

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

REGULAR MEETING  
Monday, December 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 on the counter at the back of the room and deposit it in the Recording Secretary's inbox on the wall near the middle of the room.** 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.

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.

<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.

- None

**ADMINISTRATION**

**C-2 BOARD MEETINGS AND COMMITTEE MEETINGS**

Regular Board Meeting Minutes  
Special Board Meeting Minutes

November 18, 2019  
November 25, 2019

**Recommendation:** Approve minutes.

**C-3 GOVERNANCE COMMITTEE OUTCOMES OF NOVEMBER 7, 2019 - OCERS EMPLOYER POLICIES**

**Recommendation:**

1. Approve the revisions to the *Declining Employer Payroll Policy*;
2. Approve the revisions to the *Withdrawing Plan Sponsor Policy* (including a change in the name of the policy to *Withdrawing Employer Policy (Continuing Obligation)*); and
3. Approve and adopt a new policy, the *Withdrawing Employer Policy (Fully Satisfied Obligation)*, for participating employers that wish to withdraw from OCERS and fully pay their UAAL at the time of such withdrawal.

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**DISABILITY/MEMBER BENEFITS AGENDA**

9:00 AM

**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: Bradley Broadhead**

Sergeant, Orange County Sheriff's Department

**Recommendation:** The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of permanent incapacity and because it was not timely filed pursuant to Government Code Section 31722. (Safety Member)

**DC-2: Belen Cerda**

Office Technician, Orange County Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of October 5, 2017. (General Member)

**DC-3: Daniel Escoto**

Data Entry Technician, Orange County Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

**DC-4: Kenneth Francisco**

Deputy Sheriff II, Orange County Sheriff's Department

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (Safety Member)

**DC-5: Richard Graf**

Coach Operator, Orange County Transportation Authority

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

**DC-6: Sean Hayes**

Deputy Juvenile Correctional Officer II, Orange County Probation Department

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (Safety Member)

**DC-7: Tamyra Jellsey**

Deputy Juvenile Correctional Officer II, Orange County Probation Department

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 30, 2018, the day following the last day of regular compensation as a Deputy Juvenile Correctional Officer II. Find the Applicant is capable of performing other duties in the service of the County of Orange pursuant to Government Code Section 31725.65. Grant a supplemental disability retirement payment allowance in the amount of the salary difference between the higher and lower paying positions effective April 27, 2018, the date of the position change until the day Ms. Jellsey wishes to retire from the new position. (Safety Member)

**DC-8: Lisa Olvera**

Office Technician, Orange County Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of May 18, 2012. (General Member)

**DC-9: John Richardson**

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 the day after the last day of regular compensation. (Safety Member)

**DC-10: Benjamin Savill**

Defense Investigator III, Orange County Public Defender's Office

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of January 31, 2017. (General Member)

**DC-11: Cynthia Vela**

Accounting Specialist, Orange County Probation Department

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

**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**

**OPEN SESSION**

**ACTION ITEMS**

**NOTE:** Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. **Persons wishing to provide public comment at this time**

should fill out a speaker card located on the counter at the back of the room and deposit it in the Recording Secretary's inbox on the wall near the middle of the room.

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

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

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

**Recommendation:** Elect a new OCERS Board Vice-Chair for calendar year 2020.

**A-3 OCERS EMPLOYEE HANDBOOK OF PERSONNEL POLICIES**

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

**Recommendation:** Approve OCERS Employee Handbook as recommended by the Personnel Committee.

**A-4 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**

**Recommendation:** Take appropriate action.

**INFORMATION ITEMS**

**I-1 MEMBER MATERIALS DISTRIBUTED**

Written Report

Application Notices  
Death Notices

December 16, 2019  
December 16, 2019

**I-2 COMMITTEE MEETING MINUTES**

Written Report

**I-3 CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN**

Written Report

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

Written Report

**I-5 BOARD COMMUNICATIONS**

Written Report

**I-6 2020 OCERS BOARD COMMITTEE ASSIGNMENTS**

Written Report

**I-7 OCERS TRUSTEE EDUCATION SUMMARY REPORT**

Written Report

**I-8 GOVERNANCE COMMITTEE REPORT – STATUS OF COMMITTEE’S REVIEW OF CHARTERS AND BOARD POLICIES IN 2019**

Written Report

**I-9 REPORT OF ACTION TAKEN IN CLOSED SESSION ON AUGUST 19, 2019 PURSUANT TO GOVERNMENT CODE SECTION 54957.1**

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

**I-10 RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE**

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

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**CLOSED SESSION**

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

Adjourn to closed session pursuant to Government Code Section 54957

Position to be evaluated: Chief Executive Officer

**Recommendation:** Take appropriate action.

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**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**

**December 16, 2019  
12:30 P.M.**

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

**DISABILITY COMMITTEE MEETING  
January 07, 2020  
10:00 A.M.**

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

**REGULAR BOARD MEETING  
January 21, 2020  
9:00 A.M.**

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

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

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

C-1



## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT: OPTION 4 RETIREMENT ELECTION**

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This memorandum serves as a placeholder to inform you that there will be no printed materials for this section of the board book this month.

**Submitted by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

C-2

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

**REGULAR MEETING  
Monday, November 18, 2019  
9:00 a.m.**

**MINUTES**

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

Attendance was as follows:

**Present:** Charles Packard, Chair; Roger Hilton, Vice Chair; Frank Eley, Russell Baldwin, Shari Freidenrich, Wayne Lindholm, and Jeremy Vallone

**Absent:** David Ball, Shawn Dewane, Chris Prevatt

**Also Present:** Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, General Counsel; Dawn Matsuo, Staff Attorney; Megan Cortez, Disability Manager, Matt Eakin, Director of Cyber Security; Reginald Tucker, Managing Director of Investments; Anthony Beltran, Visual Technician; and Nichol Forbes; Recording Secretary.

**Guests:** Harvey Leiderman and Michele Gehrke, ReedSmith

*Vice Chair Hilton led the Pledge of Allegiance.*

Trustee Freidenrich arrived at 9:03a.m.

**CONSENT AGENDA**

**MOTION** by Hilton, **seconded** by Eley, to approve staff's recommendation on all of the following items on the Consent Agenda:

<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) Mark Northart
- (2) Teresa Zuber

**ADMINISTRATION**

**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

October 21, 2019

**Recommendation:** Approve minutes.

The motion passed **unanimously** with Trustees Ball, Prevatt and Dewane absent.

**DISABILITY APPLICATIONS/MEMBER APPEALS AGENDA**

**OPEN SESSION**

**CONSENT AGENDA**

**MOTION** by Eley, **seconded** by Hilton, to approve staff's recommendation on all of the following items on the Consent Agenda:

**DC-1: Sheila D. Dailey**

Eligibility Technician, Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of job causation. (General Member)

**DC-2: C.J. Gillespie**

Social Services Supervisor, Orange County Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of permanent incapacity. (General Member)

**DC-3: Alexandra Le**

Legal Research Attorney, Orange County Superior Court

**Recommendation:** The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of job causation. (General Member)

**DC-4: Scott Watson**

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 the day after the last day of regular compensation. (Safety Member)

**DC-5: William West**

Sergeant, Orange County Sheriff's Department

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of June 21, 2019. (Safety Member)

**DC-6: Jaina Marie Williams Rodriguez**  
Eligibility Technician, Social Services Agency

**Recommendation:** The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

The motion passed **unanimously** with Trustees Ball, Prevatt and Dewane absent.

The Board Meeting adjourned to Closed Session at 9:05 a.m.

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

**DISABILITY/MEMBER BENEFITS AGENDA**

**ACTION ITEMS**

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

No items were trailed from the Consent Agenda.

**DISABILITY/MEMBER BENEFITS AGENDA**

**DA-2: DISABILITY APPEAL – YVONNE SHULL**

**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 September 8, 2019 (Recommendations), and reject the Applicant's application for disability retirement filed on February 21, 2019 as not timely filed, because the Applicant has not established that she was continuously incapacitated from the performance of her duties from the time of her discontinuance of service until the time when she filed her application for disability retirement, as required by California Government Code §31722.

**OPEN SESSION**

The Board Meeting reconvened in Open Session at 9:09 a.m.

Chair Packard reported that for Closed Session Item **DA-2**, on **MOTION** by Baldwin, **seconded** by Lindholm, the Board voted unanimously, with Trustees Ball, Prevatt and Dewayne absent, to 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 September 8, 2019 (Recommendations), and reject the Applicant's application for disability retirement filed on February 21, 2019 as not timely filed, because the Applicant has not established that she was continuously incapacitated from the performance of her duties from the time of her discontinuance of service until the time when she filed her application for disability retirement, as required by California Government Code §31722.

### **ACTION ITEMS**

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

No items were trailed from the Consent Agenda.

#### **A-2 OCERS' ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2020**

*Presentation by Brenda Shott, Assistant Chief Executive Officer, Internal Operations, and Steve Delaney, Chief Executive Officer*

Chair Packard addressed the members of the Board and the Executive team to remind them that this item had been reviewed at the September Strategic Planning Workshop and asked that the Board keep its discussions at high level.

Ms. Brenda Shott presented the OCERS Administrative Budget for Fiscal Year 2020 to the Board with a break-down of all costs and recommendations for changes in personnel and salary adjustments.

Discussion took place by the members of the Board.

**MOTION** by Hilton, **seconded** by Lindholm, to:

- 1. Adopt the Administrative Budget for Fiscal Year 2020 in the amount of \$27,184,790 which includes:**
  - a. Personnel costs in the amount of \$15,507,410
  - b. Services and supplies in the amount of \$11,077,680
  - c. Capital expenditures in the amount of \$600,000
- 2. Approve the following recommendations from the Personnel Committee:**
  - a. Divide the Administrative Services department into two separate departments; Human Resources and Operations Support Services.
  - b. Approve the 2020 Staffing Plan of 93 budgeted positions and 102 approved classifications, which includes one new position, Senior Manager of Operations Support Services, and the reduction of one position, Staff Assistant; two additional County career ladder positions,

- one each in the Administrative Services (Human Resources) and Member Services departments; and create an additional HR Analyst classification to be used as a promotional opportunity (no additional headcount) in Administrative Services (Human Resources).
- c. Change the title of four positions (as presented).

**3. Approve Salary and Range Adjustments**

- a. Performance/Salary Adjustments for OCERS' direct employees consisting of a rating scale that includes a base increase of 2.5% for those that meet expectations; a base of 2.5% plus a merit increase of 2.75% for exceeds expectations; and a base of 2.5% plus two merit increases totaling 5.50% (2.75% x 2) for exceptional performance
- b. Adjust all existing OCERS' direct salary ranges by 2.5%
- c. Approve the salary range for the new Senior Manager of Operations Support Services (\$66,962-\$140,321)

The motion passed **unanimously** with Trustees Ball, Dewane and Prevatt absent.

**A-3 FUNSTON GROUP PRESENTATION**

Mr. Delaney addressed the Members of the Board and withdrew his request to participate in the beta testing process with the Funston Group. He stated once the Funston Group has a final product, he will review it and bring it back before the Board at that time.

**This item was pulled from the agenda.**

**A-4 PROPOSED 2020 REGULAR BOARD MEETING SCHEDULE**

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

Mr. Steve Delaney presented the proposed 2020 Regular Board Meeting schedule to the Board. The dates were reviewed and approved as follows for 2020:

January 21, 2020 at 9:00 a.m.	August 17, 2020 at 9:00 a.m.
February 10, 2020 at 9:00 a.m.	September Strategic Planning Workshop:
March 16, 2020 at 9:00 a.m.	September 9, 2020 and September 10,
April 20, 2020 at 9:00 a.m.	2020 at 9:00a.m.
May 18, 2020 at 9:00 a.m.	October 19, 2020 at 9:00 a.m.
June 15, 2020 at 9:00 a.m.	November 16, 2020 at 9:00 a.m.
July 20, 2020 at 9:00 a.m.	December 14, 2020 at 9:00 a.m.

The following conflicts were noted during discussion:

Trustee Lindholm cannot make the April 20, 2020 Regular Board Meeting

Trustees Lindholm and Hilton cannot make the May 18, 2020 Regular Board Meeting

**A-5 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**

**This item was pulled from the agenda and will be brought back at the December 16, 2019 Regular Board Meeting.**

The Board recessed for a break at 10:13 a.m.  
The Board reconvened at 10:31 a.m.

**INFORMATION ITEMS**

**I-1 MEMBER MATERIALS DISTRIBUTED**

Written Report

- Application Notices November 18, 2019
- Death Notices November 18, 2019

**I-2 COMMITTEE MEETING MINUTES**

- Audit Committee June 06, 2019
- Audit Committee August 24, 2019

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

Written Report

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

Written Report

**I-5 BOARD COMMUNICATIONS**

Written Report

**I-6 TRAVEL REPORT – RETIREMENT SYSTEMS OF ALABAMA SITE VISIT**

Written Report

**I-7 TRAVEL REPORT – IPMA HUMAN RESOURCES PUBLIC PENSION ROUNDTABLE**

Written Report

**I-8 PUBLIC PENSION COORDINATING COUNCIL (PPCC) STANDARDS AWARD FOR FUNDING AND ADMINISTRATION**

Written Report

**I-9 THIRD QUARTER 2019 BUDGET TO ACTUALS REPORT**

Written Report

**I-10 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019**

Written Report

**I-11 PHONE SYSTEM CONTRACT**

Written Report

**I-12 NEW OCERS ADMINISTRATIVE PROCEDURE (OAP) FOR EVALUATING POTENTIAL NEW EMPLOYERS**

Written Report



**I-13 PERSONNEL COMMITTEE OUTCOMES FROM OCTOBER 1, 2019 MEETING: SUCCESSION PLANNING**  
Written Report

**I-14 REPORT OF ACTION TAKEN IN CLOSED SESSION ON AUGUST 19, 2019 PURSUANT TO GOVERNMENT CODE SECTION 54957.1**

**This item was pulled from the agenda.**

**I-15 TRUSTEE EDUCATION: "CROSSING THE LINE: HARASSMENT IN THE WORKPLACE"**  
*Presentation by Michele Gehrke, ReedSmith*

Ms. Michele Gehrke of ReedSmith provided a two-hour harassment prevention training as mandated by Government Code section 12950.1 to the Board and the Executive Team.

The Board recessed for lunch at 12:45 p.m.  
The Board reconvened at 1:25 p.m.

**CLOSED SESSION**

The Board **ADJOURNED** to Closed Session at 1:25 p.m. for item E-1.

The Board **reconvened** in Open Session at 2:49 p.m. and reported out the following actions taken during closed session on item E-1.

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

Adjourn to closed session pursuant to Government Code Section 54957

Position to be evaluated: Chief Executive Officer

There was **no reportable action taken** in closed session.

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**BOARD MEMBER COMMENTS**

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

Mr. Steve Delaney addressed the Members of the Board to remind them that November is the 75<sup>th</sup> Anniversary of the vote that established the Orange County Employees Retirement System.

Ms. Suzanne Jenike unveiled the OCERS 75<sup>th</sup> Anniversary logo and informed the Board that all employees will be phasing the logo into their email signatures over the next couple of months and it will also be used for all the anniversary events that will take place in 2020.

**COUNSEL COMMENTS**

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

The meeting **ADJOURNED** at 2:53 p.m. in memory of the active members, retired members, and surviving spouses who passed away during the past month:

**Active Members**

Domingues-Wilson, Maria  
Karr, Daniel

**Retired Members**

Avise, Donna  
Blansett, Norman  
Blixt, Dee  
Briggs, Alfred  
Case, Jo  
Clary, Glenn  
Dillon, Dale  
Dunbar, Worthy  
Gonzales, Violet  
Hale, Eunice  
Henzie, Annita  
Hughes, Francine  
Ilg, Carl  
Jauregui, Maria Luisa  
Krattli, Robert  
Lozano, Mary  
Martin, Claudia  
Mendoza, Francisco  
Moore, Lawrence  
Moorehead, Janet  
Newman, Erle  
Olson, Wayne  
Osborne, Wayne  
Paider, Frances  
Roberts, Annette  
Rogers, Ronald  
Stewart, Betty  
Stroud, Dorothy  
Struthers, David

Thompson, Carol  
Whittenbarger, Danny  
Wilberg, Robert

**Surviving Spouses**

De Sutter, Barbara  
Hills, Wilma  
Kochman, Arthur  
Lewis, Shelley  
Shourds, Ruth  
Smith, Gertrude

Submitted by:

Approved by:

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Steve Delaney  
Secretary to the Board

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Charles E. Packard  
Chairman

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

**SPECIAL MEETING  
Monday, November 25, 2019  
12:00 P.M. OR UPON ADJOURNMENT OF THE INVESTMENT COMMITTEE MEETING, WHICHEVER IS  
LATER**

**MINUTES**

Chair Packard called the meeting to order at 12:00 p.m.

Attendance was as follows:

Present: Charles Packard, Chair; Roger Hilton, Vice Chair; Chris Prevatt; Frank Eley, Russell Baldwin, Shawn Dewane, Wayne Lindholm, and Jeremy Vallone

Absent: David Ball and Shari Freidenrich

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Gina Ratto, General Counsel; Molly Murphy, Chief Investments Officer; Anthony Beltran, Visual Technician; and Nichol Forbes; Recording Secretary.

The Board Meeting adjourned to Closed Session at 9:05 a.m.

**CLOSED SESSION**

**E- 1 CONFERENCE WITH OCERS' LABOR REPRESENTATIVE (Government Code section 54957.6)  
Adjourn into closed session pursuant to Government Code section 54957.6 to confer with OCERS' Representative**

OCERS' Designated Representative: Steve Delaney, CEO

Unrepresented Employees: All OCERS Direct Employee

**OPEN SESSION**

The Board Meeting reconvened in Open Session at 12:25 p.m.

There was **no reportable action taken** in closed session.

**A-1 OCERS DIRECT EMPLOYEE ANNUAL LEAVE POLICY (PAID TIME OFF)**

*Presentation by Steve Delaney, Chief Executive Officer and Brenda Shott, Assistant Chief Executive Officer Finance and Internal Operations*

**MOTION** by Lindholm, **seconded** by Dewane to approve the Annual Leave Policy (Paid Time Off) of the OCERS Direct Employees, as approved by the Personnel Committee.

The motion passed **unanimously** with Trustees Ball and Freidenrich absent.

**BOARD MEMBER COMMENTS**

None

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

Mr. Delaney informed the Board members that OCERS' actuary has been asked to prepare a report to show the pension cost impact that the new Annual Leave Policy will have on OCERS. This report will be presented to the Board upon completion.

**COUNSEL COMMENTS**

None

**MOTION** by Eley, **seconded** by Lindholm to adjourn the Special Board Meeting.

The motion passed **unanimously** with Trustees Ball and Freidenrich absent.

The meeting **ADJOURNED** at 12:27 p.m.

Submitted by:

Approved by:

\_\_\_\_\_  
Steve Delaney  
Secretary to the Board

\_\_\_\_\_  
Charles E. Packard  
Chairman

C-3

## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board  
**FROM:** Suzanne Jenike, Assistant CEO, External Operations  
**SUBJECT: GOVERNANCE COMMITTEE OUTCOMES FROM NOVEMBER 7, 2019 MEETING - OCERS EMPLOYER POLICIES**

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### Recommendation

The Governance Committee recommends that the Board of Retirement:

1. Approve the revisions to the ***Declining Employer Payroll Policy***;
2. Approve the revisions to the ***Withdrawing Plan Sponsor Policy*** (including a change in the name of the policy to ***Withdrawing Employer Policy (Continuing Obligation)***); and
3. Approve and adopt a new policy, the ***Withdrawing Employer Policy (Fully Satisfied Obligation)***, for participating employers that wish to withdraw from OCERS and fully pay their UAAL at the time of such withdrawal.

### Background/Discussion

The Governance Committee met on November 7, 2019, and performed the triennial review of two existing employer policies the *Declining Employer Payroll* and *Withdrawing Plan Sponsor Policies* as well as reviewed and now recommends that the Board adopt a third employer policy the *Withdrawing Employer (Fully Satisfied Obligation) Policy*. The Committee supports the new policy as well as all of the changes to the existing *Policies* including changing the name of the *Withdrawing Plan Sponsor Policy* to the *Withdrawing Employer (Continuing Obligation) Policy*.

The *Declining Employer Payroll* policy applies to instances when a financially viable employer has a change to their expected payroll resulting in a change in the methodology used to collect required contributions.

- Introduction of a “risk free” discount rate calculation for instances when the declining employer wishes to fully satisfy its OCERS obligations and have no future liability assessments.
- Added detailed procedures on circumstances when an exception to the policy would apply.
- Miscellaneous non-substantive language clean up.

The *Withdrawing Employer (Continuing Obligation)* policy applies to employers who cease enrolling new employees into the System but who continue to be a financially viable entity.

- Introduction of a “risk free” discount rate calculation for instances when the declining employer wishes to fully satisfy its OCERS obligations and have no future liability assessments.
- Addition of language outlining the Board’s authority to change the continuing contribution agreement payment schedule if certain criteria are met.
- Miscellaneous non-substantive language clean up.

Finally, Staff presented the newly created *Withdrawing Employer (Fully Satisfied Obligation) Policy* to the Committee for initial review. This policy applies to the Employer who wants to fully satisfy their OCERS pension obligations and “walk-away” without any future payments to OCERS.

- Includes of a “risk free” discount rate calculation for instances when the employer wishes to fully satisfy its OCERS obligations and have no future liability assessments.
- Details the guidelines to be used to calculate the withdrawing employers UAAL in a manner in which the employers obligations are fully satisfied.

**Submitted by:**



SJ-Approved

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Suzanne Jenike  
Assistant CEO, External Operations



# Declining Employer Payroll Policy

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## Purpose and Background

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

## Background and Objectives

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

## Declining Employer Payroll Policy

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### Policy Procedures and Guidelines

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

#### *Commencement of Coverage – Triggering Events*

5. This Policy covers only those employers for whom the Board determines, based on a recommendation from OCERS' Chief Executive Officer (CEO), that a *triggering event* as described in this section 5 has occurred, *and* who are not excluded from coverage under this Policy as described in sections 6 and 7 below.
  - a. *Triggering event resulting from ceasing to enroll new hires.* Some OCERS' participating employers cease to enroll new hires with OCERS but, for a period of time, continue to have at least some previously-enrolled employees maintaining their status as active OCERS members. These employers' OCERS-covered payroll will eventually diminish to zero as their active employees retire or otherwise terminate employment. Examples of employers in this category may include an employer that is acquired by another entity that is not an OCERS participating employer, or an OCERS employer that is taken over by a state agency whose employees are covered by another pension system such as CalPERS. There may be other examples as well.
  - b. *Triggering event resulting from a material and expected long-lasting reduction in OCERS-covered payroll.* Some employers may experience a material reduction in their OCERS-covered payroll, but nevertheless continue to enroll their new hires with OCERS. The reduction may be sudden (e.g., due to a discrete event such as a partial loss of funding or partial outsourcing), or it may be more gradual, over a period of years, and might not be tied to a discrete event. Generally, the Board would determine that this type of triggering event has occurred only if the Board expects that the reduction in employer's OCERS-covered payroll is expected to be permanent, long-lasting or for an indefinite period of time that is greater than a cycle that the employer may typically experience, or a cycle similarly experienced by the other employers, if any, in the same OCERS' rate group. Generally, by its nature, the determination whether this type of triggering event has occurred is more subjective than that described in section 5.a. above.

#### *Exclusions from Coverage; Terminations of Coverage*

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

## **Declining Employer Payroll Policy**

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

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

### ***Procedures***

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

### ***Procedures When Board Determines this Policy Should Apply***

10. If the Board determines that (i) a triggering event has occurred, (ii) the employer is not expressly excluded from coverage under the Policy, and (iii) unique and compelling circumstances do not exist then, solely for purposes of determining the covered employer's UAAL contribution obligation, the employer will be removed from its rate group (if any); OCERS will segregate on its books all assets and liabilities attributable to the employer based upon the recommendation of OCERS' actuary; and OCERS shall maintain such separate accounting for the employer until all of the employer's obligations to OCERS as determined under sections 11, 12 and 13 below have been fully satisfied.
11. OCERS' actuary will determine, and certify to the Board, the covered employer's funding obligation for its initial UAAL, which obligation shall not be pro-rata based on payroll, but rather based on the employer's actuarial accrued liability (AAL) including inactives. The Board may determine to

## Declining Employer Payroll Policy

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require the employer's contributions to be paid in level, fixed-dollar amounts over a period to be determined in the Board's sole discretion, which in no event may exceed the maximum amortization period for losses as defined by the OCERS Actuarial Funding Policy, beginning on July 1 of the calendar year immediately after the year in which the triggering event occurs.

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

### *Procedures When Board Determines this Policy Should Not Apply*

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

## **Declining Employer Payroll Policy**

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16. If the Board determines that unique and compelling circumstances exist such that the Policy should not be applied to the employer, then the Board may fashion an alternative for the employer that could include allowing the employer to remain pooled with the other employers in the rate group, and that might also require the employer to pay a premium to mitigate against a shifting of costs to the other employers in the rate group.
17. The CEO will timely report to the Board any instances of triggering events and exclusions from, or terminations of, coverage among any of the participating employers in OCERS.

### **Policy Review**

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

### **Policy History**

19. The Board of Retirement adopted this Policy on June 15, 2015. The Policy was revised on [MONTH, DATE], 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.



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Steve Delaney  
Secretary of the Board

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Date



## Declining Employer Payroll Policy

### Purpose and Background

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

### Background and Objectives

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



## OCERS Board Policy

# Declining Employer Payroll Policy

## Policy Procedures and Guidelines

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

### Commencement of Coverage – Triggering Events

5. This Policy covers only those employers for whom the Board determines, based on a recommendation from OCERS' Chief Executive Officer (CEO), that a *triggering event* as described in this section 54 has occurred, and who are not excluded from coverage under this Policy as described in sections 65 and 76 below. ~~The Board hereby directs the CEO to work with OCERS' Internal Audit and other staff, and OCERS' service providers (e.g., the actuary) to obtain the information (e.g., OCERS-covered payroll history) needed for the Board to make determinations regarding triggering events. The CEO is further directed to report to the Board, at least annually, regarding these activities.~~
  - a. *Triggering event resulting from ceasing to enroll new hires.* Some OCERS' participating employers cease to enroll new hires with OCERS but, for a period of time, continue to have at least some previously-enrolled employees maintaining their status as active OCERS members. These employers' OCERS-covered payroll will eventually diminish to zero as their active employees retire or otherwise terminate employment. Examples of employers in this category may include an employer that is acquired by another entity that is not an OCERS participating employer, or an OCERS employer that is taken over by a state agency whose employees are covered by another pension system such as CalPERS. There may be other examples as well.
  - b. *Triggering event resulting from a material and expected long-lasting reduction in OCERS-covered payroll.* Some employers may experience a material reduction in their OCERS-covered payroll, but nevertheless continue to enroll their new hires with OCERS. The reduction may be sudden (e.g., due to a discrete event such as a partial loss of funding, or partial outsourcing), or it may be more gradual, over a period of years, and might not be tied to a discreet event. Generally, the Board would determine that this type of triggering event has occurred only if the Board expects that the reduction in employer's OCERS-covered payroll is expected to be permanent, long-lasting or for an indefinite period of time that is greater than a cycle that the employer may typically experience, or a cycle similarly experienced by the other employers, if any, in the same OCERS' rate group. Generally, by its nature, the determination whether this type of triggering event has occurred is more subjective than that described in [section 5.a.subparagraph a\)](#) immediately above.

### Exclusions from Coverage; Terminations of Coverage

6. This Policy ~~also~~ covers only those employers (i) who are financially-viable entities when a triggering event occurs, and (ii) whom OCERS expects to continue indefinitely thereafter to be financially-viable entities. This Policy does not cover any other situation, including, without limitation, an employer going out of business by reason of dissolution, loss of funding, consolidation or merger (unless there is a surviving financially-viable entity that is acceptable to the Board that will make the ongoing payments under the Policy). This Policy also does not cover a "withdrawing employer"



## OCERS Board Policy

# Declining Employer Payroll Policy

who ceases to provide OCERS membership for *all* of the employer's active OCERS members (*i.e.*, as of a date certain, withdraws both new hires and existing actives from membership with OCERS).

7. The Board of Retirement also recognizes that participating employers covered by this Policy will have UAAL funding obligations for several years. ~~Therefore, if~~ concerns arise during that period of time regarding the employer's ongoing existence as a financially-viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to apply this Policy to said employer, the Board may remove the employer from coverage under this Policy and/or take any other measures that may be available to ensure the actuarial soundness of the retirement system or that are administratively convenient and reasonable, including, without limitation, assessing the projected ~~full~~ amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board), applying using a "risk free" lower discount rate as determined by OCERS in consultation with its actuary, and requiring an immediate lump sum payment payable in a single sum immediately due,

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

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### Procedures

- 8. The CEO will ~~(i)~~ work with OCERS' ~~Internal Audit and other~~ staff, ~~OCERS'~~ service providers (*e.g.*, the actuary), and ~~OCERS'~~ participating employers to obtain the information (*e.g.*, OCERS-covered payroll history, financial reports) needed for the Board to make determinations regarding triggering events and exclusions from, or terminations of, coverage ~~and (ii) report to the Board, at least annually, regarding these activities.~~
- 9. Upon a recommendation from the CEO and notice to the affected participating employer, the Board will make a determination at a duly-noticed public meeting regarding (i) whether a triggering event has occurred for the employer, (ii) whether the employer ~~is expressly~~ should be excluded from coverage under this Policy and if not, whether unique and compelling circumstances exist such that the Board should not apply the Policy to the employer, and (iii) for those employers that the Board has previously determined to be covered under the Policy, whether their coverage should be terminated under section ~~76~~ above. Employers may be required to provide OCERS with updated employee census and payroll data and financial reports. See Gov't. Code section 31543.

### Procedures When Board Determines this Policy Should Apply

- 10. If the Board determines that (i) a triggering event has occurred, ~~and~~ (ii) the employer is not expressly excluded from coverage under the Policy, and (iii) unique and compelling circumstances do not exist then, solely for purposes of determining the covered employer's UAAL contribution obligation, the employer will be removed from its rate group (if any); OCERS will segregate on its books all assets and liabilities attributable to the employer, based upon the recommendation of OCERS' actuary, and OCERS shall maintain such separate accounting for the employer until all of





## OCERS Board Policy

# Declining Employer Payroll Policy

the ~~participating~~ employer's obligations to OCERS as determined under sections 11, 12 and 13 below have been fully satisfied.

11. OCERS' actuary will determine, and certify to the Board ~~of Retirement~~, the covered employer's funding obligation for its initial UAAL, which obligation shall not be pro-rata based on payroll, but rather based on the employer's actuarial accrued liability (AAL) including inactives. The Board may determine to require the employer's contributions to be paid in level, fixed-dollar amounts over a period to be determined in the Board's sole discretion, which in no event may not to exceed the maximum amortization period for losses as defined by the OCERS Actuarial Funding Policy~~twenty (20) years~~, beginning on July 1 of the calendar year immediately after the year in which the triggering event occurs.
12. The actuary will use the actuarial valuation performed for OCERS as of the end of the calendar year immediately prior to the calendar year in which the triggering event occurs (and based on all of OCERS' then current actuarial assumptions and methodologies) to determine the initial valuation value of assets (VVA), a smoothed value, allocated to the covered employer. That initial VVA will be a pro-rata allocation based on the employer's AAL (i.e., based on the employer's initial UAAL allocation determined in accordance with section ~~11.10~~ above). Later values of the VVA (i.e., those used in the future valuations described below) shall be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the actual smoothed (VVA) earnings rate on total OCERS assets.
13. Annually, after the determination of the covered employer's initial funding obligation, as part of the regular annual actuarial valuation of the plan, OCERS' actuary will measure any change in the UAAL of the participating employer due to actuarial experience or changes in actuarial assumptions. In addition to the amortized payments for the covered employer's initial UAAL funding obligation determined as of the initial valuation, the employer will be liable for, and must contribute to OCERS, any such new UAAL determined as of subsequent valuations, based upon an amortization schedule recommended by the actuary and adopted by the Board of Retirement. OCERS will hold any negative UAAL (Surplus) to be applied against any future UAAL of the covered employer.
14. If any Surplus remains after the covered employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of applicable law.

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### **Procedures When Board Determines this Policy Should Not Apply**

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

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OCERS Board Policy

**Declining Employer Payroll Policy**

group resulting from the triggering event is not material; or the employer is willing to pay a premium to mitigate the additional contributions that would otherwise be shifted to the other employers in the rate pool.

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16. If the Board determines that unique and compelling circumstances exist such that ~~the Board the~~ Policy should not be applied to the employer, then the Board may fashion an alternative for the employer that could include allowing the employer to remain pooled with the other employers in the rate group, and that might also require the employer to pay a premium to mitigate against a shifting of costs to the other employers in the rate group.

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14-17. The CEO will timely report to the Board any instances of triggering events and exclusions from, or terminations of, coverage among any of the participating employers in OCERS.

**Policy Review**

15-18. The Board of Retirement will review this Policy at least every three (3) years to ensure that it remains relevant and appropriate.

**Policy History**

16-19. The Board of Retirement adopted this Policy on June 15, 2015. The Policy was revised on [MONTH, DATE], 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.

6/15/15

Steve Delaney  
Secretary of the Board

Date

## OCERS Board Policy **Withdrawing Employer (Continuing Obligation) Policy**

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### **Purpose and Background**

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

### **Policy Objectives**

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

## OCERS Board Policy **Withdrawing Employer (Continuing Obligation) Policy**

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redetermination of the funding obligation of the employer for several years following the date the employer initiates its withdrawal.

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

### **Policy Guidelines**

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

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

## OCERS Board Policy Withdrawing Employer (Continuing Obligation) Policy

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- e. provide a mechanism by which OCERS will consider the transfer of any Final Surplus, as defined below, to the withdrawing employer or a successor retirement system, as appropriate.
7. Pursuant to the terms of the Continuing Contribution Agreement, OCERS' actuary will determine, and certify to the Board, the withdrawing employer's initial funding obligation for its UAAL calculated as of the date of withdrawal. Absent unique and compelling circumstances, the amortization schedule for payment of the employer's initial funding obligation will not exceed a period of five (5) years.
8. The initial value of the assets used to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the valuation value of assets (VVA) (a smoothed value) allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal (or later date if the Continuing Contribution Agreement so provides), based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate groups (if any) based on payroll. Alternatively, based on recommendation of OCERS' actuary, the Board may determine VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.

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

9. The present value of future benefits owed to the withdrawing employer's retired, deferred and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be determined using OCERS' then current actuarial assumptions and methodologies. In determining the present value of accrued benefits, benefit service will be frozen for the withdrawing employer's active employees but, for members who transfer to a system that has reciprocity with OCERS, pay will be projected based on OCERS' then salary growth assumptions.
10. Periodically after the date the employer initiated its withdrawal, in periods not to exceed three (3) years' duration, following an experience analysis, OCERS' actuary will remeasure (true-up), and certify to the Board, any additional obligation of the withdrawing employer for UAAL. In accordance with the terms of the Continuing Contribution Agreement and applicable law, the withdrawing employer is liable for, and must contribute, any new UAAL determined in the true-up experience analysis, based upon an amortization schedule recommended by the actuary and adopted by OCERS.

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

## OCERS Board Policy **Withdrawing Employer (Continuing Obligation) Policy**

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11. If any surplus remains after the withdrawing employer has satisfied *all* of its UAAL obligations (Final Surplus), OCERS will distribute the Final Surplus in accordance with the terms of the Continuing Contribution Agreement and applicable law.
12. Notwithstanding anything to the contrary herein, the OCERS Board reserves the right to pursue any other remedies under applicable law that, depending on the circumstances, may be available to “ensure the actuarial soundness of the retirement system” (CERL section 31564.2(d)). For example, notwithstanding the employer’s obligations under the Continuing Contribution Agreement, if concerns arise regarding the employer’s ongoing existence as a financially viable entity, or if the employer’s funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to accept ongoing payments from the employer, the Board may assess the projected full amount of the employer’s UAAL (as recommended by the fund’s actuary and approved by the Board) using a “risk free” discount rate as determined by OCERS in consultation with its actuary, and require an immediate lump sum payment.

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

### **Policy Review**

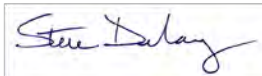
13. The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### **Policy History**

14. The Board adopted this policy on February 17, 2015, and revised on [MONTH, DATE], 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.



2/17/15

Steve Delaney  
Secretary of the Board

Date



## Withdrawing Employer Plan Sponsor (with Continuing Contributions) Policy

### Purpose and Background

The Withdrawing Employer (with Continuing Contributions) Plan Sponsor Policy (policy) is intended to establish guidelines by which the Orange County Employees Retirement System (OCERS) ~~will intend to~~ assure that a participating OCERS employer (other than the County of Orange) that ceases to provide OCERS membership for its active OCERS members (i.e., withdraws from the OCERS plan) but is expected to continue to be an ongoing financially viable entity will continue to satisfy its obligation to timely pay all Unfunded Actuarial Accrued Liability (“UAAL”) attributable to its active, retired and deferred employees by reason of their prior service as OCERS’ members. In accordance with applicable law, OCERS will enter into a *Withdrawing Employer and Continuing Contribution Agreement* (Continuing Contribution Agreement) with any such employer consistent with this policy.

### Policy Objectives

1. The objectives of this policy are, among other things, to ensure compliance with County Employees Retirement Law of 1937, California Government Code sections 31450 et seq., as amended (“CERL”) and other applicable provisions of law:
  - a. Pursuant to CERL sections 31564.2, 31580.1, 31584, 31585 and other applicable provisions of law, ~~an employer a district~~ remains liable, and must make the required appropriations and transfers, to OCERS for the ~~employer’s district’s~~ share of liabilities attributable to its officers and employees who are and may be entitled to receive retirement, disability and related benefits from OCERS. This obligation continues after the employer withdraws from the OCERS plan until the employer pays all UAAL attributable to its active, retired and deferred employees by reason of their prior service as OCERS’ members.
  - b. CERL section 31564.2(d) provides, in part, that “[t]he funding of the retirement benefits for the employees of a withdrawing agency is solely the responsibility of the withdrawing agency or the board of supervisors. Notwithstanding any other provision of the law, no contracting agency shall fail or refuse to pay the employer’s contributions required by this chapter within the applicable time limitations. In dealing with a withdrawing district, the board of retirement shall take whatever action needed to ensure the actuarial soundness of the retirement system.”
2. The general principle applied in this policy is to establish the funding obligation of withdrawing employers as:
  - a. The value of future benefits to be paid to OCERS members credited with service while employed with the withdrawing employer; *minus*



## OCERS Board Policy

# Withdrawing Employer Plan Sponsor (with Continuing Contributions) Policy

- b. ~~As determined by OCERS' actuary, the~~ OCERS assets accumulated from contributions of the withdrawing employer and its employees, as determined by OCERS' actuary, and earnings on such contributions.
3. It is the OCERS Board of Retirement's (Board) intent to allow a withdrawing employer to satisfy its funding obligation in a manner ~~that which~~ provides the employer reasonable flexibility; however, primary consideration will be given to ensuring the funding obligation of the withdrawing employer is properly determined and satisfied. This will generally require redetermination of the funding obligation of the employer for several years following the date the employer initiates its withdrawal.
4. This policy covers *only* those withdrawing employers (i) who cease to provide OCERS membership for their active employees (i.e., both current actives and new hires), (ii) who are financially viable entities when the withdrawal is initiated, and (iii) ~~who are expected for whom OCERS expects thereafter~~ to continue ~~in existence as to be~~ financially viable entities. This policy does not cover any other situation – whether a withdrawing employer, a terminating employer or otherwise – including, without limitation, an employer that is going out of business by reason of bankruptcy, loss of funding, or merger, or an employer who gradually winds down its active employees' continued participation in OCERS either through attrition or through a decision to have employees hired after a specific date to not become members of OCERS (e.g., to participate in a retirement arrangement other than OCERS).

