

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

**GOVERNANCE COMMITTEE MEETING
March 13, 2020
10:00 a.m.**

Members of the Committee

Shawn Dewane, Chair

Frank Eley, Vice Chair

Charles Packard

Roger Hilton

AGENDA

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

PUBLIC COMMENT

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Committee; and (2) any matter appearing on the Consent Agenda. **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 Committee, 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

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

November 7, 2019

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee's discussion of the item. **Persons 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 TRIENNIAL REVIEW OF THE GOVERNANCE COMMITTEE CHARTER

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend that the Board adopt, revisions to the Governance Committee Charter.

A-3 TRIENNIAL REVIEW OF THE PLANNING POLICY

Presentation by Steve Delaney, Chief Executive Officer

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

A-4 TRIENNIAL REVIEW OF THE SACRS VOTING DELEGATE POLICY

Presentation by Steve Delaney, Chief Executive Officer

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

A-5 TRIENNIAL REVIEW OF THE QUIET PERIOD POLICY

Presentation by Brenda Shott, Asst. Chief Executive Officer, Internal Operations

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

A-6 TRIENNIAL REVIEW OF THE BUDGET APPROVAL POLICY

Presentation by Tracy Bowman, Director of Finance

Recommendation: Approve, and recommend that the Board adopt, revisions to the Budget Approval Policy.

A-7 TRIENNIAL REVIEW OF THE COMMUNICATIONS POLICY

Presentation by Suzanne Jenike, Asst. Chief Executive Officer, External Operations

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

A-8 TRIENNIAL REVIEW OF THE PUBLIC RECORDS REQUEST POLICY AND RESCISSION OF THE DATA REQUEST POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation:

- (1) Approve, and recommend that the Board adopt, revisions to the Public Record Request Policy, including incorporating into the Public Records Request Policy provisions of the Data Request Policy; and
- (2) Recommend that the Board rescind the Data Request Policy.

INFORMATION ITEMS

I-1 REVIEW OF NEW PAY ITEMS PURSUANT TO THE PAY ITEM REVIEW POLICY

Presentation by Suzanne Jenike, Asst. Chief Executive Officer, External Operations

I-2 GOVERNANCE COMMITTEE 2020 WORK PLAN AND MEETING SCHEDULE

Presentation by Gina M. Ratto, General Counsel

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

DISABILITY COMMITTEE MEETING

March 16, 2020

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

March 16, 2020

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

INVESTMENT COMMITTEE MEETING

March 25, 2020

9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

Orange County Employees Retirement System
March 13, 2020
Governance Committee Meeting

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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 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.

Governance Committee Meeting
November 7, 2019

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

**GOVERNANCE COMMITTEE MEETING
November 7, 2019
9:00 a.m.**

MINUTES

The Chair called the meeting to order at 9:14 a.m. Attendance was as follows:

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

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

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes September 25, 2019

MOTION by Prevatt, **seconded** by Hilton, to approve the Minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 OCERS EMPLOYER POLICIES

Presentation by Suzanne Jenike, Assistant CEO, External Operations

Recommendation:

- 1) Approve and recommend that the Board approve revisions to the ***Declining Employer Payroll Policy***;
- 2) Approve and recommend that the Board approve revisions to the ***Withdrawing Plan Sponsor Policy*** (including a change in the name of the policy to ***Withdrawing Employer Policy (Continuing Contributions)***); and

Governance Committee Meeting
November 7, 2019

- 3) Approve and recommend that the Board 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.

MOTION by Prevatt, **seconded** by Hilton, to approve, and recommend that the Board adopt, the recommendations above with the exception of changing recommendation 2 from “Withdrawing Employer Policy (Continuing Contributions)” to “Withdrawing Employer Policy (Continuing Obligations)”.

The motion passed **unanimously**.

A-3 INVESTMENT COMMITTEE GOVERNANCE MATTERS INCLUDING MEETING SCHEDULE

Presentation by Molly Murphy, Chief Investment Officer

Recommendation: Take appropriate action.

The Committee approved a recommendation to eliminate the Manager Monitoring Subcommittee Meeting going forward and to eliminate the January Investment Committee Meeting. Further, the Governance Committee also instructed staff to use Investment Committee time efficiently in 2020, even if that results in shorter Investment Committee Meetings in 2020.

MOTION by Prevatt, **seconded** by Hilton, to approve, and recommend that the Board take appropriate action.

The motion passed **unanimously**.

COMMITTEE MEMBER COMMENTS

None.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None.

COUNSEL COMMENTS

ADJOURNMENT

The meeting adjourned at 10:35a.m.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Shawn Dewane, Chair



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: TRIENNIAL REVIEW OF THE GOVERNANCE COMMITTEE CHARTER

Recommendation

Approve, and recommend that the Board adopt, revisions to the Governance Committee Charter.

Background/Discussion

The Governance Committee Charter states that it will be reviewed by the Committee at least once every three years and any amendments necessary to ensure the Charter remains relevant and appropriate will be presented to the Board for approval.

At the suggestion of the CEO, all of the committees of the Board review and discuss their respective charters at the first meeting of the committee each year. In accordance with the CEO's suggestion, the Committee discussed its responsibilities under the Charter at the Committee's first meeting in 2019; and no changes to the Charter were made at that time.

The Charter was last amended in May 2017; and consistent with a triennial review schedule, revisions to the Charter are proposed for the Committee's consideration. Staff recommends the following revisions to the Charter:

- Note, in Section 3, that in accordance with OCERS' By-Laws, two committee members constitute a quorum of the Committee;
- Add, in Section 4.d., that the Committee has a role in monitoring compliance with (in addition to implementation of) governance-related policies; and
- Other non-substantive revisions to the Charter.

The proposed revisions are set forth in marked text in the attached Charter.

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Charter Governance Committee Charter

Introduction

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

Duties and Responsibilities

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



OCERS Board Charter Governance Committee Charter

Charter Review

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

Charter History

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

Secretary's Certificate

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

~~5/15/17~~ 04/20/20

Steve Delaney, Secretary of the Board

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **TRIENNIAL REVIEW OF THE PLANNING POLICY**

Recommendation

Approve, and recommend that the Board adopt, revisions to the Planning Policy.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Planning Policy was adopted by the Board on February 19, 2002, and was last reviewed and revised on July 17, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

There is only one proposed revision to the Policy and it is non-substantive. The revision is set forth in underlined/strikeout text in the attached copy of the Policy.

Attachment

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



OCERS Board Policy Planning Policy

Purpose and Background

1. The purpose of the OCERS Planning Policy is to provide a framework for developing the strategic direction of OCERS and the creation of both a multi-year Strategic Plan and a one-year Business Plan that document the goals and objectives that underlie OCERS' strategic direction. In performing the planning process, the Board of Retirement recognizes its fiduciary responsibility to provide the prompt delivery of benefits to the OCERS membership while maintaining or reducing costs to plan sponsors and reducing the likelihood of unpredicted and wide swings in expenses.

Policy Objectives

2. The objectives of the Planning Policy are to:
 - a. Ensure that OCERS actively and systematically plans for the future needs of the System;
 - b. Facilitate discussion and agreement between the Board and management on the strategic direction and business priorities of OCERS; and
 - c. Facilitate the communication of OCERS' Strategic Plan and Business Plan throughout the organization and the public.

Policy Guidelines

Roles and Responsibilities

3. The Board will be responsible for:
 - a. Participate with OCERS management to identify~~Identifying~~ strategic risks, opportunities to mitigate strategic risks, and future needs of the System;
 - b. Establishing OCERS' strategic direction and priorities;
 - c. Approving the OCERS Strategic Plan and Business Plan and ensuring adequate resources are in place to support them; and
 - d. Monitoring the implementation of the Strategic Plan and Business Plan.
4. Management will be responsible for:
 - a. Identifying business risks, opportunities to mitigate business risks and future needs of the System;
 - b. Identifying and prioritizing business initiatives and the processes and resources necessary to achieve these initiatives;
 - c. Drafting the Strategic Plan and Business Plan for the Board's consideration and approval;
 - d. Implementing the Strategic Plan and Business Plan.



OCERS Board Policy Planning Policy

5. Service providers and experts, such as the actuary and investment consultants, may be called upon to provide input to the Board and management regarding the identification of strategic and business risks, opportunities for risk mitigation and future needs of the System.

Strategic Planning Workshop

6. The Chief Executive Officer will organize and participate in the Strategic Planning process. An annual Strategic planning workshop will be held as a forum to educate and elicit the Board's views on current issues and proposed strategies.
7. The Chief Executive Officer will structure an agenda for the Strategic planning workshop to include the following topics, at a minimum:
 - a. The progress made in implementing the current year's Business Plan;
 - b. The continued appropriateness of OCERS' strategic direction as outlined in the Strategic Plan, which will include a consideration of the following issues:
 - i. The needs currently served by OCERS;
 - ii. The services OCERS offers; and
 - iii. The level of excellence OCERS strives to achieve.
 - c. Whether OCERS is well positioned and has the resources to fulfill its strategic direction as outlined in the Strategic Plan
 - d. Proposed initiatives to be undertaken in the coming 12-36 month period.
8. Upon the conclusion of the Strategic planning workshop, the Chief Executive Officer will summarize the Board's discussion and views on current issues and proposed strategies and agendize the written summary for Board approval at its next meeting.

