuring agency preparedness.	Quarterly	Assistant CEO of Internal Operations
Cybersecurity	Enables Audit Committee to evaluate staff activities ensuring agency data security.	Quarterly	Director of Cybersecurity

**Whistleblower Policy**

The Whistleblower Policy was adopted by the Board on May 17, 2011, and was last reviewed and revised on March 17, 2014. It was scheduled for review and approval by the Board after review by the Governance Committee in 2018.

At its December 11, 2018 meeting, the Governance Committee approved the following revisions to the Whistleblower Policy and now recommends these revisions to the Board:

Add to paragraph 9 of the policy, the underlined text below:

9. It is the policy of the Board of Retirement of OCERS that no Board member, management employee, or other employee may retaliate against any OCERS Board member, employee, service provider, member, beneficiary, or any other person who discloses information to a government or law enforcement agency in compliance with the whistleblower provisions of the Labor Code. However, OCERS reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

Revise paragraph 10 of the policy as follows:

10. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis, but should describe in detail the specific facts demonstrating the basis for the complaint, report or inquiry. They may be directed to the Chief Executive Officer or Director of Administrative Services, or to the General Counsel if involving the Chief Executive Officer or Director of Administrative Services. OCERS will conduct a prompt, discreet, and objective review of investigation in response to the complaint, report or inquiry. However, employees must recognize that OCERS may be unable to fully evaluate or address a report or inquiry that is made anonymously on in a vague or general matter. Further, OCERS cannot

~~assure the complaining employee of complete confidentiality through the investigative process, as that process may require disclosure to others of the nature of the complaint made and related facts. It is further the policy of the Board of Retirement of OCERS that all disclosures of information regarding violations of law or violations or noncompliance with rules and regulations shall be investigated and acted on appropriately by the OCERS Board and OCERS management.~~

The revisions are set forth in underlined/strikeout text in the attached copy of the policy.

A copy of the **draft** minutes of the December 11, 2018 Governance Committee meeting is also attached.

Attachments

**Submitted by:**



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Gina M. Ratto  
General Counsel

## Background

1. In keeping with the duty of the Board of Retirement to oversee the activities and performance of OCERS, the Board has established this Monitoring and Reporting Policy, which sets out the Board's expectations concerning the reports it is to receive on a regular basis.

## Principles

2. Although it is prudent for the Board of Retirement to delegate certain of its responsibilities, it must nevertheless supervise those to whom it has delegated responsibilities using defined reporting and monitoring processes.

## Guidelines

3. The Board of Retirement will be provided the routine reports outlined in Appendix 1 with a frequency also set out in Appendix 1. The Board will be provided other ad hoc reports as required.
4. Appendix 1 of this Policy will address the routine reporting needs of the Board of Retirement across a range of reporting areas including:
  - a. Governance;
  - b. Investments;
  - c. Funding;
  - d. Member Services and Disability;
  - e. Administration; and
  - f. Audit.
5. Board members are expected to review all reports provided to the Board of Retirement, and to question management about any issues of concern contained in any such report.
6. Management will work continuously to improve the format and content of routine reports provided to the Board to ensure they meet the needs of the Board, provide adequate and timely information and are understandable.
7. Routine reports will not only address performance measurement, but also compliance with OCERS' policies and procedures.

## *Investment Reports*

8. For the purposes of Board reporting, investment performance of the Fund will be measured by an independent performance measurement firm.
9. Investment performance reports will be prepared in accordance with the *Performance Presentation Standards* prescribed by the CFA Institute, or comparable standards.
10. Investment performance benchmarks will be specified within the investment policy statement.

## OCERS Board Policy Monitoring and Reporting

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11. The primary performance benchmarks used to evaluate the performance of public market investments will be based on passive market indices or similar generally accepted benchmarks. For the alternative assets, appropriate benchmarks as specified within the investment policy statement will be used to evaluate performance. Peer comparisons of total fund performance will be considered when reviewing the performance of the investment program, but shall not constitute the primary investment benchmark.

### *Other Reports*

12. Where feasible, performance measurement on administration and other matters – such as service quality to members – may be delegated to independent third-parties; however, due to the lack of standard measurement techniques and benchmarks, much of the performance measurement function may be performed internally for the foreseeable future. If available, appropriate peer group comparisons may be used as benchmarks in assessing the performance of the benefit administration function.

### **Policy Review**

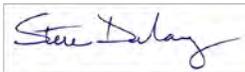
13. The Board of Retirement will review this policy, including Appendix 1, at least once every three (3) years to ensure that it remains relevant and appropriate.

### **Policy History**

14. The Board of Retirement adopted this policy on Monday, November 18, 2002.
15. The policy was revised May 16, 2005, May 19, 2008, December 19, 2011, ~~and~~ October 20, 2014, and January 16, 2019.

### **Secretary's Certificate**

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



10/20/141/16/19

Steve Delaney  
Secretary of the Board

Date

## Governance Reports

### Standard Reports

<u>ISSUE</u>	<u>REPORT DESCRIPTION AND PURPOSE</u>	<u>FREQUENCY</u>	<u>PREPARED BY</u>
Trustee Education	Summarizes the activities of the Board of Retirement with respect to education.	Quarterly	Chief Executive Officer
CEO Evaluation	Summarizes the performance assessment of the CEO	Annually	Chair / Designated Third Party

## Investment Reports

### Standard Reports

<u>ISSUE</u>	<u>REPORT DESCRIPTION AND PURPOSE</u>	<u>FREQUENCY</u>	<u>PREPARED BY</u>
Investment Performance	Enables Investment Committee to asses investment performance for total fund, each asset class, and by investment manager.	Quarterly	Investment Consultant
Investment Manager Portfolio Compliance	Enables Investment Committee to review investment manager compliance with respect to investment guidelines.	Quarterly	Investment Staff
Performance Review of Alternative Investments	Enables Investment Committee to evaluate performance of alternative investment classes such as private equity, venture capital and natural resource investments.	Semi-annually	<del>General-</del> <u>Investment Private Equity/Private Real Assets</u> Consultant
Performance Review of Real Estate Investments	Enables Investment Committee to asses the performance of the system's real estate investments.	Quarterly	Real Estate Consultant
Portfolio <del>Values and Actual vs. Target</del> Allocations	Enables Investment Committee to monitor the portfolio and the asset allocations.	Monthly	Investment Staff
<del>Portfolio Re-balancing</del>	<del>Enables Investment Committee to review re-balancing activities.</del>	<del>Semi-annually</del>	<del>Investment Staff</del>
<del>Derivatives Report</del>	<del>Enables Investment Committee to</del>	<del>Quarterly</del>	<del>Investment Staff/Risk</del>

# Appendix 1

ISSUE	REPORT DESCRIPTION AND PURPOSE	FREQUENCY	PREPARED BY
	<del>review OCERS' derivative exposure within separate accounts.</del>		<del>Consultant</del>
<del>Performance Review of Direct Hedge Fund Investments</del>	<del>Enables Investment Committee to evaluate the performance of the system's direct hedge fund investments.</del>	<del>Quarterly</del>	<del>Hedge Fund Consultant</del>
Portfolio Risk Review	Enables Investment Committee to assess risks in the system's portfolio and current macro risks.	Quarterly	Risk Consultant
<del>Economic Dashboards and CIO House Views</del>	<del>Informs Investment Committee of current economic and market conditions.</del>	<del>Monthly</del>	<del>Investment Staff</del>
<del>Manager Surveillance Investment Manager Compliance</del> Report	Facilitates periodic review of Committee's Watch list and staff's portfolio surveillance activity.	Quarterly	Investment Staff
Asset Class and Sector Reviews	Assures periodic Investment Committee review of the structure and manager performance within sub asset classes.	1 or 2 per quarter	General Investment Consultants, <u>Private Equity and Real Estate</u>

## Other Investment Reports

ISSUE	REPORT DESCRIPTION AND PURPOSE	FREQUENCY	PREPARED BY
Annual review of CAFR investment items	Provides public information for review of various investment expenses and risk exposures.	Annually	Investment and Finance Staff
Annual Fee Report	Enables Investment Committee to monitor and evaluate OCERS' manager fees for prior calendar year by manager and by asset class.	Annually	CIO
Annual Proxy Voting Report	Facilitates Board's ongoing oversight of OCERS' proxy voting policy, summary of OCERS' proxy voting, and key governance trends for current proxy voting season.	Annually	Proxy Voting Service Provider
<del>Annual Derivatives Report</del>	<del>Enables Investment Committee to review OCERS' overall use of derivatives and associated risks.</del>	<del>Annually</del>	<del>CIO</del>

## Funding Reports

### Standard Reports

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
Actuarial Valuation	Establishes the financial position of the pension plan on a going concern and solvency basis, and determines the rates of contribution.	Annually	Consulting Actuary
Experience Analysis	Reviews the appropriate long-term economic assumptions such as investment return and wage and price inflation, and demographic assumptions such as disability rates and mortality rates.	Every three years	Consulting Actuary
Asset / Liability Study	A study of the relationship between OCERS's assets and liabilities to determine the appropriateness of OCERS' asset allocation policy.	At least every five years	Consulting Actuary / Investment Consultant

## Member Services and Disability

### Standard Reports

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
Applications for Retirement	Report on members who have applied for retirement	Monthly	Member Services
Payees who have died	Identifies payees who have died	Monthly	Member Services
Disability applications	Report on disability applications processed during the preceding year	Yearly	Disability

## Audit

### Standard Reports

<u>ISSUE</u>	<u>REPORT DESCRIPTION AND PURPOSE</u>	<u>FREQUENCY</u>	<u>PREPARED BY</u>
Actuarial Audit	An independent review of the validity of the analyses and methodologies used in preparing OCERS' actuarial valuation.	At least every five years	Independent Actuary
<u>Business Continuity/ Disaster Recovery</u>	<u>Report on staff activities to ensure OCERS' preparedness</u>	<u>Quarterly</u>	<u>Assistant CEO of Internal Operations</u>
<u>Cybersecurity</u>	<u>Report on staff activities regarding cybersecurity</u>	<u>Quarterly</u>	<u>Director of Cybersecurity</u>
Financial statements audit reports: "OCERS' Report to the Audit Committee for the Year Ended December 31, 20XX" and "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards"	The external auditor's report on communications with the Audit Committee, including significant findings and other matters.  The second report describes the scope of audit testing of internal control, compliance, and the results of testing.	Annually	External Auditor
Audit Plan	A description of planned audits and projects of Internal Audit approved by the Audit Committee.	At least annually	Internal Audit
Ethics, Compliance, and Fraud Hotline Usage Report	A description of the reports submitted using a third party hotline.	At least annually	Internal Audit

## Administrative Reports

### Standard Reports

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
Business Plan and Strategic Plan	Summarizes the status of each initiative contained in the Business Plan and sets out the multi-year Strategic Plan.	Annually	CEO
Budget	Operational Budget for both Administration and Investment.	Annually	CEO
Budget Variance	Summarizes the status of material variances from the operational budget.	Quarterly	Assistant CEO, Internal Operations
Financial Reports	Quarterly report on the financial position of OCERS, covering unaudited financial statements, progress on the audited financial statements, expenses and recaptured commissions.	Quarterly	Assistant CEO, Internal Operations
Audited Financial Statements & Auditor's Opinion	The audited financial statements, which indicate the financial position of OCERS.	Annually	Independent Auditor
Form 700 Filing Requirements	List of positions that are Designated Filers (under the OCERS Conflict of Interest Code) required to file Form 700 annually.	Annually in January	OCERS Form 700 Filing Officer
Vendor Contracts	List of all vendor contracts above \$50,000 annually with those due for renewal highlighted.	Annually	Budget Officer
Board Communications	Communications Policy Fact Sheet summarizes the policy for all Board communications.	Annually in January	Board Secretary

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## **Monitoring and Reporting**

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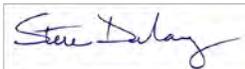
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### **Secretary's Certificate**

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



**01/16/19**

Steve Delaney  
Secretary of the Board

Date

## Governance Reports

### Standard Reports

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Trustee Education	Summarizes the activities of the Board of Retirement with respect to education.	Quarterly	Chief Executive Officer
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## Investment Reports

### Standard Reports

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## Appendix 1

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### Funding Reports

#### Standard Reports

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Actuarial Valuation	Establishes the financial position of the pension plan on a going concern and solvency basis, and determines the rates of contribution.	Annually	Consulting Actuary
Experience Analysis	Reviews the appropriate long-term economic assumptions such as investment return and wage and price inflation, and demographic	Every three years	Consulting Actuary

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
	assumptions such as disability rates and mortality rates.		
Asset / Liability Study	A study of the relationship between OCERS's assets and liabilities to determine the appropriateness of OCERS' asset allocation policy.	At least every five years	Consulting Actuary / Investment Consultant

## Member Services and Disability

### *Standard Reports*

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
Applications for Retirement	Report on members who have applied for retirement	Monthly	Member Services
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## Audit

### Standard Reports

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Audit Plan	A description of planned audits and projects of Internal Audit approved by the Audit Committee.	At least annually	Internal Audit
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## Administrative Reports

### Standard Reports

<b>ISSUE</b>	<b>REPORT DESCRIPTION AND PURPOSE</b>	<b>FREQUENCY</b>	<b>PREPARED BY</b>
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Audited Financial Statements & Auditor's Opinion	The audited financial statements, which indicate the financial position of OCERS.	Annually	Independent Auditor
Form 700 Filing Requirements	List of positions that are Designated Filers (under the OCERS Conflict of Interest Code) required to file Form 700 annually.	Annually in January	OCERS Form 700 Filing Officer
Vendor Contracts	List of all vendor contracts above \$50,000 annually with those due for renewal highlighted.	Annually	Budget Officer
Board Communications	Communications Policy Fact Sheet summarizes the policy for all Board communications.	Annually in January	Board Secretary

# OCERS Board Policy Whistleblower Policy

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## Purpose and Background

1. It is the policy of the Board of Retirement of OCERS to encourage employees to notify an appropriate government or law enforcement agency when an employee has reasonable cause to believe that information in the employee's possession discloses a violation of a state or federal statute or a violation or noncompliance with a state or federal rule or regulation. Employees are provided with protection against retaliation for engaging in valid whistleblowing activities, as defined below, under the provisions of California Labor Code §1102.5. The purpose of this policy is to assure OCERS' employees that they are provided with such protection in compliance with the law.

## Policy Objectives

2. The objectives of the policy are to provide guidance to OCERS Board members, staff, and management regarding the reporting of violations of state or federal laws, rules, and regulations, and to assure staff that reports based upon a reasonable belief of wrongdoing will be accepted and acted upon without fear of retaliation.

## Policy Guidelines

3. OCERS should carry out its duties in the spirit of open governance.
4. The persons protected by the policy are "whistleblowers" who are OCERS employees, including employees of the County of Orange assigned to work at OCERS and OCERS Board members.
5. Under the Labor Code, protected activity is the disclosure of information to a government or law enforcement agency where the employee has reasonable cause to believe that the information discloses a violation of state or federal law or a violation or noncompliance with a state or federal rule or regulation.
6. Protected activity may also include the disclosure of suspected fraud, misuse of OCERS' resources by vendors, contractors, OCERS Board members or employees, and significant violations of OCERS or County of Orange policy.
7. Protected activity may also include, with reference to employee safety or health, disclosure of unsafe working conditions or work practices in the employee's employment or place of employment.
8. For the purposes of this policy, a report made by an OCERS employee to OCERS management or to a member of the Board of Retirement is a disclosure of information to a government or law enforcement agency.
9. It is the policy of the Board of Retirement of OCERS that no Board member, management employee, or other employee may retaliate against any OCERS Board member, employee, service provider, member, beneficiary, or any other person who discloses information to a government or law enforcement agency in compliance with the whistleblower provisions of the Labor Code. However, OCERS reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

## OCERS Board Policy Whistleblower Policy

10. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis, but should describe in detail the specific facts demonstrating the bases for the complaint, report or inquiry. They may be directed to the Chief Executive Officer or Director of Administrative Services, or to the General Counsel if involving the Chief Executive Officer or Director of Administrative Services. OCERS will conduct a prompt, discreet, and objective review of investigation in response to the complaint, report or inquiry. However, employees must recognize that OCERS may be unable to fully evaluate or address a report or inquiry that is made anonymously on in a vague or general matter. It is further the policy of the Board of Retirement of OCERS that all disclosures of information regarding violations of law or violations or noncompliance with rules and regulations shall be investigated and acted on appropriately by the OCERS Board and OCERS management. Further, OCERS cannot assure the complaining employee of complete confidentiality through the investigative process, as that process may require disclosure to others of the nature of the complaint made and related facts.

### Policy Review

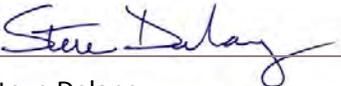
11. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### Policy History

12. The Board of Retirement adopted this policy on May 17, 2011. The policy was revised on March 17, 2014 and January 16, 2019.

### Secretary's Certificate

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



Steve Delaney  
Secretary of the Board

3/17/1401/16/19

Date

## **Purpose and Background**

1. It is the policy of the Board of Retirement of OCERS to encourage employees to notify an appropriate government or law enforcement agency when an employee has reasonable cause to believe that information in the employee's possession discloses a violation of a state or federal statute or a violation or noncompliance with a state or federal rule or regulation. Employees are provided with protection against retaliation for engaging in valid whistleblowing activities, as defined below, under the provisions of California Labor Code §1102.5. The purpose of this policy is to assure OCERS' employees that they are provided with such protection in compliance with the law.

## **Policy Objectives**

2. The objectives of the policy are to provide guidance to OCERS Board members, staff, and management regarding the reporting of violations of state or federal laws, rules, and regulations, and to assure staff that reports based upon a reasonable belief of wrongdoing will be accepted and acted upon without fear of retaliation.

## **Policy Guidelines**

3. OCERS should carry out its duties in the spirit of open governance.
4. The persons protected by the policy are "whistleblowers" who are OCERS employees, including employees of the County of Orange assigned to work at OCERS and OCERS Board members.
5. Under the Labor Code, protected activity is the disclosure of information to a government or law enforcement agency where the employee has reasonable cause to believe that the information discloses a violation of state or federal law or a violation or noncompliance with a state or federal rule or regulation.
6. Protected activity may also include the disclosure of suspected fraud, misuse of OCERS' resources by vendors, contractors, OCERS Board members or employees, and significant violations of OCERS or County of Orange policy.
7. Protected activity may also include, with reference to employee safety or health, disclosure of unsafe working conditions or work practices in the employee's employment or place of employment.
8. For the purposes of this policy, a report made by an OCERS employee to OCERS management or to a member of the Board of Retirement is a disclosure of information to a government or law enforcement agency.
9. It is the policy of the Board of Retirement of OCERS that no Board member, management employee, or other employee may retaliate against any OCERS Board member, employee, service provider, member, beneficiary, or any other person who discloses information to a government or law enforcement agency in compliance with the whistleblower provisions of the Labor Code. However, OCERS reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

## OCERS Board Policy Whistleblower Policy

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10. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis, but should describe in detail the specific facts demonstrating the bases for the complaint, report or inquiry. They may be directed to the Chief Executive Officer or Director of Administrative Services, or to the General Counsel if involving the Chief Executive Officer or Director of Administrative Services. OCERS will conduct a prompt, discreet, and objective review of investigation in response to the complaint, report or inquiry. However, employees must recognize that OCERS may be unable to fully evaluate or address a report or inquiry that is made anonymously on in a vague or general matter. Further, OCERS cannot assure the complaining employee of complete confidentiality through the investigative process, as that process may require disclosure to others of the nature of the complaint made and related facts.

### Policy Review

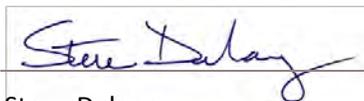
11. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### Policy History

12. The Board of Retirement adopted this policy on May 17, 2011. The policy was revised on March 17, 2014 and January 16, 2019.

### Secretary's Certificate

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



Steve Delaney  
Secretary of the Board

01/16/19

Date

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

**GOVERNANCE COMMITTEE MEETING  
December 11, 2018  
8:00 a.m.**

**MINUTES**

The Chair called the meeting to order at 8:00 a.m. Attendance was as follows:

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

Staff: Steve Delaney, Chief Executive Officer; Gina Ratto, General Counsel; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Cynthia Hockless; Director of Administrative Services; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

**CONSENT AGENDA**

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

Governance Committee Meeting Minutes

October 11, 2018

A **motion** was made by Mr. Ball, **seconded** by Mr. Dewane to approve the minutes.

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

*Presented by Suzanne Jenike, Asst. CEO, External Operations*

**Recommendation:** Take appropriate action.

Suzanne Jenike, Assistant CEO of External Operations, presented item A-2 to the Committee. The goal of this initiative is to have a comprehensive list of all pay items so that every element of pay that is transmitted to OCERS has been analyzed for pension attributes (e.g. pensionable or non-pensionable). Upon completion of the project OCERS staff, Employers and Members will have valuable resources showing all pay components, pension attributes, and legal criteria for determining pensionable pay going forward.

Mr. Ball suggested skipping to the areas that of the item that required attention:

- Determine whether the Committee will review the comprehensive list of pay items prior to the list being presented to the Board of Retirement.
- Determine whether the policies and documents presented to the Committee today should be forwarded to the Board for review and approval or if staff should wait for full pay item list before proceeding.

- Determine corrective action for pay items currently being reported incorrectly as pensionable compensation for PEPRAs members (On Call and Canine Pay).

Following discussion, the Committee directed staff to bring the policies back to the Governance Committee for a second reading.

**A-3 REVIEW OF PROPOSED REVISIONS TO THE OCERS EMPLOYEE HANDBOOK (PREVIOUSLY TITLED PERSONNEL POLICIES AND REGULATIONS OR PP&R) 1:57 2:05**

*Presented by Brenda Shott, Assistant CEO Finance and Internal Operations*

**Recommendation:** Approve, and recommend that the Board approve, the revised OCERS Employee Handbook as presented.

Brenda Shott, Assistant CEO of Internal Operations, presented item A-3 to the Committee. Due to the long period of time that has elapsed since the PP&R was adopted, Staff formed a committee and consulted with outside legal counsel to develop a new Employee Handbook that included all personnel related policies. The new Employee Handbook was developed using the existing PP&R as its basis, with updates to several provisions to reflect current practices and laws. In addition, there were some proposed changes to the existing policies that Staff believed would better support and reflect OCERS Mission, Vision and Values, OCERS' culture, and address areas that can be improved.

Staff formatted the new Employee Handbook as a compendium of individual policies that would be more easily amended or updated individually in the future, without the need to update the entire Employee Handbook.

The Committee discussed multiple sections of the Handbook including the At Will Policy, Annual Leave, Discipline, Grievance/Appeals, Merit Increases and Probation. The Committee expressed their comments and directed this item back to staff for further amendments.

**A-4 UNDERPAID AND OVERPAID PLAN CONTRIBUTIONS POLICY (SECOND READING)**

*Presented by Suzanne Jenike, Asst. CEO, External Operations*

**Recommendation:** Approve and recommend that the Board approve the Underpaid and Overpaid Plan Contributions Policy as presented.

Ms. Jenike presented item A-4 to the Committee. The Committee had a first reading of the Policy on October 11, 2018 and gave staff direction for potential revisions.

A **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve and recommend that the Board approve the Underpaid and Overpaid Plan Contributions Policy with the proposed revisions.

**A-5 TRIENNIAL REVIEW OF THE WHISTLEBLOWER POLICY**

*Presented by Cynthia Hockless, Director of Administrative Services*

**Recommendation:** Approve and recommend that the Board approve the Whistleblower Policy as presented.

Cynthia Hockless, Director of Administrative Services, presented item A-5 to the Committee. An additional portion by Reed Smith was added to the Whistleblower Policy.

Following discussion, a **motion** was made by Mr. Prevatt , **seconded** by Mr. Hilton to approve and recommend that the Board approve the Whistleblower Policy as presented.

**A-6 TRIENNIAL REVIEW OF THE MONITORING AND REPORTING POLICY**

*Presented by Steve Delaney, Chief Executive Officer*

**Recommendation:** Approve and recommend that the Board approve revisions to the Monitoring and Reporting Policy as presented.

Mr. Delaney presented Item A-6 to the Committee.

Following discussion, a **motion** was made by Mr. Prevatt , **seconded** by Mr. Hilton to recommend that the Board approve the revisions to the Monitoring and Reporting Policy as presented.

**INFORMATION ITEMS**

**I-1 SENIOR EXECUTIVE CHARTERS**

*Presented by Steve Delaney, Chief Executive Officer*

There were no comments.

**I-2 UPDATE RE: WITHDRAWING PLAN SPONSOR POLICY AND THE DECLINING PAYROLL POLICY**

*Presented by Suzanne Jenike, Asst. CEO, External Operations*

There were no comments.

**COMMITTEE MEMBER COMMENTS**

None.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS:**

None.

**COUNSEL COMMENTS:**

None.

**ADJOURNMENT:**

The meeting adjourned at 10:44 a.m.