## Policy Guidelines

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

5. Upon notice that a participating employer seeks to terminate OCERS' membership for its active employees' future service, and on the advice and recommendation of its actuary, OCERS will segregate on its books all assets and liabilities attributable to the employer as determined by OCERS' actuary, and ~~will shall~~ maintain such separate accounting for the employer until all of its liabilities have been fully satisfied.
6. OCERS and the withdrawing employer will enter into a Continuing Contribution Agreement, the purposes of which are to:
  - a. evidence the withdrawing employer's obligations as of the date the employer initiates its withdrawal, as well as its continuing funding obligations for the ongoing benefits owed to its retired, deferred and disabled officers and employees and their surviving beneficiaries, for their accumulated OCERS service and related benefits;
  - b. provide a funding mechanism acceptable to OCERS for the withdrawing employer to timely satisfy its existing and continuing funding obligations to OCERS, the payment of which must

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Withdrawing Employer (with Continuing Contributions) Plan Sponsor

Policy  
Adopted February 17, 2015  
Last Revised Month DD, YYYY

2 of 5





# Withdrawing ~~Employer Plan~~ Sponsor (with Continuing Contributions) Policy

be over a period which is not longer than the period over which OCERS' remaining unfunded liability is being amortized (see CERL section 31564.2(c));

- c. require the withdrawing employer to provide OCERS with updated employee census and payroll data requested by OCERS in the years following the date the employer initiates its withdrawal;
  - d. provide a mechanism for adjusting the withdrawing employer's obligations and payments due to OCERS based on periodic actuarial experience analysis; and
  - e. provide a mechanism by which OCERS will consider the transfer of any Final Surplus, as defined below, to the withdrawing employer or a successor retirement system, as appropriate.
7. Pursuant to the terms of the Continuing Contribution Agreement, OCERS' actuary will determine, and certify to the Board ~~of Retirement~~, the withdrawing employer's initial funding obligation for its UAAL calculated as of the date of withdrawal. Absent unique and compelling exigent circumstances, the amortization schedule for payment of the employer's initial funding obligation will not exceed a period of five (5) years.
8. The initial value of the assets used to determine the withdrawing employer's initial funding obligation for its UAAL will be based on the valuation value of assets (VVA) (a smoothed value) allocated to the withdrawing employer determined as of the end of the prior calendar year, adjusted to the date the employer initiated its withdrawal (or later date if the Continuing Contribution Agreement so provides), based upon all of OCERS' then current actuarial assumptions and methodologies, including the use of a pro-rata allocation of UAAL (and VVA) within its rate groups (if any) based on payroll. Alternatively, based on recommendation of OCERS' actuary, the Board may determine VVA allocated to the withdrawing employer be determined using a pro-rata allocation based on the Actuarial Accrued Liabilities (AAL) for the withdrawing employer.
- ~~8.~~ Later values (i.e., those used in "true-ups" described below) will shall be determined by rolling forward the initial VVA, adding contributions, deducting benefit payments, and crediting earnings at the Total OCERS smoothed (VVA) earnings rate.
9. The present value of future benefits owed to the withdrawing employer's retired, deferred and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be determined using OCERS' then current actuarial assumptions and methodologies. In determining the present value of accrued benefits, benefit service will shall be frozen for the withdrawing employer's active employees but, for members who transfer to a system that has reciprocity with OCERS, pay will shall be projected based on OCERS' then salary growth assumptions.
10. Periodically after the date the employer initiated its withdrawal, in periods not to exceed three (3) years' duration, following an experience analysis, OCERS' actuary will remeasure (true-up), and certify to the Board ~~of Retirement~~, any additional obligation of the withdrawing employer for UAAL. In accordance with the terms of the Continuing Contribution Agreement and

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OCERS Board Policy

# Withdrawing Employer Plan Sponsor (with Continuing Contributions) Policy

applicable law, the withdrawing employer is liable for, and must contribute, any new UAAL determined in the true-up experience analysis, based upon an amortization schedule recommended by the actuary and adopted by OCERS.

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

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

12. Notwithstanding anything to the contrary herein, the OCERS Board ~~of Retirement hereby~~ reserves the right to pursue any other remedies under applicable law that, depending on the circumstances, may be available to "ensure the actuarial soundness of the retirement system" (CERL section 31564.2(d)). For example, notwithstanding the employer's obligations under the Continuing Contribution Agreement, if concerns arise regarding the employer's ongoing existence as a financially viable entity, or if the employer's funding obligations become so small that the Board, in its sole discretion, determines it is not administratively feasible to continue to accept ongoing payments from the employer, the Board ~~of Retirement~~ may assess the projected ~~full~~entire amount of the employer's UAAL (as recommended by the fund's actuary and approved by the Board) using a "risk free" lower discount rate as determined by OCERS in consultation with its actuary, and require an immediate lump sum payment and payable in a single sum immediately due.

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

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## Policy Review

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

## Policy History

14. The Board ~~of Retirement~~ adopted this policy on February 17, 2015, and revised on [MONTH, DATE], 2019.



OCERS Board Policy

**Withdrawing ~~Employer Plan~~  
Sponsor (with Continuing Contributions) Policy**

**Secretary's Certificate**

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

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

2/17/15

Steve Delaney  
Secretary of the Board

Date

**OCERS Board Policy**

# **Withdrawing Employer (Fully Satisfied Obligation) Policy**

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## **Purpose and Background**

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

## **Policy Objectives**

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

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

## OCERS Board Policy

# Withdrawing Employer (Fully Satisfied Obligation) Policy

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

## Policy Guidelines

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

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

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

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

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

8. The present value of future benefits owed to the withdrawing employer's active, retired, deferred and disabled officers and employees and their surviving beneficiaries (present value of accrued benefits, or "liabilities") will be redetermined on a market value basis by using a "risk free" discount rate as described above, together with modifications to other actuarial assumptions

**OCERS Board Policy**

# **Withdrawing Employer (Fully Satisfied Obligation) Policy**

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

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

## **Policy Review**

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

## **Policy History**

11. The Board adopted this policy on [MONTH, DATE], 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

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Date

# **Agenda item intentionally omitted**

A-2



## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** ELECTION OF OCERS BOARD VICE-CHAIR

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### Recommendation

Elect a new OCERS Board Vice-Chair for Calendar Year 2020.

### Background/Discussion

In accordance with OCERS' By-Laws, excerpted below, the election of the Vice-Chair is to take place at the "last regular Board meeting in December," which is our meeting of December 16 this year.

With Mr. Hilton, an elected member, serving as 2019 Vice-Chair, the Board's charter directs that he "shall automatically succeed to the office of Chair".

Then the by-laws provide further guidance to the election of Vice-Chair by directing that the Vice-Chair shall be of a different "group" than the Chair; for 2020 that would be one of the appointed members (which include the Treasurer). Note: While the election will take place in December, the new Chair, Mr. Hilton, and the newly elected Vice-Chair will not take office until January 1, 2020.

### By-Laws Excerpt:

3. Election of Officers: The Board shall have a Chairperson and a Vice-Chairperson, each of whom will serve a one-year term of office, which corresponds with the calendar year. The person who holds the office of Vice-Chairman on the last day of the Calendar year shall automatically succeed to the office of Chairperson effective the first day of the following calendar year. At its last regular Board meeting in December, the Board shall elect a new Vice-Chairperson, who shall serve in that capacity beginning in January of the following year until the end of that calendar year, at which time he or she shall succeed to the office of Chairperson. The Chairperson and Vice-Chairperson shall both be members of the Board, and shall be from different "groups" as hereinafter defined.

For purposes of this section, all Board Members shall be considered to be members of one of two “groups.” The elected member group shall include those members of the Board who are elected by the members of the Retirement System; i.e., the two general member representatives, the retired member representative, and the safety member representative. The appointed member group shall include the four members appointed by the County Board of Supervisors and the County Treasurer. The alternate member of the Board is ineligible to hold office as Chairperson or Vice-Chairperson of the Board.

**Submitted by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

A-3

## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **OCERS EMPLOYEE HANDBOOK OF PERSONNEL POLICIES**

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### Recommendation

Approve OCERS Employee Handbook as recommended by the Personnel Committee.

### Background/Discussion

OCERS operates with a “split staff structure;” that is, with a workforce that is employed by the County of Orange (County employees) and a workforce that is employed directly by OCERS, as provided by Government Code Section 31522.5<sup>1</sup> (OCERS employees).

As required by subdivision (b) of section 31522.5, OCERS follows Orange County’s Personnel and Salary Resolution (P&SR), Merit Selection Rules, and the Memorandums of Understanding between the County and the respective unions for the County employees.

For OCERS employees, OCERS must maintain personnel policies that set forth the terms and conditions of employment of those individuals.

Generally, personnel polices serve the following purposes:

- Ensure compliance with current federal and state laws
- Help ensure key policies are clearly and consistently communicated

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<sup>1</sup>Government Code section 31522.5 states, in pertinent part, as follows:

- (a) In a county in which the board of retirement has appointed personnel pursuant to Section 31522.1, the board of retirement may appoint an administrator, an assistant administrator, a chief investment officer, senior management employees next in line of authority to the chief investment officer, subordinate administrators, senior management employees next in line of authority to subordinate administrators, and legal counsel.
- (b) Notwithstanding any other provision of law, the personnel appointed pursuant to this section may not be county employees but shall be employees of the retirement system, subject to terms and conditions of employment established by the board of retirement. Except as specifically provided in this subdivision, all other personnel shall be county employees for purposes of the county’s employee relations resolution, or equivalent local rules, and the terms and conditions of employment established by the board of supervisors for county employees, including those set forth in a memorandum of understanding.

- Outline workplace logistics, expectations of employees, terms and conditions of employment and consequences of violations of the policies
- Educate employees about what they can expect from management and leadership and where they can turn for help

To date, OCERS' personnel related policies have been documented in the OCERS "Personnel Policies and Regulations" (referred to as the PP&R). The PP&R was approved by the Board on November 18, 2002, when legislation first designated OCERS managers and above as OCERS employees instead of County employees. The PP&R was largely a verbatim adoption of the County's P&SR and was intended to evolve over time. As the County amended its P&SR over the years, OCERS implemented those provisions related to employee benefits as required by the MOU between the County of Orange and OCERS for Employee Benefits. However, OCERS' PP&R itself has not gone through a formal revision and approval process since its original adoption in 2002.

Due to the long period of time that has elapsed since the PP&R was adopted, Staff formed a workgroup and consulted with outside legal counsel to develop a new Employee Handbook that will serve as a compendium of all personnel related policies applicable to OCERS employees. 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. The policies contained within the Employee Handbook supersede all previously promulgated policies on these topics, including the PP&R. As a compendium of individual policies, the policies will be more easily amended or updated in the future, without the need to update and reissue the entire Employee Handbook.

On November 25, 2019, Staff presented and the Board approved one policy included in the Employee Handbook -- the Annual Leave (Paid Time Off) Policy. The new policy was implemented immediately upon adoption by the Board and has been incorporated into the proposed Employee Handbook as presented. No further action is needed from the Board on the Annual Leave (Paid Time Off) Policy.

Drafts of the Employee Handbook have been reviewed several times by committees of the Board. Governance Committee reviewed the first draft of the Employee Handbook in December 2018. Due to the scope and nature of the document, the Chairman of the Board reassigned the review of the Employee Handbook to the Personnel Committee as of January 2019. The Personnel Committee reviewed and provided feedback and direction to Staff regarding the Employee Handbook during the committee's meetings in May, July and two meetings in October of this year. Staff has incorporated all of the Personnel Committee's comments in the Employee Handbook as presented to the Board today. In addition to the revised Annual Leave (Paid Time Off) Policy discussed above, other changes to the Employee Handbook resulting from the Personnel Committee's review include the following:

- Revisions to the Employee Handbook so that it will apply only to OCERS employees. The terms and conditions of employment applicable to County employees will be governed by the County's P&SR, Merit Selection Rules and MOUs between the County and OCEA.
- Removal of the originally proposed recommendation of an At-Will employment policy for future OCERS employees.
- Clarification that the Disciplinary Actions and Appeals Procedure Policy as amended will apply to all current and future OCERS employees. The Disciplinary Actions and Appeals Procedure Policy is different from what was in the PP&R. The differences include (i) removal of the reference to a grievance procedure as outside counsel advised such procedures are typically part of a collective bargaining agreement; and (ii) removal of appeal steps previously included in the PP&R that were not applicable to OCERS employees

as exempt non-represented employees. The new Policy clarifies that the appeal procedure has four possible steps.

- Return of the Probation Policy that applies to all future new and promoted OCERS employees. This policy was previously proposed for removal in conjunction with the proposed At-Will Policy. With removal of the At-Will Policy, the Probation Policy should be returned.

Staff also shared the original draft of the Employee Handbook with County of Orange Human Resources, County Counsel and OCEA. Initial comments were received from County Human Resources and incorporated as appropriate. No other concerns were raised. After deciding to make the document applicable only to OCERS employees, subsequent drafts were not submitted for review or comment.

### **Conclusion**

The Personnel Committee recommends that the Board adopt the Employee Handbook as presented. Once adopted by the Board, the Employee Handbook will apply only to OCERS employees; County employees will in no way be affected by the Employee Handbook.

### **Submitted by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

OCERS

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# Employee Handbook

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***V1.0***

***January 2020***



Orange County Employees Retirement System (OCERS)  
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**Serving the Active and Retired Members of:**

CITY OF SAN JUAN  
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY  
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &  
FAMILIES COMMISSION

ORANGE COUNTY DEPARTMENT  
OF EDUCATION (CLOSED TO  
NEW MEMBERS)

ORANGE COUNTY  
EMPLOYEES  
RETIREMENT SYSTEM

ORANGE COUNTY FIRE  
AUTHORITY

ORANGE COUNTY IN-HOME  
SUPPORTIVE SERVICES  
PUBLIC AUTHORITY

ORANGE COUNTY LOCAL  
AGENCY FORMATION  
COMMISSION

ORANGE COUNTY PUBLIC LAW  
LIBRARY

ORANGE COUNTY  
SANITATION DISTRICT

ORANGE COUNTY  
TRANSPORTATION  
AUTHORITY

SUPERIOR COURT OF  
CALIFORNIA, COUNTY  
OF ORANGE

TRANSPORTATION  
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND  
CAMPUS (CLOSED TO NEW  
MEMBERS)

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

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

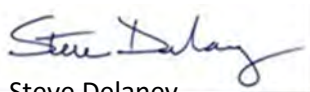
This Handbook is meant to facilitate your success. You will find it provides you with an overview of pertinent OCERS policies, your benefits and your responsibilities as an OCERS employee. Please take the time to read it thoroughly. We have found that we are more effective as a team when each and every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

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

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

Once again, I welcome you to the OCERS team.

Best regards,



Steve Delaney

Chief Executive Officer



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



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## Introduction to Personnel Policies

### *Policy Statement*

Orange County Employees Retirement System's ("OCERS") Employee Policy Handbook is provided to employees for their use as a ready reference and as a collection of OCERS' personnel policies, work rules, and benefits. Employees are required to become familiar with the policies in a timely manner after the start of employment with OCERS.

### *Scope/Coverage*

These Personnel Policies supersede all previously promulgated policies on this topic, including the PP&R (defined below) and Employee Handbook and apply to personnel who are employed by the following entities unless otherwise specified:

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

### *Authority*

OCERS' Personnel Policies and Regulations ("PP&R") were adopted originally by the Board of Retirement (Board) on November 11, 2002, pursuant to California Government Code Sections 31468, 31522.5, 31557.3, and 31678.3.

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

These Personnel Policies do not create a contract for employment.

OCERS retains the right to modify, change, revise, supplement, delete, or rescind any or all of its Personnel Policies, at any time, without notice, whenever OCERS determines that such action is required.

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

## General Personnel Policies

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

- Probation Policy
- Discrimination and Harassment Policy
- Confidentiality Policy
- Electronic Resources Policy
- Social Media Policy
- Personnel Records Policy
- Telecommuting Policy
- Personnel Policy

# Probation Policy

## *Policy statement*

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

The probationary period is the initial period of employment, during which the supervisor carefully considers whether the employee is capable of meeting the standards and expectations of the job and if the employee should be retained as an employee. If the employee is not meeting the requirements of the job, the employee may be released at any time during the probationary period.

## *Provisions*

### A. NEW PROBATION

#### 1. Full-Time Employee

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

#### 2. Part-Time Employee

A new or re-employed employee employed in a part-time regular position shall be placed on probation for 2080 paid hours exclusive of overtime ending with the first day of the pay period following completion of said period.

### B. PROMOTIONAL PROBATION

1. A full or part-time employee, who is promoted, except on a temporary promotion, shall be placed on promotional probation, except as provided in B.2., below. A full-time employee shall serve a promotional probation period of 52 weeks ending with the first day of the pay period following completion of said period. A part-time employee shall serve a promotional probation period of two (2) 2080 paid hours exclusive of overtime ending with the first day of the pay period following completion of said period.

2. When a regular employee is promoted, reduced or reassigned as a result of the employee's position being reclassified and the class from which the employee is promoted, reduced or reassigned is subsequently deleted or abolished, the incumbent employee shall not serve a promotional probation period.

### C. FAILURE OF PROBATION

#### 1. New probation

An employee on new probation may be released from service at any time without notice, cause or right of appeal or hearing.

#### 2. Promotional Probation

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

When an employee fails his/her promotional probation, the employee shall have the right to return to his/her former class provided the employee was not in the previous class for

the purpose of training for a promotion to the higher class and a vacancy in the former class exist. When an employee is returned to his/her former class under the provisions of this Section, the employee shall serve the remainder of any uncompleted probationary period in the former class.

- b. If the employee's former class has been deleted or abolished, the employee shall have the right to return to a class in his/her former occupational series closest to, but no higher than, the salary range of the class which the employee occupied immediately prior to promotion and shall serve the remainder of any probationary period in the former class, if a vacancy in the former class exist.
3. An employee who alleges that his/her probationary release was based on unlawful discrimination, may submit a grievance or written complaint to the CEO for review within 10 days after receipt of notice of failure of new probation.

#### D. GENERAL PROVISIONS

1. When an employee's record consists of a combination of full-time and part-time service in regular positions, the time shall be applied proportionately by using total hours worked to appropriate full-time requirements. For purposes of this section, 2080 hours shall equal 52 weeks.
2. When the CEO or his/her representative passes an employee on probation, that determination shall be based upon a written performance evaluation and shall be discussed with the employee. A probation period may not be extended, except as provided in Sections E.1 and. 2 and an employee who is permitted by OCERS to work beyond the end of a probation period shall be deemed to have passed such probation period.

#### E. EXTENSION OF PROBATION PERIODS

1. The granting of an Official, Military or Medical Leave of Absence shall cause the employee's probation period to be extended by the length of the Official Leave or by the length of the Military Leave in excess of 15 calendar days. If the employee is on probation, the extended period resulting from Official, Military or Medical Leave of Absence shall end with the first day of the pay period after said extended date.
2. The probation period of an employee may be extended at the sole discretion of the CEO for a period not to exceed 180 calendar days provided such action is implemented before the normal probation is completed. Denial of a request to extend a probation period shall not be subject to appeal or hearing.



# Discrimination and Harassment Policy

## *Policy Statement*

OCERS is committed to a work environment in which all individuals are treated with respect and dignity. It is the policy of OCERS to provide and promote equal employment opportunity for all personnel.

## *Purpose*

OCERS is committed to fostering a work environment that is free from Discrimination, Harassment, retaliation or abusive conduct. OCERS will not tolerate any kind of Discrimination Harassment, retaliation or abusive conduct by anyone.

## *Provisions*

### **1. Policy Statement**

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

### **2. Conduct Prohibited by this Policy**

- a. Conduct prohibited under this policy includes, but is not limited to:
  - i. Racial, ethnic, sexual or religious slurs, epithets, comments, stereotyping, teasing or jokes.
  - ii. Verbal abuse or derogatory or stereotypical comments based any Protected Characteristic.
  - iii. Abusive or hostile treatment or similar offensive and unwelcome conduct based on any Protected Characteristic.
  - iv. Any use or transmission of electronic communication or access or viewing of websites with ethnic or racial cartoons, jokes, or any other message that may offend, disparage, or harass an individual based on any Protected Characteristic.
  - v. Sexual propositions, stating or implying that sexual favors are required as a condition of employment or continued employment, preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct; repeated unwanted sexual flirtations, advances, or invitations.

- vi. Unwanted physical contact, such as touching, pinching, grabbing, kissing, patting, or brushing against another's body
- vii. Offensive leering, flirtatious eye contact, staring at parts of a person's body, sexually oriented gestures
- viii. Displays or distribution of offensive pictures or objects, drawings, cartoons, graffiti, calendars, posters, printed material, or clothing containing sexually oriented language or graphics or derogatory content based on race, ethnicity, gender, religion, disability, or any other Protected Characteristic.
- ix. Sexual Harassment at OCERS is strictly prohibited.

### **3. Reporting Obligations**

Any executive, manager, or supervisor who witnesses or has knowledge of Discrimination or other conduct prohibited by this policy, is obligated to promptly report such behavior to an appropriate representative in Human Resources so that it can be appropriately investigated. Failure of executive, management, or supervisory personnel to promptly report or otherwise address incidents of Discrimination, Harassment, or retaliation or conduct prohibited by this policy that are either reported to them or that they witness, may result in disciplinary action, up to and including termination of employment.

### **4. Complaint Procedure**

- a. All OCERS employees and applicants for employment who are subjected to, witness, or have knowledge of any actions or conduct in violation of this policy or that could be perceived as discriminating or harassing in nature should report it promptly to an appropriate manager, supervisor, or to Human Resources. However, an employee is not required to report it to his or her supervisor or manager, particularly if the supervisor or manager is the individual who is engaging in the prohibited conduct.
- b. OCERS employees and applicants for employment may utilize the County of Orange's Equal Employment Opportunity (EEO) Access Office reporting procedure. Information regarding this procedure may be found at <http://ocgov.com/gov/hr/eeo/complaint/form>, by calling the EEO Access Office at 714-834-5259, or by visiting the EEO Access Office at 333 W. Santa Ana Blvd. Room 200, Santa Ana, CA 92701.

### **5. Investigation and Remedial Action**

- a. All reports of violations of this policy will be timely, fairly, and thoroughly investigated. Reasonable efforts will be made to protect the confidentiality and privacy of the parties involved.
- b. If an investigation confirms that a violation of this policy has occurred, appropriate corrective action will be taken, up to and including termination of employment or the employment contract.

### **6. Retaliation is Prohibited**

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

- b. Employees are encouraged to report violations of this policy without fear of reprisal or retaliation.
- c. If it is determined that an employee has committed acts of retaliation in response to the actual or perceived filing of a complaint or participation in the investigation of a complaint under this policy, that person will be subject to disciplinary action, up to and including termination of employment.

## **7. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Title VII of the Civil Rights Act of 1964 (“Title VII”), the Rehabilitation Act of 1973, the Americans with Disabilities Act (“ADA”), and the Fair Employment and Housing Act (“FEHA”).
- b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Department of Fair Employment and Housing, or may bring a private lawsuit against an employer for failure to comply with Title VII, the Rehabilitation Act, the ADA, or the FEHA.
  - i. For the federal government, personnel may contact the Equal Opportunity Commission (EEOC) at 1-800-669-4000 or [www.eeoc.gov](http://www.eeoc.gov), or they may visit a local EEOC office.
  - ii. For the State of California, personnel may contact the Department of Fair Employment and Housing (DFEH) at 1-800-884-1684 or [www.dfeh.ca.gov](http://www.dfeh.ca.gov), or they may visit a local DFEH office.

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

## **8. Violation of Policy**

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

## ***Related Topics***

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

# Confidentiality Policy

## *Policy Statement*

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

## *Purpose*

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

## *Provisions*

### **1. Protection of Confidential Information**

- a. Individuals covered by this policy are responsible for protecting the confidentiality of information obtained or accessed during the course of employment at OCERS. They must limit distribution of confidential member, personnel or financial information regarding OCERS, and its members and employees to persons who are authorized to receive the information and have a business need to know.
- b. Individuals covered by this policy must take all steps necessary to protect confidential information from accidental or unauthorized disclosure, including, but not limited to:
  - i. taking precautions to prevent unauthorized users from accessing confidential data;
  - ii. not disclosing user IDs or passwords to others or using anyone else's user ID or password; and
  - iii. promptly placing discarded material that identifies a member's social security number, address, contribution balance, pension amount, or other confidential information in the secured/locked shredding bins placed throughout OCERS' facility.
- c. Individuals covered by this policy must create communications and documents with the understanding that all such items created in the course of employment are the property of OCERS. Employees should not have any expectation of personal privacy in any messages or documents created or transmitted using OCERS systems, including email and voicemail.

### **2. Prohibited Conduct**

- a. Individuals covered by this policy may not access, use or disclose confidential business, financial or personal information without authorization or a business need to do so.
- b. Individuals covered by this policy authorized to access, use or disclose confidential information must do so in a manner that limits access, use or disclosure only as necessary to perform their assigned job duties.

### **3. Violation of Policy**

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

### ***Related Topics***

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

# Electronic Resources Policy

## *Policy Statement*

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

## *Purpose*

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

## *Provisions*

### **1. Electronic Asset Usage**

- a. Individuals must use sound judgment when using OCERS' Electronic Resources.
- b. OCERS' policies against Discrimination, Harassment, retaliation or abusive conduct extend to the use of its Electronic Resources. Electronic Resources should not be used in any way that would violate those policies.

### **2. Prohibited Use of OCERS' Electronic Resources**

- a. Individuals may not use OCERS' Electronic Resources to access any member information except as authorized in accordance with established OCERS' processes and only for business purposes.
- b. Individuals may not use OCERS' Electronic Resources in any way that may be insulting, disruptive, abusive, or offensive to other persons, harmful to morale, or that may harass or disparage others.
- c. Individuals may not use OCERS' Electronic Resources to send, forward or store sexually explicit messages, cartoons, jokes, videos, or unwelcome propositions; and individuals may not access or view gambling, weapons production, pornographic or sexually-oriented websites.
- d. Individuals may not use OCERS' Electronic Resources in a manner that infringes upon the rights of other persons, entities, or organizations to proprietary, confidential or trade secret information.
- e. Individuals may not download or run audio, video, picture or other large data files that require significant computer storage space and that may impact OCERS' system operations unless such uses are business-related.
- f. Individuals may not use voicemail to make unauthorized broadcast messages or solicitations.
- g. Individuals may not download unauthorized software to any OCERS' Electronic Resource Systems.
- h. Individuals may not use Electronic Resources to advocate a partisan position or to support his or her personal political activities or viewpoints.

### **3. Personal Use of OCERS' Electronic Resources**

- a. Personal use of OCERS' Electronic Resources must be incidental, limited in frequency and take place outside of the employee's official duty time.
- b. Personal use of OCERS' Electronic Resources cannot interfere with productivity or job performance.
- c. Personal use of OCERS' Electronic Resources shall not involve Internet sites that would be objectively viewed as inappropriate for a business setting.
- d. Personal use of OCERS' Electronic Resources shall not involve personal business transactions except for personal banking transactions.

### **4. Access by OCERS**

- a. While Electronic Resources are made accessible to personnel to assist them in the performance of their positions, all such Electronic Resources, whether used entirely or partially on OCERS' premises or with the aid of OCERS' equipment or resources, must remain fully accessible to OCERS and, to the maximum extent permitted by law, will remain the sole and exclusive property of OCERS.
- b. OCERS personnel and all others using OCERS' Electronic Resources should not have an expectation of privacy with respect to information transmitted over, received by, or stored in any Electronic Resources owned, leased, or operated in whole or in part by or on behalf of OCERS. OCERS retains the right to gain access to any information received by, transmitted by, or stored in any such Electronic Resources at any time, with or without an employee's or individual's knowledge or permission.
- c. OCERS personnel and all others using OCERS' Electronic Resources to access personal web-based email or social networking accounts (for example, Gmail, Twitter, Facebook), must understand that those communications are subject to review, imaging, and disclosure by OCERS.

### **5. Maintaining Security and Confidentiality**

- a. Individuals covered by this policy using OCERS' Electronic Resources are responsible for maintaining the security of OCERS' Electronic Resources and complying with the Confidentiality Policy.
- b. Individuals covered by this policy, must limit access or distribution of confidential, private, or personnel information to persons who are authorized to access or receive the information and have a business need to know.

### **6. Violation of Policy**

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

### ***Related Topics***

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

# Social Media Policy

## *Policy Statement*

While appropriate uses of Social Media may aid in achieving certain business objectives, all personnel at OCERS must take care to protect Confidential Information while using Social Media.

## *Purpose*

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

## *Provisions*

### **1. Prohibited Conduct**

- a. Personnel may not disclose confidential or proprietary information of or about OCERS, including but not limited to non-public business and financial information.
- b. Personnel may not represent that they are communicating the views of OCERS, or represent themselves in a manner that might reasonably create the impression that they are communicating on behalf of or as a representative of OCERS whether retirement related or not.
- c. Personnel may not use or disclose member information of any kind on Social Media without the express written permission of the member, even if a member is not identified by name.

### **2. Policy Applicability**

- a. This policy applies to personnel using Social Media while at work. The use of Social Media while at work shall be limited to work related assignments or during breaks and/or lunch.
- b. This policy also applies to the use of Social Media on a personal device when away from work, and when an individual's OCERS affiliation is identified, known, or presumed.
- c. This policy does not apply to content that is non-retirement related or is otherwise unrelated to OCERS, except for the provisions in section 1.b stated above.
- d. Personnel must comply with all OCERS' Personnel Policies, when engaging in Social Media.
- e. Nothing in this policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment.

### **3. Violation of Policy**

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



### ***Related Topics***

1. OCERS Discrimination and Harassment Policy
2. OCERS Electronic Resources Policy

# Personnel Records Policy

## *Policy Statement*

Personnel Records are confidential and access to them is limited.

## *Purpose*

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

## *Provisions*

### **1. Access to Personnel Records**

- a. OCERS managers and supervisors who have an OCERS business need for the information, an employee's supervisor, Human Resources, internal or outside legal counsel, and the OCERS' Worker's Compensation administrator, will have access to Personnel Records.
- b. Orange County will have access to specific Personnel Records when necessary to effectuate the administration of benefits and payroll processing.
- c. Individuals covered by this policy will have access to their own Personnel Records.

### **2. Confidential Information**

Personnel Records that contain certain confidential information (e.g., medical information) are kept in separate, restricted files, with regulated and limited access.

### **3. Disclosure of Personnel Records**

- a. Except for those individuals mentioned in Section 1 above, OCERS will not release or disclose Personnel Records without the written authorization of an employee or former employee, unless OCERS is compelled to do so by one of the following:
  - i. A lawful court order, administrative summons, search warrant, or subpoena;
  - ii. A lawful orders or demands as a part of a statutorily authorized governmental investigation or audit; and
  - iii. As otherwise required by law.

### **4. Personnel Records Inspection**

- a. An employee, former employee or authorized representative (e.g. attorney, labor representative or anyone with written authorization to access information), wishing to inspect his or her Personnel Records must submit a written request to Human Resources. Before making Personnel Records available to an employee, former employee or authorized representative, Human Resources will review the contents of the files to determine which documents the employee, former employee or authorized representative, is entitled to inspect.
  - i. An employee, former employee or authorized representative is entitled to inspect or receive copies of any records related to his or her work performance or to any complaints concerning the employee or former employee. These documents include:

1. Employment Application;
  2. Performance Reviews;
  3. Attendance Records;
  4. Complaints;
  5. Records used to determine an employee's qualifications for promotion; and
  6. Any other documents required by applicable law.
- ii. Except to the extent required by applicable law, an employee, former employee or authorized representative, is not entitled to inspect the following documents:
1. Records relating to the investigation of conduct constituting a possible violation of the criminal laws of California or another state of the United States;
  2. Confidential reports from previous employers or letters of reference;
  3. Ratings, reports, or records that were obtained as a part of the pre-hire process; ratings, reports or records prepared by any examination committee members who were a part of the hiring process; and ratings, reports or records created in connection with a promotional evaluation;
  4. Any confidential records, such as medical records of persons other than the employee, records of other employees or third parties, or records Human Resources reasonably believes raise issues of confidentiality;
  5. Any privileged documents, including those subject to an attorney-client privilege; and
  6. Any other documents that applicable law requires to be held confidential.
- iii. Human Resources will redact the names of any non-supervisory personnel and any other information Human Resources deems confidential before providing Personnel Records to an employee, former employee or authorized representative.
- b. OCERS will make the records available no later than 30 calendar days from receipt of the written request from an employee, former employee or authorized representative, to inspect or copy his or her Personnel Records.
- c. Human Resources will contact the employee, former employee or authorized representative, who has submitted a written request to inspect or copy the Personnel Records to schedule a time to review or copy the documents during normal business hours at OCERS.
- d. A Human Resources representative will be present during the time the employee, former employee or authorized representative inspects the Personnel Records.
- e. An employee, former employee or authorized representative may not remove or alter any Personnel Record.

- f. Upon written request, Human Resources will provide an employee, former employee or authorized representative, with a copy of any Personnel Records that the employee, former employee or authorized representative, is permitted to inspect. OCERS may charge the actual cost of copying the Personnel Records to the employee, former employee or authorized representative.
- g. When a former employee who was terminated due to a violation of law, or an employment-related policy involving Harassment or workplace violence, makes a request to inspect or copy his or her Personnel Records, OCERS will mail a copy of the Personnel Records to an address designated by the former employee.

### ***Related Topics***

OCERS Board Policy – Records Retention

# Telecommuting Policy

## *Policy Statement*

Telecommuting may be permitted when, in individual cases, it is cost effective, supports OCERS' business objectives, is acceptable to executive management and supervisors and is desirable to the employee.

## *Purpose*

The purpose of this policy is to set forth OCERS' standards and expectations with respect to Telecommuting.

## *Provisions*

### **1. Requests to Telecommute**

- a. Employees who want to Telecommute must submit a request in writing to both their supervisor and department head. The request must include a description of the following:
  - i. The reasons the employee needs or wants to Telecommute;
  - ii. A description of the location from which the employee wants to Telecommute;
  - iii. The manner in which the employee will be able to complete his/her work duties through Telecommuting;
  - iv. The manner in which the employee can Telecommute without experiencing any reduction in work quality, efficiency or productivity; and
  - v. The manner in which the employee will be able to preserve member privacy and confidentiality while Telecommuting.
- b. Requests to Telecommute may be granted or denied at OCERS' sole discretion.

### **2. Approval of Requests to Telecommute**

- a. No employee is guaranteed the right to Telecommute.
- b. Requests to Telecommute can only be granted in writing by both the employee's supervisor and the department head.
- c. Approval to Telecommute will be granted only where OCERS determines, in its sole discretion, that the requesting employee can perform all of the duties of his/her position in a productive, efficient, and satisfactory manner that is consistent with the needs of the organization.
- d. Requests to Telecommute that are based on the existence of a disability or the need for a reasonable accommodation will be evaluated in compliance with OCERS' Interactive Process and Accommodations Policy and applicable law.

### **3. Meal and Rest Periods**

- a. Non-Exempt Employees who receive approval to Telecommute must comply with all record-keeping requirements and must accurately record all working time.

- b. Non-Exempt Employees who receive approval to Telecommute must take all meal and rest periods in accordance with applicable legal requirements, and OCERS policy
- c. Non-Exempt Employees who receive approval to Telecommute may not perform any Telecommuting work (regular or occasional) that is outside of regular work hours without advance written approval from their supervisor. This includes checking email and phone messages, which is considered work time and must be documented.
- d. Non-Exempt Employees who receive approval to Telecommute are prohibited from working overtime except with the advance written approval of their supervisor.

#### **4. Termination of Telecommuting Approval**

- a. OCERS may terminate a Telecommuting arrangement at any time, with or without cause, and will provide at least two weeks' notice when practicable.
- b. An employee who Telecommutes on a regular basis may request the termination of his/her Telecommuting arrangement with at least two weeks' notice. The request will be granted at the department head's discretion based on factors such as the availability of workspace.

### ***Related Topics***

OCERS Interactive Process and Accommodation Policy

## Personal Conduct Policies

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

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

# Code of Conduct Policy

## *Policy Statement*

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

## *Purpose*

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

## *Provisions*

### **1. General Policy**

- a. Individuals covered by this policy will provide coworkers, active and retired members, Plan Sponsors, and Board Members with the highest level of customer service.
- b. Individuals covered by this policy shall conduct OCERS business in compliance with any and all applicable state, federal and local laws, statutes, regulations and Board policies.
- c. Individuals covered by this policy have the duty to deal honestly, ethically, and respectfully with each other, the Board of Retirement, Plan Sponsors, active, deferred and retired members, vendors, visitors, and members of the public.
- d. Individuals covered by this policy will act in a manner consistent with all Personnel Policies that apply to them.
- e. Individuals covered by this policy will devote their full efforts and energies while performing their duties for OCERS.

### **2. Non-Retaliation**

OCERS strictly prohibits retaliation against any employee for reporting or inquiring in good faith about what the employee believes to be wrongful or unlawful activity, or for participating in an investigation or proceeding related to such activity.

### **3. Violation of Policy**

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



# Conflicts of Interest Policy

## *Policy Statement*

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

## *Purpose*

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

## *Provisions*

### **1. General Provisions**

Individuals covered by this policy are expected to comply with all applicable laws, including those regarding government contracts, Conflicts of Interest, and disclosures of interest.

### **2. Prohibited Conduct**

- a. OCERS strictly prohibits activities or relationships that create an actual, potential, or the appearance of a Conflict of Interest. Such activities or relationships include, but are not limited to:
  - i. The use of OCERS time, facilities, or equipment for private gain or advantage, or the personal gain or advantage of another;
  - ii. The use of prestige or influence of employment at OCERS for private gain or advantage, or the personal gain or advantage of another;
  - iii. The use of confidential information acquired by virtue of employment at OCERS for personal gain or advantage, or the personal gain or advantage of another;
  - iv. The acceptance of money (including gift cards, checks, and the like) or other consideration from any person or non-employing entity for the performance of an act which would be required or expected in the regular course of one's position at OCERS; and
  - v. The solicitation of future employment with an entity engaged in business with OCERS over which the employee has some control or influence in his or her official capacity at OCERS.

### **3. Outside Business Activities and Employment**

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

### **4. Violation of Policy**

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

## ***Related Topics***

OCERS Outside Employment Policy

# Outside Employment Policy

## *Policy Statement*

California law (Government Code section 1126) prohibits OCERS employees from engaging in any outside employment, activity or enterprise for compensation that is inconsistent, incompatible, in conflict with, or inimical to his or her duties as an employee of OCERS or with the duties, functions, or responsibilities of OCERS as an organization. The purpose of this policy is to establish a procedure for OCERS employees to notify OCERS of outside employment, activities and enterprises so that OCERS can determine whether the outside employment, activity or enterprise is permissible, and if so, document OCERS' approval.