Formulation of the Strategic Plan and Business Plan

9. Following the Strategic planning workshop, the Chief Executive Officer will formulate a Strategic Plan which will include, at a minimum, recommended initiatives to be undertaken or continued, along with the necessary supporting information and planning parameters, such as:
 - a. Rationale for undertaking each initiative including financial and non-financial benefits, impact, and consequences of not undertaking the initiative;
 - b. Timelines for completion;
 - c. Assignment of responsibilities for implementation;
 - d. Budget impacts;
 - e. Criteria for assessing the success of each initiative; and
 - f. Provisions for reporting to the Board.
10. Additionally, OCERS management will formulate a Business Plan to provide detail as to how the Strategic Plan will be advanced in the coming calendar year.



OCERS Board Policy Planning Policy

11. The Chief Executive Officer will present the proposed Strategic Plan and Business Plan to the Board for approval. In approving the Plans, the Board will satisfy itself that the Plans are reasonable and support the mission of OCERS.
12. In order to ensure adequate resources to implement the initiatives within the Business Plan, the resources needed to implement each Business Plan initiative will be reflected in OCERS' budget. If the budgeted funds associated with a particular initiative fail to receive approval by the Board, the Business Plan will be amended accordingly.
13. Approval of the Business Plan represents an immediate commitment by the Board and management to accomplish the strategic goals and objectives set forth within approved parameters. Because of the long-term nature of a multi-year Strategic Plan, adjustments and corrections are more easily accommodated over time. Modification of the Business Plan should occur only when exceptional circumstances are present.
14. If management determines that changing circumstances will not allow it to meet a particular parameter or require that a new initiative be undertaken, the Board will be informed in a timely manner and the Strategic Plan and Business Plan will be adjusted accordingly.

Review of Strategic Plan and Business Plan Initiatives

15. The Chief Executive Officer will provide the Board with a quarterly review and any recent activities or updates of each initiative in the Strategic Plan.
16. On a semi-annual basis the Chief Executive Officer will provide the Board with a review and any recent activities or updates of each initiative in the Business Plan.

Communications

17. The Strategic Plan and Business Plan will be posted to OCERS' website and communicated to all OCERS staff and employers and to the public on a timely basis after Board approval.

Policy Review

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

Policy History

19. The Board adopted this policy on February 19, 2002.
20. The policy was revised on May 16, 2005, April 16, 2007 and January 18, 2011, reviewed without changes on March 17, 2014 and revised on July 17, 2017 and April 20, 2020.



OCERS Board Policy Planning Policy

Secretary's Certificate

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

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

~~7/17/17~~04/20/20

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **TRIENNIAL REVIEW OF THE SACRS VOTING AUTHORITY POLICY**

Recommendation

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

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The SACRS Voting Authority Policy was adopted by the Board on May 9, 1988, and was last reviewed and revised on May 15, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

All of the proposed revisions to the Policy are non-substantive or clarifying. The revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached.

Attachments

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



OCERS Board Policy

SACRS Voting Authority Policy

Background

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

Policy Guidelines

4. In order to ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as OCERS' voting delegate, and each member of the Board and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed by OCERS with the SACRS Credentials Committee in writing prior to any meeting of SACRS at which voting will take place, ~~unless there are no changes from the credentials already on file~~. Credentials will shall include the name of the member County Retirement System, and ~~designate indicate that~~ the Board Chair as is OCERS' the voting delegate and designate all other Board members and the Administrator as are alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or one of the alternate delegates. If the Board Chair is present at the SACRS business meeting, he or she will cast OCERS' vote(s) at the meeting. If the Board Chair is not present at the ~~unable to attend a~~ SACRS business meeting at which a vote is taking place, the Vice Chair shall cast OCERS' vote(s) at the meeting ~~be designated as alternate voting delegate~~. If neither the Board Chair ~~nor and~~ Vice Chair are present both unable to attend, the alternate voting delegate to cast OCERS' vote(s) will be determined, among the Board members in attendance, alphabetically by the Board member's last name. ~~The~~Each voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the SACRS membership.
7. Where the OCERS' Board has taken an official Board position on an item to be voted on at a SACRS business meeting, the voting delegate or designated alternate voting delegate must cast a vote consistent with the Board position. If the Board has not taken a position on an item to be voted on, the voting delegate or designated alternate voting delegate must comply with the Board policy or



OCERS Board Policy SACRS Voting Authority Policy

policies that address(es) the subject matter of the item. When the item to be voted on is not addressed in any OCERS' Board policy and the Board has not taken a position, the voting delegate or designated alternate voting delegate may use his or her best judgment to vote in accordance with the position he or she believes the Board would take on the item, or abstain from voting. Notwithstanding the foregoing, the voting delegate and designated alternate voting delegate shall not vote on any item that would obligate OCERS financially to pay any sums other than SACRS dues.

Policy Review

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

Policy History

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

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

~~5/15/17~~04/20/20

Date



OCERS Board Policy SACRS Voting Authority Policy

Background

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

Policy Guidelines

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



OCERS Board Policy

SACRS Voting Authority Policy

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

Policy Review

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

Policy History

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

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

04/20/20

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Brenda Shott, Assistant Chief Executive Officer, Internal Operations
SUBJECT: TRIENNIAL REVIEW OF THE QUIET PERIOD POLICY

Recommendation

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

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Quiet Period Policy was adopted by the Board on July 17, 2006, and was last reviewed and revised on July 17, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

All of the proposed revisions to the Policy are non-substantive, clarifying, corrective, or represent deletions of unnecessary language.

The revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached.

Submitted by:

A rectangular stamp with the text "CCERS B.M.S. - Approved" in a stylized font, with a sunburst icon above the text.

Brenda Shott
Assistant CEO, Internal Operations



OCERS Board Policy Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy ~~is intended to establish~~ es guidelines ~~by which for~~ Board Members and OCERS staff ~~are permitted to when~~ ing ~~with financially interested parties,~~ during the process leading to an award of any contract by OCERS, ~~with any party financially interested in the contract.~~

Policy Objectives

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

Policy Guidelines

3. The following guidelines will apply during the process leading to an award of any contract by OCERS:
 - a. A quiet period will commence upon the release/publication of a solicitation for a contract with OCERS and will end when a contract is signed;
 - b. To help prevent inadvertent violations of this policy, the CEO (or his or her designee) will ensure that for every solicitation, the initiation, continuation and conclusion of the quiet period is (i) communicated to Board Members and OCERS staff, (ii) publicly communicated, and (iii) published on OCERS' website;
 - c. Except as provided in section h., below, during the quiet period, Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;
 - d. During the quiet period, if any Board Member or staff member is contacted by a party financially interested in a prospective contract with OCERS, the ~~Board Member~~ individual ~~contacted~~ shall refer the party to the OCERS consultant or staff member identified as the contact person(s) in the solicitation document;
 - e. Any authority related to a search conducted by the Board shall be exercised solely by the Board as a whole, and not by individual Board Members;
 - f. Any information related to a search conducted by the Board shall be communicated by OCERS consultants and staff to the Board as a whole, and not to individual Board Members;
 - g. The quiet period does not prevent Board approved due diligence or client conference attendance; however discussions related to the pending solicitation shall be avoided during those activities;



OCERS Board Policy Quiet Period Policy

- h. The quiet period does not apply to communications that are:
 - (i) part of the process expressly described in the solicitation;
 - (ii) part of a noticed Board meeting;
 - (iii) related to services currently provided by the candidate under an existing contract with OCERS;
 - (iv) incidental, exclusively social and that do not involve OCERS or its business; or
 - (v) within the scope of the Board or staff member's private business or public office wholly unrelated to OCERS and that do not involve OCERS or its business;
- i. The provisions of this policy will be communicated to candidates in the solicitation document and candidates will be required to acknowledge the receipt and requirements of the policy; and
- j. Any candidate who knowingly violates this policy will be disqualified from the search process.

Policy Review

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

Policy History

- 5. The Board of Retirement adopted this policy on July 17, 2006.
- 6. The policy was revised on April 16, 2007, May 17, 2011 December 19, 2011, October 20, 2014, ~~and~~ July 17, 2017 and April 20, 2020.

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".

[7/17/2017 04/20/20](#)

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy establishes guidelines for Board Members and OCERS staff when communicating with financially interested parties during the process leading to an award of any contract by OCERS.