**Submitted by:**

**Approved by:**

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Steve Delaney  
Secretary to the Board

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Shawn Dewane, Chair

I-1

*Orange County Employees Retirement System  
Retirement Board Meeting  
January 16, 2019  
Application Notices*

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
<b>Abrams, Sandra</b>	Sheriff's Dept	11/23/2018
<b>Acker, Robert</b>	OC Public Works	10/26/2018
<b>Alcaraz, Maria</b>	Superior Court	11/9/2018
<b>Bacin, James</b>	District Attorney	10/26/2018
<b>Baldi, Monica</b>	Superior Court	10/26/2018
<b>Ballesteros, Linda</b>	Health Care Agency	10/22/2018
<b>Bettenhausen, Jean</b>	Sanitation District	11/9/2018
<b>Boyle, Patricia</b>	Health Care Agency	11/7/2018
<b>Chen, Xinghui</b>	Probation	9/14/2018
<b>Cleqqett, Rhonda</b>	Assessor	10/19/2018
<b>Cruz-Estep, Crisanta</b>	Auditor Controller	11/9/2018
<b>Downs, Martha</b>	Social Services Agency	11/23/2018
<b>Dubsky, Sheryl</b>	Sheriff's Dept	10/26/2018
<b>Fifita, Nomani</b>	OC Public Works	11/23/2018
<b>Fish, Jonathan</b>	District Attorney	11/20/2018
<b>Francis, David</b>	Sanitation District	11/9/2018
<b>Fredericksen, Loretta</b>	OCTA	10/29/2018
<b>Gutierrez, Marqarita</b>	Social Services Agency	11/9/2018
<b>Hegner, Eric</b>	OCTA	11/1/2018
<b>Hernandez, Daniel</b>	Probation	11/23/2018
<b>Johnson, Gary</b>	Sheriff's Dept	10/26/2018
<b>Jorgensen, Kini</b>	Social Services Agency	11/1/2018
<b>Knaup, David</b>	OC Community Resources	11/16/2018
<b>Larsen, Kurt</b>	Fire Authority (OCFA)	11/9/2018
<b>Lim, Carolina</b>	Health Care Agency	11/9/2018
<b>Lockhart, Janet</b>	OC Community Resources	11/15/2018
<b>Loos, Joan</b>	Superior Court	11/16/2018
<b>Love, Melvin</b>	OCTA	11/16/2018
<b>Marroquin, Salvador</b>	OCTA	10/24/2018
<b>Marshall, Ronald</b>	County Executive Office (CEO)	10/31/2018
<b>Mendoza, Ben</b>	OCTA	11/2/2018
<b>Miller, Richard</b>	OC Public Works	11/9/2018
<b>Nadal, Eddy</b>	OCTA	11/9/2018
<b>Passaro, Kim</b>	Health Care Agency	11/16/2018
<b>Perez, Carmen</b>	Sheriff's Dept	10/26/2018
<b>Perez, Michael</b>	Public Defender	11/19/2018
<b>Price, Andrea</b>	Probation	11/23/2018
<b>Proctor, Jimmy</b>	OCTA	11/4/2018
<b>Rios, Christiane</b>	Probation	12/9/2018
<b>Ruth, Marcia</b>	Social Services Agency	11/9/2018
<b>Saxby, Elizabeth</b>	Social Services Agency	11/9/2018
<b>Taeqer, Kris</b>	Auditor Controller	11/8/2018
<b>Teti, Heidi</b>	Social Services Agency	11/2/2018
<b>Timothy, Brian</b>	Social Services Agency	10/26/2018
<b>Torres, Louis</b>	Sheriff's Dept	11/23/2018
<b>Tran, John</b>	Social Services Agency	10/12/2018
<b>Trevino, Candace</b>	Social Services Agency	10/26/2018
<b>Unsell, Bobby</b>	Sanitation District	11/9/2018
<b>Wells, Maria</b>	Superior Court	11/8/2018

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
<b>Wright, William</b>	OCTA	10/30/2018

*Orange County Employees Retirement  
Retirement Board Meeting  
January 16, 2019  
Death Notices*

<i>Active Members</i>	<i>Agency/Employer</i>
<b>Smith, Lamar</b>	Health Care Agency

<i>Retired Members</i>	<i>Agency/Employer</i>
<b>Berenson, Corinne</b>	Sanitation District
<b>Clark, Charles</b>	OC Public Works
<b>Craig, Corrina</b>	Assessor
<b>Devereaux, John</b>	Sheriff's Dept
<b>Folk, Robert</b>	OC Public Works
<b>Hagadorn, James</b>	Social Services Agency
<b>Homs, Carlos</b>	OC Public Works
<b>Keef, Charles</b>	Sheriff's Dept
<b>Lengyel, Constance</b>	OC Public Works
<b>Lundy, Terrence</b>	Sheriff's Dept
<b>MacIntyre, Mary</b>	Superior Court
<b>Malandra, Ronald</b>	Probation
<b>McCullough, Christopher</b>	OCTA
<b>Ortiz, Amelia</b>	OCTA
<b>Polin, Audrey</b>	Superior Court
<b>Ritze, Loreen</b>	Registrar of Voters
<b>Sevilla, Benjamin</b>	Superior Court
<b>Thomas, Eveleen</b>	Superior Court
<b>Totten, Donna</b>	Superior Court
<b>Weiman, Carol</b>	Social Services Agency
<b>Wesson, Clarence</b>	Sheriff's Dept
<b>Zwilling, Bernice</b>	District Attorney

<i>Surviving Spouses</i>	
<b>Babtist, Margaret</b>	
<b>Bell, Donald</b>	
<b>Chesshir, Eleanor</b>	
<b>Sevilla, Benjamin</b>	

I-2

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

**GOVERNANCE COMMITTEE MEETING  
October 11, 2018  
9:30 a.m.**

**MINUTES**

The Chair called the meeting to order at 9:30 a.m. Attendance was as follows:

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

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

**CONSENT AGENDA**

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

Governance Committee Meeting Minutes

July 10, 2018

**ACTION ITEMS**

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

**A-2 PROPOSED RESCISSION OF THE ACCEPTANCE AND REPORTING OF GIFTS POLICY AND AMENDMENTS TO THE BOARD OF RETIREMENT CHARTER**

*Presented by Gina M. Ratto, General Counsel*

**Recommendation:** That the Governance Committee recommend to the Board that the Board:

- (1) Rescind the Acceptance and Reporting of Gifts Policy; and
- (2) Amend the Board of Retirement Charter to add key provisions of the Acceptance and Reporting of Gifts Policy.

Ms. Ratto presented item A-2 to the Governance Committee. Ms. Ratto explained that the operative provisions of the Policy are more appropriately included in the Board of Retirement Charter, and that once the Charter has been amended to include these provisions, the Policy is no longer needed and should be rescinded.

Accordingly, staff recommends that the Board of Retirement Charter be amended to add:

- A provision to the "Board Members" subcategory under "Duties and Responsibilities" to state that Board members will observe the reporting requirements with respect to personal financial interests and income and the limitations and reporting requirements with respect to gifts, as required by the Political Reform Act and the regulations of the Fair Political Practices Commission (*new Paragraph 5.e.*); and

- A new subcategory under “Duties and Responsibilities” titled, “Conflicts of Interest,” to provide that the Board will:
  - Adopt and maintain an OCERS Conflict of Interest Code and list of Designated Filers, and obtain the approval of both by the Board of Supervisors (*new Paragraph 9.a.*);
  - Review and update the OCERS Conflict of Interest Code every two years as required by the Political Reform Act (*new Paragraph 9.b.*); and
  - Designate the CEO as the OCERS Filing Officer who is responsible for ensuring Board members and Designated Filers are aware of and comply with the requirement of an annual disclosure of financial interests (Form 700) (*new Paragraph 9.c.*). (Note that the CEO Charter already states that the CEO is the OCERS Filing Officer.)

Following discussion, a motion was made by Mr. Ball, seconded by Mr. Hilton to approve, and recommend that the Board approve the staff recommendation.

**A-3 FIRST READING OF NEW POLICY: OVERPAID AND UNDERPAID PLAN CONTRIBUTIONS POLICY**  
*Presented by Suzanne Jenike, Asst. CEO, External Operations*

Recommendation: Take appropriate action.

Suzanne Jenike, Assistant CEO of External Operations, presented item A-3 to the Governance Committee. The Committee expressed concerns about the policy and directed this item back to staff for further analysis.

Following discussion, a motion was made by Mr. Ball, seconded by Mr. Hilton to send the policy back to staff for further analysis.

**A-4 FIRST READING OF NEW POLICY: WRITE OFF POLICY**  
*Presented by Suzanne Jenike, Asst. CEO, External Operations*

Recommendation: Take appropriate action.

Ms. Jenike presented item A-4 to the Committee. The proposed Write-Off Policy is designed to provide guidelines regarding when OCERS is permitted to forgo collection of amounts overpaid by or owing to OCERS, and when OCERS will not be required to make corrective distributions to OCERS members and/or their beneficiaries.

Ms. Jenike advised that this Policy will be reviewed every three years and reminded the Committee that the amount listed in the Write-Off Policy will be adjusted if needed.

Following discussion, a motion was made by Mr. Ball, seconded by Mr. Hilton to approve, and recommend that the Board approve the Write-Off Policy.

**COMMITTEE MEMBER COMMENTS**

None.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS:**

None.

Governance Committee Meeting  
October 11, 2018

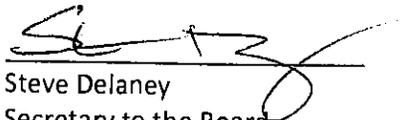
**COUNSEL COMMENTS:**

Ms. Ratto discussed bringing the personnel policies, Declining Payroll Policy and Withdrawing Plan Sponsor Policy to the next Governance Committee Meeting.

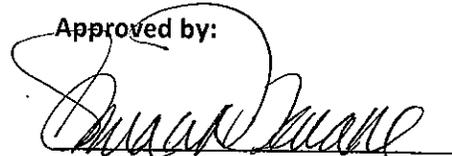
**ADJOURNMENT:**

The meeting adjourned at 10:44 a.m.

**Submitted by:**

  
Steve Delaney  
Secretary to the Board

**Approved by:**

  
Shawn Dewane, Chair

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

**AUDIT COMMITTEE MEETING  
August 3, 2018  
9:00 a.m.**

**Members of the Committee**

Frank Eley, Chair  
Charles Packard, Vice Chair  
Russell Baldwin  
Shari Freidenrich

**MINUTES**

**OPEN SESSION**

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

Attendance was as follows:

Committee Members: Frank Eley, Chair; Charles Packard, Vice Chair; Russell Baldwin; Shari Freidenrich

Staff: Steve Delaney, CEO; Gina Ratto, General Counsel; Felicia Durrah, Human Resources Staff Analyst

Guest: Harsh Jadhav, Director of Internal Audits, ACERA

**PUBLIC COMMENT**

None.

**CLOSED SESSION**

The Committee adjourned into Closed Session at 9:05 a.m., under the authority of Government Code section 54957 to consider employment of a public employee, and conducted interviews of candidates for the position of OCERS' Director of Internal Audit.

**A. INTERVIEWS OF CANDIDATE FOR OCERS' DIRECTOR OF INTERNAL AUDIT**

The Committee took a break from 10:30 a.m. until 10:45 a.m.

The Committee took a break from 12:25 p.m. until 12:30 p.m.

**OPEN SESSION**

The Committee reconvened in Open Session at 12:30 p.m.  
Committee member Russell Baldwin was not present.

## **INFORMATION ITEMS**

### **I-1 MACIAS, GINI & O'CONNELL (MGO) PERFORMANCE REVIEW**

Jim Doezie, OCERS Contracts, Risk and Performance Administrator presented MGO's performance review.

The Committee took a lunch break at 12:37 p.m.

### **CLOSED SESSION**

The Committee reconvened in Closed Session at 1:15 p.m. under the authority of Government Code section 54957 to consider employment of a public employee, and continued to conduct interviews of candidates for the position of OCERS' Director of Internal Audit.

All Committee members were present.

### **A. (CONTINUED) INTERVIEWS OF CANDIDATE FOR OCERS' DIRECTOR OF INTERNAL AUDIT**

### **OPEN SESSION**

The Committee reconvened in Open Session at 3:40 p.m.

## **ACTION ITEMS**

### **A-1 REPORT OF ANY ACTION TAKEN IN CLOSED SESSION**

Charles Packard moved and Russell Baldwin seconded that (1) David Kim be selected as first place finalist for OCERS' Director of Internal Audits; (2) that CEO Steve Delaney be appointed OCERS' representative to negotiate salary and other benefits with the finalist; and (3) that if such negotiations fail, Mr. Delaney proceed to negotiate with the second place finalist. The Motion passed unanimously.

### **A-2 JULY 17, 2018 AUDIT COMMITTEE MEETING MINUTES**

A **motion** was made by Mr. Baldwin, **seconded** by Mr. Packard, to approve the July 17, 2018 minutes.

The motion passed **unanimously**.

### **COMMITTEE MEMBER COMMENTS**

None.

### **CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

None.

### **COUNSEL COMMENTS**

None.

The Committee adjourned at 3:50 p.m.

I-3

## Memorandum

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DATE: January 16, 2019  
TO: Members of the Board of Retirement  
FROM: Steve Delaney, Chief Executive Officer  
SUBJECT: **CEO FUTURE AGENDAS AND 2019 OCERS BOARD WORK PLAN**

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### Written Report

#### AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

#### FEBRUARY

2019 STAR COLA Posting  
Annual Cost of Living Adjustment  
Policy Compliance Report

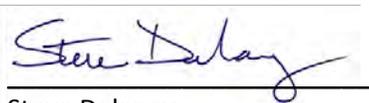
#### MARCH

2019 STAR COLA Final Approval  
GFOA Awards  
Quarterly Strategic Planning Review  
SACRS Election materials

#### APRIL

Annual Brown Act Training  
Annual Conflicts Training  
SACRS Board of Directors Election  
Regular Review of Acceptance and Reporting of Gifts Policy

#### Submitted by:



Steve Delaney  
Chief Executive Officer

OCERS RETIREMENT BOARD - 2019 Work Plan

	Jan	Feb	Mar	Apr	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
<b>System Oversight</b>		STAR COLA Posting (I)	Approve 2019 STAR COLA (A)		Mid-Year Review of 2019 Business Plan Progress (I)	Approve Early Payment Rates for Fiscal Year 2018-19 (A)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Overview of 2020 Administrative Budget and Investment (Workshop) (I)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
		Approve 2019 COLA (A)	Quarterly 2019-2021 Strategic Plan Review (A)		Approve December 31, 2018 Actuarial Valuation & Funded Status of OCERS (A)		Receive OCERS by the Numbers (I)		Approve 2020-2022 Strategic Plan (A)	Approve 2020 Administrative (Operating) Budget (A)	
					Approve 2018 CAFR (A)		Receive Evolution of the UAAL (I)		Approve 2020 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
					Quarterly 2019-2021 Strategic Plan Review (A)		Employer & Employee Pension Cost Comparison (I)				
											Adopt 2020 Board Meeting Calendar (A)
<b>Board Governance</b>				Brown Act Training (I)							Adopt Annual Work Plan for 2020 (A)
				Conflict of Interest Training (I)							Vice-Chair Election (A)
<b>Regulation / Policies</b>	Communication Policy Fact Sheet (I)										
<b>Compliance</b>				Form 700 and OCERS Annual Disclosure Due (A)	Receive Financial Audit (I)			State of OCERS (A)		Status of Board Education Hours for 2019 (I)	

(A) = Action (I) = Information

I-4

## Memorandum

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**DATE:** January 2, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Jim Doezie, Contracts, Risk and Performance Administrator  
**SUBJECT:** QUIET PERIOD – NON-INVESTMENT CONTRACTS

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### Written Report

#### Background/Discussion

##### 1. Quiet Period Policy Guidelines

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

*“...Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;”*

##### 2. Quiet Period Guidelines

In addition, the following language is included in all distributed RFP's:

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

#### Distributed RFP's

The RFP's noted below are subject to the quiet period until such time as a contract(s) is finalized.

- An RFP was distributed for Hearing Officer Services in October, 2018. Submissions deadline was December 4<sup>th</sup>, 2018. We are currently evaluating the candidates.
- An RFP to replace three-year-old multi-function copiers was distributed in December, 2018. Responses are due January 25<sup>th</sup>, 2019.
- An RFP for an I.T. Audit and Consulting Services will be distributed in January, 2019.



## Memorandum

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Submitted by:

A handwritten signature in blue ink that reads "Jim Doezie".

Jim Doezie  
Contracts, Risk and Performance Administrator

I-5

## Memorandum

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**DATE:** January 4, 2018  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT: 2018 OCERS YEAR IN REVIEW: COMMUNICATION PLAN**

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### Recommendation

Approve the 2018 Year in Review Communication Plan.

### Background/Discussion

Since 2009 OCERS has crafted a strong outreach communication plan at the start of each year. In that year the Great Recession was at its worst, and our goal was to assure our primary stakeholders that the OCERS Board of Retirement was actively involved in tackling the challenges facing the system.

For the past decade we have begun this annual process by meeting with each of the County Supervisors on an individual basis, followed by meetings with each plan sponsor, major labor group, as well as the Retired Employees Association of Orange County (REAOC). In the ongoing debate over public pension benefits, ensuring a well-educated audience is one of the best methods for quelling rumors and replacing them with facts in order to better guide policy makers.

I propose the same process in 2019:

1. Individual meetings of the OCERS Chair, Vice-Chair and CEO with each of the County Supervisors and their support staff.
2. Individual meetings of a team of OCERS Executive Staff (Ms. Jenike, Ms. Shott and me) with the executive staff of each OCERS plan sponsor, as well as with the executive staff of each of our primary labor groups.
3. A presentation for our active members.
4. A presentation at a quarterly REAOC luncheon.

The different stakeholder groups may not necessarily share interest in the same issues or concerns, so I have attached an outline of those topics or accomplishments I believe were of greatest importance in 2018, and have indicated which groups I plan on providing with a more detailed discussion of any given topic.

If there are any other topics you the Trustees feel it is important to share in these meetings, please let me know and I can work with the Chair of the Board to determine how and when to include additional information.

This is a fairly large undertaking, but one I believe well worth the effort. Scheduling conflicts will undoubtedly arise, but I anticipate the bulk of the outreach to be accomplished in the February through May time frame.

**Submitted by:**

A handwritten signature in blue ink that reads "Steve Delaney". The signature is written in a cursive style and is positioned above a horizontal line.

Steve Delaney  
Chief Executive Officer

Attached – Matrix of 2018 Discussion Topics.



## 2018 OCERS Year in Review

TOPIC	ITEM #	MEMBERS	RETIREES	SUPERVISORS	STAKEHOLDERS	LEGISLATORS
2018 OCERS Fund Earnings	<b>1</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Overview of OCERS Investment Program	<b>2</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
R V Kuhns Comparison Report, <i>including</i> Funding Level Discussion	<b>3</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Twenty Year Contribution Rate Projections	<b>4</b>	<b>X</b>		<b>X</b>	<b>X</b>	<b>X</b>
Master Final Average Salary Project	<b>5</b>	<b>X</b>		<b>X</b>	<b>X</b>	
Improved Disability Review Process	<b>6</b>	<b>X</b>			<b>X</b>	
Vested Rights Cases Before the California Supreme Court in 2019	<b>7</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
A special focus on Information Security	<b>8</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
OCERS 2019 Business Plan	<b>9</b>	<b>X</b>		<b>X</b>	<b>X</b>	
OCERS Board Membership Overview	<b>10</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	

**“We provide secure retirement and disability benefits with the highest standards of excellence.”**

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## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Suzanne Jenike, Assistant CEO External Operations  
**SUBJECT: DISABILITY RETIREMENT STATISTICS - 2018 REPORT**

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### Written Report

At the start of each year we compile statistical information capturing the various categories of disability retirement applications that were processed the prior calendar year. The information associated to the 2018 calendar year is presented here for the Board's review.

At the close of 2018, we had accepted 82 new applications and adjudicated 101 cases through the Board of Retirement/Disability Committee (created in June 2018).

I have also included the statistical reports applicable to the calendar years 2013, 2014, 2015, 2016 and 2017 for comparison purposes.

### Submitted by:



SJ – Approved

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Suzanne Jenike  
Assistant CEO, External Operations

<b>Total Filed 2018:</b>		
<b>By Type:</b>	<b>#</b>	<b>%</b>
SCD	29	35%
NSCD	2	2%
BOTH	51	62%
	<b>82</b>	<b>100%</b>
<b>By Employer:</b>		<b>%</b>
Community Resources	2	2%
District Attorney	2	2%
Fire Authority	19	23%
Health Care Agency	3	4%
Probation	4	5%
Public Defender	1	1%
Public Works	1	1%
Sanitation	1	1%
Sheriff	16	20%
Social Services Agency	17	21%
Superior Court	1	1%
Transportation Authority	13	16%
Waste & Recycling	2	2%
	<b>82</b>	<b>100%</b>
<b>By Member Type:</b>		<b>%</b>
General	49	60%
Safety	33	40%
	<b>82</b>	<b>100%</b>

<b>Total Granted 2018:</b>		
<b>By Type / Stage:</b>	<b>#</b>	<b>%</b>
SCD (Initial Board Decision)	73	90%
NSCD (Initial Board Decision)	7	9%
SCD (Hearings)	1	1%
NSCD (Hearings)	0	0%
SCD (Writ)	0	0%
	<b>81</b>	<b>100%</b>
<b>By Employer:</b>		<b>%</b>
Auditor Controller	1	1%
District Attorney	2	2%
Fire Authority	22	27%
Health Care Agency	3	4%
Probation	4	5%
Public Works	2	2%
Sanitation	2	2%
Sheriff	29	36%
Social Services Agency	7	9%
Transportation Authority	9	11%
	<b>81</b>	<b>100%</b>
<b>By Member Type:</b>		<b>%</b>
General	32	40%
Safety	49	60%
	<b>81</b>	<b>100%</b>

<b>Total Denied 2018:</b>		
<b>By Type / Stage:</b>	<b>#</b>	<b>%</b>
SCD/NSCD (Initial Board Decision)	10	50%
SCD (Initial Board Decision)	5	25%
NSCD (Initial Board Decision)	2	10%
SCD/NSCD(2nd Board Decision)	3	15%
NSCD (2nd Board Decision)	0	0%
	<b>20</b>	<b>100%</b>
<b>By Employer:</b>		<b>%</b>
Community Resources	2	10%
Fire Authority	2	10%
Health Care Agency	3	10%
Probation	1	5%
Sanitation	1	5%
Sheriff	4	20%
Social Services Agency	5	25%
Transportation Authority	2	10%
	<b>20</b>	<b>100%</b>
<b>By Member Type:</b>		<b>%</b>
General	15	75%
Safety	5	25%
	<b>20</b>	<b>100%</b>

Disabilities In Process Overview  
 Pending Board presentation: 117  
 Pending Filed in past 12 mos: 82  
 Pending Filed over 12 mos: 35

## Summary of Disability Applications and Results, 2013 - 2018

	2013	2014	2015	2016	2017	2018	Total
<b>Disability Applications Filed (Total)</b>	<b>74</b>	<b>84</b>	<b>70</b>	<b>84</b>	<b>71</b>	<b>82</b>	<b>383</b>
Service Connected Disability	22	34	26	36	25	29	172
Non Service Connected Disability	13	7	7	8	1	2	38
Both	39	43	37	40	45	51	255
New Applications by Safety Members	41	47	34	38	49	33	242
by General Members	33	37	36	46	22	49	223
Disabilities Granted	50	68	69	56	75	81	399
Disabilities Denied	37	26	20	19	21	20	143
<b>New Applications, by Employer*</b>	<b>74</b>	<b>84</b>	<b>70</b>	<b>84</b>	<b>71</b>	<b>82</b>	<b>383</b>
Assessor	1						1
Auditor Controller	2			1			3
Child Support Services	1						1
City of San Juan Capistrano	1						1
District Attorney	3	3		1		2	9
Health Care Agency	1	4	6	7	3	3	24
Human Resource Services			1				1
John Wayne Airport			1			0	1
OC Community Resources	2	2	3	3	2	2	14
OC Fire Authority	14	10	9	13	17	19	82
OC Public Guardian/Administrator					1		1
OC Public Works	3	4	5			1	13
OC Transportation Authority	14	12	7	13	8	13	67
OC Waste and Recycling	1	2	4	2		2	11
Probation	8	3	3	2	5	4	25
Public Defender				1	2	1	3
Sanitation	1	1		4	2	1	9
Sheriff's Dept	16	31	22	21	25	16	131
Social Services Agency	4	12	6	15	5	17	59
Superior Court	2		3	1	1	1	8

*\*If employer is not listed, no applications received from 2013-2018*

## 2013 Disability Statistics

Total Filed in 2013:		
By Type:	#	%
SCD	22	30%
NSCD	13	18%
BOTH	39	53%
	<b>74</b>	<b>100%</b>
By Employer:	#	%
Assessor	1	1%
Auditor/Controller	2	3%
Child Support Services	1	1%
City of San Juan Capistrano	1	1%
OC Community Resources	2	3%
District Attorney	3	4%
Health Care Agency	1	1%
OC Fire Authority	14	18%
OC Public Works	3	4%
OC Transportation Authority	14	19%
Probation	8	12%
Sanitation	1	1%
Sheriff	16	20%
Social Services Agency	4	5%
Superior Court	2	6%
OC Waste and Recycling	1	1%
	<b>74</b>	<b>100%</b>
By Member Type:	#	%
General	42	57%
Safety	32	43%
	<b>74</b>	<b>100%</b>

Total Granted in 2013:		
By Type / Stage:	#	%
SCD (Initial Board Decision)	31	62%
NSCD (Initial Board Decision)	8	16%
SCD (Hearings)	7	14%
NSCD (Hearings)	2	4%
SCD (Writ)*	2	4%
	<b>50</b>	<b>100%</b>
By Employer:	#	%
City of San Juan Capistrano	1	2%
Clerk Recorder	1	2%
District Attorney	2	4%
OC Fire Authority	9	19%
Health Care Agency	1	2%
Probation	1	2%
Public Works	1	2%
Sanitation	1	2%
Sheriff	15	29%
Social Services Agency	3	7%
OC Transportation Authority	14	27%
UCI	1	2%
	<b>50</b>	<b>100%</b>
By Member Type:	#	%
General	35	70%
Safety	15	30%
	<b>50</b>	<b>100%</b>

Total Denied in 2013:		
By Type / Stage:	#	%
SCD & NSCD (Initial Board Decision)	12	32%
SCD (Initial Board Decision)	12	32%
NSCD (Initial Board Decision)	1	3%
SCD (2nd Board Decision)	3	8%
NSCD & SCD (2nd Board Decision)	5	14%
SCD (Writ)**	4	11%
	<b>37</b>	<b>100%</b>
By Employer:	#	%
OC Fire Authority	2	6%
Public Guardian	1	3%
OC Transportation Authority	5	9%
Health Care Agency	4	12%
District Attorney	3	6%
Sheriff	12	37%
Social Services Agency	4	12%
Library	2	6%
Probation	2	3%
Assessor	1	3%
Sanitation	1	3%
	<b>37</b>	<b>100%</b>
By Member Type:	#	%
General	26	70%
Safety	11	30%
	<b>37</b>	<b>100%</b>

\*One member was granted SCD and the other matter was regarding setting an effective date.

\*\*OCERS prevailed at Superior Court. One member filed a Motion for a New Trial and the other member filed an Appeal.