## *Purpose*

The purpose of this policy is to:

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

## *Policy Provisions*

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

- a. The Secondary Employment Reporting Form will be given to the employee's supervisor for review.
  - b. The supervisor will review the Secondary Employment Reporting Form for accuracy and completeness. If any discrepancies or conflict in information are found (i.e., employee work information, employee schedule, job duties, etc.), the supervisor will notate the discrepancy and give the report back to the employee for correction and resubmission.
  - c. The supervisor will review the Secondary Employment Reporting Form and determine whether each outside employment, activity and enterprise identified by the employee is compatible and consistent with, or creates a conflict or is inimical with, the employee's job duties.
  - d. Once the supervisor's review is complete, the Secondary Employment Reporting Form and the supervisor's findings will be submitted to Human Resources for review and filing.
  - e. Human Resources will review the Secondary Employment Reporting Form and independently determine whether each outside employment, activity and enterprise identified by the employee is compatible and consistent with, or creates a conflict or is inimical with, the employee's job duties.
    - i. If the reported employment, activity or enterprise is determined to not be inconsistent, incompatible or in conflict with the employee's job duties, Human Resources will approve the request and notify the employee and supervisor of the approval. A copy of the completed Secondary Employment Reporting Form will be retained by Human Resources.
    - ii. If the reported employment, activity or enterprise is determined to be inconsistent, incompatible or pose a conflict with the employee's duties, then the Director of Human Resources will deny the request and document the reason(s) for denial. The Secondary Employment Reporting Form will be returned to the employee for review and additional action.
    - ii. If the employee accepts the denial, the employee must not engage in the outside employment, activity or enterprise and the employee, the supervisor and Human Resources are notified of the denial and the process is complete. A copy of the completed form is provided to Human Resources for filing.
    - iii. If the employee does not accept the denial, the employee can petition the CEO for review. Once the CEO has reviewed the appeal, the employee, supervisor and Human Resources are notified of the final approval/denial, and the process is complete. A copy of the completed form is provided to Human Resources for filing.
5. Human Resources maintains all records submitted.
  6. The Secondary Employment Reporting Form does not replace the Form 700 Statement of Economic Interests.

### ***Related Topics***

OCERS Conflicts of Interest Policy

# Attendance Policy

## *Policy Statement*

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

## *Purpose*

The purpose of this policy is to set forth OCERS' expectations regarding attendance and punctuality.

## *Provisions*

### **1. Hours of Operation**

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

### **2. Attendance**

Regular and reliable attendance is expected from all employees. Employees should be at their work station and /or conducting OCERS business by the start of each workday at the time designated by their supervisor. Excessive absenteeism or tardiness will not be tolerated.

### **3. Punctuality**

- a. Employees with regularly scheduled work hours must be prepared to commence work at the start of their work day.
- b. Notice Required for Tardiness of 15 minutes or more
  - i. An employee who is unable to report to work within 15 minutes of the commencement of his or her regularly scheduled work time, who has not previously requested the use of Annual Leave or other time off from work, must promptly report the tardiness and an expected arrival time to his or her supervisor. The employee may report the tardy to his or her supervisor by phone, voicemail message, text message, and/or email, and must do so no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding his or her late arrival.
  - ii. Supervisors should document an employee's unscheduled tardiness and the reasons provided for each late arrival.
- c. Excessive Tardiness
  - i. Excessive tardiness exists when an employee has had more than three unexcused and unscheduled tardies in any thirty day period.
  - ii. Excessive tardiness may result in discipline up to and including termination.

#### **4. Unscheduled Absences**

##### **a. Notice of an Unscheduled Absence**

- i. An employee who is unable to report to work should contact his or her supervisor by phone, voicemail message, text message, and/or email, no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding his or her absence.
- ii. An employee must provide the reason for his or her absence and the expected duration of the absence to his or her supervisor at the commencement of an absence.
- iii. An employee's supervisor may request that the employee provide satisfactory evidence of a reported illness, injury or medical condition.

##### **b. Excessive Absenteeism**

- i. An employee's absences may be considered excessive when the number of his or her unscheduled and unapproved absences exceed twelve days in any twelve month period and/or three days in any thirty day period prior to an employee's most recent absence.
- ii. An employee's absences may be considered excessive when his or her unapproved absences occur with a common pattern. Examples of such patterns include, but are not limited to:
  1. Unscheduled leave on days for which annual leave was requested and denied.
  2. Unscheduled leave on the days before or after scheduled annual leave.
  3. Unscheduled leave on the days before or after OCERS-recognized holidays.
  4. Repeated use of unscheduled leave due to illness in increments of one or two days.
  5. Frequent family or personal emergencies.
- iii. OCERS reserves the right to investigate patterns of absenteeism. The determination of whether a pattern exists is within OCERS' sole discretion.
- iv. Excessive absenteeism may result in discipline up to and including termination.

#### **5. Job Abandonment**

An employee who fails to provide notice of an absence and fails to report to work for three consecutive days will be considered to have abandoned his or her job and to have voluntarily resigned unless a reasonable excuse is offered and accepted by the Chief Executive Officer.

#### ***Related Topics***

1. OCERS Annual Leave Policy
2. OCERS Extra Help Employee Sick Leave Policy

3. OCERS Family and Medical Leave Policy
4. OCERS Pregnancy Leave Policy
5. OCERS Workers' Compensation Leave Policy
6. OCERS Discipline Policy

# Alcohol and Prohibited Drugs Policy

## *Policy Statement*

To maintain a safe and healthy workplace, OCERS prohibits the use of or being under the influence of alcohol or Prohibited Drugs by all persons on OCERS property.

## *Purpose*

The purpose of this policy is to articulate the position of OCERS with respect to the possession, use or influence of alcohol or Prohibited Drugs while on OCERS property.

## *Provisions*

1. The use of Alcohol or Prohibited Drugs on OCERS property at any time is prohibited.
2. Being Under the Influence of Alcohol or a Prohibited Drug while on OCERS property is prohibited.
3. The possession of Prohibited Drugs on OCERS property is prohibited.
4. The use of Alcohol or Prohibited Drugs, on or off OCERS property, in a manner that causes reputational risk to OCERS is prohibited.
5. Consequences of Violations of this Policy
  - a. Persons violating this Policy will be subject to disciplinary action up to and including termination of employment. The services of any third party vendor who violates this policy will be terminated in accordance with the provisions of OCERS' contract with the third party vendor.
  - b. The sale or possession (e.g., on the person or in a desk or vehicle) of Prohibited Drugs may also result in criminal prosecution; any such Prohibited Drugs found by OCERS will be provided to the appropriate law enforcement agency.
6. Drug and Alcohol Testing
  - a. An employee may be required by OCERS to submit to testing procedures designed to detect the presence of Prohibited Drugs and/or Alcohol when there is a reasonable suspicion that the employee is Under the Influence of Prohibited Drugs and/or Alcohol.
  - b. A supervisor may have a "reasonable suspicion" that an employee is Under the Influence based upon observation of conduct and/or events, including without limitation:
    - i. Acting in a manner that suggests that the employee is Under the Influence of Alcohol or Prohibited Drugs (e.g., illogical or slurred speech)
    - ii. Sudden unexplained changes in behavior that adversely impact work performance.
    - iii. Discovery or presence of Prohibited Drugs or any open container of Alcohol in an employee's possession or near the employee's work space.
    - iv. Odor and/or residual odor associated with Alcohol or Prohibited Drugs.
    - v. Personality changes or disorientation.



- c. When there is a reasonable suspicion that an employee is Under the Influence of Alcohol or Prohibited Drugs, the employee, at the sole discretion of OCERS, will be asked to provide breath, blood and/or urine specimens for testing by a third party laboratory as soon as practical.
  - i. The provision of a specimen is voluntary; however, if an employee refuses to submit to required testing, the refusal will be considered a significant factor in reaching a decision regarding disciplinary action, including termination.
- 7. OCERS and the County of Orange have established a voluntary Employee Assistance Program (EAP) to assist and support employees who voluntarily seek help before becoming subject to discipline or termination under this or other OCERS policies.

## **Professional Business Attire Policy**

### ***Policy Statement***

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

### ***Purpose***

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

### ***Provisions***

1. All persons covered by this policy are expected to present a professional, businesslike image.
2. All persons covered by this policy should use their best judgment in determining their attire and appearance. Persons covered by this policy are expected to be well groomed and clean.
3. These guidelines apply to all staff without regard to gender, gender identity, or gender expression. Exceptions to this policy will be made to accommodate religious dress pursuant to the Religious Accommodations Policy.
4. Questions about these guidelines should be directed to Human Resources.

# Workplace Relationships Policy

## *Policy Statement*

To avoid the appearance of favoritism, possible claims of Sexual Harassment, or the creation of an uncomfortable work environment that may arise from personal relationships of a romantic or sexual nature in the workplace, all OCERS personnel must adhere to this policy governing Workplace Relationships.

## *Purpose*

The purpose of this policy is to provide direction regarding personal relationships within the workplace to ensure a comfortable and Harassment-free environment for all OCERS personnel.

## *Provisions*

### **1. Prohibited Workplace Relationships**

- a. OCERS employees are strictly prohibited from engaging in Workplace Relationships with employees who report directly or indirectly to them.
- b. Individuals covered by this policy are prohibited from engaging in Workplace Relationships when, in the sole opinion of OCERS, the relationship creates a potential conflict of interest, causes disruption, creates a negative or unprofessional work environment, or presents concerns regarding supervision, safety, judgment, security, or morale.

### **2. Violation of Policy**

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

# Employment of Relatives Policy

## *Purpose*

To provide guidelines for employment of close relatives as situations involving relatives working at OCERS may result in morale problems, inappropriate supervision, conflict of interest, or public criticism. The intent is to avoid the opportunity for an employee to use personal influence to aid or hinder another in the employment setting or situation.

## *Provisions*

### **1. General**

No person may be appointed, promoted, reduced, transferred or reassigned to a position in which that person will be in the direct line of supervision of a close relative; nor shall close relatives have the same immediate supervisor. "Supervision" includes the assignment of work, evaluation of performance and setting or influencing the pay or granting of benefits to the other.

### **2. Disclosure**

- a. All applicants for employment, promotion, reduction, transfer or reassignment to a position in an agency/department shall be required to disclose the name(s) and position title(s) of any close relative currently employed in that agency/department prior to appointment, promotion, reduction, transfer or reassignment. An employee who becomes a "close relative" by marriage subsequent to appointment shall disclose the new relationship(s) to his or her supervisor.
- b. The Director of Human Resources shall provide appropriate forms and procedures for the disclosure process.

### **3. Exemptions**

OCERS' CEO may grant exemptions required for the effective and efficient operation of the agency/department. OCERS' CEO shall develop appropriate procedures to ensure the objective review of requests for exemption.

## *Procedure for Exemption from Policy*

1. The hiring supervisor shall request authority for an exemption from policy from the OCERS' CEO prior to appointing, promoting, reducing, transferring or reassigning a close relative of an employee if such action will result in a violation of policy above.
2. The written request for exemption from policy shall include:
  - a. Names of prospective employee and known close relative employee(s) and relationship(s).
  - b. Titles and summary of duties, and work relationship of affected positions.
  - c. Qualifications of applicant indicating why the selected applicant is the best qualified or better qualified than other candidates.
  - d. Justification for exemption, indicating why it is necessary for the effective and efficient operation of the agency/department and including a statement of why supervisor believes problems will not result.

3. OCERS' CEO will approve or disapprove supervisor's recommendation and notify the Director of Human Resources of specific reasons for decision. Upon request, the Director of Human Resources will review and provide comments to OCERS' CEO. The Director of Human Resources shall maintain a listing of exemptions granted after the effective date of this policy.

**Violation of Policy**

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

# Disciplinary Actions and Appeals Procedure Policy

## *Policy Statement*

Employees are required to abide by applicable federal, state, and local laws and regulations and to comply with the policies and procedures of OCERS. If an employee fails to comply with any of these, or engages in misconduct or poor performance, the employee may be subject to disciplinary action, up to and including termination.

## *Purpose*

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

## *Provisions*

### **1. Disciplinary Actions**

- a. An employee who fails to comply with applicable legal/regulatory requirements or OCERS policies and procedures, engages in misconduct (including insubordination, inappropriate conduct, or disruptive behavior), and/or performs the duties of his or her position in an unsatisfactory manner may be subject to discipline up to and including termination.
- b. Disciplinary actions may include, but are not limited to:
  - i. Oral counseling and/or warning;
  - ii. Written warning;
  - iii. Final written warning; and
  - iv. Termination.
- c. The above disciplinary actions serve as general guidelines; they are not mandatory and do not have to be issued in any particular order. Disciplinary actions are not required to be progressive in nature, and will be issued at the discretion of an employee's supervisor in consultation with Human Resources.
- d. There are instances where conduct and/or performance is of such an egregious or serious nature that immediate termination, without prior warning, may be the appropriate course of action.
- e. Factors that may be considered in determining the level of disciplinary action include, but are not limited to:
  - i. The severity of the violation;
  - ii. The number of violations;
  - iii. Whether the violation was part of a pattern or practice of improper behavior;
  - iv. The individual's past history of non-compliance or discipline;

- v. Whether the employee knew or should have known the rules, regulation or policy at issue;
  - vi. Length of employment with OCERS;
  - vii. Whether the violation was intentional or negligent;
  - viii. Whether the action was committed for personal gain.
- f. The level of disciplinary action will be determined by management in consultation with Human Resources after review of the circumstances and a determination of which laws, policies, performance standards, and/or practices were violated.
  - g. When disciplinary action is taken, it will be documented to indicate the conduct that resulted in the discipline and what specific disciplinary action was taken.
  - h. Employees who report compliance or ethics concerns in good faith will not be subject to disciplinary action for doing so.

## **2. Termination for Cause Only**

- a. Discipline, up to and including terminated shall be for cause.
- b. For purposes of this policy, cause means:
  - i. a violation of an OCERS policy or procedure, including, but not limited to, policies concerning attendance, conflicts of interests, discrimination and Harassment, social media, and use of electronic resources;
  - ii. insubordination, inappropriate conduct, or disruptive behavior;
  - iii. failure to satisfactorily perform the duties of one's position;
  - iv. an act of fraud, embezzlement, theft or any other material violation of law committed in one's capacity as an OCERS employee;
  - v. intentional or reckless disclosure of confidential information;
  - vi. job abandonment, including an unauthorized absence from work for more than three (3) consecutive work days, or failing to return to work after the completion of an authorized absence;
  - vii. failure to provide requested medical documentation supporting a leave of absence, or failure to return to work following an approved leave of absence.
- c. Appeal Procedure
  - i. An employee who wishes to contest a personnel action taken against oneself, may do so in accordance with this appeal procedure.
  - ii. Specifically excluded from the scope of appeals are:
    - 1. Subjects involving an action by the Board of Retirement, administrative orders or policies, legislative mandates, or selection/appointment decisions and procedures which do not incorporate the provisions of these policies and regulations.

2. Matters that the employee has other means of appeal including, but not limited to, matters which may be appealed through the Workers' Compensation Appeals Board;
  3. Position classification;
- iii. The appeal procedure shall consist of the following steps, each of which must be completed prior to any request for further consideration of the matter unless waived by mutual consent or as otherwise provided herein.

Step 1: Immediate Supervisor

An employee may submit an appeal to his or her immediate supervisor within fourteen (14) calendar days from the occurrence that gives rise to the personnel action. Such submission shall be in writing and shall state the nature of the appeal and the suggested solution. Upon receipt of the written appeal, the immediate supervisor and/or such other representative(s) as may be designated by OCERS shall meet with the employee to discuss the appeal. Thereafter, the immediate supervisor and/or the OCERS designee shall inform the employee of OCERS' determination regarding the appeal.

Step 2: Senior Executive Level

If the employee is unsatisfied by the determination issued at Step 1, he or she may present the appeal to the respective Senior Executive and/or such other representative(s) as may be designated by OCERS within seven (7) calendar days after receipt of the Step 1 determination. Upon receipt of the written appeal, the respective Senior Executive and/or the OCERS designee shall meet with the employee to discuss the appeal. Thereafter, the respective Senior Executive and/or the OCERS designee shall inform the employee of his or her determination regarding the appeal.

Step 3: Chief Executive Officer

If the employee is unsatisfied by the determination issued at Step 2, he or she may present the appeal to the Chief Executive Officer within seven (7) calendar days after receipt of Step 2 determination. The Chief Executive Officer (CEO) shall meet with the employee to discuss the appeal. Thereafter, the CEO shall inform the employee of his or her determination regarding the appeal. The CEO shall have the right to uphold, modify, or reject any personnel action. The determination of the CEO shall be final, except in the cases of terminations and as specified in Step 4 below.

Step 4: The Board of Retirement

If the employee is unsatisfied by the determination issued at Step 3 concerning a termination, he or she may present the appeal to the Board of Retirement within seven (7) calendar days after receipt of Step 3 determination. OCERS will then place the employee's appeal on the Board's agenda after which the Board will have the unlimited right to uphold, modify, or reject any personnel action. The determination of the Board shall be final.



Each of the above-referenced steps may involve the review of documentation provided by the employee and his or her supervisor and interviews of the supervisor and other OCERS personnel.

## Professional Development Policies

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

- Performance Evaluation Policy
- Educational and Professional Reimbursement Policy

## **Performance Evaluation Policy**

### ***Policy Statement***

OCERS employees will receive an annual evaluation of their job performance.

### ***Purpose***

The performance evaluation provides a means for discussing, planning and reviewing the performance of each employee, and performance goals for the future year.

### ***Provisions***

OCERS shall maintain a system of employee performance ratings designed to give a fair evaluation of the quality and quantity of work performed by an employee. Such rating shall be prepared and recorded in the employee's personnel file for all regular and part-time employees at least once each year.

OCERS shall discuss with the employee the specific ratings prior to such ratings being made part of the employee's personnel file.

An employee has the right to submit written objections about his or her performance, and may have such objections documented in his or her personnel file.

When a performance evaluation is recorded in the personnel file of an employee, a copy of such evaluation, together with any related attachments shall be given to the employee.

# Education and Professional Reimbursement Policy

## *Policy Statement*

OCERS supports the continued professional development of its employees by offering the Educational and Professional Reimbursement Program.

## *Purpose*

The Educational and Professional Reimbursement Program is designed to reimburse eligible employees for qualifying educational costs. OCERS encourages employees to continue their professional development by taking advantage of a variety of educational opportunities available to them.

## *Provisions*

### **1. General Provisions:**

Educational opportunities will be eligible for reimbursement if they must have a reasonable potential for contributing to the achievement of OCERS' business objectives, and meet one or more of the following criteria:

- a. Relate to the work of the employee's position or occupation at OCERS;
- b. Prepare the employee to transition to an alternate OCERS position or occupation; or
- c. Prepare the employee for advancement to positions of greater responsibility at OCERS.

### **2. Eligible Employees**

All full time regular, part time, regular and probationary employees with a performance rating in his or her job of "meets expectations" or above are eligible for reimbursement.

### **3. Reimbursement Eligibility**

- a. The following types of educational courses are eligible for reimbursement:
  - i. Courses related to obtaining a degree (AA, BA, BS, Masters, Ph.D.);
  - ii. Accredited certificate programs;
  - iii. Vocational skills programs;
  - iv. Courses related to obtaining or maintaining a business-related certification, license, or accreditation;
  - v. Courses that prepare one to take a test to obtain business-related certifications, licenses, or accreditation;
  - vi. Professional conferences, conventions, and seminars that are related to business objectives;
  - vii. Fees related to obtaining and/or renewing a license, including special driver's licenses;
  - viii. Fees related to certifications or accreditations;
  - ix. Fees related to taking professional examinations; and,
  - x. Professional association membership fees.

- b. In general, courses taken through the program must be taken on the employee's time. At the discretion of the department head, a course may be taken on OCERS' time when the course specifically meets a business need and is not available during the employee's non-work hours.

**4. Reimbursement Non-Eligibility:**

The following types of educational courses are not eligible for reimbursement:

- a. Courses taken to bring unsatisfactory performance up to an acceptable level;
- b. Courses taken to acquire skills or knowledge which were a minimum qualification for the employees' position.
- c. Courses that duplicate courses available for in-service training; and,
- d. Courses which are duplicative of training that the employee has already taken.

**5. Nature of Reimbursement:**

- a. An employee may be reimbursed for required fees and costs related directly to the approved educational or professional course or program. This may include, but is not limited to, registration fees, books, class materials, lab fees, testing fees, parking, processing fees, etc.
- b. Expenses for travel, meals, and lodging are not reimbursable; however, the department head may authorize payment for these items when it meets the department's business needs and is budgeted in the department's travel expense budget.
- c. For degree programs, reimbursement shall be made to the employee upon completion of the course with a minimum final grade of a "C" or its equivalent in an undergraduate course, and a "B" or its equivalent in a graduate level course.
- d. Reimbursement for non-graded courses shall be made upon completion of an approved course and proof of payment.
- e. Tuition and fees may be reimbursed up to three times for a failed test required to achieve a certification.
- f. If an employee is receiving reimbursement from another source that covers a portion of the cost, OCERS will only pay the remaining amount after other reimbursements are exhausted.
- g. The maximum reimbursement that may be received by eligible employees in one (1) Fiscal Year shall be \$10,000.

**6. Request Procedure:**

- a. The employee shall apply for approval for reimbursement through normal supervisory channels on forms provided by Human Resources.
- b. Approval must be granted **prior** to the employee registering and paying for the course.
- c. The employee's department head shall either approve or deny the application based on the criteria set forth in this policy.

- d. Upon completion of an approved course, or payment of fees for approved memberships, licenses, certifications, or accreditations, the employee shall furnish proof of payment and proof of grade (where applicable) to the department head.
- e. Upon proof of satisfactory grade and/or payment of fees, final approval for the reimbursement will be given by the department head.

## Leave and Workplace Accommodation

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This chapter contains the following policies related to different types of leave situations, from annual leave to workers' compensation:

- Interactive Process and Accommodations Policy
- Family and Medical Leave of Absence Policy
- Pregnancy Disability Leave Policy
- Lactation Policy
- Leave of Absence with Pay Policy
- Authorized Unpaid Leaves of Absence Policy
- Military Related Leaves of Absence Policy
- Military Family Leave Policy
- Catastrophic Leave Donation Policy
- Bereavement Leave Policy
- Voting, Jury and Witness Duty Policy
- Extra Help Sick Leave Policy

## Interactive Process and Accommodations Policy

OCERS is committed to principles of equal employment opportunity for all employees.

### *Purpose*

The purpose of the policy is to comply with state and federal law and to enable qualified individuals with disabilities to perform the essential functions of their jobs and to enjoy equal employment opportunities.

### *Provisions*

#### **1. Eligibility**

Any qualified individual with a physical disability, mental disability or medical condition that limits a major life activity, including his or her ability to work, is eligible for Reasonable Accommodations from OCERS to enable him or her to perform the Essential Job Functions.

#### **2. Accommodation Request**

- a. An employee may make a request for an accommodation or a family member, friend, health professional, or other representative may make a request on behalf of an employee. The request does not have to be made in writing and there are no specific words required to request an accommodation.
- b. Employees or their representatives are encouraged to make requests for Reasonable Accommodations directly to Human Resources. Employees may also make a request for accommodations to his or her supervisor who must immediately relay the request to Human Resources.
- c. Human Resources will consider each request for Reasonable Accommodation and determine: (1) whether the accommodation is needed, (2) if needed, whether the accommodation would be effective, and (3) if effective, whether providing the Reasonable Accommodation would impose an undue hardship to OCERS.

#### **3. Accommodations Absent a Request**

- a. When OCERS is put on notice that an employee cannot perform his or her job duties due to a physical disability, mental disability, or medical condition, OCERS must engage an employee in the Interactive Process (see below), even when that employee has not made a request for an accommodation. OCERS can be put on notice that an employee may require an accommodation by a third party, by observation, or when a disabled employee has exhausted his or her protected leave (see OCERS Family and Medical Leave Policy) and his or her health care provider indicates the need for continued leave or other accommodations.

#### **4. Interactive Process**

- a. Upon an employee's request for an accommodation or acceptance of OCERS' offer to consider an accommodation, Human Resources, with input from the employee's supervisor when appropriate, and County Human Resources where applicable, will initiate a dialogue with the employee to determine what accommodations are available to the employee. This dialogue may include:



- i. A review of the employee's work limitations or restrictions that require accommodation;
  - ii. A review of the employee's Essential Job Functions;
  - iii. The identification of accommodations requested by the employee; and,
  - iv. The identification of potential accommodations available to OCERS and an assessment of the effectiveness that each would have in enabling the employee to perform the Essential Job Functions.
- b. OCERS will not ask an employee or his or her health care provider to reveal the diagnosis or underlying medical condition that requires an accommodation.
- c. An employee must cooperate with OCERS in the Interactive Process. Cooperation includes providing documentation regarding work restrictions or limitations, communicating with OCERS, and exchanging essential information without delay or obstruction of the process.
- d. An employee may refuse the offer of an accommodation that the employee deems unnecessary or not needed. However, the employee may not be qualified to remain in the job if he/she needs a Reasonable Accommodation to perform an essential function and refuses to accept a Reasonable Accommodation. Further, the rejection of a Reasonable Accommodation may terminate OCERS' obligation to engage further in the Interactive Process under certain circumstances.
- e. Human Resources may require an employee to provide reasonable medical documentation of the need for accommodation. However, any genetic information is to be excluded when responding to requests for medical information, in accordance with the Genetic Information NonDiscrimination Act of 2008 (GINA).
- f. Upon identifying possible accommodations, Human Resources may grant the employee's requested accommodation, or reject it after due consideration and initiate discussion with the employee regarding alternative accommodations.
- g. The Interactive Process will be documented.

#### **5. Accommodation Request Grant**

- a. While OCERS will consider an employee's preference for accommodation, OCERS has the right to implement an accommodation that is effective to assist the employee to perform his or her Essential Job Functions. OCERS has the ultimate discretion to choose between effective accommodations, and may choose the less expensive accommodation or the accommodation that is more feasible for it to provide.
- b. OCERS will not disclose to other employees that a disabled employee is receiving a Reasonable Accommodation unless a disclosure is necessary to effectuate the accommodation.
- c. For Reasonable Accommodations that extend beyond one year or beyond the date set forth in medical documentation submitted by an employee, OCERS may ask for medical documentation substantiating the need for continued accommodation on a yearly basis.
- d. If a granted accommodation is not effective, OCERS will resume the Interactive Process to attempt to identify other more effective accommodations.

## **6. Accommodation Request Denial**

- a. The law does not require OCERS to provide any and every accommodation requested by an employee. OCERS is required to provide only those accommodations that would allow an employee to perform the Essential Job Functions of his or her position and/or to enjoy equal employment opportunity. Accommodations that would impose an undue hardship on OCERS' operations are not required.
- b. If OCERS denies an employee's requested accommodation, it will continue the Interactive Process to attempt to identify other possible accommodations.

## **7. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Rehabilitation Act of 1973, the Americans with Disabilities Act ("ADA"), and the Fair Employment and Housing Act ("FEHA"). An employer is prohibited from discriminating or retaliating against an employee for requesting, accepting, or rejecting an accommodation.
- b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Department of Fair Employment and Housing, or may bring a private lawsuit against an employer for failure to comply with the Rehabilitation Act, the ADA, or the FEHA.
- c. For questions about the exercise of rights pursuant to the Rehabilitation Act, the ADA, or the FEHA, contacts Human Resources.

### ***Related Topics***

1. The Rehabilitation Act
2. The Americans with Disabilities Act
3. Fair Employment and Housing Act

# Family and Medical Leave of Absence Policy

## *Policy Statement*

OCERS provides eligible employees leave under the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA). OCERS intends to administer this policy in accordance with all applicable state and federal law, as amended.

## *Purpose*

The purpose of this policy is to provide leave to employees in compliance with FMLA and CFRA, and to inform employees and managers of their responsibilities in requesting or providing such leaves.

## *Provisions*

### **1. Eligibility**

- a. An employee is eligible for leave under the FMLA and CFRA if he/she:
  - i. Has been employed by OCERS for at least twelve months; and
  - ii. Has worked at least 1,250 hours during the 12-month period immediately preceding commencement of the leave.

### **2. Leave Entitlement**

- a. FMLA: An employee is entitled to a leave of absence under the FMLA because of:
  - i. The employee's own serious health condition;
  - ii. The care of a child, spouse, or parent with a serious health condition;
  - iii. The birth of a child and to care for the child within the first year of birth; or
  - iv. The care of an adopted or foster child within the first year of placement with the employee.
- b. CFRA: An employee is entitled to a leave of absence under the CFRA for all of the reasons listed above for entitlement to FMLA leave. Unlike the FMLA leave, an employee is not entitled to leave due to pregnancy disability under the CFRA. (See OCERS Personnel Policy: Pregnancy and Pregnancy Disability Leave). If an employee takes FMLA for pregnancy disability, the employee may still be eligible for an additional 12 weeks of leave under CFRA for other family and medical leave purposes. CFRA also provides an eligible employee with up to 12 weeks of leave to care for a domestic partner with a serious health condition.

### **3. Notice of Need for Leave**

- a. Employee's Obligations: In order to obtain FMLA or CFRA leave, an employee must inform OCERS of his or her need for leave verbally or in writing. For all FMLA or CFRA leaves other than Military Exigency Leave (see OCERS Personnel Policy: Military Family Leave), an employee must give OCERS 30 calendar days' notice of his or her need for leave if that employee knows of the leave in advance. If an employee does not have advance notice of the need for FMLA or CFRA leave, that employee must provide OCERS with his or her need for leave as soon as practicable. Failure to comply with this provision may result in

FMLA or CFRA leave being denied or delayed. However, if the need for leave results from an emergency or is otherwise unforeseeable, the leave will not be denied simply because an employee fails to provide advance notice.

- b. OCERS Obligations: Any OCERS manager or supervisor who receives notice that an employee may need time off for a FMLA or CFRA qualifying reason must immediately notify Human Resources. Human Resources will provide the employee with information about his or her rights under FMLA or CFRA and will determine whether the employee is eligible for FMLA or CFRA leave.

#### **4. Leave Designation**

- a. Upon an employee's request for FMLA or CFRA leave, Human Resources will inform the employee within five (5) business days whether he/she is entitled to FMLA or CFRA leave. If Human Resources determines that the employee is not eligible for FMLA or CFRA leave, the employee will be informed of the reasons for ineligibility, including any additional information required from the employee.
- b. OCERS is responsible for designating time off work, paid or unpaid, as FMLA, CFRA, both FMLA/CFRA leave. OCERS will give the employee notice of said designation. OCERS may conditionally designate time off work as FMLA, CFRA or both FMLA/CFRA leave pending receipt of appropriate medical certification and eligibility determination.
- c. If OCERS learns that an employee's absence was for a FMLA or CFRA leave-qualifying purpose after the absence has begun, OCERS may, in its discretion, retroactively designate the entire absence or some portion of the time off work as FMLA, CFRA, or both FMLA/CFRA leave, to the extent that the period qualified as FMLA, CFRA, or both FMLA/CFRA leave, and as long as a late designation did not cause an employee to take leave he/she would not have taken if he/she had known the leave would be counted against his or her FMLA/CFRA entitlement.
- d. An eligible employee who takes a leave for a FMLA or CFRA leave-qualifying reason cannot avoid having the time counted against his or her FMLA or CFRA entitlement by stating he/she does not want it considered as FMLA or CFRA leave.

#### **5. Medical Certification**

- a. OCERS may conditionally designate a leave for purposes of personal or family illness while notifying the employee that final FMLA/CFRA leave designation depends on the employee's timely submission of a satisfactory medical certification.
- b. An employee must obtain the treating Health Care Provider's medical certification and submit it to OCERS within 15 calendar days of OCERS's request for the medical certification, unless there are extenuating circumstances that make this impracticable despite the employee's diligent, good faith efforts or OCERS provides additional time. Untimely submission of medical certification may result in denial of FMLA/CFRA protection for the employee's absence, making the absence subject to OCERS' Attendance Policy.
- c. An employee must provide a complete and sufficient medical certification to OCERS. If the employee does not, OCERS will provide the employee with seven (7) calendar days to cure the deficiency. If an employee fails to provide appropriate medical certification within the time limits, OCERS may deny FMLA/CFRA protection for the employee's

absence and may impose penalties pursuant to the Attendance Policy or deny the employee reinstatement to work.

- d. For FMLA/CFRA, OCERS requires that the employee provide the following documentation:
  - i. Medical certification from the treating Health Care Provider that the employee (1) needs a period of leave because of a serious health condition affecting the employee or his or her child, parent, spouse, or domestic partner; (2) needs Intermittent Leave for the serious health condition of the employee or his or her child, parent, spouse, or domestic partner; or (3) needs a reduced work schedule for the employee's own serious health condition.
  - ii. Recertification by the treating Health Care Provider may be required every thirty (30) calendar days in connection with an employee's absence, unless the following apply:
    - 1. If the medical certification indicates that the minimum duration of the condition is more than 30 calendar days, OCERS may request recertification when that minimum duration has occurred;
    - 2. OCERS may request recertification in less than 30 calendar days if the employee requests an extension of leave; there has been a significant change in circumstances, such as the duration or frequency of the absences or the severity of the condition; or OCERS receives information that casts doubt on the employee's stated reason for the absence.
  - iii. The employee may be required, at OCERS's expense, to obtain the opinion of a second and third Health Care Provider supporting the need for FMLA/CFRA leave due to a serious health condition affecting the employee.
- e. The Genetic Information NonDiscrimination Act of 2008 (GINA) prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as specifically allowed by this law (e.g., to certify the need for leave for family member's serious health condition). To comply with this GINA, OCERS asks that you and your Health Care Provider not provide any genetic information when responding to a request for medical information or a certification. "Genetic Information" as defined by GINA includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

## **6. Family Leave for Newborn or Newly Adopted Child**

- a. FMLA/CFRA leave for the care of a newborn, or a newly placed adopted or foster child, must conclude within one year of the birth or placement. FMLA/CFRA leave for placement of an adopted or foster child may commence prior to the placement if the absence from work is required for the placement to proceed.

## **7. Length of Leave**

- a. An employee may take up to 12 workweeks of FMLA/CFRA leave within a 12-month period. For all FMLA/CFRA leave other than military caregiver leave (See OCERS Military

Family Leave Policy), OCERS calculates FMLA/CFRA leave using a 12- month rolling period which is measured backward from the date an employee uses FMLA/CFRA leave. Each time an employee takes FMLA/CFRA leave, the remaining leave entitlement is the balance of the 12 workweeks which the employee has not used during the immediately preceding 12 months.

- b. If an employee needs to extend his or her leave and her initial FMLA/CFRA leave was less than 12 weeks he/she must request an extension for FMLA/CFRA leave. The employee must notify OCERS as soon as he/she has knowledge of the need but not later than two business days before the anticipated return to work date, where the need for an extension is foreseeable. For extension of FMLA/CFRA leave relating to a serious health condition, employees must provide a Health Care Provider's recertification within 15 calendar days of OCERS' request, if practicable.
- c. If an employee has taken the entire 12 weeks FMLA/CFRA leave permitted under the law, and he/she still needs additional leave, he/she can request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as he/she has knowledge of the need but not later than two business days before the anticipated return to work date, where the need for an extension is foreseeable. For extensions relating to a serious health condition, employees must provide a Health Care Provider's recertification within 15 calendar days of OCERS' request, if practicable.
- d. Upon expiration of the time needed for FMLA/CFRA leave set forth in any medical certification document and in the absence of recertification, the leave will automatically terminate and the employee will be expected to return to work, unless OCERS has approved additional non-FMLA/CFRA leave. If an employee fails to return to work within three days after the approved FMLA/CFRA leave or other approved leave expires, the employee may be subject to the penalties imposed by OCERS' Attendance Policy up to and including termination.
- e. OCERS may require an employee on leave to report periodically on the employee's status and intent to return to work.

#### **8. Intermittent Leave or Reduced Work Schedule**

- a. Intermittent Leave or a reduced work schedule may be approved with medical certification for an employee's serious health condition or for the employee to care for a child, parent, spouse, or domestic partner (under the CFRA only) with a serious health condition.
- b. For Intermittent Leave or leave on a reduced work schedule, there must be a medical need for leave and it must be that such medical need can be best met through an intermittent or reduced leave schedule. OCERS may request that the treating Health Care Provider verify that an employee's pattern of absences is consistent with the need for the Intermittent Leave.
- c. When an employee takes leave on an intermittent or reduced leave schedule, only the amount of leave actually taken is counted toward the 12 weeks of leave to which an employee is entitled.
- d. An Exempt Employee on FMLA/CFRA leave with medical certification stating that he/she will need to work reduced hours may have his or her salary reduced proportionately for

the hours not worked. Employees may substitute accrued annual leave to avoid the loss of pay.

- e. Under CFRA, an employee who wishes to take Intermittent Leave to care for and bond with a child within one year of the birth or placement of the child must take the leave in increments of two weeks or more at a time, with the exception that leaves of less than two weeks can be taken twice during the year.

#### **9. Compensation and Benefits Continuation during FMLA/CFRA Leave**

- a. An employee is required to use his or her accrued Annual Leave and where applicable, vacation and sick leave during FMLA/CFRA leave.
- b. OCERS will maintain health care benefits while an employee is on FMLA/CFRA leave, whether it is paid or unpaid, for a maximum of 12 workweeks in a 12-month period. Health care benefits coverage may be extended because the employee is also entitled to additional leave under the Pregnancy Disability Leave Law (See OCERS Pregnancy and Pregnancy Disability Leave Policy), or other OCERS-approved leaves.

#### **10. Continuation of Health Coverage (COBRA)**

- a. If an employee exhausts all eligibility for continuation of OCERS-paid health care benefits, the employee may extend those benefits at his or her own expense through COBRA.

#### **11. Coordination with Other Leaves**

- a. FMLA and CFRA leave will run concurrently with all other paid and unpaid family and medical-related leaves when determining the maximum duration of the leaves. However, CFRA leave does not run concurrently with an FMLA Pregnancy Disability Leave (See Pregnancy and Pregnancy Disability Leave Policy).
- b. CFRA leave to care for a domestic partner with a serious health condition does not count as FMLA leave.
- c. FMLA and CFRA leaves run concurrently with occupational leaves of absence when an employee has a serious health condition that meets the requirements for an Occupational Medical Leave (See Occupational Medical Leave Policy).
- d. FMLA and CFRA leave runs concurrently with Kin Care under the California Employment Sick Leave Act when it is for an FMLA and CFRA-qualifying reason.

#### **12. Return from Leave and Reinstatement**

- a. OCERS encourages employees returning from leave to provide his or her manager with at least 14 calendar days' advance notice of the date on which he/she intends to return to work. OCERS requires reasonable notice, which is typically at least two business days, if there is a change in the date on which the employee will be ready and able to return to work. If the employee provides less than 14 calendar days' advance notice of the intended date of return to work, OCERS may delay the date on which it reinstates the employee in order to allow two additional business days in which to make arrangements, such as scheduling adjustments for the employee's return to work.
- b. When FMLA or CFRA leave is taken for an employee's own serious health condition and the leave extends for a period of 14 days or more, the employee will be required to submit medical certification from his or her Health Care Provider at or before the date of return

to work indicating that the employee is fit to return to work either with or without work restrictions. Delay in providing a certification may result in OCERS delaying the employee's return to work until such time as the certificate is obtained. If the employee fails or refuses to provide a return to work certification, OCERS may deny reinstatement and terminate his or her employment.

- c. If an employee has complied with his or her obligations under this policy, OCERS will reinstate the employee to his or her former position, if the position is available. If the former position is not available, the employee will be reinstated to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. An equivalent position will involve the same or substantially the same duties, responsibilities, and authority, and will entail substantially the same skills and efforts. OCERS may not reinstate an employee to his or her former position or an equivalent position if OCERS' business conditions resulted in the elimination of the employee's former position during the leave or the employee would not otherwise have continued to be employed had he/she continued in active employment.
- d. An employee's use of FMLA/CFRA leave will not result in the loss of any employment benefit that the employee earned or was entitled to before commencing FMLA or CFRA leave.
- e. An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the FMLA/CFRA leave period.
- f. A Key Employee who takes a Family Medical Leave of Absence may be denied reinstatement if this would cause substantial and grievous economic injury to OCERS' operations.

### **13. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Family and Medical Leave Act of 1993 and applicable California leave laws. An employer is prohibited from interfering with an eligible employee's right to take either an FMLA or CFRA leave or discriminating or retaliating against an employee for taking such a leave or for involvement in any proceeding under or relating to the FMLA or CFRA.
- b. An employee may file a complaint with the U.S. Department of Labor, the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing, or may bring a private lawsuit against an employer for failure to comply with the FMLA or CFRA.
- c. For questions about the exercise of FMLA or CFRA rights, contact Human Resources.