Policy Objectives

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

Policy Guidelines

3. The following guidelines will apply during the process leading to an award of any contract by OCERS:
 - a. A quiet period will commence upon the release/publication of a solicitation for a contract with OCERS and will end when a contract is signed;
 - b. To help prevent inadvertent violations of this policy, the CEO (or his or her designee) will ensure that for every solicitation, the initiation, continuation and conclusion of the quiet period is (i) communicated to Board Members and OCERS staff, (ii) publicly communicated, and (iii) published on OCERS' website;
 - c. Except as provided in section h., below, during the quiet period, Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;
 - d. During the quiet period, if any Board Member or staff member is contacted by a party financially interested in a prospective contract with OCERS, the individual contacted shall refer the party to the OCERS consultant or staff member identified as the contact person(s) in the solicitation document;
 - e. Any authority related to a search conducted by the Board shall be exercised solely by the Board as a whole, and not by individual Board Members;
 - f. Any information related to a search conducted by the Board shall be communicated by OCERS consultants and staff to the Board as a whole, and not to individual Board Members;
 - g. The quiet period does not prevent Board approved due diligence or client conference attendance; however discussions related to the pending solicitation shall be avoided during those activities;



OCERS Board Policy Quiet Period Policy

- h. The quiet period does not apply to communications that are:
 - (i) part of the process expressly described in the solicitation;
 - (ii) part of a noticed Board meeting;
 - (iii) related to services currently provided by the candidate under an existing contract with OCERS;
 - (iv) incidental, exclusively social and that do not involve OCERS or its business; or
 - (v) within the scope of the Board or staff member's private business or public office wholly unrelated to OCERS and that do not involve OCERS or its business;
- i. The provisions of this policy will be communicated to candidates in the solicitation document and candidates will be required to acknowledge the receipt and requirements of the policy; and
- j. Any candidate who knowingly violates this policy will be disqualified from the search process.

Policy Review

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

Policy History

- 5. The Board of Retirement adopted this policy on July 17, 2006.
- 6. The policy was revised on April 16, 2007, May 17, 2011 December 19, 2011, October 20, 2014, July 17, 2017 and April 20, 2020.

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".

04/20/20

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Tracy Bowman, Director of Finance
SUBJECT: TRIENNIAL REVIEW OF THE BUDGET APPROVAL POLICY

Recommendation

Approve, and recommend that the Board adopt, revisions to the Budget Approval Policy.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Budget Approval Policy was adopted by the Board on February 19, 2002, and was last reviewed and revised on July 17, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

All of the proposed revisions to the Policy are non-substantive, clarifying, corrective, or represent deletions of unnecessary language. In addition, Staff will discuss with the Governance Committee the "18 basis point test". The "18 basis point test" was the previous budget limitation requirement contained in the County Employee Retirement Law (CERL). The provision limited county employee retirement systems' budgeting authority to be 18 basis points of the projected actuarial value of total assets. The CERL was changed in 2010 to limit budgeting authority of the county employee retirement systems to be 21 basis points of the projected actuarial accrued liabilities. Although OCERS is no longer bound by the "18 basis points test", this calculation has continued to be included as part of the annual budget and quarterly budget to actual reporting based on Board direction received in 2010. Staff requests input from the Committee as to whether the "18 basis points test" should be formally included in the Budget Approval Policy or discontinued as part of the budget process.

The revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached.

Attachments

Submitted by:

A signature block for Tracy Bowman, Director of Finance. It features the OCERS logo and the text "OCERS T.B. - Approved".

Tracy Bowman, Director of Finance



OCERS Board Policy Budget Approval Policy

Purpose and Background

1. The Board of Retirement annually adopts a budget covering the expenses of administering the retirement system. The administration expenses, as defined in Government Code Section 31580.2, incurred in any year will be charged against the earnings of the retirement fund and will not exceed 21 basis points of the actuarial accrued liability of the system.
2. The purpose of the Budget Approval Policy is to establish the process by which the OCERS annual budget is approved by the Board of Retirement.

Roles

3. The preparation and presentation of the budget is the responsibility of the Chief Executive Officer.
4. The adoption of an annual budget is the responsibility of the Board of Retirement.

Guidelines

General Provisions

5. The Chief Executive Officer will present to the Board of Retirement a proposed administrative budget for the next calendar year that supports the initiatives set out in the proposed Business Plan, which is directly linked to OCERS three year Strategic Plan, along with ongoing operations of the system. The Budget will be presented to the Board during the month of November.
6. The ~~format of the~~ proposed budget will be compiled based upon budget requests approved by the Chief Executive Officer from each functional department ~~organize expenditures by function~~ within OCERS as follows:
 - a. ~~Executive Board~~;
 - b. ~~Investments Communications~~;
 - c. ~~Communications Disabilities~~;
 - d. ~~Member Services Executive~~;
 - e. Finance;
 - f. ~~Administrative Services Human Resources~~;
 - g. ~~Disabilities Information Security~~;
 - h. ~~Board Information Technology~~;
 - i. ~~Information Technology Internal Audit~~;
 - j. ~~Legal Investments~~;
 - k. ~~Internal Audit Legal~~;
 - l. ~~and/or Member Services~~;
 - k-m. Operations Support Services; and/or



OCERS Board Policy Budget Approval Policy

4.n. Such other functions that may be adopted by OCERS in the future.

7. The budget shall be ~~broken into~~ organized by three broad categories of expenditures:

- a. Salaries and Benefits;

The Salaries and Benefit category shall include salaries, overtime, fringe benefits, temporary help costs and any other costs directly related to employee and Board member compensation.

- b. Services and Supplies

The Services and Supplies category for each department shall include items such as professional services, legal services, equipment expenses (other than those that are capitalized on OCERS' books as assets that will be depreciated over time and budgeted as a capital expenditure), maintenance costs, office expenses, training, and meetings & travel costs. Investment management fees (including directly billed fees, indirectly paid fees reported on investment manager statements, fees and costs for investment management that are netted in portfolio returns, foreign income tax and security lending fees) are not to be included in the annual administrative budget. These expenses are to be managed and reported in accordance with the Board of Retirement's Investment Fee Policy; and

- c. Capital Projects.

The Capital Project budget category will include the current year costs for all capital asset purchases. Capital assets include items such as buildings, building improvements, vehicles, machinery, equipment, internally generated computer software, computer hardware and all other tangible or intangible assets that are used in operations, cost more than \$25,000 per item, and have initial useful lives extending beyond a single reporting period.

The Chief Executive Officer, or the Assistant CEO, Finance & Internal Operations, is granted authority to transfer funds within a category. Funds may not be moved from one category to another without approval of the Board of Retirement.

8. The value of the actuarial accrued liability (AAL) at the beginning of the budget year will be used for purposes of calculating the 21 basis point test. That value will be calculated by the system's actuary using the prior year's beginning AAL and projecting to the beginning of the budget year.
9. The Chief Executive Officer may request that the Board amend the budget for the current fiscal year by presenting reasons for the budget amendment, its expected impact, and the cost of the amendment for the remainder of the budget year.

Policy Review

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

Policy History

11. This policy was adopted by the Board of Retirement on February 19, 2002.



OCERS Board Policy Budget Approval Policy

12. The policy was revised on October 27, 2003, May 16, 2005, March 24, 2008, March 22, 2010, January 18, 2011, June 18, 2012, July 20, 2015, ~~and~~ July 17, 2017, and April 20, 2020.

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".

~~7/17/17~~ 04/20/20

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Budget Approval Policy

Purpose and Background

1. The Board of Retirement annually adopts a budget covering the expenses of administering the retirement system. The administration expenses, as defined in Government Code Section 31580.2, incurred in any year will be charged against the earnings of the retirement fund and will not exceed 21 basis points of the actuarial accrued liability of the system.
2. The purpose of the Budget Approval Policy is to establish the process by which the OCERS annual budget is approved by the Board of Retirement.

Roles

3. The preparation and presentation of the budget is the responsibility of the Chief Executive Officer.
4. The adoption of an annual budget is the responsibility of the Board of Retirement.

Guidelines

General Provisions

5. The Chief Executive Officer will present to the Board of Retirement a proposed administrative budget for the next calendar year that supports the initiatives set out in the proposed Business Plan, which is directly linked to OCERS three year Strategic Plan, along with ongoing operations of the system. The Budget will be presented to the Board during the month of November.
6. The proposed budget will be compiled based upon budget requests approved by the Chief Executive Officer from each functional department within OCERS as follows:
 - a. Board;
 - b. Communications;
 - c. Disabilities;
 - d. Executive;
 - e. Finance;
 - f. Human Resources;
 - g. Information Security;
 - h. Information Technology;
 - i. Internal Audit;
 - j. Investments;
 - k. Legal;
 - l. Member Services;
 - m. Operations Support Services; and/or
 - n. Such other functions that may be adopted by OCERS in the future.



OCERS Board Policy Budget Approval Policy

7. The budget shall be organized by three broad categories of expenditures:

a. Salaries and Benefits;

The Salaries and Benefit category shall include salaries, overtime, fringe benefits , temporary help costs and any other costs directly related to employee and Board member compensation.

b. Services and Supplies

The Services and Supplies category for each department shall include items such as professional services, legal services, equipment expenses (other than those that are capitalized on OCERS' books as assets that will be depreciated over time and budgeted as a capital expenditure), maintenance costs, office expenses, training, and meetings & travel costs. Investment management fees (including directly billed fees, indirectly paid fees reported on investment manager statements, fees and costs for investment management that are netted in portfolio returns, foreign income tax and security lending fees) are not to be included in the annual administrative budget. These expenses are to be managed and reported in accordance with the Board of Retirement's Investment Fee Policy; and

c. Capital Projects.

The Capital Project budget category will include the current year costs for all capital asset purchases. Capital assets include items such as buildings, building improvements, vehicles, machinery, equipment, internally generated computer software, computer hardware and all other tangible or intangible assets that are used in operations, cost more than \$25,000 per item, and have initial useful lives extending beyond a single reporting period.