Disabilities In Process Overview	
Total filings pending Board presentation	109
% Pending Filed within the past 12 months	64%
% Pending Filed over 12 months	36%

## 2014 Disability Statistics

<b>Total Filed 2014:</b>		
<b>By Type:</b>	<b>#</b>	<b>%</b>
SCD	34	40%
NSCD	7	8%
BOTH	43	51%
	<b>84</b>	<b>100%</b>
<b>By Employer:</b>	<b>#</b>	<b>%</b>
OC Community Resources	2	2%
District Attorney	3	4%
Health Care Agency	4	5%
OC Fire Authority	10	12%
OC Public Works	4	5%
OC Transportation Authority	12	14%
Probation	3	4%
Sanitation	1	1%
Sheriff	31	37%
Social Services Agency	12	14%
OC Waste and Recycling	2	2%
	<b>84</b>	<b>100%</b>
<b>By Member Type:</b>	<b>#</b>	<b>%</b>
General	44	52%
Safety	40	48%
	<b>84</b>	<b>100%</b>

<b>Total Granted 2014</b>		
<b>By Type / Stage:</b>	<b>#</b>	<b>%</b>
SCD (Initial Board Decision)	38	56%
NSCD (Initial Board Decision)	19	28%
SCD (Hearings)	8	12%
NSCD (Hearings)	1	1%
SCD (Writ)	2	3%
	<b>68</b>	<b>100%</b>
<b>By Employer:</b>	<b>#</b>	<b>%</b>
Assessor	1	1%
Community Resources	4	6%
District Attorney	4	6%
OC Fire Authority	12	18%
Health Care Agency	2	2%
Probation	4	6%
Public Works	3	4%
Child Support Services	1	1%
Sheriff	19	28%
Social Services Agency	6	9%
OC Transportation Authority	12	27%
	<b>68</b>	<b>100%</b>
<b>By Member Type:</b>	<b>#</b>	<b>%</b>
General	35	51%
Safety	33	49%
	<b>68</b>	<b>100%</b>

<b>Total Denied 2014:</b>		
<b>By Type / Stage:</b>	<b>#</b>	<b>%</b>
SCD/NSCD (Initial Board Decision)	9	35%
SCD (Initial Board Decision)	11	42%
NSCD (Initial Board Decision)	2	8%
SCD (2nd Board Decision)	4	15%
NSCD & SCD (2nd Board Decision)	0	0%
	<b>26</b>	<b>100%</b>
<b>By Employer:</b>	<b>#</b>	<b>%</b>
Auditor/Controller	1	4%
Public Guardian	1	4%
OC Transportation Authority	2	8%
Health Care Agency	3	12%
District Attorney	1	4%
Sheriff	5	19%
Social Services Agency	6	23%
OC Fire Authority	1	4%
Public Works	1	4%
Probation	3	12%
Public Guardian	1	4%
Waste and Recycling	1	4%
	<b>26</b>	<b>100%</b>
<b>By Member Type:</b>	<b>#</b>	<b>%</b>
General	23	88%
Safety	3	12%
	<b>26</b>	<b>100%</b>

Disabilities In Process Overview

Total filings pending Board presentation :109	125
% Pending Filed within the past 12 months	90
% Pending Filed over 12 months	35

## 2015 Disability Statistics

Total Filed 2015:		
By Type:	#	%
SCD	26	37%
NSCD	7	10%
BOTH	37	53%
	<b>70</b>	<b>100%</b>
By Employer:	#	%
OC Community Resources	3	4%
Superior Court	3	4%
Health Care Agency	6	9%
OC Fire Authority	9	13%
OC Public Works	5	7%
OC Transportation Authority	7	10%
Probation	3	4%
Human Resource Services	1	1%
Sheriff	22	31%
Social Services Agency	6	9%
John Wayne Airport	1	1%
OC Waste and Recycling	4	6%
	<b>70</b>	<b>100%</b>
By Member Type:	#	%
General	38	54%
Safety	32	46%
	<b>70</b>	<b>100%</b>

Total Granted 2015		
By Type / Stage:	#	%
SCD (Initial Board Decision)	48	70%
NSCD (Initial Board Decision)	17	25%
SCD (Hearings)	4	6%
NSCD (Hearings)	0	0%
	<b>69</b>	<b>100%</b>
By Employer:	#	%
Assessor	1	1%
Community Resources	1	1%
District Attorney	1	1%
OC Fire Authority	16	23%
Health Care Agency	6	9%
Probation	6	9%
Waste and Recycling	1	1%
Superior Court	3	4%
Sheriff	18	26%
Social Services Agency	8	12%
OC Transportation Authority	8	12%
	<b>69</b>	<b>100%</b>
By Member Type:	#	%
General	37	54%
Safety	32	46%
	<b>69</b>	<b>100%</b>

Total Denied 2015:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	7	35%
SCD (Initial Board Decision)	11	55%
NSCD (Initial Board Decision)	0	0%
SCD (2nd Board Decision)	1	5%
NSCD & SCD (2nd Board Decision)	1	5%
	<b>20</b>	<b>100%</b>
By Employer:	#	%
Animal Care	1	5%
Sanitation	1	5%
OC Transportation Authority	5	25%
Health Care Agency	0	0%
District Attorney	0	0%
Sheriff	4	20%
Social Services Agency	5	25%
OC Fire Authority	0	0%
Superior Court	4	20%
Probation	0	0%
Public Guardian	0	0%
Waste and Recycling	0	0%
	<b>20</b>	<b>100%</b>
By Member Type:	#	%
General	17	85%
Safety	3	15%
	<b>20</b>	<b>100%</b>

### Disabilities In Process Overview

Total filings pending Board presentation	125
Pending Filed within the past 12 months	70
Pending Filed over 12 months	55

## 2016 Disability Statistics

Total Filed in 2016:		
By Type:	#	%
SCD	36	43%
NSCD	8	10%
BOTH	40	48%
	<b>84</b>	<b>100%</b>
By Employer:		%
Auditor Controller	1	1%
District Attorney	1	1%
Health Care Agency	7	8%
Fire Authority	13	15%
Transportation Authority	13	15%
Public Defender	1	1%
Sanitation	4	5%
Sheriff	21	25%
Social Services Agency	15	18%
Probation	2	2%
Superior Court	1	1%
Community Resources	3	4%
Waste and Recycling	2	2%
	<b>84</b>	<b>100%</b>
By Member Type:		%
General	55	65%
Safety	29	35%
	<b>84</b>	<b>100%</b>

Total Granted in 2016		
By Type / Stage:	#	%
SCD (Initial Board Decision)	48	86%
NSCD (Initial Board Decision)	2	4%
SCD (Hearings)	5	9%
NSCD (Hearings)	1	2%
SCD (Writ)		0%
	<b>56</b>	<b>100%</b>
By Employer:		%
District Attorney	3	5%
Sanitation	1	2%
Fire Authority	7	13%
Health Care Agency	2	4%
Sheriff	19	34%
Public Works	5	9%
Human Resource Services	1	2%
Probation	3	5%
Waste and Recycling	3	5%
Community Resources	1	2%
Social Services Agency	2	4%
Transportation Authority	9	16%
	<b>56</b>	<b>100%</b>
By Member Type:		%
General	29	52%
Safety	27	48%
	<b>56</b>	<b>100%</b>

Total Denied in 2016:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	8	42%
SCD (Initial Board Decision)	8	42%
NSCD (Initial Board Decision)	1	5%
SCD (2nd Board Decision)	1	5%
NSCD (2nd Board Decision)	1	5%
	<b>19</b>	<b>100%</b>
By Employer:		%
Assessor	1	5%
Health Care Agency	1	5%
Sheriff	3	16%
Social Services Agency	4	21%
Fire Authority	1	5%
Transportation Authority	2	11%
Community Resources	3	16%
Sanitation	2	11%
Probation	2	11%
	<b>19</b>	<b>100%</b>
By Member Type:		%
General	17	89%
Safety	2	11%
	<b>19</b>	<b>100%</b>

Applications Pending:	
Total pending adjudication:	126
Filed within the past 12 months:	84
Filed over 12 months:	42

Processing time is currently equal to 9-12 months as a result the actual applications adjudicated by the Board in 2016 may have been filed in prior calendar years. The number of granted/denied applications will not necessarily correspond to the number of applications filed in any given year.

## 2017 Disability Statistics

Total Filed 2017:		
By Type:	#	%
SCD	25	35%
NSCD	1	1%
BOTH	45	63%
	<b>71</b>	<b>100%</b>
By Employer:	%	
Auditor Controller	0	0%
District Attorney	0	0%
Health Care Agency	3	4%
Fire Authority	17	24%
Transportation Authority	8	11%
Public Defender	2	3%
Sanitation	2	3%
Sheriff	25	35%
Social Services Agency	5	7%
Probation	5	7%
Superior Court	1	1%
Community Resources	2	3%
Public Guardian	1	1%
	<b>71</b>	<b>100%</b>
By Member Type:	%	
General	34	48%
Safety	37	52%
	<b>71</b>	<b>100%</b>

Total Granted 2017:		
By Type / Stage:	#	%
SCD (Initial Board Decision)	62	83%
NSCD (Initial Board Decision)	9	12%
SCD (Hearings)	3	4%
NSCD (Hearings)	1	1%
SCD (Writ)		0%
	<b>75</b>	<b>100%</b>
By Employer:	%	
Public Defender	3	4%
Sanitation	3	4%
Fire Authority	11	15%
Health Care Agency	4	5%
Sheriff	21	28%
Public Works	4	5%
Superior Court	2	3%
Probation	2	3%
Waste and Recycling	2	3%
Community Resources	5	7%
Social Services Agency	9	12%
Transportation Authority	9	12%
	<b>75</b>	<b>100%</b>
By Member Type:	%	
General	48	64%
Safety	27	36%
	<b>75</b>	<b>100%</b>

Total Denied 2017:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	13	62%
SCD (Initial Board Decision)	3	14%
NSCD (Initial Board Decision)	1	5%
SCD (2nd Board Decision)	3	14%
NSCD (2nd Board Decision)	1	5%
	<b>21</b>	<b>100%</b>
By Employer:	%	
Auditor Controller	1	5%
Health Care Agency	0	0%
Sheriff	9	43%
Social Services Agency	5	24%
Fire Authority	2	10%
Transportation Authority	1	5%
Community Resources	2	10%
Sanitation	1	5%
Probation	0	0%
	<b>21</b>	<b>100%</b>
By Member Type:	%	
General	16	76%
Safety	5	24%
	<b>21</b>	<b>100%</b>

Disabilities In Process Overview	
Total filings pending Board presentation :	113
Pending Filed within the past 12 months:	68
Pending Filed over 12 months:	45

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## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of Board of Retirement  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT:** **2018 FORM 700 DESIGNATED FILERS LIST AND FACT SHEET**

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### Written Report

#### Background/Discussion

The purpose of this memorandum is to advise OCERS Board Members of the requirement that they file a Form 700 – Statement of Economic Interests on or before April 1, 2019. More information regarding the filing requirements is set forth below.

On or before April 1 of every year, each designated filer under OCERS' Conflict of Interest Code is required to file a Form 700 Statement of Economic Interests to disclose personal economic interests in real property, businesses, and investments as described in the regulations adopted by the California Fair Political Practices Commission (FPPC).

OCERS' designated filers are:

- All members of the Board of Retirement
- Chief Executive Officer
- Chief Investment Officer
- Director of Investment Operations
- Investment Officers
- Investment Analysts
- Assistant Chief Executive Officer, External Operations
- Assistant Chief Executive Officer, Finance and Internal Operations
- General Counsel
- Deputy General Counsel\**
- Director of Internal Audit\**
- Director of Finance\**
- Director of Administrative Services\**
- Director of Information Technology\**
- Contracts, Risk & Performance Manager\**

*\* These positions are new filers in 2019 as a result of our recent amendments to the OCERS Conflict of Interest Code. As such, the County requires that they file an Assuming Office Statement, which will be due on January 31, 2019.*

The Form 700, FPPC Reference Pamphlet, and Frequently Asked Questions for 2018/2019 are attached to assist you in completing your Form 700.

OCERS filers are strongly encouraged to file their Forms 700 using the County of Orange Clerk of the Board EDisclosure system. All filers will receive an email from the Clerk of the Board's office in the next few weeks providing a link to the EDisclosure system. The EDisclosure system is very easy to use and allows for direct filing



## Memorandum

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and permanent electronic storage. The Clerk of the Board's office can assist filers with user names and passwords. In addition, I am available to answer questions regarding filing.

If you prefer to submit a hard copy of your Form 700, please send it to Steve's assistant, Cammy Danciu, by March 29, 2019, so that we can forward it in a timely manner to the Clerk of the Board on your behalf.

Please note that the OCERS Annual Disclosure Policy was rescinded in 2018; accordingly, the filing of the separate Annual Disclosure Form is no longer required.

**Submitted by:**

A handwritten signature in cursive script that reads "Gina M. Ratto".

---

Gina M. Ratto  
General Counsel

# 2018/2019 Statement of Economic Interests



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## Form 700

A Public Document

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### ***Helpful Resources***

- Video Tutorials
- Reference Pamphlet
- Excel Version
- FAQs
- Gift and Travel Fact Sheet for State and Local

## **California Fair Political Practices Commission**

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916)322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

# Quick Start Guide

Detailed instructions begin on page 3.

## WHEN IS THE ANNUAL STATEMENT DUE?

- March 1 – Elected State Judges and Court Commissioners, State Board and Commission members listed in Government Code Section 87200
- April 2 – Most other

## WHERE DO I FILE?

Most people file the Form 700 with their agency. If you're not sure where to file your Form 700, contact your agency or the person who asked you to complete it.

## ITEMS TO NOTE!

- The Form 700 is a public document.
- Only those serving in active military duty may receive an extension on the filing deadline.
- You must also report interests held by your spouse or registered domestic partner.
- Your agency's list of interest code will help you to complete the Form 700. You are encouraged to get your list of interest code from the person who asked you to complete the Form 700.

## NOTHING TO REPORT?

Mark the "No reportable interests" box on Part 4 of the Cover Page, and submit only the signed Cover Page. Be sure to review each schedule carefully!

Schedule	Common Reportable Interests	Common Non-Reportable Interests
A-1: Investments	Stocks, including those held in an IRA or 401K. Each stock must be listed.	Insurance policies, government bonds, mutual funds, funds similar to mutual funds.
A-2: Business Entities/Trusts	Business entities, sole proprietorships, partnerships, LLCs, corporations and trusts. (e.g., Form 1099	Savings and checking accounts, and annuities.
B: Real Property	Rental property in your jurisdiction, or within two miles of the boundaries of the jurisdiction.	A residence used exclusively as a personal residence (such as a home or vacation property).
C: Income	Non-governmental salaries. Note that spouses are required to report only half of their spouse's or partner's salary.	Governmental salary (from school district, for example).
D: Gifts	Gifts from businesses, vendors, or other contractors (meals, tickets, etc.).	Gifts from family members.
E: Travel Payments	Travel payments from third parties (not your employer).	Travel paid by your government agency.

**Note:** Like reportable interests, non-reportable interests may also create grounds for conflict of interest and could be avoided from certain decisions.

## QUESTIONS?

- [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)
- (866) 275-3772 Mon-Thurs, 9-11:30 a.m.

## E-FILING ISSUES?

- If using your agency's system, please contact technical support at your agency.
- If using FPPC's online system, write to [form700@fppc.ca.gov](mailto:form700@fppc.ca.gov).

## What's New

### Gift Limit Increase

The gift limit increased to \$500 for calendar years 2019 and 2020. The gift limit in 2018 was \$470.

## Who

- Elected and appointed \_\_\_\_\_ and candidates listed in Government Code Section 87200

- Employees, appointed \_\_\_\_\_ and consultants pursuant to a \_\_\_\_\_ of interest code ("code")  
**Obtain your disclosure categories, which describe the interests you must report, from your agency;** they are not part of the Form 700

- Candidates running for local elective \_\_\_\_\_ that are designated in a \_\_\_\_\_ of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)

**Exception:** Candidates for a county central committee are not required to \_\_\_\_\_ the Form 700.

- Members of newly created boards and commissions not yet covered under a \_\_\_\_\_ of interest code
- Employees in newly created positions of existing agencies

See Reference Pamphlet, page 3, at [www.fppc.ca.gov](http://www.fppc.ca.gov).

## Where

### 87200 Filers

State	➔	Your agency
Judicial	➔	The clerk of your court
Retired Judges	➔	Directly with FPPC
County	➔	Your county
City	➔	Your city clerk
Multi-County	➔	Your agency

**Code:** File with your agency, board, or commission unless otherwise \_\_\_\_\_ in your agency's code (e.g., Legislative staff \_\_\_\_\_ directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

### Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

### Employees in Newly Created Positions of Existing Agencies:

File with your agency or with your agency's code reviewing body. (See Reference Pamphlet, page 3.)

**Candidates:** File with your local elections

## How

The Form 700 is available at [www.fppc.ca.gov](http://www.fppc.ca.gov). Form 700 schedules are also available in Excel format. All statements must have an original "wet" signature or be duly authorized by your \_\_\_\_\_ to electronically under Government Code Section 87500.2.

## When

### Annual Statements

#### ➔ March 1, 2019

- Elected State
- Judges and Court Commissioners
- State Board and State Commission Members listed in Government Code Section 87200

#### ➔ April 2, 2019

- Most other

Individuals \_\_\_\_\_ under \_\_\_\_\_ of interest codes in city and county jurisdictions should verify the annual \_\_\_\_\_ date with their local \_\_\_\_\_

Statements postmarked by the \_\_\_\_\_ deadline are considered \_\_\_\_\_ on time.

Statements of 30 pages or less may be emailed or faxed by the deadline as long as the originally signed paper version is sent by \_\_\_\_\_ class mail to the \_\_\_\_\_ within 24 hours.

Most \_\_\_\_\_ within 30 days of assuming or leaving or within 30 days of the effective date of a newly adopted or amended \_\_\_\_\_ of interest code.

#### Exception:

If you assumed \_\_\_\_\_ between October 1, 2018, and December 31, 2018, and \_\_\_\_\_ an assuming statement, you are not required to \_\_\_\_\_ an annual statement until March 2, 2020, or April 1, 2020, whichever is applicable. In that case, the annual statement will cover the day after you assumed \_\_\_\_\_ through December 31, 2019. (See Reference Pamphlet, page 6, for additional exceptions.)

### Candidate Statements

File no later than the \_\_\_\_\_ date for the declaration of candidacy or nomination documents. A candidate statement is not required if you \_\_\_\_\_ an assuming or annual statement for the same jurisdiction within 60 days before \_\_\_\_\_ a declaration of candidacy or other nomination documents.

### Late Statements

There is no provision for \_\_\_\_\_ deadline extensions unless the \_\_\_\_\_ is serving in active military duty. (See page 19 for information on penalties and \_\_\_\_\_)

### Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire \_\_\_\_\_ form. Obtain amendment schedules at [www.fppc.ca.gov](http://www.fppc.ca.gov).

## Types of Statements

If you are a newly appointed \_\_\_\_\_ or are newly employed in a position designated, or that will be designated, in a state or local agency's \_\_\_\_\_ of interest code, your assuming \_\_\_\_\_ date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected \_\_\_\_\_ your assuming \_\_\_\_\_ date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the \_\_\_\_\_ or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the \_\_\_\_\_ or position is reportable.

For positions subject to \_\_\_\_\_ by the State Senate or the Commission on Judicial Performance, your assuming \_\_\_\_\_ date is the date you were appointed or nominated to the position.

### Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate \_\_\_\_\_ The assuming \_\_\_\_\_ date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your \_\_\_\_\_ or position has been added to a newly adopted or newly amended \_\_\_\_\_ of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

### Annual Statement:

Generally, the period covered is January 1, 2018, through December 31, 2018. If the period covered by the statement is different than January 1, 2018, through December 31, 2018, (for example, you assumed between October 1, 2017, and December 31, 2017 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the \_\_\_\_\_ of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Generally, the period covered is January 1, 2018, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2018, through the date you stopped performing the duties of your position (for example, you assumed between October 1, 2017, and December 31, 2017, or you are combining statements), the period covered must be \_\_\_\_\_. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

### Candidate Statement:

If you are \_\_\_\_\_ a statement in connection with your candidacy for state or local \_\_\_\_\_ investments, interests in real property, and business positions held on the date of \_\_\_\_\_ your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of \_\_\_\_\_ your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective \_\_\_\_\_ (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must \_\_\_\_\_ candidate statements, as required by the \_\_\_\_\_ of interest code for the elected position. The code may be obtained from the agency of the elected position.

### Amendments:

If you discover errors or omissions on any statement, an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to \_\_\_\_\_ the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

Note that once you \_\_\_\_\_ your statement, you may not withdraw it. All changes must be noted on amendment schedules.

COVER PAGE

A PUBLIC DOCUMENT

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

2. Jurisdiction of Office (Check at least one box)

- State Judge or Court Commissioner (Statewide Jurisdiction)
Multi-County County of
City of Other

3. Type of Statement (Check at least one box)

- Annual: The period covered is January 1, 2018, through December 31, 2018.
Leaving Office: Date Left
Assuming Office: Date assumed
Candidate: Date of Election and office sought, if different than Part 1:

4. Schedule Summary (must complete) Total number of pages including this cover page:

Schedules attached

- Schedule A-1 - Investments - schedule attached
Schedule A-2 - Investments - schedule attached
Schedule B - Real Property - schedule attached
Schedule C - Income, Loans, & Business Positions - schedule attached
Schedule D - Income - Gifts - schedule attached
Schedule E - Income - Gifts - Travel Payments - schedule attached

-or- None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed Signature
(month, day, year) (File the originally signed paper statement with your filing official.)

# Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, address instead of your home address.**

## Agency, or Court

- Enter the name of the agency sought or held, or the agency or court. Consultants must enter the public agency name rather than their private name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your obligations, you may complete an expanded statement.
- To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and with each agency.

If you assume or leave a position after a deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April annual statement deadline must file a separate assuming statement. In subsequent years, the city council member may expand his or her annual statement to include both positions.

## Example:

Brian Bourne is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Brian will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Brian will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other agencies should review the Reference Pamphlet, page 13, to determine their jurisdiction.

- If your agency is a multi-county agency, list each county in which your agency has jurisdiction.
- If your agency is not a state court, county court, or multi-county agency (e.g., school districts, special districts and JPAs), check the “other” box and enter the county or city in which the agency has jurisdiction.

## Example:

This person is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

<b>1. Office, Agency, or Court</b>	
Agency Name: <i>(Do not use acronyms)</i> Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
▶ If filing for multiple positions, list below or on an attachment. <i>(Do not use acronyms)</i>	
Agency: N/A	Position: _____
<b>2. Jurisdiction of Office</b> <i>(Check at least one box)</i>	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

## Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2018 annual statement, **do not** change the pre-printed dates to 2019. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual statement covering January 1, 2019, through December 31, 2019, will be disclosed on your statement in 2020. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave a position after January 1, but before the deadline for your annual statement, you may combine your annual and leaving statements. File by the earliest deadline. Consult your Reference Pamphlet or the FPPC.

## Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; **or** if you have nothing to disclose on any schedule, check the “No reportable interests” box. Please **do not** attach any blank schedules.

## Part 5. V

Complete the statement by signing the statement and entering the date signed. All statements must have an original “wet” signature or be duly authorized by your agency to sign electronically under Government Code Section 87500.2.

**When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the person who has authority to sign the statement. An unsigned statement is not considered valid and you may be subject to late penalties.

# SCHEDULE A-1

## Investments

### Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Investments must be itemized.

Do not attach brokerage or financial statements.

Name \_\_\_\_\_

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

▶ NAME OF BuSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BuSINESS \_\_\_\_\_

FAIR MARKET vALuE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATuRE OF INvESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
    Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_/\_\_\_\_\_/18      \_\_\_\_\_/\_\_\_\_\_/18  
 ACqu IRED      DISPOSED

Comments: \_\_\_\_\_

## Instructions – Schedules A-1 and A-2 Investments

“Investment” means a \_\_\_\_\_ interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or \_\_\_\_\_ interest totaling \$2,000 or more at any time during the reporting period. (See Reference Pamphlet, page 13.)

### Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the \_\_\_\_\_ of “business entity.”)
- Your spouse’s or registered domestic partner’s investments even if they are legally separate property
- Partnerships (e.g., a law \_\_\_\_\_ or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Reference Pamphlet, page 16, for more information on disclosing trusts.)
- Business trusts

### You are not required to disclose:

- Government bonds, \_\_\_\_\_ mutual funds, certain funds similar to \_\_\_\_\_ mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. (See Reference Pamphlet, page 13.) (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and \_\_\_\_\_ of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government \_\_\_\_\_ pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

**Use Schedule A-1** to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. (See second example below.)

**Use Schedule A-2** to report ownership of 10% or greater (e.g., a sole proprietorship).

### To Complete Schedule A-1:

Do not attach brokerage or \_\_\_\_\_ statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are \_\_\_\_\_ a candidate or an assuming \_\_\_\_\_ statement, indicate the fair market value on the \_\_\_\_\_ date or the date you took \_\_\_\_\_ respectively. (See page 20 for more information.)
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are \_\_\_\_\_ a candidate or an assuming \_\_\_\_\_ statement.

### Examples:

Frank Byrd holds a state agency position. His \_\_\_\_\_ of interest code requires full disclosure of investments. Frank must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Alice Lance is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Alice must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

### Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code \_\_\_\_\_ – your disclosure categories may only require disclosure of \_\_\_\_\_ investments.

# SCHEDULE A-2

## Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

**CALIFORNIA FORM 700**

FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/18    ____/____/18</p> <p style="text-align: center;">ACQUIRED    DISPOSED</p>
--	--

NATURE OF INVESTMENT

 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/18    ____/____/18</p> <p style="text-align: center;">ACQUIRED    DISPOSED</p>
--	--

NATURE OF INVESTMENT

 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/18    ____/____/18</p> <p style="text-align: center;">ACQUIRED    DISPOSED</p>
--	--

NATURE OF INTEREST

 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/18    ____/____/18</p> <p style="text-align: center;">ACQUIRED    DISPOSED</p>
--	--

NATURE OF INTEREST

 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

Comments: \_\_\_\_\_

## Instructions – Schedule A-2

### Investments, Income, and Assets of Business Entities/Trusts

---

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

#### To Complete Schedule A-2:

**Part 1.** Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

**Part 2.** Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

**Part 3.** Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. (See Reference Pamphlet, page 11, for examples.) Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity in Part 1. (See Reference Pamphlet, page 8.)

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" are not adequate disclosure. (See Reference Pamphlet, page 14, for information on procedures to request an exemption from disclosing privileged information.)

**Part 4.** Report any investments or interests in real property held or leased **by the entity or trust** in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.



## Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or interest totaling \$2,000 or more any time during the reporting period. Real property is also considered to be "within the jurisdiction" of a local government agency if the property or any part of it is located within two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (See Reference Pamphlet, page 13.)

### Interests in real property include:

- An ownership interest (including a \_\_\_\_\_ ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

### You are **not** required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)  
**Please note:** A non-reportable residence can still be grounds for a \_\_\_\_\_ of interest and may be disqualifying.
- Interests in real property held through a blind trust (See Reference Pamphlet, page 16.)

### To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.

### Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code \_\_\_\_\_ – do your disclosure categories require disclosure of real property?

- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."
- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available**

### status are not reportable.

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

### Example:

Allison Gande is a city planning commissioner. During the reporting period, she received rental income of \$12,000, from a single tenant who rented property she owned in the city's jurisdiction. If Allison received \$6,000 each from two tenants, the tenants' names would not be required because no single tenant paid her \$10,000 or more. A married couple is considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR street address <b>4600 24th Street</b>	
city <b>Sacramento</b>	
fair market value <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input checked="" type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> over \$1,000,000	if applicable, list date: acquired _____/_____/18 disposed _____/_____/18
nature of interest <input type="checkbox"/> ownership/ld end of t rust <input type="checkbox"/> easement <input type="checkbox"/> leasehold _____ yrs. remaining <input type="checkbox"/> other _____	
if rent al proper ty , gross income received <input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> over \$100,000	
sources of rent al income: if you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. <input type="checkbox"/> none <b>Henry Wells</b>	
name of lender * <b>Sophia Petroillo</b>	
address (Business Address Acceptable) <b>2121 Blue Sky Parkway, Sacramento</b>	
business activity , if any , of lender <b>Restaurant Owner</b>	
interest ra te <b>8</b> % <input type="checkbox"/> none	term (months/years) <b>15 Years</b>
highest balance during repor ting period <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> over \$100,000	
<input type="checkbox"/> guarantor, if applicable	
comments: _____	



# Instructions – Schedule C

## Income, Loans, & Business Positions

### (Income Other Than Gifts and Travel Payments)

#### Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. (See Reference Pamphlet, page 11.) You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

The source and income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) Reportable sources of income may be further limited by your disclosure category located in your agency's interest code.

#### Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

#### Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public (See Reference Pamphlet, page 10.)
- Incentive compensation (See Reference Pamphlet, page 12.)

#### Reminders

- Code – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

#### You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be
- Income from a PERS retirement account.

(See Reference Pamphlet, page 12.)

#### To Complete Schedule C:

##### Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. (See Reference Pamphlet, page 8.) **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

##### Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
  - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

**SCHEDULE D  
 Income – Gifts**

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: \_\_\_\_\_

## Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" after the name or in the "comments" section at the bottom of Schedule D.

### Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

### You are **not** required to disclose:

#### Reminders

- Gifts from a single source are subject to a \$500 limit in 2019. (See Reference Pamphlet, page 10.)
- Code – you only need to report gifts from reportable sources.

#### Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes
- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the makes a speech (as in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not above, that would otherwise meet the of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the s state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the s position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to you.

### To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

**SCHEDULE E**  
**Income – Gifts**  
**Travel Payments, Advances,**  
**and Reimbursements**

- Mark either the gift or income box.
- or the “Speech” box if you made a speech or participated in a panel. Per Government Code Section 89506, these payments may not be subject to the gift limit. However, they may result
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE (Not an Acronym) \_\_\_\_\_  
 ADDRESS (Business Address Acceptable) \_\_\_\_\_  
 CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
 (If gift)

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE (Not an Acronym) \_\_\_\_\_  
 ADDRESS (Business Address Acceptable) \_\_\_\_\_  
 CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
 (If gift)

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE (Not an Acronym) \_\_\_\_\_  
 ADDRESS (Business Address Acceptable) \_\_\_\_\_  
 CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
 (If gift)

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE (Not an Acronym) \_\_\_\_\_  
 ADDRESS (Business Address Acceptable) \_\_\_\_\_  
 CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
 (If gift)

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

Comments: \_\_\_\_\_

## Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a description of the purpose of your travel. (See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" to read about travel payments under section 89506(a).)

### You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

**Note: Certain travel payments may not be reportable if reported via email on Form 801 by your agency.**

### To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
  - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift, the **date(s)** received, and the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling

\$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

### Example:

City council member MaryClaire Chandler is the chair of a 501(c)(6) trade association, and the association pays for her travel to attend its meetings. Because MaryClaire is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for MaryClaire to attend other events for which she is not providing services are likely considered gifts. Note that the same payment from a 501(c)3 would NOT be reportable.