### ***Related Topics***

- 1. OCERS Pregnancy and Pregnancy Disability Leave Policy
- 2. OCERS Attendance Policy
- 3. OCERS Military-Related Leaves of Absence Policy
- 4. OCERS Workplace Injuries and Workers' Compensation



# Pregnancy Disability Leave Policy

## *Policy Statement*

OCERS provides eligible employees pregnancy disability leave under the Family Medical Leave Act (FMLA), the Fair Employment and Housing Act (FEHA), and the California Pregnancy Disability Leave Regulations (PDL). OCERS intends to administer this policy in accordance with all applicable state and federal law.

## *Purpose*

The purpose of this policy is to provide pregnancy disability leave to employees in compliance with the FMLA, the FEHA, the PDL, and to inform employees and managers of their responsibilities in requesting or providing such leaves.

## *Provisions*

### **1. Eligibility:**

- a. FMLA: An employee is eligible for leave under the FMLA if the employee:
  - i. Has been employed by OCERS for at least twelve months; and
  - ii. Has worked at least 1250 hours during the 12-month period immediately preceding commencement of the leave
- b. PDL: An employee is eligible for pregnancy disability leave upon the commencement of employment.

### **2. Leave Entitlement**

- a. FMLA: An employee who is Disabled by Pregnancy, childbirth or related medical condition may take up to 12 workweeks of leave during a 12-month period.
- b. PDL:
  - i. An employee who is Disabled by Pregnancy, childbirth or related medical condition is entitled to up to four months (17-1/3 weeks) of leave under PDL. Up to twelve (12) workweeks of this time is concurrently counted as leave under FMLA but is not counted as leave under California Family Rights Act (CFRA) (See OCERS Family and Medical Leave Policy). An employee who has taken PDL is entitled to an additional twelve (12) workweeks under CFRA for other family and medical leave purposes such as taking care of the newborn child within the first year of birth.
  - ii. An employee affected by pregnancy or a related medical condition is eligible to transfer to a less strenuous position (if one is available) or to be given a reasonable accommodation, if such a transfer or accommodation is based on the advice of the Health Care Provider.

### **3. Notice of Need for Leave:**

- a. Employee's Obligations:
  - i. An employee must provide OCERS with at least 30 calendar days' advance notice of the date on which a PDL leave, transfer, or reasonable accommodation will

begin. If an employee does not have advance notice, that employee must notify OCERS of the need for leave as soon as practicable. Failure to comply with this provision may result in the delay of a leave, an accommodation, or a transfer but under no circumstances shall it result in the delay of such a request if doing so would endanger an employee's health or pregnancy. In addition, if the need for leave, transfer or an accommodation results from an emergency or is otherwise unforeseeable, the leave, transfer or accommodation will not be denied simply because an employee failed to provide advance notice.

- b. OCERS Obligations: Any OCERS manager or supervisor who receives notice that an employee may need time off for a PDL qualifying reason must immediately notify Human Resources. Human Resources will provide to the employee information regarding rights under PDL and will determine whether the employee is eligible for leave.

#### **4. Leave Designation**

- a. Upon an employee's request for PDL leave, transfer, or reasonable accommodation, the Director of Human Resources will inform the employee within five (5) business days whether the employee is entitled to the leave, transfer or accommodation. If the Director of Human Resources determines that the employee is not eligible, the employee will be informed of the reasons for ineligibility, including any additional information required from the employee. The employee may appeal the decision to the Director of Human Resources within 15 days of notice of the denial. Upon receipt of an appeal, the Director of Human Resources shall provide the appeal to the Chief Executive Officer or to the Chief Executive Officer's designee for final determination.
- b. OCERS is responsible for designating time off work, paid or unpaid, as FMLA/PDL leave, and for giving the employee notice of whether the time off has been designated as FMLA/PDL leave or not. OCERS may conditionally designate time off work as FMLA/PDL leave pending receipt of appropriate medical certification and eligibility determination.
- c. If OCERS learns that an employee's absence was for a FMLA/PDL leave-qualifying purpose after the absence has begun, OCERS may, in its discretion, retroactively designate the entire absence or some portion of the time off work as FMLA/PDL leave, to the extent that the period qualified as FMLA/PDL leave, and as long as a late designation did not cause an employee to take leave she would not have taken if the employee had known the leave would be counted against the employee's FMLA/PDL entitlement.
- d. An eligible employee who takes a leave for an FMLA/PDL leave-qualifying reason cannot avoid having the time counted against the employee's FMLA/PDL entitlement by stating he/she does not want it considered as FMLA/PDL leave.

#### **5. Medical Certification**

- a. An employee requesting PDL leave, a transfer, or a reasonable accommodation must provide OCERS with a written medical certification from the employee's Health Care Provider.
- b. The medical certification from the treating Health Care Provider must state that the employee needs a period of leave, a transfer, a reasonable accommodation, Intermittent Leave, or a reduced work schedule due to a pregnancy disability, childbirth or a related

medical condition. The medical certification should also set forth the duration of said leave, transfer or reasonable accommodation.

- c. An employee must obtain the treating Health Care Provider's medical certification and submit it to OCERS within 15 calendar days of OCERS's request for the medical certification, unless there are extenuating circumstances that make this impracticable despite the employee's diligent, good faith efforts or if OCERS provides additional time. Untimely submission of a medical certification may result in denial of FMLA/PDL protection for the employee's absence, making the absence subject to OCERS' Attendance Policy.
- d. An employee must provide a complete and sufficient medical certification to OCERS. If complete and sufficient medical certification is not provided, OCERS will grant the employee seven (7) calendar days to cure the deficiency. If an employee fails to provide appropriate medical certification within the time limits, OCERS may deny FMLA/PDL protection for the employee's absence and may impose penalties pursuant to the Attendance Policy or deny the employee reinstatement to work.
- e. Recertification by the treating Health Care Provider may be required every thirty (30) calendar days in connection with an employee's leave, transfer or reasonable accommodation, unless the following applies:
  - v. If the medical certification indicates that the minimum duration of the condition is more than 30 calendar days, OCERS may request recertification when that minimum duration expires;
  - vi. OCERS may request recertification in less than 30 calendar days if the employee requests an extension of leave; there has been a significant change in circumstances, such as the duration or frequency of the absences or the severity of the condition; or OCERS receives information that casts doubt on the employee's stated reason for the absence.
- f. The employee may be required, at OCERS' expense, to obtain the opinion of a second and third Health Care Provider supporting the need for PDL leave due to a pregnancy disability, childbirth or a related medical condition affecting the employee.
- g. The Genetic Information NonDiscrimination Act of 2008 (GINA) prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as specifically allowed by GINA (e.g., to certify the need for leave for family member's serious health condition). To comply with this law, OCERS requests that you and your Health Care Provider omit any genetic information when responding to a request for medical information or a certification. "Genetic Information" as defined by GINA includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

## **6. Extending Leave**

- a. If an employee's initial request for PDL leave was less than the four months (17-1/3 weeks) permitted under the law, and it becomes necessary to extend the leave,

the employee can request an extension of the PDL leave. OCERS must be notified as soon as the employee has knowledge of the need, but not later than two (2) business days before the anticipated return to work date, where the need for an extension is foreseeable. The employee must provide a Health Care Provider's recertification within 15 calendar days of OCERS' request, if practicable.

- b. If an employee has taken the entire four months (17-1/3 weeks) PDL leave permitted under the law and still needs additional leave, the employee can request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as the need is identified, but not later than two (2) business days before the anticipated return to work date, where the need for an extension is foreseeable. The employee must provide a Health Care Provider's recertification within 15 calendar days of OCERS' request, if practicable.
- c. Upon expiration of the time needed for PDL leave as set forth in any medical certification or a recertification, the leave will automatically terminate and the employee will be expected to return to work, unless OCERS has approved additional non-PDL leave. If an employee fails to return to work within three (3) days after the approved PDL leave or other approved leave expires, the employee may be subject to the penalties imposed by OCERS Attendance Policy up to and including termination.
- d. OCERS may require an employee on leave to report periodically on the employee's status and intent to return to work.

#### **7. Intermittent Leave or Reduced Work Schedule**

- a. Intermittent Leave or a reduced work schedule may be approved with medical certification for an employee's condition related to pregnancy disability, childbirth, or a related medical condition.
- b. For Intermittent Leave or leave on a reduced work schedule, there must be a medical need for leave and it must be that such medical need can be best met through an intermittent or reduced leave schedule. OCERS may request that the treating Health Care Provider verify that an employee's pattern of absences is consistent with the need for the Intermittent Leave.
- c. When an employee takes leave on an intermittent or reduced leave schedule, only the amount of leave actually taken is counted toward the four months (17-1/3 weeks) of leave to which an employee is entitled.
- d. An exempt employee on PDL leave with medical certification stating the need to work reduced hours may have his or her salary reduced proportionately for the hours not worked. Employees may substitute accrued annual leave benefits to avoid the loss of pay.

#### **8. Compensation and Benefits Continuation during PDL Leave**

- a. An employee may elect, at his or her option, to use accrued annual leave during PDL leave.
- b. OCERS will maintain health care benefits while an employee is on PDL leave, whether it is paid or unpaid for a maximum of four months (17-1/3 weeks). Benefits coverage may be extended because the employee is also entitled to additional leave under other OCERS-approved leaves.

- c. If an employee exhausts all eligibility for continuation of OCERS-paid health care benefits, the employee may extend those benefits at the employee's own expense through COBRA.

## **9. Coordination with Other Leaves**

- a. FMLA and CFRA leave will run concurrent with all other paid and unpaid family and medical-related leaves when determining the maximum duration of the leaves. However, CFRA leave does not run concurrently with PDL.

## **10. Return from Leave and Reinstatement**

- a. OCERS encourages employees returning from leave to provide his or her manager with at least fourteen (14) calendar days advance notice of the date on which he/she intends to return to work. OCERS requires reasonable notice, which is typically two (2) business days, if there is a change in the date on which the employee will be ready and able to return to work. If the employee provides less notice of the intended return to work, OCERS may delay the date on which it reinstates the employee in order to allow two (2) business days in which to make arrangements, such as scheduling adjustments, for the employee's return to work.
- b. If an employee's PDL leave exceeded 14 days, the employee will be required to submit a medical certification from the employee's Health Care Provider at or before the date of return to work, indicating that the employee is fit to return to work either with or without work restrictions. Delay in providing a certification may result in OCERS delaying the employee's return to work until such time as the certificate is obtained; if the employee fails or refuses to provide a return to work certification, OCERS may deny reinstatement and terminate employment.
- c. Upon return from PDL leave, an employee will be reinstated to the same position held prior to commencing leave or to a comparable position. If, however, employment in that position would have ceased even if PDL had not been taken (e.g., limited term positions), the employee will not be returned to the same position following PDL. An employee returning from PDL whose employment would have ceased even if PDL had not been taken may be placed in a comparable position with equivalent benefits, pay and other terms and conditions of employment, depending upon the reason why employment would not have continued had the employee remained in active employment. Such placement in a comparable position should occur on the agreed upon date the employee was to return from PDL. If no return date had been agreed to, it should occur within two (2) business days of the notice of return. If not possible within two (2) business days, then the employee should be returned to a comparable position as soon as possible. If a comparable position for the returning employee is available within 60 calendar days following the scheduled return date, then reinstatement to the comparable position must occur. During this 60-day period, the employee will be notified of all comparable positions that are available; however, the employee must be qualified to perform the job duties of the comparable position. Employees whose leave extended beyond PDL under other available leaves, such as CFRA, may be returned to a comparable position in accordance with policies applicable to such other available leaves.
- d. An employee's use of PDL leave will not result in the loss of any employment benefit that the employee earned or was entitled to before commencing PDL leave.

- e. An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the PDL leave period.

#### **11. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Family and Medical Leave Act of 1993 and applicable California leave laws. An employer is prohibited from interfering with an eligible employee's right to take an FMLA, CFRA, or PDL leave or discriminating or retaliating against an employee for taking such a leave or for involvement in any proceeding under or relating to the FMLA, CFRA, or PDL.
- b. An employee may file a complaint with the U.S. Department of Labor, the U.S. Equal Employment Opportunity Commission or the California Department of Fair Employment and Housing, or may bring a private lawsuit against an employer for failure to comply with the FMLA, CFRA, or PDL.

#### ***Related Topics***

1. OCERS Family and Medical Leave Policy
2. OCERS Attendance Policy
3. OCERS Authorized Unpaid Leaves of Absence

# Lactation Policy

## *Policy Statement*

OCERS wishes to provide employees who desire to express breast milk while at work with a private and comfortable space to do so.

## *Purpose*

The purpose of this policy is to comply with state and federal law regarding lactation and lactation accommodations in the workplace.

## *Provisions*

### **1. Lactation Accommodation**

- a. Employees who wish to express breast milk while at work will be given the opportunity to do so. All such requests should be made to Human Resources.
- b. A private area that is shielded from view and intrusion from co-workers and the public will be provided to an employee who wishes to express breast milk. When an employee has a private office, it may be used for this purpose.
- c. California and Federal laws provide employees the right to break time to express breast milk. In accordance with this law, OCERS will provide reasonable break time for an employee to express breast milk. The break time is available each time the employee has a need to express breast milk.
- d. Exempt Employees may express milk during work time each time the employee has a need to do so.
- e. Non-Exempt Employees may express breast milk during work time each time the employee has a need to do so. When a Non-Exempt employee uses a normal rest period to express breast milk, the time will be paid. If a Non-Exempt employee uses time in addition to a normal rest period to express breast milk, that additional time may be unpaid.

### **2. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the Americans with Disabilities Act (ADA) and the Fair Employment and Housing Act ("FEHA"). An employer is prohibited from discriminating or retaliating against an employee for exercising their rights under these acts.
- b. An employee may file a complaint with the U.S. Equal Opportunity Commission or the California Department of Fair Employment and Housing.

## *Related Topics*

OCERS Family and Medical Leave Policy

## Leave of Absence with Pay Policy

### *Policy Statement*

OCERS provides eligible employees a leave of absence with pay.

### *Purpose*

The purpose of this policy is to specify the circumstances under which an employee may be granted a leave of absence with pay.

### *Provisions*

#### **Eligibility:**

1. The Chief Executive Officer may authorize an employee to be absent with pay from his or her regular work area for reasons other than physical or mental illness for a period of time not to exceed six (6) months if the Chief Executive Officer finds that such absence:
  - a. Contributes to the employee's effectiveness in his or her assigned duties and responsibilities; or
  - b. Contributes to the functions and goals of OCERS; or
  - c. Is necessary for other reasons.
2. An employee may not be absent with pay from his or her regular work area in excess of (a) 120 regular scheduled working days or (b) six (6) months without the approval of the Board of Retirement.



# Authorized Unpaid Leaves of Absence Policy

## *Policy Statement*

OCERS provides eligible employees leaves of absence without pay under limited circumstances in addition to Family, Medical, and Pregnancy leave.

## *Purpose*

The purpose of this policy is to describe the process for an employee to request a leave of absence without pay.

## *Provisions*

### **1. Departmental leave**

- a. Employees may request a departmental leave for a period of time not to exceed 15 calendar days. Departmental leaves shall be without pay.
- b. The grant of a departmental leave shall be at the sole discretion of OCERS; and department head.
- c. An employee who is granted departmental leave is required to use all of his or her Annual Leave hours and unused compensatory time prior to commencing a departmental leave.
- d. An employee who leaves OCERS employment and is re-employed by OCERS within 15 calendar days shall be deemed to have been on departmental leave for such period of time.

### **2. Official leave**

- a. An employee may request an official leave of absence for a period of time not to exceed one (1) year. Such a leave may be authorized only after an employee's completion of departmental leave and after all unused compensatory time and Annual Leave balances have been exhausted. Official leaves shall be without pay.
- b. An official leave may be extended for up to an additional year.
- c. The grant or extension of an official leave shall be at the sole discretion of OCERS and OCERS' CEO.
- d. An employee on official leave shall provide OCERS with at least two (2) weeks' notice of his or her intended return to work date. OCERS shall not be required to return an employee to work absent such notice, but OCERS may waive or reduce the notice period at its sole discretion.

### **3. Non-Occupational Disability Leave**

- a. An employee may request a non-occupational disability leave of absence for a period of time not to exceed six (6) months for a non-occupational disability.
- b. To be eligible for a non-occupational disability leave, an employee must:
  - i. Provide OCERS with a medical statement certifying that the employee is disabled and unable to return to work, and specifying an expected return to work date;

- ii. Use all accrued annual leave and compensatory time prior to beginning the Leave and,
- iii. Have been paid by OCERS for at least 6,240 regularly scheduled hours prior to the beginning of the leave unless otherwise required by law.
- c. An employee who desires additional leave after exhaustion of the non-occupational disability leave, may request an official leave of absence.
- d. Unless otherwise required by law, an employee shall not be entitled to more than one (1) non-occupational disability Leave in a 12 month period.

#### **4. Procedure for Requesting a Leave Without Pay**

- a. An employee must submit a request for a leave without pay or an extension of an existing leave in writing to his Director of Human Resources and to his or her supervisor. The request must state the general reason for the leave request or for an extension of an existing leave (e.g., medical, family, educational pursuits, etc.).
- b. Upon receipt and review of the request, the Director of Human Resources will inform the employee in writing whether the leave request is granted, modified, or denied.
- c. If a request for leave is modified or denied, the employee may appeal the decision to the CEO (or the CEO designee) within 15 days of notice of the denial or modification.
- d. An employee who fails to return to work for three (3) consecutive days after the expiration or extension of authorized leave, will be considered to have abandoned his or her job and to have voluntarily resigned, unless a reasonable excuse is offered and accepted by the Chief Executive Officer.

#### ***Related Topics***

- 1. OCERS Family and Medical Leave Policy
- 2. OCERS Pregnancy Leave Policy
- 3. OCERS Annual Leave Policy
- 4. OCERS Compensatory Time Policy

# Military Related Leaves of Absences Policy

## *Policy Statement*

Military Leaves of absence are granted to eligible employees who are absent from employment in order to perform duty on either a voluntary or involuntary basis in the United States Uniformed Services, the California National Guard, or the reserves. OCERS intends to administer this policy in accordance with all applicable state and federal laws as amended.

## *Purpose*

The purpose of this policy is to set forth the rights and responsibilities of military service members for military leave. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

## *Provisions*

### **1. Military Leave**

- a. **Eligibility:** Federal and state mandated-military leaves of absence are granted to members of the United States Uniformed Services, the California National Guard, or the reserves. To be eligible, you must submit written verification from the appropriate military authority. Such leaves will be granted in accordance with state and federal law.
- b. **Pay:** An employee who has been employed with OCERS for a year prior to the commencement of a military leave is entitled to receive their regular pay for 30 days following the commencement of a military leave.
- c. **Benefits:** When an employee goes on Military Leave for more than 30 days, any applicable group insurance (existing provisions will apply) continues for 90 days following the commencement of unpaid Military Leave. Beyond the 90 days, the employee may elect to continue the same group health care coverage, including dependent coverage, if applicable, for up to 24 months at his or her own expense.
- d. **Use of Annual Leave:** An employee may elect to use earned Annual Leave at the beginning of unpaid military service or may retain earned and accrued Annual Leave for use upon return from the leave. The employee must provide this request/election in writing to his or her supervisor prior to the start of the military leave.
- e. **Reinstatement:** At the conclusion of military service, an employee will be reinstated upon giving notice of his or her intent to return to work by either (1) reporting to work or 2) submitting a timely oral or written request to OCERS for reinstatement within ninety (90) days after his or her release from active duty or any extended period required by law. The Military Leave will expire upon the employee's failure to request reinstatement or return to work in a timely manner after conclusion of service.
  - i. **Reinstatement Procedure**
    1. An employee must give advance verbal or written notice of military service in order to be eligible for reemployment rights and benefits upon completion of military service, unless giving notice is precluded by military necessity or circumstances that make it impossible or unreasonable to give such notice. The advance notice should be given as soon as the employee knows of the military service dates and the

employee should submit to the supervisor a copy of the military orders, if available, regarding the dates and duration of the leave.

2. An employee returning from military service of less than 31 days' duration must report to work not later than the beginning of the second full regularly scheduled work period on the first calendar day following completion of service unless doing so is impractical.
3. An employee returning from military service of more than 30 days' duration must submit a request for reemployment:
  - a. No later than 14 days after the completion of service of less than 181 days.
  - b. No later than 90 days after completion of service of more than 180 days.
4. An employee who requests reemployment must provide, at OCERS' request, information to confirm the timeliness of the request, the length of military service, and that discharge from the service was not disqualifying.

ii. Position upon Reemployment

1. If the military service was less than 91 days, the individual will be promptly reemployed in the following order of priority:
  - a. In the position he or she would have attained with reasonable certainty if continuously employed without the interruption of military service.
  - b. However, if the individual is not qualified to perform the duties of such position after reasonable training efforts by the Employer, reinstatement will be to the same position the person held on the date of commencement of military service.
  - c. If an individual returning from military service is not qualified to perform any of the positions described above, the individual will be reinstated to any other position that is the nearest approximation to one of those positions which the person is qualified to perform.
2. If the military service was more than 90 days, the individual will be promptly reemployed in the following order of priority:
  - a. In the position he or she would have attained with reasonable certainty if continuously employed without the interruption of military service or a position of like Seniority, status, and pay;
  - b. However, if the individual is not qualified to perform the duties of either such position after reasonable training efforts by the Employer, reinstatement will be to the same position the person held on the date of commencement of military service, or a position of like Seniority, status and pay.

- i. Determinations of status are based on applicable collective bargaining agreements, employer policy, or employer practices and could include opportunities for advancement, general working conditions, job location, shift assignment, rank, responsibility and geographical location.
    - ii. If an individual returning from military service is not qualified to perform any of the positions described above, the individual will be reinstated to any other position that is the nearest approximation to one of those positions which the person is qualified to perform.
  3. If, due to a military related disability or aggravation of a disability, an individual is unable to perform the job he or she would have attained if continuously employed, and if reasonable efforts to accommodate the disability fail, the individual will be reinstated to any other position which he or she is qualified or could reasonably be qualified to perform that is equivalent in Seniority, status, and pay. If there is no such position, the individual will be reemployed in a position which is the nearest approximation in terms of Seniority, status, and pay.

iii. Rights and Benefits upon Reemployment

1. Upon reemployment after returning from military service, the individual is entitled to the Seniority, status and rate of pay, and any other rights and benefits determined by Seniority, that he/she would have attained with reasonable certainty had the individual remained continuously employed. The rate of pay must be determined by taking into account any pay increases, differentials, step increases, merit increases, or periodic increases that would have been attained with reasonable certainty had the employee remained continuously employed.
2. Employees serving in the military are treated as if they are on a leave of absence and are entitled to the same rights and benefits not based on Seniority as are provided to employees on non-Military Leaves of absence.
3. Employees are entitled to be reinstated in the Employer's health plan upon reemployment even if they did not elect to continue coverage during the leave of absence. Generally, reinstatement will be without any waiting periods or preexisting condition limitations, except for service-related illnesses or injuries.
4. During any portion of Military Leave that is unpaid for more than (30) days, the employee ceases to earn or accrue Annual Leave. Earnings or accrual resumes on the employee's date of return from Military Leave. The accrual rate upon return is the rate that would have been attained if the employee had remained continuously employed.
5. An employee returning from a period of military service of 31 to one hundred eighty (180) days may not be discharged without cause for a

period of six (6) months after reemployment. An employee returning from a period of service which exceeds 180 days may not be discharged without cause for a period of 12 months after reemployment.

6. Military service will not be considered a break in employment service for purposes of applicable pension plans, and military service will be considered service with the Employer for vesting and pension benefit accrual purposes.

## **2. California Civil Air Patrol Leave (AB 485)**

- a. **Eligibility:** An employee with at least ninety 90 days of employment and who is a volunteer member of the California Wing of the Civil Air Patrol (“CAP”), a civilian auxiliary of the U.S. Air Force, is eligible for Civil Air Patrol Leave.
- b. **Leave Entitlement:** An eligible employee is provided up to 10 days per calendar year, with a three (3)-day limit per emergency.
- c. **Qualifying Reasons:** The employee is covered only when he or she is called to respond to “an emergency operational mission.” This likely includes search and rescue missions and disaster relief efforts, but not non-emergency duties.
- d. **Notice:** The law requires the employee to provide as much notice as possible of the intended dates upon which the leave would begin and end.
- e. **Certification:** To be eligible for the leave, the employee must provide documentation of the need for the leave.
- f. **Paid or Unpaid Time Off:** An employee may elect, but is not required to use earned annual leave while on CAP Leave. If the employee wishes to use paid time off, the employee may be required to provide a written request to his or her manager at the time the leave is requested.
- g. **Return from Leave and Reinstatement:** An employee who takes CAP Leave will be restored to the position he or she held when the leave began.

## **3. Compliance with the Law**

The provisions stated in this policy are subject to such other terms and conditions as are provided in the Military and Veterans Code, the Uniformed Services Employment and Reemployment Rights Act (USERRA) and California law (e.g., the California Military and Veterans Code).

- a. Exceptions to this policy will occur whenever necessary to comply with applicable laws.
- b. State and federal law prohibit employers from discharging or otherwise discriminating against an employee because he or she is a member of the state or U.S. military or is ordered to duty or training.

## ***Related Topics***

1. OCERS Family and Medical Leave of Absence Policy
2. OCERS Attendance Policy
3. Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)
4. Veteran Benefits Improvement Act of 2004

5. California Civil Air Patrol Leave
6. Military and Veterans Code, Sections 395 et seq.

# Military Family Leave Policy

## *Policy Statement*

OCERS grants eligible employees leave to care for a covered service member with a serious injury or illness and/or military exigency leave to tend to issues that arise due to a covered military member's active status. OCERS intends to administer this policy in accordance with all applicable state and federal laws, as amended.

## *Purpose*

The purpose of this policy is to set forth the rights and responsibilities of employees seeking military caregiver leave or military exigency leave. Exceptions to this policy will occur whenever necessary to comply with applicable laws.

## *Provisions*

### **1. Military Caregiver Leave**

- a. Employees eligible for leave under the Family and Medical Leave Act ("FMLA" – see OCERS Family and Medical Leave Policy) may take up to 26 workweeks of FMLA leave during a "single 12-month period" to care for a covered service member with a serious injury or illness. The "single 12-month period" begins on the first day the employee takes military caregiver leave and ends 12 months after that date.
- b. In order to be eligible for military caregiver leave, an employee must be the spouse, son, daughter, parent, or next of kin of a covered service member.
  - i. A son or daughter means the covered service member's biological, adopted, or foster child, stepchild, legal ward, or a child for whom the covered service member stood in loco parentis, and who is of any age.
  - ii. A parent means a covered service member's biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the covered service member. This definition does not include parents "in law."
  - iii. The next of kin of a covered service member is the nearest blood relative, other than the covered service member's spouse, parent, son, or daughter.
- c. A covered service member includes:
  - i. A current member of the Regular Armed Forces, National Guard or Reserves who is undergoing medical treatment, recuperation, therapy, is in outpatient status or on the temporary disability retired list, for a serious injury or illness incurred in the line of active duty; and
  - ii. A veteran who has left military service (regular Armed Services, National Guard or Reserves) at any time during the five-year period prior to the first date the employee takes FMLA leave to care for the veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness that the veteran incurred in the line of active duty, and that manifested itself before or after the service member became a veteran.



- d. A serious injury or illness is one that is incurred in the line of duty while on active duty, or that existed before the service member's active duty, but which was aggravated by service in the line of duty while on active duty, and that:
  - i. May render the service member medically unfit to perform the duties of his or her office, grade, rank or rating; or
  - ii. Is a physical or mental condition for which the veteran received a U.S. Department of Veterans Affairs Service-Related Disability Rating of 50% or higher; or
  - iii. A physical or mental condition that substantially impairs the veteran's ability to secure or follow gainful employment; or
  - iv. An injury, including a psychological injury, for which the veteran has been enrolled in the VA's program of Comprehensive Assistance for Family Caregivers.
- e. Military caregiver leave applies on a per-covered service member, per-injury basis such that an eligible employee may be entitled to take more than one period of twenty-six (26) workweeks of leave if the leave is to care for different covered service members or to care for the same service member with a subsequent serious injury or illness, except that no more than 26 workweeks of leave may be taken within any single 12-month period.
- f. Entitlement to military caregiver leave is in addition to FMLA leave for other covered reasons. However, if an employee requires time off during a single 12-month period for leave as a caregiver for an injured service member and also for a different qualifying reason (for example, birth/adoption of a child, or the employee's own serious health condition), the maximum amount of time off for all types of FMLA leave during that 12-month period is 26 weeks. In no event may an employee take more than twenty-six (26) weeks of FMLA leave in a single twelve 12-month period, regardless of the reason(s) for the leave.
- g. If a husband and wife are both employed by OCERS and take military caregiver leave, they are limited to a maximum combined total of 26 weeks for all types of FMLA leave.

## **2. Military Exigency Leave**

- a. FMLA-eligible employees may take up to 12 workweeks of FMLA leave while the employee's spouse, son, daughter or parent (the "covered military member") is on active duty or call to active duty status. Military exigency leave does not extend to family members of service members called to active duty by a State.
- b. "Covered military members" are 1) members of the Reserves and/or National Guard who are called to active duty in connection with a national emergency, or a military action, operation, or hostilities outside the U.S., and 2) members of the regular Armed Forces who are deployed to an assignment outside the U.S.
- c. Military exigency leave may be taken for one or more of the following qualifying exigencies:
  - i. To address any issues that arise when there is short-notice of seven (7) calendar days or less prior to the date of deployment. Leave taken for this purpose can be used for a period of seven calendar days beginning on the date the covered military member is notified of an impending call or order to active duty.

- ii. To attend to childcare and school activities pertaining to the covered military member's child.
  - iii. To attend to financial and legal arrangements for the covered military member.
  - iv. To attend counseling that is needed due to the covered military member's active duty or call to active duty.
  - v. To spend time with a covered military member who is on short-term, temporary, rest and recuperation leave during the period of deployment. Eligible employees may take up to 15 days of leave for each instance of rest and recuperation.
  - vi. To attend post-deployment activities during the period of 90 days following the termination of the covered military member's active duty status or to address issues that arise from the death of a covered military member while on active duty status.
  - vii. To provide care for the covered military member's parent who is incapable of self-care by arranging alternative care when a change in the existing care arrangement is needed; caring for the parent on an urgent, immediate need basis; admitting or transferring the parent to a care facility; and attending meetings with staff at a care facility.
  - viii. To address other events that arise out of the covered military member's active duty or call to active duty status provided that OCERS and the employee agree that such leave qualifies as an exigency, and agree to both the timing and duration of such leave.
- d. Military exigency leave is an additional qualifying reason for FMLA leave and may be taken along with other qualifying reasons for FMLA (e.g. birth/adoption of a child, care for a covered family member with a serious health condition, the employee's own serious health condition). However, the maximum time off during any 12-month period for FMLA leave for any reason or combination of reasons (except military caregiver leave) is 12 weeks.

### **3. Extending Leave**

- a. If an employee's initial request for Military Caregiver leave or Military Exigency leave is less than the 26 weeks or 12 weeks, respectively, permitted under the law, and the employee needs to extend his or her leave, he/she can request an extension of the Military Caregiver leave or Military Exigency leave. The employee must notify OCERS as soon as he/she has knowledge of the need, but not later than two business days before the anticipated return to work date, where the need for an extension is foreseeable.
- b. If an employee has taken the entire 26 weeks or 12 weeks of the Military Caregiver leave or Military exigency leave, respectively, permitted under the law and still needs additional leave, he/she can request additional leave under the Authorized Unpaid Leaves of Absence Policy. The employee must notify OCERS as soon as he/she has knowledge of the need, but not later than two (2) business days before the anticipated return to work date, where the need for an extension is foreseeable.
- c. Upon expiration of the time approved for Military Caregiver leave, Military Exigency or any other authorized unpaid leave, the leave will automatically terminate and the

employee will be expected to return to work. If an employee fails to return to work within three (3) days after the approved Military Caregiver leave, Military Exigency leave, or any other approved leave expires, the employee may be subject to the penalties imposed by OCERS Attendance Policy up to and including termination.

#### **4. Compliance with the Law**

- a. The provisions stated in this policy are subject to such other terms and conditions as are provided in the Uniformed Services Employment and Reemployment Rights Act (USERRA) and California law (e.g., the California Military and Veterans Code).
  - i. Exceptions to this policy will occur whenever necessary to comply with applicable laws.
  - ii. State and federal law prohibit employers from discharging or otherwise discriminating against an employee because he/she is a member of the state or U.S. military or is ordered to duty or training.

#### ***Related Topics***

1. OCERS Family and Medical Leave of Absence Policy
2. OCERS Attendance Policy
3. Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)
4. Veteran Benefits Improvement Act of 2004
5. California Civil Air Patrol Leave
6. CA AB 2500 (2010), Business and Professions Code §§ 114, 114.5

# Catastrophic Leave Donation Policy

## *Policy Statement*

OCERS participates in a catastrophic leave program that provides a means for leave balance replacement for eligible employees after 14 day unpaid leave of absence. This program permits limited individual donations of vacation, annual leave, PIP and/or compensatory time to an employee who is required to be on an extended unpaid leave due to a catastrophic medical condition or other serious circumstances.

## *Purpose*

The purpose of this policy is to provide employees with an opportunity to donate vacation, annual leave, PIP and/or compensatory time hours to a co-worker under certain circumstances.

## *Provisions*

### **1. Eligibility**

An employee is eligible for catastrophic leave donations when:

- a. An illness or injury is serious and incapacitates the employee or a family member.
- b. The employee has exhausted all leave accruals; and
- c. The employee is or will be absent from work for at least 14 days on an unpaid leave of absence

### **2. Donated Hours**

Employees may donate vacation, annual leave, PIP or Compensatory time to the eligible employee. Donations must be a minimum of two (2) hours, but cannot exceed 24 hours per donating employee. Donations must be made in whole hour increments.

### **3. Official Leave of Absence**

An employee on a leave without pay at the time he/she receives a Catastrophic Leave donation will be treated as if the employee is on an Official Leave of Absence for purposes of probation and merit increase eligibility.

### **4. OCERS will administer this policy in accordance with the County of Orange Catastrophic Leave Procedures.**

## **Bereavement Leave Policy**

### ***Policy Statement***

OCERS provides bereavement leave to eligible employees who request it.

### ***Purpose***

The bereavement leave policy establishes uniform guidelines for providing paid time off to employees for absences related to the death of immediate family members.

### ***Provisions***

An employee who wishes to take time off due to the death of an immediate family member should notify his or her manager.

Upon request, regular full-time employees may request up to five (5) days of time off with pay to grieve the death of an immediate family member. Part-time employees may request up to 20 hours of time off. For the purpose of this policy, an immediate family member includes father, mother, child, brother, sister, husband, wife, father-in-law, mother-in-law, stepparent, stepchild, stepbrother, stepsister, grandparent, grandchild, Registered Domestic Partner, legal guardian or another family member who lives in the house of the employee.

OCERS Management reserves the right to request proof of death of the immediate family member.

### ***Related Topics***

OCERS' Authorized Unpaid Leaves of Absence Policy

# Voting, Jury, and Witness Duty Policy

## *Policy Statement*

OCERS permits employees to take time off for voting, jury duty, and witness duty.

## *Purpose*

The purpose of this policy is to afford employees time off to vote, and to perform jury duty or serve as a witness.

## *Provisions*

### **1. Time Off for Voting**

- a. Employees who are unable to vote during non-work hours may arrange to take up to two (2) hours off from work to vote in a public election.
- b. Employees must obtain advance approval from their supervisor for time off to vote.

### **2. Jury Duty**

- a. All employees may attend jury duty in accordance with their legal obligations.
- b. Employees should notify their supervisor promptly upon receipt of a summons for jury service. Employees should provide proof of jury service to Human Resources should service be required.
- c. An employee who is called for jury duty or for examination for jury duty shall be compensated at the employee's regular rate of pay for those hours of absence due to the jury duty which occur during the employee's regularly scheduled working hours, provided the employee does not accept the jury fees for such hours of jury duty, exclusive of mileage.
- d. Fees for jury duty performed during hours other than an employee's regularly scheduled working hours may be retained by the employee.
- e. It is the responsibility of each employee to report to work the next business day following the completion of jury service. Failure to do so can result in discipline up to and including termination.

### **3. Witness Duty**

- a. Employees who are required by law to appear in court or at another legal proceeding will be provided time off for that purpose.
- b. Employees should notify their supervisor immediately upon receipt of notice to appear in a legal proceeding.
- c. An employee who is called to answer a subpoena as a witness in a legal proceeding, during the employee's work hours, except where the employee is a litigant as a result of the employee's own misconduct or connivance, shall be compensated at his/her regular rate of pay for all hours of absence from work due to answering the subpoena provided the employee shows proof of such subpoena and does not accept the witness fees for such hours, exclusive of mileage.

- d. Fees for answering a subpoena as a witness during hours other than regularly scheduled working hours may be retained by the employee.

**4. No Retaliation**

No employee shall be retaliated against for taking time off from work for any purpose identified in this policy.

***Related Topics***

OCERS Authorized Unpaid Leaves of Absence Policy

# Extra Help Sick Leave Policy

## *Policy Statement*

Extra Help Employees will be provided with paid time off from work to attend to their own health or the health of their family members.

## *Purpose*

The purpose of this policy is to afford Extra Help Employees with sick leave benefits in accordance with the California Healthy Workplace Healthy Family Act of 2014, or as amended.

## *Provisions*

### **1. Sick Leave Accrual**

- a. Extra Help Employees begin to accrue sick leave upon the first day of employment.
- b. Extra Help Employees will accrue one hour of sick leave for every 30 hours worked.
- c. Extra Help Employees shall accrue a maximum of six (6) days (48 hours) of sick leave.
- d. When an Extra Help Employee's use of sick leave hours reduces the total accrued Sick leave hours below the maximum allowed, the employee will resume accruing sick leave hours again.

### **2. Sick Leave Availability**

Extra Help Employees may begin to use accrued sick leave during the pay period after which the Sick Leave hours were accrued.

### **3. Sick Leave Usage**

- a. Sick leave may be taken in 15 minute increments.
- b. Extra Help Employees may use up to three (3) days or 24 hours of sick leave, whichever is greater, within each calendar year.

### **4. Permissible Uses of Sick Leave**

- a. Sick Leave may be used for the following reasons:
  - i. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee; or
  - ii. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee's family member
    1. "Family member" is defined as an employee's spouse/partner, child, parent, parent-in-law, grandparent, grandchild, or sibling.
  - iii. Sick leave may also be used by a victim of domestic violence, sexual assault, or stalking.

### **5. Procedure for Requesting Foreseeable Sick Leave**

An employee is required to submit a sick leave request to his or her supervisor for approval at least 30 days in advance of the sick day(s). In situations where 30 days' advance notice is not



practical, notification must be made by the employee promptly by phone, voicemail, message, and/or email. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

**6. Procedure for Requesting Unforeseeable Sick Leave**

When a sick leave day is unforeseeable (e.g., illness), employees must report their absence to their supervisor promptly by phone, voicemail message, and/or email. It is the employee's responsibility to ensure that OCERS has been notified regarding their absence.

**7. Sick Leave Upon Reinstatement with OCERS**

Extra Help Employees who leave OCERS' employ for any reason and are re-hired as an Extra Help Employee within one (1) year of separation from OCERS will be credited with any unused sick leave hours that employee had accrued as of the date of his or her departure. The unused sick leave hours will be available for use beginning the second pay period after which the employee was re-hired.

**8. Compliance with Applicable Law**

This policy and all of its provisions are subject to such other terms and conditions as are provided under California law.