The Chief Executive Officer, or the Assistant CEO, Finance & Internal Operations, is granted authority to transfer funds within a category. Funds may not be moved from one category to another without approval of the Board of Retirement.

8. The value of the actuarial accrued liability (AAL) at the beginning of the budget year will be used for purposes of calculating the 21 basis point test. That value will be calculated by the system's actuary using the prior year's beginning AAL and projecting to the beginning of the budget year.

9. The Chief Executive Officer may request that the Board amend the budget for the current fiscal year by presenting reasons for the budget amendment, its expected impact, and the cost of the amendment for the remainder of the budget year.

Policy Review

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

Policy History

11. This policy was adopted by the Board of Retirement on February 19, 2002.

12. The policy was revised on October 27, 2003, May 16, 2005, March 24, 2008, March 22, 2010, January 18, 2011, June 18, 2012, July 20, 2015, July 17, 2017 and April 20, 2020.



OCERS Board Policy Budget Approval 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 cursive script that reads "Steve Delaney".

4/20/2020

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Suzanne Jenike, Assistant Chief Executive Officer, External Operations
SUBJECT: **TRIENNIAL REVIEW OF THE COMMUNICATIONS POLICY**

Recommendation

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

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Communications Policy was adopted by the Board on November 18, 2002, and was last reviewed and revised on May 15, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

All of the proposed revisions to the Policy are non-substantive, clarifying, corrective, or represent deletions of unnecessary language. Note that the revision in Section 11 reflects that in 2019, the Board Chair and Vice Chair directed staff to provide training on the Brown Act every two years instead of annually.

The revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached.

Attachments

Submitted by:



S. J. – APPROVED

Suzanne Jenike
Assistant CEO, External Operations



OCERS Board Policy

Communications Policy

Background

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

Policy Objectives

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

Principles and Assumptions

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

Policy Guidelines

General Guidelines

6. Members of the ~~OCERS~~ Board and the OCERS team~~staff~~ represent many differing backgrounds and viewpoints. ~~Partisan political communications from persons in positions of authority may create a hostile work environment.~~ Therefore, Board members and staff ~~will not~~shall refrain from sending ~~any~~ partisan political communications to ~~a majority of the~~ members of the Board ~~or a majority of the members of a standing committee, or to~~ OCERS team members~~staff~~, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members ~~will not use~~staff shall also refrain from using OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for fulfillment of duties of a duly appointed labor representative.
8. ~~OCERS~~Members of the Board and OCERS team members ~~will not engage~~staff shall also refrain from engaging in ~~any~~ communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and / or groups of people. ~~The prevalence of eE~~lectronic communications also present~~brings~~ challenges in



OCERS Board Policy

Communications Policy

managing communications, ~~and~~ potential ~~violations~~~~infringement~~ of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the “Brown Act”) and challenges in complying with the Public Records Act (Gov. Code §§6250, et.seq.). As such, the ~~OCERS~~-Board has adopted the following guidelines for use and management of electronic mail by Board members:

- a. Electronic mail pertaining to OCERS business ~~constitutes~~~~shall be treated as~~ a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee ~~of the Board~~ shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS’ policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. ~~In the event that an e~~Electronic mail communications ~~from is sent by a member of the~~ OCERS ~~team~~staff to a Board member’s ~~may be sent to a~~ personal email account, ~~designated by individual Board members. In such event, the~~ OCERS ~~team member~~staff shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to ~~a member of the~~ OCERS ~~team~~staff, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
 - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);



OCERS Board Policy

Communications Policy

- b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
 - c. Allowing proper public comment on agenda items before or during consideration by the Board (~~s~~Section 54954.3 of the Brown Act);
 - d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (~~s~~Section 54954.5 of the Brown Act);
 - e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by ~~s~~Section ~~54952.3~~~~54953~~ of the Brown Act);
 - f. Not taking any action, whether preliminary or final, by secret ballot (~~s~~Section 54953(c) of the Brown Act); and
 - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (~~s~~Section 54957.5 of the Brown Act).
11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education ~~annually~~ to members of the Board.
 12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
 13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Plan Members and Employers Plan Sponsors

14. Members of the Board shall mitigate the risk of miscommunication with ~~employers plan sponsors~~, OCERS active and deferred ~~plan~~-members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the ~~CEO~~Chief Executive Officer or appropriate designee. The ~~CEO~~Chief Executive Officer or such designee will inform the Board ~~m~~Member when and how the matter was resolved.
16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board ~~of Retirement~~ or a committee of the Board ~~Committee~~ or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential ~~and identified as confidential~~.



OCERS Board Policy Communications Policy

Board Member Communications with OCERS Management

17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.
- b. All other Board member requests for information shall be directed to the CEO, who shall in turn direct staff as appropriate.
- c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.
18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may ~~be deemed by the Board to constitute a breach of fiduciary duty, and may~~ subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:
 - a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all ~~OCERS plan~~ members;
 - b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
 - c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board ~~of Retirement~~ or a committee of the Board ~~Committee~~ or



OCERS Board Policy Communications Policy

received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential and identified as confidential;

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

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

22. Subject to section 21 above, in situations that call for a spokesperson ~~for from~~ the Board, the Chair or his or her designee shall act as spokesperson for the Board. Generally, t~~he~~ spokesperson ~~generally~~ should request that reporters put questions in writing.

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

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

Policy Review

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

Policy History

26. This policy was adopted by the Board of Retirement on November 18, 2002.

27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, ~~and~~ May 15, 2017 and _____, 2020.

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

5/15/17

Date



OCERS Board Policy Communications Policy

Background

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

Policy Objectives

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

Principles and Assumptions

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

Policy Guidelines

General Guidelines

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



OCERS Board Policy

Communications Policy

- a. Electronic mail pertaining to OCERS business constitutes a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee of the Board shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. In the event that an electronic mail communication is sent by a member of the OCERS team to a Board member's personal email account, the OCERS team member shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to a member of the OCERS team, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
 - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);
 - b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
 - c. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3 of the Brown Act);
 - d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (section 54954.5 of the Brown Act);



OCERS Board Policy Communications Policy

- e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by section 54952.3 of the Brown Act);
 - f. Not taking any action, whether preliminary or final, by secret ballot (section 54953(c) of the Brown Act); and
 - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (section 54957.5 of the Brown Act).
- 11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education to members of the Board.
 - 12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
 - 13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Members and Employers

- 14. Members of the Board shall mitigate the risk of miscommunication with employers, OCERS active and deferred members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
- 15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the CEO or appropriate designee. The CEO or such designee will inform the Board member when and how the matter was resolved.
- 16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential.

Board Member Communications with OCERS Management

- 17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.
- b. All other Board member requests for information shall be directed to the CEO, who shall in turn direct staff as appropriate.
- c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed



OCERS Board Policy Communications Policy

solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.

18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:
 - a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all OCERS members;
 - b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
 - c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential;
 - d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and
 - e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board or are not speaking in their capacity as a member of the Board.
22. Subject to section 21 above, in situations that call for a spokesperson for the Board, the Chair or his or her designee shall act as spokesperson for the Board. Generally, the spokesperson should request that reporters put questions in writing.



OCERS Board Policy Communications Policy

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

Policy Review

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

Policy History

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

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

_____ Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: **TRIENNIAL REVIEW OF THE PUBLIC RECORDS REQUEST POLICY AND PROPOSED RESCISSION OF THE DATA REQUEST POLICY**

Recommendation

- (1) Approve, and recommend that the Board adopt, revisions to the Public Record Request Policy, including incorporating into the Public Records Request Policy provisions of the Data Request Policy; and
- (2) Recommend that the Board rescind the Data Request Policy.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Public Records Request Policy was adopted by the Board on March 19, 2012, and was last reviewed and revised on May 15, 2017. It is scheduled for review and approval by the Board, after review by the Governance Committee, in 2020.

Proposed Revisions

The proposed revisions to the Public Records Request Policy are two-fold.

First, staff recommends revising previous Sections 5, 6, 7, 8, and 9 of the policy to remove the list of the types of information that **will** be disclosed by OCERS in response to a PRA request and the list of the types of information that **will not** be disclosed by OCERS in response to a PRA request. Instead, staff recommends that the policy simply state that OCERS will respond to all requests in accordance with applicable law (the CPRA, the CERL and controlling case law). The additional detail regarding what information will and will not be disclosed will be set forth in the internal PRA guidelines and procedures document that is used by OCERS staff when responding to requests. This document can be more quickly revised and updated than the policy in response to changes in the law.

Second, in the course of reviewing the Public Records Request Policy, staff concluded that the provisions of a similar policy, the Data Request Policy, could be incorporated into the Public Records Request Policy. The Data Request Policy also applies to requests for information directed to OCERS – except it addresses requests by members, employers and stakeholders. Staff proposes revising the Public Records Request Policy so that it also encompasses and addresses information requests received from members, employers, and stakeholders. The name of the policy would be changed to the Public Records and Data Request Policy.

