

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

**GOVERNANCE COMMITTEE MEETING  
Thursday, March 21, 2024  
9:30 a.m.**

**MINUTES**

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

Recording Secretary administered the roll call.

Attendance was as follows:

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

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Jeff Lamberson, Director of Retirement Operations - Member Services; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Tracy Bowman, Director of Finance; Bill Singleton, Paralegal; Amanda Evenson, Executive Secretary; Will Tsao, Director of Enterprise Project Management Office; Kwame Addo, Chief Compliance Officer; Mary-Joy Coburn, Director of Communications; Carolyn Nih, Executive Secretary; David Kim, Director of Internal Audit; Jenny Davey, Internal Auditor; Mike Persi, Member Services Manager; Mark Adviento, Senior Internal Auditor; Jenny Sadoski, Director of IT; Anthony Beltran, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary.

**CONSENT AGENDA**

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

Governance Committee Meeting Minutes

November 16, 2023

**MOTION** by Mr. Oates, **seconded** by Mr. Hilton, to approve the Minutes.

The motion passed **unanimously**.

**ACTION ITEMS**

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

No items were trailed from the Consent Agenda.

**A-2 TRIENNIAL REVIEW OF THE GENERAL COUNSEL CHARTER**

*Presentation by Manuel Serpa, General Counsel*

**Recommendation:** Approve and recommend that the Board adopt revisions to the General Counsel Charter.

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

The motion passed **unanimously**.

**A-3 TRIENNIAL REVIEW OF THE ASSISTANT CEO, FINANCE AND INTERNAL OPERATIONS CHARTER**

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

**Recommendation:** Approve and recommend that the Board adopt revisions to the Assistant CEO, Finance and Internal Operations Charter.

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

The motion passed **unanimously**.

**A-4 OFF-CYCLE REVIEW OF THE SECURITIES LITIGATION POLICY**

*Presentation by Manuel Serpa, General Counsel*

**Recommendation:** Approve and recommend that the Board adopt revisions to the Securities Litigation Policy.

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

The Committee provided direction to staff to clarify the Monitoring Firms final selection/approval process by including the duration of the contract and the criteria of the selection process.

The Committee recommended the following additional revisions to the Policy:

20. “With the approval of the CEO, the General Counsel will engage a pool of at least five and not more than 15 firms...”
20. “... and the General Counsel will notify the Board of Retirement simultaneously upon the issuing of any related solicitation and prior to any award...”
23. “OCERS cost will be covered by the firm if not approved by the firm.”

**A-5 OFF-CYCLE REVIEW OF THE ACTUARIAL FUNDING POLICY**

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

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

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

The motion passed **unanimously**.

#### **A-6 OFF-CYCLE REVIEW OF THE TRAVEL POLICY**

*Presentation by Manuel Serpa, General Counsel*

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

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

3. "... unless a conference/seminar agenda contains an average of five (5) hours of substantive educational content per day..."
23. "The Board or staff member must provide both an itemized receipt, including evidence of payment charge receipt (when a payment card is used)."
24. "Board members and eligible OCERS staff members ~~who travel frequently in the course of their job responsibilities~~ may request a Corporate Credit Card. In accordance with the Corporate Credit Card Policy, the Corporate Credit Card may be used only for official OCERS' business, including, but not limited to, travel costs such as parking, air travel, hotel accommodations, ground transportation and car rental, or meals in conjunction with official OCERS' business. ~~All cardholders are required to sign an OCERS Corporate Credit Card Agreement acknowledging their agreement to the Corporate Credit Card Policy rules and guidelines. The Board Chair, in cooperation with the Chief Executive Officer, is responsible for all disciplinary action surrounding misuse of cards by a Trustee. The Vice Chair, in cooperation with the Chief Executive Officer, is responsible for all disciplinary action surrounding misuse of card by the Board Chair, and the Chief Executive Officer and the Assistant Chief Executive Officer of Finance and Internal Operations are responsible for all disciplinary action surrounding misuse of cards for OCERS employees.~~"
28. "Expense costs for extra days prior to or after a conference will be reimbursed only if such extension results in lower overall trip costs. For staff, cost comparisons for trip extensions shall include the cost of salary for any workdays lost by the extension."
30. "... the GSA rate for each purchased meal, upon request."
31. "... the GSA rate for each purchased meal, upon request."
39. "Parking and tolls will be reimbursed ~~at current rates.~~"
40. "~~Public~~ Transportation"
41. "Use of taxis... will be reimbursed ~~at current rates.~~"

The Committee provided further direction to staff to create separate Travel Policy and Corporate Credit Card Policy for the Board and staff.

The motion passed **unanimously**.

#### **A-7 TRIENNIAL REVIEW OF THE WRITE OFF POLICY**

*Presentation by Jeff Lamberson, Director of Retirement Operations – Member Services*

**Recommendation:** Approve, and recommend that the Board adopt, revisions to the Write Off Policy.

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

The motion passed **unanimously.**

### **INFORMATION ITEMS**

**I-1 GOVERNANCE COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2024**

*Presentation by Manuel Serpa, General Counsel*

**I-2 REVIEW OF NEW PAY ITEMS PURSUANT TO THE PAY ITEM REVIEW POLICY**

*Presentation by Suzanne Jenike, Assistant CEO, External Operations*

### **COMMITTEE MEMBER COMMENTS**

The Committee thanked the staff for their hard work.

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

Mr. Delaney shared that the OCERS Annual Review began today.


### **COUNSEL COMMENTS**

None

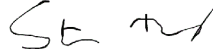
### **ADJOURNMENT**

Chair adjourned meeting at 12:32 p.m.

### **Submitted by:**


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Manuel Serpa  
General Counsel/Staff Liaison

DocuSigned by:  
  
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Steve Delaney  
Chief Executive Officer/Secretary

### **Approved by:**

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Chris Prevatt  
Chair