This chapter contains the following policies related to personnel benefits:

- Introduction to Benefits
- Employee Health Benefits
- Annual Leave (Paid Time Off)
- Holidays
- Additional Employee Benefits
- Defined Contribution Program
- Retirement Benefits
- Retiree Medical Benefit

## Introduction to Benefits

This section of the Employee Handbook is designed to acquaint employees with some of the significant features of the benefits offered by OCERS. However, more detailed information is set forth in the official plan documents and insurance policies that govern the plans. Accordingly, if there is any actual apparent conflict between the summaries or descriptions contained in OCERS' policies and the terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents will control. Employees who wish to inspect those documents may contact Human Resources for that purpose.

In addition, while it is OCERS' present intention to continue these benefits, OCERS reserves the right, to modify, curtail, reduce or eliminate any benefit, in whole or in part, either with or without notice. Finally, neither the benefit programs nor their descriptions are intended to create any guarantees regarding employment or continued employment. Unless otherwise noted in these policies, employment relationships are for an indefinite term and are terminable at will, whether at the option of the employee or the employer.

## Employee Health Benefits

### *Statement*

OCERS provides eligible employees and their eligible dependents the opportunity to enroll in health benefit plans administered by the County of Orange Benefits Department.

Please note that the information in this section is subject to change. If you have any questions you should consult with an Employee Benefits Representative on the Benefits Resource Line at 1-800-858--7266 or go to the Benefits Center Site at <https://countyoforange.iselect.com>

### *Purpose*

OCERS offers health plans to all regular and probationary employees and their eligible dependents in compliance with the Patient Protection and Affordable Care Act (PPACA), commonly called the Affordable Care Act (ACA).

### *Provisions*

1. Health insurance is available to OCERS' employees, with eligible dependent coverage. OCERS pays a portion of an employee's health insurance premium and dependent coverage premiums. OCERS will continue to share the cost of such health insurance premiums as provided in the Health Plan Rate Schedule adopted by, and as modified by, the County of Orange, Board of Supervisors.
2. OCERS will pay the full cost of employee and dependent coverage for two full-time OCERS employees who are married to each other and enrolled in the same County health plan. Two married full-time employees enrolled in the same health plan must be enrolled as employee married to employee and may work for any agency or department that share the same Orange County Benefit plan number.
3. OCERS shall continue to pay health insurance premiums for an employee who is on an approved Family Leave and Medical Leaves of Absence and Pregnancy Disability Leave as required by applicable law.
4. New eligible employees will be enrolled in the health plan of their selection effective the first day of the month following the first 30 days of employment. Eligible full-time employees failing to elect a plan will be enrolled in the Wellwise Health Plan, employee only coverage. Eligible part-time employees failing to elect a plan will be enrolled in the Sharewell Health Plan, employee only coverage.
5. Terminated employees and their eligible dependents will continue to be eligible for health plan benefits they are enrolled in until the last day of the calendar month in which they terminate employment.
6. The County of Orange Benefits Department will provide for an open enrollment period once each Fiscal Year for employees and employees' dependents to change their enrollment in a County offered health plan.
7. Employee paid health insurance premiums are paid on a pre-tax basis.

# Annual Leave (Paid Time Off)

## Statement

Annual Leave is a paid time-off benefits program. Accrued hours accrued can be used for any reason, including vacation, illness, doctor's appointments or personal business. Employees are encouraged to take full advantage of available Annual Leave hours on an annual basis.

## Provisions

### 1. General Provisions

- a. Employees begin to earn Annual Leave upon the first day of employment and Annual Leave hours are credited at the end of each pay period.
- b. Annual Leave may be taken in one (1) hour increments.
- c. Annual Leave hours continue to earned while an employee is on approved paid leave of absence.

### 2. Accrual Rates

- a. Annual Leave for full-time employees is earned in each pay period, subject to the limitations set forth in Paragraph 3 below. Employees earn Annual Leave hours based on their years of full-time, continuous service with OCERS. All such employees will earn Annual Leave in accordance with the following schedule up to the maximum set forth in Paragraph 3 below:

YEARS OF SERVICE	APPROXIMATE ACCRUAL RATE PER PAY PERIOD	YEARLY ANNUAL LEAVE ACCRUAL
Less than 3 years	7 hours and 25 minutes	24.5 days
3 years to less than 10 Years	9 hours and 52 minutes	32 days
10 Years +	11 hours and 24 minutes	37 days

- b. For employees beginning their third (3rd) or tenth (10th) years of service, the applicable rate of accrual will become effective commencing with the pay period following that in which an employee completes his or her third (3rd) or tenth (10th) year of service.
- c. Annual Leave accruals for part-time employees will be prorated based on an employee's part-time status (e.g., half time, 75% time).

### 3. Maximum Annual Leave Balance

- a. Accrual of Annual Leave hours shall be limited 640 hours.
- b. If at any point an employee accrues 640 Annual Leave hours, the employee will cease to earn and accrue Annual Leave until the Annual Leave balance falls below 640 hours.

- c. Employees are encouraged to work with their supervisor to plan their use of Annual Leave so that accrual of hours can continue without interruption.
- d. Cessation of Annual Leave accrual could impact retirement benefits for Legacy members.

#### **4. Permissible Uses of Annual Leave**

Annual Leave may be used for any reason, including:

- a. Vacation
- b. Personal business.
- c. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee or an employee's family member (e.g., spouse/partner, child, parent, parents-in-law, grandparents, grandchildren, and siblings). An employee's supervisor may request that the employee provide satisfactory evidence of his or her illness, injury, or medical condition.
- d. For victims of domestic violence, sexual assault, or stalking.

#### **5. Procedure for Requesting Foreseeable Annual Leave**

- a. An employee requesting one or more weeks of time off should submit a request for time off to his or her supervisor for approval at least two weeks in advance of the desired time-off. Exceptions to this requirement may be granted when doing so would not disrupt OCERS' business, when the time-off is due to illness or injury to the employee or family member, or for emergency personal situations.
- b. An employee requesting less than one week of time off should submit a request for time off to his or her supervisor for approval as early as possible prior to the desired time-off.
- c. No scheduled leave shall be cancelled by OCERS except in cases of emergencies.

#### **6. Procedure for Requesting Unforeseeable Annual Leave**

When an absence is unforeseeable (e.g., illness), employees must report their absences to their supervisor as soon as possible by phone, voicemail message, text message, and/or email, but no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding his or her absence.

#### **7. Accrual Payout During Employment**

During each Fiscal Year an employee may request to be paid for accrued Annual Leave in one (1) or two (2) increments up to a total of 120 hours. Executive Employees refer to Terms and Conditions of Employment for Executives Policy.

#### **8. Annual Leave Payout Upon Involuntary or Voluntary Termination of Employment**

Upon termination of employment (i.e., for any reason other than retirement), employees will be paid for their accrued and unused Annual Leave through the date of termination. Annual Leave cannot be utilized to extend the date of termination, except by approval of the CEO. Annual Leave payments are computed on the basis of the salary rate in effect at the time of termination.

#### **9. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided under California law.
- b. For questions about Annual Leave, contact Human Resources.

### ***Related Topics***

1. OCERS Attendance Policy
2. OCERS Pregnancy and Pregnancy Disability Leave Policy
3. OCERS Occupational Leave Policy
4. OCERS Sick Leave Policy for Extra-Help Employees

# Holidays

## *Policy Statement*

OCERS observes legal holidays.

## *Purpose*

The purpose of this policy is to educate the employees regarding the legal holidays observed by OCERS and eligibility for holiday pay.

## *Provisions*

### **1. Holidays Observed**

OCERS observes the following holidays on dates specified by the County of Orange:

- New Year's Day
- Martin Luther King Junior's Birthday
- Lincoln's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving
- Friday after Thanksgiving
- Christmas

### **2. Holidays that fall on Sunday or Saturday**

When holidays listed in Section 1 above fall on a Saturday or Sunday, OCERS will observe the holiday on the date specified by the County of Orange.

### **3. Eligibility for Holiday Pay**

- a. To receive holiday pay, an employee must be paid for all or a portion of both the regularly scheduled working assignments that immediately precede and follow the observed holiday.
- b. A new employee whose first working day is the day after a holiday shall not be paid for that holiday.
- c. An employee who elects paid retirement on a holiday shall be paid for the holiday.



- d. An employee who separates from employment for reasons other than paid retirement and whose last day as a paid employee is the day before a holiday shall not be paid for that holiday.
- e. Extra Help and Temporary employees shall not be eligible for holiday pay.

**4. Holiday Pay**

- a. Compensation for holidays falling on scheduled days off
  - i. When a holiday falls on a full-time employee's regularly scheduled day off, the employee shall receive eight (8) hours compensatory time.
  - ii. A part-time employee shall receive compensatory time at the rate of one (1) hour for each five (5) hours of regularly scheduled work in the workweek to a maximum of eight (8) hours of compensatory time.
- b. Holidays which fall during an employee's annual leave period shall not be charged against the employee's annual leave balance.
- c. With OCERS approval, compensatory time earned for working on a holiday or for a holiday falling on a regularly scheduled day off may be taken on the first scheduled working day after the holiday.

## Additional Employee Benefits

OCERS provides eligible employees and their eligible dependents the opportunity to enroll in benefit plans administered by the County of Orange Benefits Department.

Significant features of the benefit plans OCERS offers to its employees and their dependents, in addition to the Employee Health Benefits, Employee Assistance Program, Retiree Medical Benefit, Retirement Benefits, and Reimbursement Programs are summarized below. Detailed information is set forth in the official plan documents and insurance policies that govern the plans. The provisions of the official plan documents and/or insurance policies will control over any potential conflict raised by the information stated below. Employees that desire to inspect the official plan documents or insurance policies can contact the Human Resources Department or the County of Orange Benefits Center.

### *Provisions*

Additional benefit plans offered to OCERS' employees through the County of Orange Benefits Department include short and long term disability insurance, life insurance, accidental death and dismemberment insurance, and an option for a voluntary annual physical examination.

1. Short-term disability insurance coverage is provided at no cost to the employee to provide sixty (60) percent of salary for up to one (1) year for certified non occupational injury or illness. An employee must exhaust all sick leave or 192 hours of annual leave before the insurance begins. The plan will also provide for continuation of OCERS' share of premiums for health, dental, and life insurance benefits while the employee is on Official Leave for non-occupational disability for up to one (1) year from the effective date of disability.
2. Long-term disability insurance coverage at no cost to the employee to provide up to 60 percent of salary. Enrollment is automatic with the proper documentation if you are receiving short term disability. Once on long-term disability the employee becomes responsible for 100% of the employee and employer portion of health insurance premium(s).
3. Basic Life insurance in the amount of \$100,000 for individuals employed by OCERS will be provided to all full time employees at no cost to the employee regardless of age and without proof of insurability.
4. Accidental Death and Dismemberment insurance in the amount of \$100,000 for individuals employed by OCERS will be provided to all full time employees at no cost to the employee regardless of age and without proof of insurability.
5. Employees will be able to purchase additional life insurance coverage without proof of insurability within 30 days of eligibility. Some levels of additional life insurance coverage, or any additional life insurance coverage purchased after 30 days of eligibility, require proof of insurability. Employees will have the option to purchase additional supplemental life and accidental death and dismemberment coverage including dependent coverage. Such insurance will be subject to the limitations of liability contained in those insurance policies.
6. Voluntary annual physical examinations by a County-designated physician are available at no cost to the employee.
7. OCERS will provide dental insurance to all full time OCERS direct employees and their eligible dependents at no cost to the employee.
8. Optional Benefit Plan

- a. Eligibility – a regular or probationary employee is eligible to receive the optional benefit provided he/she is continuously employed in a regular full-time capacity in a class designated as Executive, Management and/or Professional. Employees hired or promoted after the commencement of a plan will be eligible for the optional benefit on a pro rata basis the first day of the month following the twenty-eighth day in any of the classifications listed above. Employees in eligible classifications who work part-time will be eligible to receive the optional benefit consistent with County Orange policy for part-time employees.
  - b. Each eligible employee shall be entitled to select benefits from those listed below at a cost to OCERS, not to exceed \$3,500 dollars, or \$4,500 dollars for Executives, effective the beginning of each Calendar Year.
  - c. The purpose of the plan is to provide options to individual employees to best meet the needs of themselves and their dependents while: (1) enhancing the employee’s expertise and skills on the job, and/or (2) relieving the employee of external influences which might impair his/her performance.
    - i. The options available may include, Cash (taxable); Professional memberships, licenses and certificates which are job related, professional journals and periodicals which are job related;
    - ii. Health/accident;
      - 1. Health programs (employee and/or dependents) such as physical, mental and/or emotional health related counseling for individual and/or family not covered or partially covered through existing plans;
      - 2. Employee’s share of health insurance premiums (employee and/or dependents). Also includes payment of Accidental Death and Dismemberment coverage for employee and dependents available through the County;
      - 3. Health care and/or dental (employee and/or dependents) excluded or partially excluded under the County’s insurance plans. Examples of items covered under this provision include deductibles, eye care, lenses and frames.
    - iii. The Defined Contribution Plan: a pre-tax contribution to the OCERS Section 457(b) Defined Contribution Plan.
  - d. The County Human Resources Director shall administer the plan in accordance with the stated purpose. Each employee must follow the enrollment instructions prepared by the County Human Resources department. Annual employee designations are irrevocable unless they have a change in family status. For expenses to be eligible, they must be incurred during the plan year.
9. Claims for reimbursement from OCERS shall be made from forms provided by OCERS and submitted to the finance department.

## Defined Contribution Program

### *Statement*

The County of Orange Benefits Department (“Benefits Department”) offers and administers a defined contribution program through Empower Retirement (Formerly known as Great-West).

The significant features of this plan are summarized below.

Executive Employees refer to Terms and Conditions of Employment for Executives Policy.

### *457 Defined Contribution*

The 457 Defined Contribution Program (“The Program”) is a voluntary retirement savings program that allows an employee to contribute a portion of his or her bi-weekly salary into a 457 account. Contributions to the Program are deducted from the employee’s paycheck on a pre-tax basis. This reduces taxable income which lowers your current tax liability. Plus, all of your savings grow tax-free until you remove money from your account. You can remove your money from the 457 account either at retirement or separation of employment. The Program offers a wide variety of professionally managed investment options ranging from conservative to aggressive in risk/return potential. Employees manage their account by choosing to invest their account balance among the investment options at their own risk.

For additional information go to the County of Orange Defined Contribution website.

## Retirement Benefits

OCERS provides retirement benefits to its eligible employees, including service retirement, deferred retirement, disability retirement and survivor benefits.

An overview of the retirement benefits that may be available to employees upon retirement or disability and an overview of potential survivor benefits upon an eligible employee's death are set forth below. For a complete overview of all OCERS' benefits, employees are encouraged to review the Summary Plan Descriptions posted on OCERS' website.

### *Scope/Coverage*

These benefits apply to individuals employed by OCERS as a full-time employee or part-time employees scheduled to work 20 hours per week or more. Part-time employees scheduled to work less than 20 hours per week, extra-help, or independent contractors (or personnel of independent contractors) are not entitled to these benefits. More detailed information is set forth in the official plan documents. In the case of an actual or apparent conflict between the summaries or descriptions contained in any OCERS' policy, terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents will govern.

### *Provisions*

#### **1. Retirement System, Membership**

- a. An employee automatically becomes a member of the OCERS' pension plan on the date he or she commences employment with the County of Orange in an eligible position.
- b. While a member of the pension plan, the employee and OCERS make mandatory contributions to the pension plan. Employees' contributions are made on a pre-tax basis.
- c. Contributions paid to the OCERS' Pension Plan by an employee cannot be withdrawn or borrowed against while the employee continues to be employed.

#### **2. Service Retirement**

An active member of the OCERS' pension plan is eligible for a retirement allowance when he or she meets the minimum age and years of service requirements as set forth in the plan documents. An employee's retirement allowance is based on years of service accrued by plan formula, final average salary, and age at retirement.

#### **3. Deferred Retirement**

If an employee separates employment with OCERS the employee may still be eligible for a retirement allowance from OCERS. The employee may leave his or her contributions on deposit with the Retirement System. If the employee leaves his or her money on deposit the account will continue to earn interest. The employee may then become eligible to elect a retirement benefit from OCERS at a later date. This is called a "Deferred Retirement" allowance.

An employee who separates from employment may receive a Deferred Retirement allowance upon meeting certain eligibility criteria. If an employee has earned five (5) or more years of service credit at the time of his or her separation from employment, he or she is eligible to a Deferred Retirement allowance based on the requirement of their plan formula. Plan J (i.e. 2.7 @55) members are eligible to retire when they would have accrued 10 years of service had they

remained working and are at least age 50. Plan U members (i.e. 2.5 @67) are eligible to retire at age 52. If an employee has earned less than five (5) years of service credit at the time of his or her separation, the employee can a Deferred Retirement allowance at age 70. An employee may also elect to receive a lump sum payment consisting of the accumulated employee contributions and interest in lieu of a monthly retirement allowance.

#### **4. Disability Retirement Benefits**

If an employee becomes permanently incapacitated while employed by OCERS, he or she may be eligible for a Disability Retirement allowance.

##### **a. Nonservice-Connected Disability Retirement:**

Eligibility for a Nonservice-Connected Disability Retirement allowance requires the following:

- i. the employee must have five (5) or more years of service credit,
- ii. the Board of Retirement must determine that the employee is permanently incapacitated, either physically or mentally, from performing the usual duties of any permanent assignment in his or her job classification, and
- iii. the incapacity is not due to a job related illness or injury.

##### **b. Service –Connected Disability Retirement:**

Eligibility for a Service-Connected Disability Retirement allowance requires the following:

- i. the Board of Retirement must determine that the employee is permanently incapacitated, either physically or mentally, from performing the usual duties of any permanent assignment in his or her job classification, and
- ii. the incapacity arose out of, and in the course of his or her employment, and such employment contributed substantially to his or her permanent incapacity.

#### **5. Survivor’s Benefit**

Upon the employee’s death, beneficiaries may be entitled to benefits. Employees of OCERS are asked to designate a beneficiary who will be entitled to receive certain benefits that may be payable upon the employee’s death. The employee may designate anyone he or she chooses as a beneficiary, and may change the beneficiary at any time prior to retirement. To designate or change a beneficiary, employee needs to complete and submit the “Beneficiary Change Form.” This form can be obtained from Member Services, through OCERS member portal, or downloaded from [www.ocers.org](http://www.ocers.org). It is the employee’s responsibility to notify Member Services of a life event change, such as a marriage, domestic partnership registration, or death including the death of a designated beneficiary.

It is important to note that spouses, ex-spouses, Registered Domestic Partners, ex-Registered Domestic Partners and/or children may have legal rights that supersede the rights of any other beneficiaries designated by an employee.

### ***Related Topics***

1. Summary Plan Description, Plans I & J (2.7 @ 55)
2. Summary Plan Description, Plan U (2.5% @ 67)

# Retiree Medical Grant

## Statement

OCERS provides to eligible employees a retiree medical grant to use towards healthcare insurance premiums after retirement.

## Purpose

The purpose of this policy is to provide OCERS' employees with an overview of the Medical Retiree Grant Plan (Plan) that may be available to eligible employees upon their retirement. The County of Orange established the Plan in order to assist career employees in maintaining health insurance coverage following their retirement from OCERS service.

## Scope/Coverage

This policy supersedes all previously promulgated policies regarding the Medical Grant Plan and applies to individuals who are employed by OCERS as a full-time employee or part-time employee scheduled to work 20 hours per week or more. This policy does not apply to part-time employees scheduled to work less than 20 hours per week, extra-help or independent contractors (or personnel of independent contractors) who are not members of the Retirement System. Please also note that more detailed information is set forth in the official plan documents. Accordingly, if there is any real or apparent conflict between the summaries or descriptions contained in OCERS' policy and the terms, conditions, limitations, or exclusions of the official plan documents, the provisions of the official plan documents will control.

## Policy provisions

### 1. Retiree Medical Grant

- a. When an employee retires, he/she may be eligible to receive a Retiree Medical Grant (Grant) provided by the County to use toward the cost of the County Health Plan and/or Medicare Part B premiums (if applicable). The Grant is neither a vested nor a guaranteed benefit. Changes to the Retiree Medical Grant Plan are made by the County.
- b. The amount of the Grant is based upon age at separation and years of eligible OCERS' service hours, up to a maximum of 25 years of service multiplied by a base dollar amount. The base dollar amount is adjusted up or down annually up to a maximum of three (3) percent.
- c. Reductions schedule:
  - i. Retiring retire before age 60, there will be a 7.5% reduction to the Grant for each year before 60 years of age;
  - ii. Retiring after age 60 there will be a 7.5% increase to the Grant for each year worked after age 60, up to age 70.
  - iii. Retiring at age 60 there will be no age adjustment. Safety retirees will not be subject to the 7.5% reduction or increase. Service and non-service connected disability Retirees do not receive the 7.5% age adjustment.

### 2. Eligibility

To be eligible for the Grant, an employee is required to:

1. Have a minimum of 10 years of continuous eligible service, if the employee has a normal retirement. However, if an employee has been granted a non-service connected disability retirement, he/she is required to have a minimum of five (5) years of continuous service. If an employee has been granted a service connected disability retirement, there is no minimum service requirement;
2. Be at least 50 years of age on the date of separation of service;
3. Receive a monthly retirement allowance from OCERS; and
4. Be enrolled in a County health plan when the employee separates.

### ***Modification***

The County, by establishing and maintaining the Plan, does not give any employee, retiree or any other person any legal right against OCERS or the County, nor does it give any employee the right to be retained in the OCERS'/County's service. The Plan does not create any vested right to the benefits provided on the part of any employee, retiree or any other person. The Plan may be amended or terminated at any time, in full or in part, by the County in its sole discretion.

**For complete details about the plan, please visit: [www.//ocgov.com/gov/hr/eb/prh](http://ocgov.com/gov/hr/eb/prh)**



## Chapter 6

# Compensation – Policies

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This chapter contains the following policies related to personnel compensation, salary basis and ranges, and payroll:

- Payroll Practice Policy
- Salary Basis
- Compensatory Time Off
- Executive Management and Professional Salary Ranges
- Terms and Conditions of Employment for Executives

# Payroll Practice Policy

## *Policy Statement*

OCERS follows a structured, documented payroll process.

## *Purpose*

The purpose of this policy is to establish uniform standards that should be applied by all OCERS departments for paying its employees.

## *Provisions*

### **1. Method of Compensation for Employees**

- a. OCERS office is open to the public Monday through Thursday, 8:00 a.m. to 5:00 p.m. and Friday 8:00 a.m. to 4:30 p.m. OCERS' employees generally work between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday. Occasionally employees may be required to work on weekends or holidays. An employee's work schedule will be determined by his or her supervisor with the approval of the head of the Department.
- b. Employees shall receive compensation at the biweekly or hourly rate within the range or at the flat rate assigned to the class in which they are employed.
- c. The pay rates for each OCERS Direct Employee are set forth in a table of class titles and salary ranges as adopted by the Board of Retirement ("Board").
- d. Notwithstanding any provision of these policies to the contrary, OCERS may direct that any employee be compensated at any amount within the salary range set forth in the class titles, pay rates and salary schedules as adopted by the Board, either at the time of or at any time subsequent to the date of his or her employment by OCERS.

### **2. Salary Payment Procedure**

- a. A pay period shall cover 14 calendar days, shall start on a Friday and end with the second Thursday thereafter, and shall consist of 80 hour work period. Employees shall be paid approximately eight (8) days after the end of a pay period, usually on a Friday. Employees hired after June 29, 2001, are required to authorize automatic deposit of his or her paycheck to a financial institution of the employee's choice.
- b. Compensation for each employee for whom compensation is established, shall be paid out of OCERS budget as may be provided by law upon certification by the Chief Executive Officer to the Auditor-Controller that such employee has performed the services set forth in said certificate.
  - i. When an OCERS Direct Employee separates from OCERS service, he/she shall receive all amounts due at the time of separation. In the event an OCERS Direct Employee provides less than 72 hours' notice of separation, then all amounts due will be paid within 72 hours of separation.
- c. When an employee separates from OCERS service, he or she shall receive all amounts due at the time of separation. In the event an OCERS Direct Employee provides less than 72 hours' notice of separation, then all amounts due will be paid within 72 hours of separation.

- d. The hours worked by an employee must be approved by his or her supervisor prior to being submitted to OCERS' Human Resources. The supervisor approving said employee's hours must have knowledge that the hours reported by the employee are accurate.
- e. Time and attendance are reported based upon the Fair Labor Standards Act (FLSA) classification of the employee.
  - i. Non-Exempt Employees (overtime eligible): Non-Exempt employees do not meet the exemption standards of the FLSA. Non-Exempt employees will report all hours worked for each day worked using the appropriate payroll codes as outlined in the payroll system when completing their electronic time cards.
  - ii. Exempt Employees (not eligible for overtime): Exempt Employees meet the exemption standards of the FLSA. Exempt Employees report their exception time, not hours worked, when completing their electronic time cards. Exceptions may include, but are not limited to, Annual Leave, comp time, holiday or any leaves of absence. In instances where an absence occurs that is two (2) hours or less, an exception does not need to be reported.

### **3. Time Keeping**

- a. Electronic time cards are used as a means of accurately recording hours worked and calculating pay. Electronic time cards must be consistent with approved Personnel Action Notices (PAN) forms when applicable. All employees must submit a time cards every two (2) weeks according to the annual payroll schedule. All employees are required to report absences from work such as annual leave time, holidays, or any other leaves of absence. Time cards must be received in a timely fashion.
- b. Time cards shall be prepared by the employee electronically and signed by both the employee and the supervisor.
- c. Accuracy when preparing time cards is critical. Employees are responsible for ensuring the accuracy of their own time cards. Altering, falsifying, or tampering with a time cards may result in disciplinary action, up to and including immediate termination.
- d. OCERS Management reserves the right to verify all employees are in compliance with this policy. When applicable, any MOU will supersede this policy.

### **4. Cash Out of Paid Time Off**

In accordance with policies to cash out paid time off, such requests should be recorded on the time card in the pay period during which the employee would like the cash out to occur.

## **Salary Basis Policy**

### ***Policy Statement***

OCERS is committed to complying with the salary basis requirements of the Fair Labor Standards Act.

### ***Purpose***

The purpose of this policy is to comply with the Fair Labor Standards Act

### ***Provisions***

1. It is OCERS' policy to comply with the salary basis requirements of the Fair Labor Standards Act. Therefore, OCERS prohibits any improper deductions from the salaries of Exempt Employees.
2. Employees who believe that an improper deduction has been made to his or her salary should immediately report this information to Human Resources. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, affected employees will be promptly reimbursed for any such improper deduction.

# Compensatory Time Off Policy

## *Policy Statement*

OCERS permits its Exempt Employees to earn compensatory time off under certain limited circumstances.

## *Purpose*

While there is no legal obligation to grant compensatory time off to Exempt Employees or to pay Exempt Employees for hours worked in excess of their work period, the purpose of this policy is to compensate OCERS' Exempt Employees who are required to work on their regularly scheduled flex day off, or on recognized holidays due to extraordinary circumstances.

## *Provisions*

### **1. Eligibility for Compensatory Time (Comp Time)**

- a. Consistent with the County of Orange, OCERS will provide full-time Exempt Employees with two (2) hours of compensatory time on the pay status of March 1st of each Fiscal Year.
- b. Part-time Exempt Employees on a pay status during the pay period that includes March 1 of each Fiscal Year will be credited with one (1) hour of comp time at the end of the pay period that encompasses March 1.
- c. An Exempt Employee may earn up to eight (8) hours of comp time when a holiday falls on the employee's regular-scheduled day off.
- d. Notwithstanding the foregoing, if any OCERS' Exempt Employee is required to work an unusually large number of hours as a result of natural disasters and/or officially declared emergencies such as floods, fires, storm conditions, high tides, etc., or due to extraordinary circumstances, the Chief Executive Officer may authorize additional compensation, which may be in the form of comp time, for such employee or group of employees.
- e. An employee working an approved flex schedule may earn up to eight (8) hours of comp time when required to work on his or her scheduled flex day off, as approved by his or her supervisor.

### **2. Procedures**

- a. Comp time earned may be used as compensatory time off or paid to an employee at the discretion of OCERS.
- b. An employee may not maintain a comp time balance of more than 80 hours. All comp time earned in excess of 80 hours will be automatically paid to the employee.
- c. An employee who wishes to use earned comp time must submit an E-PAN form request to his or her supervisor setting forth the date(s) on which the comp time will be used.
- d. An employee will be permitted to use comp time on the date requested unless doing so would unduly disrupt OCERS' operation.

### **3. Payment of Comp Time**

- a. An employee may obtain a payoff of all or a portion of his or her comp time at any time by submitting an E-PAN form to Human Resources, *and* recording the request on his or her timesheet.
- b. An employee will be paid for all earned but unused comp time hours at the time of separation from employment at the employee's rate of pay at the time of separation.

# Exempt Employee Salary Range Policy

## *Policy Statement*

OCERS is committed to providing fair and equitable salary adjustments of its Exempt Employees.

## *Purpose*

The purpose of this policy is to provide information to the Exempt Employees of OCERS of the potential salary adjustments available to them.

## *Provisions*

### **1. Merit Increases**

- a. In November of each year, or other time of year as determined by the CEO, each Executive, Management and/or Professional employee as of June 1 of that year shall receive a written performance evaluation.
- b. The Executives will provide feedback on their department's employees' performance and recommendations for the CEO's consideration. The CEO will make the final determination of merit increases based on the Board approved merit and salary adjustments included in the annual budget. Merit increases may be either a lump sum or added to base salary.
- c. At the discretion of the CEO, when an employee is unable to participate in the annual merit review process, an employee's performance and salary may be reviewed upon his or her anniversary date.

### **2. Range Constraints**

- a. No employee's salary shall exceed the maximum of the salary range, except when and employee is designated in the Y-Rate. The CEO has the right to limit the time a Y-rated employee can remain at higher salary range.
- b. No employee's salary shall be less than the minimum rate in the salary's range assigned to the class in which he or she is employed.

### **3. Equity Adjustments and Incentive Pay**

- a. The Chief Executive Officer (CEO) may approve additional individual salary increases
  - i. based on such factors as external market data, internal salary relationships, position responsibilities, individual performance, budgetary considerations and sound management principles,
- b. The CEO may authorize additional one time annual non-base building incentive pay rewards not to exceed \$2,500 per employee per year.

## *Related Topics*

Y- Rate

OCERS direct employee salary ranges can be found on OCERS Intranet: [OCERS Direct Employee Salary Ranges](#)

# Terms and Conditions of Employment for Executives

## *Policy Statement*

OCERS Executive Employees are subject to the terms, conditions and benefits of their employment as set forth herein.

## *Purpose*

The purpose of this policy is to acquaint Executive Employees with some of the significant features of the terms, conditions and benefits of their employment with OCERS. More detailed information about the benefit programs offered by OCERS is set forth in the official plan documents and/or insurance policies that govern the plans. The provisions of the official plan documents and/or insurance policies will control over any potential conflict raised by the information stated below. Executive Employees who desire to inspect the official plan documents or the insurance policies can make an appointment with Human Resources.

## *Scope/Coverage*

This policy supersedes all previously promulgated policies on this topic and applies to OCERS Executive Employees, including the Chief Executive Officer, the Chief Investment Officer, the Assistant Chief Executive Officer of Finance and Internal Operations, Assistant Chief Executive of External Operations, and the General Counsel.

## *Provisions*

### **1. Chief Executive Officer**

- a. In accordance with current statutes, the Chief Executive Officer (“CEO”) shall be appointed by and serve at the pleasure of a majority of the Board of Retirement (Board).
- b. The Board shall set the pay and benefits for the CEO.

### **2. Executive Employees**

- a. Executive Employees shall serve at the pleasure of the CEO, (i.e., At Will).
- b. Executive Employees may be released from service by the CEO at any time, without notice, cause or rights of appeal.
- c. Executive Employees shall be required to sign At-Will agreements as a condition of appointment.

### **3. Insurance**

- a. Health insurance is available to OCERS’ Executive Employees, with eligible dependent coverage. OCERS pays 95 percent of an employee’s health insurance premium and, if dependent coverage is selected, OCERS will pay approximately 75 percent of the total health coverage premiums for both the employee and dependents. OCERS will continue to share the cost of such health insurance premiums as provided in the Health Plan Rate Schedule adopted by, and as modified by, the County of Orange, Board of Supervisors.
- b. Basic Life insurance in the amount of one hundred and twenty-five thousand (\$125,000) dollars will be provided at no cost to Executive Employees regardless of age and without



proof of insurability. Executive Employees also have an option to purchase additional coverage, including dependent coverage.

- c. Accidental Death and Dismemberment insurance in the amount of one hundred and twenty-five thousand (\$125,000) dollars will be provided at no cost to the Executive regardless of age and without proof of insurability. Executive employees have an option to purchase additional coverage, including dependent coverage.
- d. OCERS will provide dental insurance to all Executive Employees and their eligible dependents at no cost to them.
- e. OCERS will make available to its Executive Employees a Premium Only Plan that will allow an employee to pay for health insurance premiums as permitted in the Internal Revenue Code. Under the plan, an employee's gross taxable salary will be reduced by the amount of his/her share of the premium costs of health insurance coverage.
- f. Executive Employees are provided short-term disability insurance coverage at no cost to the employee to provide 60 percent of salary for up to one (1) year for certified non occupational injury or illness. An employee must exhaust up to 192 hours of annual leave before the insurance begins. The plan will also provide for continuation of OCERS' share of premiums for health, dental, and life insurance benefits while the employee is on Official Leave for non-occupational disability for up to one (1) year from the effective date of disability.
- g. Executive Employees are also provided long-term disability insurance coverage at no cost to the employee to provide up to 60 percent of salary continuation while the employee is on Official Leave for a non-occupational disability.
- h. Voluntary annual physical examinations are available by a County designated physician at no cost to the Executive Employee.

#### **4. Optional Benefit Plan**

Executives have available to them the Optional Benefit Plan. The terms of the Optional Benefit Plan for the Executive Employees are the same as the terms for the Management and Professional employees, except the Executive Employees are provided four thousand five hundred (\$4,500), or such amount as is provided to executive management employees of the County of Orange, per plan year. For further details of the terms of the Optional Benefit Plan, see Human Resources Policy, Optional Benefit Plan.

#### **5. Accrual Payout During Employment**

During each calendar year an Executive Employee may request to be paid for accrued Annual Leave of up to 170 hours. Executive Employees can make up to two (2) separate requests per calendar year.

## **Workplace Health and Safety**

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This chapter contains the following policies related to workplace Health and Safety:

- Workplace Safety and Violence Prevention
- Employee Assistance Program
- Tobacco and Smoke Free Workplace Policy
- Workplace Injuries and Workers' Compensation

# Workplace Safety and Violence Prevention Policy

## *Policy Statement*

OCERS is committed to complying with applicable laws related to health and safety and to providing a healthy and safe workplace for all employees, visitors, and guests. To do this, OCERS must be aware of conditions in all work areas that can produce injuries. Cooperation from all personnel in detecting, reporting, and controlling safety issues in the workplace is expected and required.

## *Purpose*

The purpose of this policy is to comply with state and federal laws regarding health and safety in the workplace and to maintain a safe and healthy work environment at OCERS.

## *Provisions*

### **1. OCERS' Obligations**

- a. To ensure a safe and healthy workplace, OCERS will:
  - i. Work to integrate workplace health and safety into all aspects of the workplace;
  - ii. Promote communication about workplace health and safety;
  - iii. Monitor working conditions to find, eliminate or control safety and health hazards as well as unsafe working conditions and practices; and
  - iv. Take effective action to provide a safe and healthy workplace.

### **2. Employee Obligations**

- a. Each employee is responsible for ensuring their own personal health and safety, and that of their guests while on OCERS' premises both during working hours and after hours.
- b. Behavior by employees or their guests that places the safety and wellbeing of OCERS personnel, members, and visitors at risk of harm will not be tolerated and may result in discipline, up to and including, termination.
- c. All personnel are encouraged to report to Human Resources all conduct and conditions that may create an unsafe environment at OCERS.

### **3. Procedures**

- a. OCERS does not tolerate violence in the workplace.
- b. Actual or threatened violence by or against employees, members, visitors, or any other persons who are on OCERS' premises or have contact with OCERS' personnel is strictly prohibited.
- c. Employees who engage in threatening or violent behavior may be subject to disciplinary action, up to and including, termination.
- d. Employees must report any and all verbal or physical threats of violence to Human Resources.
- e. If any personnel become aware of any actual violence, imminent violence, or threat of imminent violence, he/she should immediately contact local law enforcement and subsequently inform Human Resources.

# Employee Assistance Program Policy

## *Policy Statement*

OCERS offers its employees an Employee Assistance Program to assist employees and their family in resolving physical, mental, emotional, and personal problems.

## *Purpose*

The purpose of this policy is to provide information about the Employee Assistance Program and to encourage OCERS' employees to take advantage of the services offered by the program.

## *Provisions*

1. The Employee Assistance Program ("EAP") is available to employees and their family 24-hours/7-days per week for emergency telephone counseling. EAP provides private, confidential assessments and referral counseling; including assistance with alcoholism, drug addiction, and emotional or personal problems. Employees who desire assistance can contact the EAP by going to [www.mylifevalues.com](http://www.mylifevalues.com)
  - Login:
    - Orange County CA
  - Password:
    - eap
2. An employee may request an Unpaid Leave of Absence to enroll in a voluntary drug or alcohol rehabilitation program.
3. It is the responsibility of each employee to seek necessary assistance before alcohol, drug, or other problems adversely affect the employee's performance and/or conduct in the workplace. If an employee's violation of OCERS policy warrants discipline, any subsequent attempts to seek help through EAP will not shield an employee from the imposition of discipline.
4. An employee's decision to seek assistance from EAP will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary matters.

## *Related Topics*

1. EAP Brochure
2. OCERS Unpaid Leave of Absence Policy
3. OCERS Disciplinary Action and Appeals Procedure
4. OCERS Alcohol and Controlled Substance Policy

## **Tobacco and Smoke-Free Workplace Policy**

### ***Policy Statement***

OCERS maintains a tobacco and smoke-free workplace environment. A tobacco and smoke-free environment helps foster a safe and healthy workplace. Tobacco use, smoking and secondhand smoke are known causes of serious lung diseases, heart disease and cancer. OCERS recognizes the hazards caused by tobacco use and exposure to second hand smoke. OCERS' policy is to provide a tobacco and smoke-free environment for all employees and visitors. This policy covers the smoking of any tobacco based products including "e" and/or "vapor" based cigarettes, and the use of oral tobacco including chewing tobacco.

### ***Purpose***

The purpose of this policy is to maintain a safe and healthy workplace environment.

### ***Provisions***

Smoking and the use of tobacco is strictly prohibited within all company work areas and public spaces including conference rooms, private offices, reception areas, restrooms, stairwells, hallways, and work stations, as well as all other enclosed areas. Employees may smoke outside during breaks in the labeled designated smoking area or 100 feet from any building entrance or exit. No additional breaks beyond those allowed under the Meal and Breaks Policy may be taken for the purpose of using tobacco products.

### ***Complaint Procedure***

Persons observing a violation of this policy should bring it to the attention of their supervisor. All complaints received will be investigated as confidentially as possible. All personnel are expected to cooperate fully with any such investigation. Any violations of this policy will be handled through the Disciplinary Actions and Appeals Procedure Policy.

### ***Related Topics***

OCERS Meal and Rest Period Policy

# Workplace Injuries and Workers' Compensation Policy

## *Policy Statement*

OCERS is committed to providing a safe and healthy workplace. In the event of a work-related injury or illness, OCERS will comply with the provisions of the State Workers' Compensation laws.

## *Purpose*

The purpose of this policy is to comply with the California Workers' Compensation laws and to acquaint OCERS' employees with the procedures for reporting work-related injuries and illnesses, obtaining medical care, integrating disability benefits, and maintaining effective communication between OCERS and the injured or ill employee.