These proposed revisions would:

1. Acknowledge that OCERS members and their beneficiaries are entitled to their own OCERS information and that these requests will not be treated as requests under the California Public Records Act (new Section 3);
2. Provide that requests for information received from employers and stakeholders will be routed to an Assistant CEO or the General Counsel and will be treated and handled in the same way as PRA requests are handled and treated (new Section 4) so that:
 - a. They are logged and tracked by OCERS like PRA requests;
 - b. The amount of staff resources that are spent responding to these requests can be measured;
 - c. Employers and stakeholders are treated similarly to other members of the public with the same access to public information; and
 - d. Employers and stakeholders are charged the same costs of duplication, compilation, extraction and programming as are charged to members of the public.

Once the Public Records Request Policy is revised to incorporate data requests from members, employers and stakeholders, the Data Request Policy can be rescinded.

The other proposed revisions to the Public Records Request Policy are non-substantive and clarifying.

The revisions are set forth in underlined/strikeout text in the attached copy of the Public Records and Data Request Policy. An unmarked version of the Public Records and Data Request Policy and a copy of the Data Request Policy are also attached for the Committee's ease in reference.

Attachments

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Policy

Public Records and Data Request Policy

Purpose and Background

1. The Board of Retirement (“Board”) of the Orange County Employees Retirement System (“OCERS”) adopts this ~~p~~Policy to establish guidelines and procedures regarding responses to requests (~~“PRA Requests”~~) ~~made by the public including, but not limited to, the media, business entities, individuals, and any other person or entity unaffiliated with OCERS,~~ pursuant to the California Public Records Act (“PRA”); data requests received from OCERS employers or other stakeholders (“Data Requests”); and requests for account information received from OCERS members and their beneficiaries.

The Board is committed to transparency and recognizes that transparency is integral to good governance. The Board ~~recognizes that it~~ has an obligation to balance its members’ right to privacy with the public’s right to information regarding public business. In addition, the Board must balance the interests of OCERS employers and other stakeholders that request information from OCERS against the Board’s paramount duty to administer the system solely in the interest of, and for the exclusive purpose of providing benefits to, OCERS members and their beneficiaries. This ~~p~~Policy is not intended to cover all of the complex legal and factual issues that may arise in responding to a PRA ~~R~~request. However, the Board has determined that it ~~is would be~~ useful to establish ~~certain~~ guidelines for OCERS to consider when responding to a PRA Rrequest or a Data Requestis made under the PRA, and to publish those guidelines for the benefit of OCERSits members, and their beneficiaries, OCERS employers and stakeholders, and the public at large.

~~This policy will operate in conjunction with OCERS’ Plan Sponsor, Member, and Stakeholder Data-Request Policy, which provides guidelines for responding to requests for information from persons and entities that have a direct affiliation with OCERS.~~

Policy Objectives

2. The objectives of this policy are to provide guidelines to staff ~~and assist~~ in responding to PRApublic records RRequests from members of the public and Data Requests.

Policy Guidelines

3. OCERS members and their beneficiaries are entitled to access their own individual OCERS records and accounts and may authorize access by another person or entity by providing written authorization to OCERS. OCERS staff is authorized to provide members and their beneficiaries with copies of their own individual records and account information and to charge the requestor only the direct cost of duplicating a record, if any. A request made by an OCERS member or beneficiary for their own individual records or information will not be treated as a PRA Request or Data Request under this policy.
4. All Data Requests made by an OCERS employer or other stakeholder shall be routed to an Assistant CEO or the General Counsel and will be treated by OCERS as a request made pursuant to the PRA



OCERS Board Policy

Public Records and Data Request Policy

and subject to this policy. Requests from individual Board members shall be routed to the CEO and will be handled by OCERS in accordance with the Board's Communications Policy.

- ~~3-5.~~ OCERS prefers that all PRA Requests and Data Requests ~~be under the PRA~~ are made in writing in order to facilitate a clear understanding of the request and the records or data being sought by the requestor. When a request is made verbally, staff should ask the requesting party to put the request in writing. In the event the requesting party refuses to make a written request, staff should seek to clarify the request verbally and take detailed notes regarding the request.
- ~~4-6.~~ The PRA generally requires OCERS to disclose "public records" unless the particular information is exempt from disclosure. "Public records" includes any writing containing information relating to the conduct of the public's business (i.e., OCERS' business) that is prepared, owned, used or retained by OCERS.
- ~~7.~~ Communications related to the conduct of the public business ~~It includes public records~~ that are sent, received or stored on ~~in~~ the private accounts and personal devices of OCERS staff and Board members are public records subject to disclosure under the PRA ~~private accounts or on their private devices.~~ If it is determined that the scope of a PRA Request includes public records that may be held in a Board member's or OCERS' employee's non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.
- ~~5-8.~~ OCERS will respond to PRA Requests and Data Requests in accordance with the PRA, the County Employees Retirement Law of 1937 (the "CERL"), and controlling case law interpreting the PRA and the CERL; and OCERS will not disclose records exempt from disclosure under such laws ~~the PRA. The General Counsel, in consultation with the CEO, has the authority to exercise discretion to waive an exemption if it is in OCERS' best interest to do so.~~ including, but not limited to, the following:
- ~~Records pertaining to pending litigation to which OCERS is a party until the litigation or claim has been finally adjudicated or otherwise settled~~
 - ~~Records, the disclosure of which is exempted or prohibited pursuant to state or federal law, including, but not limited to, the provisions of the Evidence Code related to privilege~~
 - ~~Preliminary drafts, notes or interagency or intra-agency memoranda that are not retained by OCERS in the ordinary course of business, provided that the public interest in withholding those records clearly outweighs the public interest in disclosure~~
 - ~~Sworn statements and individual records of members, pursuant to Government Code section 31532 which provides as follows: "Sworn statements and individual records of members shall be confidential and shall not be disclosed to anyone except insofar as may be necessary for the administration of this chapter [the '37 Act] or upon order of a court of competent jurisdiction, or upon written authorization by the member."~~
- ~~6.~~ OCERS will respond to production in accordance with the decision in *Sonoma County Employees' Retirement System v. Superior Court* (2011) 198 Cal.App.4th 986 which held that the retirement system was required to release the names and gross monthly benefit amounts paid to any member.



OCERS Board Policy Public Records and Data Request Policy

However, the court ruled that the age at retirement of a member is confidential. The decision also provided guidance regarding the scope of the confidentiality required by section 31532. The Court found that the statute does make confidential all information submitted to a retirement system either by the member or by a third party (e.g., an employer) about a member that would not otherwise be considered public information.

7. In accordance with the *Sonoma* decision, in response to a PRA request, OCERS will publicly release the following information, to the extent available:

- Member or benefit recipient name
- Current gross monthly benefit amount
- Original gross monthly benefit amount
- Cost of living adjustments
- Total final compensation
- The components of total final compensation
- Total years of credited service
- Effective date of retirement
- Information regarding the member's former employment department, agency and/or job class to the extent it is received by OCERS
- Statutory basis for the benefit calculation formula
- Type of retirement (e.g., service, service connected disability, non service connected disability)

8. Also in accordance with the *Sonoma* decision, OCERS will not publicly disclose the following information:

- Social Security number
- Date of birth
- Age at any time
- Address
- Telephone and fax numbers
- Email address
- Disability information and medical records
- Spouse or registered domestic partner and beneficiary designations
- Member contributions
- Individual accounts
- Gross refund amount



OCERS Board Policy Public Records and Data Request Policy

- ~~Personal retirement option election~~
 - ~~Individual benefit calculation formula rate~~
 - ~~The components of credited service~~
 - ~~Personnel records~~
 - ~~Non-public correspondence with OCERS~~
 - ~~Non-public information provided to OCERS by the member~~
9. ~~Requests for information not listed above will be determined on a case-by-case basis, in accordance with applicable law. Also, a request for disclosable records may be objectionable if it is unreasonably burdensome. In such situations, staff should consult with counsel.~~
10. ~~If a request seeks public records held in Board members' or OCERS' employees' non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.~~

~~11.9. The PRA expressly permits, and OCERS' fiduciary responsibility to administer the system for the exclusive purpose of providing benefits to OCERS members and their beneficiaries requires, that Applicable law allows OCERS to recover the direct costs of duplication when providing copies of records, and under certain circumstances, the costs of copying and data retrieval and compilation costs, extraction, and programming to produce an electronic record incurred due to a request under the PRA. OCERS will provide an estimate of the any such costs to the requestor under a PRA Request or a Data Request to copy or produce requested records and will promptly fulfill the request for records or data as soon as possible after payment of the full estimated amount. Any payments made based on the estimate that are in excess of the actual cost for copying or producing the requested records or data will be refunded to the requestor.~~

Policy Review

~~11.10. The Board shall review this Policy at least every three years to ensure that it remains relevant and appropriate.~~

Policy History

~~12.11. The Board adopted this Policy on March 19, 2012. The Board reviewed and amended this policy on December 14, 2015, and May 15, 2017, and April 20, 2020.~~

Secretary's Certificate

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



OCERS Board Policy Public Records and Data Request Policy

A handwritten signature in black ink that reads "Steve Delaney" is written over a white rectangular background.

Steve Delaney
Secretary of the Board

~~5/15/17~~04/20/20

Date



OCERS Board Policy Public Records and Data Request Policy

Purpose and Background

1. The Board of Retirement ("Board") of the Orange County Employees Retirement System ("OCERS") adopts this policy to establish guidelines and procedures regarding responses to requests ("PRA Requests") pursuant to the California Public Records Act ("PRA"); data requests received from OCERS employers or other stakeholders ("Data Requests"); and requests for account information received from OCERS members and their beneficiaries.

The Board is committed to transparency and recognizes that transparency is integral to good governance. The Board has an obligation to balance its members' right to privacy with the public's right to information regarding public business. In addition, the Board must balance the interests of OCERS employers and other stakeholders that request information from OCERS against the Board's paramount duty to administer the system solely in the interest of, and for the exclusive purpose of providing benefits to, OCERS members and their beneficiaries. This policy is not intended to cover all of the complex legal and factual issues that may arise in responding to a PRA Request. However, the Board has determined that it is useful to establish guidelines for OCERS to consider when responding to a PRA Request or a Data Request, and to publish those guidelines for the benefit of OCERS members and their beneficiaries, OCERS employers and stakeholders, and the public at large.

Policy Objectives

2. The objectives of this policy are to provide guidelines to staff in responding to PRA Requests and Data Requests.

Policy Guidelines

3. OCERS members and their beneficiaries are entitled to access their own individual OCERS records and accounts and may authorize access by another person or entity by providing written authorization to OCERS. OCERS staff is authorized to provide members and their beneficiaries with copies of their own individual records and account information and to charge the requestor only the direct cost of duplicating a record, if any. A request made by an OCERS member or beneficiary for their own individual records or information will not be treated as a PRA Request or Data Request under this policy.
4. All Data Requests made by an OCERS employer or other stakeholder shall be routed to an Assistant CEO or the General Counsel and will be treated by OCERS as a request made pursuant to the PRA and subject to this policy. Requests from individual Board members shall be routed to the CEO and will be handled by OCERS in accordance with the Board's Communications Policy.
5. OCERS prefers that all PRA Requests and Data Requests be made in writing in order to facilitate a clear understanding of the request and the records or data being sought by the requestor. When a request is made verbally, staff should ask the requesting party to put the request in writing. In the



OCERS Board Policy

Public Records and Data Request Policy

event the requesting party refuses to make a written request, staff should seek to clarify the request verbally and take detailed notes regarding the request.

6. The PRA requires OCERS to disclose “public records” unless the particular information is exempt from disclosure. “Public records” include any writing containing information relating to the conduct of the public’s business (i.e., OCERS’ business) that is prepared, owned, used or retained by OCERS.
7. Communications related to the conduct of the public business that are sent, received or stored on the private accounts and personal devices of OCERS staff or Board members are public records subject to disclosure under the PRA. If it is determined that the scope of a PRA Request includes public records that may be held in a Board member’s or OCERS’ employee’s non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.
8. OCERS will respond to PRA Requests and Data Requests in accordance with the PRA, the County Employees Retirement Law of 1937 (the “CERL”), and controlling case law interpreting the PRA and the CERL; and OCERS will not disclose pursuant to a PRA Request or a Data Request records exempt from disclosure under such laws. The General Counsel, in consultation with the CEO, has the authority to exercise discretion to waive an exemption if it is in OCERS’ best interest to do so.
9. The PRA expressly permits, and OCERS’ fiduciary responsibility to administer the system for the exclusive purpose of providing benefits to OCERS members and their beneficiaries requires, that OCERS recover the direct costs of duplication when providing copies of records, and under certain circumstances, the costs of data compilation, extraction, and programming to produce an electronic record. OCERS will provide an estimate of any such costs to the requestor under a PRA Request or a Data Request and will promptly fulfill the request for records or data after payment of the full estimated amount. Any payments made based on the estimate that are in excess of the actual cost for copying or producing the requested records or data will be refunded to the requestor.

Policy Review

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

Policy History

11. The Board adopted this Policy on March 19, 2012. The Board reviewed and amended this policy on December 14, 2015, May 15, 2017, and April 20, 2020.



OCERS Board Policy Public Records and Data Request 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".

Steve Delaney
Secretary of the Board

04/20/2020

Date



OCERS Board Policy Data Request Policy

Purpose and Background

1. Individual member data is stored by OCERS in electronic format. Data for individual members is generally accessible utilizing OCERS' pension administration software. Summary data for groups of members may require the expenditure of substantial staff resources to create reports. It is this latter type of request that is being addressed by this policy.

The Board of Retirement recognizes that transparency is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board must establish a mechanism for responding to requests for summary data from individual Board members, plan sponsors, plan members, and other stakeholders such as employee and retiree groups. Requests for information from external parties such as the media, political action groups, and individuals unaffiliated with OCERS shall be governed by the Orange County Employees Retirement System Public Records Request Policy.

Policy Objectives

2. The objectives of the policy are to provide guidance to staff and assist in responding to requests for data from Board members, plan sponsors, plan members, and other stakeholders.

Policy Guidelines

3. OCERS should carry out its duties in the spirit of open governance.
4. A member or benefit recipient is entitled to access to his or her own records and may authorize access by another person or entity by providing written authorization to OCERS. Generally, Member Services staff is authorized to provide copies of member records to the member or an authorized recipient. Documents marked as "Confidential" or "Legal" communications should not be provided to the member unless authorized by the Legal Department.
5. All requests for data by plan sponsors and other stakeholders shall be routed to an Assistant CEO or the Chief Legal Officer.
6. Requests for data that are readily available should be satisfied as quickly as possible.
7. Records exempt from disclosure under applicable law shall not be disclosed unless the requesting party fulfills the requirements for disclosure under the applicable law. Staff responding to data requests should review and be familiar with the OCERS Public Records Request Policy to ensure compliance with disclosure rules.
8. Requests from individual Board members shall be addressed to the CEO.
9. Requests from plan sponsors, plan members, and other stakeholders that require minimal staff time to prepare and less than \$1,000.00 in estimated staff costs shall be satisfied at no cost to the requestor except for copying costs if applicable. Minimal staff time would be defined as four hours or less of programming, analysis, data compilation, or other staff time.
10. Requests from plan sponsors, plan members, and other stakeholders that require estimated staff costs in excess of \$1,000.00 shall be referred to the Board for consideration. The Board shall determine whether OCERS will seek reimbursement for costs from the requesting party.



OCERS Board Policy Data Request Policy

Policy Review

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

Policy History

12. The Board of Retirement adopted the Data Request Policy on August 27, 2007. The Board reviewed the policy on June 21, 2010. The Board revised the policy on March 19, 2012, December 14, 2015 and October 15, 2018.

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 cursive script that reads "Steve Delaney".

Steve Delaney
Secretary of the Board

10/15/18

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Suzanne Jenike, Assistant Chief Executive Officer, External Operations
SUBJECT: **REVIEW OF NEW PAY ITEMS PURSUANT TO THE PAY ITEM REVIEW POLICY**

Background/Discussion

On June 17, 2019, the Board approved the Master Final Average Salary List of pay items (Master List), including the attributes for elements of pensionable pay, for Legacy and PEPRA members as recommended by staff. In addition, the Board directed staff to commence using four (4) newly adopted policies:

1. Compensation Earnable Policy – compensation applicable to Legacy members - codifies existing law, the Ventura Decision and Resolution 98-001;
2. Pensionable Compensation Policy – compensation applicable to PEPRA members;
3. Retirement Enhancement “Spiking” Review Policy; and
4. Pay Item Review Policy.

In addition to the above-mentioned policies, Staff began using the newly created Compensation Earnable and Pensionable Compensation Analysis and Determination Administrative Procedure (OAP) and new employer procedures/forms for Employers requesting new pay items subsequent to those that were included on the Master List approved by the Board in June 2019.

The *Pay Item Review Policy* (Policy) requires Staff to perform detailed analysis to determine the qualification for pensionable pay status for any new pay items requested by Employers. In accordance with the Policy, Staff makes the determination regarding pensionable attributes and communicates the decision to the Employer prior to the inclusion of the pay item on the biweekly transmittal file submitted to OCERS. Since the commencement of this process, Employers have agreed with all of the Staff’s determinations without dispute.

In addition to the approval of the Master List and commencement of the new review and approval process, the Board directed Staff to report newly added pay items to the Governance Committee and Board annually. It is this reporting requirement that Staff will address today. Attached for the Committee’s review is the list of all pay items, including their pensionable attribute determinations that have been added to the Master List between June 2019 and December 31, 2019. Staff has reviewed and implemented these 17 new pay items between June 2019 and December 2019, and the Employers are submitting these items on the transmittal file with the correct pensionable attributes.

Attachments

- Pay item Review Policy
- List of pay items added between June 2019 and December 31, 2019

Submitted by:



S. J. – APPROVED

Suzanne Jenike
Assistant CEO, External Operations



Pay Items Added Between June 2019 and December 31, 2019

Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	DECISION	DECISION
					PEPRA Pensionable	Pre-PEPRA Comp Earnable
County	01/03/20	DCH	Deputy Coroner Hazard Premium Pay	Hazard Premium Pay for Deputy Coroner Series: Effective the first day of the first full pay period in January 2020, regular, full-time employees in the Deputy Coroner series on pay status shall receive the equivalent of sixty-nine dollars and twenty-five cents (\$69.25) biweekly (approximately one hundred fifty dollars per month). In the event an employee in the Deputy Coroner series is on pay status for a portion of a pay period, the Hazard Premium Pay shall be paid based on the ratio of hours actually paid to hours in a pay period (eighty [80] hours).	YES	YES
Cemetery	08/30/19	ACT	Acting Pay	Acting Pay - When an employee is asked by management to perform duties out of his/her scope of work, along side or in place of a different classification, then the employee will receive additional compensation equal to 7.5% of the employees regular rate of pay for the time served, based on 15 minute increments.	YES	YES
Cemetery	10/11/19	HDD	Hazardous Duty/Explosive Devices/Dive	Employees assigned to the Hazardous Devices Squad or Explosive Detection Squad who are also trained, certified and assigned by management to dive will receive premium pay in the amount of \$373.84 biweekly.	YES	YES
Law Library	07/05/19	LSB	Lump Sum Bonus Payment - Legacy Employees	CONSIDER FY2019-20 SALARIES FOR NON-REPRESENTED EMPLOYEES. After hearing from members of its Personnel Committee, the Board elected to follow its recommendation. Mr. Franco moved to approve a 2% salary increase to \$102,388.40 plus a \$1,000.00 bonus each for the Public Services Librarian and Systems /Technical Services Librarian and a salary increase to \$135,000.00 for the Director. Judge Griffin seconded the motion, which passed unanimously. Judge Bailey moved that the increases and bonus payments take effect June 21, 2019. Mr. Franco seconded the motion, which passed unanimously.	NO	YES



Pay Items Added Between June 2019 and December 31, 2019

Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	DECISION	DECISION
					PEPRA Pensionable	Pre-PEPRA Comp Earnable
Law Library	07/05/19	LSBP	Lump Sum Bonus Payment - PEPRA Employees	CONSIDER FY2019-20 SALARIES FOR NON-REPRESENTED EMPLOYEES. After hearing from members of its Personnel Committee, the Board elected to follow its recommendation. Mr. Franco moved to approve a 2% salary increase to \$102,388.40 plus a \$1,000.00 bonus each for the Public Services Librarian and Systems /Technical Services Librarian and a salary increase to \$135,000.00 for the Director. Judge Griffin seconded the motion, which passed unanimously. Judge Bailey moved that the increases and bonus payments take effect June 21, 2019. Mr. Franco seconded the motion, which passed unanimously.	NO	YES
OCTA	09/29/19	ND	Night Shift Differential for Maintenance Workers	Night Shift Differential for Maintenance Workers - this code (ND) is used for paying Maintenance Workers 5% of their hourly straight time rate for hours worked on 3rd shift (10:00 p.m. but prior to 4:30 a.m.)	YES	YES
OCTA	09/29/19	PD	PM Shift Differential for Maintenance Workers	PM Shift Differential for Maintenance Workers - this code (PD) is used for paying Maintenance Workers 3% of their hourly straight time rate for hours worked on 2nd shift (2:00 p.m. but prior to 10:00 p.m.)	YES	YES
OCTA	10/13/19	MP	Master Tech Pay	Pay Differential for Maintenance Workers - this code (MP) is used for paying Maintenance Workers \$1.00/hr for hours worked in a bid position who are a Master Transit Bus Technician or a Master Automobile Technician	YES	YES



Pay Items Added Between June 2019 and December 31, 2019

Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	DECISION	DECISION
					PEPRA Pensionable	Pre-PEPRA Comp Earnable
OCTA	11/10/19	US	Unprovoked Attack - HOS	Payment to any Coach Operator who is physically injured as a result of robbery, or as a result of an unprovoked attack by another person, such injury resulting in a loss of time, the Operator shall be paid 100% of the time lost for the remainder of the bid and a maximum of 40 hours per week thereafter for a period not to exceed a maximum of 12 months from the date of the unprovoked attack or until such time as it is determined that the Operator is unable to return to duty.	YES	YES
Superior Court	07/19/19	CIPP	Multiple Language Pay	Employees who are assigned to perform interpreter services in more than one language on the same day, where the employee is certified or registered in both languages, shall receive a differential of \$30.00 for a full day assignment and \$20.00 for a half day assignment.	YES	YES
Superior Court	07/19/19	CRTP	Certification Pay	Upon providing proof of certification, regular and limited-term Official Court Reporters shall be eligible to receive a one-time payment of \$500 gross, lump sum, non-base building pay for possession of each of the following certifications: <ul style="list-style-type: none"> • Registered Professional Reporter Certification • Registered Merit Reporter Certification • Registered Diplomat Reporter Certification • Communications Access Realtime Translation (CART) Certification 	NO	YES



Pay Items Added Between June 2019 and December 31, 2019

					DECISION	DECISION
Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	PEPRA Pensionable	Pre-PEPRA Comp Earnable
Superior Court	07/19/19	REFP	Referral Incentive Program	<p>PROGRAM OVERVIEW: The purpose of the Employment Referral Incentive Pilot Program is to support the Court’s efforts to fill “difficult to fill” positions by providing an incentive to existing employees to encourage qualified candidates to apply. The incentive is \$1,000 to be paid according to the Guidelines set forth below. The incentive is treated as taxable income and subject to applicable withholding. The term of this Pilot Program will be from October 27, 2016 – October 27, 2018. The Court reserves the right to discontinue the pilot program at any time without notice. The Chief Human Resources Officer (CHRO) or designee shall administer the program and will resolve any issues regarding interpretations or administration of the program. The CHRO’s decisions are final; a decision to deny an incentive payment is not appealable or subject to the grievance procedure. For purposes of this program, a “referred successful candidate” is defined as a person hired as a full- time or part-time probationary employee, in a regular position, who has not been employed with the Court and has not submitted an application to the Court within the past year.</p> <p>SEE ATTACHED PAGE FOR ADDITIONAL INFORMATION</p>	NO	NO



Pay Items Added Between June 2019 and December 31, 2019

					DECISION	DECISION
Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	PEPRA Pensionable	Pre-PEPRA Comp Earnable
Superior Court	07/19/19	PREM	Court Assignment Pay	<p>Side Letter Agreement</p> <p>Dear Catherine:</p> <p>I am pleased to inform you that you were granted 2.75% premium pay for your assignment in Complex Civil. Thank you for your dedication and support to the Court.</p> <p>The premium pay is effective May 11, 2018 and should be reflected on your June 1, 2018 paycheck. If you have any questions, please feel free to contact me directly at (657) 622-7774.</p>	NO	YES
Superior Court	07/19/19	PRM3	Court Assignment Pay - Exec Assistant	<p>Side Letter Agreement</p> <p>An Employee in the class of Executive Assistant who is assigned to the Presiding Judge of the Superior Court of the Assistant Presiding Judge Shall be eligible to receive a premium assignment pay in the amount of 5.5% per hour for all hours actually paid. To qualify, an employee must be in good standing with overall satisfactory performance. This premium assignment pay may be applied or removed at the discretion of the Presiding Judge.</p>	YES	YES



Pay Items Added Between June 2019 and December 31, 2019

					DECISION	DECISION
Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	PEPRA Pensionable	Pre-PEPRA Comp Earnings
Superior Court	07/19/19	LONG	Longevity Pay (Court Reporters)	<p>Upon completion of the number of hours specified below, regular and limited-term Official Court Reporters shall be eligible to receive a lump sum, non-base building payment as indicated below:</p> <p>5 years, i.e., 10,400 regular, paid hours of employment: \$2,500 10 years, i.e., 20,800 regular, paid hours of employment: \$3,500 15 years, i.e., 31,200 regular, paid hours of employment: \$4,000 20 years, i.e., 41,600 regular, paid hours of employment: \$5,000 25 years, i.e., 52,000 regular, paid hours of employment: \$6,000 30 years, i.e., 62,400 regular, paid hours of employment: \$7,000</p> <p>Eligibility to receive longevity premium pay shall be based upon continuous service with the Orange County Superior Court as an Official Court Reporter. Current employees will be eligible for their next milestone date, but will not receive any pay retroactively. Court Reporter longevity pay shall not apply to workers compensation supplement pay.</p>	NO	YES



Pay Items Added Between June 2019 and December 31, 2019

					DECISION	DECISION
Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	PEPRA Pensionable	Pre-PEPRA Comp Earnable
TCA	01/04/20	OT	Overtime	<p>Non-exempt employees are entitled to an overtime premium in accordance with federal law. The TCA is currently not subject to any California Wage Order; notwithstanding this fact, and subject to the TCA in its absolute and total discretion changing its policy, it is currently the TCA's policy to pay overtime for hours worked in excess of 8 hours in a day in addition to paying overtime compensation for hours worked in excess of 40 hours in a week. Therefore, if you are non-exempt, you will be paid at the rate of one-and-one-half times your regular rate of pay after eight hours work in a day or after 40 hours work in a week. Nonexempt employees working an alternative work week that includes hours worked in excess of 8 hours in a day as part of the scheduled alternative work week hours to be worked will not receive overtime compensation for such hours.</p> <p>If you are non-exempt and you work more than 12 hours in one day, you will be paid at the rate of two times your hourly rate for the hours you work over</p> <p>If you work seven consecutive days in the same workweek, the first eight hours of scheduled work on the seventh day will be paid at one-and-one-half times your regular rate of pay. If you work more than eight hours on your seventh consecutive day of work, you will be paid at the rate of two times your regular rate of pay for the hours you work over eight. Except in an emergency, overtime work must be approved in advance by your supervisor. Comprehensive annual leave, TCA observed holidays, and leave of absence without pay do not count as hours worked for purposes of computing overtime. You may not accumulate compensatory time in lieu of being paid for authorized overtime. Exempt employees are not eligible for overtime pay.</p>	NO	NO



Pay Items Added Between June 2019 and December 31, 2019

					DECISION	DECISION
Employer	Effective	Pay Code	Pay Code Description	MOU / Side Letter Description	PEPRA Pensionable	Pre-PEPRA Comp Earnable
TCA	01/04/20	CB	Callback	<p>Due to the nature of our business we may have occasions when employees are required to be on a Call Back status. The requirements for Call Back status are as follows:</p> <p>Call-back duty requires the Stand By Duty employee to respond to a request to return to the 125 Pacifica building within one (1) hour or less of any call for service and then proceed as required to respond to the call for service after the normal work shift has been completed and the employee has left his/her normal work location Those periods of overtime which had been scheduled by the Facilities Manager prior to the end of the normal work shift are not considered call-back duty. Any employee on duty responding to a call-back shall be compensated at the applicable overtime rates defined in the TCA Employee Handbook and Personnel Policies. The employee shall be guaranteed a minimum of two hours compensation per call. An employee on duty responding to a call back shall be compensated portal to portal.</p>	NO	NO

Pay Items Added Between June 2019 and December 31, 2019
Description of REFP

REFP - REFERRAL INCENTIVE PAY ITEM DESCRIPTION

PROGRAM OVERVIEW:

The purpose of the Employment Referral Incentive Pilot Program is to support the Court's efforts to fill "difficult to fill" positions by providing an incentive to existing employees to encourage qualified candidates to apply. The incentive is \$1,000 to be paid according to the Guidelines set forth below. The incentive is treated as taxable income and subject to applicable withholding.

The term of this Pilot Program will be from October 27, 2016 – October 27, 2018. The Court reserves the right to discontinue the pilot program at any time without notice. The Chief Human Resources Officer (CHRO) or designee shall administer the program and will resolve any issues regarding interpretations or administration of the program. The CHRO's decisions are final; a decision to deny an incentive payment is not appealable or subject to the grievance procedure. For purposes of this program, a "referred successful candidate" is defined as a person hired as a full-time or part-time probationary employee, in a regular position, who has not been employed with the Court and has not submitted an application to the Court within the past year.

GUIDELINES:

I. DIFFICULT TO FILL POSITIONS

The CEO or designee may designate a position as "difficult to fill." Factors to consider include whether the particular skill(s) required to fill the vacancy is scarce given the current labor market and/or recruitments for the classification have been repeated with no success, have a known history of being difficult to fill, or are not attracting sufficient qualified candidates.

II. METHOD OF REFERRAL

For a referring employee to be eligible for the referral incentive, the Court's Application for Employment must contain the name of the referring employee in the appropriate area of the application.

III. METHOD OF PAYMENT

The referring employee shall receive \$500 as soon as practicable after a referred successful candidate begins employment and an additional \$500 once the referred candidate has successfully completed 12 months of service, provided the referring employee is still employed with the Court.

IV. LIMITATIONS AND EXCLUSIONS

- A. Any current regular, limited-term, or extra-help employee is eligible to participate in the Program as a referring party, with the exception of the Court Executive Officer, Deputy Court Executives, Managers, Human Resources staff, and any employees involved in the selection process for an eligible classification.
- B. Applicants shall not be permitted to list more than two referring parties in the employment application. In cases where two employees are named as a "referring party," the incentive shall be equally split between the referring employees.
- C. In cases where the referred successful candidate resigns or is released/terminated prior to completion of 12 months of service, the second \$500 shall not be paid.
- D. For a referring party who is eligible for overtime pay, the referral incentive shall be considered in determining regular rate of pay for purposes of computing overtime compensation for the referring employee in the workweek the incentive is paid.
- E. The incentive shall be pensionable for legacy members of OCERS, but not for PEPRA members.
- F. Federal and state taxes will be withheld at the supplemental rate.



OCERS Board Policy Pay Item Review Policy

Purpose and Background

1. The purpose of this policy is to set forth a procedure for the submittal and approval of pay items by OCERS participating employers to assist OCERS in properly and timely determining whether elements of compensation are appropriately treated as Compensation Earnable (for Legacy Member) or pensionable compensation (for PEPRA members).

Policy Objectives

2. The objectives of this policy are to comply with the requirements of the County Employees Retirement Law (CERL; California Government Code Title 3, Part 3, Chapters 3 & 3.9), as amended by the Public Employees Pension Reform Act (PEPRA; California Government Code sections 7522 - 7522.74) and to ensure OCERS' effective assessment and determination of whether an element of compensation is properly categorized for purposes of collecting contributions.

Policy Guidelines

3. OCERS shall not accept any new pay items from employers for processing contributions and reporting compensation until each pay item has been reviewed by OCERS staff and approved by the CEO or his/her designee for inclusion as, or exclusion from, Compensation Earnable for Legacy members and Pensionable Compensation for PEPRA members. OCERS staff under the direction of the CEO and with assistance of OCERS legal counsel is responsible for implementing this Policy. OCERS staff will analyze each pay item to determine whether each meets the definition of Compensation Earnable or Pensionable Compensation. Unless appealed, the CEO's determination shall be final.
4. Employers are responsible notifying OCERS of new or modified pay items for review and approval sufficiently in advance of implementation of the Items. Failure to do so may result in OCERS imposing costs on the employer in accordance with Government Code section 31542.5.
5. OCERS staff will review employer pay Item listings for compliance with this Policy. When reviewing items of compensation, OCERS will audit pay items to determine whether each of them meets the applicable statutory definitions and applicable Board Policies.
6. After concluding the foregoing assessment, OCERS staff shall send written notification to the employer of staff's determination, including the specific supporting facts, circumstances, reasoning and analyses.
7. The employer shall have 30 calendar days from the date of staff's final notice of determination within which to appeal the staff determination to the Board. If the employer accepts staff's determination, or if a timely appeal it to the Board is not filed, the matter shall be deemed concluded and the staff determination shall be final and the employer shall comply with the determination.
8. Upon receipt of a timely request for appeal to the Board of staff's determination, staff shall place the matter on a future Board agenda and shall prepare a written report to the Board making a recommendation to the Board on the pay items in question. Staff shall provide the employer with advance notice of the Board meeting and a copy of staff's report and all materials to be considered by the Board, and likewise the employer shall provide OCERS with all materials it intends to submit to the Board.



OCERS Board Policy Pay Item Review Policy

9. The Board shall consider the all written materials submitted as well as any arguments presented by the employer. The Board shall then make a decision as to whether the pay item qualifies as Compensation Earnable or Pensionable Compensation, or both, which decision shall be final and the employer shall comply with the Board's determination.

Policy Review

10. The Board shall 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 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.

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

03/18/19

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: March 13, 2020
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: **GOVERNANCE COMMITTEE 2020 WORK PLAN AND MEETING SCHEDULE**

Presentation

The Governance Committee has the following assignments in 2020:

POLICIES AND CHARTERS SCHEDULED FOR REGULAR TRIENNIAL REVIEW BY THE COMMITTEE IN 2020

DOCUMENT	ASSIGNED EXECUTIVE TEAM MEMBER
Actuarial Valuation Policy	Asst. CEO/Internal Operations & Finance
Budget Approval Policy	Director of Finance Department
Communications Policy	Manager of Communications Department
Elections Procedures	Manager of Operational Services Support Department
Governance Committee Charter	General Counsel
Membership Eligibility Requirements	Director of Member Services Division
Planning Policy	CEO
Public Records Request Policy	General Counsel
Quiet Period Policy	Asst. CEO/Internal Operations & Finance
Reserves and Interest Crediting Policy	Asst. CEO/Internal Operations & Finance
SACRS Voting Authority Policy	CEO
Securities Litigation Policy	General Counsel

OTHER MATTERS FOR GOVERNANCE COMMITTEE CONSIDERATION IN 2020

OCERS' Conflict of Interest Code

The Political Reform Act requires local public agencies to review and amend as necessary their Conflict of Interest Codes every two years. OCERS' Conflict of Interest Code was last amended in 2018.

Adjudication Policy and Administrative Hearing Rules

This document was extensively revised in January 2018, with an effective date of the revisions of June 1, 2018. The Disability Committee, the Board and the OCERS team have been “living with” the revised Policy and Rules for almost two years now. During that time, staff has identified numerous ideas for improving OCERS’ processes respecting disability retirement applications, disputes over retirement benefits and administrative hearings. Staff will be prepared to begin the discussion of those ideas with the Governance Committee in 2020.

OCERS Administrative Procedures (OAPs)

The Member Services and Legal Division teams are working together in drafting OAPs to cover several procedures of the Member Services Division. Staff will be prepared to present a few of those OAPs to the Governance Committee in 2020.

COMMITTEE MEETING SCHEDULE FOR 2020

In light of the foregoing work plan, the Committee might consider scheduling meetings every other month, in June, August, October and December (December only if needed).

Submitted by:



Gina M. Ratto
General Counsel