▶ NAME OF SOURCE (Not an Acronym)	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Suite 610	
CITY AND STATE	
Sacramento, CA	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
Association of Healthcare Workers	
DATE(S):	AMT: \$ 150.00
(if gift)	
▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input checked="" type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for board meeting.</u>	

### Example:

Mayor Kim travels to China on a trip organized by China Silicon Valley Business Development, a California 501(c)(6) organization. The Chengdu Municipal People's Government pays for Mayor Kim's airfare and travel costs, as well as his meals and lodging during the trip. The trip's agenda shows that the trip's purpose is to promote job creation and economic activity in China and in Silicon Valley, so the trip is reasonably related to a governmental purpose. Thus, Mayor Kim must report the gift of travel, but the gift is exempt from the gift limit. In this case, the travel payments are not subject to the gift limit because the source is a foreign government and because the travel is reasonably related to a governmental purpose. (Section 89506(a)(2).) Note that Mayor Kim could be from participating in or making decisions about The Chengdu Municipal People's Government for 12 months. Also note that if China Silicon Valley Business Development (a 501(c)(6) organization) paid for the travel costs rather than the governmental organization, the payments would be subject to the gift limits. (See the FPPC fact sheet, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, at [www.fppc.ca.gov](http://www.fppc.ca.gov).)

▶ NAME OF SOURCE (Not an Acronym)	
Chengdu Municipal People's Government	
ADDRESS (Business Address Acceptable)	
2 Caoshi St, CaoShiJie, Qingyang qu, Chengdu Shi,	
CITY AND STATE	
Sichuan Sheng, China, 610000	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
DATE(S):	AMT: \$ 3,874.38
(if gift)	
▶ MUST CHECK ONE: <input checked="" type="checkbox"/> Gift -or- <input type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for trip to China.</u>	
▶ If Gift, Provide Travel Destination	
Sichuan Sheng, China	

## Restrictions and Prohibitions

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

### Gift Prohibition

Gifts received by most state and local employees, and candidates are subject to a limit. In 2017 and 2018, the gift limit was \$470 from a single source during a calendar year. In 2019-2020, the gift limit increased to \$500 from a single source during a calendar year.

In addition, state state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local and employees should check with their agency to determine if other restrictions apply.

Public are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to governmental decisions that will affect their economic interests. This may include interests they are not required to disclose. For example, a personal residence is often not reportable, but may be grounds for requirements apply to 87200 (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These must publicly identify the economic interest that creates a of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing of Interest at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Honorarium Ban

Most state and local employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Reference Pamphlet, page 10.)

### Loan Restrictions

Certain state and local are subject to restrictions on loans. (See Reference Pamphlet, page 14.)

### Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state most state employees, local elected county chief administrative city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

### Late Filing

The who retains originally-signed or electronically statements of economic interests may impose on an individual a for any statement that is late. The is \$10 per day up to a maximum of \$100. Late penalties may be reduced or waived under certain circumstances.

Persons who fail to timely their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late penalties, a of up to \$5,000 per violation may be imposed.

**For assistance** concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).
- Call the FPPC toll-free at (866) 275-3772.

### Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

## Questions and Answers

### General

- Q. What is the reporting period for disclosing interests on an assuming statement or a candidate statement?
- A. On an assuming statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed. On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed your declaration of candidacy.
- q . I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be reporting. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- q . I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- q . My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse’s income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse’s economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse’s income may not have to be reported. Contact the FPPC for more information.

- q . As a designated employee, I left one state agency to work for another state agency. Must I file a leaving statement?
- A. Yes. You may also need to file an assuming statement for the new agency.

### Investment Disclosure

- q . I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. (See Reference Pamphlet, page 13.)
- q . My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in mutual funds registered with the SEC are not reportable.
- q . I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. The value of my stock changed during the reporting period. How do I report the value of the stock?
- A. You are required to report the highest value that the stock reached during the reporting period. You may use your monthly statements to determine the highest value. You may also use the entity’s website to determine the highest value. You are encouraged to keep a record of where you found the reported value. Note that for an assuming statement, you must report the value of the stock on the date you assumed

## Questions and Answers Continued

q . I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?

A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to professionals. The "fair market value" is often for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.

q . I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed"

A. No. You must only report dates in the "Acquired" or "Disposed" when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

q . On last year's I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

### Income Disclosure

q . I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.

q . I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at [www.fppc.ca.gov](http://www.fppc.ca.gov). (See Reference Pamphlet, page 14.)

q . I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

## Questions and Answers Continued

q . I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. (See Reference Pamphlet, page 8.)

q . My husband is a partner in a four-person where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

q . How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

q . I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. (See Reference Pamphlet, page 14.)

q . I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

q . Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

### Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

q . I am a city manager, and I own a rental property located in an adjacent city, but one mile from the city limit. Do I need to report this property interest?

A. Yes. You are required to report this property because it is located within 2 miles of the boundaries of the city you manage.

q . Must I report a home that I own as a personal residence for my daughter?

A. You are not required to disclose a home used as a personal residence for a family member unless you receive income from it, such as rental income.

q . I am a co-signer on a loan for a rental property owned by a friend. Since I am listed on the deed of trust, do I need to report my friend's property as an interest in real property on my Form 700?

A. No. Simply being a co-signer on a loan for property does not create a reportable interest in real property for you.

### Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

## Questions and Answers Continued

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- Q. Julia and Jared Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?
- A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2018 the gift limit was \$470, so the Bensons may have given the supervisor artwork valued at no more than \$940. The supervisor must identify Jared and Julia Benson as the sources of the gift.
- q. I am a Form 700 with full disclosure. Our agency holds a holiday to raise funds for a local charity. I bought \$10 worth of tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?
- A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.
- q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's of interest code and the applicant is a reportable source of income under the code.
- A. Yes. If the value of the food and beverages consumed by any one, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.
- q. I received free admission to an educational conference related to my duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?
- A. No. The value of personal such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.

**2018/2019  
Form 700  
Statement of  
Economic Interests**



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**Reference  
Pamphlet**

**California Fair Political Practices Commission**

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • (866) 275-3772

Telephone: (916) 322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

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# Who Must File

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## 1. Code Section 87200 and Members of Boards and Commissions of Newly Created Agencies

The Act requires the following individuals to fully disclose their personal assets and income described in Form 700, Statement of Economic Interests:

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- consultants) who manage public investments
- Elected members of and candidates for the Board of Administration of the California Public Employees' Retirement System
- Elected members of and candidates for the Teachers' Retirement Board
- Members of the High Speed Rail Authority

described in Part 2 on this page.

- Supreme, Appellate, and Superior Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers
- and consultants) who manage public investments

## Members of Boards and Commissions of Newly Created Agencies

Members must fully disclose their investments, interests in real property, business positions, and income (including loans, gifts, and travel payments) until the positions are

## 2.

### Code ("Code Filers")

The Act requires every state and local government agency  
The code lists

make or participate in making governmental decisions that could affect their personal economic interests.

The code requires individuals holding those positions

economic interests as determined by the code's "disclosure categories." These individuals are called "designated

Obtain your disclosure categories from your agency – they are not contained in the Form 700. Persons with broad decisionmaking authority must disclose more interests than those in positions with limited discretion. For example, you may be required to disclose only investments and business positions in or income (including loans, gifts, and travel payments) from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

In addition, certain consultants to public agencies may

in making, or act in a staff capacity for governmental decisions. Agencies determine who is a consultant and the level of disclosure and may use Form 805.

Note:

has the same or a smaller jurisdiction (for example, a state legislator who also sits on a state or local board or commission).

## Employees in Newly Created Positions of Existing Agencies

An individual hired for a position not yet covered under an agency' individual serves in a position that makes or participates in making governmental decisions. These individuals must s broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. The Form 804 may be used to satisfy this requirement.

# Types of Form 700 Filings

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in a position designated, or that will be designated, in a state or local agency'

otherwise authorized to serve in the position. If you are a you were sworn in.

- Investments, interests in real property, and business or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the

or the Commission on Judicial Performance, your nominated to the position.

Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate

nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

## Annual Statement:

Generally, the period covered is January 1, 2018, through December 31, 2018. If the period covered by the statement is different than January 1, 2018, through December 31, 2018, between October 1, 2017, and December 31, 2017, or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

- If your disclosure category changes during a reporting period, disclose under the old category until the ef amendment and disclose under the new disclosure category through the end of the reporting period.

Generally, the period covered is January 1, 2018, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2018, through the date you stopped performing the

between October 1, 2017, and December 31, 2017, or you are combining statements), the period covered must The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2018.

## Candidate Statement:

in real property, and business positions held on the date

In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date

change the preprinted dates on Schedules A-1, A-2, and B.

sheriffs, city clerks, school board trustees, or water

position. The code may be obtained from the agency of the elected position.

## Amendments:

an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not

schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

# Where to File

**1. Code Section 87200**  
**(See Reference Pamphlet, page 3):**

a copy of your statement and forward the original to the FPPC.

Filers	Where to File
<b>87200 Filers</b>	
Retired Judges	Your agency The clerk of your court Directly with FPPC Y Your city clerk Your agency
<b>87200 Candidates</b>	
	of candidacy
Public Employees' Retirement System (CalPERS)	City Clerk CalPERS
State Teachers' Retirement Board (CalSTRS)	CalSTRS

**Note:** Individuals that invest public funds for a city or . Unlike **not be** forwarded to the FPPC pursuant to Regulation 18753.

**2. Employees, Candidates, and Consultants Designated**

File with your agency, board, or commission unless code. In most cases, the agency, board, or commission will retain the statements.

declaration of candidacy or other nomination documents

**3. Members of Boards and Commissions of Newly Created Agencies:**

File with your newly created agency or with your agency's code reviewing body as provided by your code reviewing body.

State Senate and Assembly staff directly with the FPPC.

Exceptions:

- under any agency'
- statements under any agency' code in the same jurisdiction. For example, a county supervisor who is appointed to serve in an agency with obligations.

**4. Positions Not Y interest Code**

An individual hired for a position not yet covered under an agency' individual serves in a position that makes or participates in making governmental decisions. These individuals must is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for this disclosure.

Regulation 18734.

# When to File

Filer	Deadline
	<b>30 days</b>
in Gov. Code Section 87200  <b>or</b> Newly created board and commission members not interest code	<b>30 days</b>  <b>or</b> <b>10 days</b> after appointment or nomination if subject to Senate or judicial
Other appointed positions (including those held by newly-hired employees) that are or of interest code	<b>30 days</b> (30 days after appointment or nomination if subject to Senate
Positions newly added to a interest code	<b>30 days</b> after the effective date of the code or code amendment

Exceptions:

- 
- 
- are reelected or reappointed), you are not required to
- . Code Section 87200 and, within 45 days, you assume another the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required
- If you transfer from one designated position to another designated position within the same agency, contact obligations.

**\$10 per day per position up to \$100 for each day the statement is late.**

## Annual Statements:

1. state legislature, members elected to the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board);  
Judges and court commissioners; and  
  
Gov. Code Section 87200:  
File no later than **Friday, March 1, 2019.**
2. . Code Section 87200:  
File no later than **Tuesday, April 2, 2019.**
3. File no later than **Tuesday, April 2, 2019.**
4. File on the date prescribed in the code (April 1 for most

Exception:

- December 31, 2018, and 2019, and until March 2, 2020, or April 1, 2020, whichever is applicable. The annual statement will cover the day after 2019.
- deadlines.

## When to File - (continued)

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### Late Statements:

Late statements should be submitted as soon as possible

Exceptions:

- are reelected or reappointed), you are not required to
- . Code Section  
or position in Section 87200 that has the same jurisdiction (for example, a city planning commissioner  
annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact obligations.

\$100. Late penalties may be reduced or waived under certain circumstances.

referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or District Attorney) for investigation and possible prosecution. In addition to the

\$5,000 per violation may be imposed.

### Candidate Statements:

in Gov

for the declaration of candidacy or other nomination documents.

Exception:

A an  
statement for the same  
jurisdiction **within 60 days**  
candidacy or other nomination documents.

# T

The instructions located on the back of each schedule describe the types of interests that must be reported. The purpose of this section is to explain other terms used in

schedules or elsewhere.

**Blind Trust:** See Trusts, Reference Pamphlet, page 16.

**Business Entity:** Any organization or enterprise operated business trust, joint venture, syndicate, corporation, or association. This would include a business for which you take business deductions for tax purposes (for example, a small business operated in your home).

**Code Filer:** An individual who has been designated in a state or local agency' statements of economic interests.

An individual hired on or after January 1, 2010 for a position not yet covered under an agency'

in a position that makes or participates in making governmental decisions.

the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for such disclosure. See Regulation 18734.

**Commission Income:** "Commission income" means gross payments of \$500 or more received during the period covered by the statement as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

In addition, you may be required to disclose the names of sources of commission income if your pro rata share of the gross income was \$10,000 or more from a single source during the reporting period. If your spouse or registered domestic partner received commission income, you would disclose your community property share (50%) of that income (that is, the names of sources of \$20,000 or more in gross commission income received by your spouse or registered domestic partner).

Report commission income as follows:

- If the income was received through a business entity in which you and your spouse or registered domestic partner had a 10% or greater ownership interest (or if you receive commission income on a regular basis as an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse or registered domestic partner **did not receive commission income on a regular basis** or you had a less than 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

Examples:

- You are a partner in Jameson and Mulligan Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of second. On Schedule A-2, report your partnership interest in and income received from Jameson and Mulligan Insurance Company in Parts 1 and 2. In Part 3, list both Businessmen's Insurance Company and XYZ Company as sources of \$10,000 or more in commission income.
- You are a stockbroker for Prince Investments, but you You receive commission income on a regular basis through the sale of stock to clients. Your total gross income from your employment with Prince Investments was over \$100,000 during the reporting period. On Schedule A-2, report your name as the name of the business entity in Part 1 and the gross income you have received in Part 2. (Because you are an employee of Prince Investments, you do not need to complete the information in the box in Part 1 indicating the general description of business activity, fair market value, or nature of investment.) In Part 3, list Prince Investments and the names of any clients who were sources of \$10,000 or more in commission income to you.
- You are a real estate agent and an independent contractor under Super Realty. On Schedule A-2, Part 1, in addition to your name or business name, complete the business entity description box. In Part 2, identify your gross income. In Part 3, for each transaction that resulted in commission income to you of \$10,000 or more, you must identify the brokerage entity, each person you represented, and any person 's or other referral fee for referring a party to the transaction to the broker.

Note: If your pro rata share of commission income from a single source is \$500 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report the income. (See Reference Pamphlet, page 12.)

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Act when all of the following occur:

- decision;
- It is reasonably foreseeable that the decision will affect s economic interest;
- The ef s economic interest will be material; and
- The ef s economic interest will be different than its effect on the public generally.

The Act requires every state

code. The code may be contained in a regulation, policy statement, or a city or county ordinance, resolution, or other document.

An agency'

who make or participate in making governmental decisions These individuals

interest occur.

only the kinds of personal economic interests he or she fect through the exercise of his or her

are limited to reviewing contracts for supplies, equipment, materials, or services provided to the agency should be required to report only those interests he or she holds that are likely to be affected by the agency's contracts for supplies, equipment, materials, or services.

**Consultant:** An individual who contracts with or whose employer contracts with state or local government agencies and who makes, participates in making, or acts in a staff capacity for making governmental decisions. The agency determines who is a consultant. Consultants may

under full disclosure unless the agency provides in writing a limited disclosure requirement. Agencies may use FPPC Form 805 to assign such disclosure. The obligation to

providing services to the agency, not on the business or

individual who makes a governmental decision whether to:

- Approve a rate, rule, or regulation
- Adopt or enforce a law
- Issue, deny, suspend, or revoke any permit, license, , or similar authorization or entitlement
- Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval
- Grant agency approval to a contract that requires agency approval and to which the agency is a party, or
- Grant agency approval to a plan, design, report, study, or similar item
- Adopt, or grant agency approval of, policies, standards, or guidelines for the agency or for any of its subdivisions

A consultant also is an individual who serves in a staff capacity with the agency and:

- participates in making a governmental decision; or
- performs the same or substantially all the same duties for the agency that would otherwise be performed by an s

**Designated Employee:**

or local government agency whose position has been designated in the agency' statements of economic interests or whose position has not yet been listed in the code but makes or participates in making governmental decisions. Individuals who contract with government agencies (consultants) may also be

A

capacity on a state or local government agency is not a designated employee.

**Disclosure Categories:** The section of an agency's

must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix agency to obtain a copy of your disclosure categories.

bonds, or money market instruments that are managed by investment companies whose business is pooling the money of many individuals and investing it to seek a common investment goal. Mutual funds are managed by trained professionals who buy and sell securities. A typical mutual fund will own between 75 to 100 separate securities at any given time so they also provide instant

*Only diversified mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 are exempt from disclosure.* In addition, Regulation 18237 provides an exception from reporting other funds that are similar to

13.)

the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, members of the State Legislature, members of the State Board of Equalization, elected members of the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board.

**Enforcement:** The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) also may initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement

violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General, or district attorney), or a private party residing within the jurisdiction. In civil actions, the measure of damages is up to the amount or value not properly reported.

provisions of the Act also may be subject to agency discipline, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a

date of the conviction from serving as a lobbyist or running

be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

### Expanded Statement:

council member who also holds a designated position with a county agency  
or employees may complete one expanded statement covering the disclosure requirements for all positions and

**Fair Market Value:** When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value – the price at which the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a

may be \$25 or more. In addition, there are special rules for valuing free tickets and passes. Call or email the FPPC for assistance.

### Gift and Honoraria Prohibitions

#### Gifts:

. Code  
Section 87200 (except judges – see below), candidates

were prohibited from accepting a gift or gifts totaling more than \$470 in a calendar year from a single source in 2018. The gift limit is \$500 in 2019 and 2020.

In addition, elected state  
state state agencies  
are subject to a \$10 per calendar month limit on gifts from  
of State.

#### Honoraria:

. Code  
Section 87200 (except judges – see below), candidates

and employees of state and local government agencies

prohibited from accepting honoraria for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

## Exceptions:

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not be subject to the prohibitions, but are reportable. For detailed information, see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your [www.fppc.ca.gov](http://www.fppc.ca.gov)).
- The gift limit and the honorarium prohibitions do not apply to a part-time member of the governing board of a public institution of higher education, unless the
- If you are designated in a state or local government agency' honorarium prohibition are applicable only to sources you would otherwise be required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code Section 87200 (See Reference Pamphlet, page 3.)
- agency. This exception is not applicable if you are an State Legislature.
- Payments for articles published as part of the practice teaching, are not considered honoraria. A payment for an "article published" that is customarily provided in connection with teaching includes text book royalties and payments for academic tenure review letters. An profession of teaching if he or she is employed to teach at an accredited university.

## Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure. Court commissioners are subject to the gift limit under the Political Reform Act.

**Income Reporting:** Reporting income under the Act is different than reporting income for tax purposes. The Act requires **gross** income (the amount received before deducting losses, expenses, or taxes, as well as income reinvested in a business entity) to be reported.

**Pro Rata Share:** The instructions for reporting income refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership

interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross income to the business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received. When reporting your community property interest in your spouse's or registered domestic partner's income, your pro rata share is 50% of his or her income.

**Separate Property Agreement:** Generally is required to disclose his or her community property share of his or her spouse' and his or her spouse have a legally separate property

not required to report the spouse's community property share of income, unless the funds are commingled with community funds or used to pay for community expenses or to produce or enhance the separate income of the

**Note:** This reporting exception does not apply to investments and interests in real property. Even if a public

agreement, the spouse's investments and interests in real

of reportable investments and interests in real property s immediate family (spouse, registered domestic partner, and dependent children). community property law.

**Income to a Business Entity:** When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of \$10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of \$500 or more in income, even though you are not required to report them.

## Examples:

- Alice Ruiz is a partner in a business entity. She has a 25% interest. On Schedule A-2, she must disclose 25% of the fair market value of the business entity; 25% of the gross income to the business entity (even though all of the income received was reinvested in the business and she did not personally receive any income from the business); and the name of each source of \$40,000 or more to the business.

- Pat and Mark Johnson, a married couple, own Classic Autos. Income to this business was \$200,000. In determining the amount to report for income on Schedule A-2, Part 2, Mark must include his 50% share (\$100,000) and 50% of his spouse's share (\$50,000). Thus, his reportable income would be \$150,000 and he will check the box indicating \$100,001-\$1,000,000. (See Reference Pamphlet, page 13, for an example of how to calculate the value of this investment and interest in real property.)

**You are not required to report:**

- Salary, reimbursement for expenses or per diem, social security, disability received by you or your spouse or registered domestic partner from a federal, state, or local government agency
- A entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.
- Campaign contributions
- A cash bequest or cash inheritance
- Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds unless the
- Redemption of a mutual fund
- Payments received under an insurance policy, including an annuity
- Interest, dividends, or premiums on a time or demand an insurance policy, or a bond or other debt instrument issued by a government agency
- Your spouse's or registered domestic partner's income that is legally "separate" income so long as the funds are not commingled with community funds or used to pay community expenses
- Income of dependent children
- Automobile trade-in allowances from dealers
- Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, intermediary or agent for any person not covered by this provision
- Alimony or child support payments
- 

- Any loan from a commercial lending institution made in the lender's regular course of business on terms status
- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available
- Loans made to others. However, repayments may be reportable on Schedule C
- A loan you co-signed for another person unless you made payments on the loan during the reporting period

**Incentive Compensation:** "Incentive compensation" means income over and above salary that is either ongoing or cumulative, or both, as sales or purchases of goods or services accumulate. Incentive compensation is s employer which correlates to the conduct of the purchaser in direct response to the ef

Incentive compensation does not include:

- Salary
- Commission income (*For information regarding disclosure of "commission income," see Reference Pamphlet, page 8.*)
- Bonuses for activity not related to sales or marketing, the amount of which is based solely on merit or hours worked over and above a predetermined minimum
- Executive incentive plans based on company performance, provided that the formula for determining the amount of the executive's incentive income does not include a correlation between that amount and company
- Payments for personal services which are not marketing or sales

three of the following apply:

- s employment responsibilities include directing sales or marketing activity toward the purchaser; and
- or business; and
- there is a direct relationship between the purchasing activity of the purchaser and the amount of the

Report incentive compensation as follows:

- In addition to salary, reimbursement of expenses, and other income received from your employer, separately report on Schedule C the name of each person who purchased products or services sold, marketed or represented by you if you received incentive compensation of \$500 or more attributable to the purchaser during the period covered by the statement.
- If incentive compensation is paid by your employer in customers, you must determine the amount of incentive compensation attributable to each of your customers. This may be based on the volume of sales to those customers.

(See Regulations 18700.1 and 18728.5 for more information.)

**Investment Funds:** The term “investment” no longer includes certain exchange traded funds, closed-end funds, or funds held in an Internal Revenue Code qualified plan. These non-reportable investment funds (1) must be bona fide investment funds that pool money from more than 100 investors, (2) must hold securities of more than 15 issuers, and (3) cannot have a stated policy of concentrating their holdings in the same industry or business (“sector funds”). In addition, the filer may not influence or control the decision to purchase or sell the specific fund on behalf of his or her agency during the reporting period or influence or control the selection of any specific investment purchased or sold by the fund. (Regulation 18237)

**Investments and Interests in Real Property:** When disclosing investments on Schedules A-1 or A-2 and interests in real property on Schedules A-2 or B, you must include investments and interests in real property held by your spouse or registered domestic partner, and those held by your dependent children, as if you held them directly.

Examples:

- Julia Pearson, husband, and two dependent children each own \$600 in stock in General Motors. Because the total value of their holdings is \$2,400, Julia must disclose the stock as an investment on Schedule A-1.
- Pat and Mark Johnson, a married couple, jointly own Classic Autos. Mark must disclose Classic Autos as an investment on Schedule A-2. To determine the reportable value of the investment, Mark will aggregate the value of his 50% interest and Pat’s 50% interest. Thus, if the total value of the business entity is \$150,000, he will check the box \$100,001 - \$1,000,000 in Part 1 of Schedule A-2. (Also see Reference Pamphlet, page 11, for an example of how to calculate reportable income.)

The Johnsons also own the property where Classic Autos is located. To determine the reportable value of the real property, Mark will again aggregate the value of his 50% interest and Pat’s 50% interest to determine the amount to report in Part 4 of Schedule A-2.

- Katie Lee rents out a room in her home. She receives \$6,000 a year in rental income. Katie will report the fair market value of the rental portion of her residence and the income received on Schedule B.

**Jurisdiction:** Report disclosable investments and sources of income (including loans, gifts, and travel payments) that are either located in or doing business in your agency’s jurisdiction, are planning to do business in your agency’s jurisdiction, or have done business during the previous two years in your agency’s jurisdiction, and interests in real property located in your agency’s jurisdiction.

A business entity is doing business in your agency’s jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction.

Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the Internet, telephone, television, radio, or printed media.

The same criteria are used to determine whether an individual, organization, or other entity is doing business in your jurisdiction.

Exception:

Gifts are reportable regardless of the location of the donor. must report gifts from sources located outside of California.

disclosure categories to determine if the donor of a gift is of the type that must be disclosed.)

When reporting interests in real property, if your jurisdiction is the state, you must disclose real property located within the state of California unless your agency’

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

See the following explanations to determine what your jurisdiction is:

\_\_\_\_\_ All Courts: Your jurisdiction is the state \_\_\_\_\_, a state legislator, or candidates, and court commissioners also have statewide jurisdiction. (*In re Baty* (1979) 5 FPPC Ops. 10) If you

board, commission, or agency, or of any court or the State Legislature, your jurisdiction is the state.

\_\_\_\_\_ : Your jurisdiction is the county if you are

county agency or any agency with jurisdiction solely within a single county.

\_\_\_\_\_ : Your jurisdiction is the city if you are an

any agency with jurisdiction solely within a single city.

\_\_\_\_\_, a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

Other (for example, school districts, special districts and JPAs)

employee of, or a consultant to an agency not covered above, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

**Leasehold Interest:** The term “interest in real property” includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is \$2,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period or, prior 12 months.

You are not required to disclose a leasehold interest with a value of less than \$2,000 or a month-to-month tenancy.

**Loan Reporting:** Filers are not required to report loans from commercial lending institutions or any indebtedness created as part of retail installment or credit card transactions that are made in the lender’s regular course

available to members of the public.

**Loan Restrictions:** State and local elected and appointed consultant of their government agencies or any government s agency has direction or control. In addition, loans of more than \$250 s control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

receiving any personal loan of \$500 or more unless the loan agreement is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the \$250 and \$500 loan prohibitions.

A repaid or is being repaid below certain amounts will

Contact the FPPC for further information, or see the FPPC fact sheet entitled “Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans,” which can be obtained from ([www.fppc.ca.gov](http://www.fppc.ca.gov)).

**Privileged Information:** FPPC Regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income. Under this regulation, you are not required to disclose on Schedule A-2, Part 3, the name of a person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California or Federal law. However, you must provide an explanation for nondisclosure, separately stating for each undisclosed person: the legal basis for the assertion of the privilege, facts demonstrating why the privilege is applicable, and that to the best of your knowledge you have not and will not make, participate in making, or use your official position to influence a governmental decision affecting the undisclosed person in violation of Government Code Section 87100. This explanation may be included with, or attached to, the public official’s Form 700.

We note that the name of a source of income is privileged only to a limited extent under California law. For example, a name is protected by attorney-client privilege only when facts concerning an attorney’s representation of an anonymous client are not publicly known and those facts,

when coupled with disclosure of the client's identity,

civil or criminal liability. A patient's name is protected by physician-patient privilege only when disclosure of the patient's name would also reveal the nature of the treatment received by the patient. A patient's name is also protected if the disclosure of the patient's name would constitute a violation by an entity covered under the Federal Health Insurance Portability and Accountability Act (also known as HIPAA).

Individuals who invest public funds in revenue-producing  
This includes individuals  
who direct or approve investment transactions, formulate  
or approve investment policies, and establish guidelines

the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- who exercise primary responsibility for the management of public investments (for example, chief or principal
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

**Registered Domestic Partners:** Filers must report investments and interests in real property held by, and sources of income to, registered domestic partners. (See Regulation 18229.)

**Retirement Accounts (for example, deferred compensation and individual retirement accounts (IRAs)):** Assets held in retirement accounts must be disclosed if the assets are reportable items, such as common stock (investments) or real estate (interests in real property). For help in determining whether your investments and real property are reportable, see the instructions to Schedules A-1, A-2, and B.

If your retirement account holds reportable assets, disclose only the assets held in the account, not the account itself. You may have to contact your account manager to determine the assets contained in your account.

Schedule A-1: Report any business entity in which the value of your investment interest was \$2,000 or more during the reporting period. (Use Schedule A-2 if you have a 10% or greater ownership interest in the business entity.)

Schedule B: Report any piece of real property in which the value of your interest was \$2,000 or more during the reporting period.

Examples:

- Anaya Tiwari deposits \$500 per month into her employer's deferred compensation program. She has funds registered with the Securities and Exchange Commission. Because her funds are invested solely in non-reportable mutual funds (see Schedule A-1 instructions), Anaya has no disclosure requirements with regard to the deferred compensation program.
- Earl James Jones has \$6,000 in an individual  
The  
account contains stock in several companies doing business in his jurisdiction. One of his stock holdings, Misac Computers, reached a value of \$2,500 during the reporting period. The value of his investment in each of the other companies was less than \$2,000. Earl must report Misac Computers as an investment on Schedule A-1 because the value of his stock in that company was \$2,000 or more.
- Adriane Fisher has \$5,000 in a retirement fund that invests in real property located in her jurisdiction. The value of her interest in each piece of real property held in the fund was less than \$2,000 during the reporting period. Although her retirement fund holds reportable assets, she has no disclosure requirement because she did not have a \$2,000 or greater interest in any single piece of real property. If, in the future, the value of her interest in a single piece of real property reaches or exceeds \$2,000, she will be required to disclose the real property on Schedule B for that reporting period.

**Trusts:** Investments and interests in real property held and income received by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was \$2,000 or more.

You have an interest in a trust if you are a trustor and:

- Can revoke or terminate the trust;
- Have retained or reserved any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment, including the

Or you are a \_\_\_\_\_ and:

- Presently receive income (see Gov. Code Section 82030); or
- Have an irrevocable future right to receive income or principal. (See FPPC Regulation 18234 for more information.)

Examples:

- Sarah Murphy has set up a living trust that holds her principal residence, stock in several companies that do business in her jurisdiction, and a rental home in her agency's jurisdiction. Since Sarah is the trustor and can revoke or terminate the trust, she must disclose any stock worth \$2,000 or more and the rental home on Schedule A-2. Sarah's residence is not reportable because it is used exclusively as her personal residence.
- Chao Y trust. However, Chao does not presently receive income from the trust, nor does he have an irrevocable future right to receive income or principal. Therefore, Chao is not required to disclose any assets contained in his grandparents' trust.

#### **Blind Trusts:**

A blind trust is a trust managed by a disinterested trustee who has complete discretion to purchase and sell assets

interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income.

However, the trust must meet the standards set out in FPPC Regulation 18235, and you must disclose reportable assets originally transferred into the blind trust and income from those original assets on Schedule A-2 until they have been disposed of by the trustee.

#### **Trustees:**

If you are only a trustee, you do not have a reportable interest in the trust. However, you may be required to report the income you received from the trust for performing trustee services.

**Wedding Gifts:** Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at \$50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one-half of the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of \$100 or more.

For example, you receive a place setting of china valued at \$150 from a reportable source as a wedding gift. Because the value to you is \$50 or more, you must report the gift on Schedule D, but may state its value as \$75.

Wedding gifts are not subject to the \$470 gift limit (\$500 in 2019 - 2020), but they are subject to the \$10 lobbyist/

#### **Privacy Information Notice**

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Gov. Code Sections 81000-91014 and California Code of Regulations Sections 18110-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

General Counsel  
Fair Political Practices Commission  
1102 Q Street, Suite 3000  
Sacramento, CA 95811  
(916) 322-5660  
(866) 275-3772

# Frequently Asked Questions: Form 700 Disclosure

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The FAQs listed below are selected from questions often asked about the Statement of Economic Interests (Form 700). Because it is not possible to address all of the unique variables and circumstances related to disclosure, individuals are encouraged to contact the FPPC with specific facts. Most officials must also consult their agency’s conflict of interest code to determine their disclosure level and their reportable interests. The Form 700 is a public document. Form 700s filed by State Legislators and Judges, members of the FPPC, County Supervisors, and City Council Members are available on the FPPC’s website.

## General Questions

1. Q. Do officials have to complete all schedules of the Form 700?
  - A. Not necessarily. The majority of individuals who file the Form 700 must do so by following the rules set forth in their agency’s conflict of interest code (“designated employees”). Before completing the Form 700, an official should be familiar with the disclosure category for his or her position. For example, since job duties differ from agency to agency and even unit to unit within the same agency, an analyst for one agency, or unit of that agency, may not have the same reporting requirements as an analyst from another agency, or even another unit of the same agency. **Designated employees should obtain a copy of their agency’s conflict of interest code from the agency.**

Officials listed in Government Code Section 87200 (e.g., boards of supervisors, city council members, planning commissioners, elected state officials, etc.) must report investments, business positions, and sources of income, including receipt of gifts, loans, and travel payments, from sources located in or doing business in their agency’s jurisdiction. All interests in real property within the agency’s jurisdiction must also be reported. For local officials, real property located within two miles of the boundaries of the jurisdiction or any real property that the agency has an interest in is deemed to be “within the jurisdiction.”

2. Q. Is it necessary to read all of the information before completing the Form 700?
  - A. Each individual must verify the Form 700’s content under penalty of perjury. Therefore, every effort must be made to understand what is required by the form. When necessary, you may contact the FPPC for specific, personal guidance. You may only obtain immunity from an enforcement action when you receive formal written advice.
3. Q. Where are the Form 700s filed?
  - A. Most state and local officials file with their agency. In most instances, the agency is required to forward the originals for specified high-level officials to the FPPC. Only retired judges serving on assignment and legislative staff file the Form 700 *directly* with the FPPC.

4. Q. If the Form 700 is postmarked by the due date, is it considered filed on time?
  - A. Yes.
5. Q. If an official holds various positions for which the Form 700 is required, is a statement required for each position?
  - A. Yes. However, one expanded statement covering the disclosure requirements for all positions may be completed as long as an originally signed statement is filed with each filing officer.
6. Q. Do individuals need to file a complete Form 700 when they leave office?
  - A. Yes. The same requirements apply for the assuming office, the annual, and the leaving office filings.
7. Q. An individual is hired into a newly created management position in her agency's Information Technology Department. How does she complete the Form 700?
  - A. Because it is a newly created position, the law requires that economic interests are reported under the broadest disclosure category in the agency's conflict of interest code unless the agency sets interim disclosure that is tailored to the limited range of duties of the position. Generally, the Form 700 must be filed with the agency within 30 days of the date of hire. An individual may request that the agency complete the Form 804 (Agency Report of New Positions) to tailor the disclosure category to the job duties of the new position.
8. Q. Must board members of a non-profit public benefit corporation that operates California charter schools file Form 700?
  - A. Yes. Members of charter schools are public officials and must file the Form 700.

### **Income Questions**

9. Q. Must an official report a spouse's or registered domestic partner's salary?
  - A. Generally an official is required to report his or her community property share (50%) of his or her spouse's or registered domestic partner's salary. The disclosure lists the employer's name as the source of income on Schedule C of the Form 700. If the spouse or registered domestic partner is self-employed, the business entity is reported on Schedule A-2. Officials should check their disclosure category, if applicable, to determine if the income is reportable. A spouse or registered domestic partner's government salary is not reportable (e.g., spouse is a teacher at a public school).
10. Q. If an official and his or her spouse have a legally separate property agreement (e.g., prenuptial), must the official still report his or her community property share (50%) in his or her spouse's income?
  - A. No. If there is a legally separate property agreement, the official is not required to report his or her community property share in his or her spouse's income so long as the funds are not commingled with community funds or used to pay for community expenses or to produce or enhance the official's separate income. This reporting exception does not apply to investments and interests in real property. Even if a public official and his or her spouse have a separate property agreement, the spouse's investments and interests in real property must still be disclosed because the definitions of reportable investments and interests in real property

include those held by the official's immediate family (spouse, registered domestic partner, and dependent children). These definitions are not dependent on community property law.

11. Q. If an official owns a business in which he has received income of \$10,000 or more from a client, is the official required to disclose the client's name on Schedule A-2, Part 3?
- A. Yes, except for under rare circumstances where disclosure of the identity would violate a legally recognized privilege under California or federal law. In these cases, the FPPC may authorize an exemption. (Regulation 18740)
12. Q. When an official purchases a new car and trades in the old car as credit toward the purchase price, is the trade-in allowance considered reportable income on the Form 700?
- A. No. A trade-in allowance is not considered income and is not reportable on an official's Form 700. However, income received from the sale of an auto may be reportable.
13. Q. An official owns a rental property that he or she is required to report. The renter/tenant pays a property management company and the company deposits the funds into the official's checking account. Would the source of rental income be listed as the property management company or the person living at the residence who is paying the property management company?
- A. The source of the rental income is the person living at the residence (renter/tenant). The property management company does not need to be disclosed.

## **Investment Questions**

14. Q. An official holds various stocks through an account managed by an investment firm. The account manager decides which stocks to purchase with no input from the official. Are the stocks subject to disclosure?
- A. Yes. Unless the stocks are in a diversified mutual fund registered with the SEC or in a fund similar to a diversified mutual fund (e.g., exchange traded fund (ETF)) if the similar fund meets the specific criteria outlined in Regulation 18237. Any investments worth \$2,000 or more in a business entity located in or doing business in the jurisdiction must be disclosed on Schedule A-1 or A-2 if the official's disclosure category requires that the investments be reported.
15. Q. Are funds invested in a retirement account required to be disclosed?
- A. Investments held in a government defined-benefit pension program plan (i.e., CalPERS) are not reportable. Investments held in a fund such as a defined contribution plan 401(k) or exchange traded fund (ETF) are not required to be disclosed if the fund meets the specific criteria outlined in Regulation 18237. An official may need to contact his or her account manager for assistance in determining what assets are held in the account.
16. Q. If an official reported stocks that were acquired last year on his or her annual Form 700, must the stocks be listed again on the official's next Form 700?
- A. Yes. Stocks that are worth \$2,000 or more during the reporting period must be reported every year that they are held. The "acquired" and "disposed" dates are only required if the stocks were acquired or disposed of during the period covered by the Form 700.

17. Q. How are interests in a living trust reported if the trust includes: (1) rental property in the official's jurisdiction; (2) a primary residence; and (3) investments in diversified mutual funds? Are there different disclosure rules?
- A. The name of the trust is reported, along with the rental property and its income, on Schedule A-2. The official's primary residence, if used exclusively as a personal residence, and investments in diversified mutual funds registered with the SEC, are not reportable. Although the official's primary residence is not required to be disclosed on the Form 700, it is still considered an economic interest for conflict of interest purposes. (See Question 18.) A secondary residence not used exclusively for personal purposes may be reportable. (See Question 19.)

### **Real Property Questions**

18. Q. Is an official's personal residence reportable?
- A. Generally, any personal residence occupied by an official or his or her family is not reportable if used exclusively as a personal residence. However, a residence for which a business deduction is claimed is reportable if the portion claimed as a tax deduction is valued at \$2,000 or more. In addition, any residence for which an official receives rental income is reportable if it is located in the jurisdiction.
19. Q. When an official is required to report interests in real property, is a secondary residence reportable?
- A. It depends. First, the residence must be located in the official's jurisdiction. If the secondary residence is located in the official's jurisdiction and rental income is received (including from a family member), the residence is reportable. However, if the residence is used exclusively for personal purposes and no rental income is received, it is not reportable. Although the secondary residence may not be reportable, it is still considered an economic interest for conflict of interest purposes.
20. Q. If a primary or secondary personal residence is required to be reported, is the street address required to be disclosed?
- A. No. The assessor's parcel number may be listed instead of the street address.

### **Enforcement Question**

21. Q. What is the penalty for not filing the Form 700 on time or not reporting all required economic interests?
- A. A late fine of \$10 per day up to a maximum of \$100 may be assessed. In addition, if a matter is referred to the FPPC's Enforcement Division for failure to file or failure to include all required economic interests, the fine may be substantially higher. If an individual does not pay a fine, the matter may be referred to the Franchise Tax Board for collection.

### **Gift/Travel Questions**

22. Q. What is the gift limit for 2017-2018?
- A. **\$470:** This means that gifts from a single, reportable source, other than a lobbyist or lobbying firm (see below), may not exceed \$470 in a calendar year. For officials and employees who file

the Form 700 under an agency's conflict of interest code ("designated employees"), this limit applies only if the official or employee would be required to report income or gifts from that source on the Form 700, as outlined in the "disclosure category" portion of the agency's conflict of interest code. For conflict of interest purposes, the gift must be under \$470 to avoid consideration under the conflict rules. The gift limit for 2015 – 2016 was \$460.

**State Lobbyist & Lobbying Firm Limit:**

**\$10:** State candidates, state elected officers, and state legislative officials may not accept gifts aggregating more than **\$10 in a calendar month that are made or arranged by a registered state lobbyist or lobbying firm.** The same rule applies to state agency officials, including members of state boards and commissions, if the lobbyist or firm is registered to lobby, or should be registered to lobby, the official's or employee's agency.

23. Q. During the year, an official received several gifts of meals from the same reportable source. Each meal was approximately \$35. Is the source reportable?
- A. Yes. Gifts from the same reportable source are aggregated, and the official must disclose the source when the total value of all meals reaches or exceeds \$50.
24. Q. How does an individual return a gift so that it is not reportable?
- A. Unused gifts that are returned to the donor or reimbursed within 30 days of receipt are not reportable. The recipient may also donate the unused item to a charity or governmental agency within 30 days of receipt or acceptance so long as the donation is not claimed as a tax deduction. An individual may not, however, reimburse a charity for the value (or partial value) of a gift from another source, in order to not report the gift, unless the charity was the original source of the gift.
25. Q. Two people typically exchange gifts of similar value on birthdays. Are these items reportable?
- A. No. Gift exchanges with individuals, other than lobbyists, on birthdays, holidays, or similar occasions, are not reportable or subject to gift limits. The gifts exchanged must be similar in value.
26. Q. Must an official report gifts received from an individual whom the official is dating?
- A. No. Gifts of a personal nature exchanged because the individuals are in a bona fide dating relationship are not reportable or subject to gift limits. However, the official remains subject to the conflict of interest rules and some matters may require recusal from voting.
27. Q. If an official makes a speech related to national public policy and his or her spouse attends the dinner at the event, is the spouse's meal considered a gift to the official?
- Yes. The official's meal is not a reportable gift; however, his or her spouse's meal is a gift and reportable on the official's Form 700 if the value is \$50 or more.
28. Q. A vendor that does business with the agency provided entertainment tickets to the spouse of one of the agency members. Must the member report the tickets as gifts?

- A. Yes. Unless an exception applies, the tickets are a reportable gift. A gift to an official's spouse is a gift to the official when there is no established working, social, or similar relationship between the donor/vendor and the spouse or there is evidence to suggest that the donor had a purpose to influence the official.
29. Q. An agency received two free tickets to a concert from a local vendor. The agency has a policy governing the reporting of tickets and passes distributed to persons for use in ceremonial roles or other agency related activities. The agency had discretion to determine who in the agency received the tickets. Each ticket was valued at \$140. If the agency director used the tickets, how are they reported?
- A. Assuming the tickets meet the agency's policy as an appropriate use of public funds, the agency may report the tickets (worth \$280) on the Form 802 (Agency Report of Ceremonial Role Events and Ticket/Pass Distributions), which is a public record. The director does not need to report the tickets on the Form 700.
30. Q. An agency received a large box of chocolates as a holiday gift from a local merchant. It was addressed to the agency and not to a particular employee. Is there a reporting requirement?
- A. No. There is no reporting requirement if the value received by each agency employee is less than \$50.
31. Q. An agency official receives a gift basket specifically addressed to the official worth more than \$50 from a local merchant. Is there a reporting requirement?
- A. If the source of the gift basket is reportable by the official, the official must report the gift, even if he or she shares the gift with other agency employees.
32. Q. Do prizes donated to a governmental agency by an outside source constitute gifts under the Act if they were received by city employees in a drawing conducted by the city for all city employees participating in the city's charitable food drive?
- A. Yes. The prizes are gifts if donated by an outside source and subject to the Act's limits and reporting requirements.
33. Q. An official won a scholarship in a raffle at a software update training class. The scholarship covered the cost of the class. All attendees, including other public officials and members of the public, were eligible to apply for the scholarship. Is the official required to report the scholarship as a gift?
- A. A scholarship received in a "bona fide" competition may be reported as income instead of a gift. Whether or not a competition or contest is "bona fide" depends on specific facts, such as the nature of the pool of contestants. Contact the FPPC for assistance.
34. Q. Is a ticket provided to an official for his or her admission to an event at which the official performs a ceremonial role or function on behalf of his or her agency reportable on the official's Form 700?

- A. No, so long as the organization holding the event provides the ticket and so long as the official's agency completes the Form 802 (Agency Report of Ceremonial Role Events and Ticket/Pass Distributions). The form will identify the official's name and explain the ceremonial function. (See Regulation 18942.3 for the definition of "ceremonial role.")
35. Q. An official makes an annual donation to an educational organization that has a 501(c)(3) tax-exempt status. The organization is holding a two-hour donor appreciation event, which will include wine, appetizers, and music. Free access to the event is being provided to all donors to the organization. Must the official report the event as a gift from the organization?
- A. Because free access to the event is offered to all of the organization's donors, without regard to official status, access to the event is not a reportable gift.
36. Q. Are frequent flyer miles reportable?
- A. No. Discounts received under an airline's frequent flyer program that are available to all members of the public are not required to be disclosed.

**IMPORTANT NOTE: See Regulation 18950.1 for additional information on reporting travel payments. In some circumstances the agency may report the travel in lieu of the official reporting the travel.**

37. Q. If a non-profit organization pays for an official to travel to a conference after receiving the funds to pay for the travel from corporate sponsors, specifically for the purpose of paying for the official's travel, is the non-profit organization or the corporate sponsors the source of the gift?
- A. The corporate sponsors are the source of the gift if the corporate sponsors donated funds specifically for the purpose of the official's travel. Thus, the benefit of the gift received by the official would be pro-rated among the donors. Each reportable donor would be subject to the gift limit and identified on the official's Form 700. The FPPC should be contacted for specific guidance to determine the true source of the travel payment.
38. Q. May an official accept travel, lodging and subsistence from a foreign sister city while representing the official's home city?
- A. Yes. If the travel and related lodging and subsistence is paid by a foreign government and is reasonably related to a legislative or governmental purpose, it is not subject to the gift limit. However, the payments must be disclosed as gifts on the Form 700 for this exception to apply. While in the foreign country, any personal excursions not paid for by the official must also be disclosed and are subject to the gift limit. If private entities make payments to the foreign government to cover the travel expenses, the gift limit will apply and travel payments will likely be prohibited. Please contact the FPPC for more information.
39. Q. An analyst for a state or local agency attends a training seminar on the new federal standards related to the agency's regulatory authority. If the analyst's travel payments are paid by the federal agency, must the analyst report the payment on the Form 700?

- A. No. A payment for travel and related per diem received from a government agency for education, training, or other inter-agency programs or purposes, is not considered a gift or income to the official who uses the payment.
40. Q. A state legislator and a planning commissioner were guest speakers at an association's event. Travel expenses were paid by the association, and the event was held in the United States. Is this reportable?
- A. Yes. The payment is reportable, but not subject to the gift limits. In general, an exception applies to payments for travel within the United States that are provided to attend a function where the official makes a speech. These payments are not limited, but are reportable as gifts. The rules require that the speech be reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy; and the travel payment must be limited to actual transportation and related lodging and subsistence the day immediately preceding, the day of, and the day immediately following the speech. (See Government Code Section 89506. Other rules may be applicable if this exception is not used.)
41. Q. An official serves as a board member for two organizations – one has a 501(c)(3) tax-exempt status and the other has a 501(c)(6) tax-exempt status. The organizations pay the official's travel expenses to attend board meetings. Must the official report these travel payments?
- A. Under the Act, travel payments provided to an official by a 501(c)(3) organization are exempt from the definition of "income" and therefore, not reportable. However, travel payments from other organizations, including a 501(c)(6) organization, are likely required to be reported. Designated employees must report such travel payment if the organization is reportable pursuant to the official's disclosure category in his or her agency's conflict of interest code.
42. Q. The local airport authority issues a certain number of airport parking cards to the County to allow the cardholders to use the parking facilities at the airport at no charge, provided the cardholder is on official business. Must the officials who use the parking cards report a gift on the Form 700?
- A. No. As long as the parking cards are used for official business only, the parking cards do not provide a personal benefit, so no gift is received. If a parking card is used for *personal* purposes, a gift must be reported.

### **Tickets to Non-Profit and Political Fundraisers Questions**

43. Q. An official is offered a ticket from a 501(c)(3) organization to attend its fundraising event. The face value (price) of the ticket is \$500, and the ticket states that the tax deductible portion is \$350. If the official accepts the ticket, what must be reported?
- A. Nothing is required to be reported on the Form 700 so long as the ticket is provided directly by the 501(c)(3) organization for its own fundraising event and is used for the official's own attendance at the fundraiser. In this case, the ticket is deemed to have no value. The official may also accept a second ticket provided directly by the 501(c)(3) organization for his or her guest attending the event, without a reporting obligation by either the official or the guest.

44. Q. What if someone purchases a table at a non-profit fundraiser and offers an official a seat at the table?
- A. If another person or entity provides a ticket, it is a gift and subject to the gift limit. The value is the non-deductible portion on the ticket. If there is no declared face value, then the value is the pro-rata share of the food, catering service, entertainment, and any additional item provided as part of the event. The “no value” exception only applies if the official receives no more than two tickets for his or her own use directly from the 501(c)(3) organization and it is for the organization’s fundraising event.
45. Q. A 501(c)(3) organization provides a ticket to an official for its fundraising event. The organization seats the official at a table purchased by a business entity. Does the official have to report the ticket?
- A. No. So long as the ticket is provided directly by the 501(c)(3) organization and is used for the official’s own attendance at the fundraiser, the ticket is not reportable regardless of where the official is seated.
46. Q. An agency employee who holds a position designated in the conflict of interest code receives a ticket to a fundraiser from a person not “of the type” listed in the agency’s code. Is the agency employee required to report the value?
- A. No. A ticket or any other gift may be accepted under these circumstances without limit or reporting obligations. Agencies must ensure the conflict of interest code adequately addresses potential conflicts of interests but not be so overbroad as to include sources that are not related to the employee’s official duties.
47. Q. An official receives a ticket to attend a political fundraiser held in Washington D.C. from a federal committee. Is the official required to disclose the ticket as a gift, and is it subject to the gift limit?
- A. No. The value of the ticket is not a gift so long as the ticket is provided to the official directly by the committee holding the fundraiser and the official personally uses the ticket. (Regulation 18946.4.) Separate rules apply for travel provided to attend the fundraiser. Regulation 18950.3 covers issues on travel paid by or for a campaign committee.
48. Q. A political party committee is holding a political fundraiser at a golf course and a round of golf is included. If the committee provides an elected official a ticket, is the ticket reportable by the official?
- A. No, so long as the official uses the ticket for his or her own use. If someone other than the political party provides a ticket, the full cost of the ticket is a gift. The political party must report the total amount spent on the fundraiser on its campaign statement.
49. Q. If a business entity offers an official a ticket or a seat at a table that was purchased for a political fundraiser, what is the value?
- A. Because the ticket was not offered by the campaign committee holding the fundraiser, it is a gift to the official. The value is either the face value of the ticket or the pro-rata share of the food, catering services, entertainment, and any additional benefits provided to attendees.

50. Q. If an official attends an event that serves only appetizers and drinks, does the “drop-in” exception apply no matter how long the official stays or how many appetizers or drinks are consumed?
- A. No. The focus of the food and beverages “drop-in” exception is not on the nature of the event as a whole, but rather on the particular official’s brief attendance and limited consumption. If an official attends an event that serves only appetizers and drinks, the “drop-in” exception would only apply if the official just “drops in” for a few minutes and consumes only a “de minimis” amount of appetizers and drinks. However, the “drop-in” exception does not automatically apply just because the event does not serve more than appetizers and drinks.
51. Q. An organization, which is not a 501(c)(3) organization, is holding a fundraiser at a professional sporting event. Tickets to this sporting event are sold out and it appears that tickets are only available at a substantially higher price than the stated face value amount of the ticket provided to the official by the organization. If the official attends the event, what is the value of the gift?
- A. The value is the face value amount stated on the ticket to the sporting event. This valuation rule applies to all tickets to such events that are not covered by a separate valuation exception, such as non-profit and political party fundraisers.
52. Q. An official receives a ticket to a fundraiser, and if accepted, the ticket will result in a reportable gift or a gift over the current gift limit. What are the options?
- A. The official may reimburse the entity or organization that provided the ticket for the amount over the gift limit (or pay down the value to under the \$50 gift reporting threshold if the official does not want to disclose the ticket). Reimbursement must occur within 30 days of receipt of the ticket. A candidate or elected official may use campaign funds to make the reimbursement if the official’s attendance at the event is directly related to a political, legislative, or governmental purpose for the payment. A ticket that is not used and not given to another person is not considered a gift to the official.

I-8

## Memorandum

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**DATE:** January 3, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Tracy Bowman, Director of Finance  
**SUBJECT:** **FOURTH QUARTER 2018 EDUCATION AND TRAVEL EXPENSE REPORT**

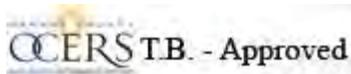
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### Written Report

#### Background/Discussion

In accordance with OCERS' Travel Policy, the Chief Executive Officer is required to submit a quarterly report to the Board of Retirement on conference attendance and related expenditures incurred by OCERS' Board Members and staff. Attached is the Fourth Quarter 2018 Education and Travel Expense Report that includes all expenses submitted through January 2, 2019.

#### Submitted by:

OCERS T.B. - Approved

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Tracy Bowman  
Director of Finance

**EDUCATION AND TRAVEL EXPENSE REPORT**  
**Fourth QUARTER 2018**  
Submitted Through January 2, 2019\*\*

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
BALDWIN	1/22/18	SACRS Committee Meeting	Sacramento, CA	Meeting	-	-	23.23	372.97	-	37.07	-	433.27	
	1/24-1/26/18	2018 IREI Visions, Insights & Perspectives (VIP) Americas (1)	Dana Point, CA	Conference	-	-	28.29	-	576.40	192.34	-	797.03	
	2/2/18	CALAPRS Trustees' Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	-	-	125.00	
	2/24-2/28/18	NASRA/NIRS Winter System Round Table/Legislative Meeting	Washington, D.C.	Conference/Meeting	-	650.00	179.87	772.60	1,232.25	72.51	-	2,907.23	
	3/3-3/6/18	CALAPRS General Assembly 2018	Indian Wells, CA	Conference	-	100.00	-	-	773.88	-	-	873.88	
	4/25-4/27/18	Institutional Investor-Public Funds Round Table	Beverly Hills, CA	Conference	-	-	31.21	-	506.10	225.25	-	762.56	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	156.43	-	276.43	
	5/30-6/1/18	US SIF Investing for a Sustainable World	Washington, D.C.	Conference	-	725.00	172.41	698.60	891.99	140.98	-	2,628.98	
	6/8/18	CALAPRS Trustees' Round Table	Oakland, CA	Conference	-	125.00	-	200.96	217.70	9.14	-	552.80	
	8/4-8/8/18	NASRA Annual Conference	Coronado, CA	Conference	-	1,130.00	47.85	-	1,178.84	144.01	-	2,500.70	
	9/24/18	SACRS Program Committee Meeting	Sacramento, CA	Conference	-	-	-	275.96	-	-	-	275.96	
	10/26/18	CALAPRS Trustees' Round Table	Los Angeles, CA	Conference	61.26	125.00	-	-	-	-	-	186.26	
11/1-11/3/18	The 2019 SRI Conference	Colorado Springs, CO	Conference	-	956.00	10.85	397.96	566.72	201.75	-	2,133.28		
11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	-	120.00	24.47	-	811.62	69.46	-	1,025.55		
<b>Sub Total</b>					<b>61.26</b>	<b>4,176.00</b>	<b>518.18</b>	<b>2,719.05</b>	<b>6,755.50</b>	<b>1,248.94</b>	-	<b>15,478.93</b>	<b>19,856.95</b>
BALL	1/17/18	The Pacific Club-Scott Malpass Presentation	Newport Beach, CA	Conference	-	25.00	-	-	-	-	-	25.00	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	7/30-8/1/18	IFEBP Alternative Investment Strategies	San Francisco, CA	Training	-	3,995.00	43.70	201.96	941.13	-	-	5,181.79	
<b>Sub Total</b>					<b>-</b>	<b>4,140.00</b>	<b>43.70</b>	<b>201.96</b>	<b>941.13</b>	<b>-</b>	<b>-</b>	<b>5,326.79</b>	<b>10,266.16</b>
DEWANE					-	-	-	-	-	-	-	-	
<b>Sub Total</b>					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,698.26</b>
ELEY	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	70.80	-	190.80	
<b>Sub Total</b>					<b>-</b>	<b>120.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70.80</b>	<b>-</b>	<b>190.80</b>	<b>5,208.28</b>
FREIDENRICH	4/23-4/26/18	IFEBP Portfolio Concepts & Management	Philadelphia, PA	Training	-	5,295.00	8.62	343.61	1,056.80	78.59	-	6,782.62	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	7/30-8/1/18	IFEBP Alternative Investment Strategies	San Francisco, CA	Training	-	4,020.00	40.96	234.39	941.13	67.17	-	5,303.65	
<b>Sub Total</b>					<b>-</b>	<b>9,435.00</b>	<b>49.58</b>	<b>578.00</b>	<b>1,997.93</b>	<b>145.76</b>	<b>-</b>	<b>12,206.27</b>	<b>1,269.42</b>
GILBERT	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	29.00	-	-	-	32.00	-	181.00	
<b>Sub Total</b>					<b>29.00</b>	<b>120.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.00</b>	<b>-</b>	<b>181.00</b>	<b>2,651.12</b>
HILTON	1/28-1/30/18	NAPO Pension & Benefits Seminar	Las Vegas, NV	Conference	13.90	595.00	92.25	133.96	393.22	72.50	-	1,300.83	
	2/24-2/28/18	NASRA/NIRS Winter System Round Table	Washington, D.C.	Conference	14.39	650.00	101.51	403.01	933.80	107.88	-	2,210.59	
	3/3-3/6/18	CALAPRS General Assembly 2018	Indian Wells, CA	Conference	101.48	100.00	18.32	-	788.88	-	-	1,008.68	
	4/10-4/11/18	The Pension Bridge Annual 2018	San Francisco, CA	Conference	21.58	-	-	147.96	734.96	111.02	-	1,015.52	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	75.00	-	195.00	
	6/8/18	CALAPRS Trustees' Round Table	Oakland, CA	Conference	-	125.00	-	262.96	222.70	26.00	-	636.66	
	7/23-7/25/18	2018 Pension Bridge	Chicago, IL	Conference	13.08	-	22.92	399.96	708.68	110.25	-	1,254.89	
	8/6/18	SACRS Board Meeting	Sacramento, CA	Conference	26.16	-	-	274.97	-	51.76	-	352.89	
	9/24/18	SACRS Program Committee Meeting	Sacramento, CA	Conference	-	-	-	131.96	302.17	45.08	-	479.21	
	10/19/18	Legislative Meetings (3)	Sacramento, CA	Meeting	-	-	-	216.96	-	-	-	216.96	
	10/28-10/31/18	NCPERS 2018 Public Safety Conference	Las Vegas, NV	Conference	13.63	700.00	23.52	170.96	773.52	89.27	-	1,770.90	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	101.37	120.00	-	-	811.62	-	-	1,032.99	
<b>Sub Total</b>					<b>305.59</b>	<b>2,410.00</b>	<b>258.52</b>	<b>2,142.70</b>	<b>5,669.55</b>	<b>688.76</b>	<b>-</b>	<b>11,475.12</b>	<b>12,533.98</b>
PACKARD	1/17/18	The Pacific Club-Scott Malpass Presentation	Newport Beach, CA	Conference	-	25.00	-	-	-	-	-	25.00	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	7/30-8/1/18	IFEBP Alternative Investment Strategies	San Francisco, CA	Conference	301.56	3,995.00	201.79	-	941.13	218.88	-	5,658.36	
<b>Sub Total</b>					<b>301.56</b>	<b>4,140.00</b>	<b>201.79</b>	<b>-</b>	<b>941.13</b>	<b>218.88</b>	<b>-</b>	<b>5,803.36</b>	<b>11,431.68</b>
PREVATT	2/24-2/28/18	NASRA/NIRS Winter System Round Table/Legislative Meeting	Washington, D.C.	Conference/Meeting	24.74	650.00	169.69	720.30	1,142.26	102.70	25.00	2,834.69	
	3/3-3/6/18	CALAPRS General Assembly 2018	Indian Wells, CA	Conference	141.70	100.00	46.90	-	773.88	-	15.00	1,077.48	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	80.80	-	200.80	
	5/22-5/23/18	Legislative Meetings	Sacramento, CA	Meeting	-	-	90.24	131.41	276.19	85.98	-	583.82	
	7/30-8/1/18	IFEBP Alternative Investment Strategies	San Francisco, CA	Training	-	3,995.00	135.31	212.96	971.13	58.04	-	5,372.44	
	8/4-8/8/18	NASRA Annual Conference	Coronado, CA	Conference	126.44	1,130.00	39.80	-	1,129.48	100.00	-	2,525.72	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	138.43	120.00	-	-	867.62	-	-	1,126.05	
<b>Sub Total</b>					<b>431.31</b>	<b>6,115.00</b>	<b>481.94</b>	<b>1,064.67</b>	<b>5,160.56</b>	<b>427.52</b>	<b>40.00</b>	<b>13,721.00</b>	<b>17,580.39</b>
VALLONE	10/28-10/31/18	NCPERS 2018 Public Safety Conference	Las Vegas, NV	Conference	-	800.00	92.24	379.96	600.00	20.54	-	1,892.74	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	125.35	120.00	24.47	-	615.18	-	-	885.00	
<b>Sub Total</b>					<b>125.35</b>	<b>920.00</b>	<b>116.71</b>	<b>379.96</b>	<b>1,215.18</b>	<b>20.54</b>	<b>-</b>	<b>2,777.74</b>	<b>-</b>
<b>BOARD Total</b>					<b>1,254.07</b>	<b>31,576.00</b>	<b>1,670.42</b>	<b>7,086.34</b>	<b>22,680.98</b>	<b>2,853.20</b>	<b>40.00</b>	<b>67,161.01</b>	<b>83,496.24</b>

**EDUCATION AND TRAVEL EXPENSE REPORT**  
**Fourth QUARTER 2018**  
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Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
DELANEY	1/17/18	The Pacific Club-Scott Malpass Presentation	Newport Beach, CA	Conference	-	25.00	-	-	-	-	-	25.00	
	1/28-1/30/18	NAPO Pension & Benefits Seminar	Las Vegas, NV	Conference	45.67	595.00	75.49	79.61	383.22	144.41	-	1,323.40	
	2/24-2/28/18	NASRA/NIRS Winter System Round Table/Legislative Meeting	Washington, D.C.	Conference/Meeting	45.67	650.00	142.42	438.59	933.80	156.63	-	2,367.11	
	3/3-3/6/18	CALAPRS General Assembly 2018	Indian Wells, CA	Conference	-	100.00	-	-	-	-	-	100.00	
	4/10-4/11/18	The Pension Bridge Annual 2018	San Francisco, CA	Conference	-	-	78.30	216.00	471.74	131.52	-	897.56	
	4/25-4/27/18	Institutional Investor-Public Funds Round Table	Los Angeles, CA	Conference	36.68	-	-	-	237.62	45.00	-	319.30	
	5/7-5/10/18	CEM Global Pension Administration Conference	Indianapolis, IN	Conference	44.80	-	21.75	371.30	487.89	89.35	-	1,015.09	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	101.10	-	221.10	
	5/22-5/23/18	Legislative Meetings	Sacramento, CA	Meeting	-	-	83.08	246.96	276.19	60.17	-	666.40	
	6/21-6/22/18	CALAPRS Administrators Round Table/Executive Meeting	Oakland, CA	Conference/Meeting	11.83	125.00	24.80	298.86	130.16	27.00	-	617.65	
	8/9-8/10/18	Santa Barbara County Employees' Retirement System	Santa Barbara, CA	Meeting	143.88	-	67.48	-	-	-	-	211.36	
	8/24/18	CalPERS Benefits Education Event	Garden Grove, CA	Conference	7.30	-	-	-	-	12.00	-	19.30	
	9/26-9/28/18	CALAPRS Administrators Institute	Carmel, CA	Conference	6.43	1,250.00	17.73	234.59	-	407.89	-	1,916.64	
	10/28-10/31/18	NCPERS Public Safety Conference	Las Vegas, NV	Conference	-	700.00	136.83	304.55	655.83	81.46	-	1,878.67	
11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	-	120.00	24.47	-	-	-	-	144.47		
12/19/18	SACRS Audit Committee	Sacramento, CA	Meeting	-	-	-	396.39	-	69.75	-	466.14		
<b>Sub Total</b>					<b>342.26</b>	<b>3,685.00</b>	<b>672.35</b>	<b>2,586.85</b>	<b>3,576.45</b>	<b>1,326.28</b>	-	<b>12,189.19</b>	<b>15,226.80</b>
JENIKE	3/3-3/6/18	CALAPRS General Assembly 2018	Indian Wells, CA	Conference	82.73	100.00	-	-	515.92	-	-	698.65	
	3/9/18	Pension Forum	Newport Beach, CA	Conference	14.28	25.00	-	-	-	14.59	-	53.87	
	4/14-4/18/18	CRCEA Spring Conference	Santa Barbara, CA	Conference	146.61	75.00	136.41	-	648.21	15.00	-	1,021.23	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	12.42	120.00	-	-	-	37.60	-	170.02	
	5/20-5/23/18	2018 NIPA Annual Forum & Expo	Las Vegas, NV	Conference	11.07	1,225.00	60.12	525.96	795.93	100.96	-	2,719.04	
	6/7/18	CALAPRS Communications Round Table	Oakland, CA	Conference	-	125.00	22.57	111.48	217.70	20.50	-	497.25	
	6/8/18	CALAPRS Benefits Round Table	Oakland, CA	Conference	-	125.00	-	111.48	217.70	20.50	-	474.68	
	7/23-7/24/18	IFEBP Communication & Technology Institute (5)	Portland, OR	Conference	-	1,225.00	100.25	25.00	843.99	142.58	-	2,336.82	
	10/20-10/24/18	2018 NPEA Annual Conference	Tucson, AZ	Conference	52.98	750.00	54.91	468.40	635.31	141.30	-	2,102.90	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	-	120.00	24.46	-	465.15	-	-	609.61	
	12/20/18	CalPERS Site Visit	Sacramento, CA	Meeting	-	-	20.32	147.96	263.80	80.63	-	512.71	
<b>Sub Total</b>					<b>320.09</b>	<b>3,890.00</b>	<b>419.04</b>	<b>1,390.28</b>	<b>4,603.71</b>	<b>573.66</b>	-	<b>11,196.78</b>	<b>12,746.13</b>
SHOTT	2/25-2/27/18	2018 Gartner CIO Leadership Forum - West	Phoenix, AZ	Training	-	2,700.00	106.62	251.84	1,068.52	173.03	-	4,300.01	
	5/6-5/9/18	GFOA Annual Conference (3)	St. Louis, MO	Conference	-	-	-	387.00	-	-	-	387.00	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	16.46	120.00	-	-	-	44.80	-	181.26	
	8/4-8/8/18	NASRA Annual Conference	Coronado, CA	Conference	10.00	1,130.00	143.96	-	1,107.31	168.67	29.90	2,589.84	
	10/22-10/26/18	Wharton School - Investment Strategies & Portfolio Management (7)	Philadelphia, PA	Training	-	10,750.00	52.18	1,123.37	-	46.90	-	11,972.45	
11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	-	120.00	24.47	-	657.88	-	-	802.35		
<b>Sub Total</b>					<b>26.46</b>	<b>14,820.00</b>	<b>327.23</b>	<b>1,762.21</b>	<b>2,833.71</b>	<b>433.40</b>	<b>29.90</b>	<b>20,232.91</b>	<b>8,032.84</b>
TORRES	9/25/18	Fred Pryor Mistake-Free Grammar & Proofreading	Anaheim, CA	Training	8.50	99.00	-	-	-	15.00	-	122.50	
	9/26-9/29/18	45th Annual Administrative Professional Course	New Orleans, LA	Training	43.27	2,095.00	207.98	354.40	500.00	237.62	-	3,438.27	
<b>Sub Total</b>					<b>51.77</b>	<b>2,194.00</b>	<b>207.98</b>	<b>354.40</b>	<b>500.00</b>	<b>252.62</b>	-	<b>3,560.77</b>	-
<b>EXECUTIVE Total</b>					<b>740.58</b>	<b>24,589.00</b>	<b>1,626.60</b>	<b>6,093.74</b>	<b>11,513.87</b>	<b>2,585.96</b>	<b>29.90</b>	<b>47,179.65</b>	<b>36,005.77</b>

**EDUCATION AND TRAVEL EXPENSE REPORT**  
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Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
BEESON	1/8-1/10/18	Illiquid Investments RFP	San Diego, CA/Cleveland, OH	Due Diligence	-	-	45.60	333.60	140.50	58.26	-	577.96	
	4/23-4/27/18	BlackRock Investor Conference	New York, NY	Due Diligence/Conference	-	-	58.03	600.00	1,372.36	144.70	-	2,175.09	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	10.00	120.00	-	-	-	18.80	-	148.80	
	10/22-10/26/18	Global ARC Conference/Manager Due Diligence	Boston, MA/Providence, RI	Due Diligence/Conference	-	-	44.01	448.00	1,972.82	111.79	-	2,576.62	
<b>Sub Total</b>					<b>10.00</b>	<b>120.00</b>	<b>147.64</b>	<b>1,381.60</b>	<b>3,485.68</b>	<b>333.55</b>	<b>-</b>	<b>5,478.47</b>	<b>3,870.92</b>
CHARY	1/8-1/10/18	Illiquid Investments RFP	San Diego, CA/Portland, OR/Cleveland, OH	Due Diligence	-	-	81.46	639.80	350.97	69.01	-	1,141.24	
	3/4-3/8/18	AQR, JP Morgan, Morgan Stanley, & Cross Ocean	New York, NY/Greenwich, CT	Due Diligence	-	-	35.89	644.60	-	281.92	-	962.41	
	4/29-5/2/18	Milken Institute 2018 Global Conference	Beverly Hills, CA	Conference	48.83	-	-	-	933.60	121.03	-	1,103.46	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	6/18-6/27/18	Manager Research	New York, NY	Due Diligence	-	-	26.89	740.40	-	246.54	-	1,013.83	
	6/28-6/29/18	TorreyCove	San Diego, CA	Meeting	84.80	-	-	-	267.28	31.00	-	383.08	
	7/24/18	TorreyCove	San Francisco, CA	Due Diligence	-	-	-	333.40	-	27.40	-	360.80	
	10/22-10/25/18	Global ARC Conference/Manager Due Diligence	Boston, MA/New York, NY	Due Diligence/Conference	44.69	-	3.47	603.60	1,548.50	285.90	-	2,486.16	
<b>Sub Total</b>					<b>178.32</b>	<b>120.00</b>	<b>147.71</b>	<b>2,961.80</b>	<b>3,100.35</b>	<b>1,062.80</b>	<b>-</b>	<b>7,570.98</b>	<b>446.60</b>
CLEBERG	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	10/26/18	CALAPRS Administrative Assistant's Round Table	Los Angeles, CA	Conference	46.33	125.00	-	-	204.26	21.00	-	396.59	
<b>Sub Total</b>					<b>46.33</b>	<b>245.00</b>	<b>-</b>	<b>-</b>	<b>204.26</b>	<b>21.00</b>	<b>-</b>	<b>516.59</b>	<b>493.71</b>
CUARESMA	1/8/18	Illiquid Investments RFP	San Diego, CA	Due Diligence	85.02	-	-	-	-	-	-	85.02	
	3/20/18	PIMCO Client Conference	Newport Beach, CA	Conference	13.41	-	-	-	-	-	-	13.41	
	4/16/18	TorreyCove	San Diego, CA	Meeting	-	-	-	40.00	-	48.61	-	88.61	
	4/25-4/27/18	Criterion, Ascend, GS, Pantheon, AEW, & Jamestown	San Francisco, CA	Due Diligence/Conference/Mtg	-	-	38.70	276.96	-	118.18	-	433.84	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	18.75	-	138.75	
	6/28-6/29/18	TorreyCove	San Diego, CA	Meeting	-	-	23.47	-	267.28	-	-	290.75	
	7/24/18	TorreyCove	San Francisco, CA	Due Diligence	-	-	-	314.40	-	48.00	-	362.40	
	12/13/18	PIMCO Manager Meeting	Newport Beach, CA	Meeting	10.46	-	-	-	-	-	-	10.46	
<b>Sub Total</b>					<b>108.89</b>	<b>120.00</b>	<b>62.17</b>	<b>631.36</b>	<b>267.28</b>	<b>233.54</b>	<b>-</b>	<b>1,423.24</b>	<b>40.50</b>
MURPHY	1/8-1/10/18	Illiquid Investments RFP	San Diego, CA/Portland, OR/Cleveland, OH	Due Diligence	-	-	90.63	513.80	340.60	184.72	-	1,129.75	
	3/5-3/9/18	Thoma Bravo Annual Meeting/Women's PE Summit	San Francisco, CA/Half Moon Bay, CA	Due Diligence/Conference	-	-	113.30	228.60	1,466.03	386.38	-	2,194.31	
	3/14-3/15/18	Oaktree Conference 2018	Beverly Hills, CA	Conference	-	-	-	-	832.40	84.00	-	916.40	
	4/19/18	Tennenbaum Capital Investor Day	Los Angeles, CA	Due Diligence	58.10	-	-	-	-	-	-	58.10	
	4/25-4/27/18	Institutional Investor-Public Funds Round Table	Beverly Hills, CA	Conference	-	-	-	-	737.52	84.00	-	821.52	
	4/29-5/2/18	Milken Institute 2018 Global Conference	Beverly Hills, CA	Conference	54.88	-	28.42	-	1,015.24	248.63	-	1,347.17	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	18.80	-	138.80	
	6/5/18	Manager Research-Private Equity	San Jose, CA/ San Francisco, CA	Due Diligence	-	-	-	202.40	-	20.00	-	222.40	
	6/28/18	Institutional Investor's Hedge Funds Industry Awards	New York, NY	Due Diligence	-	-	-	691.00	614.54	152.39	-	1,457.93	
	9/17-9/21/18	Owl Rock, Fort, Exoduspoint, TSE, Blackrock & Alliance	New York, NY	Due Diligence	-	-	77.81	697.60	1,560.88	133.53	-	2,469.82	
	9/25-9/26/18	Accel-KKR&GGV	Menlo Park, CA	Due Diligence	-	-	-	201.96	-	24.65	-	226.61	
	10/1-10/5/18	Cressey, Waterstreet & PPC Partners/Consultant Round Table	Chicago, IL	Due Diligence/Conference	-	-	49.72	740.70	1,064.72	137.56	-	1,992.70	
	10/22-10/24/18	Global ARC Conference	Boston, MA	Conference	-	-	69.28	425.40	1,339.08	163.73	-	1,997.49	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	-	120.00	-	-	270.54	-	-	390.54	
11/28-11/30/18	Institutional Investor Awards/Manager Due Diligence	New York, NY	Due Diligence	-	-	7.73	458.00	1,069.74	105.96	-	1,641.43		
12/19/18	Contra Costa Employees Retirement System	Concord, CA	Meeting	-	-	-	521.96	-	-	-	521.96		
<b>Sub Total</b>					<b>112.98</b>	<b>240.00</b>	<b>436.89</b>	<b>4,681.42</b>	<b>10,311.29</b>	<b>1,744.35</b>	<b>-</b>	<b>17,526.93</b>	<b>4,750.59</b>
TURAIGI	4/9/18	Kayne Anderson	Los Angeles, CA	Due Diligence	53.41	-	-	-	-	-	-	53.41	
	4/16/18	TorreyCove	San Diego, CA	Meeting	82.51	-	-	-	-	-	-	82.51	
	4/25-4/27/18	Institutional Investor-Public Funds Round Table	Beverly Hills, CA	Conference	56.14	-	-	-	759.15	126.00	-	941.29	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	10.00	120.00	-	-	-	31.00	-	161.00	
	6/5/18	Manager Research-Private Equity	San Jose, CA/ San Francisco, CA	Due Diligence	6.21	-	-	202.40	-	20.00	-	228.61	
	6/28-6/29/18	TorreyCove	San Diego, CA	Meeting	87.75	-	-	-	236.86	-	-	324.61	
	8/10/18	Meketa	San Diego, CA	Due Diligence	62.68	-	-	-	-	-	-	62.68	
	9/17-9/21/18	Owl Rock, Fort, Exoduspoint, TSE, Blackrock & Alliance	New York, NY	Due Diligence	44.47	-	61.70	517.40	1,944.10	256.77	45.00	2,869.44	
	10/1-10/5/18	Cressey, Waterstreet & PPC Partners/Consultant Round Table	Chicago, IL	Due Diligence/Conference	-	-	78.47	468.41	1,064.72	119.78	66.50	1,797.88	
	10/21-10/23/18	Encap & Clarion	Dallas, TX	Due Diligence	-	-	42.83	475.41	420.34	154.33	-	1,092.91	
	11/28-11/30/18	Institutional Investor Awards/Manager Due Diligence	New York, NY	Due Diligence	44.47	-	21.66	384.40	805.68	232.78	-	1,488.99	
12/13/18	PIMCO Manager Meeting	Newport Beach, CA	Meeting	13.41	-	-	-	-	-	-	13.41		
<b>Sub Total</b>					<b>461.05</b>	<b>120.00</b>	<b>204.66</b>	<b>2,048.02</b>	<b>5,230.85</b>	<b>940.66</b>	<b>111.50</b>	<b>9,116.74</b>	<b>-</b>

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Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
WALANDER-SARKIN	1/8-1/10/18	Illiquid Investments RFP	San Diego, CA/Portland, OR/Cleveland, OH	Due Diligence	-	-	86.00	639.80	335.36	129.00	-	1,190.16	
	3/5-3/9/18	Thoma Bravo Annual Meeting/Women's PE Summit	San Francisco, CA/Half Moon Bay, CA	Due Diligence/Conference	15.59	-	117.12	228.60	1,512.59	168.56	-	2,042.46	
	4/9/18	Kayne Anderson	Los Angeles, CA	Due Diligence	57.23	-	-	-	-	3.00	-	60.23	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	16.35	120.00	-	-	-	37.55	-	173.90	
	5/24/18	Thoma Bravo	San Francisco, CA	Due Diligence	-	-	-	367.17	-	208.85	-	576.02	
	6/5/18	Manager Research-Private Equity	San Jose, CA/ San Francisco, CA	Due Diligence	-	-	-	202.40	-	164.03	-	366.43	
	6/28-6/29/18	TorreyCove	San Diego, CA	Meeting	57.88	-	48.55	-	267.28	31.00	-	404.71	
	8/10/18	Meketa Meeting	San Diego, CA	Meeting	43.38	-	-	-	-	-	-	43.38	
	9/19/18	Bloomberg Focus Day Event	Newport Beach, CA	Conference	13.52	-	-	-	-	20.00	-	33.52	
	9/25-9/26/18	Accel-KKR&GGV	Menlo Park, CA	Due Diligence	-	-	9.11	217.96	865.12	142.93	-	1,235.12	
	10/1-10/5/18	Cressey, Waterstreet & PPC Partners/Consultant Round Table	Chicago, IL	Due Diligence/Conference	-	-	81.09	432.40	1,064.72	111.61	-	1,689.82	
	11/13/18	One Rock Annual Meeting	Los Angeles, CA	Meeting	56.14	-	-	-	-	3.00	-	59.14	
	12/6/18	Genstar	San Francisco, CA	Due Diligence	-	-	-	360.40	-	67.82	-	428.22	
12/13/18	PIMCO Manager Meeting	Newport Beach, CA	Meeting	6.70	-	-	-	-	-	-	6.70		
<b>Sub Total</b>					<b>266.79</b>	<b>120.00</b>	<b>341.87</b>	<b>2,448.73</b>	<b>4,045.07</b>	<b>1,087.35</b>	<b>-</b>	<b>8,309.81</b>	<b>639.48</b>
<b>INVESTMENTS Total</b>					<b>1,184.36</b>	<b>1,085.00</b>	<b>1,340.94</b>	<b>14,152.93</b>	<b>26,644.78</b>	<b>5,423.25</b>	<b>111.50</b>	<b>49,942.76</b>	<b>10,241.80</b>
KINSLER	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	37.60	-	157.60	
	6/7/18	CALAPRS Communications Round Table	Oakland, CA	Conference	-	125.00	22.57	242.96	217.70	32.00	-	640.23	
	7/23-7/24/18	IFEBP Communication & Technology Institute	Portland, OR	Conference	-	1,225.00	58.39	299.10	850.99	147.25	-	2,580.73	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	121.48	120.00	-	-	-	-	-	241.48	
<b>Sub Total</b>				<b>121.48</b>	<b>1,590.00</b>	<b>80.96</b>	<b>542.06</b>	<b>1,068.69</b>	<b>216.85</b>	<b>-</b>	<b>3,620.04</b>	<b>1,213.73</b>	
RITCHEY	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	37.60	-	157.60	
	6/7/18	CALAPRS Communications Round Table	Oakland, CA	Conference	10.00	125.00	32.31	262.96	217.70	32.00	-	679.97	
<b>Sub Total</b>				<b>10.00</b>	<b>245.00</b>	<b>32.31</b>	<b>262.96</b>	<b>217.70</b>	<b>69.60</b>	<b>-</b>	<b>837.57</b>	<b>407.16</b>	
<b>COMMUNICATIONS Total</b>					<b>131.48</b>	<b>1,835.00</b>	<b>113.27</b>	<b>805.02</b>	<b>1,286.39</b>	<b>286.45</b>	<b>-</b>	<b>4,457.61</b>	<b>1,620.89</b>
FINK	2/2/18	CALAPRS Attorneys' Round Table	Los Angeles, CA	Conference	60.93	125.00	-	-	-	21.00	-	206.93	
	2/21-2/23/18	NAPPA 2018 Winter Seminar	Tempe, AZ	Conference	-	485.00	5.42	329.98	1,002.67	55.20	-	1,878.27	
	3/1/18	OCBA The Judges Series	Santa Ana, CA	Conference	-	25.00	-	-	-	6.00	-	31.00	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	10.00	-	-	-	-	18.80	-	28.80	
<b>Sub Total</b>				<b>70.93</b>	<b>635.00</b>	<b>5.42</b>	<b>329.98</b>	<b>1,002.67</b>	<b>101.00</b>	<b>-</b>	<b>2,145.00</b>	<b>3,786.36</b>	
FLETCHER	2/2/18	CALAPRS Attorneys' Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	-	-	125.00	
<b>Sub Total</b>				<b>-</b>	<b>125.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125.00</b>	<b>-</b>
MATSUO	2/2/18	CALAPRS Attorneys' Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	-	-	125.00	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	
	9/21/18	CALAPRS Attorneys' Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	-	-	125.00	
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	117.72	120.00	-	-	456.16	-	-	693.88	
<b>Sub Total</b>				<b>117.72</b>	<b>490.00</b>	<b>-</b>	<b>-</b>	<b>456.16</b>	<b>-</b>	<b>-</b>	<b>1,063.88</b>	<b>2,684.53</b>	
MCINTOSH	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	116.63	120.00	-	-	561.84	30.00	-	828.47	
<b>Sub Total</b>				<b>116.63</b>	<b>120.00</b>	<b>-</b>	<b>-</b>	<b>561.84</b>	<b>30.00</b>	<b>-</b>	<b>828.47</b>	<b>-</b>	
RATTO	2/21-2/23/18	NAPPA 2018 Winter Seminar	Tempe, AZ	Conference	-	555.00	41.72	350.61	759.17	32.14	-	1,738.64	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	16.57	120.00	-	-	-	44.80	-	181.37	
	6/26-6/29/18	NAPPA 2018 Legal Education Conference	Savannah, GA	Conference	10.00	895.00	151.83	963.91	769.56	43.37	-	2,833.67	
	9/20/18	Alameda County Employees' Retirement Association	Oakland, CA	Meeting	-	-	100.17	117.96	-	55.65	-	273.78	
	11/13-11/16/18	SACRS Fall Conference (6)	Indian Wells, CA	Conference	-	120.00	-	-	216.61	-	-	336.61	
<b>Sub Total</b>				<b>26.57</b>	<b>1,690.00</b>	<b>293.72</b>	<b>1,432.48</b>	<b>1,745.34</b>	<b>175.96</b>	<b>-</b>	<b>5,364.07</b>	<b>8,126.92</b>	
SHARMA	9/25/18	Fred Pryor Mistake-Free Grammar & Proofreading	Anaheim, CA	Training	-	99.00	-	-	-	-	-	99.00	
<b>Sub Total</b>				<b>-</b>	<b>99.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99.00</b>	<b>-</b>
SINGLETON	5/4/18	CALAPRS Overview Course in Retirement	Oakland, CA	Conference	6.21	250.00	37.05	262.96	206.26	34.00	-	796.48	
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	16.57	120.00	-	-	-	18.80	-	155.37	
	9/15/18	OC Paralegal Assoc. Education Conference	Irvine, CA	Conference	-	150.00	-	-	-	-	-	150.00	
	10/17-10/19/18	CALAPRS Intermediate Course in Retirement Administration	Los Angeles, CA	Conference	46.76	500.00	53.02	-	334.34	42.00	-	976.12	
	12/5-12/7/18	CALAPRS Advanced Course in Retirement Administration	Los Angeles, CA	Conference	46.43	500.00	61.37	-	334.34	42.00	-	984.14	
<b>Sub Total</b>				<b>115.97</b>	<b>1,520.00</b>	<b>151.44</b>	<b>262.96</b>	<b>874.94</b>	<b>136.80</b>	<b>-</b>	<b>3,062.11</b>	<b>935.50</b>	
WEISSBURG	4/9/18	Developing Emotional IQ Seminar	Long Beach, CA	Training	-	149.00	-	-	-	-	-	149.00	
	4/27/18	Advanced legal Writing & Editing	Los Angeles, CA	Training	-	795.00	-	-	-	15.00	-	810.00	
<b>Sub Total</b>				<b>-</b>	<b>944.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.00</b>	<b>-</b>	<b>-</b>	<b>959.00</b>	<b>125.00</b>
<b>LEGAL Total</b>					<b>447.82</b>	<b>5,623.00</b>	<b>450.58</b>	<b>2,025.42</b>	<b>4,640.95</b>	<b>458.76</b>	<b>-</b>	<b>13,646.53</b>	<b>15,658.31</b>

**EDUCATION AND TRAVEL EXPENSE REPORT**  
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Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
ANGON	1/24/18	The Administrative Assistants Conference	Anaheim, CA	Conference	-	199.00	-	-	-	-	-	199.00	-
Sub Total					-	199.00	-	-	-	-	-	199.00	-
BERCARU					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,303.02
EDWARDS	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	120.00	-	-	-	-	-	120.00	-
FIELDS	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	10.00	120.00	-	-	-	18.80	-	148.80	-
Sub Total					10.00	120.00	-	-	-	18.80	-	148.80	-
FLORES	1/31/18	Developing Emotional Intelligence	Anaheim, CA	Training	-	99.00	-	-	-	-	-	99.00	-
Sub Total					-	99.00	-	-	-	-	-	99.00	-
GUEVARA	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	120.00	-	-	-	-	-	120.00	-
HALBUR	1/19/18 6/6-6/8/18 10/15-10/17/18	CALAPRS Administrators Round Table 2018 V3 User Conference CRCEA 2018 Fall Conference	Los Angeles, CA Orlando, FL San Rafael, CA	Conference Conference Conference	46.76 - -	125.00 1,095.00 75.00	- - -	- 478.61 210.40	- 627.75 178.40	- 112.67 179.85	- - -	171.76 2,314.03 643.65	-
Sub Total					46.76	1,295.00	-	689.01	806.15	292.52	-	3,129.44	505.04
LOMELI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	504.51
MARTINEZ	1/24/18	The Administrative Assistants Conference	Anaheim, CA	Conference	-	199.00	-	-	-	-	-	199.00	-
Sub Total					-	199.00	-	-	-	-	-	199.00	-
MERIDA	2/2/18	CALAPRS Benefits Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	33.50	-	158.50	-
Sub Total					-	125.00	-	-	-	33.50	-	158.50	125.00
MIRAMONTES					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	459.96
PANAMENO	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	120.00	-	-	-	-	-	120.00	424.00
PERSI	10/17-10/19/18	CALAPRS Intermediate Course in Retirement Administration	Los Angeles, CA	Conference	-	500.00	-	-	-	-	-	500.00	-
Sub Total					-	500.00	-	-	-	-	-	500.00	125.00
REYES	1/24/18	The Administrative Assistants Conference	Anaheim, CA	Conference	-	199.00	-	-	-	-	-	199.00	-
Sub Total					-	199.00	-	-	-	-	-	199.00	-
RUBIO	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	120.00	-	-	-	-	-	120.00	-
TALLASE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	125.00
YU	7/18/18 10/16/18	Collaborative Intelligence in the Workplace Ergonomic Principles 2018	Santa Ana, CA Santa Ana, CA	Training Training	10.00 10.00	- -	- -	- -	- -	- 12.00	- -	10.00 22.00	-
Sub Total					20.00	-	-	-	-	12.00	-	32.00	-
<b>MEMBER SERVICES Total</b>					<b>76.76</b>	<b>3,216.00</b>	<b>-</b>	<b>689.01</b>	<b>806.15</b>	<b>356.82</b>	<b>-</b>	<b>5,144.74</b>	<b>6,571.53</b>
BOWMAN	1/8/18 1/9/18 10/21-10/24/18 11/30/18	GFOA Budgeting Best Practices- Personal Budgeting GFOA Accounting for Pension and OPEB 15th Annual P2F2 Conference LACERA Site Visit	Newport Beach, CA Newport Beach, CA Savannah, GA Pasadena, CA	Training Training Conference Meeting	- - 10.00 41.97	370.00 370.00 400.00 -	- - 211.79 -	- - 837.60 -	- - 888.28 -	24.00 22.00 70.00 -	- - - -	394.00 392.00 2,417.67 41.97	-
Sub Total					51.97	1,140.00	211.79	837.60	888.28	116.00	-	3,245.64	1,587.33
DAVEY	9/21/18	CALAPRS Accountants' Round Table	Los Angeles, CA	Conference	37.28	125.00	-	-	-	10.00	-	172.28	-
Sub Total					37.28	125.00	-	-	-	10.00	-	172.28	-
KANG	5/4/18 10/17-10/19/18 12/5-12/7/18	CALAPRS Overview Course in Retirement CALAPRS Intermediate Course in Retirement Administration CALAPRS Advanced Course in Retirement Administration	Oakland, CA Los Angeles, CA Los Angeles, CA	Conference Conference Conference	- 38.59 38.59	250.00 500.00 500.00	13.14 40.73 51.80	267.96 -	206.26 437.56 536.30	28.00 42.00 42.00	- - -	765.36 1,058.88 1,168.69	-
Sub Total					77.18	1,250.00	105.67	267.96	1,180.12	112.00	-	2,992.93	-
REYES	9/21/18	CALAPRS Accountants' Round Table	Los Angeles, CA	Conference	20.17	125.00	-	-	-	10.00	-	155.17	-
Sub Total					20.17	125.00	-	-	-	10.00	-	155.17	-
<b>FINANCE Total</b>					<b>186.60</b>	<b>2,640.00</b>	<b>317.46</b>	<b>1,105.56</b>	<b>2,068.40</b>	<b>248.00</b>	<b>-</b>	<b>6,566.02</b>	<b>1,587.33</b>

**EDUCATION AND TRAVEL EXPENSE REPORT**  
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Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
ACUNA	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	117.72	120.00	-	-	328.94	-	-	566.66	-
<b>Sub Total</b>					<b>117.72</b>	<b>120.00</b>			<b>328.94</b>			<b>566.66</b>	<b>-</b>
CORTEZ	2/2/18	CALAPRS Benefits Round Table	Los Angeles, CA	Conference	-	125.00	-	-	-	34.50	-	159.50	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	16.79	120.00	-	-	-	44.80	-	181.59	-
<b>Sub Total</b>					<b>16.79</b>	<b>245.00</b>				<b>79.30</b>		<b>341.09</b>	<b>322.95</b>
G. GARCIA	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	17.88	120.00	-	-	-	44.80	-	182.68	-
<b>Sub Total</b>					<b>17.88</b>	<b>120.00</b>				<b>44.80</b>		<b>182.68</b>	<b>498.94</b>
LINARES	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	-	-	120.00	-
<b>Sub Total</b>					<b>-</b>	<b>120.00</b>				<b>-</b>		<b>120.00</b>	<b>-</b>
SANDOVAL	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	10.00	120.00	-	-	-	44.80	-	174.80	-
<b>Sub Total</b>					<b>10.00</b>	<b>120.00</b>				<b>44.80</b>		<b>174.80</b>	<b>-</b>
<b>DISABILITY Total</b>					<b>162.39</b>	<b>725.00</b>			<b>328.94</b>	<b>168.90</b>		<b>1,385.23</b>	<b>821.89</b>
D'AIELLO	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	-	35.00	-	-	-	-	-	35.00	-
	11/13/18	PIHRA- Inland Valley Seminar	Pomona, CA	Training	7.52	39.00	-	-	-	-	-	46.52	-
<b>Sub Total</b>					<b>7.52</b>	<b>74.00</b>						<b>81.52</b>	<b>-</b>
DOEZIE	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	-	35.00	-	-	-	-	-	35.00	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	63.60	-	183.60	-
	6/3-6/6/18	PRIMA's 2018 Annual Conference	Indianapolis, IN	Conference	-	590.00	22.08	494.01	628.29	75.00	-	1,809.38	-
	11/13/18	PIHRA- Inland Valley Seminar	Pomona, CA	Training	7.52	39.00	-	-	-	-	-	46.52	-
<b>Sub Total</b>					<b>7.52</b>	<b>784.00</b>	<b>22.08</b>	<b>494.01</b>	<b>628.29</b>	<b>138.60</b>		<b>2,074.50</b>	<b>1,449.03</b>
DURRAH	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	7.63	35.00	-	-	-	3.00	-	45.63	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	25.34	120.00	-	-	-	37.55	-	182.89	-
	8/27-8/29/18	2018 PIHRA HR Conference	Long Beach, CA	Conference	72.92	845.00	-	-	-	45.00	-	962.92	-
<b>Sub Total</b>					<b>105.89</b>	<b>1,000.00</b>				<b>85.55</b>		<b>1,191.44</b>	<b>-</b>
E. GARCIA	3/2/18	Position Control	Santa Ana, CA	Training	10.00	-	-	-	-	-	-	10.00	-
	4/17/18	Reduction Class	Santa Ana, CA	Training	10.00	-	-	-	-	-	-	10.00	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	12.43	120.00	-	-	-	35.40	-	167.83	-
	7/25/18	Fred Pryor Developing Emotional Intelligence	Anaheim, CA	Training	8.18	99.00	-	-	-	16.00	-	123.18	-
	9/20/18	LCW Public Sector Employment Law Update	San Juan Capistrano, CA	Training	31.07	-	-	-	-	-	-	31.07	-
	11/13/18	PIHRA- Inland Valley Seminar	Pomona, CA	Training	7.52	39.00	-	-	-	-	-	46.52	-
<b>Sub Total</b>					<b>79.20</b>	<b>258.00</b>				<b>51.40</b>		<b>388.60</b>	<b>-</b>
HOCKLESS	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	-	35.00	-	-	-	3.00	-	38.00	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	-	120.00	-	-	-	36.80	-	156.80	-
	6/17-6/20/18	SHRM18 Annual Conference & Exposition (4)	Chicago, IL	Conference	-	1,620.00	90.71	407.78	-	89.74	-	2,208.23	-
	8/27-8/29/18	2018 PIHRA HR Conference	Long Beach, CA	Conference	74.56	745.00	-	-	-	39.00	-	858.56	-
	11/13/18	PIHRA- Inland Valley Seminar	Pomona, CA	Training	-	24.00	-	-	-	-	-	24.00	-
	11/30/18	LACERA Site Visit	Pasadena, CA	Meeting	-	-	-	-	247.67	-	-	247.67	-
	10/10-10/12/18	IPMA-HR Public Pension Round Table	Detroit, MI	Conference	-	685.00	-	635.60	981.64	-	-	2,302.24	-
<b>Sub Total</b>					<b>74.56</b>	<b>3,229.00</b>	<b>90.71</b>	<b>1,043.38</b>	<b>1,229.31</b>	<b>168.54</b>		<b>5,835.50</b>	<b>2,145.95</b>
MURRIETTA	1/22/18	FMLA Compliance Seminar	Anaheim, CA	Training	5.50	199.00	-	-	-	8.00	-	212.50	-
	4/13/18	Fred Pryor Payroll Law Seminar	Anaheim, CA	Conference	10.00	-	-	-	-	8.00	-	18.00	-
	5/2/18	Fred Pryor Human Resource Seminar	Anaheim, CA	Conference	7.96	199.00	-	-	-	8.00	-	214.96	-
	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	-	35.00	-	-	-	-	-	35.00	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	20.70	120.00	-	-	-	54.15	-	194.85	-
	7/17/18	Essentials of HR Law	Anaheim, CA	Conference	5.00	-	-	-	-	14.00	-	19.00	-
	7/25/18	Fred Pryor Developing Emotional Intelligence	Anaheim, CA	Training	5.00	-	-	-	-	16.00	-	21.00	-
	9/20/18	LCW Employment Law Update	San Juan Capistrano, CA	Training	25.83	-	-	-	-	-	-	25.83	-
	10/22/18	The Women's Conference Workshop	Anaheim, CA	Conference	8.72	-	-	-	-	-	-	8.72	-
	11/13/18	PIHRA- Inland Valley Seminar	Pomona, CA	Training	7.52	39.00	-	-	-	-	-	46.52	-
<b>Sub Total</b>					<b>96.23</b>	<b>592.00</b>				<b>108.15</b>		<b>796.38</b>	<b>-</b>
WOZNIUK	5/11/18	PIHRA- HR Training	Anaheim, CA	Training	6.65	35.00	-	-	-	-	-	41.65	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	8.29	120.00	-	-	-	18.80	-	147.09	-
	8/22/18	Fred Pryor Crash Course for First-Time Manager	Anaheim, CA	Training	10.00	149.00	-	-	-	16.00	-	175.00	-
	10/16/18	Fred Pryor- Project Management Workshop	Anaheim, CA	Training	10.00	-	-	-	-	8.00	-	18.00	-
<b>Sub Total</b>					<b>34.94</b>	<b>304.00</b>				<b>42.80</b>		<b>381.74</b>	<b>-</b>
<b>ADMINISTRATION Total</b>					<b>405.86</b>	<b>6,241.00</b>	<b>112.79</b>	<b>1,537.39</b>	<b>1,857.60</b>	<b>595.04</b>		<b>10,749.68</b>	<b>3,594.98</b>

**EDUCATION AND TRAVEL EXPENSE REPORT**  
**Fourth QUARTER 2018**  
Submitted Through January 2, 2019\*\*

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2018 YTD Total	2017 Total*
EAKIN	9/23-9/27/18	SANS Network Security	Las Vegas, NV	Training	-	6,109.00	-	194.38	1,105.45	57.77	-	7,466.60	-
<b>Sub Total</b>					-	<b>6,109.00</b>	-	<b>194.38</b>	<b>1,105.45</b>	<b>57.77</b>	-	<b>7,466.60</b>	-
GOSSARD	4/22-4/25/18	2018 Annual PRISM Conference	San Diego, CA	Conference	53.82	550.00	30.28	-	741.09	63.50	-	1,438.69	-
	12/3-12/6/18	2018 Gartner IT Infrastructure Conference	Las Vegas, NV	Conference	-	-	125.61	161.98	1,015.88	8.71	-	1,312.18	-
<b>Sub Total</b>					<b>53.82</b>	<b>550.00</b>	<b>155.89</b>	<b>161.98</b>	<b>1,756.97</b>	<b>72.21</b>	-	<b>2,750.87</b>	<b>20,286.81</b>
JOHNSON	5/18-5/23/18	SharePoint Conference North America	Las Vegas, NV	Conference	-	2,148.00	66.94	193.87	772.11	288.36	-	3,469.28	-
<b>Sub Total</b>					-	<b>2,148.00</b>	<b>66.94</b>	<b>193.87</b>	<b>772.11</b>	<b>288.36</b>	-	<b>3,469.28</b>	-
LARA	4/22-4/25/18	2018 Annual PRISM Conference	San Diego, CA	Conference	53.82	550.00	42.06	-	741.09	52.50	-	1,439.47	-
	12/3-12/6/18	2018 Gartner IT Infrastructure Conference	Las Vegas, NV	Conference	-	-	174.18	157.96	1,015.88	102.30	-	1,450.32	-
<b>Sub Total</b>					<b>53.82</b>	<b>550.00</b>	<b>216.24</b>	<b>157.96</b>	<b>1,756.97</b>	<b>154.80</b>	-	<b>2,889.79</b>	<b>2,905.26</b>
SADOSKI	2/12-2/17/18	SANS Security Leadership Essentials (2)	Anaheim, CA	Training	-	6,149.00	-	-	-	-	-	6,149.00	-
	4/22-4/25/18	2018 Annual PRISM Conference	San Diego, CA	Conference	-	550.00	-	-	-	-	-	550.00	-
<b>Sub Total</b>					-	<b>6,699.00</b>	-	-	-	-	-	<b>6,699.00</b>	<b>6,149.00</b>
<b>IT Total</b>					<b>107.64</b>	<b>16,056.00</b>	<b>439.07</b>	<b>708.19</b>	<b>5,391.50</b>	<b>573.14</b>	-	<b>23,275.54</b>	<b>29,341.07</b>
ADVIENTO	5/9-5/11/18	Arbutus Data Analytics Training	Newport Beach, CA	Training	-	6,095.62	-	-	-	-	-	6,095.62	-
	5/15-5/18/18	SACRS Spring Conference	Anaheim, CA	Conference	22.56	120.00	-	-	-	55.55	-	198.11	-
	6/25/18	IIA So Cal Educational Conference	Anaheim, CA	Conference	-	275.00	-	-	-	-	-	275.00	-
	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	116.09	120.00	14.44	-	216.85	-	-	467.38	-
<b>Sub Total</b>					<b>138.65</b>	<b>6,610.62</b>	<b>14.44</b>	-	<b>216.85</b>	<b>55.55</b>	-	<b>7,036.11</b>	<b>1,045.80</b>
KIM	11/13-11/16/18	SACRS Fall Conference	Indian Wells, CA	Conference	98.21	120.00	15.88	-	684.24	-	-	918.33	-
<b>Sub Total</b>					<b>98.21</b>	<b>120.00</b>	<b>15.88</b>	-	<b>684.24</b>	-	-	<b>918.33</b>	-
<b>INTERNAL AUDIT Total</b>					<b>236.86</b>	<b>6,730.62</b>	<b>30.32</b>	-	<b>901.09</b>	<b>55.55</b>	-	<b>7,954.44</b>	<b>1,045.80</b>
<b>Total</b>					<b>4,934.42</b>	<b>100,316.62</b>	<b>6,101.45</b>	<b>34,203.60</b>	<b>78,120.65</b>	<b>13,605.07</b>	<b>181.40</b>	<b>237,463.21</b>	<b>189,985.61</b>

Footnotes:

- \* Prior year totals only presented for 2018 active staff & Board members.
- \*\* Excludes expenses for non-travel related training conferences including: misc. lunches, meetings, mileage, strategic planning, and tuition reimbursement.
- 1 Hotel charge was partially paid in 2017.
- 2 Registration was purchased in 2017.
- 3 Trip canceled and a credit has been placed on the airlines account which will be applied towards a future trip.
- 4 Hotel was complimentary.
- 5 Airfare credit from prior cancelled trip applied to ticket.
- 6 Trip cancelled. Expenses do not qualify for refund due to cancellation outside policy.
- 7 Registration fee includes hotel cost.

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## Memorandum

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**DATE:** January 4, 2019  
**TO:** Members, Board of Retirement  
**FROM:** Steve Delaney, CEO  
**SUBJECT:** **2019 OCERS BOARD OF RETIREMENT COMMITTEE ASSIGNMENTS**

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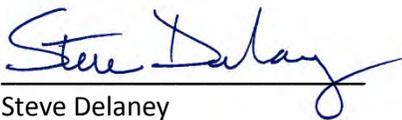
### Written Report

Mr. Chuck Packard became OCERS Board Chair on January 1, 2019, for a one-year term.

One of the required tasks for an incoming Board Chair is to establish membership of the various OCERS Board committees.

To ensure our members, employers and the public in general are fully informed, I am attaching here a copy of Chair Packard's December 31, 2018 memo outlining OCERS Board Committee membership in calendar year 2019.

### Submitted by:



Steve Delaney  
Chief Executive Officer

## Memorandum

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**DATE:** December 31, 2018  
**TO:** Members, Board of Retirement  
**FROM:** Chuck Packard, OCERS Board Chair - 2019  
**SUBJECT: 2019 OCERS BOARD OF RETIREMENT COMMITTEE ASSIGNMENTS**

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I would like to thank my fellow OCERS Board Trustees for their input regarding committee assignments in 2019. I appreciate your flexibility and willingness to serve where needed.

In determining assignments, I had a number of goals to guide me:

- Tried to fulfill each Board member's stated committee preference(s) where possible.
- Tried to have each Board member assigned to at least one committee.
- Continued the practice of appointing a Vice Chair for all committees (should the Chair be absent).
- Continued the practice of alternating elected and appointed members as Investment Committee Chair and Investment Committee Vice Chair.

Some special notes:

- The Personnel Committee is new.
- The Governance Committee has been left unchanged as those members have begun the special task of reviewing and approving the Master Final Average Salary document, and I did not want to lose the momentum that committee has begun.

The 2019 OCERS Board of Retirement committee assignments are as follows:

**Audit Committee**

Frank Eley, Chair  
Chuck Packard, Vice Chair  
Shari Freidenrich  
Jeremy Vallone

Staff Coordinator: *David Kim*

**Disability Committee**

Russell Baldwin, Chair  
David Ball, Vice Chair  
Jeremy Vallone  
Frank Eley – Alternate Member

Staff Coordinator: *Suzanne Jenike*

**Governance Committee**

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

Staff Coordinator: *Gina Ratto*

**Investment Committee**

Roger Hilton, Chair  
Shawn Dewane, Vice Chair  
All Other Trustees

Staff Coordinator: *Molly Murphy*

**Manager Monitoring Subcommittee**

David Ball, Chair  
Russell Baldwin, Vice Chair  
Frank Eley  
Shawn Dewane

Staff Coordinator: *David Beeson*

**Personnel Committee**

Chris Prevatt, Chair  
Wayne Lindholm, Vice Chair  
Roger Hilton

Staff Coordinator: *Cynthia Hockless*

In addition, our one ad hoc committee will remain unchanged from 2018:

**Ad hoc Building Committee**

David Ball, Chair  
Chris Prevatt, Vice Chair  
Chuck Packard  
Roger Hilton

Staff Coordinator: *Brenda Shott*

My thanks to each of you, and I'm including my best wishes for a successful 2019 for OCERS and this Board of Retirement.

**1-10**

# Memorandum

**DATE:** January 2, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Jim Doezie, Contracts, Risk and Performance Administrator  
**SUBJECT:** CONTRACT STATUS FOR NAMED SERVICE PROVIDERS

## Written Report

### Background/Discussion

#### 1. Performance Reviews

The following policy provisions stipulate the terms by which vendor performance reviews will be conducted:

- The Procurement & Contracting Policy (Section II.D.) specifies that vendors will be reviewed every three years. *“The performance of every contracted provider will be reviewed at least every three years.”*
- The Board of Retirement Charter (Item #21) states that an Actuarial Review is needed every five (5) years. (With coordination by the Internal Audit department.)

#### 2. Review and Renewal of Named Service Providers

Section V.C of the Procurement & Contracting Policy notes the following:

*“At least six months before the expiration of the initial term of any contract with a Named Service Provider, the CEIO and the pertinent committee(s) of the Board shall assess the continued appropriateness and cost-effectiveness of the Named Service Provider in question”*

3. Pursuant to OCERS policy and charter provisions, the schedule below references the Named Service Provider contracts that are up for renewal, expiration, or review:

Named Service Provider	Vendor	Contracted	Contract Expiration	Last Review Date	Next Review Date	Notes
General investment consultant	Meketa	6/15/2016	5/31/2021	6/15/2016	Jun-2019	Last review was part of RFP evaluation
Consulting Actuary	Segal	8/25/2016	12/31/2019	8/25/2016	Jun-2019	Last review was part of RFP evaluation
Alternative investments consultant	PCA	9/1/2016	9/30/2021	9/1/2016	Sep-2019	Last review was part of RFP evaluation
Pension Administration software provider	Vitech	2/25/2016	Evergreen. 30-day cancel	2/25/2016	Sep-2019	Last review was part of contract evaluation
Financial auditor	MGO	2/19/2016	12/31/2020	2/16/2018	Jun-2020	Presented review to Audit Committee August, 2018
Custodian	State Street	7/1/2017	6/30/2023	7/1/2017	Jul-2020	Last review was part of RFP evaluation
Securities lending manager	State Street	7/1/2017	6/30/2023	7/1/2017	Jul-2020	Last review was part of RFP evaluation
Fiduciary Counsel	Reed Smith	4/1/2015	4/30/2021	4/18/2018	Nov-2020	Reviewed and extend contract during April 18th, 2018, Board Meeting
Actuarial Auditor (Every 5 years)	Cheiron	8/1/2017	12/31/2017	12/31/2017	Aug-2022	Reviewed 2017. Report received January, 2018. Next review in 2022

## Memorandum

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Submitted by:



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Jim Doezie  
Contracts, Risk and Performance Administrator

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## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT: BOARD COMMUNICATIONS POLICY FACT SHEET**

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### Written Report

#### Background/Discussion

The OCERS Monitoring and Reporting Policy requires that a copy of the Board of Retirement Communications Policy Fact Sheet be provided to the Board members annually. The Fact Sheet summarizes the contents of the OCERS Communications Policy and is intended to provide Board members with a quick reference guide.

The objectives of the OCERS Communication Policy are to encourage and facilitate open, accurate, timely and effective communications among all relevant parties, and to mitigate the risks to OCERS, the Board and the Board members that may arise in connection with communications. The policy was last revised in May 2017.

A copy of the OCERS Communication Policy and the Communications Policy Fact Sheet are attached.

#### Submitted by:



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Gina M. Ratto  
General Counsel

## Background

1. The Board of Retirement recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board must establish mechanisms for communicating clearly among Board members, and with senior management, plan sponsors, plan members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and staff with guidelines for executing the communications function of the Board.

## Policy Objectives

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

## Principles and Assumptions

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

## Policy Guidelines

### *General Guidelines*

6. Members of the OCERS Board and staff represent many differing backgrounds and viewpoints. Partisan political communications from persons in positions of authority may create a hostile work environment. Therefore, Board members and staff shall refrain from sending any partisan political communications to a majority of the members of the Board or a majority of the members of a standing committee, or to OCERS staff, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and staff shall also refrain from using OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for fulfillment of duties of a duly appointed labor representative.
8. OCERS Board and staff shall also refrain from engaging in any communications that may be considered offensive, profane, vulgar, or based on any protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and / or groups of people. The prevalence of electronic communications also brings challenges in managing communications and potential infringement of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the "Brown Act") and challenges in complying with the Public Records Act (Gov. Code

## OCERS Board Policy

# Communications Policy

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§§6250, et.seq.). As such, the OCERS Board has adopted the following guidelines for use and management of electronic mail by Board members:

- a. Electronic mail pertaining to OCERS business shall be treated as a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. Electronic mail communications from OCERS staff to Board members may be sent to a personal email account designated by individual Board members. In such event, OCERS staff shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to OCERS staff, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

### *Communications Among Board Members*

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
  - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);
  - b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
  - c. Allowing proper public comment on agenda items before or during consideration by the Board (Section 54954.3 of the Brown Act);

## OCERS Board Policy **Communications Policy**

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- d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (Section 54954.5 of the Brown Act);
  - e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by Section 54953 of the Brown Act);
  - f. Not taking any action, whether preliminary or final, by secret ballot (Section 54953(c) of the Brown Act); and
  - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (Section 54957.5 of the Brown Act).
11. Internal or external counsel for OCERS shall provide Brown Act training/education annually to members of the Board.
12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

### ***Board Member Communications with Plan Members and Plan Sponsors***

14. Members of the Board shall mitigate the risk of miscommunication with plan sponsors, active and deferred plan members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the Chief Executive Officer or appropriate designee. The Chief Executive Officer or such designee will inform the Board Member when and how the matter was resolved.
16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board of Retirement or a Board Committee or received orally or in writing from internal or external legal counsel and identified as confidential.

### ***Board Member Communications with OCERS Management***

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

## OCERS Board Policy **Communications Policy**

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- c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.
18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may be deemed by the Board to constitute a breach of fiduciary duty, and may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

### ***Board Member Communications with External Parties***

21. In general, in communicating with external parties, the following guidelines will apply:
- The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all plan members;
- Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
- Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board of Retirement or a Board Committee or received orally or in writing from internal or external legal counsel and identified as confidential;
- Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and
- In external communications, Board members are expected to disclose when they are not representing an approved position of the Board of Retirement or are not speaking in their Board of Retirement capacity.
22. Subject to section 21 above, in situations that call for a spokesperson from the Board, the Chair or his or her designee shall act as spokesperson for the Board. The spokesperson generally should request that reporters put questions in writing.

## OCERS Board Policy **Communications Policy**

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

### **Policy Review**

25. The Board shall review this policy at least every 3 years to ensure that it remains relevant and appropriate.

### **Policy History**

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

### **Secretary's Certificate**

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



5/15/17

Steve Delaney  
Secretary of the Board

Date

# **COMMUNICATIONS POLICY FACT SHEET**

## **COMMUNICATIONS AMONG BOARD MEMBERS**

- ◆ Carry out all activities in the spirit of open governance and in compliance with the Brown Act.
- ◆ Disclose pertinent information to the entire Board and CEO in a timely manner.
- ◆ Communicate in a straightforward, constructive and professional manner.

## **COMMUNICATIONS WITH OCERS MANAGEMENT**

- ◆ Direct concerns or questions about OCERS to the CEO or senior management staff.
- ◆ Direct requests for information to the CEO and limit those requiring expenditure of staff time or resources to those consistent with the Board's roles and responsibilities.
- ◆ All information requested by Board members shall be made available to the entire Board.

## **COMMUNICATIONS WITH EXTERNAL PARTIES**

- ◆ Communications shall be consistent with the fiduciary duty to represent the interests of plan members.
- ◆ Board decisions shall be respected despite personal agreement or disagreement.
- ◆ Board members shall not disclose confidential communications.
- ◆ Board members shall not speak for the entire Board unless authorized to do so.
- ◆ Board members shall disclose when not representing an approved Board position or when not speaking in their Board capacity.
- ◆ The Chair and CEO shall jointly designate a spokesperson on an issue by issue basis.
- ◆ No Board member shall make unilateral commitments to the press to provide information on behalf of the Board or OCERS.
- ◆ Written material created for publication or presentation by a Board member, in his or her capacity as such, shall be peer reviewed by the CEO or internal legal counsel prior to submission or presentation.

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## Memorandum

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**DATE:** January 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT: BOARD COMMUNICATIONS**

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### 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

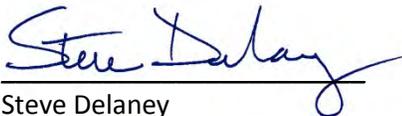
The various news and informational articles that have been shared with the full Board are being provided to you here by web link address. By providing the links in this publicly available report, we comply with both the Brown Act public meeting requirements, as well as avoid any copyright issues.

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

#### Steve Delaney:

Attached: OCERS Activities and Updates for November 2018

#### Submitted by:



Steve Delaney  
Chief Executive Officer

To the members of the OCERS Board of Retirement,

The following is my regular monthly summary of OCERS staff activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for the month of November 2018.

### Customer Service Stats 2018

#### TOP 3 MEMBER QUESTIONS:

The top three questions in the month of November are not surprisingly the same three that you saw in the October report as our members give serious thought to retirement in the coming spring:

#### QUESTION ONE:

**Q:** I am planning to retire in early 2019 – what is the earliest day I can submit my retirement application to OCERS?

**A:** Under County Retirement Law, the earliest date a member may submit a valid retirement application to OCERS is 60 days before the selected retirement date. Once a member is within that timeframe, they are able to submit their Application for Service Retirement forms on the MyOCERS Portal.

#### QUESTION TWO:

**Q:** When will OCERS be mailing 1099s for 2018?

**A:** OCERS does not generate or send annual statements. However, an active or deferred member may obtain an up-to-date member statement at any time by logging into the MyOCERS portal and navigating to the “Member Statements” hyperlink. The printable statement lists the member’s plan, total service credit, funds on deposit, and current designated beneficiaries. For members without computer access, this statement can be generated by staff and sent by mail.

#### QUESTION THREE:

**Q:** Can OCERS answer my questions about Retiree Medical Open Enrollment?

**A:** No. OCERS does not administer the retiree medical program. All questions about forms and coverage should be directed to the County of Orange Benefits Center.

**Member Approval:** 100%

**Un-Planned Recalculations:** 0

**Retirement Applications Received:**

<i>Nov – 2018</i>	85
<i>Oct – 2018</i>	49
<i>Sept - 2018</i>	40
<i>Aug - 2018</i>	55
<i>Jul - 2018</i>	67
<i>Jun - 2018</i>	44
<i>Apr - 2018</i>	73
<i>Mar - 2018</i>	51
<i>Feb - 2018</i>	163
<i>Jan - 2018</i>	204
<i>Dec - 2017</i>	58
<i>Nov - 2017</i>	75
<i>Oct - 2017</i>	47
<i>Sep - 2017</i>	42
<i>Aug - 2017</i>	69
<i>Jul - 2017</i>	48
<i>Jun - 2017</i>	65
<i>May - 2017</i>	60
<i>Apr - 2017</i>	47
<i>Mar - 2017</i>	79

MEMBER SERVICES TELEPHONE METRICS

Member Services Call History			
Month / Year	Incoming Calls Through Queue	Incoming Calls Direct to Extension	Total Calls (Queue + Direct)
November 2018	1284	1827	3111
November 2017	805	2893	3698
November 2016	807	2784	3591

ACTIVITIES

**LEARNING, EXPERIENCE AND DEVELOPMENT (L.E.A.D.) COMMITTEE**

As per the update regarding “Staff Meetings with CEO” reported on below, the need for an improved training program at OCERS became apparent. In addition to the creation of a new “Training Manager” position, I also worked with the senior team to create a new staff committee that would be available to review proposed training materials and offer overall improvement suggestions. With a representative from each major department, what started out in early fall as “The Training Committee” has become the “L.E.A.D.” Committee. One of their early activities was to develop a mission statement to guide their activities: *“The L.E.A.D. Committee will provide guidance and work closely with OCERS management and departments to develop, improve and streamline the training process for the purpose of promoting and retaining staff.”* I have been very impressed with how seriously the committee is taking their charge, and the work they are doing to coordinate with other entities, such as the County of Orange, as well as local colleges, to develop a program that will assist OCERS staff in growing to their best potential.

**OCERS STAFF PAY A VISIT TO LACERA**

A special thanks to the LACERA (Los Angeles County retirement) management team who pulled out all the stops in providing a visiting OCERS delegation an overview of the work accomplished there to train and empower their staff to emulate the values that guides that system. As you may recall, I ask each of our executive managers to visit one other system every year to look for opportunities for innovation and improvement that we could implement at OCERS. A six member delegation went on the last day of November to join in discussion with a number of LACERA managers, discussions that ran from 8:30 a.m. to 4:15 p.m.! The OCERS team came back truly enthused by what they had seen. LACERA has put together a very well-developed training program that is designed to help new hires be the best they can possibly be as they join the LACERA team. We will be looking to our new “Training Manager” to help develop something similar here in the coming year (and years – the LACERA team cautioned that it has taken them years to reach the level of professionalism that was so apparent to all of our OCERS team.)

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## RETIREMENT PLANNING OUTREACH FOR AOCDs MEMBERS

With Mr. Hilton's helpful assistance, and the logistical support of the Association of Orange County Deputy Sheriffs, two of our top retirement counselors, Rick Serrano and Carlos Jovel were out in the field three times in November, holding special retirement counseling sessions for approximately 25-30 members at a time. The sessions were especially focused on providing information unique to safety officers. With the possibility of a full COLA award in 2019 looking more likely, there has been a surge of interest in retiring by April 1 of 2019. We anticipate additional special sessions for safety officers will be held in January and February.

## UPDATES

### FINAL AVERAGE SALARY COMPONENTS (MASTER DOCUMENT) REVIEW PROJECT

We continue to make good progress on the Salary and Pay Item review project. The team reviewed the Pay Item Request form, as well as the Pay Item Request and Approval Procedures for Employers, the OCERS Administrative Procedure (OAP) documents for Comp Earnable/Pensionable Comp and Final Average Salary, and the OCERS Policy documents for Comp Earnable, Pensionable Comp, Pay Item Review, and Retirement Enhancement Review. Project documentation is also being prepared for presentation to the Governance Committee on 12/11/2018. The Pay Type spreadsheet was updated to include Summary tabs for the employers that display the current Pay Item Codes from the V3 Factor Table alongside the Pensionable Comp (PEPRA) and Comp Earnable (Legacy) decisions determined by a review of the pensionable compensation and compensation earnable criteria from Legal. The team is still following up with questions to the employers, including the County, OCFA, Sanitation District, and Superior Court, regarding Pay Item Codes that have not been used in several years, pay codes that have been used but do not match the pay type information in the MOU/PSR documents, and pay types that don't match existing pay codes. Monthly meetings with the CEO are being held to review the project status and address any policy questions.

### STAFF MEETINGS WITH CEO

I have completed my round of personal meetings with all OCERS staff. It took much more time than I had originally planned, but it has been a full and gratifying process for me. I learned a lot, and shared some of the then highlights with the Board at our September Strategic Planning Workshop. Some key takeaways – (1) there is a sense of family among the majority of the OCERS team, a real enjoyment not only in the work they perform, but in the relationships that develop among teammates; (2A) a large number of our staff were born and raised in the greater Orange County area, if one wants to add Los Angeles and the Inland Empire to that "greater area"; and (2B) a large number of those locals were encouraged to apply for work with the County of Orange and ultimately OCERS by other family members who already employed by the County – from that I've learned that in searching for the next generation of OCERS team members, we want to be sure to advertise locally and encourage our staff to share information on openings with their circle of friends and family; (3) the other big take away was the need

to improve our onboarding process with improved training if we wish to raise the professionalism and efficacy of the service rendered to our members. The OCERS Board has already acted on this information by providing us with a new “Training Manager” position. We hope to have that individual hired in January 2019 and leading the charge shortly thereafter.

I plan on repeating this same process of meeting one-on-one with OCERS staff in 2019. My focus will be not so much on how an individual came to work at OCERS, but now centered on the training each team member has received to-date, and determining how OCERS as an agency can assist them in meeting their workplace goals.

### INVESTMENT TEAM

Mr. David Beeson reports on team activity in the month of November:

As of October 31, 2018, the portfolio year-to-date is down 0.6% net of fees, while the one-year return is up 1.5%. The fund value now stands at \$15.3 billion as the portfolio declined 3.4% in the month of October with equity volatility returning and leading to declines across all public equity markets. At the November 28<sup>th</sup> Investment Committee meeting, ISS (OCERS’ proxy voting provider) presented an update on the current proxy voting season and led a discussion on OCERS’ current policy for proxy voting, the ISS Benchmark Policy. After the discussion, the Committee voted to continue the use of the ISS Benchmark Policy as OCERS’ policy for proxy voting. Meketa, OCERS’ general consultant, presented their 3<sup>rd</sup> quarter portfolio evaluation report. Molly Murphy, OCERS’ CIO, next discussed recent manager selections with the Committee. OCERS committed \$100 million to Kayne Anderson Energy Fund VIII, \$100 million to Kayne Private Energy Income Fund II, and \$100 million to Owl Rock Technology Finance Corp. The two Kayne Anderson commitments are re-up investments as OCERS is an investor in Kayne Anderson Energy Funds VI and VII, as well as Kayne Private Energy Income Fund I. The meeting concluded with Robert Sinnott from Kayne Anderson providing an educational presentation on the current status of the energy markets.



As a reminder you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the January 16 meeting of the OCERS Board of Retirement.

**1-13**

## Memorandum

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**DATE:** January 4, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT: OCERS INNOVATIONS AND EMPLOYEE STAFF AWARDS**

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### Background/Discussion

Throughout 2018 OCERS management and staff alike have been on the watch for opportunities to innovate the way we do our work, or to at least improve existing processes in order to obtain a benefit – improved customer service, faster turnaround time, lower costs, greater accuracy, etc.

The Government Finance Officers Association (GFOA) has commented on the value of maintaining an innovative outlook in government with a word of caution:

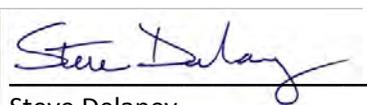
*“Local governments need to worry more about creating and sustaining an innovation-friendly administrative environment than about attempting innovations because they are in vogue somewhere else. A new fad is not necessarily what will work well for your specific organization. When Peters and Waterman described how their organizations brought about innovations, they found that these companies created the right atmosphere and conditions to allow innovative thinking to flourish.”*

When implementing innovation and improving processes at OCERS, it’s not about doing more with less; it’s about doing better with the resources we have. We are not looking for complex strategies, which often add confusion; instead we look to make straightforward simple change and improvement that creates better results.

On January 16, you will hear from several of our managers and staff members regarding innovations or process improvements their teams have implemented over the course of the past year, reflective of the innovative and creative thinking we seek to encourage at OCERS.

We will begin the presentation with an introduction of our 2019 winners of the Employee and Manager of the Year award, as well as the Innovator of the Year.

### Submitted by:

  
Steve Delaney  
Chief Executive Officer

# 2018 OCERS INNOVATIONS/ PROCESS IMPROVEMENTS AND EMPLOYEE STAFF AWARDS



# Employee of the Year



**Teresa Panameno**



# Manager of the Year



**Dave Beeson**



# Innovation Award Winner



**Brandon Johnson**



# Finance Department



To enhance security of personal and financial information, Finance implemented the following:

- Worked with Wells Fargo Bank to set-up, configure, test and implement PGP (Pretty Good Privacy) software to encrypt banking files prior to transmitting to Wells Fargo.



- Working with Wells Fargo Bank and Vitech, we are in the final testing phase of transitioning to Wells Fargo's Payment Manager service which will give us the ability to set-up dual approval of ACH/Positive Pay/EFT banking files after they have been transmitted and uploaded to Wells Fargo.

# IT Department



**Online Operational Risk Management** – to support our Operational Risk Management process we have created within SharePoint an Operational Risk Management tool to allow staff to identify, track and address operation risk factors with the organization. Developing the tools in house affords us the scalability to grow and expand our solution as our process matures as well as the customization needed to meet our program requirements and needs.



**SRSS Reporting and Dataset development** – the IT Programming team has standardized our internal reporting mechanism to use SRSS reports within our SharePoint environment. Along with an enhanced IT Programming request and workflow approval process, OCERS staff can now request new reports, and securely access and view real-time live reports pulling data from any OCERS system (financial, V3, etc.).



**New OCERS Training Center** – to support OCERS training initiatives in 2018, we deployed a new SharePoint Training Center site. The site allows staff to track their training opportunities and allows Supervisors to create training initiatives for their team to bolster their skillsets and provide for continuous education and knowledge growth and expertise within our workforce.



**Automated Performance Review tracking** – to ensure that our performance reviews are submitted in a timely and efficient manner, we have implemented an automated Performance Review notification system to gently remind Supervisors and Managers of upcoming performance review due dates and to track submittals and reviews that are overdue. The tool is part of a set of new tools created to assist the human resources team personnel management process.

# Administrative Services



- Track transactional work on SharePoint & Use of SharePoint to automate the County's staff performance management reminder process.
- SharePoint is tracking: annual leaves, ergonomic studies and automation of annual updates for employee emergency contact information.



**Administrative Services > Leave of Absence Database > All Items** =  
Used for tracking Leave of Absence requests. This list is only accessible to members of Administrative Services.



**Administrative Services > Ergonomic Requests > All Items** =  
This keeps track of who has made ergonomic requests at OCERS.



**Administrative Services > Emergency Contact Information > All Items** =  
Use this list to record and maintain your official emergency contact information!

**Annual update automatically sent to each employee on January 1**

# Administrative Services

- Automated the County's staff performance management reminder process.

1

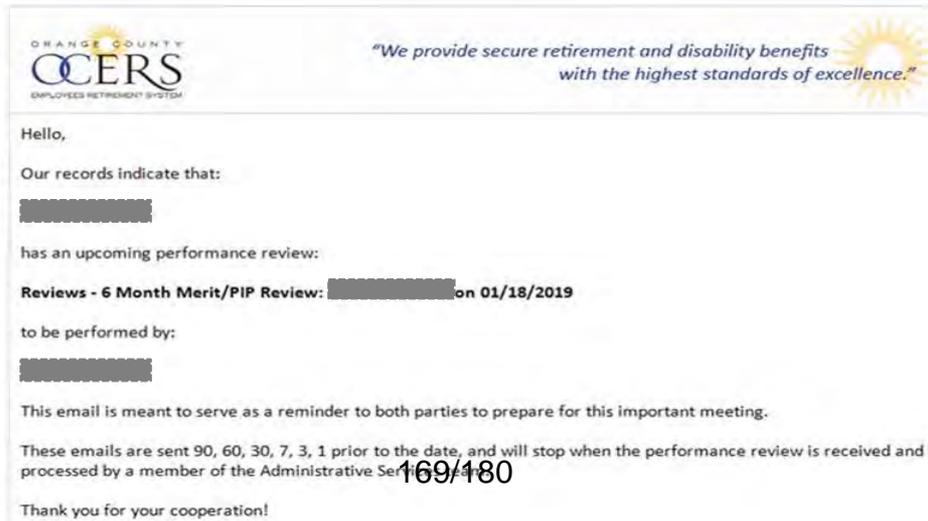
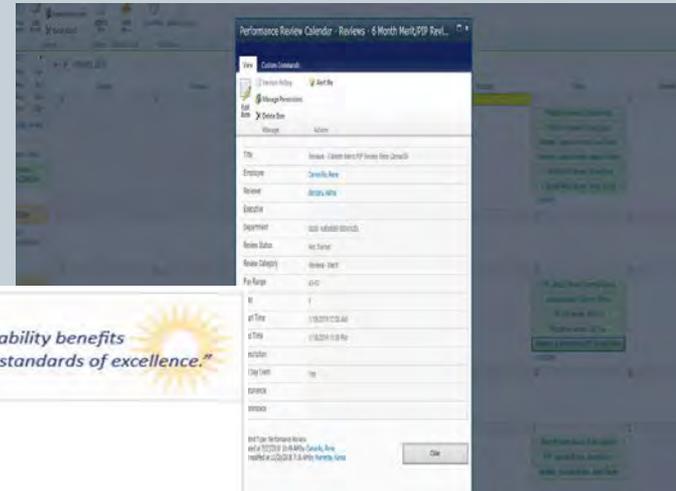
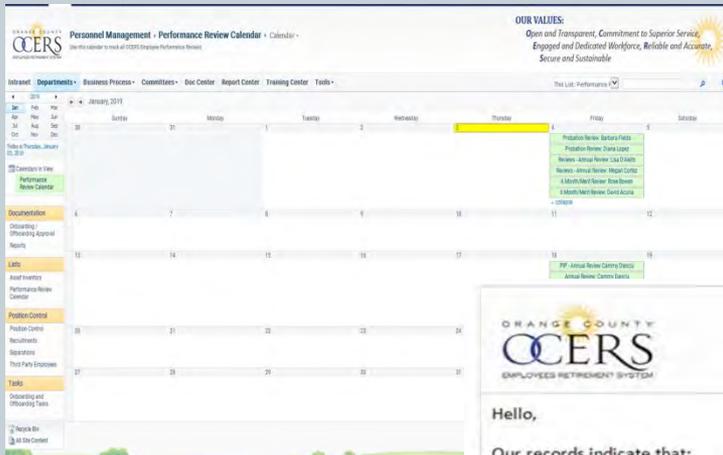
Calendar on Admin SharePoint that list anniversary date for County's staff performance review.

2

Pertinent information on employee is entered. (name, department, salary step and due date) for Admin department tracking.

3

Email reminder automatically sent to the supervisor, 90, 60, 30, 7, 3, 1 day then daily until review is completed.



# Legal Department



## 2018 -- Legal Department Initiated Process Innovations and/or Improvements:

- Implemented several process improvements to the disability and benefit determination adjudicatory processes, which included creation of a new Disability Committee
  - Conducted 12 administrative hearings (compared to 5 in 2017)
- Revised the OCERS Conflict of Interest Code to extend reporting requirements to Director level staff and consultants, and to correct reporting categories
- Proposed adoption of two new policies – Over/Underpaid Contributions Policy and Write Off Policy
- Proposed rescission of three policies – Annual Disclosure Policy; Acceptance and Reporting of Gifts Policy; and Board Self-Review Policy

# Internal Audit Department



## Internal Audit implemented the following Process Innovations/Improvements:

- **Data Analytics:** Utilized data analytics to compare stratified pay items by amount totals/year to V3 configuration coding leading to the identification of significant contribution variances, inconsistent policy applications and information leveraged in the Master Final Average Salary Project.
- **Audit Planning:** With the assistance from IT, the Audit Universe used for developing the annual audit plan has been migrated to SharePoint from a manual spreadsheet.

# Communications Department



## Member Outreach “Planning for Tomorrow”

### Problem Statement

What does my future look like at retirement age?

- Find a way for members to see themselves at retirement age and motivate them to plan for the future



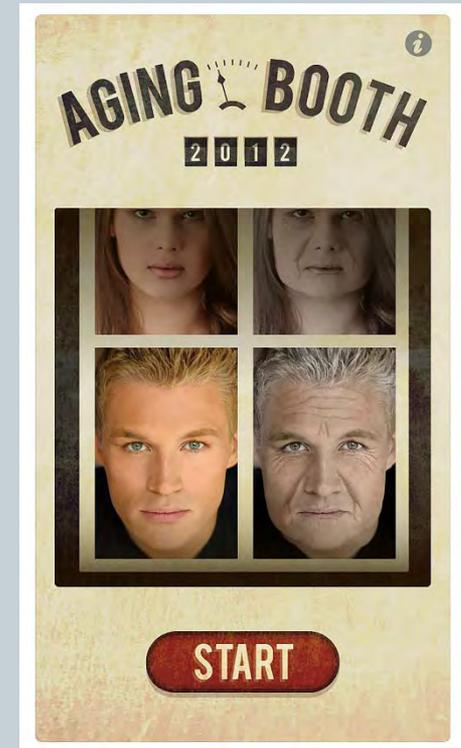
# Communications Department



## Member Outreach “Planning for Tomorrow” Solution

### **Solution: Aging Booth Application**

Aging Booth is an application using a tablet to allow users to see themselves in the future



# Communications Department



## Member Outreach “Planning for Tomorrow” Solution

### Conclusion

Aging Booth attracted many members to OCERS' information table at OCEA Health Fair in September 2018



# Investments Department



## Direct Private Equity Program:

- **Background:** OCERS has invested in private equity utilizing the fund-of-funds vehicle for over a decade. In mid-2017 with the hire of the new CIO, an initiative to evaluate and transition the private equity (PE) program from fund-of-funds to direct was launched
- **Rationale for direct PE program:** Greater control and flexibility; reduce fees (by eliminating second layer fees) and build a more concentrated portfolio with “best-in-class” high conviction names

# Investments Department



- **Steps taken thus far:**
  - January 2018: I/C approved delegation of authority to the CIO
  - April 2018: Hired TorreyCove
  - To strengthen legal review process, expanded pool of external legal counsels
  - Enhanced professional development (training) and collaboration and network (consultant, peers and premier GPs)
  - Adopted commitment pace for 2018, staff conducted approximately 50 meetings with PE GPs, including 21 on-site meetings and 4 annual GP meetings. Closed on 6 investments totaling \$280 million
- **What will we accomplish: Enhanced returns, opportunity to co-invest, invest with higher conviction GPs**

# Investments Department



## CRM – Backstop Solutions:

- **Background:** Investment Staff has relied on OCERS' Shared drive for file sharing and storage of investment manager information (legal, due diligence, policies, procedures and reports)
- Staff evaluated a number of vendors and concluded that Backstop Solutions would be a strong fit for OCERS' needs
- **Benefits of Backstop:**
  - Provides a foundation for managing investment documentation,
  - Maintain due diligence (research materials and e-mail communications) in one central database
  - Allows for capturing and sharing manager interactions
  - Synchronize contact and e-mails with Outlook
  - Manage contacts and add notes on the go with Backstop Mobile

# Investments Department



- **Current Status with Backstop:**
  - Tool implemented in 2018
  - Staff has transitioned the entire investment manager line-up documentation
- **How has it helped:**
  - Integration of information which allows staff to access information utilizing search strings
  - Accountability: staff actions can be tracked
  - Production of OCERS' staff due diligence materials for Manager Monitoring Subcommittee (MMS)

# Disability Department



## LEAN training

- Participated in several days of training with a consultant learning how to deconstruct the disability process from beginning to end. We documented the current process, mapped out the preferred future state and created an action plan.
- Implemented several changes to improve internal processes, decrease processing time for applicants and eliminate inefficiencies.

## Disability Committee and

- Worked with the Legal Department to create new disability retirement adjudication procedures and the establishment of the Disability Committee.

# Member Services Department



To improve the delivery of services to members and to enhance efficiency and productivity, Member Services implemented:

- **Reciprocity Overpayment/Underpayment Process using Sharepoint** – to manage required changes to employee and employer contribution rates owed that occur when incoming reciprocity is established (reduced age at entry and/or plan change from PEPRA to Legacy). The new page is used to:
  - Track current status of all pending calculations
  - Manage staff assignments for both the initial calculation and audit
  - Store calculation spreadsheets, with version-control

**Using the new site and process, staff processed over 450 member rate change calculations in 2018 and eliminated the backlog in this area**

- **Lean Training Concepts to Improve Death Benefits Process**
  - Eliminated redundant Excel logs used for tracking information and managing tasks
  - Loaded most commonly used letters into V3 as templates
  - Began paying lump sum burial benefits by direct deposit whenever possible, instead of by check
  - Performed cleanup on V3 workflows
  - Refined report parameters for CLEAR death match database
- **V3 Enhancements for Service Credit Purchases (SCP)**
  - Worked with Vitech to design an SCP Datasheet Import Batch that is used to import salary and employment records to the system instead of staff manually entering data – the new batch was used 325 times in 2018
  - The new import helped to streamline the overall SCP process and contributed significantly to the elimination of the former SCP backlog