## *Provisions*

### **1. General Provisions**

- a. Whenever an employee sustains an injury or disability arising out of and in the course of OCERS' employment which required medical care, the employee shall obtain treatment medically necessary as recommend by a medical doctor and according to the provisions of the California Labor Code Section 4600 et. seq.
- b. OCERS carries Workers' Compensation insurance coverage as required by law to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment in addition to payment for loss of earnings that result from work-related injuries. Compensation payments begin from the first day of an employee's hospitalization or after the third day following the injury if the employee is not hospitalized. The cost of coverage is paid completely by OCERS.
- c. When an injury is determined to be job-related, an employee shall be placed on Workers' Compensation Leave. If such a determination cannot readily be made, and all Annual Leave and Compensatory Time (paid time off) has been applied to the absence, the employee shall be placed on an approved leave until a final determination is made.
- d. Prior to qualifying for workers' compensation temporary disability benefits, an injured employee may, at his or her option, use any accrued paid time off.
- e. When an injury is determined to be job-related by OCERS or by the Workers' Compensation Appeals Board, paid time off expended since the fourth day of disability shall be restored to the employee's account(s), except that if the injury required the employee's hospitalization or caused disability of more than 14 days, all paid time off extended since the first day of disability shall be restored to the employee's account(s).
- f. The probation period of any employee who receives workers' compensation benefits shall be extended by the length of time the employee receives such benefits, except that the first 15 consecutive calendar days from the date of the injury shall be considered OCERS service for merit increase eligibility and completion of the probation period.
- g. While an employee is receiving temporary disability payments, the employee may, at his or her option, use paid time off to supplement such pay so that the employee receives no more than his or her regular salary during the employee's industrial injury leave.

- h. Time during which an employee receives workers' compensation, temporary disability benefits shall be counted toward the computation of OCERS Seniority and determination of annual leave earning rates.
- i. Whenever an employee is compelled by direction of an OCERS-designated physician to be absent from duty due to an on-the-job exposure to a contagious disease, the employee shall receive full compensation for a period not to exceed 80 working hours for a full-time employee or 14 calendar days for a part-time employee. If the absence extends beyond the applicable period, paid time off may be used, at the employee's option.

## **2. Duration of Workers' Compensation Leave**

Workers' Compensation Leave shall continue until the employee:

- a. Is determined to be physically able to return to work and such medical determination, if disputed, is confirmed by the Workers' Compensation Appeals Board; or
- b. Is determined to be physically able to return to work with medical restrictions which OCERS can accept, and such determination, if disputed, is confirmed by the Workers' Compensation Appeals Board; or
- c. Accepts employment outside of OCERS; or
- d. Accepts employment in another OCERS position; or
- e. Has been found to have reached medical maximum improvement and is not physically able to return to work; or
- f. Retires

## **3. Injury Reporting**

- a. If you are injured while working, please report it immediately to your supervisor, regardless of how minor the injury may be. Supervisors must immediately report any such injuries to Human Resources. For critical injuries or illness, immediately call paramedics by dialing 911.
- b. Failure to immediately report any injury may result in a delay in Workers' Compensation benefits.

## **4. Treatment Referrals**

- a. Upon receipt of a report of a workplace injury, Human Resources will provide an injured employee the following documents:
  - i. Medical Services Authorization is used by the injured workers' supervisor or manager to authorize one time treatment, the day of injury only. Subsequent treatment must be approved by the claims administrator.
  - ii. Workers' Compensation Treatment Facility List - The employer has medical control from the moment the injury occurs and should make the selection on treatment location
  - iii. Mitchell Script Advisor Card for required prescriptions.

- iv. Guide to Your Workers' Compensation Medical Care provides information the State requires injured workers to be given regarding legislative changes to medical treatment in work comp.
- v. WellComp Medical Provider Network brochure provides information the State requires injured workers to be given regarding the Medical Provider Network.

## **5. Documentation Required from Injured Employees**

- a. Human Resources will provide the following forms to an injured employee either in person, if the employee is still on the job or by mail to the employee's home address if he/she is unable to work. An injured employee must complete and timely return both forms to Human Resources.
  - i. Employee's Report of Occupational Injury or Illness
  - ii. Workers' Compensation Claim Form & Notice of Potential Eligibility
- b. An injured employee must provide Human Resources notice of all restrictions placed on the employee's ability to work. If an employee has an active Workers' Compensation claim that results in a leave of absence, OCERS' Workers' Compensation claims manager will provide OCERS with relevant documentation that pertains to the management of the employee's Workers' Compensation status and returning an employee to work.

## **6. Return to Work After a Workplace Injury**

- a. An employee is required to return to work when released by the treating physician. An employee on leave due to a workplace injury should provide as much advance notice of the treating physician's release or return-to-work order as reasonably possible. If an employee fails to return to work or notify the supervisor within three (3) workdays following the notice release, or return-to-work date, the employee may be terminated.
- b. If an employee is released to return to work without restrictions, OCERS will return the employee to his or her former position, as soon as reasonable. If the former position has been filled, or other operational changes make it unreasonable to return the employee to his or her former position, OCERS will make a good faith effort to place the employee in a vacant position that is as comparable to the former position as is reasonable under the circumstances. The employee must cooperate and respond timely throughout the interactive process, including the job search process, and if the employee rejects an offer of a comparable position, he/she may be terminated.
- c. If the employee is released to return to work with restrictions, OCERS will place the employee in the former job (if it is available), provided the employee can perform all the essential functions of the job with or without reasonable accommodation. OCERS will engage the employee in the interactive process to determine reasonable accommodation, which may include the job search process if reassignment to a vacant position is legally required. The employee must cooperate and respond timely throughout the interactive process, including the job search process. If the employee rejects an offer of a vacant position that would reasonably accommodate the employee's limitations, he/she may be terminated. The foregoing actions may occur at the same time that OCERS'



Workers' Compensation claims manager is meeting its obligations under Workers' Compensation Laws.

- d. An employee is not allowed to return to work unless released by a physician.

#### **7. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided in the California Workers' Compensation Law. An employer is prohibited from discriminating or retaliating against an employee for filing a report of injury or illness or for taking a leave due to a work-related injury or for involvement in any proceeding under or relating to a claim of work-related injury.
- b. For questions about the exercise of your Workers' Compensation rights, contact Human Resources.

#### ***Related Topics***

- 1. OCERS Family and Medical Leave Policy
- 2. OCERS Attendance Policy
- 3. OCERS Authorized Unpaid Leaves of Absence

## Chapter 9

# Miscellaneous Policies

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- Reimbursement Programs
- Religious Accommodation Policy
- Contract Workers Policy

# Reimbursement Programs Policy

## *Policy Statement*

OCERS recognizes that under certain circumstances, employees should be reimbursed for costs incurred during the course of their employment.

## *Purpose*

The purpose of this policy is to set forth reimbursement programs and the procedures to follow when seeking reimbursement.

## *Provisions*

### **1. Mileage Reimbursement**

- a. Subject to the current Vehicle Rules and Regulations established by the Board of Supervisors, an employee who is authorized to use a private automobile in the performance of duties shall be paid the Internal Revenue Service Standard Mileage Rate for the Business use of a car for each mile driven during each monthly period.
- b. An employee who is required by OCERS to furnish a privately owned vehicle for the performance of his or her duties shall receive a minimum of \$10 dollars in any month in which the actual mileage reimbursement would otherwise be less than \$10 dollars. The minimum shall not apply in any month:
  - i. In which the employee has not actually worked eighty (80) hours;
  - ii. Unless the employee claims the ten 10 dollar minimum and OCERS certifies that the employee was required to use a privately owned vehicle on OCERS business.

### **2. Personal Property Reimbursement**

OCERS will consider request for personal property reimbursement on a case-by-case basis.

### **3. Membership Fees**

Upon request, OCERS shall reimburse employees holding professional designations or certificates. Examples include State and County Bar fees, CFA, CPA, etc.

# Religious Accommodation Policy

## *Policy Statement*

OCERS respects the religious beliefs and practices of all employees and will make, on request, an accommodation for such observances when a reasonable accommodation is available that does not create an undue hardship on the conduct of OCERS' business.

## *Purpose*

The purpose of this policy is to ensure that OCERS is respectful of the religious beliefs and practices of all employees in compliance with state and federal laws relating to religious accommodations in the workplace.

## *Provisions*

1. OCERS will reasonably accommodate employees so that they may follow their religious beliefs, observances and practices unless doing so results in undue hardship to OCERS. In determining whether a requested accommodation would impose an undue hardship, OCERS will consider such factors as business necessity, financial cost or expense, operational considerations, safety issues, legal requirements (including collective bargaining agreements), and whether it infringes on the rights of other employees or requires other employees to bear more than their fair share of potentially hazardous or burdensome work.
2. An employee whose religious beliefs or practices conflict with his or her job, work schedule, or with OCERS' policy or practice on dress and appearance, or with other aspects of employment, and who seeks a religious accommodation should submit a written request for the accommodation to his or her immediate supervisor. The written request should include the type of religious conflict that exists and the employee's requested accommodation. An accommodation may include using paid leave or leave without pay, allowing an exception to the dress and appearance code that does not affect safety or other requirements, or other conditions of employment.
3. Supervisors should seek guidance from Human Resources before responding to a request for religious accommodation.
4. It is not possible to anticipate every request for religious accommodation that OCERS might receive. All requests will be examined on a case by case basis.

## Glossary

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**Active Duty:** Duty under a call or order to active duty under Title 10 of the United States Code or any other provision of law during a war or during a national emergency declared by the President or Congress.

**Affected by Pregnancy:** When because of pregnancy, childbirth, or a related medical condition, it is medically advisable for an employee to transfer or otherwise to be reasonably accommodated by her employer.

**Alcohol:** Ethanol alcohol in any consumable form (e.g., beer, wine, liquor).

**At-Will:** Employment that has no specified term and may be terminated at any time at the will of either the employee or OCERS

**Annual Leave:** Annual Leave is a paid time-off benefits program. Hours accrued can be used for any reason, including vacation, illness, doctor's appointments or personal business.

**Being Under the Influence:** When an individual is impaired by alcohol or a drug, or the combination of alcohol or drugs, regardless of the level detected.

**Board:** The Board of Retirement of the Orange County Employees Retirement System

**Child:** A biological, adopted or foster child, stepchild, a legal ward of the employee or a child of an employee standing in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary). A child is either under 18 years of age or incapable of self-care because of a mental or physical disability.

**Close Relative:** An individual related by blood, adoption or marriage, e.g., spouse, parent, child, sibling, grandparent, grandchild, uncle, aunt, first cousin, nephew, niece, mother/father in-law, son/daughter in-law, sister/brother in-law, stepparent, stepchild, stepbrother/sister or half-brother/sister.

**Condition related to pregnancy, childbirth, or a related medical condition:** A physical or mental condition intrinsic to pregnancy or childbirth that includes, but is not limited to, lactation. Generally, lactation without medical complications is not a disabling "related medical condition" requiring pregnancy disability leave, although it may require transfer to a less strenuous or hazardous position or other reasonable accommodation.

**Conflict of Interest:** A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity at OCERS. A conflict of interest may occur any time one's personal interests or personal relationships might impair, or might reasonably appear to impair, one's ability to make an objective and fair decision based solely on what is best for OCERS and its members

**Continuous Service:** Employment in a regular position with OCERS, which has not been interrupted by resignation, discharge, or retirement. Official Leaves of Absence shall not be credited toward Continuous Service.

**Contract Worker:** Independent contractors; workers who are employed by, or have an independent contractor arrangement with, third-party vendors, staffing agencies, or independent contractors; and non-executive staff whose employment relationships with OCERS are subject to a contract for employment.

**County of Orange Employee:** A person employed by the County and covered by terms of the Memorandum of Understanding, except where the natural construction of the Memorandum of Understanding indicates otherwise.

**Disabled by Pregnancy:** An employee is disabled by pregnancy when, in the opinion of her health care provider, she is unable, because of pregnancy, to perform any one or more of the essential functions of her job or to perform any of these functions without undue risk to herself, to her pregnancy's successful completion, or to other persons. An employee also may be considered to be "disabled by pregnancy" if, in the opinion of her health care provider, she is suffering from severe "morning sickness" or needs to take time off for: prenatal or postnatal care; bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; post-partum depression; childbirth; loss or end of pregnancy; or, recovery from childbirth.

**Director of Human Resources:** The person delegated the authority and responsibility by the Chief Executive Officer to make decisions concerning Human Resources matters on behalf of OCERS.

**Discrimination:** Unlawful differential treatment of an individual based on a protected characteristic.

**Donee:** A current employee for whom the employing agency has approved an application to receive leave from the eligible leave accounts of one or more leave donors.

**Donor:** An employee whose voluntary written request for transfer of eligible leave to the leave account of a leave recipient is approved by the requesting agency

**Electronic Resources:** All OCERS electronic media and computing systems or devices, including desk top computers, laptops and other portable devices, voice mail, email, printers, copiers, scanners, fax machines, cell phones, and internet access.

**Emergency Military Duty:** A call to active military duty by federal or state governmental order for purposes of war, national emergency, domestic emergency or military operations.

**Essential Job Functions:** The fundamental job duties of the employment position the employee with a disability holds or desires. A job function may be considered essential for any of several reasons, including, but not limited to, the following:

- a. The reason the position exists is to perform that function.
- b. The limited number of employees available among whom the performance of that job function can be distributed.
- c. The function may be highly specialized

**Executive Employee:** A person employed in the positions of the following: Chief Executive Officer, the Chief Investment Officer, the Assistant Chief Executive Officer, Finance and Internal Operations, Assistant Chief Executive Officer, External Operations and the General Counsel.

**Exempt Employees:** A person employed directly by OCERS.

**Extra Help Employee:** A person employed in an extra help position. An extra help employee serves at the pleasure of OCERS in an extra help position may be removed from an extra help position at any time with or without notice or cause and without a hearing.

**Extra Help Position:** A position which is intended to be occupied on less than year-round basis including, but not limited to the following: to cover seasonal peak workloads of limited duration; necessary vacation relief, paid Sick Leave and other situations involving a fluctuation staff.

**Family Member:** The following are considered members of the employee's family:

- a. Spouse and parents thereof;
- b. Children, including adopted children;

- c. Parents, including step-parents;
- d. Brothers and sisters; and,
- e. Grandparents or legal guardian.

**Final Average Salary:** A measure of a member's level of earnings based on average salary for a specified period of time (i.e. 36 months for all Tier II members). It includes base salary and may also include other pay items as permitted under the Board's Compensation Earnable Policy (Legacy members) or Pensionable Compensation Policy (PEPRA members). This is one of the factors used in calculating monthly retirement allowance.

**Fiscal Year:** The Fiscal Year is the established period of time when an organization's annual financial records commence and conclude. OCERS' Fiscal Year is January 1 through December 31.

**Full-Time Employee:** An employee employed in one (1) or more regular or limited-term positions whose normally assigned work hours equal those of a full workweek or work period as described hereinafter.

**The Genetic Information Nondiscrimination Act of 2008 (GINA):** Prohibits OCERS from requesting or requiring genetic information of an employee or family member of the employee, except as specifically allowed by this law (e.g., to certify the need for leave for family member's serious health condition).

**Harassment:** A form of discrimination that involves unwelcomed conduct based on an individual's protected characteristic.

**Healthcare Provider:** A medical doctor, osteopath, podiatrist, dentist, clinical psychologist, optometrist, chiropractor, nurse practitioner, clinical social worker, midwife, Christian Science practitioner, and any other person determined by the Secretary of Labor to be capable of providing health care services.

**Human Resources:** Manages, plans, directs, and coordinates supportive services of OCERS such as, facilities maintenance and contracts, Human Resources, mail distribution, and office upkeep.

**Interactive Process:** A timely good faith communication between OCERS and an employee or, when necessary because of the disability or other circumstances, his/her representative, to explore whether the employee needs reasonable accommodation for the employee's disability to perform the essential functions of her/her job, and if so, how the employee can be reasonably accommodated.

**Intermittent leave:** Leave from work granted under the Family and Medical Leave act (FMLA) that is staggered instead of continuous but is permissible, e.g. the recurrence of a dangerous condition.

**Key Employee:** A salaried FMLA-eligible employee who is among the highest paid 10 percent of all the employees employed by OCERS.

**Limited-Term Employee:** An employee employed in a limited-term position except where a regular position is converted to a limited-term position, the incumbent shall retain his or her former status. As an exception to this definition, a limited-term employee may also be used to fill a regular position when the incumbent employee is on Official Leave of Absence.

**Meal Period:** An uninterrupted period of time of at least 30 minutes in which an employee is relieved of all work duties. This period is unpaid time.

**Military Duty:** Includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and any period of absence for the purpose of an examination to determine the fitness of the employee to perform any such duty.

**Military Training Duty:** Annual active duty training for military reserves.

**Non-Exempt Employees:** Non-exempt employees do not meet the exemption standards of the FLSA. Non-exempt employees will report all hours worked for each day worked using the appropriate payroll codes as outlined in the payroll system when completing their electronic time sheets.

**OCERS:** Abbreviation for Orange County Employees Retirement System.

**OCERS Direct Employee:** A person employed by OCERS who is in an Executive, Management or Professional job classification.

**Other Serious Circumstance:** A serious circumstance other than medical that will be disclosed to other employees.

**Parent:** A biological, adoptive, step or foster parent, a legal guardian, or any other individual who stood in loco parentis (i.e., having day-to-day responsibilities to care for and financially support a child; a biological or legal relationship is not necessary) to the employee when the employee was a child.

**Period of Incapacity:** Any period of time in which an employee is unable to work, attend school or perform other regular daily activities due to the employee's serious health condition, treatment, or recovery from a serious health condition.

**Personnel Records:** Documents maintained to record necessary information regarding an employee's employment standing and position with OCERS, such as employment application and/or resume, offer letter, payroll authorization forms, records reflecting a job transfer or promotion or other change in job title and/or payroll rate, name change or corrections to date of birth, annual performance evaluations, notices of commendation or discipline, and leave request forms.

**Prohibited Drug:** Any drug which is not legally obtainable: any "illicit" drug or "controlled substance" the possession or use of which could result in arrest or other legal sanction according to state or federal statute;

- a. Any drug which is legally obtainable but has not been legally obtained;
- b. Prescribed drugs not being used for prescribed purposes or at prescribed dosages; and/or
- c. Any non-prescription substances that are used contrary to manufacturer's recommendations.

**Protected Characteristics:** Race, color, religion, sex (including pregnancy, breastfeeding and medical conditions related to breast feeding), gender identify, gender expression, national origin, age, physical or mental disability, veteran status, sexual orientation, genetic information, ancestry, marital status, medical condition, or religious creed.

**Qualified Individual:** An employee who has the requisite skill, experience, education, and other job related requirements of the employment position such individual hold or desires, and who, with or without reasonable accommodation, can perform the essential functions of such position.

**Reduction:** Movement of a regular or probationary employee from one (1) class to another class where the maximum step of the new salary range is at least one (1) full step or 2.75 percent (for ML & PL range classes) lower than the minimum step of the old salary range.

**Reasonable Accommodation:** Modifications or adjustments to an employee's position that are effective in enabling an employee to perform the essential functions of the job the employee holds or desires, or effective in enabling an employee with a disability to enjoy equivalent benefits and privileges of employment as are enjoyed by similarly situated employees without disabilities. The elimination of an Essential Job Function or the creation of a new position is not a reasonable accommodation and is not required by law.



**Registered Domestic Partner:** A person that is registered as a domestic partner with the Secretary of State of California or is registered as a domestic partner in any other state in which domestic partnerships or civil unions are recognized.

**Rest Period:** An uninterrupted 15-minute period of time in which an employee is relieved of all work duties. This period is paid time.

**Seniority:** Total continuous full-time equivalent service as a regular employee with OCERS and/or the County of Orange

**Serious Health Condition:** An illness, injury, impairment, or physical or mental condition that involves:

- a. Inpatient care in a hospital, hospice, or residential medical care facility or overnight stay in a hospital, hospice or residential medical care facility. This includes inpatient care for any period of incapacity or treatment in connection with such incapacity.
- b. Continuing treatment by a health care provider, including (1) a period of incapacity of more than three consecutive calendar days; (2) a period of incapacity that involves at least two treatments by a health care provider within 30 days after the first day of incapacity (unless extenuating circumstances prevent the second treatment); or (3) at least one treatment by a health care provider within 7 days after the first day of incapacity that results in a regimen of continuing treatment under that provider's care.

**Sexual Harassment:** The making of unwanted and offensive sexual advances or of sexually offensive remarks or acts, especially by one in a superior or supervisory position or when acquiescence to such behavior is a condition of continued employment, promotion, or satisfactory evaluation. Examples of sexual harassment include, but are not limited to: (a) unwelcome requests for sexual favors; (b) lewd or derogatory comments or jokes; (c) comments regarding sexual behavior or the body of another employee; (d) sexual innuendo and other vocal activity such as catcalls or whistles; (e) obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature; (f) repeated requests for dates after being informed that interest is unwelcome; (g) retaliating against an employee for refusing a sexual advance or reporting an incident of possible sexual harassment to OCERS or any government agency; (h) offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; (i) any unwanted physical touching or assaults, or blocking or impeding movements; and (j) retaliation for having reported sexual harassment.

**Social Media:** Forms of electronic communication through which users create online communities to share information, ideas, personal messages, and other content. Social media includes but are not limited to blogs, podcasts, discussion forums, on-line collaborative information and publishing (i.e., Wikis), RSS feeds, video sharing, and social networks like LinkedIn, Twitter and Facebook.

**Spouse:** A husband or wife as defined or recognized under the laws of the State of California for purposes of marriage, or the laws of the state in which the spouse received a marriage license, including same-sex marriage.

**Telecommuting:** The practice of working at a location outside of OCERS, typically one's home. Telecommuting can be done on a regular basis (e.g., once per week), or an occasional basis.

**Unapproved Absences:** Absences that have not been approved by OCERS in advance and are not covered under OCERS' Family and Medical Leave, Pregnancy Leave, or Workers' Compensation Leave policies.

**Under the Influence:** The state of being intoxicated or impaired by alcohol or a drug, or the combination of alcohol and drugs.

**Undue Hardship:** An action requiring significant difficulty or expense incurred by OCERS.

**United States Uniformed Services:** The Armed Forces (Army, Navy, Marine Corps, Air Force or Coast Guard), the Army National Guard and Air National Guard, the Commissioned Corps of the Public Health Service, and any other category of persons designated by the President in a time of war or national emergency (e.g., Disaster Medical Assistance Team).

**Workplace Relationship:** As used in this policy, “workplace relationship” refers to personal relationships of a romantic or sexual nature.

**Y-RATE:** A pay rate outside of the assigned salary range of a class.

**A-4**



## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Charles Packard, Board Chair  
**SUBJECT: COMPENSATION OF THE CHIEF EXECUTIVE OFFICER**

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OCERS's Chief Executive Officer Performance Evaluation Policy states that a formal evaluation will be conducted annually and the Board will consider compensation at the time the performance evaluation is conducted. The Brown Act code 54957 requires the Board to discuss the Chief Executive Officer's Compensation during an open session. In prior years, the Board has requested comparable CEO compensation data from other pension systems and organizations which are both close in proximity and size to OCERS, as well as base compensation history for Mr. Delaney. Attached are the CEO Compensation Performance Evaluation documents used to evaluate the CEO.

Attachments:

1. CEO Performance Evaluation Policy
2. CEO Charter
3. 2019 Business Plan
4. Blank CEO Evaluation Form
5. Steve Delaney Total Compensation History
6. CEO Compensation Comparison Spreadsheet

**OCERS Board Policy**  
**Chief Executive Officer**  
**Performance Evaluation Policy**

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## **Background and Objectives**

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

## **Roles**

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

## **Policy Guidelines**

### **Process and Timelines**

5. The Chief Executive Officer will discuss the following items with the Chair during November each year:
  - a. Proposed CEO evaluation criteria for the coming calendar year;
  - b. Proposed weights for each of the above criteria; and
  - c. Proposed CEO Evaluation Form for the coming calendar year.
6. In addition, the CEO's performance for the prior twelve months may be based on the six categories below:
  - a. Achievement of performance targets established for the System as a whole;
  - b. Implementation of the annual Business Plan;
  - c. Implementation of Board policies and associated reporting to the Board;
  - d. Leadership and related qualities;
  - e. Ability to address special developments or situations that may arise; and
  - f. Other criteria that the Board may determine to be appropriate.

**OCERS Board Policy**  
**Chief Executive Officer**  
**Performance Evaluation Policy**

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7. The Board will attempt to ensure that the criteria:
  - a. Are objective and measurable; and
  - b. Pertain only to outcomes over which the Chief Executive Officer has a reasonable degree of control.
8. The Chair shall distribute the CEO Evaluation Package to each member of the Board in October of each year. The Evaluation Package will include copies of the Evaluation Form to be completed by each Board member, Business Plan, and the CEO's self-evaluation. The Chief Executive Officer's self-evaluation report is designed to assist the Board in the evaluation process. It should describe the extent to which the CEO believes the evaluation criteria were met over the past year, as well as all relevant supporting data. Supporting data may be confirmed by internal audit material where appropriate. The report may also describe any additional accomplishments during the year.
9. The Board shall treat this material as confidential. Completed individual Evaluation Forms will be returned to the Chair or the designated third party with a copy to the Vice Chair within the time frame specified. The Chair will ensure that all data is tabulated and summarized in a Master CEO Evaluation Form and treated as confidential until released to the Board.
10. Evaluation of the Chief Executive Officer will be completed by November each year. The evaluation process itself will be conducted in executive session. The Chair will distribute a copy of the Master CEO Evaluation Form and invite discussion by the Board. At the conclusion of discussion, the Chief Executive Officer will join the Board for review and discussion of his/her performance along with any suggestions for improvement. The Board may have preliminary discussions in October, but will complete the process by November.
11. Upon completion of the Master CEO Evaluation Form, the Chair and the Chief Executive Officer will sign the Master CEO Evaluation Form and cause it to be placed in the Chief Executive Officer's personnel file.

**Documentation**

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

**Compensation**

13. The Board of Retirement will consider the Chief Executive Officer's compensation at the time the performance evaluation is conducted.



# OCERS Board Policy Chief Executive Officer Performance Evaluation Policy

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## Policy Review

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

## Policy History

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

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

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Steve Delaney  
Secretary of the Board

08/19/19

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Date

## **Introduction**

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

## **Duties and Responsibilities**

### *Leadership and Policy Analysis*

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

### *Governance*

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



### ***Investments***

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

### ***Benefits Administration***

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

### ***Operations***

9. The CEO will:
  - a. Recommend to the Board, as appropriate, Board policies designed to help ensure effective operations;
  - b. Develop and recommend to the Board a business plan and updates to the plan as necessary;
  - c. Recommend the annual Operating Budget to the Board;
  - d. Transfer funds within a category of expenditures (i.e., Salaries and Benefits; Services and Supplies; Capital Projects) within the approved Operating Budget;
  - e. Execute contractual agreements in accordance with the Procurement and Contracting Policy and authorize payments related to the administration of OCERS, consistent with the Operating Budget and OCERS' internal controls;
  - f. Account for and ensure appropriate collection, deposit and distribution of funds as required;
  - g. Implement internal operational control policies;
  - h. Ensure the appropriate design, acquisition, implementation, and maintenance of all technological systems required to administer OCERS;
  - i. Maintain the records of OCERS in a permanent and readily accessible format and in accordance with the Record Retention Policy and Guidelines;
  - j. Assist the Audit Committee in coordinating operational audits; and
  - k. Maintain an effective working relationship with the County and other plan sponsors of OCERS.

### ***Finance, Actuarial and Accounting***

10. The CEO will:
  - a. Recommend to the Audit Committee as appropriate, financial and accounting policies;
  - b. Implement appropriate internal financial controls to safeguard the assets of the OCERS;
  - c. Assist the Audit Committee in coordinating the annual financial audit;
  - d. Coordinate the actuarial valuation, actuarial experience studies, and actuarial audits;
  - e. Cause to be prepared a comprehensive annual financial report on the operations of OCERS for Board approval; and
  - f. File in the office of the County Auditor and with the Board of Supervisors a sworn statement which will exhibit the financial condition of the OCERS at the close of the preceding calendar year and its financial transactions for the year ending on that day as required by Government Code §31597.

### ***Human Resources***

11. The CEO will:
  - a. Recommend human resources and compensation policies to the Board;

- b. Assess the human resources needs of OCERS and establish and implement appropriate human resources programs and procedures, consistent with the human resources and compensation policies of the Board;
- c. Hire, manage and terminate senior management, and approve all personnel decisions concerning OCERS staff; and
- d. Implement and lead agency training, talent development and succession planning.

### ***Legislation and Litigation***

12. The CEO will:

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

### ***Communications***

13. The CEO will:

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

### ***Appointment of Service Providers***

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

### ***Monitoring and Reporting***

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

developments pertaining to OCERS and provide recommended courses of action as appropriate.

17. The CEO will:

- a. Oversee the regular review of all policies of OCERS to ensure they are being followed and continue to meet OCERS' needs;
- b. Oversee the activities of the Investment Division and report annually to the Board regarding the administrative oversight of the division, including identifying any issues that arose during the reporting period;
- c. Oversee the funded status of OCERS and all issues that may reasonably have a significant impact on such status;
- d. Oversee the investment performance of the Fund, the component asset classes, and the investment managers retained to manage the assets of the Fund;
- e. Oversee management's response to the findings of the annual financial audit, and of any internal audits that may be performed;
- f. Oversee employees and service providers of OCERS to ensure compliance with the OCERS policies;
- g. Oversee the activities and performance of key service providers including the actuary, financial auditor, investment consultant, legal counsel, and custodian on a regular basis;
- h. Oversee the activities and performance of senior management;
- i. Oversee the collection of all payments due to OCERS and the payment of all amounts due by OCERS to ensure accuracy and timeliness;
- j. Oversee OCERS' compliance with applicable laws and regulations; and
- k. In conjunction with legal counsel, oversee the status of all claims, demands, disputes and legal proceedings involving OCERS and report to the Board as appropriate.

## **Emergency Authority**

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

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

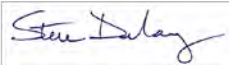
- b. The CEO promptly reports to the Board the emergency action taken, and the reasons why the CEO determined action was immediately necessary.

## **Charter Review**

- 19. The Governance Committee will review this charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the charter remains relevant and appropriate.
- 20. This charter was adopted by the Board on November 18, 2002, and amended on August 25, 2008, July 20, 2015, April 18, 2018, and March 18, 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.



**03/18/19**

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Steve Delaney  
Secretary of the Board

Date

Orange County Employees Retirement System  
2223 East Wellington Avenue | Santa Ana | 92701

# 2019 BUSINESS PLAN



# MISSION, VISION AND VALUES

## **MISSION STATEMENT:**

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

## **VISION STATEMENT:**

To be a trusted partner providing premier pension administration, distinguished by consistent, quality member experiences and prudent financial stewardship.

## **VALUES:**

- **O**pen and Transparent
- **C**ommitment to Superior Service
- **E**ngaged and Dedicated Workforce
- **R**eliable and Accurate
- **S**ecure and Sustainable

# 2019-2021 STRATEGIC GOALS

- Fund Sustainability
- Excellent Service and Support
- Risk Management
- Talent Management



# FUND SUSTAINABILITY

## **GOAL: STRENGTHEN THE LONG-TERM STABILITY OF THE PENSION FUND**

### *Business Plan Initiatives*

Objective: Mitigate the Risk of Significant Investment Loss  
*Executive Lead – Molly Murphy*

1. Fund the Risk Mitigating asset class
2. Explore and evaluate investment/risk management systems

Objective: Develop procedures for new employers entering the system  
*Executive Leads – Gina Ratto*

1. Create an Administrative Procedure
2. Create a worksheet for staff's use in evaluating new plan sponsors
3. Create a new template for Participation Agreement with plan sponsors

Objective: Employ a Governance Structure that Supports a Dynamic Investment Program  
*Executive Lead – Molly Murphy*

1. Evaluate governance best practices (year two)

Objective: Prudent Use of Resources  
*Executive Leads – Molly Murphy;*

1. Investigate actionable items to reduce fees in the future

# EXCELLENT SERVICE AND SUPPORT

**GOAL: ACHIEVE EXCELLENCE IN THE SERVICE AND SUPPORT WE PROVIDE TO OUR MEMBERS AND PLAN SPONSORS**

## *Business Plan Initiatives*

Objective: Provide Accurate and Timely Benefits  
*Executive Leads – Suzanne Jenike; Gina Ratto*

1. Develop and communicate OCERS Administrative Procedures on Final Average Salary (year two)
2. Streamline the initial disability determination process by implementing; (year two)
  - a. LEAN action items
  - b. Application packets
3. Update and create desk manuals and procedures for staff (year two)
4. Improve customer service standards by enhancing V3 workflows, monitoring and reporting

Objective: Provide Education to our Members and Plan Sponsors  
*Executive Lead – Suzanne Jenike*

1. Web site redesign (year three)

2. Enhance participation in Plan Sponsors' New Employee Orientation
3. Create white board videos that will provide education to members and stakeholders about OCERS benefits

# RISK MANAGEMENT

## **GOAL: CULTIVATE A RISK-INTELLIGENT ORGANIZATION**

### *Business Plan Initiatives*

Objective: Provide System and Data Security and a Robust Business Continuity Solution

*Executive Leads – Brenda Shott, Matt Eakin & Jenny Sadoski*

1. Select Cyber Security Framework and develop implementation plan for best practice controls
2. Continuously assess current Information Security environment and address identified risks:
  - a. Perform third party penetration test of OCERS network
  - b. Perform third party penetration test of new OCERS web site
  - c. Review and enhance information security training for new hires and all staff
  - d. Develop incident response and management program
  - e. Develop OCERS data map, data classification structure and data exchange flows and identify associated risks
  - f. Evaluate risks associated with external third party IT business partners

3. Implement tools to mitigate the risk of data or financial loss or information disclosure:
  - a. Implement enhanced Email Security protections and features
  - b. Implement Managed Security / Managed Detection & Response services
  - c. Implement continuous vulnerability assessment and remediation program
  - d. Implement automated hardware and software inventory tool
  - e. Implement security patch management solution
  
4. Continue development of the Business Continuity Plan:
  - a. Establish alternate work space / work site plan
  - b. Develop manual workaround and alternate procedure plans

Objective: Implement Operational Risk Management Program  
*Executive Lead – Brenda Shott*

1. Continue to implement the Operational Risk Management Program

Objective: Ensure a Safe and Secure Workplace and Public Service Facility  
*Executive Lead – Brenda Shott*

1. Plan and implement building security upgrades and space management projects (year two)

# TALENT MANAGEMENT

## **GOAL: RECRUIT, RETAIN AND INSPIRE A HIGH-PERFORMING WORKFORCE**

### *Business Plan Initiatives*

Objective: Recruit and Retain a High-Performing Workforce to Meet Organizational Priorities

*Executive Lead – Cynthia Hockless*

1. Enhance onboarding and transitioning of new hires into the organization
  - a. Evaluation of newly implemented onboarding process
2. Implement recommendations from workforce analysis (year two)

Objective: Develop and empower every member of the team

*Executive Lead – Steve Delaney*

1. Implement a comprehensive training program covering OCERS policies, processes and procedures (year two)
2. Recognize individual needs and career goals within OCERS (year two)
3. Create succession plans across the agency (year two)

Objective: Cultivate a Collaborative, Inclusive and Creative Culture

*Executive Lead – Steve Delaney*

1. Foster OCERS culture of engagement and continuous improvement (year two)

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
[www.ocers.org](http://www.ocers.org)



## Orange County Employees Retirement System Chief Executive Officer 2019 Performance Review

**CEO Name:** Steve Delaney

**Performance Review Period:** January 1 - December 31, 2019

**Board Member Name:**

**Date:**

**Rating Scale:**

Superior		Above Average			Average		Below Average		Unsatisfactory	
10	9	8	7	6	5	4	3	2	1	0

**1. Fund Security and Sustainability:**

Performance Rating:   0  

**2. Risk Management:**

Performance Rating:   0  

**3. Talent Management:**

Performance Rating:   0



**4. Direction and oversight of benefit administration:**

Performance Rating:   0  

**5. Direction and oversight of the investment program:**

Performance Rating:   0  

**6. Direction and oversight of internal operations:**

Performance Rating:   0  

**7. Communications (membership, sponsors, Board, staff, public):**

Performance Rating:   0  

**8. Addressing exigent situations that arose during year:**

Performance Rating:   0

9. **Addressing the Opportunities to Grow identified in this evaluation:**

Performance Rating:   0  

10. **Overall leadership and development of the organization (e.g., staff training and development, improvement of work processes, policy development, professionalism of the organization):**

Performance Rating:   0  

11. **Overall Performance Rating Comments:**

12. **Total Performance Rating (please add your total score from questions 1 - 10) 100 points possible:**

**Total Performance Rating:**       0      

**Average Performance Rating:**       0.00

OCERS CEO Total Compensation Cost History

Name: Steve Delaney  
Date of Hire: 1/2/2008

CEO Compensation										Total Base Salary Lump Sum Auto Allowance AL Cash Out, OBP
Year	Increase Effective Date	% Increase over prior year	Base Salary Increase	Base Salary	Lump Sum	Notes	Auto Allowance	Annual Leave (AL) Cash Out	Optional Benefit Plan (OBP)	Annualized
2019	1/4/2019	2.5%	\$6,836	\$280,267	\$6,836	2.5% Annual Salary Adjustment & 2.5% lump sum - 2018 Performance Evaluation	\$0	\$22,906	\$4,500	\$314,509
2018	1/5/2018	5%	\$12,006	\$273,437	\$0	5% Annual Salary Adjustment - 2017 Performance Evaluation	\$0	\$22,348	\$4,500	\$300,285
2017	1/6/2017	3%	\$7,614	\$261,431	\$0	3% Annual Salary Adjustment - 2016 Performance Evaluation	\$0	\$20,739	\$4,500	\$286,670
2016	None for 2016	0%	\$0	\$253,817	\$0	Last increase effective date 1/9/2015	\$0	\$10,982	\$4,500	\$269,299
2015	1/9/2015	0%	\$0	\$253,817	\$5,076	One time 2% non-base building performance award	\$0	\$20,745	\$4,500	\$284,138
2014	12/27/2013	2%	\$4,977	\$253,817	\$0	Annual Merit	\$0	\$20,745	\$4,500	\$279,062
2013	6/2/2013	3%	\$7,248	\$248,840	\$0	Annual Merit	\$0	\$10,454	\$4,500	\$263,794
2012	1/13/2012	14%	\$29,640	\$241,592	\$0	Stop employee contribution pick up move to salary	\$0	\$0	\$4,500	\$246,092
2012	12/16/2011	4%	\$8,154	\$211,952	\$0	Annual Merit	\$0	\$0	\$0	\$211,952
2011	12/17/2010	5%	\$9,194	\$203,798	\$0	Stop auto allowance move to salary	\$0	\$0	\$4,500	\$208,298
2011	12/17/2010	4%	\$7,488	\$194,605	\$0	Annual Merit	\$9,180	\$0	\$0	\$203,785
2010	12/18/2009	8%	\$13,874	\$187,117	\$0	Annual Merit	\$9,180	\$0	\$4,500	\$200,797
2009	12/19/2008	5%	\$8,258	\$173,243	\$0	Annual Merit	\$9,180	\$0	\$4,500	\$186,923
2008	1/2/2008		\$164,986	\$164,986	\$0	Starting Salary	\$9,180	\$0	\$4,500	\$178,666

County 401(a)			OCERS 401(a)*		Total Employee's Deferred Comp County and OCERS 401(a)	Total Base Salary, Lump Sum, Auto Allowance, Annual Leave Cash Out, 401(a), OBP
Year	% of Salary	Annualized	% of Salary	Annualized	Annualized	Annualized
2019	5%	\$14,013	3%	\$8,408	\$22,421	\$336,930
2018	5%	\$13,672	3%	\$8,203	\$21,875	\$322,160
2017	5%	\$13,072	3%	\$7,843	\$20,914	\$307,584
2016	5%	\$12,691	3%	\$7,614	\$20,305	\$289,604
2015	5%	\$12,691	3%	\$7,614	\$20,305	\$304,443
2014	5%	\$12,691	3%	\$7,614	\$20,305	\$299,367
2013	5%	\$12,442	3%	\$7,465	\$19,907	\$283,701
2012	5%	\$12,080	3%	\$7,248	\$19,327	\$265,419
2011	5%	\$10,190	3%**	\$6,114	\$16,304	\$224,602
2010	5%	\$9,356	3%	\$5,614	\$14,969	\$215,766
2009	5%	\$8,662	3%	\$5,197	\$13,859	\$200,783
2008	5%	\$8,249	3%	\$4,950	\$13,199	\$191,864

OCERS 2.7@55 Retirement Employer Contributions			Employer Pickup of Employee Contributions			
Fiscal Year	Employer contribution % of Salary	Employer Contribution Amount Annualized	Calendar Year	Gov't Code Section 31581.2 Pick up	Gov't Code Section 31581.1 Pick up	Combined Total
7/1/19 - 12/31/19	35.45%	\$95,641	2019	\$0	\$0	\$0
1/1/19 - 6/30/19	32.80%					
7/1/18 - 12/31/18	32.80%	\$91,301	2018	\$0	\$0	\$0
1/1/18 - 6/30/18	33.98%					
7/1/17 - 12/31/17	33.98%	\$87,749	2017	\$0	\$0	\$0
1/1/17 - 6/30/17	33.15%					
7/1/16 - 12/31/16	33.15%	\$87,491	2016	\$0	\$0	\$0
1/1/16 - 6/30/16	35.79%					
7/1/15 - 12/31/15	35.79%	\$90,359	2015	\$0	\$0	\$0
1/1/15 - 6/30/15	35.41%					
7/1/14 - 12/31/14	35.41%	\$84,445	2014	\$0	\$0	\$0
1/1/14 - 6/30/14	31.13%					
7/1/13 - 12/31/13	31.13%	\$71,840	2013	\$0	\$0	\$0
1/1/13 - 6/30/13	26.61%					
7/1/12 - 12/31/12	26.61%	\$62,669	2012	\$0	\$0	\$0
1/1/12 - 6/30/12	25.27%					
7/1/11 - 12/31/11	25.27%	\$49,085	2011	\$14,219	\$11,011	\$25,230
1/1/11 - 6/30/11	22.90%					
7/1/10 - 12/31/10	22.90%	\$41,379	2010	\$13,662	\$10,644	\$24,306
1/1/10 - 6/30/10	19.26%					
7/1/09 - 12/31/09	19.26%	\$34,679	2009	\$12,636	\$9,628	\$22,264
1/1/09 - 6/30/09	18.76%					
7/1/08 - 12/31/08	18.76%	\$32,874	2008	\$10,771	\$8,802	\$19,573
1/1/08 - 6/30/08	18.99%					

Grand Total Annual Compensation Cost to OCERS									
Calendar Year	Base Salary	Lump Sum/401(a)/Car Allowance	OCERS Annualized Cost of Retirement Benefit (Pension)	Retiree Medical Benefit (annualized cost)	Health Care, Life and Disability Insurance	Optional Benefit Plan	Annual Leave (AL) Cash Out	Employer Portion of Medicare Tax (1.45%)	Total Compensation
2019	\$280,267	\$29,257	\$95,641	\$10,930	\$10,340	\$4,500	\$22,906	\$4,461	\$458,303
2018	\$273,437	\$21,875	\$91,301	\$10,793	\$10,320	\$4,500	\$22,348	\$4,354	\$438,928
2017	\$261,431	\$20,914	\$87,749	\$10,445	\$10,528	\$4,500	\$20,739	\$4,157	\$420,463
2016	\$253,817	\$20,305	\$87,748	\$9,684	\$10,449	\$4,500	\$10,982	\$3,905	\$401,391
2015	\$253,817	\$25,382	\$90,359	\$8,630	\$11,208	\$4,500	\$20,745	\$4,046	\$418,686
2014	\$253,817	\$20,305	\$84,445	\$9,340	\$11,262	\$4,500	\$20,745	\$4,046	\$408,461
2013	\$248,840	\$19,907	\$71,840	\$9,854	\$11,314	\$4,500	\$10,454	\$3,825	\$380,534
2012	\$241,592	\$19,327	\$62,669	\$4,784	\$10,735	\$4,500	\$0	\$3,568	\$347,175
2011	\$203,798	\$25,484	\$74,315	\$5,329	\$9,067	\$4,500	\$0	\$3,020	\$325,514
2010	\$187,117	\$24,149	\$65,685	\$4,800	\$6,173	\$4,500	\$0	\$2,778	\$295,202
2009	\$173,243	\$23,039	\$56,942	\$3,681	\$5,839	\$4,500	\$0	\$2,577	\$269,823
2008	\$164,986	\$22,379	\$52,446	\$5,807	\$6,207	\$4,500	\$0	\$2,458	\$258,782

\*Separate & in addition to the County 401(a)

\*\*No OCERS 401a contributions were made on the portion of salary that was added by eliminating auto allowance



2019 CEO Salary Comparison

Retirement System	Net Assets (\$Billion)	CEO Salary Range	CEO Current Salary	CEO Auto Allow/mo	Est. Annual Auto Allow Amount	ER Contributions for Deferred Comp	*Est. Annual Def Comp Total By ER	Defined Benefit EE Pickup By ER	Annual Optional Benefit Plan (OBP)/ Flexible Spending Dollars (FSA) or Additional Salary	**Est. Total = Base, Auto, Deferred Comp and OBP/Flex or Additional Salary	CEO Last Increase
OCERS	16.5	Salary set by the Board	\$280,267	None	\$0	OCERS 401(a) = 5% of salary County 401(a) = 3% of salary	\$22,421	None	OBP=\$4,500 + Lump sum= \$6,836 + AL cash out=\$22,906	\$336,930	1/4/2019
Alameda CERA	8.1	\$242,650 - \$291,262	\$274,269	\$638	\$7,656	457(b): \$19,000	\$19,000	None	\$4,500	\$305,425	12/30/2018
Kern CERA	4.2	\$190,940.64 - \$233,104.32	\$210,973	\$600	\$7,200	457(b): up to a 6% match	\$12,658	None	\$21,097	\$251,929	2/2/2019
LACERS (City)	16.7	\$168,627 - \$298,876	\$279,479	Uses LACERS vehicle	\$500	None	\$0	None	\$1,476	\$281,455	7/1/2019
San Diego County ERA	12.5	\$175,552 - \$323,315	\$312,998	\$600	\$7,200	None	\$0	None	\$0	\$320,198	7/1/2019
San Joaquin CERA	3.2	\$161,814 - \$197,018	\$197,018	\$585	\$7,020	457(b): 5% of salary	\$9,851	None	\$24,023	\$237,912	7/9/2018
San Bernardino CERA	10.0	\$219,029 - \$319,624	\$307,674	\$1,217	\$14,604	457(b) = SBCERA contribution 1 times employee contribution, up to 1% 401(k) = SBCERA contribution 2 times employee contribution, up to 8%	\$27,691	ER picks up full 7% (2%@55)	\$1,040	\$351,009	2/1/2019
LACERA (County) <i>Current Interim CEO</i>	57.00	Salary set by the Board	\$450,000	Uses LACERA vehicle	\$8,700	LACERA 401(k) = 4% of salary LACERA 457(b) = 4% of salary 3% foundation	\$36,000	ER Picks up 8.43%	\$85,500	\$580,200	Position vacant, former incumbent's salary info included
Sonoma CERA	2.7	\$184,543 - \$224,303	\$224,303	\$696	\$8,352	+1% matching 401(a) DC	\$8,972	None	\$12,004	\$253,631	3/1/2017
Sacramento CERS	9.3	\$194,247 - \$247,887	\$214,145	\$450	\$5,400	1% match	\$2,141	None	\$650	\$222,336	6/23/2019
Contra Costa CERA	8.7	Salary set by the Board	\$270,310	None	\$0	457(b) = \$2080 annually	\$2,080	None	\$0	\$272,390	7/1/2019

Additional Considerations:

Organization	Name	Title	Current Salary	Auto Allow/mo	Est. Annual Auto Allow Amount	ER Contributions for Deferred Comp	*Est. Annual Def Comp Total By ER	Defined Benefit EE Pickup By ER	Annual Optional Benefit Plan (OBP)/ Flexible Spending Dollars (FSA) or Additional Salary	**Est. Total = Base, Auto, Deferred Comp and OBP/Flex or Additional Salary	CEO Last Increase
County of Orange	Frank Kim	CEO	\$299,415	\$765	\$9,180	401(a) = 5% of salary	\$14,971	None	\$4,500	\$328,066	7/6/2018
OC Superior Court	David Yamasaki	CEO	\$250,000	None	\$0	None	\$0	None	\$4,500	\$254,500	12/27/2016 (hire date)
OCFA	Brian Fennessy	Fire Chief	\$264,000	Uses OCFA vehicle	\$0	457(b) = \$11,880 annually	\$11,880	None	\$3,500	\$279,380	5/23/19 (hire date)
OCSD	James Herberg	General Manager	\$290,222	\$700	\$8,400	457(b) = \$11,000 annually	\$11,000	\$3,247 month (OCERS Plan H); no (0%) employer pick-up of employee contribution	\$6,000	\$315,622	7/2018
OCTA	Darrell Johnson	CEO	\$345,010	\$765	\$9,180	\$42,250 annually	\$42,250	None	No cost for health, dental & vision	\$396,440	4/23/2018
TCA	Michael Kraman	CEO	\$275,159	\$765	\$9,180	401(a) = \$24,500 annually	\$24,500	None	\$0	\$308,839	5/10/2018

\*Estimated amount assumes employee is receiving the full annual match on base salary.

\*\*Estimated total includes Annual Base Salary, Annual Auto Allowance and Annual Deferred Comp.

OCERS CEO total includes lump sum bonus and annual leave cash out amounts. These items may not be included in the comparable salary

This salary comparison may not include all pay incentive given. Information submitted by agency's human resources department.

11/6/2019

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

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
<b>Anckaer, Jennifer</b>	Sheriff's Dept	10/7/2019
<b>Ayon, Oscar</b>	Sheriff's Dept	10/4/2019
<b>Barrett, Denise</b>	OCTA	9/29/2019
<b>Bean, Elizabeth</b>	OCWR	10/4/2019
<b>Beason, Timothy</b>	Health Care Agency	9/27/2019
<b>Blunt, Kristen</b>	Probation	10/11/2019
<b>Bull, James</b>	Social Services Agency	9/27/2019
<b>Carter, Floyd</b>	OCTA	10/20/2019
<b>Castillo, Margarita</b>	OCTA	10/11/2019
<b>Chester, Jo Ann</b>	Social Services Agency	10/19/2019
<b>Chiaravalloti, Michael</b>	Superior Court	10/11/2019
<b>Collins, Glen</b>	Sheriff's Dept	9/27/2019
<b>Cornejo, Kathleen</b>	Superior Court	10/11/2019
<b>Edmond, Mark</b>	Fire Authority (OCFA)	9/26/2019
<b>Figueroa, Patricia</b>	Social Services Agency	10/11/2019
<b>Gomez, Elva</b>	Superior Court	10/11/2019
<b>Heble, Audrey</b>	Health Care Agency	10/11/2019
<b>Howe, Jonathan</b>	Social Services Agency	10/5/2019
<b>Kasper, Tracy</b>	Social Services Agency	9/27/2019
<b>Kenekeo, Valerie</b>	Health Care Agency	10/5/2019
<b>Kespradit, Ubol</b>	Health Care Agency	10/15/2019
<b>Lo, Pao</b>	OCTA	10/11/2019
<b>Martz, Pamela</b>	Social Services Agency	10/11/2019
<b>Mcquire, Karen</b>	Superior Court	10/11/2019
<b>Mckabney, Karen</b>	Health Care Agency	10/14/2019
<b>Meineke, Janice</b>	Social Services Agency	10/11/2019
<b>Murillo, Delia</b>	Child Support Services	9/24/2019
<b>Northart, Mark</b>	Sheriff's Dept	10/4/2019
<b>Phung, Debbie</b>	OCTA	10/4/2019
<b>Place, Kathryn</b>	Probation	9/27/2019
<b>Quick, Timothy</b>	Sheriff's Dept	10/18/2019
<b>Rodriguez, Paul</b>	Sheriff's Dept	10/2/2019
<b>Rogers, Kathy</b>	OC Community Resources	10/4/2019
<b>Rosas, Ronald</b>	Sheriff's Dept	10/11/2019
<b>Russell, Deborah</b>	OC Community Resources	10/18/2019
<b>Samuel, Edna</b>	Sheriff's Dept	10/11/2019
<b>Sauer, Marcia</b>	Treasurer - Tax Collector	10/14/2019
<b>Segura, Laura</b>	District Attorney	10/11/2019
<b>Soto, Lori</b>	Probation	10/11/2019
<b>Vecerova, Lenka</b>	Social Services Agency	10/11/2019
<b>Vu, Calinh</b>	Social Services Agency	9/27/2019
<b>Wilson, Carmela</b>	Social Services Agency	10/11/2019
<b>Wood, Sandy</b>	District Attorney	10/4/2019
<b>Zippwald, Michael</b>	Health Care Agency	10/3/2019
<b>Zuber, Teresa</b>	Sheriff's Dept	10/5/2019

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

<i>Active Members</i>	<i>Agency/Employer</i>
<b>Nguyen, Phuong</b>	OC Public Works
<b>Torres, Marc</b>	OC Waste and Recycling

<i>Retired Members</i>	<i>Agency/Employer</i>
<b>Dufault, Helen</b>	Probation
<b>Francis, Howard</b>	Fire Authority (OCFA)
<b>Garcia, Maria</b>	Social Services Agency
<b>Glorioso, Anthony</b>	UCI
<b>Lilja, Paula</b>	Health Care Agency
<b>McGuire, Kenneth</b>	OC Public Works
<b>Nguyen, Vinh</b>	OCTA
<b>Placentia, Teresa</b>	Public Defender
<b>Sullivan, Thomas</b>	Fire Authority (OCFA)
<b>West, Claudia</b>	Probation
<b>Wingerson, E'lane</b>	UCI

<i>Surviving Spouses</i>	
<b>Baker, Elaine</b>	



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## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **COMMITTEE MEETING MINUTES**

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This memorandum serves as a placeholder to inform you that there will be no printed materials for this section of the board book this month.

**Submitted by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

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## Memorandum

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DATE: December 16, 2019  
TO: Members of the Board of Retirement  
FROM: Steve Delaney, Chief Executive Officer  
SUBJECT: **CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN**

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### Written Report

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

##### JANUARY

- 2019 Year in Review: Communication Plan
- 2019 OCERS Innovations
- 2019 Disability Statistics
- Communication Policy Fact Sheet
- Form 700 Filing Requirements
- Report Outcomes of Prior Year Business Plan

##### FEBRUARY

- 2020 STAR COLA Posting
- Annual Cost of Living Adjustment
- Policy Compliance Report
- Overpaid and Underpaid Plan Benefits Report

##### MARCH

- 2020 STAR COLA Final Approval
- GFOA Awards
- Quarterly Strategic Plan Review
- SACRS Election Materials – Anything for Board to add

### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

**OCERS RETIREMENT BOARD - 2020 Work Plan**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
<b>System Oversight</b>		STAR COLA Posting (I)	Approve 2020 STAR COLA (A)	SACRS Board of Directors Election (A)	Preliminary December 31, 2019 Valuation (I)	Mid-Year Review of 2020 Business Plan Progress (I)	Approve Early Payment Rates for Fiscal Year 2019-20 (A)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Overview of 2021 Administrative Budget and Investment (Workshop) (I)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
		Approve 2020 COLA (A)	Quarterly 2020-2022 Strategic Plan Review (A)			Approve December 31, 2019 Actuarial Valuation & Funded Status of OCERS (A)		Receive OCERS by the Numbers (I)		Approve 2021-2023 Strategic Plan (A)	Approve 2021 Administrative (Operating) Budget (A)	
						Approve 2019 CAFR (A)		Receive Evolution of the UAAL (I)		Approve 2021 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
						Quarterly 2020-2022 Strategic Plan Review (A)		Employer & Employee Pension Cost Comparison (I)				
											Adopt 2021 Board Meeting Calendar (A)	
<b>Board Governance</b>				Brown Act Training (I)				Annual Review of Succession Plan (I)				Adopt Annual Work Plan for 2021 (A)
				Conflict of Interest Training (I)							Vice-Chair Election (A)	
<b>Regulation / Policies</b>	Communication Policy Fact Sheet (I)											
<b>Compliance</b>				Form 700 Due (A)		Receive Financial Audit (I)			State of OCERS (I)		Status of Board Education Hours for 2020 (I)	

(A) = Action      (I) = Information

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## Memorandum

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**DATE:** December 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 for Property Management Services was distributed in September. Proposals received and a vendor was selected. Contract work has commenced.
- An RFP for a new Board Communications Portal was distributed October 1<sup>st</sup>. Bids were received that are currently being evaluated.
- An RFP for a Board Room Audio/Visual Presentation System was distributed October 2<sup>nd</sup>. Bids were received that are currently being evaluated.



# Memorandum

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Submitted by:



**JD - Approved**

Jim Doezie  
Contracts, Risk and Performance Administrator



I-5

## Memorandum

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**DATE:** December 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 staff and the CEO for distribution to the entire Board:

#### Steve Delaney:

- OCERS Direct Employee Annual Leave (Paid Time Off) Policy – Memo from November 25, 2019 Special Board Meeting
- Annual Leave (Paid Time Off) Policy from November 25, 2019 Special Board Meeting
- October Activities

#### Submitted by:

**SD - Approved**

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Steve Delaney  
Chief Executive Officer



## Memorandum

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**DATE:** November 20, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **OCERS DIRECT EMPLOYEE ANNUAL LEAVE (PAID TIME OFF) POLICY**

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### Recommendation

Approve the Annual Leave (Paid Time Off) Policy of the OCERS Direct Employees, as approved by the Personnel Committee.

### Background

OCERS operates with a “split staff structure;” that is, with a workforce that is employed by the County of Orange and a workforce that is employed directly by OCERS, as provided by Government Code Section 31522.5.<sup>1</sup>

As required by subdivision (b) of section 31522.5, OCERS follows Orange County’s Personnel and Salary Resolution (P&SR), Merit Selection Rules, and the Memorandums of Understanding between the County and the respective unions for the County employees assigned to work at OCERS.

For the employees that are appointed pursuant to subdivision (a) of section 31522.5, OCERS must maintain personnel policies that set forth the terms and conditions of employment of those individuals.

Generally, personnel polices serve the following purposes:

- Ensure compliance with current federal and state laws
- Help ensure key policies are clearly and consistently communicated
- Outline workplace logistics, expectations of employees, terms and conditions of employment and consequences of violations of the policies

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<sup>1</sup> Government Code section 31522.5 states, in pertinent part, as follows:

- (a) In a county in which the board of retirement has appointed personnel pursuant to Section 31522.1, the board of retirement may appoint an administrator, an assistant administrator, a chief investment officer, senior management employees next in line of authority to the chief investment officer, subordinate administrators, senior management employees next in line of authority to subordinate administrators, and legal counsel.
- (b) Notwithstanding any other provision of law, the personnel appointed pursuant to this section may not be county employees but shall be employees of the retirement system, subject to terms and conditions of employment established by the board of retirement. Except as specifically provided in this subdivision, all other personnel shall be county employees for purposes of the county’s employee relations resolution, or equivalent local rules, and the terms and conditions of employment established by the board of supervisors for county employees, including those set forth in a memorandum of understanding.

- Educate employees about what they can expect from management and leadership and where they can turn for help

To date, OCERS’ personnel related policies have been documented in the OCERS “Personnel Policies and Regulations” (referred to as the PP&R). The PP&R was approved by the Board on November 18, 2002, when legislation first designated OCERS managers and above as employees of OCERS instead of employees of the County of Orange. The PP&R was largely a verbatim adoption of the County’s P&SR and was intended to evolve over time. As the County has amended its P&SR over the years, OCERS has implemented those provisions related to employee benefits as required by the MOU between the County of Orange and OCERS for Employee Benefits. However, the PP&R itself has not gone through a formal revision and approval since its original adoption in 2002.

As the Board is aware, the OCERS management team has for some time been working on a new Employee Handbook to replace the PP&R. Once adopted by the Board, the Employee Handbook will apply only to OCERS direct employees; County employees assigned to work at OCERS will in no way be affected by the handbook. Staff plans on presenting the proposed handbook to the Board at its December meeting; however, one policy in particular, the Annual Leave (Paid Time Off) Policy, has come to the fore, and requires adoption prior to the end of this tax year.

### Discussion

Today’s discussion will focus on only one policy: the Annual Leave (Paid Time Off) Policy. As approved by the Personnel Committee, the proposed Annual Leave Policy was changed (1) to limit the number of Annual Leave hours that can be accrued to a maximum of 640 hours; and (2) to increase the number of hours that can be cashed out by an employee annually to 120 (up from 90 hours). These changes will apply to both current and future OCERS employees.

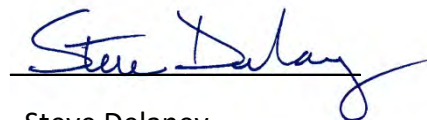
Implementation of the new Annual Leave Policy will require that those employees that have more than the annual leave accrual cap to have excess hours over the cap to be paid out. The implementation plan for cashing out of excess hours will include reducing accrual banks to 500 hours, with the option to split the payment for accrued hours over 500 between two calendar years (December 2019 and January 2020). Cashing out Annual Leave over 500 hours (instead of 640 hours) will allow employees to continue to accrue Annual Leave once the new policy is in effect.

There are currently six employees who have Annual Leave Balances that are above 500 hours. Below is a summary of the cash outs that will occur if the new policy is approved:

Employee	Annual Leave Hours Balance at 11/4	Hourly Rate	Value of Total AL Balance	Cost to cash out down to 500 hours
1	612.13	\$53.09	32,497.98	\$5,952.98
2	802.21	\$100.59	80,694.30	\$30,399.30
3	1,004.23	\$72.25	72,555.62	\$36,430.62
4	1,362.56	\$51.01	69,504.19	\$43,999.19
5	1,536.54	\$61.41	94,358.92	\$63,653.92
6	1,644.15	\$75.23	<u>123,689.40</u>	<u>\$86,074.40</u>
			<u>\$473,300.41</u>	<u>\$266,510.41</u>

In conclusion, the Personnel Committee has approved and recommends that the Board approve the Annual Leave (Paid Time Off) Policy, effective on the date of the Board's approval.

**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

# Annual Leave (Paid Time Off)

## Statement

Annual Leave is a paid time-off benefits program. Accrued hours accrued can be used for any reason, including vacation, illness, doctor's appointments or personal business. Employees are encouraged to take full advantage of available Annual Leave hours on an annual basis.

## Provisions

### 1. General Provisions

- a. Employees begin to earn Annual Leave upon the first day of employment and Annual Leave hours are credited at the end of each pay period.
- b. Annual Leave may be taken in one (1) hour increments.
- c. Annual Leave hours continue to earned while an employee is on approved paid leave of absence.

### 2. Accrual Rates

- a. Annual Leave for full-time employees is earned in each pay period, subject to the limitations set forth in Paragraph 3 below. Employees earn Annual Leave hours based on their years of full-time, continuous service with OCERS. All such employees will earn Annual Leave in accordance with the following schedule up to the maximum set forth in Paragraph 3 below:

YEARS OF SERVICE	APPROXIMATE ACCRUAL RATE PER PAY PERIOD	YEARLY ANNUAL LEAVE ACCRUAL
Less than 3 years	7 hours and 25 minutes	24.5 days
3 years to less than 10 Years	9 hours and 52 minutes	32 days
10 Years +	11 hours and 24 minutes	37 days

- b. For employees beginning their third (3rd) or tenth (10th) years of service, the applicable rate of accrual will become effective commencing with the pay period following that in which an employee completes his or her third (3rd) or tenth (10th) year of service.
- c. Annual Leave accruals for part-time employees will be prorated based on an employee's part-time status (e.g., half time, 75% time).

### 3. Maximum Annual Leave Balance

- a. Accrual of Annual Leave hours shall be limited 640 hours.
- b. If at any point an employee accrues 640 Annual Leave hours, the employee will cease to earn and accrue Annual Leave until the Annual Leave balance falls below 640 hours.
- c. Employees are encouraged to work with their supervisor to plan their use of Annual Leave so that accrual of hours can continue without interruption.
- d. Cessation of Annual Leave accrual could impact retirement benefits for Legacy members.

### 4. Permissible Uses of Annual Leave

Annual Leave may be used for any reason, including:

- a. Vacation

- b. Personal business.
- c. Diagnosis, care, or treatment, including preventive care, of an existing health condition of an employee or an employee's family member (e.g., spouse/partner, child, parent, parents-in-law, grandparents, grandchildren, and siblings). An employee's supervisor may request that the employee provide satisfactory evidence of his or her illness, injury, or medical condition.
- d. For victims of domestic violence, sexual assault, or stalking.

#### **5. Procedure for Requesting Foreseeable Annual Leave**

- a. An employee requesting one or more weeks of time off should submit a request for time off to his or her supervisor for approval at least two weeks in advance of the desired time-off. Exceptions to this requirement may be granted when doing so would not disrupt OCERS' business, when the time-off is due to illness or injury to the employee or family member, or for emergency personal situations.
- b. An employee requesting less than one week of time off should submit a request for time off to his or her supervisor for approval as early as possible prior to the desired time-off.
- c. No scheduled leave shall be cancelled by OCERS except in cases of emergencies.

#### **6. Procedure for Requesting Unforeseeable Annual Leave**

When an absence is unforeseeable (e.g., illness), employees must report their absences to their supervisor as soon as possible by phone, voicemail message, text message, and/or email, but no later than the start of OCERS' regular business hours, unless it is impracticable to do so. It is the employee's responsibility to ensure that OCERS has been notified regarding his or her absence.

#### **7. Accrual Payout During Employment**

During each fiscal year an employee may request to be paid for accrued Annual Leave in one (1) or two (2) increments up to a total of 120 hours. Executive Employees refer to Terms and Conditions of Employment for Executives Policy.

#### **8. Annual Leave Payout Upon Involuntary or Voluntary Termination of Employment**

Upon termination of employment (i.e., for any reason other than retirement), employees will be paid for their accrued and unused Annual Leave through the date of termination. Annual Leave cannot be utilized to extend the date of termination, except by approval of the CEO. Annual Leave payments are computed on the basis of the salary rate in effect at the time of termination.

#### **9. Compliance with Applicable Law**

- a. This policy and all of its provisions are subject to such other terms and conditions as are provided under California law.
- b. For questions about Annual Leave, contact Administrative Services.

### ***Related Topics***

- 1. OCERS Attendance Policy
- 2. OCERS Pregnancy and Pregnancy Disability Leave Policy
- 3. OCERS Occupational Leave Policy
- 4. OCERS Sick Leave Policy for Extra-Help Employees



# Monthly OCERS Team Activity

## October 2019

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 October 2019.

### TOP 3 MEMBER QUESTIONS:

The top three questions of the month as received by OCERS' counseling staff:

#### QUESTION ONE:

- Q:** What is a Reverse Pickup? How can I tell what percentage I pay?
- A:** Certain County of Orange and Special District agency employees are subject to an employee-paid reverse pickup contribution in addition to their bi-weekly retirement contributions. The reverse pickup rate is determined by the Orange County Auditor Controller's office and changes annually, effective each fiscal new year. You can see what your reverse Pickup rate is by visiting our website at [www.ocers.org](http://www.ocers.org).

#### QUESTION TWO:

- Q:** When will OCERS know what the Cost of Living increase will be for 2020?
- A:** OCERS Actuary will analyze whether there has been an increase or decrease in the cost of living, as reflected in the Bureau of Labor Statistics Consumer Price Index (CPI). The OCERS Board will provide its final approval at the 2020 February Board meeting. If the Board approves a COLA, the adjustment is reflected in the April allowances of retirees and eligible survivors

#### QUESTION THREE:

- Q:** How do I unlock my myOCERS member portal account?
- A:** After three unsuccessful attempts, you must call our office at (714) 558-6200 and speak to someone in our Member Services department to assist you. After identification is verified, staff can unlock your account and walk you through the process until you are logged in

### Customer Service Statistics

Member Approval: 95%

Un-Planned Recalculations: 1

#### Retirement Applications Received:

Oct – 2019	69
Sept – 2019	38
Aug – 2019	62
July – 2019	53
June – 2019	50
May – 2019	43
Apr – 2019	37
Mar – 2019	107
Feb – 2019	199
Jan – 2019	258
Dec – 2018	54
Nov – 2018	85
Oct – 2018	49
Sept – 2018	40
Aug – 2018	55
Jul – 2018	67
Jun – 2018	44
Apr – 2018	73
Mar – 2018	51
Feb – 2018	163
Jan – 2018	204
Dec – 2017	58
Nov – 2017	75



### MEMBER SERVICES TELEPHONE METRICS

Member Services Call History			
Month / Year	Incoming Calls Through Queue	Incoming Calls Direct to Extension	Total Calls (Queue + Direct)
October 2019	*	2305	2305
October 2018	1464	2135	3599
October 2017	860	3169	4029

\*Queue call metrics unavailable this month due to sporadic issues with Mitel's Phone Reporting .

### ACTIVITIES

#### CYBERSECURITY MONTH

Mr. Eakin and Mr. Gossard were busy this past month taking advantage of a national focus on cybersecurity, as reported here:

Held every October, National Cybersecurity Awareness Month (NCSAM) is a collaborative effort between government and industry to raise awareness about the importance of cyber security and to ensure that all Americans have the resources they need to be safer and more secure online. NCSAM 2019 emphasized personal accountability and highlighted the importance of taking proactive steps to enhance cyber security at home and in the workplace. This year's overarching message – Own IT. Secure IT. Protect IT. – focused on key areas that included privacy, software updates, and responsible social media usage. The OCERS Information Security department hung posters around the office to educate staff on this year's themes and held a "find the poster" contest with gift cards for the winners to drive engagement. We sent a total of ten emails highlighting the topics of this year's campaign, which also included ten infographics with additional tips and suggestions. Free 2020 calendars and posters were distributed to interested staff with additional messages about cyber security. A special communication was sent in regards to kid's online safety, which provided OCERS employees with resources for how to keep their kid's safe online, gave practical tips for how to talk about online safety with their kids, and delivered information on a cyber security poster creation contest as a way to get the conversation started. We hope the OCERS employees found the information useful for both their personal and professional lives, and we look forward to next year's National Cybersecurity Awareness Month campaign.

### HALLOWEEN AT OCERS

The holiday season at OCERS got underway on October 30 with the annual Halloween Potluck!



### CONTINUOUS IMPROVEMENT - FIELD TRIP TO COUNTY OF ORANGE SOCIAL SERVICES AGENCY (SSA)

During my individualized meetings with OCERS team members this year, I heard from a number of individuals who had previously worked at the County of Orange Social Services Agency, that that agency did a good job with both early training of new hires as well as updating their staff as to changes in law and benefits as those occurred. With our goal of looking everywhere to find ideas and concepts for continuous improvement at OCERS, on October 3 Ms. Jenike and I led a group of OCERS team members to the SSA offices to meet with Ms. Alyson Piguee, and her team Ms. Piguee is an Admin Manager II at SSA, and lead for SSA communications. We learned about their ongoing processes, the challenges they face as much as we do with ensuring that their clients (and for us our members) get the most up to date information possible. It was a great meeting, the SSA team were extremely hospitable with their time and attention, and sent us back with concepts and approaches to try at OCERS.

### INVESTMENT TEAM ACTIVITY IN OCTOBER

Mr. David Beeson reports on key activities of Investment Team in October:

As of September 30, 2019, the portfolio year-to-date is up 10.2% net of fees, while the one-year return is up 5.3%. The fund value now stands at \$16.8 billion. The October 31<sup>st</sup> Investment Committee meeting began with Molly Murphy reviewing the monthly manager selections and terminations report. OCERS invested \$105 million in the AQR Style Premia Fund and \$105 million in the Two Sigma Risk Premia Fund within the risk mitigation asset class. OCERS committed \$100 million to LBA Logistics Value Fund VII, a non-core real estate fund focused on industrial properties. OCERS also committed €18 million (approximately \$20 million) to EQT Ventures II, a private equity fund focused on digital transformational businesses in seed, early-to-late stage venture, and growth equity. Heidi Poon from TorreyCove next presented the 1<sup>st</sup> quarter 2019 private equity performance update. **Since private equity and private real assets report on a lag, the latest valuation statements available are as of March 31, 2019.** As of March 31, 2019, OCERS' private equity portfolio has a market value of \$1.6 billion. The private equity portfolio has a 13.3% net IRR since inception. Nic DiLoretta from TorreyCove then presented the 1<sup>st</sup> quarter 2019 private real assets performance update. As of March 31, 2019, OCERS' private real assets portfolio has a market value of \$1.0 billion. The private real assets portfolio has a 5.2% net IRR since inception. David Beeson and Nic DiLoretta next presented the real assets asset class review. The Investment Committee approved the 2020 pacing plan of \$250 - \$400 million in private real assets commitments to maintain the 8% target (with a range of \$50 - \$150 million per commitment and number of commitments of 2 to 5). Nic DiLoretta also presented an energy market overview. Nic DiLoretta discussed the current supply and demand characteristics in energy as well as the challenges to the A&D market in energy in 2019. OCERS' Investment Committee meeting concluded with a very special guest speaker. General (Ret.) David H. Petraeus, now a Partner with the global investment firm KKR, discussed the current private equity environment and also gave a riveting update on geopolitical events around the world.

### NCPERS SAFETY CONFERENCE – WHEN A SYSTEM IS UNDERFUNDED: KENTUCKY RETIREMENT SYSTEMS (KRS)

Mr. Hilton and I had the opportunity to attend the NCPERS Safety Conference at the end of October. One of the more interesting discussions I heard, which I want to memorialize here, was delivered by David Eager, Executive Director of the Kentucky Retirement Systems. With the various Kentucky systems funded from a low of just 13% to approximately 28% for others, the system needed to find a way to get working capital. .

While working on a number of different approaches to stabilizing the fund, such as going from percent of pay in determining contributions to “level dollar attribution” (a variant on the “level dollar contribution” approach we are more familiar with), the need to free capital for long term investing has led Mr. Eager and his team to develop and recommend what is in my experience a fairly unique approach. Being so underfunded, the actuary for KRS has required the Non-Hazard plan to assume a lower risk earnings rate of 5.5%. That has in turn led to employer contribution rates above 90% of salary, and likely to go significantly higher. The goal of the KRS team is to give some breathing room to their participating employer with regard

to rates, allowing them to begin to catch up (over time of course) on their liabilities. Mr. Eager has recommended to the Kentucky Legislature that all dollars presently reserved for payment of current retired member benefits be redirected to supporting active member liabilities instead. The key to this basically accounting maneuver would be legislation that enshrines the Legislature's guarantee to pay to KRS the "annual required contribution (ARC)" tied to those current retirees each and every year. Freeing up that capital would change the Non-Hazard plan's funded ratio from its current 13% to something just over 50%. That improved funding status in turn would be sufficient for the actuary to then recommend a higher assumed earnings rate of 6.5%, bringing some rate relief to the cash strapped employers as their contribution rates would be somewhat reduced.

The process is not yet complete. This move will require legislation, which though drafted and moving ahead with support of the KRS Board and stakeholders, understandably is being met with concern by a number of legislators due to the required promise to fund the ARC.

### UPDATES

#### OCERS EMPLOYMENT UPDATE

Ms. Felicia Durrach provides a "through November 15" report on this year's (2019) activity in the HR Department:

In summary, the agency filled a total of **eighteen (18) positions** as of November 13, 2019. This includes **thirteen (13) new full-time equivalents** (FTE's) and **five (5)** internal promotions.

As of November 15th, we have a total of five (5) vacancies. This includes **two (2) OCERS Direct positions**: Director of Member Services (former incumbent retired) and Investment Analyst (former incumbent resigned). Interviews for the Director of Member Services recruitment are scheduled to take place on December 10th and 12th. The recruitment closed on November 15th with a total of 67 applications received. A total of eleven (11) candidates met the MQ's for this recruitment. Candidates selected to move forward to the first round of interviews have been notified. We anticipate the recruitment for the Investment Analyst vacancy will open late November.

We have **three (3) County positions vacant**: Accounting Technician (former incumbent did not pass probation) and Staff Assistant (accepted a position with the County). Interviews for the Accounting Technician position took place on November 7th. We received 145 applications for this recruitment. Of the 145 applications received, 126 applicants met the MQ's and were emailed the validated Accounting Technician assessment currently in use by the County. Fifty-eight (58) applicants were placed on an eligible list; twelve (12) were selected to move forward to the interview process. A candidate was selected and we anticipate the incumbent will start January 10<sup>th</sup>. We anticipate the interview panel will select a candidate from the interviews conducted. In 2019, the Administrative Services department started the year with two (2) Staff Assistants. One Staff Assistant accepted a position with the County in

February of this year. The department will not backfill this vacancy. The second Staff Assistant recently accepted a position with the County as well. The incumbent's last day with OCERS will be November 21st. The recruitment for this vacancy will open late November.

A recruitment to establish an eligible list will open in early December for the following positions, Retirement Program Specialist and Retirement Benefits Technician.



As a reminder you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the December 16 meeting of the OCERS Board of Retirement.

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# Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Roger Hilton, OCERS Board Chair - 2020  
**SUBJECT:** **2020 OCERS BOARD COMMITTEE ASSIGNMENTS**

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## Written Report

### Background/Discussion

I would like to thank my fellow OCERS Board Trustees for their input regarding committee assignments in 2020. 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 notes:

- The current ad hoc Building committee formed to deal with the remodel of our present building at 2223 East Wellington Avenue, Suite 100, Santa Ana, CA 92701 will lapse as of December 31, 2019.
- As of January 1, 2020 I am directing the formation of a new ad hoc committee to assist in crafting a new design and associated budget for the OCERS Headquarters building.

The 2020 OCERS Board of Retirement committee assignments are as follows:

### **Investment Committee**

Shawn Dewane, Chair

Frank Eley, Vice –Chair

### **Ad hoc Headquarters Building Committee**

Chuck Packard, Chair

Chris Prevatt, Vice Chair

Adele Tagaloa

Shawn Dewane

## Memorandum

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### Audit Committee

Frank Eley, Chair  
Shari Freidenrich, Vice-Chair  
Chuck Packard  
Jeremy Vallone

### Disability Committee

Jeremy Vallone, Chair  
Adele Tagalao, Vice-Chair  
Rotation of appointed Members until New member  
Roger Hilton, Alternate Member

### Governance Committee

Shawn Dewane, Chair  
Frank Eley, Vice-Chair  
Chuck Packard  
Roger Hilton

### Personnel Committee

Chris Prevatt, Chair  
Wayne Lindholm, Vice Chair  
Roger Hilton

My thanks to each of you and best wishes for a successful 2020 for this Board of Retirement.

**Submitted by:**  
**Roger Hilton**

**Approved by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer



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## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Cynthia Hockless, Director of Administrative Services  
**SUBJECT:** **OCERS TRUSTEE EDUCATION SUMMARY REPORT**

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### Written Report

Effective January 1, 2013, Trustees are required to complete a minimum of 24 hours of Trustee Education within the first two (2) years assuming office and for every subsequent 2-year period in which the Trustee serves on the Board.

To date, all Trustees are on track to meet the education requirement. Trustees that commenced membership on the Board after the initial tracking period will reset their two-year period on anniversary date of assumed Board membership.

Staff annually prepares a spreadsheet for each Trustee to track their education credits. The following is the current hourly total we have on file for each Trustee for their current measuring period:

**Russell Baldwin – elected Fall 2016, current term [1/1/17-12/31/19]**

Term listed on 2018 documents: For Current Education Measuring Period 1/19-12/19: **215.25 hours**

**David Ball – appointed Sept. 2013, current term [1/1/17-12/31/19]**

Term listed on 2018 documents: For Current Education Measuring Period 1/19-12/19: **4.50 hours**

**Shawn Dewane – appointed 2017, current term [2/14/17-12/31/19]**

Term listed on 2018 documents: For Current Education Measuring Period 1/19-12/20: **26.50 hours**

**Frank Eley – elected 2016, current term [1/01/17-12/31/19]**

Term listed on 2018 documents: For Current Education Measuring Period 1/19-12/20: **12.00 hours**

**Shari Freidenrich – elected Nov. 2010, took office in Jan. 2011, current term [Ex-Officio Member]**

Term listed on 2018 documents: For Current Education Measuring Period 1/19-12/20: **7.00 hours**

**Roger Hilton – elected June 2012, current term [07/01/2018-06/30/2021]**

Education Measuring Period 7/18-12/19: **270.65 hours**

**Wayne Lindholm – appointed Jan. 2010, current term [1/1/16-12/31/21]**

Term listed on 2018 documents: For Current Education Measuring Period 1/18-12/19: **80.00 hours**

**Charles Packard – appointed Dec. 2011, current term [1/1/17-12/31/19]**

Term listed on 2018 documents: For Current Education Measuring Period 1/18-12/19: **133.80 hours**

**Chris Prevatt – elected Fall 2012, current term [1/1/19-12/31/18]**

Term listed on 2018 documents: For Current Education Measuring Period 1/18-12/19: **311.25 hours**

**Jeremy Vallone – elected 2018, current term [7/01/18-6/30/21]**

Term listed on 2018 documents: For Current Education Measuring Period 7/18-12/19: **92.15 hours**

**Attachments:**

1. Board Members individual annual Education Report for current two year measuring period.
2. Trustee Education Policy.

**Submitted by:**



**CH - Approved**

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Cynthia Hockless  
Director of Administrative Services

## **Purpose**

1. It is the policy of the Board of Retirement to ensure that individual Trustees have sufficient knowledge of the issues and challenges facing OCERS so as to craft policies to guide the administration of the plan and effectively monitor their implementation based on ongoing exposure to up-to-date benefit, financial, investment and policy information and together with staff are properly trained to perform their respective duties.
2. Effective January 1, 2013, Trustees are required to complete a minimum of 24 hours of Trustee education within the first two (2) years of assuming office and for every subsequent 2-year period in which the Trustee serves on the Board (Gov. Code § 31522.8).
3. Trustees are also required to complete two hours of ethics training every two years. (Gov. Code § 53235) Ethics training received as part of the 24 hours of Trustee education will satisfy this requirement.
4. Trustees are also required to complete two hours of harassment prevention training every two years. (Gov. Code § 12950.1) Harassment prevention training is in addition to the 24 hour education requirement set forth in Gov. Code § 31522.8.
5. To that end, each Trustee is encouraged to regularly participate in those educational opportunities that will enable competent discharge of the obligations of that position and meet the statutory requirements for continuing education.

## **Policy Objectives**

6. The objective of this policy is to ensure that all Trustees have adequate opportunity to acquire the knowledge they need to carry out their fiduciary duties.

## **Policy Guidelines**

7. Trustees agree to develop and maintain knowledge of relevant issues pertaining to the administration of OCERS throughout their terms.
8. Trustees agree to pursue appropriate education across a range of pension-related areas, rather than limiting their education to specific areas. General pension-related areas to be pursued include:
  - a. Pension funding;
  - b. Institutional investments and investment program management;
  - c. Investment performance measurement;
  - d. Actuarial science;
  - e. Benefits structure and administration;
  - f. Disability retirements;
  - g. Due process in benefit determinations;

## OCERS Board Policy

# Trustee Education Policy

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- h. Pension law;
  - i. Organizational structure, methods, and practices;
  - j. Budgeting;
  - k. Governance and fiduciary duty; and
  - l. Ethics.
9. Trustees agree that at least two hours of education they receive will qualify as ethics training relevant to the Trustees' public service. Subject matter that qualifies for ethics training includes, but is not limited to:
- a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.
  - b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.
  - c. Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.
  - d. Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.
10. Educational tools for trustees include, but are not limited to:
- a. External conferences, seminars, workshops, roundtables, courses or similar sessions (henceforth referred to collectively as "conferences");
  - b. Industry association meetings or events;
  - c. In-house educational seminars or briefings;
  - d. Periodicals, journals, textbooks and similar materials; and
  - e. Electronic media including CD ROM-based education, Internet-based education and video-based education.
11. On an ongoing basis, the Chief Executive Officer and the Chief Investment Officer will identify appropriate educational opportunities, based on the needs of individual Trustees or the Board as a whole, and include details of such in Board meeting information packages for Trustee consideration. Trustees are encouraged to suggest educational opportunities that may provide value to the Board of Retirement.
12. Standards for determining the appropriateness of a potential educational opportunity shall include:
- a. The extent to which the opportunity is expected to provide Trustees with the knowledge they need to carry out their roles and responsibilities;
  - b. The extent to which the opportunity meets the requirements of this policy; and

## OCERS Board Policy

# Trustee Education Policy

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- c. The cost-effectiveness of the program in light of travel, lodging and related expenses.
13. Beginning January 1, 2013, Trustees will acquire a minimum of 24 hours of Trustee education within the first two (2) years of assuming office and for every subsequent 2-year period for which the Trustee serves on the Board.
  - a. Trustees will endeavor to complete 24 hours of education in the remainder of the first and second calendar year after appointment. For trustees who are appointed later in November or December, the first education year will commence on January 1 of the subsequent calendar year.
  - b. After the initial two years after assuming office, education hours will be tracked on a calendar year basis with each trustee required to complete 24 hours of education within each two year period.
  - c. OCERS staff will track hours on an odd and even year basis with trustees grouped according to the year of term commencement.
  - d. For example, if a trustee assumes office on April 1, 2016, he or she will be expected to complete 24 hours of education by December 31, 2017. Subsequent to January 1, 2018, his or her education will be tracked on a rolling basis with completion of the 24 hour requirement on December 31, 2019, 2021, 2023, etc.
14. Trustees will attempt to meet the following minimum goals:
  - a. To secure, over time, a useful level of understanding in each of the topic areas listed in paragraph 8 above;
  - b. To attend at least one conference annually. In accordance with a. above, Trustees are encouraged to attend conferences, on occasion, that address pension topics other than investments; and
  - c. Participate in any in-house educational seminars or briefings that are organized by the Chief Executive Officer and Chief Investment Officer including:
    - i. The educational component of the annual Strategic Planning Session;
    - ii. The Education Forum;
    - iii. Individual sessions at regular Board meetings; and
    - iv. Workshops available to Board and staff members.
15. The Board shall maintain a record of Trustee compliance with this policy, and the Chief Executive Officer or his designee will ensure that the policy and annual compliance report are placed on the OCERS website.

### **Attendance at Conferences & Industry Association Meetings**

16. Approval for attendance and reimbursement of travel expenses in connection with educational conferences and industry association meetings will be in accordance with the Travel Policy.
17. In furtherance of this policy, the Chief Executive Officer shall have discretionary authority to approve staff travel as necessary to carry out the administrative responsibilities of the OCERS,

## OCERS Board Policy

# Trustee Education Policy

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such as attendance at legislative meetings or hearings, conducting on-site visits as part of due diligence evaluation of existing and proposed service providers, participating in continuing education programs, and other duties as directed.

18. The Board will periodically review the programs, training or educational sessions that qualify for Trustee education.

### Harassment Prevention Training

19. As an employer of over 5 employees, OCERS is required to provide two hours of harassment and abusive conduct prevention training to all “supervisory employees” every two years, and (effective calendar year 2020) one hour of prevention training to all nonsupervisory employees.
20. Trustees are considered “supervisory employees” for the purposes of the statute since Trustees may influence the terms and conditions of employment for OCERS employees.
21. The Chief Executive Officer working with the Legal Department and outside vendors will schedule appropriate training for Trustees every two years.

### Orientation Program

22. Working with the Chief Investment Officer and OCERS’ professional advisors, the Chief Executive Officer will hold an orientation program, covering the general topic areas outlined in paragraph 8 above, and designed to introduce new Trustees to all pertinent operations of the System and highlight the knowledge bases required of a Trustee. The aim of the orientation program will be to ensure that new Trustees are in a position to contribute fully to Board of Retirement and committee deliberations, and effectively carry out their fiduciary duties as soon as possible after joining the Board.
23. Prior to a Trustee’s first official meeting with the Board of Retirement, he or she will endeavor to attend a Board meeting or a standing committee meeting in the role of an observer.
24. Within 30 days of a trustee’s election or appointment to the Board, the Chair will designate an incumbent member of the Board to provide the new Trustee an orientation to current Board governance practices.
25. As part of the orientation process, new Trustees will, within 30 days of their election or appointment to the Board of Retirement:
  - a. Be briefed by the Chief Executive Officer on the history and background of OCERS;
  - b. Be oriented by the Chair on current issues before the Board;
  - c. Be introduced to members of senior management;
  - d. Be provided a tour of OCERS offices by the Chief Executive Officer;
  - e. Be briefed by the Board’s fiduciary counsel on their fiduciary duties, conflict of interest guidelines, the County Employees Retirement Law of 1937, Proposition 162, The Brown Act, and other pertinent legislation; and

## OCERS Board Policy **Trustee Education Policy**

- f. Be provided with an iPad (or other electronic device) with access to a document repository containing the following:
  - i. A Trustee Reference Manual (the contents of which are listed in the Appendix);
  - ii. A listing of upcoming recommended educational opportunities; and
  - iii. Other relevant information and documentation deemed appropriate by the Chief Executive Officer.
- 26. During the course of their first 12 months on the Board of Retirement, new Trustees will endeavor to attend a seminar on the principles of pension management or a comparable program.
- 27. The Chief Executive Officer will review, and if necessary, update all orientation material. It is the responsibility of Trustees to maintain their Trustee Reference Manuals, by ensuring that they contain the most up to date materials. A master copy of the Trustee Reference Manual will be available for use by Trustees at the OCERS office.

### **Policy Review**

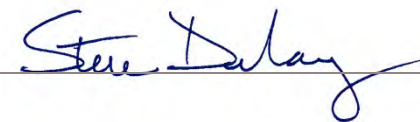
- 28. The Board of Retirement will review this policy at least every three years to ensure that it remains relevant and appropriate.

### **Policy History**

- 29. This policy was adopted by the Board of Retirement on February 19, 2002.
- 30. The policy was revised on May 16, 2005, March 24, 2008, June 18, 2012, November 19, 2012, July 20, 2015, and December 19, 2016, September 25, 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.



10/21/19

Date

Steve Delaney  
Secretary of the Board



## **APPENDIX 1**

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### **Trustee Reference Manual**

A Trustee Reference Manual will include the following materials:

- a. OCERS Board Handbook;
- b. Relevant sections of the *County Employees Retirement Law of 1937*;
- c. The Brown Act and Proposition 162;
- d. Most recent plan description and member handbook;
- e. Copies of Board policies;
- f. Most recent Annual Report;
- g. Most recent actuarial valuation and financial statements;
- h. Most recent actuarial experience study;
- i. Most recent asset/liability study;
- j. Most recent investment performance report;
- k. Most recent Business Plan and budget;
- l. Organizational chart;
- m. Names and phone numbers of the trustees and the Chief Executive Officer;
- n. Listing of current committee assignments;
- o. Listing of current service providers; and
- p. Glossary of key pension administration terms and definitions.

## Board Member Training Compliance Report

This report details the Training Compliance (met/unmet) for each Board Member.

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BOARD MEMBER	CURRENT TERM	MEASURING PERIOD	TOTAL HOURS	MET EEO	CONFLICTS OF INTEREST TRAINING	MET ETHICS	NOTES
BALDWIN, RUSSELL	01/01/2017-12/31/2019	01/2019-12/2019	215.25	Completed - 11/18/2019	Completed - 04/15/2019	Completed - 05/10/2019	Completed at SACRS on 05/10/2019
BALL, DAVID	01/01/2017-12/31/2019	01/2019-12/2019	4.50	Failed to Complete	Completed - 04/15/2019	Completed - 05/15/2018	Completed at SACRS on 5/15/2018
DEWANE, SHAWN	01/01/2017-12/31/2019	01/2019-12/2020	26.50	In Progress *	Completed - 04/15/2019	In Progress *	
ELEY, FRANK	01/01/2017-12/31/2019	01/2019-12/2020	12.00	Completed - 11/18/2019	Completed - 04/15/2019	Completed - 05/15/2018	Completed at SACRS on 5/15/2018
FREIDENRICH, SHARI	-	01/2019-12/2020	7.00	Completed - 11/18/2019	Completed - 04/15/2019	In Progress *	Ex-Officio Member
HILTON, ROGER	07/01/2018-06/30/2021	07/2018-06/2020	270.65	Completed - 11/18/2019	Completed - 04/15/2019	In Progress *	
LINDHOLM, WAYNE	01/01/2016-12/31/2021	01/2018-12/2019	82.00	Completed - 11/18/2019	Completed - 04/15/2019	Completed - 12/09/2019	
PACKARD, CHARLES	01/01/2017-12/31/2019	01/2018-12/2019	133.80	Completed - 11/18/2019	Completed - 04/15/2019	Completed - 12/11/2019	
PREVATT, CHRIS	01/01/2019-12/31/2021	01/2018-12/2019	311.25	In Progress **	Completed - 04/15/2019	Completed - 05/10/2019	Completed at SACRS on 05/10/2019
VALLONE, JEREMY	07/01/2018-06/30/2021	07/2018-06/2020	92.15	Completed - 11/18/2019	Completed - 04/15/2019	Completed - 05/10/2019	Completed at SACRS on 05/10/2019
<b>NUMBER OF RECORDS:</b>							<b>10</b>

### LEGEND

Completed	In Progress	Failed to Complete
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Above statuses relate to the Board Member's Measuring Period.

\* - Measuring Period continues through end of 2020

\*\* - Expect to be completed by 12/31/2019

## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Baldwin, Russell

Date Range: 1/1/2019 - 12/4/2019

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### BOARD

#### Baldwin, Russell (21 Records)

**Total Hours:**

**215.25**

Title	Type	Institution	Status	Due Date	Completion Date
NASRA / NIRS 2019 Winter Conference	Conference	The Westin Washington DC City Center	Completed	02/27/2019	02/27/2019
<b>Description:</b> The Westin Washington DC City Center, NASRA / NIRS Winter Conference February 23-27, 2019					
Title	Type	Institution	Status	Due Date	Completion Date
CALAPRS General Assembly	Mandatory Training	CALAPRS	Completed	03/05/2019	03/05/2019
<b>Description:</b> CALAPRS General Assembly training at the Monterey Marriott in Monterey, CA from March 2-5, 2019					
Title	Type	Institution	Status	Due Date	Completion Date
March 2019 CALAPRS Advanced Principles of Pension Management for Trustees	Conference	CALAPRS - UCLA Luskin Conference Center	Completed	03/27/2019	03/29/2019
<b>Description:</b> March 27 -29, 2019 CALAPRS Advanced Principles of Pension Management for Trustees held at the UCLA Luskin Conference Center in Los Angeles, CA.					
Title	Type	Institution	Status	Due Date	Completion Date
Forum for Institutional Investors: Protecting Shareholder Rights	Mandatory Training	Forum for Institutional Investors	Completed	04/10/2019	04/13/2019
<b>Description:</b> Forum for Institutional Investors - Protecting Shareholder Rights conference in New Orleans, LA, put on by Bernstein Litowitz Berger & Grossmann LLP from April 10, 2019 - April 13, 2019					
Title	Type	Institution	Status	Due Date	Completion Date
SACRS Ethics training for Public Officials (AB 1234)	Mandatory Training	SACRS	Completed	05/07/2019	05/07/2019
<b>Description:</b> May 07, 2019: SACRS Ethics training for Public Officials (AB 1234) "This two-hour mandatory bi-annual training for public officials covers conflict of interest rules, public meeting and record requirements, due process requirements and other significant rules for legal compliance by public officials, with a particular focus on how these rules apply to retirement board trustees and senior staff." Speaker was Ashley Dunning, Nossaman LLP					
Title	Type	Institution	Status	Due Date	Completion Date
SACRS 2019 Spring Conference	Continuing Education	SACRS	Completed	05/07/2019	05/10/2019
<b>Description:</b> SACRS 2019 Spring Conference at Resort at Squaw Creek, Olympic Valley, CA 96146 from May 7, 2019 – May 10, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Baldwin, Russell

Date Range: 1/1/2019 - 12/4/2019

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OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP					
Title	Type	Institution	Status	Due Date	Completion Date
Meketa Investment Group 2019 Investment Conference - ESG Integration: Putting the Pieces Together	Mandatory Training	Meketa Investment Group	Completed	04/09/2019	04/09/2019
<b>Description:</b> April 9, 2019 Meketa Investment Group 2019 Investment Conference - ESG Integration: Putting the Pieces Together in San Diego, CA at Hilton San Diego Bayfront: 1 Park Blvd., San Diego, CA 92101					
Title	Type	Institution	Status	Due Date	Completion Date
2019 Public Pensions & Investments Fiduciaries' Forum: Evolving Demands on Public Plan Fiduciaries	Continuing Education	Nossaman LLP	Completed	09/04/2019	09/05/2019
<b>Description:</b> 2019 Public Pensions & Investments Fiduciaries' Forum: Evolving Demands on Public Plan Fiduciaries at Meritage at the Claremont Club & Spa in Berkeley, CA from September 4-5, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
The 2019 Pension Bridge Alternatives	Continuing Education	Pension Bridge	Completed	10/28/2019	10/29/2019
<b>Description:</b> The 2019 Pension Bridge Alternatives at The Beverly Wilshire, a Four Season Hotel in Beverly Hills, CA from October 28-29, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
IFEBP 65th US Annual Employee Benefits Conference	Mandatory Training	International Foundation of Employee Benefit Plans (IFEBP)	Completed	10/20/2019	10/23/2019
<b>Description:</b> IFEBP 65th US Annual Employee Benefits Conference in San Diego, CA from October 20-23, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
CALAPRS Trustees Roundtable	Conference	CALAPRS	Completed	10/24/2019	10/25/2019
<b>Description:</b> CALAPRS Trustees' Roundtable 2019 at Hilton Oakland Airport in Oakland, CA on October 25, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019
<b>Description:</b> Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.					
Title	Type	Institution	Status	Due Date	Completion Date

## Career Development Report


This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Baldwin, Russell

Date Range: 1/1/2019 - 12/4/2019

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SACRS 2019 Fall Conference	Conference	SACRS	Completed	11/12/2019	11/15/2019
<b>Description:</b> SACRS Fall 2019 Conference at the Hyatt Regency Monterey Hotel & Spa in Monterey, CA from November 12-15, 2019. 22.50 conference hours.					
Title	Type	Institution	Status	Due Date	Completion Date
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.					
Title	Type	Institution	Status	Due Date	Completion Date
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.					
Title	Type	Institution	Status	Due Date	Completion Date
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.					
Title	Type	Institution	Status	Due Date	Completion Date
RENEWABLE ENERGY MARKET UPDATE	Continuing Education	TorreyCove	Completed	09/18/2019	09/18/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Renewable Energy Market Update presented by Nic DiLoretta of TorreyCove					
Title	Type	Institution	Status	Due Date	Completion Date
CHANGING SPACES: THE EVOLVING LANDSCAPE OF REAL ESTATE	Continuing Education	Townsend Group	Completed	09/19/2019	09/19/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on Changing Spaces: The Evolving Landscape of Real Estate by Jennifer Stevens of Townsend Group.					
Title	Type	Institution	Status	Due Date	Completion Date
THE ROLE OF TECHNOLOGY, PEOPLE AND DATA IN INVESTMENT MANAGEMENT	Continuing Education	Two Sigma	Completed	09/19/2019	09/19/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on The Role of Technology, People and Data in Investment Management by Mike Nigro of Two Sigma.					
Title	Type	Institution	Status	Due Date	Completion Date
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Baldwin, Russell

Date Range: 1/1/2019 - 12/4/2019

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**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market by Steve McCourt and Mary Bates of Meketa Investment Group.



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Ball, David

Date Range: 1/1/2019 - 12/4/2019

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### BOARD

Ball, David (4 Records)					Total Hours:	4.50
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.						
Title	Type	Institution	Status	Due Date	Completion Date	
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.						
Title	Type	Institution	Status	Due Date	Completion Date	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.						



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Ball, David

Date Range: 1/1/2019 - 12/4/2019

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## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/4/2019

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### BOARD

Dewane, Shawn (7 Records)					Total Hours:	26.50
Title	Type	Institution	Status	Due Date	Completion Date	
March 2019 CALAPRS Advanced Principles of Pension Management for Trustees	Conference	CALAPRS - UCLA Luskin Conference Center	Completed	03/27/2019	03/29/2019	
<b>Description:</b> March 27 -29, 2019 CALAPRS Advanced Principles of Pension Management for Trustees held at the UCLA Luskin Conference Center in Los Angeles, CA.						
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019	
<b>Description:</b> 1 hour training during Strategic Planning Session (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.						
Title	Type	Institution	Status	Due Date	Completion Date	
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019	
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market.						
Title	Type	Institution	Status	Due Date	Completion Date	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.						
Title	Type	Institution	Status	Due Date	Completion Date	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.						
Title	Type	Institution	Status	Due Date	Completion Date	



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/4/2019

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## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/4/2019

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INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.					



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/4/2019

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## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Eley, Frank

Date Range: 1/1/2019 - 12/4/2019

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### BOARD

Eley, Frank (10 Records)					Total Hours:	12.00
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019	
<b>Description:</b> Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.						
Title	Type	Institution	Status	Due Date	Completion Date	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.						
Title	Type	Institution	Status	Due Date	Completion Date	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.						
Title	Type	Institution	Status	Due Date	Completion Date	
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.						
Title	Type	Institution	Status	Due Date	Completion Date	
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019	
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.						
Title	Type	Institution	Status	Due Date	Completion Date	



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Eley, Frank

Date Range: 1/1/2019 - 12/4/2019

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RENEWABLE ENERGY MARKET UPDATE	Continuing Education	TorreyCove	Completed	09/18/2019	09/18/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Renewable Energy Market Update presented by Nic DiLoretta of TorreyCove					
Title	Type	Institution	Status	Due Date	Completion Date
CHANGING SPACES: THE EVOLVING LANDSCAPE OF REAL ESTATE	Continuing Education	Townsend Group	Completed	09/19/2019	09/19/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on Changing Spaces: The Evolving Landscape of Real Estate by Jennifer Stevens of Townsend Group.					
Title	Type	Institution	Status	Due Date	Completion Date
THE ROLE OF TECHNOLOGY, PEOPLE AND DATA IN INVESTMENT MANAGEMENT	Continuing Education	Two Sigma	Completed	09/19/2019	09/19/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on The Role of Technology, People and Data in Investment Management by Mike Nigro of Two Sigma.					
Title	Type	Institution	Status	Due Date	Completion Date
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market by Steve McCourt and Mary Bates of Meketa Investment Group.					



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Freidenrich, Shari

Date Range: 1/1/2019 - 12/4/2019

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### BOARD

Freidenrich, Shari (5 Records)					Total Hours:	7.00
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019	
<b>Description:</b> Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.						
Title	Type	Institution	Status	Due Date	Completion Date	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.						
Title	Type	Institution	Status	Due Date	Completion Date	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.						
Title	Type	Institution	Status	Due Date	Completion Date	
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.						



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Freidenrich, Shari

Date Range: 1/1/2019 - 12/4/2019

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## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hilton, Roger

Date Range: 7/1/2018 - 12/4/2019

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 with the highest standards of excellence."

### BOARD

Hilton, Roger (24 Records)					Total Hours:	270.65
Title	Type	Institution	Status	Due Date	Completion Date	
The Private Equity Exclusive - Pension Bridge Conference	Conference	Pension Bridge Conference	Completed	07/25/2018	07/25/2018	
<b>Description:</b> July 23-25 @ Trump Hotel, Chicago, IL						
Title	Type	Institution	Status	Due Date	Completion Date	
NCPERS Safety Conference	Conference	NCPERS	Completed	10/28/2018	10/31/2018	
<b>Description:</b> October 30-31, 2018 Las Vegas, NV - Paris Las Vegas Hotel						
Title	Type	Institution	Status	Due Date	Completion Date	
SACRS Fall Conference	Conference	SACRS Fall Conference	Completed	11/16/2018	11/16/2018	
<b>Description:</b> Indian Wells Resort						
Title	Type	Institution	Status	Due Date	Completion Date	
Strategic Planning Workshop	Workshop	OCERS	Completed	09/13/2018	09/13/2018	
<b>Description:</b>						
Title	Type	Institution	Status	Due Date	Completion Date	
The New Norm: Cultural Changes in the #MeToo Era Workplace	Mandatory Training	Burke, Williams & Sorensen LLP	Completed	11/19/2018	11/19/2018	
<b>Description:</b> Presented by Kelly A. Trainer, Esq., Partner, Burke, Williams & Sorensen LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
NCPERS Leg. Conference	Conference	NCPERS	Completed	01/30/2019	01/30/2019	
<b>Description:</b> Jan. 27-30, 2018 Hilton Hotel Washington DC						
Title	Type	Institution	Status	Due Date	Completion Date	



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hilton, Roger

Date Range: 7/1/2018 - 12/4/2019

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NASRA / NIRS 2019 Winter Conference	Conference	The Westin Washington DC City Center	Completed	02/27/2019	02/27/2019
<b>Description:</b> The Westin Washington DC City Center, NASRA / NIRS Winter Conference February 23-27, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
CALAPRS General Assembly	Mandatory Training	CALAPRS	Completed	03/05/2019	03/05/2019
<b>Description:</b> CALAPRS General Assembly training at the Monterey Marriott in Monterey, CA from March 2-5, 2019					
Title	Type	Institution	Status	Due Date	Completion Date
SACRS 2019 Spring Conference	Continuing Education	SACRS	Completed	05/07/2019	05/10/2019
<b>Description:</b> SACRS 2019 Spring Conference at Resort at Squaw Creek, Olympic Valley, CA 96146 from May 7, 2019 – May 10, 2019.					
Title	Type	Institution	Status	Due Date	Completion Date
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP					
Title	Type	Institution	Status	Due Date	Completion Date
NASRA 2019 Annual Conference	Conference	NASRA	Completed	08/03/2019	08/07/2019
<b>Description:</b> NASRA 2019 Annual Conference in Williamsburg, VA at Kingsmill Resort 8/03/19-8/07/19					
Title	Type	Institution	Status	Due Date	Completion Date
NASRA 2019 Annual Conference – Networking Activity (Jamestown/Yorktown Walking Tour)	Conference	NASRA	Completed	08/05/2019	08/05/2019
<b>Description:</b> NASRA 2019 Annual Conference – Networking Activity (Jamestown/Yorktown Tour) on Monday, 8/05/19 from 12:00p.m.-5:00p.m.					
Title	Type	Institution	Status	Due Date	Completion Date
Pension Bridge Conference - Private Equity	Conference	Pension Bridge	Completed	07/22/2019	07/23/2019
<b>Description:</b> Pension Bridge Conference Private Equity Exclusive at The Trump International Hotel Chicago from July 22-23, 2019					
Title	Type	Institution	Status	Due Date	Completion Date
NCPERS 2019 Public Pension Funding Forum	Continuing Education	NCPERS	Completed	09/11/2019	09/13/2019

## Career Development Report


This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hilton, Roger

Date Range: 7/1/2018 - 12/4/2019

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**Description:** NCPERS 2019 Public Pension Funding Forum at the New York Marriott Downtown from September 11-13, 2019.

Title	Type	Institution	Status	Due Date	Completion Date
NCPERS 2019 Public Safety Conference	Continuing Education	NCPERS	Completed	10/27/2019	10/30/2019

**Description:** NCPERS 2019 Public Safety Conference at the JW Marriott in New Orleans, LA from October 27-30, 2019.

Title	Type	Institution	Status	Due Date	Completion Date
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019

**Description:** Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.

Title	Type	Institution	Status	Due Date	Completion Date
SACRS 2019 Fall Conference	Conference	SACRS	Completed	11/12/2019	11/15/2019

**Description:** SACRS Fall 2019 Conference at the Hyatt Regency Monterey Hotel & Spa in Monterey, CA from November 12-15, 2019. 22.50 conference hours.

Title	Type	Institution	Status	Due Date	Completion Date
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019

**Description:** 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.

Title	Type	Institution	Status	Due Date	Completion Date
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019

**Description:** 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.

Title	Type	Institution	Status	Due Date	Completion Date
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.

Title	Type	Institution	Status	Due Date	Completion Date
RENEWABLE ENERGY MARKET UPDATE	Continuing Education	TorreyCove	Completed	09/18/2019	09/18/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 1) on Renewable Energy Market Update presented by Nic DiLoretta of TorreyCove



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hilton, Roger

Date Range: 7/1/2018 - 12/4/2019

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Title	Type	Institution	Status	Due Date	Completion Date
CHANGING SPACES: THE EVOLVING LANDSCAPE OF REAL ESTATE	Continuing Education	Townsend Group	Completed	09/19/2019	09/19/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on Changing Spaces: The Evolving Landscape of Real Estate by Jennifer Stevens of Townsend Group.

Title	Type	Institution	Status	Due Date	Completion Date
THE ROLE OF TECHNOLOGY, PEOPLE AND DATA IN INVESTMENT MANAGEMENT	Continuing Education	Two Sigma	Completed	09/19/2019	09/19/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on The Role of Technology, People and Data in Investment Management by Mike Nigro of Two Sigma.

Title	Type	Institution	Status	Due Date	Completion Date
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market by Steve McCourt and Mary Bates of Meketa Investment Group.



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Lindholm, Wayne

Date Range: 1/1/2018 - 12/4/2019

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### BOARD

Lindholm, Wayne (10 Records)					Total Hours:	80.00
Title	Type	Institution	Status	Due Date	Completion Date	
2018 Visions, Insights & Perspectives (VIP) Americas- REI Conference	Conference	2018 Visions, Insights & Perspectives (VIP) Americas - REI Conference	Completed	01/26/2018	01/26/2018	
<b>Description:</b> Moncarch Beach Resort - REI Conference - January 23-25, 2018						
Title	Type	Institution	Status	Due Date	Completion Date	
Alternative Investing Summit	Conference	Opal Group	Completed	12/07/2018	12/07/2018	
<b>Description:</b> Ritz Carlton Laguna Niguel						
Title	Type	Institution	Status	Due Date	Completion Date	
Strategic Planning Workshop	Workshop	OCERS	Completed	09/13/2018	09/13/2018	
<b>Description:</b>						
Title	Type	Institution	Status	Due Date	Completion Date	
The New Norm: Cultural Changes in the #MeToo Era Workplace	Mandatory Training	Burke, Williams & Sorensen LLP	Completed	11/19/2018	11/19/2018	
<b>Description:</b> Presented by Kelly A. Trainer, Esq., Partner, Burke, Williams & Sorensen LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
CALAPRS General Assembly	Conference	CALAPRS	Completed	03/05/2019	03/05/2019	
<b>Description:</b> CALAPRS General Assembly training at the Monterey Marriott in Monterey, CA from March 2-5, 2019						
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Lindholm, Wayne

Date Range: 1/1/2018 - 12/4/2019

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Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019
<b>Description:</b> Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.					
Title	Type	Institution	Status	Due Date	Completion Date
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.					
Title	Type	Institution	Status	Due Date	Completion Date
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.					
Title	Type	Institution	Status	Due Date	Completion Date
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.					



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Packard, Charles

Date Range: 1/1/2018 - 12/4/2019

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### BOARD

Packard, Charles (16 Records)					Total Hours:	133.80
Title	Type	Institution	Status	Due Date	Completion Date	
SACRS Spring Conference	Conference	SACRS	Completed	05/18/2018	05/18/2018	
<b>Description:</b> SACRS Spring Conference - Anaheim, CA - Marriott						
Title	Type	Institution	Status	Due Date	Completion Date	
Wharton School of Pennsylvania - Alternative Investment Strategies	Continuing Education	IFEBP Wharton Investment Programs	Completed	07/31/2018	08/01/2018	
<b>Description:</b> Alternative Investment Strategies July 30-August 1, 2018San Francisco, CA						
Title	Type	Institution	Status	Due Date	Completion Date	
Strategic Planning Workshop	Workshop	OCERS	Completed	09/13/2018	09/13/2018	
<b>Description:</b>						
Title	Type	Institution	Status	Due Date	Completion Date	
The New Norm: Cultural Changes in the #MeToo Era Workplace	Mandatory Training	Burke, Williams & Sorensen LLP	Completed	11/19/2018	11/19/2018	
<b>Description:</b> Presented by Kelly A. Trainer, Esq., Partner, Burke, Williams & Sorensen LLP						
Title	Type	Institution	Status	Due Date	Completion Date	
CALAPRS General Assembly	Conference	CALAPRS	Completed	03/05/2019	03/05/2019	
<b>Description:</b> CALAPRS General Assembly training at the Monterey Marriott in Monterey, CA from March 2-5, 2019						
Title	Type	Institution	Status	Due Date	Completion Date	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	
<b>Description:</b> OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest EducationPresentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP						
Title	Type	Institution	Status	Due Date	Completion Date	



## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Packard, Charles

Date Range: 1/1/2018 - 12/4/2019

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NASRA 2019 Annual Conference	Conference	NASRA	Completed	08/03/2019	08/07/2019
<b>Description:</b> NASRA 2019 Annual Conference in Williamsburg, VA at Kingsmill Resort 8/03/19-8/07/19					

Title	Type	Institution	Status	Due Date	Completion Date
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019
<b>Description:</b> Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.					

Title	Type	Institution	Status	Due Date	Completion Date
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019
<b>Description:</b> 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.					

Title	Type	Institution	Status	Due Date	Completion Date
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019
<b>Description:</b> 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.					

Title	Type	Institution	Status	Due Date	Completion Date
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019
<b>Description:</b> 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.					

Title	Type	Institution	Status	Due Date	Completion Date
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.					

Title	Type	Institution	Status	Due Date	Completion Date
RENEWABLE ENERGY MARKET UPDATE	Continuing Education	TorreyCove	Completed	09/18/2019	09/18/2019
<b>Description:</b> 1 hour training during OCERS Strategic Planning Workshop (day 1) on Renewable Energy Market Update presented by Nic DiLoretta of TorreyCove					

Title	Type	Institution	Status	Due Date	Completion Date
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## Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Packard, Charles

Date Range: 1/1/2018 - 12/4/2019

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CHANGING SPACES: THE EVOLVING LANDSCAPE OF REAL ESTATE	Continuing Education	Townsend Group	Completed	09/19/2019	09/19/2019
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**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on Changing Spaces: The Evolving Landscape of Real Estate by Jennifer Stevens of Townsend Group.

Title	Type	Institution	Status	Due Date	Completion Date
THE ROLE OF TECHNOLOGY, PEOPLE AND DATA IN INVESTMENT MANAGEMENT	Continuing Education	Two Sigma	Completed	09/19/2019	09/19/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on The Role of Technology, People and Data in Investment Management by Mike Nigro of Two Sigma.

Title	Type	Institution	Status	Due Date	Completion Date
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019

**Description:** 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market by Steve McCourt and Mary Bates of Meketa Investment Group.

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## Memorandum

**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Gina M. Ratto, General Counsel  
**SUBJECT: GOVERNANCE COMMITTEE REPORT – STATUS OF COMMITTEE’S REVIEW OF CHARTERS AND BOARD POLICIES IN 2019**

### Written Report

At its November 7, 2019 meeting, the Governance Committee (Committee) directed staff to prepare a report to the Board providing the status of the Committee’s review of the Charters and Board Policies that were due for triennial review by the Committee in 2019.

In 2019, the Committee conducted a triennial review, and obtained the Board’s approval, of the following Charters and Board Policies (\*two policies will be presented to the Board for approval at its December meeting):

<b>Charter/Policy Name</b>	<b>Reviewer</b>	<b>Board Approval</b>
<b>Board of Retirement Chair Charter</b>	<i>CEO</i>	03/18/2019
<b>Board of Retirement Charter</b>	<i>CEO</i>	03/18/2019
<b>Board Vice Chair Charter</b>	<i>CEO</i>	03/18/2019
<b>Chief Executive Officer Charter</b>	<i>CEO</i>	03/18/2019
<b>Committee Chair Charter</b>	<i>CEO</i>	06/17/2019
<b>Declining Employer Payroll Policy</b>	<i>Assistant CEO, External Operations</i>	12/16/2019*
<b>Indemnity and Defense Policy</b>	<i>General Counsel</i>	06/17/2019
<b>Monitoring and Reporting Policy</b>	<i>CEO</i>	01/16/2019
<b>Overpaid and Underpaid Plan Benefits Policy</b>	<i>Assistant CEO, External Operations</i>	10/21/2019
<b>Overpaid and Underpaid Plan Contributions Policy</b>	<i>Assistant CEO, External</i>	01/16/2019
<b>Personnel Committee Charter</b>	<i>Assistant CEO, Internal</i>	03/18/2019
<b>Risk Policy</b>	<i>Assistant CEO, Internal</i>	02/19/2019
<b>Rules of Parliamentary Procedure</b>	<i>General Counsel</i>	03/18/2019
<b>Trustee Education Policy</b>	<i>Director of Admin. Services</i>	10/21/2019
<b>Whistleblower Policy</b>	<i>Director of Admin. Services</i>	01/16/2019
<b>Withdrawing Employer Policy (Continuing Obligation)</b>	<i>Assistant CEO, External Operations</i>	12/16/2019*

In 2019, the Committee also approved six new policies, four of which have been approved by the Board and one\* of which will be presented to the Board at its December meeting, as follows:

<b>Charter/Policy Name</b>	<b>Reviewer</b>	<b>Board Approval</b>
<b>Compensation Earnable Policy</b>	<i>Assistant CEO, External Operations</i>	03/18/2019
<b>Pay Item Review Policy</b>	<i>Assistant CEO, External Operations</i>	03/18/2019
<b>Pensionable Compensation Policy</b>	<i>Assistant CEO, External Operations</i>	03/18/2019
<b>Procedures for Handling Workplace Complaints Against Board Members and Executives</b>	<i>General Counsel</i>	10/21/2019
<b>Retirement Enhancement Policy</b>	<i>Assistant CEO, External Operations</i>	03/18/2019
<b>Withdrawing Employer Policy (Fully Satisfied Obligation)</b>	<i>Assistant CEO, External Operations</i>	12/16/2019*

The Committee also approved revisions to the **Travel Policy** outside the regular triennial review cycle. The revisions to the Travel Policy were adopted by the Board at its October 21, 2019 meeting.

One policy, the **Election Procedures**, is past due for the Committee’s review. The Election Procedures will be significantly revised, vetted with the Registrar of Voters, and presented to the Committee in 2020.

**Submitted by:**




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Gina M. Ratto  
General Counsel

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## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **REPORT OF ACTION TAKEN IN CLOSED SESSION ON AUGUST 19, 2019 PURSUANT TO GOVERNMENT CODE SECTION 54957.1**

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This memorandum serves as a placeholder to inform you that there will be no printed materials for this section of the board book this month.

**Submitted by:**



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

**1-10**

## Memorandum

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**DATE:** December 16, 2019  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE

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### Background/Discussion

At the OCERS Board's continued invitation, Ms. Linda Robinson and Doug Storm, Co-Presidents of the Retired Employees Association of Orange County (REAOC) will be at the December 16<sup>th</sup> meeting.

As another year comes to a close, they will share thoughts and comments on the challenges faced by our retired members as well as comments regarding the services OCERS as an organization provides to those members.

### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer