

AMENDED

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

**REGULAR MEETING
Monday, April 15, 2024
9:30 A.M.**

Members of the public who wish to observe and/or participate in the meeting may do so (1) from the OCERS Boardroom or (2) via the Zoom app or telephone (information below) from any location.

OCERS Zoom Video/Teleconference information	
<p>Join Using Zoom App (Video & Audio)</p> <p>Join Zoom Meeting https://ocers.zoom.us/j/85088856540</p> <p>Meeting ID: 850 8885 6540 Passcode: 648768</p> <p>Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.</p>	<p>Join by Telephone (Audio Only)</p> <p>Dial by your location</p> <p>+1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York)</p> <p>Meeting ID: 850 8885 6540 Passcode: 648768</p>
<p>A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page</p>	

AGENDA

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

1. CALL MEETING TO ORDER AND ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY)
(Government Code section 54953(f))
4. PUBLIC COMMENTS

Members of the public who wish to provide comment during the meeting may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad. Members of the public who participate in the meeting from the OCERS Boardroom and who wish to provide comment during the meeting may do so from the podium located in the OCERS Boardroom.

When addressing the Board, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

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

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Board Member requests separate action on a specific item.

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- NONE

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes March 18, 2024

Recommendation: Approve minutes.

C-3 OUTCOMES FROM THE GOVERNANCE COMMITTEE MEETING ON MARCH 21, 2024

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

1. General Counsel Charter with revisions approved by the Committee;
2. Assistant CEO, Finance and Internal Operations Charter with no substantive revisions;
3. Actuarial Funding Policy with revisions approved by the Committee;
4. Travel Policy with revisions approved by the Committee;
5. Write Off Policy with no substantive revisions.

C-4 OUTCOMES FROM THE AUDIT COMMITTEE MEETING ON MARCH 28, 2024

Recommendation: The Audit Committee recommends the Board adopt the following:

1. The Chief Compliance Officer Charter as approved by the Committee
2. The Compliance Program Charter as approved by the Committee
3. The Audit Committee Charter with revisions approved by the Committee
4. The Internal Audit Charter with revisions approved by the Committee
5. The Ethics, Compliance, and Fraud Hotline Policy with revisions approved by the Committee

DISABILITY/MEMBER BENEFITS AGENDA

9:30 AM

NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER’S APPLICATION OR APPEAL PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.

OPEN SESSION

CONSENT ITEMS

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed in closed session during agenda item DA-1.

A. Disability Committee Recommendations:

None

B. CEO Recommendations:

DC-1: JAMAL BARBOUR

Deputy Sheriff II, Orange County Sheriff’s Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as May 31, 2023.

DC-2: PETER CONDY

Fire Captain, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 23, 2023.

DC-3: MATTHEW GIBBS

Deputy Sheriff I, Orange County Sheriff’s Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as December 8, 2023.

DC-4: ISANDER GONZALEZ

Journeyman Mechanic, Orange County Transportation Authority (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 28, 2023.

DC-5: ANTHONY PAPSIS

Sergeant, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as August 14, 2020.

DC-6: MARIA RANGEL

Eligibility Supervisor, Orange County Social Services (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as the day after the last day of regular compensation.

CLOSED SESSION

Government Code section 54957

Adjourn to Closed Session under Government Code section 54957 to consider member disability applications and to discuss member medical records submitted in connection therewith. The applicant may waive confidentiality and request his or her disability application to be considered in Open Session.

DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE DISABILITY/MEMBER BENEFITS CONSENT AGENDA

DA-2: ROBERT SZEWCZYK

Deputy Sheriff II, Orange County Sheriff's Department (Safety)

Recommendation: Staff recommends the Board approve and adopt the Hearing Officer's recommendation to deny Applicant Robert Szewczyk's application for service-connected disability retirement based on finding that Applicant is not permanently incapacitated for duty.

DA-3: MARTIN NEAL

Coach Operator, Orange County Transportation Authority

Recommendation: Staff recommends the Board grant Martin Neal ("Applicant")'s application for service-connected disability retirement based on the Supplemental Report and opinion by OCERS' Independent Medical Examiner (IME), Dr. Brian Solberg, dated March 16, 2024.

DA-4: NOEL DELA LLANA

Lieutenant, Orange County Sheriff's Department

Recommendation: Staff recommends the Board grant Applicant Noel Dela Llana's application for service-connected disability retirement based on the February 16, 2024, Supplement Report by OCERS' Independent Medical Examiner (IME), Dr. Lawrence Feiwell, and application of the statutory presumption under Government Code section 31720.96.

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing * 9, at the time the item is called. Persons attending the meeting in person and wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the Boardroom and deposit it in the Recording Secretary's box located near the back counter.**

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

A-2 SACRS BOARD OF DIRECTORS ELECTION 2024-2025 – DIRECTION TO OCERS' VOTING DELEGATE
Presentation by Manuel Serpa, General Counsel

Recommendation: Consider the SACRS Nominating Committee's recommended slate of candidates and the list of additional candidates interested in running for the election of SACRS Directors; and give direction to OCERS' Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 10, 2024.

A-3 SECOND QUARTER REVIEW OF OCERS BOARD 2024-2026 STRATEGIC PLAN
Presentation by Steve Delaney, CEO, and William Tsao, Director of EPMO, OCERS

Recommendation:
Approve the staff proposed metric dashboard to the OCERS 2024-2026 Strategic Plan
Or
Provide direction for alternative modifications

A-4 OCERS PENSION ADMINISTRATION SYSTEM (V-3): LOOKING TO A NEW PENSION ADMINISTRATION SYSTEM
Presentation by Steve Delaney, CEO, William Tsao, Director of EPMO, OCERS

Recommendation: Approve the initiation of Phase 1 of the Next Generation PAS Project by hiring an Implementation Partner as selected by Staff utilizing the approved budget for 2024 of \$250K.

INFORMATION ITEMS

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

I-1 BROWN ACT TRAINING

Presentation by Manuel Serpa, General Counsel, OCERS

I-2 CLOUD STRATEGY DISCUSSION

Presentation by Brenda Shott, Assistant CEO, Internal Operations, and Jenny Sadoski, Director of IT, OCERS

I-3 UPDATE ON THE WORK ASSOCIATED TO THE ALAMEDA IMPLEMENTATION

Presentation by Steve Delaney, CEO, and Suzanne Jenike, Assistant CEO, External Operations, OCERS

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices
Death Notices

April 15, 2024
April 15, 2024

R-2 COMMITTEE MEETING MINUTES

- November 2023- Governance Committee Minutes
- January 2024 – Audit Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

R-9 UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER

Written Report

R-10 REEDSMITH PERFORMANCE SURVEY REPORT
Written Report

CIO COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

BOARD MEMBER COMMENTS

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

NOTICE OF NEXT MEETINGS

PERSONNEL COMMITTEE MEETING
April 23, 2024
1:00 P.M.

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

DISABILITY COMMITTEE MEETING
May 20, 2024
8:30 A.M.

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

REGULAR BOARD MEETING
May 20, 2024
9:30 A.M.

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

AVAILABILITY OF AGENDA MATERIALS - Documents and other materials that are non-exempt public records distributed to all or a majority of the members of the OCERS Board or Committee of the Board in connection with a matter subject to discussion or consideration at an open meeting of the Board or Committee of the Board are available at the OCERS website: <https://www.ocers.org/board-committee-meetings>. If such materials are distributed to members of the Board or Committee of the Board less than 72 hours prior to the meeting, they will be made available on the OCERS website at the same time as they are distributed to the

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Board or Committee members. Non-exempt materials distributed during an open meeting of the Board or Committee of the Board will be made available on the OCERS' website as soon as practicable and will be available promptly upon request.

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

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

**REGULAR MEETING
Monday, March 18, 2024
9:30 A.M.**

MINUTES

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

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Adele Tagaloa, Chair, Charles Packard, Vice Chair; Roger Hilton, Chris Prevatt, Richard Oates, Arthur Hidalgo, Jeremy Vallone, Shawn Dewane

Present via Zoom (under
Government Code
Section 54953(f)):

Also Present: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Tracy Bowman, Director of Finance; Cynthia Hockless, Director of Human Resources; Jenny Sadoski, Director of IT; David Kim, Director of Internal Audit; Will Tsao, Director of EPMO; Nicole McIntosh, Director of Disability; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Maytak Chin, ReedSmith

Absent: Wayne Lindholm, Shari Freidenrich

CONSENT AGENDA

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- ∑ Kneepkens, James
- ∑ Lopez, Christopher

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

February 21, 2024

Recommendation: Approve minutes.

C-3 RETIREE REQUEST TO BE REINSTATED – NANCY HERMANSEN

Recommendation: Reinstate Nancy Hermansen as an active member under the provisions of Government Code Section 31680.4 and 31680.5

C-4 OCERS TRUSTEES TRAVEL APPROVAL

Recommendation: Approve the following Trustees’ travel:

1. Ms. Tagaloa’s attendance at the 2024 National Association of Securities Professionals (NASP)- Southern California to be held March 20-21 at the Ritz Carlton Hotel, Marina Del Rey in Los Angeles, California. Anticipated cost is approximately \$700 [Registration: Free; Meals: \$100 Hotel: \$500; Mileage: \$100]
2. Ms. Tagaloa’s attendance at the MOTLEY RICE PIC-US 2024 to be held in Charleston, South Carolina to be held April 28-30. Anticipated cost is approximately \$1,800 [Registration: \$0; Airfare: \$600; Hotel: \$800 [2 nights x \$400]; Meals: \$200; Transportation to and from airport: \$200]
3. Mr. Oates’ attendance at the MOTLEY RICE PIC-US 2024 to be held in Charleston, South Carolina to be held April 28-30. Anticipated cost is approximately \$1,800 [Registration: \$0; Airfare: \$600; Hotel: \$800 [2 nights x \$400]; Meals: \$200; Transportation to and from airport: \$200]

C-5 OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON FEBRUARY 29, 2024

Recommendation: The Personnel Committee recommends the Board adopt the following:

1. Revisions to the Personnel Committee Charter as presented

MOTION by Mr. Dewane, **seconded** by Mr. Prevatt, to approve the Consent Agenda.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

9:30 AM

OPEN SESSION

CONSENT ITEMS

A. Disability Committee Recommendations:

NONE

B. CEO Recommendations:

DC-1: JAMAL BROX

Coach Operator, Orange County Transportation Authority (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as April 26, 2023.

DC-2: BLANCA CORLETT

Social Worker II, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as December 19, 2022.

DC-3: MATHEW GRANT

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as April 7, 2023.

DC-4: JONATHAN HINNANT

Deputy Sheriff II, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as April 11, 2023.

DC-5: MARTHA MAGCASI

Data Entry Technician, Orange County Social Services Agency (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as February 1, 20219.

DC-6: EVELYN RICHARDSON

Sheriff's Special Officer II, Orange County Sheriff's Department (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- ∑ Grant service-connected disability retirement.
- ∑ Set the effective date as August 26, 2022.

MOTION by Mr. Oates, **seconded** by Mr. Packard, to approve staff recommendations.

The motion passed **unanimously**.

ACTION ITEMS

Ms. Sara Ruckle-Harms, a Director of the Retired Employees Association of Orange County (REAOC), spoke in support of Item A-2.

A-2 2024 STAR COLA FINAL APPROVAL

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

Recommendation: Approve payment of STAR COLA for the period April 1, 2024 through March 31, 2025 in the amount of \$398,323.

MOTION by Mr. Hilton, **seconded** by Mr. Packard, to approve staff recommendations.

The motion passed **unanimously**.

INFORMATION ITEMS

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

I-1 OCERS PENSION ADMINISTRATION SYSTEM (V-3): A CONTINUING UPDATE

Presentation by Jenny Sadoski, Director of IT, Jeff Lamberson, Director of Retirement Operations Section– Member Services, & Matt Eakin, Director of Cybersecurity, OCERS

Ms. Sadoski shared about the anticipated risks and mitigations for the timeline of a new Pension Administration System (PAS). Mr. Delaney shared that staff would return in April for initial timeline and budget projections pertaining to a new PAS. He also noted that RFP responses have been received for an implementation partner who could be hired following the April discussion, with that firm helping in the second half of 2024 to refine those projections.

I-2 EMPLOYER ENGAGEMENT REGARDING MEMBER DATA

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

Ms. Jenike shared about the challenges of collecting accurate and timely data for all members prior to the members initiating retirement and the efforts that OCERS will take to enact policy to ensure timely and accurate data transmittal from employers. Mr. Delaney committed to bring an employer reporting policy, with suggested penalties, to the governance committee when it meets on May 23. Mr. Hilton requested that staff not take a long time (a year, rather than months) in getting employers to compliance in reporting. Mr. Delaney assured that would be the goal but added that we may well hear directly from the employers at that May 23 meeting as to what they can and cannot do in the coming months.

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

The Board reconvened from break at 10:27 a.m.

Recording Secretary administered the Roll Call attendance.

The Board adjourned to closed session at 10:28 a.m.

CLOSED SESSION ITEMS

E-1 CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2))

One potential case

Recommendation: Take appropriate action.

The Board returned from Closed Session at 11:00 a.m.

Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Chair Tagaloo, Mr. Hidalgo, Mr. Hilton, Mr. Dewane, Mr. Oates, Mr. Prevatt, Mr. Vallone, and Vice Chair Packard.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION- no reportable actions taken

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices
Death Notices

March 18, 2024
March 18, 2024

R-2 COMMITTEE MEETING MINUTES

- November 2023- Personnel Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 FOURTH QUARTER 2023 BUDGET VS. ACTUALS REPORT

Written Report

R-9 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

Written Report

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R-10 UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER

Written Report

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- CEO Delaney notes that the ReedSmith contract has been extended for an additional year with a new expiration date of June 30, 2025. Additionally, Mr. Delaney reminded the Trustees of the new CEO evaluation timeline and that HR will be sending further details. Lastly, Mr. Delaney shared with the Trustees the upcoming “Bring a Kid to Work” day on April 25.

COUNSEL COMMENTS- None

BOARD MEMBER COMMENTS- None

Meeting **ADJOURNED** at 11:08 a.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Adele Tagaloa
Chairperson



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: **OUTCOMES OF THE MEETING OF THE GOVERNANCE COMMITTEE HELD ON MARCH 21, 2024**

Recommendation

The Governance Committee recommends that the Board adopt the following:

- (1) **General Counsel Charter** with revisions approved by the Committee;
- (2) **Assistant CEO, Finance and Internal Operations Charter** with no substantive revisions;
- (3) **Actuarial Funding Policy** with revisions approved by the Committee;
- (4) **Travel Policy** with revisions approved by the Committee;
- (5) **Write Off Policy** with no substantive revisions.

Background/Discussion

The Governance Committee met on March 21, 2024, and reviewed the above-listed policies. The Committee now recommends that the Board adopt the revisions to all the policies, as set forth below.

Revisions to the General Counsel Charter

Staff recommended to the Committee, and the Committee approved, revisions to the General Counsel Charter. The revisions are set forth in underlined/strikeout text in the attached copy of the charter.

The proposed revisions consist largely of the addition of the role of supervising the Chief Compliance Officer and other minor clarifying edits. Section 3 of the Charter addresses the compliance program:

3. **“Supervise the OCERS Chief Compliance Officer and, in collaboration with Senior Management, assess the effectiveness of the OCERS Compliance Program, as defined in the Compliance Program Charter;”**

Non-substantive Revisions to the Assistant CEO, Finance and Internal Operations Charter

There were no substantive revisions to the Assistant CEO, Finance and Internal Operations Charter recommended or approved by the Committee. The proposed revisions are administrative and immaterial in nature. The changes clarify the splitting up of the Administrative Services Department into Human Resources and Operations Support Services and updates the name of the OCERS annual financial report. An unmarked version of the charter is attached.

Revisions to the Actuarial Funding Policy

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

The proposed revisions consist of additional language is proposed in the “Other Policy Consideration” section under item b. as follows:

- a. “Any change in contribution rate requirement that results from a plan amendment is generally implemented as of the effective date of the plan amendment or as soon as administratively feasible. However, the Board may exercise its discretion to **delay the change in contribution rate requirement by reflecting it in the next Actuarial Valuation following the effective date of the plan amendment if in the Board’s judgement doing so would be in the best interest of the plan members. Consideration of any such delay will include the Board’s review of the financial impact of the delay on the System as determined by the actuary;**”

Revisions to the Travel Policy

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

The Board has requested a review to provide for the use of an OCERS credit card by Board members. The proposed revision includes this addition, minor clarifying edits, and the substantive changes detailed below.

The list of “pre-approved conferences and meetings” contained in paragraph 10 has been extended to include:

- a. Conferences sponsored by the National Association of State Chief Information Officers (NASCIO);
- b. Conferences sponsored by the Society of Human Resources Management (SHRM);
- c. Conferences sponsored by the Professional in Human Resources Association (PIHRA);
- d. Conferences sponsored by the Association of Talent and Development (ATD);
- e. Annual Conference of the California Association of Public Information Officials (CAPIO);
- f. Conferences sponsored by the California Special Districts Association (CSDA);
- g. Conferences sponsored by the Institute of Internal Auditors (IIA);
- h. Conferences sponsored by the Society of Corporate Compliance and Ethics (SCCE);
- i. Conferences sponsored by the Association of Certified Fraud Examiners (ACFE);
- j. Conferences sponsored by Public Retirement Information Systems Management (PRISM);
- k. Annual Global Pension CFO Forum; and
- l. Conferences sponsored by Gartner.

The following requirements have been added to paragraph 23 “Claims for Reimbursement”:

... The Board or staff member must provide an itemized receipt, including evidence of payment charge receipt. In the event an itemized receipt is lost or is not available, a Missing Receipt Form must be completed and submitted with the expense reimbursement claim. The Missing Receipt Form includes a certification that only allowable items are included in the request for reimbursement. Overuse of the Missing Receipt Form could result in non-reimbursement of expense at OCERS discretion...

New paragraph 24, titled "Agency-Issued Credit Card," has been inserted and consists of the following:

Board members and eligible OCERS staff members 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.

In addition, the following sentence has been added to paragraph 31, "Reimbursement for Meals Consumed and Purchased During a Business-Purpose Meeting Where Travel is Not Involved:"

...The names of the people who attended the business-purpose meeting and a brief description of the business discussed or conducted shall be submitted with the reimbursement request. If an itemized receipt is not submitted, OCERS will reimburse the Board or staff member up to the GSA rate for each purchased meal, upon request.

Also, a clarifying statement was added to paragraph 34, "Airline Travel," as shown in the red text:

... In addition, for **total** travel that exceeds four (4) hours in length, **or to accommodate special travel needs**, additional legroom seats or premium economy fees will be reimbursed...

Paragraph 36, "Automobile Mileage," has been clarified by the addition of the following sentence:

In accordance with the County of Orange Memorandum of Understanding for the County General Unit and OCERS Direct Employee Policy Handbook, a staff member shall receive a minimum of \$10.00 in any month in which a staff member used his/her personal automobile but the actual mileage reimbursement would otherwise be less than \$10.00.

In addition, the Committee made the following revisions to the policy:

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."
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.

Non-substantive Revisions to the Write Off Policy

There were no substantive revisions to the Write Off Policy recommended or approved by the Committee. An unmarked version of the policy is attached.

Attachments

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



General Counsel Charter

Introduction

Pursuant to the Charter from the Orange County Employees Retirement System (OCERS) Board of Retirement (Board) to the Chief Executive Officer (CEO), the CEO hereby delegates to the General Counsel the authority to act finally with respect to any and all of the matters set forth below. The actions of the General Counsel under this Charter shall be conducted in compliance with applicable laws and Board policies. Except where the CEO has required the General Counsel to act personally, the General Counsel may subdelegate, as appropriate in the judgment of the General Counsel, any authority delegated to the General Counsel under this Charter.

General Authority

1. Conduct and oversee the administration of all functions within the OCERS Legal Division;
2. Oversee that all legal and legislative functions are performed with independence and in conformance with professional standards;
- ~~2-3.~~ Supervise the OCERS Chief Compliance Officer and, in collaboration with Senior Management, assess the effectiveness of the OCERS Compliance Program, as defined in the Compliance Program Charter;
- ~~3-4.~~ Report to the CEO, on at least a monthly basis, all significant actions the General Counsel has taken under this Charter;
- ~~4-5.~~ Conduct and approve the internal organizational structure of the staff of the Legal Division in a manner that is consistent with this Charter and applicable Board policy;
- ~~5-6.~~ Approve all personnel decisions concerning all staff of the Legal Division subject to final approval of the CEO;
- ~~6-7.~~ Conduct and oversee the development of the Legal Division's budget; monitor and approve expenditures; and transfer funds within a category of expenditures (i.e., Salary and Benefits; Services and Supplies; Capital Projects) in the Legal Division's budget as necessary;
- ~~7-8.~~ Conduct and oversee the drafting of state and federal legislation subject to final approval of the CEO or the Board;
- ~~8-9.~~ Monitor and regularly report to the Board regarding proposed legislation that may affect OCERS;
- ~~9-10.~~ Conduct and oversee the implementation of plans and policies that achieve program objectives and provide for efficient and effective Legal Division operations, within the resources and fiscal limits set by the Board;
- ~~10-11.~~ Conduct independent advice and counsel to the Board and the CEO on matters pertaining to OCERS;

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General Counsel Charter

~~11-12.~~ Represent OCERS as a spokesperson and expert on legal and legislative matters and testify on behalf of OCERS before federal, state, and local governmental bodies on these issues;

~~12-13.~~ Represent OCERS and communicate the Board’s policies and positions before outside parties and organizations.

Contract Authority

In accordance with the procurement and contracting policies adopted by the Board, including the Procurement and Contracting Policy:

~~13-14.~~ Approve solicitations for outside counsel, including, in consultation with the CEO, the Board’s fiduciary counsel;

~~14-15.~~ With the exception of the Board’s fiduciary counsel, approve and execute contracts and amendments to contracts with outside counsel;

~~15-16.~~ In consultation with the CEO, engage outside counsel pursuant to existing contracts for specific assignments or matters within the scope of such contracts;

~~16-17.~~ Approve and co-sign contracts between OCERS and vendors and service providers.

Additional Specific Authority

~~17-18.~~ In consultation with the CEO, conduct and oversee the assigning, directing, and handling of litigation, claims, and disputes (including the filing of amicus curiae briefs) involving OCERS both at the administrative and judicial levels;

~~18-19.~~ With respect to securities litigation matters:

- (a) Review securities class action filings in which OCERS may have recognized losses;
- (b) Recommend to the Board securities cases in which OCERS should take an active role;
- (c) Present to the Investment Committee proposed settlements and an analysis of the settlement terms in securities litigation matters in which OCERS has taken an active role;
- (d) At the direction of the Investment Committee or the CEO, retain litigation counsel under specific terms or issue an RFP for litigation counsel to represent OCERS in cases in which the Investment Committee or the CEO has approved OCERS taking an active role;
- (e) Monitor securities litigation cases in which OCERS’ estimated losses meet the loss threshold established by the Securities Litigation Policy;
- (f) With the approval of the CEO, engage at ~~pool of least two and no more than five~~ firms to serve as securities litigation monitoring firms on behalf of OCERS;

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General Counsel Charter

~~—(g) In conjunction with the Investment ~~Division~~department, from time to time, audit the custodial bank's~~

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~~—~~ claims filing process; and

(h) Report on a quarterly basis to the Investment Committee with respect to the Legal department's responsibilities under the Securities Litigation Policy;

~~19-20.~~ Oversee the work of outside counsel providing specialized services to OCERS;

~~20-21.~~ Consult with the Board's fiduciary counsel on matters involving the Board's or staff's fiduciary responsibilities;

~~21-22.~~ Conduct and oversee the issuance of administrative subpoenas;

~~22-23.~~ Conduct and approve the execution of conflict waivers;

~~23-24.~~ Conduct and oversee, as the executive liaison, the meetings of the Governance Committee of the Board including the preparation of agendas, meeting materials, ~~and~~ presentations, and minutes, in accordance with the Brown Act;

~~24-25.~~ Conduct and oversee the development of Board policies and procedures;

~~25-26.~~ Conduct and oversee Board and staff training on legal issues;

~~27.~~ Assist the CEO in his or her performance of the duties as the OCERS filing officer for purpose of compliance with the California Political Reform Act and regulations of the Fair Political Practices Commission.

Charter Review

28. The CEO will review this Charter at least once every three (3) years and make any amendments as may be necessary to ensure the Charter remains relevant and appropriate.

Charter History

29. This charter was adopted by the Board of Retirement on March 1, 2019, and revised on .

~~26.—~~

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Charter Secretary's Certificate

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

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~~The CEO will review this Charter at least once every three (3) years and make any amendments as may be necessary to ensure the Charter remains relevant and appropriate.~~

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General Counsel Charter
Adopted March 1, 2019
Last Revised

3 of 4



General Counsel Charter

Steve Delaney

03/01/19

Steve Delaney, Chief Executive Officer

Date

I understand and accept the authority delegated by this Charter.

Gina M. Ratto

03/01/19

Manuel D. Serpa Gina M. Ratto, General Counsel

Date

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General Counsel Charter

Introduction

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General Authority

1. Conduct and oversee the administration of all functions within the OCERS Legal Division;
2. Oversee that all legal and legislative functions are performed with independence and in conformance with professional standards;
3. Supervise the OCERS Chief Compliance Officer and, in collaboration with Senior Management, assess the effectiveness of the OCERS Compliance Program, as defined in the Compliance Program Charter;
4. Report to the CEO, on at least a monthly basis, all significant actions the General Counsel has taken under this Charter;
5. Conduct and approve the internal organizational structure of the staff of the Legal Division in a manner that is consistent with this Charter and applicable Board policy;
6. Approve all personnel decisions concerning all staff of the Legal Division subject to final approval of the CEO;
7. Conduct and oversee the development of the Legal Division's budget; monitor and approve expenditures; and transfer funds within a category of expenditures (i.e., Salary and Benefits; Services and Supplies; Capital Projects) in the Legal Division's budget as necessary;
8. Conduct and oversee the drafting of state and federal legislation subject to final approval of the CEO or the Board;
9. Monitor and regularly report to the Board regarding proposed legislation that may affect OCERS;
10. Conduct and oversee the implementation of plans and policies that achieve program objectives and provide for efficient and effective Legal Division operations, within the resources and fiscal limits set by the Board;
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General Counsel Charter

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15. With the exception of the Board's fiduciary counsel, approve and execute contracts and amendments to contracts with outside counsel;
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Additional Specific Authority

18. In consultation with the CEO, conduct and oversee the assigning, directing, and handling of litigation, claims, and disputes (including the filing of amicus curiae briefs) involving OCERS both at the administrative and judicial levels;
19. With respect to securities litigation matters:
 - (a) Review securities class action filings in which OCERS may have recognized losses;
 - (b) Recommend to the Board securities cases in which OCERS should take an active role;
 - (c) Present to the Investment Committee proposed settlements and an analysis of the settlement terms in securities litigation matters in which OCERS has taken an active role;
 - (d) At the direction of the Investment Committee or the CEO, retain litigation counsel under specific terms or issue an RFP for litigation counsel to represent OCERS in cases in which the Investment Committee or the CEO has approved OCERS taking an active role;
 - (e) Monitor securities litigation cases in which OCERS' estimated losses meet the loss threshold established by the Securities Litigation Policy;
 - (f) With the approval of the CEO, engage a pool of firms to serve as securities litigation monitoring firms on behalf of OCERS;



General Counsel Charter

- (g) In conjunction with the Investment Division, from time to time, audit the custodial bank's claims filing process; and
- (h) Report on a quarterly basis to the Investment Committee with respect to the Legal department's responsibilities under the Securities Litigation Policy;
- 20. Oversee the work of outside counsel providing specialized services to OCERS;
- 21. Consult with the Board's fiduciary counsel on matters involving the Board's or staff's fiduciary responsibilities;
- 22. Conduct and oversee the issuance of administrative subpoenas;
- 23. Conduct and approve the execution of conflict waivers;
- 24. Conduct and oversee, as the executive liaison, the meetings of the Governance Committee of the Board including the preparation of agendas, meeting materials, presentations, and minutes, in accordance with the Brown Act;
- 25. Conduct and oversee the development of Board policies and procedures;
- 26. Conduct and oversee Board and staff training on legal issues;
- 27. Assist the CEO in his or her performance of the duties as the OCERS filing officer for purpose of compliance with the California Political Reform Act and regulations of the Fair Political Practices Commission.

Charter Review

- 28. The CEO will review this Charter at least once every three (3) years and make any amendments as may be necessary to ensure the Charter remains relevant and appropriate.

Charter History

- 29. This charter was adopted by the Board of Retirement on March, 1, 2019, and revised on .

Secretary's Certificate

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



General Counsel Charter

Steve Delaney

Steve Delaney, Chief Executive Officer

Date

I understand and accept the authority delegated by this Charter.

Manuel D. Serpa, General Counsel

Date



Assistant CEO, Finance and Internal Operations Charter

Introduction

Pursuant to the Charter from the Orange County Employees Retirement System (OCERS) Board of Retirement (Board) to the Chief Executive Officer (CEO), the CEO hereby delegates to the Assistant Chief Executive Officer, Finance and Internal Operations (ACEOIO) to act finally with respect to any and all of the matters set forth below. The actions of the ACEOIO, Finance and Internal Operations under this Charter shall be conducted in compliance with applicable laws and Board policies. Except where the CEO has required the ACEOIO, Finance and Internal Operations to act personally, the ACEOIO, Finance and Internal Operations may sub-delegate, as appropriate in the judgment of the ACEOIO, Finance and Internal Operations, any authority delegated to the ACEOIO, Finance and Internal Operations under this Charter.

General Authority

1. Guide the strategic direction of the Finance, ~~Administrative Services (which includes~~ Human Resources), Operations Support Services, Information Technology and Information Security Departments;
2. Conduct and oversee the administration of all functions of the Finance, ~~Administrative Services~~ Human Resources, Operations Support Services, Information Technology and Information Security Departments;
3. Provide leadership and oversee the development and implementation of plans, policies and procedures that achieve program objectives and provide for efficient Finance, ~~Administrative Services~~ Human Resources, Operations Support Services, Information Technology and Information Security operations, within the resources and fiscal limits set by the Board;
4. Conduct and approve the internal organizational structure of staff of the Finance, ~~Administrative Services~~ Human Resources, Operations Support Services, Information Technology and Information Security Departments in a manner that is consistent with this Charter and applicable Board policy;
5. Approve all personnel decisions concerning all staff of the Finance, ~~Administrative Services~~ Human Resources, Operations Support Services, Information Technology and Information Security Departments subject to final approval of the CEO;
6. Conduct and oversee the evaluation of compensation mechanisms and criteria, development of policies and procedures, and development of recommendations concerning compensation of personnel employed directly by OCERS;
7. Direct the development, review, revision, implementation and execution of OCERS Human Resources policies and procedures;
8. Assist in the development and implementation of OCERS' Strategic Plan and Annual Business Plan;



Assistant CEO, Finance and Internal Operations Charter

9. Direct the development of OCERS administrative and investment budgets; review budget requests and justifications with appropriate department executives, authorize expenditures and transfer budgeted amounts within a category of expenditures (i.e. Salary and Benefits; Services and Supplies; Capital Projects) as necessary within the approved operating budget;
10. Ensure that there are sufficient information technology, facilities and equipment to support OCERS business and operational needs, operating within the resources and fiscal limits set by the Board;
11. Approve building, tenant and owner improvements that are deemed necessary by the CEO within the resources and fiscal limits set by the Board;
12. Confer with actuaries and other specialty consultants and direct the gathering of data required for producing a variety of actuarial, financial, statistical and narrative reports;
13. Represent OCERS and communicate the Board's policies and positions before outside parties and organizations;
14. Advise CEO on all matters relating to the operation of OCERS; and
15. Act in the absence of the CEO.

Contract Authority

In accordance with the procurement and contracting policies adopted by the Board, including the Procurement and Contracting Policy:

16. Assist the Board with the solicitations and negotiation of contracts for actuarial services, independent auditing services, and the pension administration system provider;
17. Approve the solicitations and negotiation of contracts and agreements for all contractors, vendors, consultants and advisors necessary for the operations of the Finance, ~~Administrative Services~~ Human Resources, Operations Support Services, Information Technology and Information Security Departments within the resources and fiscal limits set by the Board; and
18. With the exception of Named Service Providers as defined in the Procurement and Contracting Policy, approve and execute contracts, agreements, purchase orders and amendments to contracts, agreements and purchase orders for vendors, leases and service providers.

Additional Specific Authority

19. Direct the design, acquisition, development, implementation and maintenance of all technological systems required to administer OCERS within the resources and fiscal limits set by the Board;
20. Direct the development of the ~~Comprehensive~~ Annual Comprehensive Financial Report covering administration and investment operations and expenditures of the system for the



Assistant CEO, Finance and Internal Operations Charter

preceding fiscal year in accordance with Generally Accepted Accounting Principles and recommended best practices by the Government Finance Officers Association;

21. File in the office of the County Auditor and the Board of Supervisors a sworn statement which will exhibit the financial condition of OCERS at the close of the preceding calendar year and its financial transactions for the year ending on that day as required by Government Code Section 31597;
22. Implement appropriate internal controls to safeguard the assets of OCERS, ensure financial statement reliability, promote operational efficiencies and support compliance with Board policies and the CEO's directives;
23. Account for and ensure appropriate collection, deposit and distribution of funds as required;
24. Authorize checks and electronic transfers drawn on the OCERS retirement fund in accordance with California Government Code section 31590;
25. Assist the Audit Committee in coordinating the annual financial audit;
26. Ensure the delivery of the annual actuarial valuation and the triennial demographic and economic experience study in consultation with the actuary;
27. Execute security measures that protect data, physical security and safety of employees, facilities, and assets;
28. Authorize requests for purchase or lease of major items of property and equipment, and repair of existing property and equipment;
29. Authorize the establishment and negotiation of tenant lease rates and terms as the building owner;
30. Conduct and oversee the contract negotiations for property management, maintenance, security, janitorial and other required facility related services;
31. Approve the disposition of surplus property and direct the method of disposition of such property in accordance with the Board's Disposition of Surplus Property Policy;
32. Identify, assess, and address financial and enterprise risks; recommend and take appropriate actions to mitigate or respond to risks which could include the purchase of insurance, implementing mitigating controls or avoiding the risk; and
33. Oversee talent management including recruitment, hiring, development, training, labor relations, performance management, handling of confidential employee matters and the retention of staff.

Monitoring and Reporting

34. Direct the monitoring of OCERS' administrative and investment annual budgets ensure compliance with fiscal policies, and provide budget to actuals report quarterly to the Board;



Assistant CEO, Finance and Internal Operations Charter

- 35. Provide prompt communication to the Audit Committee, Board and CEO following major security breaches;
- 36. Direct the monitoring and reporting of compliance with Board policies assigned to the ACEOIO; and
- 37. Report to the CEO, on at least a monthly basis, all significant actions the ACEO, Finance and Internal Operations has taken under this delegation of authority.

Charter Review

The CEO will review this Charter at least once every three (3) years and make any amendments as may be necessary to ensure the Charter remains relevant and appropriate.

03/01/19

Steve Delaney, Chief Executive Officer

Date

I understand and accept the authority delegated by this Charter.

03/01/19

Brenda Shott, Assistant CEO, Finance and Internal Operations

Date



Assistant CEO, Finance and Internal Operations Charter

Introduction

Pursuant to the Charter from the Orange County Employees Retirement System (OCERS) Board of Retirement (Board) to the Chief Executive Officer (CEO), the CEO hereby delegates to the Assistant Chief Executive Officer, Finance and Internal Operations (ACEOIO) to act finally with respect to any and all of the matters set forth below. The actions of the ACEOIO, Finance and Internal Operations under this Charter shall be conducted in compliance with applicable laws and Board policies. Except where the CEO has required the ACEOIO, Finance and Internal Operations to act personally, the ACEOIO, Finance and Internal Operations may sub-delegate, as appropriate in the judgment of the ACEOIO, Finance and Internal Operations, any authority delegated to the ACEOIO, Finance and Internal Operations under this Charter.

General Authority

1. Guide the strategic direction of the Finance, Human Resources, Operations Support Services, Information Technology and Information Security Departments;
2. Conduct and oversee the administration of all functions of the Finance, Human Resources, Operations Support Services, Information Technology and Information Security Departments;
3. Provide leadership and oversee the development and implementation of plans, policies and procedures that achieve program objectives and provide for efficient Finance, Human Resources, Operations Support Services, Information Technology and Information Security operations, within the resources and fiscal limits set by the Board;
4. Conduct and approve the internal organizational structure of staff of the Finance, Human Resources, Operations Support Services, Information Technology and Information Security Departments in a manner that is consistent with this Charter and applicable Board policy;
5. Approve all personnel decisions concerning all staff of the Finance, Human Resources, Operations Support Services, Information Technology and Information Security Departments subject to final approval of the CEO;
6. Conduct and oversee the evaluation of compensation mechanisms and criteria, development of policies and procedures, and development of recommendations concerning compensation of personnel employed directly by OCERS;
7. Direct the development, review, revision, implementation and execution of OCERS Human Resources policies and procedures;
8. Assist in the development and implementation of OCERS' Strategic Plan and Annual Business Plan;
9. Direct the development of OCERS administrative and investment budgets; review budget requests and justifications with appropriate department executives, authorize expenditures



Assistant CEO, Finance and Internal Operations Charter

- and transfer budgeted amounts within a category of expenditures (i.e. Salary and Benefits; Services and Supplies; Capital Projects) as necessary within the approved operating budget;
10. Ensure that there are sufficient information technology, facilities and equipment to support OCERS business and operational needs, operating within the resources and fiscal limits set by the Board;
 11. Approve building, tenant and owner improvements that are deemed necessary by the CEO within the resources and fiscal limits set by the Board;
 12. Confer with actuaries and other specialty consultants and direct the gathering of data required for producing a variety of actuarial, financial, statistical and narrative reports;
 13. Represent OCERS and communicate the Board's policies and positions before outside parties and organizations;
 14. Advise CEO on all matters relating to the operation of OCERS; and
 15. Act in the absence of the CEO.

Contract Authority

In accordance with the procurement and contracting policies adopted by the Board, including the Procurement and Contracting Policy:

16. Assist the Board with the solicitations and negotiation of contracts for actuarial services, independent auditing services, and the pension administration system provider;
17. Approve the solicitations and negotiation of contracts and agreements for all contractors, vendors, consultants and advisors necessary for the operations of the Finance, Human Resources, Operations Support Services, Information Technology and Information Security Departments within the resources and fiscal limits set by the Board; and
18. With the exception of Named Service Providers as defined in the Procurement and Contracting Policy, approve and execute contracts, agreements, purchase orders and amendments to contracts, agreements and purchase orders for vendors, leases and service providers.

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19. Direct the design, acquisition, development, implementation and maintenance of all technological systems required to administer OCERS within the resources and fiscal limits set by the Board;
20. Direct the development of the Annual Comprehensive Financial Report covering administration and investment operations and expenditures of the system for the preceding fiscal year in accordance with Generally Accepted Accounting Principles and recommended best practices by the Government Finance Officers Association;



Assistant CEO, Finance and Internal Operations Charter

21. File in the office of the County Auditor and the Board of Supervisors a sworn statement which will exhibit the financial condition of OCERS at the close of the preceding calendar year and its financial transactions for the year ending on that day as required by Government Code Section 31597;
22. Implement appropriate internal controls to safeguard the assets of OCERS, ensure financial statement reliability, promote operational efficiencies and support compliance with Board policies and the CEO's directives;
23. Account for and ensure appropriate collection, deposit and distribution of funds as required;
24. Authorize checks and electronic transfers drawn on the OCERS retirement fund in accordance with California Government Code section 31590;
25. Assist the Audit Committee in coordinating the annual financial audit;
26. Ensure the delivery of the annual actuarial valuation and the triennial demographic and economic experience study in consultation with the actuary;
27. Execute security measures that protect data, physical security and safety of employees, facilities, and assets;
28. Authorize requests for purchase or lease of major items of property and equipment, and repair of existing property and equipment;
29. Authorize the establishment and negotiation of tenant lease rates and terms as the building owner;
30. Conduct and oversee the contract negotiations for property management, maintenance, security, janitorial and other required facility related services;
31. Approve the disposition of surplus property and direct the method of disposition of such property in accordance with the Board's Disposition of Surplus Property Policy;
32. Identify, assess, and address financial and enterprise risks; recommend and take appropriate actions to mitigate or respond to risks which could include the purchase of insurance, implementing mitigating controls or avoiding the risk; and
33. Oversee talent management including recruitment, hiring, development, training, labor relations, performance management, handling of confidential employee matters and the retention of staff.

Monitoring and Reporting

34. Direct the monitoring of OCERS' administrative and investment annual budgets ensure compliance with fiscal policies, and provide budget to actuals report quarterly to the Board;
35. Provide prompt communication to the Audit Committee, Board and CEO following major security breaches;



Assistant CEO, Finance and Internal Operations Charter

- 36. Direct the monitoring and reporting of compliance with Board policies assigned to the ACEOIO; and
- 37. Report to the CEO, on at least a monthly basis, all significant actions the ACEO, Finance and Internal Operations has taken under this delegation of authority.

Charter Review

The CEO will review this Charter at least once every three (3) years and make any amendments as may be necessary to ensure the Charter remains relevant and appropriate.

Steve Delaney, Chief Executive Officer

Date

I understand and accept the authority delegated by this Charter.

Brenda Shott, Assistant CEO, Finance and Internal Operations

Date



OCERS Board Policy Actuarial Funding Policy

Purpose and Background

The Orange County Employees Retirement System (OCERS) is charged with administering defined benefit plans for its members. Administering the system includes establishing systematic funding of current and future benefit payments for members of OCERS. In doing so, the Board of Retirement engages the services of an actuary to assist in establishing contributions that will fully fund the System's liabilities, and that, as a percentage of payroll, will remain as level as possible for each generation of active members. In order for the actuary to perform the requested services, the Board must approve specific funding objectives, methods, and assumptions to be used in the actuarial valuation for the purpose of funding member benefits.

Policy Objectives

- Σ Achieve long-term full funding of the cost of benefits provided by OCERS;
- Σ Seek reasonable and equitable allocation of the cost of benefits over time;
- Σ Minimize volatility of the plan sponsor's contribution to the extent reasonably possible, consistent with other policy goals; and,
- Σ Support the general public policy goals of accountability and transparency by being clear as to both intent and effect, allowing for an assessment of how and when plan sponsors will meet the funding requirements of the plan.

Definitions

1. **Actuarial Accrued Liability (AAL)** – The portion of the present value of projected benefits that is attributed to past service by the actuarial funding method.
2. **Actuarial Funding Method** – A process used to allocate present value of projected benefits among past and future periods of service.
3. **Actuarial Gains and Losses** – The changes in unfunded actuarial accrued liability or surplus due to actual experience different from what is assumed in the actuarial valuation. For example, if during a given year the assets earn more than the investment return assumption, the amount of earnings above the assumption will cause an unexpected reduction in unfunded actuarial accrued liability, or "actuarial gain" as of the next valuation.
4. **Actuarial Surplus** – The positive difference, if any, between the Valuation Value of Assets and the Actuarial Accrued Liability
5. **Actuarial Value of Assets (AVA)** – The market value of assets less or plus the net deferred investment gains or losses not yet recognized by the asset smoothing method.

Actuarial Funding Policy
Adopted January 21, 2014
Last Revised ~~November 14, 2022~~

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OCERS Board Policy Actuarial Funding Policy

- 6. **Entry Age Method** – An actuarial cost method designed to fund a member's total plan benefit over the course of his or her career. This method is designed to produce stable employer and employee contributions in amounts that increase at the same rate as the members' payroll (i.e., level % of payroll).
- 7. **Market Value of Assets (MVA)** – The fair value of assets of the plan as reported under generally accepted accounting principles.
- 8. **Normal Cost** – The portion of the present value of projected benefits that is attributed to current service by the actuarial funding method.
- 9. **Unfunded Actuarial Accrued Liability (UAAL)** – The portion of the Actuarial Accrued Liability that is not currently covered by plan assets. It is calculated by subtracting the Valuation Value of Assets from the Actuarial Accrued Liability.
- 10. **Valuation Value of Assets (VVA)** – The value of assets used in the actuarial valuation to determine contribution rate requirements. It is equal to the Actuarial Value of Assets reduced by the value of any non-valuation reserves.
- 11. **Valuation Period** – The year for which the actuarial valuation is being performed, which is the calendar year preceding the December 31 actuarial valuation date.

Policy Guidelines

OCERS annual funding requirement is comprised of a payment of the Normal Cost and a payment on the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost and the amount of payment on UAAL are determined by the following three components of this funding policy

- a. Actuarial Cost Method: the process used to allocate the total present value of future benefits to each year (Normal Cost), and all past years (Actuarial Accrued Liability);
- b. Asset Smoothing Method: the process used that spreads the recognition of investment gains or losses over a period of time for the purposes of determining the Actuarial Value of Assets used in the actuarial valuation process; and
- c. Amortization Policy: the decisions on how, in terms of duration and pattern, to reduce the difference between the Actuarial Accrued Liability and the Valuation Value of Assets in a systematic manner.

Actuarial Cost Method

The Entry Age cost method with Normal Cost developed as a level percentage of pay shall be applied to each member's retirement benefit in determining the Normal Cost and the Actuarial Accrued Liability.

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OCERS Board Policy Actuarial Funding Policy

Asset Smoothing Method

The investment gains or losses of each Valuation Period, as a result of comparing the actual return on the Market Value of Assets at the end of the period with what the expected return on the Market Value of Assets would have been if the assumed rate of return on assets was realized during the period, shall be recognized in a level amount over a fixed five (5) years in calculating the Actuarial Value of Assets.

This policy anticipates that future circumstances may warrant adjustments to change the pattern of the recognition of the net deferred investment gains or losses after a period of significant market change followed by a period of market correction, upon receiving an analysis from OCERS' actuary. Such adjustments would be appropriate when the net deferred investment gains or losses are relatively small (i.e., the actuarial and market values are very close together), but the recognition of that net deferred amount is markedly non-level. Any such adjustment would be made subject to the following conditions:

- Σ The net deferred investment gains or losses are unchanged as of the date of the adjustment; and,
- Σ The period over which the net deferred investment gains and losses are fully recognized is unchanged as of the date of the adjustment.

Amortization Policy

- a. The Unfunded Actuarial Accrued Liability, the difference between the Actuarial Accrued Liability and the Valuation Value of Assets, shall be amortized over various periods of time, depending on how the unfunded liability arose;
- b. The total Unfunded Actuarial Accrued Liability as of December 31, 2013 (which consists of the outstanding balance of the UAAL from the December 31, 2012 valuation and any new actuarial gains or losses from calendar year 2013) shall be amortized over twenty (20) years;
- c. Actuarial Gains or Losses incurred in a single year shall be amortized over twenty (20) years;
- d. Changes in actuarial assumptions and cost methods shall be amortized over twenty (20) years;
- e. Plan amendments other than Early Retirement Incentives shall be amortized over fifteen (15) years;
- f. Early Retirement Incentives shall be amortized over a period not to exceed five (5) years;
- g. Unfunded Actuarial Accrued Liabilities shall be amortized in multiple layers by source over "closed" amortization periods;
- h. Unfunded Actuarial Accrued Liabilities shall be amortized as a level percentage of payroll so that the amortization amount in each year during the amortization period shall be expected to be a level percentage of covered payroll, taking into consideration the current assumption for general payroll increase;
- i. If an overfunding or "surplus" exists (i.e., the Valuation Value of Assets is greater than the Actuarial Accrued Liability) and the amount of such surplus is in excess of 20% of the AAL and the other conditions of Section 7522.52 of the California Public Employee's Pension Reform Act are met, such actuarial surplus in excess of 20% of the AAL and any subsequent such surpluses will be amortized

Actuarial Funding Policy
Adopted January 21, 2014
Last Revised November 14, 2022

-3 of 5

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OCERS Board Policy Actuarial Funding Policy

over an “open” amortization period of 30 years. Any prior UAAL amortization layers will be considered fully amortized, and any subsequent UAAL will be amortized as the first of a new series of amortization layers, using the above amortization periods.

- j. These amortization policy components will generally apply separately to each of OCERS’ UAAL rate groups with the exception that the conditions of Section 7522.52 apply to the total plan.

Other Policy Considerations

- a. In order to allow Plan Sponsors to more accurately budget for pension contributions and other practical considerations, the contribution rates determined in each actuarial valuation (as of December 31) will generally apply to the fiscal year beginning eighteen months after the Actuarial Valuation date. The UAAL contribution rates in the current actuarial valuation are adjusted to account for any shortfall or excess contributions as a result of the implementation lag;
- b. Any change in contribution rate requirement that results from a plan amendment is generally implemented as of the effective date of the plan amendment or as soon as administratively feasible. However, the Board may exercise its discretion to delay the change in contribution rate requirement by reflecting it in the next Actuarial Valuation following the effective date of the plan amendment if in the Board’s judgement doing so would be in the best interest of the plan members. Consideration of any such delay will include the Board’s review of the financial impact of the delay on the System as determined by the actuary;
- c. When calculating both employer and member contribution rates (basic and COLA portions) for Legacy members, the actuary shall include an assumption for the additional cash out of accumulated annual leave, sick leave or compensatory leave both earned and permitted to be cashed out during the final average measuring period, applied on a pooled basis (General, Safety-Probation, Safety-Law and Safety-Fire).
- d. The actuarial assumptions adopted by the Board for use in the actuarial valuation affect only the timing of contributions; the ultimate contribution level is determined by the benefits and the expense actually paid offset by actual investment returns. To the extent that actual experience deviates from the assumptions, experience gains and losses will occur. These gains (or losses) then serve to reduce (or increase) the future contribution requirements.

Actuarial assumptions are generally grouped into two major categories:

- ∑ Demographic assumptions – including rates of withdrawal, service retirement, disability retirement, mortality, etc.
- ∑ Economic assumptions – including price inflation, wage inflation, investment return, salary increase, etc.

The actuarial assumptions represent the Board’s best estimate of anticipated experience under OCERS and are intended to be long term in nature. Therefore, in developing the actuarial assumptions, the Board considers not only past experience but also trends, external forces and

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OCERS Board Policy Actuarial Funding Policy

future expectations. The Board will review all assumptions triennially. The current assumptions used by the actuary can be found in the latest actuarial valuation report available on OCERS' website..

Policy Review

The Board of Retirement will review this policy every three years or more frequently if recommended by the actuary to ensure that it remains relevant and appropriate.

Policy History

The Board adopted this policy on January 21, 2014. This policy was revised on December 15, 2014, April 18, 2018, and November 14, 2022, and April 15, 2023, and .

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Secretary's Certificate

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

Steve Delaney
Secretary of the Board

11/14/2022

Date

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Actuarial Funding Policy
Adopted January 21, 2014
Last Revised November 14, 2022

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OCERS Board Policy

Actuarial Funding Policy

Purpose and Background

The Orange County Employees Retirement System (OCERS) is charged with administering defined benefit plans for its members. Administering the system includes establishing systematic funding of current and future benefit payments for members of OCERS. In doing so, the Board of Retirement engages the services of an actuary to assist in establishing contributions that will fully fund the System's liabilities, and that, as a percentage of payroll, will remain as level as possible for each generation of active members. In order for the actuary to perform the requested services, the Board must approve specific funding objectives, methods, and assumptions to be used in the actuarial valuation for the purpose of funding member benefits.

Policy Objectives

- ∑ Achieve long-term full funding of the cost of benefits provided by OCERS;
- ∑ Seek reasonable and equitable allocation of the cost of benefits over time;
- ∑ Minimize volatility of the plan sponsor's contribution to the extent reasonably possible, consistent with other policy goals; and,
- ∑ Support the general public policy goals of accountability and transparency by being clear as to both intent and effect, allowing for an assessment of how and when plan sponsors will meet the funding requirements of the plan.

Definitions

1. **Actuarial Accrued Liability (AAL)** – The portion of the present value of projected benefits that is attributed to past service by the actuarial funding method.
2. **Actuarial Funding Method** – A process used to allocate present value of projected benefits among past and future periods of service.
3. **Actuarial Gains and Losses** – The changes in unfunded actuarial accrued liability or surplus due to actual experience different from what is assumed in the actuarial valuation. For example, if during a given year the assets earn more than the investment return assumption, the amount of earnings above the assumption will cause an unexpected reduction in unfunded actuarial accrued liability, or "actuarial gain" as of the next valuation.
4. **Actuarial Surplus** – The positive difference, if any, between the Valuation Value of Assets and the Actuarial Accrued Liability
5. **Actuarial Value of Assets (AVA)** – The market value of assets less or plus the net deferred investment gains or losses not yet recognized by the asset smoothing method.



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6. **Entry Age Method** – An actuarial cost method designed to fund a member's total plan benefit over the course of his or her career. This method is designed to produce stable employer and employee contributions in amounts that increase at the same rate as the members' payroll (i.e., level % of payroll).
7. **Market Value of Assets (MVA)** – The fair value of assets of the plan as reported under generally accepted accounting principles.
8. **Normal Cost** – The portion of the present value of projected benefits that is attributed to current service by the actuarial funding method.
9. **Unfunded Actuarial Accrued Liability (UAAL)** – The portion of the Actuarial Accrued Liability that is not currently covered by plan assets. It is calculated by subtracting the Valuation Value of Assets from the Actuarial Accrued Liability.
10. **Valuation Value of Assets (VVA)** – The value of assets used in the actuarial valuation to determine contribution rate requirements. It is equal to the Actuarial Value of Assets reduced by the value of any non-valuation reserves.
11. **Valuation Period** – The year for which the actuarial valuation is being performed, which is the calendar year preceding the December 31 actuarial valuation date.

Policy Guidelines

OCERS annual funding requirement is comprised of a payment of the Normal Cost and a payment on the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost and the amount of payment on UAAL are determined by the following three components of this funding policy

- a. Actuarial Cost Method: the process used to allocate the total present value of future benefits to each year (Normal Cost), and all past years (Actuarial Accrued Liability);
- b. Asset Smoothing Method: the process used that spreads the recognition of investment gains or losses over a period of time for the purposes of determining the Actuarial Value of Assets used in the actuarial valuation process; and
- c. Amortization Policy: the decisions on how, in terms of duration and pattern, to reduce the difference between the Actuarial Accrued Liability and the Valuation Value of Assets in a systematic manner.

Actuarial Cost Method

The Entry Age cost method with Normal Cost developed as a level percentage of pay shall be applied to each member's retirement benefit in determining the Normal Cost and the Actuarial Accrued Liability.



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Asset Smoothing Method

The investment gains or losses of each Valuation Period, as a result of comparing the actual return on the Market Value of Assets at the end of the period with what the expected return on the Market Value of Assets would have been if the assumed rate of return on assets was realized during the period, shall be recognized in a level amount over a fixed five (5) years in calculating the Actuarial Value of Assets.

This policy anticipates that future circumstances may warrant adjustments to change the pattern of the recognition of the net deferred investment gains or losses after a period of significant market change followed by a period of market correction, upon receiving an analysis from OCERS' actuary. Such adjustments would be appropriate when the net deferred investment gains or losses are relatively small (i.e., the actuarial and market values are very close together), but the recognition of that net deferred amount is markedly non-level. Any such adjustment would be made subject to the following conditions:

- ∑ The net deferred investment gains or losses are unchanged as of the date of the adjustment; and,
- ∑ The period over which the net deferred investment gains and losses are fully recognized is unchanged as of the date of the adjustment.

Amortization Policy

- a. The Unfunded Actuarial Accrued Liability, the difference between the Actuarial Accrued Liability and the Valuation Value of Assets, shall be amortized over various periods of time, depending on how the unfunded liability arose;
- b. The total Unfunded Actuarial Accrued Liability as of December 31, 2013 (which consists of the outstanding balance of the UAAL from the December 31, 2012 valuation and any new actuarial gains or losses from calendar year 2013) shall be amortized over twenty (20) years;
- c. Actuarial Gains or Losses incurred in a single year shall be amortized over twenty (20) years;
- d. Changes in actuarial assumptions and cost methods shall be amortized over twenty (20) years;
- e. Plan amendments other than Early Retirement Incentives shall be amortized over fifteen (15) years;
- f. Early Retirement Incentives shall be amortized over a period not to exceed five (5) years;
- g. Unfunded Actuarial Accrued Liabilities shall be amortized in multiple layers by source over "closed" amortization periods;
- h. Unfunded Actuarial Accrued Liabilities shall be amortized as a level percentage of payroll so that the amortization amount in each year during the amortization period shall be expected to be a level percentage of covered payroll, taking into consideration the current assumption for general payroll increase;
- i. If an overfunding or "surplus" exists (i.e., the Valuation Value of Assets is greater than the Actuarial Accrued Liability) and the amount of such surplus is in excess of 20% of the AAL and the other conditions of Section 7522.52 of the California Public Employee's Pension Reform Act are met, such actuarial surplus in excess of 20% of the AAL and any subsequent such surpluses will be amortized over an "open" amortization period of 30 years. Any prior UAAL amortization layers will be



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considered fully amortized, and any subsequent UAAL will be amortized as the first of a new series of amortization layers, using the above amortization periods.

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- a. In order to allow Plan Sponsors to more accurately budget for pension contributions and other practical considerations, the contribution rates determined in each actuarial valuation (as of December 31) will generally apply to the fiscal year beginning eighteen months after the Actuarial Valuation date. The UAAL contribution rates in the current actuarial valuation are adjusted to account for any shortfall or excess contributions as a result of the implementation lag;
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- c. When calculating both employer and member contribution rates (basic and COLA portions) for Legacy members, the actuary shall include an assumption for the additional cash out of accumulated annual leave, sick leave or compensatory leave both earned and permitted to be cashed out during the final average measuring period, applied on a pooled basis (General, Safety-Probation, Safety-Law and Safety-Fire).
- d. The actuarial assumptions adopted by the Board for use in the actuarial valuation affect only the timing of contributions; the ultimate contribution level is determined by the benefits and the expense actually paid offset by actual investment returns. To the extent that actual experience deviates from the assumptions, experience gains and losses will occur. These gains (or losses) then serve to reduce (or increase) the future contribution requirements.

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OCERS Board Policy Actuarial Funding Policy

Policy Review

The Board of Retirement will review this policy every three years or more frequently if recommended by the actuary to ensure that it remains relevant and appropriate.

Policy History

The Board adopted this policy on January 21, 2014. This policy was revised on December 15, 2014, April 18, 2018, November 14, 2022, April 15, 2023, and .

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".

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Travel Policy

Purpose

1. Prudent oversight of a public sector pension plan requires that trustees and staff occasionally travel to business meetings and educational conferences or seminars, held in or outside of the state of California. Travel and related costs incurred in doing so not only represent legitimate expenses of the plan, but are a sound investment in the ongoing success of the organization in meeting the needs of the membership.
2. The purpose of the Travel Policy is to encourage and facilitate the pursuit of relevant educational and ~~business-related~~~~business-related~~ initiatives by trustees and staff. The policy is designed to assist them in meeting their fiduciary duties to administer the pension plan, ensure that expenditures incurred in the education and travel process are prudent and cost-effective, and to mitigate the risk of improprieties arising from travel or ~~business-related~~~~business-related~~ activities. Exceptions to any provision of this policy for a Board member or the Chief Executive Officer require the pre-approval of the Board Chair or Vice Chair; and require the pre-approval of the Chief Executive Officer in the case of an exception for a staff member.

Content Requirements

3. As a general rule, and with the exception of public retirement system meetings [and the conferences listed in paragraphs 10 and 14 discussed below](#), unless a conference/seminar agenda contains ~~an average of five (5) hours of~~ substantive educational content per day, attendance at the particular conference/seminar will not be approved and related travel expenses will not be reimbursed. Educational forums, conferences and seminars that routinely and consistently satisfy this requirement will automatically qualify for Board approval for attendance. The Chief Executive Officer will screen and determine those conferences or seminars that meet the five (5) hour requirement and provide a list thereof to the Board members and appropriate staff members. Authorization to attend and receive travel expense ~~—reimbursement for a client conference~~ organized or sponsored by a single company or firm shall be restricted to those conferences sponsored by firms who have a contractual relationship with OCERS. Board members or staff members who have independent relationships with a conference sponsor are not automatically entitled to attend such conferences at OCERS' expense. The Board of Retirement shall consider each request individually regardless of any Board or staff affiliation.

Board Member

4. The term "Board Member" shall include a designee of the Treasurer, provided such person is designated in writing to act as the designee, has taken the oath of office and has filed the written designation with the County Clerk, County Auditor and OCERS.

Travel Authorization

5. Except as otherwise provided herein, reimbursement of travel expenses for a Board member to attend an educational conference or seminar (or other type of meeting or event) requires the prior approval of the Board of Retirement.

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 Adopted Date December 16, 2002
 Last Revised ~~April 15, 2024~~ ~~November 14, 2022~~

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6. All reimbursement of travel expenses for an employee of OCERS to attend an educational conference or seminar (or other type of meeting or event) or for administrative purposes requires the prior approval of the Chief Executive Officer or his or her designee.
7. Travel on OCERS' business within the Southern California region by Board members or staff need not be approved in advance provided that overnight accommodations are not required. The Southern California region shall include the counties of Orange, Los Angeles, San Bernardino, Riverside, San Diego, Imperial, Ventura, Santa Barbara and Kern.

Limitation on Meeting for Business Purpose

8. No more than four members of the Board are authorized to meet together for business purposes within the State of California unless there is appropriate public notice of the meeting. Attendance at educational conferences, seminars and social activities by more than four members of the Board is not a violation of this provision.

Cost of Administration

9. Approved education and travel expenses for Board and staff members shall be direct costs of administration of OCERS (or directly charged to Investments in the case of education, due diligence, and travel expenses for Investments staff) paid by ~~OCERS, and~~OCERS and shall not be paid through third party contracts or otherwise without express written authorization of the Board of Retirement. All approved travel and education expenses shall be included in the OCERS annual budget approved by the Board of Retirement.

Pre-Approved Conferences and Meetings

10. Board members and the OCERS staff members designated by the Chief Executive Officer are automatically authorized and encouraged to attend the following:
 - a. Regular meetings of the State Association of County Retirement Systems (SACRS);
 - b. Conferences of the National Conference on Public Employee Retirement Systems (NCPERS);
 - c. CALAPRS annual General Assembly and Round Table meetings;
 - d. Conferences of the National Association of State Retirement Administrators (NASRA);
 - e. Conferences of the National Institute on Retirement Security (NIRS);
 - f. Conferences sponsored by the Board of Retirement's retained consultants and/or investment managers;
 - g. Conferences sponsored by the California Retired County Employees Association (CRCEA);
 - h. Conferences sponsored by the National Association of Police Organizations (NAPO); and
 - i. Conferences sponsored by a firm that has a contractual relationship with OCERS.

In addition, the OCERS staff members designated by the Chief Executive Officer are automatically authorized and encouraged to attend the following:



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- j. Annual Conference of the Public Pension Financial Forum (P2F2);
 - k. Conferences of the National Association of Public Pension Attorneys (NAPPA);
 - l. Conferences sponsored by the Government Finance Officers Association (GFOA); ~~and~~
 - ~~m.~~ Conferences sponsored by CEM Benchmarking;
 - ~~n.~~ Conferences sponsored by the National Association of State Chief Information Officers (NASCIO);
 - ~~o.~~ Conferences sponsored by the Society of Human Resources Management (SHRM);
 - ~~p.~~ Conferences sponsored by the Professional in Human Resources Association (PIHRA);
 - ~~q.~~ Conferences sponsored by the Association of Talent and Development (ATD);
 - ~~r.~~ Annual Conference of the California Association of Public Information Officials (CAPIO);
 - ~~s.~~ Conferences sponsored by the California Special Districts Association (CSDA);
 - ~~t.~~ Conferences sponsored by the Institute of Internal Auditors (IIA);
 - ~~u.~~ Conferences sponsored by the Society of Corporate Compliance and Ethics (SCCE);
 - ~~v.~~ Conferences sponsored by the Association of Certified Fraud Examiners (ACFE);
 - ~~w.~~ Conferences sponsored by Public Retirement Information Systems Management (PRISM);
 - ~~x.~~ Annual Global Pension CFO Forum; and
 - ~~#-y.~~ Conferences sponsored by Gartner.
11. Board members and staff members designated by the Chief Executive Officer who are appointed or elected to serve on committees and/or the Board of Directors of the organizations named in paragraph 10 are automatically authorized to attend meetings of the committee(s) to which they have been appointed or elected.
12. Board members and staff members designated by the Chief Executive Officer are automatically authorized to attend each of the following full curriculum pension management programs and courses:
- a. Basic and advance educational programs sponsored by CALAPRS – once during each Board member’s term, and one time only for OCERS staff members;
 - b. Basic and advanced educational programs sponsored by SACRS – once during each Board member’s term, and one time only for OCERS staff members;
 - c. Basic and advanced investment programs sponsored by the Wharton School -- one time only for Board members and staff; provided, however, if the Wharton School does not offer an advanced investment program, the basic program may be taken a second time after three years of initially completing the program; and
 - d. Global Financial Markets Institute, Inc. – various programs are available; Board members and staff may attend each program only once.
13. New Board members, other than those with prior experience administering a public retirement system or pension fund, are encouraged to attend one of the courses listed in paragraph 12 within



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the first year after their election or appointment.

14. The Chief Executive Officer has identified the following conferences/seminars that Board members and designated staff members are automatically authorized to attend, subject to the limits set forth in paragraph 16, at OCERS expense:

- a. Conferences and Programs (CAPP) sponsored by the International Foundation of Employee Benefit Plans (IFEBP);
- b. Conferences sponsored by the Pension Real Estate Association (PREA);
- c. Conferences sponsored by Pension and Investments;
- d. Conferences sponsored by the Pacific Pension Institute (PPI);
- e. Forums sponsored by Institutional Investor;
- f. Conferences sponsored by the Council of Institutional Investors (CII);
- g. Conferences sponsored by Institutional Real Estate, Inc. (IREI);
- h. Conferences sponsored by the Opal Financial Group;
- i. Conferences sponsored by WithIntelligence and all of its subsidiaries;
- j. Conferences sponsored by the Investment and Wealth Institute;
- k. Conferences sponsored by SuperReturn;
- l. Conferences sponsored by Global ARC;
- m. Conferences sponsored by Institutional Shareholder Services (ISS) Media Solutions and all of its subsidiaries;
- n. Conferences sponsored by the Institutional Limited Partners Association; and
- o. Conferences sponsored by the Markets Group;

~~Conferences sponsored by Public Retirement Information Systems Management (PRISM); and~~

Limitation on Attendance at Conferences and Seminars

~~18.16.~~ A Board member is authorized to attend up to three events (i.e., conferences, seminars, meetings, or courses) that require overnight lodging at OCERS' expense each calendar year. Attendance at the pre-approved events listed in paragraphs 10, 11 and 12 are not subject to the three-event limit imposed by this paragraph even if they require overnight travel.

~~19.17.~~ Board members who want to attend events (i.e., conferences, seminars, meetings or courses) that require overnight lodging and that are not automatically authorized under paragraphs 10, 11, 12 or 14 require advance approval by the Board. Staff members who want to attend events (i.e., conferences, seminars, meetings or courses) that require overnight lodging and that are not automatically authorized under paragraphs 10, 11, 12 or 14 require advance approval by the Chief Executive Officer or his or her designee.

~~20.18.~~ OCERS will not reimburse overnight lodging for travel within Orange County, regardless of whether the event is pre-approved under any of the provisions of this policy. An exception to this



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provision may be granted by the Board Chair or Vice Chair upon the request of, and showing of good cause by, a Board member or the Chief Executive Officer; and by the Chief Executive Officer upon the request of, and showing of good cause by, a staff member.

21-19. In cases where attendance at a particular conference, seminar or other event is limited, the CEO will identify those trustees who will be authorized to attend as follows:

- a. first, by giving priority to those trustees who have not previously attended the specific conference, seminar or other event and, if needed, make selections by lottery of the interested trustees in this group;
- b. second, if additional opportunities to attend remain available, make selections by lottery of other interested trustees, and
- c. third, designate the remaining interested trustees as alternate attendees, who may attend in the event the trustees originally selected are unable to attend.

International Travel and Travel Outside the Continental United States

22-20. Travel by Board members to a destination outside the continental United States requires pre- approval by the Board, regardless of whether the event is pre-approved under any of the provisions of this policy. Travel by staff to a destination outside the continental United States requires pre-approval by the Chief Executive Officer and notification to the Board Chair. Travel to attend a conference, seminar or meeting held outside the continental United States shall not be reimbursed by OCERS unless it can be demonstrated to the satisfaction of the Board (for travel by a Board member or the Chief Executive Officer) or the Chief Executive Officer (for travel by a staff member) that there is significant value to OCERS in attending, and comparable value cannot be obtained within the continental United States within a reasonable period of time.

Travel Reports

23-21. The Chief Executive Officer shall submit a quarterly report on conference, seminar and educational course attendance by Board members and staff and OCERS' costs related to such events. Such reports shall identify the individual (Board Member or staff), location, purpose and cost of travel. The Board of Retirement will review these reports ~~in January, April, July and October quarterly of each calendar year.~~ The report ~~will also shall~~ include known scheduled travel ~~that has incurred costs~~ for the ensuing quarters.

Report on Conference or Seminar

24-22. Board Members and staff who travel to conferences or seminars that are not automatically authorized in paragraphs 10, 11, 12 or 14 shall file with the Chief Executive Officer a report that briefly summarizes the information and knowledge gained that may be relevant to other Board Members or staff, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. Reports by a Board Member or staff will be made on the Conference/Seminar Report form shown in the appendix. A copy of the report will be included in the materials for the next meeting of the Board.



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Claims for Reimbursement

23. Reimbursement for travel by a Board member or staff shall be submitted through OCERS expense management application accompanied by all supporting original receipts or documentation of the expense incurred. The Board or staff member must provide both an itemized receipt including evidence of a payment charge receipt (when a payment card is used). In the event an itemized receipt is lost or is not available, a Missing Receipt Form must be completed and submitted with the expense reimbursement claim. The Missing Receipt Form includes a certification that only allowable items are included in the request for reimbursement. Overuse of the Missing Receipt Form could result in non-reimbursement of expense at OCERS discretion. All expense claim forms will be reviewed and approved (or disapproved) in accordance with the provisions of this policy. The Board Chair shall approve expense claims for Board members and the Chief Executive Officer. The Vice Chair will approve expense claims for the Chair. The Chief Executive Officer or his or her designee will approve all expense claims for staff. All approvals are subject to ultimate review and concurrence by the Board of Retirement as part of the quarterly report process required in paragraph 21.

Agency-Issued Corporate Credit Card

24. Board members and eligible OCERS staff members who travel frequently in the course of their 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

Cash Advances

24-25. Cash advances will be provided upon request only for those conferences, seminars, meetings, and courses identified in paragraphs 10, 11, 12 or 14 of this policy as pre-approved by the Board and Chief Executive Officer. Any and all cash advances for travel and training shall be requested through the Chief Executive Officer. Cash advances are subject to approval by the Chair of the Board of Retirement and the Chief Executive Officer. Notice of all cash advances for travel and training shall be placed on the Consent Agenda for the next Regular Meeting of the Board of Retirement as an informational item.

Time Limit for Expense Claims

25-26. Claims for reimbursement pursuant to this policy must be submitted within 30 days following return to Orange County. In no event will a claim for reimbursement be approved if submitted 90 days after the end of the calendar year in which the expense was incurred.

Expenses for Traveling Companions

26-27. Expenses of family members and/or traveling companions are not reimbursable by OCERS.

Limitation on Time and Expense Allowance



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~~27.~~ Board and staff members will be reimbursed for daily travel expenses, such as meals as outlined in paragraph ~~2930~~, and gratuities as outlined in paragraph ~~4243~~, for each day of travel when such travel is outside Orange County. Allowance for time and expense shall not exceed that which is reasonable and necessary as claimed by others to that precise destination whether by private automobile or common carrier. Expense reimbursements are limited to those items and amounts considered to be non-taxable income to the recipient by the Internal Revenue Service (IRS). Whenever feasible, Board and staff members are encouraged to travel on the same day of a one-day event and on the first and last days of a multiple-day event, rather than the day before or after, in order to save the System lodging and meal costs. ~~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 work days/workdays lost by the extension.~~

Travel and Lodging Cancellations

~~28-29.~~ Board members and staff are responsible for the timely cancellation of registration fees, travel and lodging reservations made on his/her behalf that will not be used, so that no unnecessary expense will be incurred by OCERS.

Meals

~~30.~~ **Meals While Attending Events that Require Overnight Travel.** Meals purchased by a Board or staff member while attending an event (i.e., conference, seminar, meeting or course) that requires overnight travel will be reimbursed at the actual and reasonable cost of the meals, including non-alcoholic beverages, tax and tip, ~~(a) provided that both an itemized receipt and a charge receipt (when a payment card is used) are submitted, and (b) provided further~~ that any meals included and already paid for by OCERS (such as through the conference registration fee) and meals paid for by a third party and subject to reporting requirements under the Political Reform Act will not be reimbursed. If an itemized receipt is not submitted, OCERS will reimburse the Board or staff member up to the GSA rate for each purchased ~~that~~ meal, upon request.

~~29.-~~

Hotels

~~34-32.~~ Actual expenses for economical and practical lodging will be reimbursed. Reimbursement will be limited to a room considered to be in a standard class. Whenever possible, a request for a government or conference rate will be made.

~~35-33.~~ If, at the conclusion of a business-related trip, it would be impractical for a Board member or staff member to return home the same day, the Board member or staff member will be entitled to be reimbursed for one additional night of lodging.

Airline Travel

~~36-34.~~ OCERS' Board members and staff will use good judgment to obtain airline tickets at competitive prices. OCERS will not reimburse a Board or staff member to fly business class (or the equivalent) except in the case of international travel that exceeds six (6) hours, or first class except in extraordinary circumstances, and then only with the approval of the Board Chair or

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OCERS Board Policy Travel Policy

Vice Chair where the traveler is a Board member or the Chief Executive Officer, or the approval of the Chief Executive Officer where the traveler is a staff member. In addition, for total travel that exceeds four (4) hours in length, or to accommodate special travel needs, additional legroom seats or premium economy fees will be reimbursed. An individual may, at his or her own expense, pay to upgrade travel to business or first class.

~~37~~35. If a significant savings can be realized on the airline fare by having a Board member or staff member extend their stay to include a Saturday night, the Board or staff member, at his or her option, may extend his or her stay in order to realize such savings. OCERS will reimburse the additional lodging and meal costs resulting from an extended itinerary, not to exceed the savings in airline fare.

Automobile Mileage

~~35~~36. A Board member or staff member who uses his/her personal automobile for transportation on OCERS business will keep records of the actual mileage driven on ~~business, and~~business and will report such mileage through OCERS expense management application and will use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route). Reimbursement will be made at the per-mile rate allowed by the IRS. Mileage will be reimbursed for only those miles incurred beyond the staff member's normal commute to his or her regular worksite (i.e., if an employee departs from or returns to his or her home instead of the regular worksite, only the mileage in excess of the normal daily commute will be reimbursed). In accordance with the County of Orange Memorandum of Understanding for the County General Unit and OCERS Direct Employee Policy Handbook, a staff member shall receive a minimum of \$10.00 in any month in which a staff member used his/her personal automobile but ~~the actual mileage reimbursement would otherwise be less than \$10.00.~~

~~36~~37. Board members who use their personal automobiles for transportation to OCERS (or to OCERS' offsite meeting locations) to attend meetings of the Board or committees of the Board or for the purpose of conducting other OCERS business will be reimbursed for actual mileage driven at the per-mile rate allowed by the IRS. The Board member will report such mileage to the CEO's Executive Assistant who will submit the claim ~~through the~~through the OCERS expense management application and will use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route).

~~37~~38. A Board member or staff member who elects to use his/her personal automobile for travel will be reimbursed for mileage and parking fees up to an amount that does not exceed the cost of traveling by air, which will be calculated to include the most economical (least expensive) round-trip ticket between Orange County and the destination city, airline baggage fees, transportation to/from and parking fees at the local airport, and transportation between the destination airport and hotel/conference site.

~~38~~39. Parking and tolls will be reimbursed at current rates. ~~A receipt is required for amounts over \$25.00.~~

Public Transportation

~~39~~40. Use of taxi, hired cars, shared ride services (e.g., Uber, Lyft, Sidecar) and public transportation

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for OCERS business (including attendance by a Board member at meetings of the Board or committees of the Board) will be reimbursed ~~at current rates~~. The most economical mode of transportation should be used whenever practicable; however, use of a transportation provider with multiple stops (e.g., shuttle) is not required. ~~A receipt is required for amounts over \$25.00.~~

Car Rentals

~~4041~~. The use of a rental car by a Board member or staff will be reimbursed when it is economically reasonable to rent a vehicle rather than use taxis, hired cars, shared ride services or public transportation. Board members and staff are required to obtain and purchase (and OCERS will reimburse) Loss Damage Waiver and Supplemental Liability Insurance when renting vehicles on OCERS' business. Rental car discounts must be used whenever possible and appropriate. If available, a compact vehicle will be requested, unless several Board members and/or staff will be using the vehicle together.

~~4442~~. Incidental business expenses reasonably incurred in connection with OCERS business, such as telephone, fax, Internet access, and similar business expenses, will be reimbursed. ~~Receipts are required for all amounts.~~

Porterage/Housekeeping/Other

~~4243~~. OCERS will reimburse a maximum of \$15 per day of travel for porterage, housekeeping and non-meal related gratuities. Receipts are not required for these expenses.

Excluded Expenses

~~4344~~. The following expenses will not be reimbursed: Alcoholic beverages, tobacco, in-room movies, barber shop, beauty shop, gifts, magazines, personal telephone calls and mini-bar charges. In the case of a trip longer than five business days or an emergency situation, laundry and ~~dry cleaning~~ expenses will be reimbursed.

~~4445~~. OCERS will not reimburse or pay for charges for attendance at or participation in networking, social or entertainment type events (e.g., golf, cocktail parties, excursions, outings, etc.) that are in addition to or not included in the general conference registration fee, except that OCERS will pay for NASRA-sponsored networking events that take place during, and are included in the agenda for, NASRA-sponsored conferences.

Staff Travel

~~4546~~. In furtherance of this policy, the Chief Executive Officer shall have discretionary authority to approve staff travel as necessary to carry out the administrative responsibilities of OCERS, such as attendance at legislative meetings or hearings, conducting on-site visits as part of due diligence evaluation of existing and proposed service providers, participating in continuing education programs, and other duties as directed.

Policy Review

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~~4647~~. This policy shall be reviewed every three years by the Governance Committee and may be amended by the Board of Retirement at any time.

Policy History

~~4748~~. The Retirement Board adopted this policy on December 16, 2002, and last revised on ~~November 14, 2022~~ April 15, 2024

Secretary's Certificate

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

~~11/14/22~~04/15/2024

Steve Delaney
Secretary of the Board

Date



**OCERS Board Policy
Travel Policy**

Report of Attendance at Conference or Seminar

Name of Member Attending: _____

Name of Conference/Seminar: _____

Location of Conference/Seminar: _____

Conference/Seminar Sponsor: _____

Dates of Attendance: _____

Total Cost of Attendance: _____

Brief Summary of Information and Knowledge Gained:

Evaluation of the Conference or Seminar:

Recommendation Concerning Future Attendance:

Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers

Travel Policy
Adopted Date December 16, 2002
Last Revised April 15, 2024 ~~November 14, 2022~~

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of 11



OCERS Board Policy Travel Policy

Purpose

1. Prudent oversight of a public sector pension plan requires that trustees and staff occasionally travel to business meetings and educational conferences or seminars, held in or outside of the state of California. Travel and related costs incurred in doing so not only represent legitimate expenses of the plan, but are a sound investment in the ongoing success of the organization in meeting the needs of the membership.
2. The purpose of the Travel Policy is to encourage and facilitate the pursuit of relevant educational and business-related initiatives by trustees and staff. The policy is designed to assist them in meeting their fiduciary duties to administer the pension plan, ensure that expenditures incurred in the education and travel process are prudent and cost-effective, and to mitigate the risk of improprieties arising from travel or business-related activities. Exceptions to any provision of this policy for a Board member or the Chief Executive Officer require the pre-approval of the Board Chair or Vice Chair; and require the pre-approval of the Chief Executive Officer in the case of an exception for a staff member.

Content Requirements

3. As a general rule, and with the exception of public retirement system meetings and the conferences listed in paragraphs 10 and 14, unless a conference/seminar agenda contains substantive educational content per day, attendance at the particular conference/seminar will not be approved and related travel expenses will not be reimbursed. Educational forums, conferences and seminars that routinely and consistently satisfy this requirement will automatically qualify for Board approval for attendance. The Chief Executive Officer will screen and determine those conferences or seminars that meet the five (5) hour requirement and provide a list thereof to the Board members and appropriate staff members. Authorization to attend and receive travel expense reimbursement for a client conference organized or sponsored by a single company or firm shall be restricted to those conferences sponsored by firms who have a contractual relationship with OCERS. Board members or staff members who have independent relationships with a conference sponsor are not automatically entitled to attend such conferences at OCERS' expense. The Board of Retirement shall consider each request individually regardless of any Board or staff affiliation.

Board Member

4. The term "Board Member" shall include a designee of the Treasurer, provided such person is designated in writing to act as the designee, has taken the oath of office and has filed the written designation with the County Clerk, County Auditor and OCERS.

Travel Authorization

5. Except as otherwise provided herein, reimbursement of travel expenses for a Board member to attend an educational conference or seminar (or other type of meeting or event) requires the prior approval of the Board of Retirement.



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6. All reimbursement of travel expenses for an employee of OCERS to attend an educational conference or seminar (or other type of meeting or event) or for administrative purposes requires the prior approval of the Chief Executive Officer or his or her designee.
7. Travel on OCERS' business within the Southern California region by Board members or staff need not be approved in advance provided that overnight accommodations are not required. The Southern California region shall include the counties of Orange, Los Angeles, San Bernardino, Riverside, San Diego, Imperial, Ventura, Santa Barbara and Kern.

Limitation on Meeting for Business Purpose

8. No more than four members of the Board are authorized to meet together for business purposes within the State of California unless there is appropriate public notice of the meeting. Attendance at educational conferences, seminars and social activities by more than four members of the Board is not a violation of this provision.

Cost of Administration

9. Approved education and travel expenses for Board and staff members shall be direct costs of administration of OCERS (or directly charged to Investments in the case of education, due diligence, and travel expenses for Investments staff) paid by OCERS and shall not be paid through third party contracts or otherwise without express written authorization of the Board of Retirement. All approved travel and education expenses shall be included in the OCERS annual budget approved by the Board of Retirement.

Pre-Approved Conferences and Meetings

10. Board members and the OCERS staff members designated by the Chief Executive Officer are automatically authorized and encouraged to attend the following:
 - a. Regular meetings of the State Association of County Retirement Systems (SACRS);
 - b. Conferences of the National Conference on Public Employee Retirement Systems (NCPERS);
 - c. CALAPRS annual General Assembly and Round Table meetings;
 - d. Conferences of the National Association of State Retirement Administrators (NASRA);
 - e. Conferences of the National Institute on Retirement Security (NIRS);
 - f. Conferences sponsored by the Board of Retirement's retained consultants and/or investment managers;
 - g. Conferences sponsored by the California Retired County Employees Association (CRCEA);
 - h. Conferences sponsored by the National Association of Police Organizations (NAPO); and
 - i. Conferences sponsored by a firm that has a contractual relationship with OCERS.

In addition, the OCERS staff members designated by the Chief Executive Officer are automatically authorized and encouraged to attend the following:



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- j. Annual Conference of the Public Pension Financial Forum (P2F2);
 - k. Conferences of the National Association of Public Pension Attorneys (NAPPA);
 - l. Conferences sponsored by the Government Finance Officers Association (GFOA);
 - m. Conferences sponsored by CEM Benchmarking;
 - n. Conferences sponsored by the National Association of State Chief Information Officers (NASCIO);
 - o. Conferences sponsored by the Society of Human Resources Management (SHRM);
 - p. Conferences sponsored by the Professional in Human Resources Association (PIHRA);
 - q. Conferences sponsored by the Association of Talent and Development (ATD);
 - r. Annual Conference of the California Association of Public Information Officials (CAPIO);
 - s. Conferences sponsored by the California Special Districts Association (CSDA);
 - t. Conferences sponsored by the Institute of Internal Auditors (IIA);
 - u. Conferences sponsored by the Society of Corporate Compliance and Ethics (SCCE);
 - v. Conferences sponsored by the Association of Certified Fraud Examiners (ACFE);
 - w. Conferences sponsored by Public Retirement Information Systems Management (PRISM);
 - x. Annual Global Pension CFO Forum; and
 - y. Conferences sponsored by Gartner.
11. Board members and staff members designated by the Chief Executive Officer who are appointed or elected to serve on committees and/or the Board of Directors of the organizations named in paragraph 10 are automatically authorized to attend meetings of the committee(s) to which they have been appointed or elected.
12. Board members and staff members designated by the Chief Executive Officer are automatically authorized to attend each of the following full curriculum pension management programs and courses:
- a. Basic and advance educational programs sponsored by CALAPRS – once during each Board member’s term, and one time only for OCERS staff members;
 - b. Basic and advanced educational programs sponsored by SACRS – once during each Board member’s term, and one time only for OCERS staff members;
 - c. Basic and advanced investment programs sponsored by the Wharton School -- one time only for Board members and staff; provided, however, if the Wharton School does not offer an advanced investment program, the basic program may be taken a second time after three years of initially completing the program; and
 - d. Global Financial Markets Institute, Inc. – various programs are available; Board members and staff may attend each program only once.
13. New Board members, other than those with prior experience administering a public retirement system or pension fund, are encouraged to attend one of the courses listed in paragraph 12 within



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the first year after their election or appointment.

14. The Chief Executive Officer has identified the following conferences/seminars that Board members and designated staff members are automatically authorized to attend, subject to the limits set forth in paragraph 16, at OCERS expense:
 - a. Conferences and Programs (CAPP) sponsored by the International Foundation of Employee Benefit Plans (IFEBP);
 - b. Conferences sponsored by the Pension Real Estate Association (PREA);
 - c. Conferences sponsored by Pension and Investments;
 - d. Conferences sponsored by the Pacific Pension Institute (PPI);
 - e. Forums sponsored by Institutional Investor;
 - f. Conferences sponsored by the Council of Institutional Investors (CII);
 - g. Conferences sponsored by Institutional Real Estate, Inc. (IREI);
 - h. Conferences sponsored by the Opal Financial Group;
 - i. Conferences sponsored by WithIntelligence and all of its subsidiaries;
 - j. Conferences sponsored by the Investment and Wealth Institute;
 - k. Conferences sponsored by SuperReturn;
 - l. Conferences sponsored by Global ARC;
 - m. Conferences sponsored by Institutional Shareholder Services (ISS) Media Solutions and all of its subsidiaries;
 - n. Conferences sponsored by the Institutional Limited Partners Association; and
 - o. Conferences sponsored by the Markets Group.
15. The Chief Executive Officer shall provide newly elected or appointed Board members with a list of approved conferences scheduled to take place within the current calendar year.

Limitation on Attendance at Conferences and Seminars

16. A Board member is authorized to attend up to three events (e.g., conferences, seminars, meetings, or courses) that require overnight lodging at OCERS' expense each calendar year. Attendance at the pre-approved events listed in paragraphs 10, 11 and 12 are not subject to the three-event limit imposed by this paragraph even if they require overnight travel.
17. Board members who want to attend events (i.e., conferences, seminars, meetings or courses) that require overnight lodging and that are not automatically authorized under paragraphs 10, 11, 12 or 14 require advance approval by the Board. Staff members who want to attend events (i.e., conferences, seminars, meetings or courses) that require overnight lodging and that are not automatically authorized under paragraphs 10, 11, 12 or 14 require advance approval by the Chief Executive Officer or his or her designee.
18. OCERS will not reimburse overnight lodging for travel within Orange County, regardless of whether



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the event is pre-approved under any of the provisions of this policy. An exception to this provision may be granted by the Board Chair or Vice Chair upon the request of, and showing of good cause by, a Board member or the Chief Executive Officer; and by the Chief Executive Officer upon the request of, and showing of good cause by, a staff member.

19. In cases where attendance at a particular conference, seminar or other event is limited, the CEO will identify those trustees who will be authorized to attend as follows:
 - a. first, by giving priority to those trustees who have not previously attended the specific conference, seminar or other event and, if needed, make selections by lottery of the interested trustees in this group;
 - b. second, if additional opportunities to attend remain available, make selections by lottery of other interested trustees, and
 - c. third, designate the remaining interested trustees as alternate attendees, who may attend in the event the trustees originally selected are unable to attend.

International Travel and Travel Outside the Continental United States

20. Travel by Board members to a destination outside the continental United States requires pre-approval by the Board, regardless of whether the event is pre-approved under any of the provisions of this policy. Travel by staff to a destination outside the continental United States requires pre-approval by the Chief Executive Officer and notification to the Board Chair. Travel to attend a conference, seminar or meeting held outside the continental United States shall not be reimbursed by OCERS unless it can be demonstrated to the satisfaction of the Board (for travel by a Board member or the Chief Executive Officer) or the Chief Executive Officer (for travel by a staff member) that there is significant value to OCERS in attending, and comparable value cannot be obtained within the continental United States within a reasonable period of time.

Travel Reports

21. The Chief Executive Officer shall submit a quarterly report on conference, seminar and educational course attendance by Board members and staff and OCERS' costs related to such events. Such reports shall identify the individual (Board Member or staff), location, purpose and cost of travel. The Board of Retirement will review these reports quarterly. The report will also include known scheduled travel that has incurred costs for the ensuing quarters.

Report on Conference or Seminar

22. Board Members and staff who travel to conferences or seminars that are not automatically authorized in paragraphs 10, 11, 12 or 14 shall file with the Chief Executive Officer a report that briefly summarizes the information and knowledge gained that may be relevant to other Board Members or staff, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. Reports by a Board Member or staff will be made on the Conference/Seminar Report form shown in the appendix. A copy of the report will be included in the materials for the next meeting of the Board.



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Claims for Reimbursement

23. Reimbursement for travel by a Board member or staff shall be submitted through OCERS expense management application accompanied by all supporting receipts or documentation of the expense incurred. The Board or staff member must provide an itemized receipt including evidence of payment. In the event an itemized receipt is lost or is not available, a Missing Receipt Form must be completed and submitted with the expense reimbursement claim. The Missing Receipt Form includes a certification that only allowable items are included in the request for reimbursement. Overuse of the Missing Receipt Form could result in non-reimbursement of expense at OCERS discretion. All expense claim forms will be reviewed and approved (or disapproved) in accordance with the provisions of this policy. The Board Chair shall approve expense claims for Board members and the Chief Executive Officer. The Vice Chair will approve expense claims for the Chair. The Chief Executive Officer or his or her designee will approve all expense claims for staff. All approvals are subject to ultimate review and concurrence by the Board of Retirement as part of the quarterly report process required in paragraph 21.

Agency-Issued Corporate Credit Card

24. Board members and eligible OCERS staff members 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.

Cash Advances

25. Cash advances will be provided upon request only for those conferences, seminars, meetings, and courses identified in paragraphs 10, 11, 12 or 14 of this policy as pre-approved by the Board and Chief Executive Officer. Any and all cash advances for travel and training shall be requested through the Chief Executive Officer. Cash advances are subject to approval by the Chair of the Board of Retirement and the Chief Executive Officer. Notice of all cash advances for travel and training shall be placed on the Consent Agenda for the next Regular Meeting of the Board of Retirement as an informational item.

Time Limit for Expense Claims

26. Claims for reimbursement pursuant to this policy must be submitted within 30 days following return to Orange County. In no event will a claim for reimbursement be approved if submitted 90 days after the end of the calendar year in which the expense was incurred.

Expenses for Traveling Companions

27. Expenses of family members and/or traveling companions are not reimbursable by OCERS.

Limitation on Time and Expense Allowance



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28. Board and staff members will be reimbursed for daily travel expenses, such as meals as outlined in paragraph 30, and gratuities as outlined in paragraph 43, for each day of travel when such travel is outside Orange County. Allowance for time and expense shall not exceed that which is reasonable and necessary as claimed by others to that precise destination whether by private automobile or common carrier. Expense reimbursements are limited to those items and amounts considered to be non-taxable income to the recipient by the Internal Revenue Service (IRS). Whenever feasible, Board and staff members are encouraged to travel on the same day of a one-day event and on the first and last days of a multiple-day event, rather than the day before or after, in order to save the System lodging and meal costs.

Travel and Lodging Cancellations

29. Board members and staff are responsible for the timely cancellation of registration fees, travel and lodging reservations made on his/her behalf that will not be used, so that no unnecessary expense will be incurred by OCERS.

Meals

30. **Meals While Attending Events that Require Overnight Travel.** Meals purchased by a Board or staff member while attending an event (i.e., conference, seminar, meeting or course) that requires overnight travel will be reimbursed at the actual and reasonable cost of the meals, including non-alcoholic beverages, tax and tip, provided that any meals included and already paid for by OCERS (such as through the conference registration fee) and meals paid for by a third party and subject to reporting requirements under the Political Reform Act will not be reimbursed. If an itemized receipt is not submitted, OCERS will reimburse the Board or staff member up to the GSA rate for each purchased meal, upon request.

31. **Reimbursement for Meals Consumed and Purchased During a Business-Purpose Meeting Where Travel is Not Involved.** Board and staff members will be reimbursed for the actual and reasonable expense of meals, including non-alcoholic beverages, tax and a reasonable tip, consumed and purchased during meetings where business is conducted during the course of the meal, and no overnight travel is required to attend the meeting. (See paragraph 30 for meal reimbursement during trips with overnight travel.) The names of the people who attended the business-purpose meeting and a brief description of the business discussed or conducted shall be submitted with the reimbursement request. If an itemized receipt is not submitted, OCERS will reimburse the Board or staff member up to the GSA rate for each purchased meal, upon request.

Hotels

32. Actual expenses for economical and practical lodging will be reimbursed. Reimbursement will be limited to a room considered to be in a standard class. Whenever possible, a request for a government or conference rate will be made.

33. If, at the conclusion of a business-related trip, it would be impractical for a Board member or staff member to return home the same day, the Board member or staff member will be entitled to be reimbursed for one additional night of lodging.

Airline Travel

34. OCERS' Board members and staff will use good judgment to obtain airline tickets at competitive



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prices. OCERS will not reimburse a Board or staff member to fly business class (or the equivalent) except in the case of international travel that exceeds six (6) hours, or first class except in extraordinary circumstances, and then only with the approval of the Board Chair or Vice Chair where the traveler is a Board member or the Chief Executive Officer, or the approval of the Chief Executive Officer where the traveler is a staff member. In addition, for total travel that exceeds four (4) hours in length, or to accommodate special travel needs, additional legroom seats or premium economy fees will be reimbursed. An individual may, at his or her own expense, pay to upgrade travel to business or first class.

35. If a significant savings can be realized on the airline fare by having a Board member or staff member extend their stay to include a Saturday night, the Board or staff member, at his or her option, may extend his or her stay in order to realize such savings. OCERS will reimburse the additional lodging and meal costs resulting from an extended itinerary, not to exceed the savings in airline fare.

Automobile Mileage

36. A Board member or staff member who uses his/her personal automobile for transportation on OCERS business will keep records of the actual mileage driven on business and will report such mileage through OCERS expense management application and will use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route). Reimbursement will be made at the per-mile rate allowed by the IRS. Mileage will be reimbursed for only those miles incurred beyond the staff member's normal commute to his or her regular worksite (i.e., if an employee departs from or returns to his or her home instead of the regular worksite, only the mileage in excess of the normal daily commute will be reimbursed). In accordance with the County of Orange Memorandum of Understanding for the County General Unit and OCERS Direct Employee Policy Handbook, a staff member shall receive a minimum of \$10.00 in any month in which a staff member used his/her personal automobile but the actual mileage reimbursement would otherwise be less than \$10.00.
37. Board members who use their personal automobiles for transportation to OCERS (or to OCERS' offsite meeting locations) to attend meetings of the Board or committees of the Board or for the purpose of conducting other OCERS business will be reimbursed for actual mileage driven at the per-mile rate allowed by the IRS. The Board member will report such mileage to the CEO's Executive Assistant who will submit the claim through the OCERS expense management application and will use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route).
38. A Board member or staff member who elects to use his/her personal automobile for travel will be reimbursed for mileage and parking fees up to an amount that does not exceed the cost of traveling by air, which will be calculated to include the most economical (least expensive) round-trip ticket between Orange County and the destination city, airline baggage fees, transportation to/from and parking fees at the local airport, and transportation between the destination airport and hotel/conference site.

Parking and Tolls

39. Parking and tolls will be reimbursed.



OCERS Board Policy Travel Policy

Transportation

40. Use of taxis, hired cars, shared ride services (e.g., Uber, Lyft, Sidecar) and public transportation for OCERS business (including attendance by a Board member at meetings of the Board or committees of the Board) will be reimbursed. The most economical mode of transportation should be used whenever practicable; however, use of a transportation provider with multiple stops (e.g., shuttle) is not required.

Car Rentals

41. The use of a rental car by a Board member or staff will be reimbursed when it is economically reasonable to rent a vehicle rather than use taxis, hired cars, shared ride services or public transportation. Board members and staff are required to obtain and purchase (and OCERS will reimburse) Loss Damage Waiver and Supplemental Liability Insurance when renting vehicles on OCERS' business. Rental car discounts must be used whenever possible and appropriate. If available, a compact vehicle will be requested, unless several Board members and/or staff will be using the vehicle together.

Incidental Business Expenses

42. Incidental business expenses reasonably incurred in connection with OCERS business, such as telephone, fax, Internet access, and similar business expenses, will be reimbursed.

Porterage/Housekeeping/Other

43. OCERS will reimburse a maximum of \$15 per day of travel for porterage, housekeeping and non-meal related gratuities. Receipts are not required for these expenses.

Excluded Expenses

44. The following expenses will not be reimbursed: Alcoholic beverages, tobacco, in-room movies, barber shop, beauty shop, gifts, magazines, personal telephone calls and mini-bar charges. In the case of a trip longer than five business days or an emergency situation, laundry and dry-cleaning expenses will be reimbursed.
45. OCERS will not reimburse or pay for charges for attendance at or participation in networking, social or entertainment type events (e.g., golf, cocktail parties, excursions, outings, etc.) that are in addition to or not included in the general conference registration fee, except that OCERS will pay for NASRA-sponsored networking events that take place during, and are included in the agenda for, NASRA-sponsored conferences.

Staff Travel

46. In furtherance of this policy, the Chief Executive Officer shall have discretionary authority to approve staff travel as necessary to carry out the administrative responsibilities of OCERS, such as attendance at legislative meetings or hearings, conducting on-site visits as part of due diligence evaluation of existing and proposed service providers, participating in continuing education programs, and other duties as directed.



OCERS Board Policy Travel Policy

Policy Review

47. This policy shall be reviewed every three years by the Governance Committee and may be amended by the Board of Retirement at any time.

Policy History

48. The Retirement Board adopted this policy on December 16, 2002, and last revised on April 15, 2024

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

04/15/2024

Date



OCERS Board Policy Travel Policy

Report of Attendance at Conference or Seminar

Name of Member Attending: _____

Name of Conference/Seminar: _____

Location of Conference/Seminar: _____

Conference/Seminar Sponsor: _____

Dates of Attendance: _____

Total Cost of Attendance: _____

Brief Summary of Information and Knowledge Gained:

Evaluation of the Conference or Seminar:

Recommendation Concerning Future Attendance:

Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers



OCERS Board Policy Write Off Policy

Purpose

1. The Orange County Employees Retirement System (OCERS or System) Board of Retirement (Board) is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets of the System in a prudent manner. The purpose of this Write Off Policy is to provide guidelines regarding when OCERS is permitted to forgo collection of amounts overpaid by or owing to OCERS, and when OCERS will not be required to make corrective distributions to OCERS members or their beneficiaries.

Principles

2. Considerations of cost effectiveness make it prudent and reasonable to establish a threshold under which (a) OCERS will not be required to seek to recover amounts overpaid by or owed to OCERS; and (b) OCERS will not be required to make corrective distributions to OCERS members and their beneficiaries.

Roles

3. The Chief Executive Officer (CEO) shall be responsible for implementing and monitoring compliance with this Policy and shall annually report to the Board the write offs that have been made pursuant to this Policy.

Policy Guidelines

4. Whenever the cumulative total amount overpaid by OCERS to an OCERS member or beneficiary is less than \$250, OCERS is authorized to forgo recovery of such amount provided that in the case of ongoing payments by OCERS, the payment amount is promptly adjusted (decreased) prospectively.
5. Whenever the total amount underpaid by OCERS to a member or beneficiary is \$75 or less, OCERS is not required to make the corrective distribution provided that, in the case of ongoing payments by OCERS, the payment amount is promptly adjusted (increased) prospectively, and further provided that, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the member or beneficiary would exceed the amount of the distribution.
6. In the event of any inconsistency between applicable law (including IRS rules and guidance) and this Policy, the law shall govern. In the event of an inconsistency between this Policy and the Overpaid and Underpaid Plan Benefits Policy, the latter will govern.

Policy Review

7. The Board of Retirement will review this Policy at least once every three years to ensure that it remains relevant and appropriate.



OCERS Board Policy Write Off Policy

Policy History

8. The Board of Retirement adopted this policy on November 19, 2018, and amended on November 15, 2021, and .



OCERS Board Policy Write Off 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.

~~11-15-2021~~

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Write Off Policy

Purpose

1. The Orange County Employees Retirement System (OCERS or System) Board of Retirement (Board) is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets of the System in a prudent manner. The purpose of this Write Off Policy is to provide guidelines regarding when OCERS is permitted to forgo collection of amounts overpaid by or owing to OCERS, and when OCERS will not be required to make corrective distributions to OCERS members or their beneficiaries.

Principles

2. Considerations of cost effectiveness make it prudent and reasonable to establish a threshold under which (a) OCERS will not be required to seek to recover amounts overpaid by or owed to OCERS; and (b) OCERS will not be required to make corrective distributions to OCERS members and their beneficiaries.

Roles

3. The Chief Executive Officer (CEO) shall be responsible for implementing and monitoring compliance with this Policy and shall annually report to the Board the write offs that have been made pursuant to this Policy.

Policy Guidelines

4. Whenever the cumulative total amount overpaid by OCERS to an OCERS member or beneficiary is less than \$250, OCERS is authorized to forgo recovery of such amount provided that in the case of ongoing payments by OCERS, the payment amount is promptly adjusted (decreased) prospectively.
5. Whenever the total amount underpaid by OCERS to a member or beneficiary is \$75 or less, OCERS is not required to make the corrective distribution provided that, in the case of ongoing payments by OCERS, the payment amount is promptly adjusted (increased) prospectively, and further provided that, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the member or beneficiary would exceed the amount of the distribution.
6. In the event of any inconsistency between applicable law (including IRS rules and guidance) and this Policy, the law shall govern. In the event of an inconsistency between this Policy and the Overpaid and Underpaid Plan Benefits Policy, the latter will govern.

Policy Review

7. The Board of Retirement will review this Policy at least once every three years to ensure that it remains relevant and appropriate.



OCERS Board Policy Write Off Policy

Policy History

- 8. The Board of Retirement adopted this policy on November 19, 2018, and amended on November 15, 2021, and .

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: April 15, 2024
TO: Members of the Board of Retirement
FROM: David Kim, Director of Internal Audit
SUBJECT: **OUTCOMES FROM THE AUDIT COMMITTEE MEETING ON MARCH 28, 2024**

Recommendation

The Audit Committee recommends that the Board adopt the following:

- (1) The **Chief Compliance Officer Charter** as approved by the Committee
- (2) The **Compliance Program Charter** as approved by the Committee
- (3) The **Audit Committee Charter** with revisions approved by the Committee
- (4) The **Internal Audit Charter** with revisions approved by the Committee
- (5) The **Ethics, Compliance, and Fraud Hotline Policy** with revisions approved by the Committee

Background/Discussion

The Audit Committee met on March 28, 2024 and reviewed the above-listed charters and policy. The Committee now recommends that the Board adopt the new Chief Compliance Officer and Compliance Program charters, as well as adopt the revisions to the Audit Committee Charter, the Internal Audit Charter, and the Ethics, Compliance, and Fraud Hotline Policy as set forth below.

New Chief Compliance Officer Charter

Staff recommended to the Committee, and the Committee approved, the new Chief Compliance Officer Charter. The Chief Compliance Officer Charter defines the role's reporting structure, authority, and responsibility in establishing and maintaining a dedicated Compliance Program at OCERS, as set forth in the Compliance Program Charter, also being considered by the Audit Committee.

In its current state, OCERS has limited-scope compliance activities handled by the Legal, Internal Audit, and Operational Risk Management Committee. This is a common configuration for most CERL and other public retirement systems. The General Counsel often serves as the de facto Chief Compliance Officer, wearing both hats.

At its October 2022 meeting, the Board approved hiring a Chief Compliance Officer (CCO) to develop and lead a formal compliance program to help ensure agency-wide compliance with laws, ethical rules, policies, and procedures. OCERS filled the CCO position with the hire of Kwame Addo in September of 2023.

As an executive management team member, the CCO will collaborate with the Board, management, and staff to promote an ethical culture and to implement an effective compliance program.

The Charter includes the following key components that are consistent with the Federal Sentencing Guidelines requirements for an effective compliance and ethics program:

1. **Responsibility:** The CCO will develop, implement, and maintain the OCERS Compliance Program and manage its day-to-day operation to ensure its effectiveness in detecting, preventing, investigating, and remediating compliance issues. The Compliance Program will be comprehensive, with risk assessments and control monitoring to mitigate risks effectively.
2. **Independence:** With access to the Audit Committee and the Board of Retirement as needed, the CCO will have the independence necessary to ensure that compliance is prioritized and that the Committee and the Board have sufficient information to exercise reasonable oversight of the program. The CCO will report to the Audit Committee on the operation of the compliance program at least twice a year.
3. **Authority:** The CCO will be able to access and run reports on the internal processes and records of OCERS divisions and departments, engage with regulators on behalf of OCERS, and oversee compliance investigations.

The draft of the Chief Compliance Officer Charter is attached for your review and consideration.

New Compliance Program Charter

Staff recommended to the Committee, and the Committee approved, the new Chief Compliance Officer Charter. The Compliance Program Charter, which is being considered by the Board today, will initiate the creation of a dedicated compliance program. The Charter includes the key elements for an effective compliance and ethics program set forth by the Department of Justice in the Federal Sentencing Guidelines and adopted as compliance industry best practices. It will also add OCERS to a small group of public retirement systems, including LACERA, CALSTRS, and CCCERA, with dedicated and independent compliance programs.

The Federal Sentencing Guidelines state that an effective compliance and ethics program shall be reasonably designed, implemented, and enforced so that the program is generally effective in preventing and detecting criminal conduct. The Guidelines also provide that the promotion of an organizational culture that encourages ethical conduct and a commitment to compliance with the law requires certain components. For example, the organization's governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and exercise reasonable oversight concerning its implementation and effectiveness. The Compliance Program Charter incorporates the key components described by the Guidelines.

In addition, the draft of the Charter utilized resources from the Society for Corporate Compliance and Ethics (SCCE). In the compliance industry, the SCCE is globally recognized as a premier professional association that establishes ethical practice and compliance standards. It also offers education and professional certification in ethics and compliance.

In accordance with industry best practices, the Compliance Program Charter provides a foundation based on the "three lines of defense" risk mitigation model.

First Line of Defense – Departments

- ∑ Identify, assess, and effectively manage all operational and compliance risk
- ∑ Adhere to all policies, procedures, and processes

Second Line of Defense – Compliance

- ∑ Provide independent challenge, review, and monitor the First Line of Defense activities
- ∑ Promote a strong risk and compliance culture supported by OCERS' vision and culture

Third Line of Defense – Internal Audit

- ∑ Analyze the effectiveness of governance, risk management, operational controls, and compliance management
- ∑ Assess the adequacy, design, and ongoing effectiveness of OCERS' governance framework

Although each line plays a distinct role within OCERS' governance framework, the Program's overall effectiveness depends on all three lines working collaboratively to identify, evaluate, prioritize, and mitigate risks. In its second-line role, Compliance will serve as a trusted advisor to departments on regulatory matters. As part of the program's issues management component, Compliance will partner with the departments and Internal Audit to assist with resolving issues that are either self-identified by departments or observations made by Internal Audit.

Once fully established, the Program will offer more comprehensive and centralized coverage to mitigate regulatory, operational, and reputational risks. An integrated assurance model, that is endorsed by the Institute of Internal Auditors, will also be in place. This will enable Internal Audit to rely on the work of Compliance in its activities to avoid duplication. Additionally, Compliance can rely on department attestations, where appropriate.

With a dedicated compliance program new to OCERS, it is important that a culture of compliance supported by the Board and all levels of management be cultivated. To assist, short-term plans for 2024 include the CCO:

- ∑ Assuming responsibility for the Operational Risk Management Report from Facilities and Operations Support
- ∑ Assuming Hotline oversight responsibility from Audit
- ∑ Partnering with Learning and Organizational Development to create engaging compliance awareness training and materials
- ∑ Drafting compliance program documents

Long-term plans, some of which have a dependency on the Master Repository Program, include the establishment of:

- ∑ Controls aligned to procedures with CERL/regulatory implications.
- ∑ Control monitoring
- ∑ Risk Assessment
- ∑ Comprehensive compliance training
- ∑ Staffing the Compliance Office for agency coverage and further promoting an independent operating environment

This initial draft of the charter states that the Chief Investment Officer is primarily responsible for designing and implementing compliance controls within the Investment division and that the CCO will assist with those efforts. However, once the program framework is in place, the Compliance Program intends to initiate components specific to the Investment Division.

The proposed charter defines the Program's objectives, scope, governance structure, and elements and tries to embody OCERS's mission and values in its description.

The Compliance Program will follow a collaborative/partnership approach to facilitate teamwork, better decision-making, improved communication, and transparency around issue identification and reporting.

Key program elements are:

- Σ Program Administration: Define the guidance role of the CCO and the partnership expectations of divisions and departments.
- Σ Standards, Policies, and Procedures: Assist with establishing policies and procedures and identifying those that require regulatory compliance.
- Σ Risk Assessment: Develop assessment schedules to identify, prioritize, and mitigate legal and ethical compliance risks.
- Σ Control Monitoring: Establish mechanisms to measure control effectiveness in identifying potential violations and control improvement opportunities for risk mitigation.
- Σ Communication and Training: Establish training and awareness programs to embed compliance as an integral part of OCERS.
- Σ Compliance Reporting: Oversee non-retaliatory reporting channels and provide reporting on compliance activities to the senior management, the Audit Committee, and the Board, as appropriate.

Again, these elements are identified by the Federal Sentencing Guidelines, which have become the standard framework for designing compliance programs in the United States.

The draft of the Compliance Program Charter is attached for review.

Revisions to the Audit Committee Charter

The Audit Committee Charter (Charter) was adopted by the Board on November 18, 2002 and was last reviewed and revised on April 17, 2023. An external quality assessment (EQA) report was presented by the Institute of Internal Auditors (IIA) Quality Services to the Audit Committee (Committee) at the January 19, 2024 Audit Committee meeting. In the EQA report, there were a number of suggested changes based on the new Global Internal Audit Standards (Standards) recently released and the results from the EQA review. Additionally, the updates to the Charter reflect the changes based on the new Compliance Program and its related charters.

In addition to the changes necessary to address the new Standards and EQA results, staff recommended and the Audit Committee approved several substantive and non-substantive changes. A **summary of the substantive changes** is included in the chart below.

Charter Section	Description of Change	Reason for Change
2 Purpose	Moved the dispute resolution statement from the financial reporting statement	Dispute resolutions would apply beyond financial reporting
3 Membership	Modified wording to clarify composition of the Audit Committee, specifically the appointment of the Vice Chair and the quorum requirements	Additional clarification
4 Communications	Added new section to outline communication expectations of the Committee	Comply with the new Standards

<p>6.a Responsibilities and Duties: Compliance</p>	<p>Added language for the responsibilities of the Committee over the new Compliance Program</p>	<p>Responsibilities over the new Compliance Program</p>
<p>6.e.1 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Expanded the description of the factors when appointing the Director of Internal Audit</p>	<p>Comply with the new Standards</p>
<p>6.e.3 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Added a provision creating policy requirements regarding potential impairments to independence</p>	<p>Comply with the new Standards and EQA</p>
<p>6.e.4 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Added a provision for the reporting relationship of Internal Audit</p>	<p>Comply with the new Standards and EQA</p>
<p>6.e.5 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Added a provision to meet with the Director of Internal Audit separately</p>	<p>Comply with the new Standards</p>
<p>6.e.6 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Revised wording to include reviewing significant changes to the Internal Audit plan</p>	<p>Comply with the new Standards and EQA</p>
<p>6.e.9 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Added a provision to review the results of the quality assurance and improvement program</p>	<p>Comply with the new Standards and EQA</p>
<p>6.e.10 Responsibilities and Duties: Oversight of Internal Audit</p>	<p>Added a provision for the Committee to communicate information from the Board</p>	<p>Comply with the new Standards</p>

<p>7 Reporting on Audit Committee Performance</p>	<p>Revised title to clarify Committee reporting to the Board</p>	<p>Clarify purpose of section 7</p>
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The revisions to the Audit Committee Charter approved by the Committee and recommended to the Board for adoption are set forth in marked text in the attached Charter. An unmarked version of the Charter is also attached.

Revisions to the Internal Audit Charter

The Internal Audit Charter (Charter) was adopted by the Board on November 18, 2002 and was last reviewed and revised on April 17, 2023. An external quality assessment (EQA) report was presented by the Institute of Internal Auditors (IIA) Quality Services to the Audit Committee (Committee) at the January 19, 2024 Audit Committee meeting. In the EQA report, there were a number of suggested changes based on the new Global Internal Audit Standards (Standards) recently released and the results from the EQA.

In addition to the changes necessary to address the new Standards and EQA results, staff recommended and the Audit Committee approved several substantive and non-substantive changes. A **summary of the substantive changes** is included in the chart below.

Charter Section	Description of Change	Reason for Change
<p>1 and 2 Mission and Purpose of the Internal Audit Department</p>	<p>Added the mission of the Internal Audit (IA) Department as well as the definition of assurance and advisory services</p>	<p>Comply with the new Standards</p>
<p>4 Independence and Objectivity</p>	<p>Added clarification of actions to take to comply with independence provision including the annual confirmation</p>	<p>Comply with the new Standards and EQA</p>
<p>5.b Authority</p>	<p>Added clarification for the approval of the Internal Audit plan</p>	<p>Comply with the new Standards and EQA</p>
<p>5.g Authority</p>	<p>Moved access to information provision to the Authority section</p>	<p>Clarified authority of Internal Audit</p>
<p>6.f Objectives and Scope</p>	<p>Clarified the responsibilities of Internal Audit when evaluating the performance of external auditors</p>	<p>Comply with the new Standards and EQA</p>

6.g Objectives and Scope	Added a provision of the reporting of Internal Audit results	Comply with the new Standards
7 Responsibility	Added references to the new Standards, Code of Ethics, and Professional Practices Framework	Comply with the new Standards and EQA
7.i and j Responsibility	Added a provision to communicate resource limitations and manage the internal audit function	Comply with the new Standards and EQA
7.k Responsibility	Added a provision for coordinating with other assurance providers	Comply with the new Standards and EQA
8 and 9 Quality Assurance and Improvement Program	Added a provision on the implementation of the quality assurance and improvement program along with the communication of the results	Comply with the new Standards and EQA

The revisions to the Internal Audit Charter approved by the Committee and recommended to the Board for adoption are set forth in marked text in the attached Charter. An unmarked version of the Charter is also attached.

Revisions to the Ethics, Compliance and Fraud Hotline Policy

The Ethics, Compliance, and Fraud Policy (Policy) was adopted by the Board on June 06, 2013 and was last reviewed and revised on April 17, 2023. The Policy is updated to reflect the proposed adoption of the Chief Compliance Officer Charter, the Compliance Program Charter along with the changes to the Audit Committee Charter and Internal Audit Charter.

A **summary of the changes** is included in the chart below.

Policy Section	Description of Change
5 Policy Guidelines	Replaced Director of Internal Audit with the Chief Compliance Officer
6 Policy Guidelines	Replaced Director of Internal Audit with the Chief Compliance Officer and Internal Audit with Compliance
7 Policy Guidelines	Replaced Internal Audit with the Chief Compliance Officer
10 Policy Guidelines	Replaced Internal Audit with the Chief Compliance Officer
11 Policy Guidelines	Replaced Director of Internal Audit with the Chief Compliance Officer

The revisions to the Policy approved by the Committee and recommended to the Board for adoption are set forth in marked text in the attached Policy. An unmarked version of the Policy is also attached.

Attachments:

- Σ Chief Compliance Officer Charter
- Σ Compliance Program Charter
- Σ Audit Committee Charter (redlined and unmarked)
- Σ Internal Audit Charter (redlined and unmarked)
- Σ Ethics, Compliance, and Fraud Hotline Policy (redlined and unmarked)

Submitted by:



DK- Approved

David Kim
Director of Internal Audit



OCERS Board Charter

Chief Compliance Officer Charter

Introduction

1. The OCERS Chief Compliance Officer (CCO) is responsible for leading the management and operation of the OCERS Compliance Program as set forth in the Compliance Program Charter. According to the OCERS Chief Executive Officer (CEO) Charter, the CEO hereby delegates to the CCO the authority to act finally with respect to all the matters set forth below. The actions of the CCO under this Charter shall be conducted in compliance with applicable laws and Board policies. Except where the CEO has required the CCO to act directly, the CCO may subdelegate, as appropriate in the judgment of the CCO, any authority delegated to the CCO under this Charter. The CCO will receive support from all levels of management, the CEO, and the Board to create a comprehensive and effective compliance program.

Reporting

2. The CCO reports to the General Counsel and has the authority to access the Audit Committee and the Board directly and independently on an as-needed basis, i.e., the CCO has a reporting dotted line to the Board. In addition, the CCO will report to the Audit Committee on at least a biannual basis on the operation and effectiveness of the OCERS Compliance Program.

Authority and Responsibility

3. Under the direction of the Audit Committee and in collaboration with senior management, the CCO will develop, implement, and maintain the OCERS Compliance Program (Compliance Program), as set forth in the OCERS Compliance Program Charter. Senior management refers to the Chief Executive Officer (CEO), Assistant CEOs, Chief Investment Officer, and General Counsel. In addition, the CCO will have the following authority and responsibilities:
 - a. Formulate and supervise a multi-phase plan for the development and implementation of the Compliance Program that follows guidance issued by the Department of Justice and established industry best practices;
 - b. Manage the day-to-day administration of the Compliance Program to ensure effectiveness in detecting, preventing, investigating, and remediating compliance issues;
 - c. Maintain a commitment to the OCERS Code of Ethics and Standards of Professional Conduct Policy, and have a working knowledge of ethics issues relevant to OCERS;
 - d. Develop and implement compliance training programs;
 - e. Establish and monitor compliance controls necessary for an effective compliance program;
 - f. Develop and implement a risk assessment program to identify, prioritize, and mitigate legal and ethical risks;
 - g. Develop and maintain program documents that detail each element of the Compliance Program;



OCERS Board Charter

Chief Compliance Officer Charter

- h. Monitor and report compliance performance and ensure the timely escalation of issues that have the potential to negatively impact adherence to applicable rules, regulations, or OCERS policies;
- i. Establish, maintain, and publicize compliance reporting channels for employees to use without fear of retaliation;
- j. Oversee the investigation of hotline reports and any other reports of non-compliance and escalate as appropriate;
- k. Oversee compliance investigations in coordination with the General Counsel or Human Resources as needed;
- l. Support Internal Audit in its issuance of reports, including assisting management to develop action plans in response to audit observations ;
- m. Maintain access to the internal processes and records of OCERS divisions and departments, including the ability to request information and run reports necessary for compliance activities and monitoring;
- n. Report compliance effectiveness to senior management, the Audit Committee, and the Board, as appropriate;
- o. Ensure proper reporting of violations or potential violations to duly authorized enforcement agencies as appropriate;
- p. Engage with regulators, vendors, and other stakeholders on behalf of OCERS for compliance-related matters; and
- q. Stay up-to-date with industry developments and best practices by connecting with compliance professionals and networks.
- r. Should criminal conduct be detected, the CCO shall take reasonable steps to respond appropriately to the criminal conduct and to prevent similar criminal conduct, including recommending any necessary modifications to the Compliance Program, and notify the Audit Committee accordingly.

Charter Review

- 4. The Audit 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

- 5. The Chief Compliance Office Charter was adopted by the Board of Retirement on _____.

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 Charter Chief Compliance Officer Charter

Steve Delaney, Secretary of the Board Date

I understand and accept the authority delegated by this Charter.

Kwame Addo, Chief Compliance Officer Date



OCERS Board Charter Compliance Program Charter

Introduction

1. The OCERS Board of Retirement (Board) is dedicated to acting for the exclusive benefit of the plan and its participants, managing assets of the plan prudently, and administering benefits with impartiality. Concomitant to these responsibilities is the need to ensure that OCERS operates in compliance with the various laws, rules, and regulations that govern OCERS' operation, especially the California Constitution, the County Employees Retirement Law of 1937 (CERL), and the bylaws, procedures, and policies adopted by the Board, as well as in accordance with the highest ethical standards. The Board implements the OCERS Compliance Program (Compliance Program or Program) to support these commitments.

Purpose

2. The purpose of the Compliance Program is to create a risk-aware operating environment that reflects OCERS' culture and values, is supported by all levels of management, the CEO, and the Board, and has staff buy-in. The program will be designed to be an advocacy resource for employees, management, and members in promoting and establishing compliance industry best practice standards. Additionally, the Compliance Program will work in tandem with OCERS divisions and departments to implement risk-based compliance management programs to strengthen overall compliance activities and mitigate legal and reputational risks. The Program will contain elements that provide an effective framework with foundational areas such as governance, business unit support, control monitoring, reporting, and training and awareness that help detect, prevent, and mitigate compliance risks. In addition, it will seek to create an agency-wide culture of adherence to legal and ethical standards. All OCERS team members will assist the Program in exercising due diligence to ensure compliance and prevent illegal conduct.

Scope

3. The Program seeks to mitigate the risks of violating law, Board policy, or procedure. The design of the Program will be based on the standards for an effective compliance and ethics program set forth in the U.S. Sentencing Guidelines. The Chief Compliance Officer (CCO) is authorized by the Board to develop and implement a comprehensive program. In consultation with the Audit Committee and the senior management, the CCO determines which subject matter areas are prioritized in response to risk assessment and based on compliance resources. Senior management refers to the Chief Executive Officer (CEO), Assistant CEOs, the Chief Investment Officer, and General Counsel. The CCO will serve as a proactive partner that provides objective guidance to the Board, the CEO, management, and staff to ensure adherence to the law and OCERS fiduciary duty to its membership. The specific duties and responsibilities of the CCO are set forth in the OCERS Chief Compliance Officer Charter.

Governance Structure

4. The CCO manages the day-to-day administration of the Program and reports to the General Counsel. The CCO also has the authority to access the Audit Committee and the Board directly and independently on an as-needed basis and will report to the Audit Committee on at least a biannual



OCERS Board Charter

Compliance Program Charter

basis on the operation and effectiveness of the Compliance Program. The CCO will also inform the Audit Committee of any credible allegations of serious misconduct or criminal activity.

5. Compliance Program activity must be objective and independent — free from influence that could threaten its ability to achieve its purpose. Any potential impairment to the independence of the Program or the CCO will be communicated to the General Counsel and escalated appropriately.
6. Compliance is everyone's responsibility at OCERS. Strong governance facilitates an effective compliance program that enables risk identification, mitigation, and accountability across the “three lines of defense.” These three lines offer a structure that defines responsibilities for OCERS’ compliance activities as follows:
 - a. **First Line of Defense:** OCERS divisions and departments, which own, identify, assess, and effectively manage all applicable operational and compliance risks and adhere to relevant policies, procedures, and processes. Management is responsible for the overall compliance performance of their divisions and will facilitate the work of the Program, including providing support for Program initiatives and alerting the CCO of ethics and compliance issues.
 - b. **Second Line of Defense:** Legal and the Compliance Program, which monitors compliance risk and controls in support of the first line of defense, assesses the effectiveness of OCERS’ control environment to mitigate risks, offers independent review, challenges, and guidance, and promotes a strong risk and compliance culture. The Legal Division provides advice on legal compliance to each division of OCERS and is primarily responsible for compliance efforts related to tax, conflicts of interest, and fiduciary obligations.
 - c. **Third Line of Defense:** Internal Audit, which analyzes the effectiveness of governance, risk management, operational controls, and compliance management; and assesses the adequacy, design, and ongoing effectiveness of OCERS’ overall governance framework in accordance with the OCERS Internal Audit Charter.

Compliance Program Elements

7. The Program’s framework will be based on the following compliance best practice elements:
 - a. **Program Administration:** The CCO will serve as a partner to OCERS divisions and departments and provide recommendations and guidance for the timely response to compliance issues and regulatory changes. In performing their duties, the CCO will maintain access to the internal processes and records of OCERS divisions and departments, including the ability to request information and run reports necessary for compliance activities and monitoring. OCERS will provide necessary support to the Program in the departments where compliance activities are undertaken. Management will also furnish timely reports on actions taken and proposed regarding compliance-related issues. The CCO will lead compliance investigations in coordination with the General Counsel or Human Resources as appropriate, assist with resulting action plans, and track the implementation of remedial measures. Should criminal conduct be detected, OCERS shall respond appropriately, and any necessary modifications to the Program will be made to prevent similar criminal conduct.



OCERS Board Charter Compliance Program Charter

- b. **Standards, Policies, and Procedures:** As part of the Program, the CCO will promote standards of conduct and internal controls capable of reducing the likelihood of non-compliance with the laws and policies applicable to OCERS and to detect and prevent criminal conduct. The CCO will contribute to developing, revising, and distributing professional conduct and other compliance-related policies, when applicable.
- c. **Risk Assessment:** The Program will include developing and implementing a risk assessment program to identify, prioritize, and mitigate legal and ethical compliance risks.
- d. **Control Monitoring:** The CCO will establish and monitor controls necessary for an effective compliance program. These controls will include regular monitoring to measure process control effectiveness and to continually identify opportunities for improving controls and mitigating risks.
- e. **Communication and Training:** Compliance training is a fundamental part of the Program. Messaging and branding that promotes the enhancement of risk awareness and makes compliance activities an integral part of OCERS' culture will also be a component.
- f. **Compliance Reporting:** Compliance reporting channels for employees to use without fear of retaliation will be established and maintained. The CCO will also report compliance effectiveness to senior management, the Audit Committee, and the Board, as appropriate. In addition, the CCO will collaborate with Internal Audit and relevant OCERS divisions to review audit reports, provide assistance with audit report management action plans, and ensure future compliance.

Charter Review

- 8. The Audit 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

- 9. The OCERS Compliance Program Charter was adopted by the Board of Retirement on _____.

Secretary's Certificate

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

Steve Delaney, Secretary of the Board Date



OCERS Board Charter Audit Committee Charter

Introduction

1. The Board of Retirement has established an Audit Committee to assist it in overseeing the audit function within OCERS. The Audit Committee is an advisory committee to the Board of Retirement, and its recommendations are subject to final approval by the Board. Notwithstanding the preceding sentence, with respect to those matters expressly assigned to it in this Audit Committee Charter, the Audit Committee has final authority.

Purpose

2. The Audit Committee provides oversight of OCERS's internal and external audit activities. The Audit Committee assists the Board in ensuring the independence of the internal audit functions and ensuring that appropriate action is taken on audit recommendations. The Audit Committee helps promote and enhance effective internal controls for OCERS operations, and oversees communication between external auditors, internal auditors, and management. [The Audit Committee resolves disagreements between the internal auditor, external auditor, and/or management regarding financial reporting, internal control risks, and other matters.](#)

Membership

3. ~~The Board Chair will appoint members of the Audit Committee as provided in the OCERS By-Laws and will designate one member to serve as the Committee Chair and one member of the committee to serve as Vice Committee Chair.~~

The Audit Committee will consist of four members of the Board of Retirement. ~~The Board Chair will appoint members of the Audit Committee as provided in the OCERS By-Laws and designate one member to serve as the Committee Chair. As provided in the OCERS By-Laws, two members of the Audit Committee constitute a quorum.~~

Ideally, members should have expertise in accounting, auditing, financial reporting, and internal control. Although these desired traits are not mandatory, members should be sufficiently knowledgeable about these topics to make informed decisions with the assistance of a financial expert.

Communications

4. ~~The Audit eCommittee expects that all communication with management and staff of the organizationOCERS management as well as with any external assurance providers will be direct, open, and complete.~~



OCERS Board Charter Audit Committee Charter

Meetings

5. The Audit Committee will meet at least quarterly, with authority to convene additional meetings as circumstances require. All Audit Committee members are expected to attend each meeting. The Director of Internal Audit and Internal Audit staff will attend all Audit Committee meetings. Meeting notices will be provided to interested parties in conformance with applicable laws, regulations, customs, and practices. All meetings are subject to the Brown Act. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of meetings will be prepared and will contain a record of persons present, decisions taken, and a high-level summary of the discussion.

Responsibilities and Duties

~~2-6.~~ The Audit Committee's key areas of responsibility are:

~~a. Law and Ethics Compliance: The Audit Committee will provide the policy and framework ~~for~~for the OCERS Compliance Program ~~compliance~~, as set forth in the Compliance Program and Chief Compliance Officer Charters, monitor the effectiveness of the Compliance Program, and communicate with the Board on audit and compliance-related policies.~~

~~1. In monitoring the Compliance Program, the Audit Committee will review reports provided by the Chief Compliance Officer on the operation and effectiveness of the Compliance Program on at least a biannual basis.~~

~~0. with laws and regulations, mechanisms for assessment of compliance, and communication with the Board on OCERS policies.~~

~~b. Governance: Review the charters and policies assigned to the Audit Committee at least once every three years in accordance with the schedule set forth in the OCERS Charters and Policies Review Schedule and recommend the same for approval by the Board of Retirement;~~

~~b.~~

~~c. Financial Reporting Process: ~~The Audit Committee will:~~~~

~~c.~~

1. Monitor management's processes for the reporting of all financial information, including management's review with the external auditor regarding their scope, plan, duties, responsibilities, and the timing and engagement fee of the annual financial audit;

2. Review the audited financial statements with the external auditor and senior management;

~~2-~~

3. Review management letters with OCERS's management;



OCERS Board Charter Audit Committee Charter

~~4. Review the findings or comments of regulatory agencies concerning financial statements or other information regarding OCERS;~~

~~5.4.~~ Review the external auditor's assessments of the appropriate application of accounting principles by OCERS management;

~~6.5.~~ Review all matters required to be disclosed by accounting standards, including significant changes in those standards; and

~~6.~~ Meet with senior management, at least annually, to discuss the effectiveness of the internal financial and operational control policies; ~~and~~

~~e.~~

~~e.d.~~ Oversight of the External Auditors: ~~The Audit Committee will:~~

~~1.~~ Conduct the solicitation for the financial auditor, including without limitation, approving the Request for Proposals or other solicitation vehicle, reviewing candidate qualifications and conducting interviews, and recommend one or more finalists to the Board for appointment;

~~1.~~

2. Conduct the solicitation for the actuarial auditor, including without limitation, approving the Request for Proposals or other solicitation vehicle, reviewing candidate qualifications and conducting interviews, and recommending one or more finalists to the Board for appointment;

3. Conduct the solicitation for, select, and appoint all external auditors (other than the financial auditor and the actuarial auditor) engaged for the purpose of issuing an independent audit report or performing other independent audits, reviews, or attest services;

4. Oversee the work of all external auditors and conduct regular monitoring and performance reviews of the actuarial auditor and the financial auditor at least biennially in accordance with the Board's Procurement and Contracting Policy; and

~~5.~~ Approve other audits, agreed upon ~~procedures~~ methodologies, and non-audit work to be conducted by external auditors; ~~and~~

~~f.~~

~~e.e.~~ Oversight of Internal Audit: ~~The Audit Committee will:~~

1. Approve all decisions regarding the performance evaluation, appointment, or removal of the Director of Internal Audit including; the roles and responsibilities, necessary qualifications, experience, and competences for the position;

~~2.~~ Approve the compensation and salary adjustments for the Director of Internal Audit;

~~3.~~ Acknowledge actual or potential impairments to the internal audit function's independence when approving roles or responsibilities for the Director of Internal Audit that are beyond the scope of internal auditing;



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a. Engage with the CEO and the Director of Internal Audit to establish appropriate safeguards if Director of Internal Audit roles and responsibilities impair or appear to impair the internal audit function's independence;

4. Establish a direct reporting relationship with the Director of Internal Audit and the internal audit function to enable the internal audit function to fulfill its mandate without interference from management;

5. Provide the Director of Internal Audit with opportunities to discuss significant and sensitive matters with the Audit Committee, including meetings without senior management present;

~~Make appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of the internal audit activity to carry out its responsibilities.~~

~~2.~~

~~3.1. Review the charters and policies assigned to the Audit Committee at least once every three years in accordance with the schedule set forth in the OCERS Charters and Policies Review Schedule and recommend the same for approval by the Board of Retirement;~~

6. Review and approve the risk assessment and annual Internal Audit Plan prepared by the Director of Internal Audit; the risk-based Internal Audit plan, along with significant changes to the plan;

7. Make appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of the internal audit function to carry out its responsibilities;

8. Receive and review internal and external audit reports and management responses and make appropriate recommendations to the Board;

9. Receive and review the results of the internal audit function's quality assurance and improvement program including internal assessments and external assessments. The external assessments are to be conducted at least once every five years by a qualified, independent assessor; and

~~5.~~

10. Review significant recommendations from audits during the year and management's responses, and make appropriate recommendations to the Board; and Communicate the Board's perspective on the organization's strategies, objectives, and risks to assist the Director of Internal Audit with determining internal audit priorities.

~~a.~~

~~i. a. Make appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of the internal audit activity to carry out its responsibilities.~~



OCERS Board Charter Audit Committee Charter

~~4.~~ **Internal Control and Risk Management:** The Audit Committee will review management responsibilities for:

1. The adequacy of OCERS's internal controls, including information systems;
2. Material risks facing OCERS and management's actions to minimize risk;
3. Risks from external organizations such as service providers, vendors, investment managers, consultants, and plan sponsors; and
4. Special investigations and whistleblower mechanisms. The Audit Committee can retain independent counsel, accountants, or other specialists to assist in the conduct of an investigation.

Reporting on Audit Committee Performance

~~3.~~ The Audit Committee will:

~~7.~~

- a. Report to the Board of Retirement its activities and the results of its reviews; and
 - a.
 - b. Review significant changes in accounting standards, ~~and OCERS policies,~~ or practices that may impact OCERS the organization and report the results of that review to the Board of Retirement.

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Charter Review

~~4.8.~~ The Audit 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

~~5.9.~~ The Audit Committee Charter was adopted by the Board of Retirement on November 18, 2002, and amended on January 17, 2012; July 20, 2015; May 15, 2017; January 13, 2020; ~~and April 17, 2023;~~ and March 28, 2024.

Secretary's Certificate

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

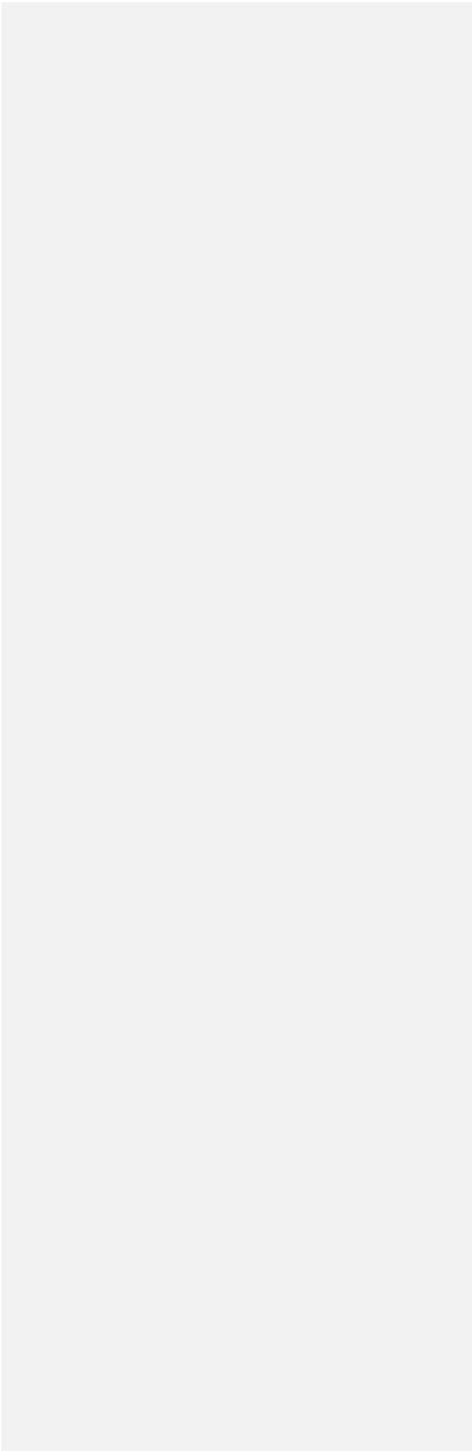
04/17/2023



OCERS Board Charter
Audit Committee Charter

Steve Delaney, Secretary of the Board

Date





OCERS Board Charter Audit Committee Charter

Introduction

1. The Board of Retirement has established an Audit Committee to assist it in overseeing the audit function within OCERS. The Audit Committee is an advisory committee to the Board of Retirement, and its recommendations are subject to final approval by the Board. Notwithstanding the preceding sentence, with respect to those matters expressly assigned to it in this Audit Committee Charter, the Audit Committee has final authority.

Purpose

2. The Audit Committee provides oversight of OCERS internal and external audit activities. The Audit Committee assists the Board in ensuring the independence of the internal audit functions and ensuring that appropriate action is taken on audit recommendations. The Audit Committee helps promote and enhance effective internal controls for OCERS operations, and oversees communication between external auditors, internal auditors, and management. The Audit Committee resolve disagreements between the internal auditor, external auditor, and/or management regarding financial reporting, internal control risks, and other matters.

Membership

3. The Board Chair will appoint members of the Audit Committee as provided in the OCERS By-Laws and will designate one member to serve as the Committee Chair and one member of the committee to serve as Vice Committee Chair.

The Audit Committee will consist of four members of the Board of Retirement. As provided in the OCERS By-Laws, two members of the Audit Committee constitute a quorum.

Ideally, members should have expertise in accounting, auditing, financial reporting, and internal control. Although these desired traits are not mandatory, members should be sufficiently knowledgeable about these topics to make informed decisions with the assistance of a financial expert.

Communications

4. The Audit Committee expects that all communication with OCERS management as well as with any external assurance providers will be direct, open, and complete.

Meetings

5. The Audit Committee will meet at least quarterly, with authority to convene additional meetings as circumstances require. All Audit Committee members are expected to attend each meeting. The Director of Internal Audit and Internal Audit staff will attend all Audit Committee meetings. Meeting notices will be provided to interested parties in conformance with applicable laws, regulations, customs, and practices. All meetings are subject to the Brown Act. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of meetings will be prepared and will contain a record of persons present, decisions taken, and a high-level summary of the discussion.



OCERS Board Charter Audit Committee Charter

Responsibilities and Duties

6. The Audit Committee's key areas of responsibility are:
 - a. *Compliance:* The Audit Committee will provide the policy and framework for the OCERS Compliance Program, as set forth in the Compliance Program and Chief Compliance Officer Charters, monitor the effectiveness of the Compliance Program, and communicate with the Board on audit and compliance-related policies.
 1. In monitoring the Compliance Program, the Audit Committee will review reports provided by the Chief Compliance Officer on the operation and effectiveness of the Compliance Program on at least a biannual basis.
 - b. *Governance:* Review the charters and policies assigned to the Audit Committee at least once every three years in accordance with the schedule set forth in the OCERS Charters and Policies Review Schedule and recommend the same for approval by the Board of Retirement;
 - c. *Financial Reporting Process:*
 1. Monitor management's processes for the reporting of all financial information, including management's review with the external auditor regarding their scope, plan, duties, responsibilities, and the timing and engagement fee of the annual financial audit;
 2. Review the audited financial statements with the external auditor and senior management;
 3. Review management letters with OCERS's management;
 4. Review the external auditor's assessments of the appropriate application of accounting principles by OCERS management;
 5. Review all matters required to be disclosed by accounting standards, including significant changes in those standards; and
 6. Meet with senior management, at least annually, to discuss the effectiveness of the internal financial and operational control policies.
 - d. *Oversight of the External Auditors:*
 1. Conduct the solicitation for the financial auditor, including without limitation, approving the Request for Proposals or other solicitation vehicle, reviewing candidate qualifications and conducting interviews, and recommend one or more finalists to the Board for appointment;
 2. Conduct the solicitation for the actuarial auditor, including without limitation, approving the Request for Proposals or other solicitation vehicle, reviewing candidate qualifications and conducting interviews, and recommending one or more finalists to the Board for appointment;
 3. Conduct the solicitation for, select, and appoint all external auditors (other than the financial auditor and the actuarial auditor) engaged for the purpose of issuing an



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independent audit report or performing other independent audits, reviews, or attest services;

4. Oversee the work of all external auditors and conduct regular monitoring and performance reviews of the actuarial auditor and the financial auditor at least biennially in accordance with the Board's Procurement and Contracting Policy; and
5. Approve other audits, agreed upon methodologies, and non-audit work to be conducted by external auditors.

e. *Oversight of Internal Audit:*

1. Approve all decisions regarding the performance evaluation, appointment, or removal of the Director of Internal Audit including the roles and responsibilities, necessary qualifications, experience, and competences for the position;
2. Approve the compensation and salary adjustments for the Director of Internal Audit;
3. Acknowledge actual or potential impairments to the internal audit function's independence when approving roles or responsibilities for the Director of Internal Audit that are beyond the scope of internal auditing;
 - a. Engage with the CEO and the Director of Internal Audit to establish appropriate safeguards if Director of Internal Audit roles and responsibilities impair or appear to impair the internal audit function's independence;
4. Establish a direct reporting relationship with the Director of Internal Audit and the internal audit function to enable the internal audit function to fulfill its mandate without interference from management;
5. Provide the Director of Internal Audit with opportunities to discuss significant and sensitive matters with the Audit Committee, including meetings without senior management present;
6. Review and approve the risk-based Internal Audit plan along with significant changes to the plan;
7. Make appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of the internal audit function to carry out its responsibilities;
8. Receive and review internal and external audit reports and management responses and make appropriate recommendations to the Board;
9. Receive and review the results of the internal audit function's quality assurance and improvement program including internal assessments and external assessments. The external assessments are to be conducted at least once every five years by a qualified, independent assessor; and
10. Communicate the Board's perspective on the organization's strategies, objectives, and risks to assist the Director of Internal Audit with determining internal audit priorities.



OCERS Board Charter Audit Committee Charter

- f. *Internal Control and Risk Management:* The Audit Committee will review management responsibilities for:
 1. The adequacy of OCERS internal controls, including information systems;
 2. Material risks facing OCERS and management’s actions to minimize risk;
 3. Risks from external organizations such as service providers, vendors, investment managers, consultants, and plan sponsors; and
 4. Special investigations and whistleblower mechanisms. The Audit Committee can retain independent counsel, accountants, or other specialists to assist in the conduct of an investigation.

Reporting on Audit Committee Performance

- 7. The Audit Committee will:
 - a. Report to the Board of Retirement its activities and the results of its reviews; and
 - b. Review significant changes in accounting standards and OCERS policies or practices that may impact the organization and report the results of that review to the Board of Retirement.

Charter Review

- 8. The Audit 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

- 9. The Audit Committee Charter was adopted by the Board of Retirement on November 18, 2002, and amended on January 17, 2012; July 20, 2015; May 15, 2017; January 13, 2020; April 17, 2023; and March 28, 2024.

Secretary’s Certificate

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

Steve Delaney, Secretary of the Board

Date



OCERS Board Charter Internal Audit Charter

Introduction

The Audit Committee of OCERS oversees the Internal Audit Department under the following provisions:

Mission and Purpose of the Internal Audit Department

1. The mission of the Internal Audit Department is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.
- 1.2. The ~~mission purpose~~ of the Internal Audit Department is to provide ~~reliable~~, independent, ~~and~~ objective ~~assurance evaluations~~ and ~~consulting advisory~~ services ~~designed to add value and improve OCERS's operations. to the Audit Committee and OCERS's management relating to business and financial operations.~~ ~~Assurance services are an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Advisory services, the nature and scope of which are agreed with the relevant stakeholders, are services that provide advice to OCERS' stakeholders without providing assurance or taking on management responsibilities.~~ Internal Audit assists the Board of Retirement and management to achieve their objectives by testing and reporting on the effectiveness of internal control systems, risk management, and governance processes.

Independence and Objectivity of the Director of Internal Audit

- 2.3. The Director of Internal Audit will ensure that ~~the~~ internal audit ~~function activity must be~~ is independent, and internal auditors ~~must are be~~ objective in performing their work. Independence is the freedom from conditions that threaten the ability of Internal Audit to carry out its responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content.
4. Internal Audit shall not participate in any management activity or management relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization in accordance with the Institute of Internal Auditors' Code of Ethics. If the Director of Internal Audit and/or staff is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence and objectivity.

Internal Auditors will:

- a. Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- b. Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- c. Make balanced assessments of all available and relevant facts and circumstances.
- a.d. Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.



OCERS Board Charter Internal Audit Charter

Independence is the fundamental principle that guides the reporting relationship of the internal auditor. Internal auditor independence is strongly emphasized by authoritative bodies such as the Institute of Internal Auditors, the American Institute of Certified Public Accountants, and the Government Accountability Office. The Director of Internal Audit will follow recognized professional standards established by the Institute of Internal Auditors and be free of operational and management responsibilities that would conflict with the standards. If the Director of Internal Audit determines that independence or objectivity is Any potential impaired not in fact or appearance, the details of impairment to independence will be communicated to the Audit Committee and appropriate parties.

The Director of Internal Audit will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function.

Organizational Reporting Authority

~~3-5.~~ To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit ~~activity~~function, the Director of Internal Audit will have direct access to senior management and the Board of Retirement. This can be achieved by a dual-reporting relationship. The Director of Internal Audit will report functionally to the Audit Committee and administratively to the Chief Executive Officer.

Functionally reporting to the Audit Committee involves the Audit Committee:

- a. Reviewing and recommending changes to the Internal Audit Charter to the Board of Retirement;
- b. Approving the risk-based Internal Audit plan, approving significant changes to the plan, and obtaining confirmation from the Director of Internal Audit on the adequacy of resources to achieve the plan;
- c. Receiving timely communications from the Director of Internal Audit on the results of audit activities;
- d. Approving all decisions regarding the performance evaluation, appointment, or removal of the Director of Internal Audit;
- e. Approving the compensation and salary adjustments of the Director of Internal Audit; and
- f. Making appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of Internal Audit to carry out its responsibilities;

f.g. Authorizing the internal audit function to have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.

Administrative reporting is the reporting relationship within the OCERS management structure that facilitates the daily operations of the internal audit ~~activity~~function, which includes:

- a. Budgeting and management accounting;



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- b. Human resource administration, including personnel evaluations, leave request approval, and compensation;
- c. Internal communications and information flows; and
- d. Administration of the Internal Audit Department's ~~methodologies, policies and procedures.~~

Objectives and Scope

~~4.6.~~ The objective of Internal Audit is to assist the Board of Retirement and management in the effective discharge of their fiduciary responsibilities. The Board of Retirement established an Audit Committee to assist in overseeing the audit function within OCERS. Internal Audit will furnish the Audit Committee with audits, analyses, evaluations, recommendations, and information. Objectives include promoting effective internal controls, helping provide assurance that the organization's assets are safeguarded; maintaining compliance with prescribed laws, Board, and management ~~policies, policies~~; maintaining the reliability and integrity of OCERS's data, and enhancing procedures and operating efficiency.

The scope of Internal Audit includes the examination and evaluation of the adequacy of OCERS's system of internal controls, risk management and governance processes. The scope includes:

- a. Reviewing the reliability and integrity of financial and business information systems, and the means used to identify, measure, classify, and report such information;
- b. Reviewing the systems and processes established to ensure compliance with those ~~methodologies, policies~~, plans, procedures, laws, and regulations that are fundamental to the operations of OCERS and could have a significant impact on operations, financial reports, and disclosures;
- c. Reviewing the means of safeguarding assets and verifying the existence of such assets;
- d. Monitoring and evaluating the effectiveness of OCERS's risk management systems, including identifying internal and external risks;

~~e.~~ Auditing the accuracy of data transmitted to OCERS by external parties.

~~e.~~

~~f.~~ ~~Participating in the evaluation of the~~ Evaluating the quality of performance of external auditors and the degree of coordination with Internal Audit; ~~and~~

~~f.~~

~~g.~~ Reporting periodically to senior management and the Audit Committee the results of the department and the work it performs; and

~~g-h.~~ Providing assessments and ~~advice for consulting and~~ advisory services to identify risks and internal controls for projects.



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Authority and Responsibility

~~5.7.~~ The Internal Audit Department is established by the OCERS Board of Retirement pursuant to applicable laws and regulations, customs of corporate governance, and best practices to serve the Board of Retirement, as required by the California Government Code 1236. This Charter and all future amendments are approved by the Audit Committee and adopted by the Board of Retirement by a majority vote.

~~The responsibility of OCERS Internal Audit will adhere to the required elements of the -is to serve the Board of Retirement in a manner that is consistent with the International Professional Practices Framework of the Institute of Internal Auditors, including the Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Global Internal Audit Standards (the Standards), and the Definition of Internal Auditing as required by California Government Code 1236. In addition, Internal Audit will adhere to the Institute of Internal Auditors' Considerations for Implementation as outlined within the International Professional Practices Framework. In addition~~ Further, when appropriate, OCERS Internal Audit follows professional standards promulgated by the Government Accountability Office, the American Institute of Certified Public Accountants, and the Information Systems Audit and Control Association.

OCERS Internal Audit is responsible for:

- a. Establishing ~~policies and procedures, methodologies~~ for auditing and directing and performing its technical and administrative functions;
- b. Developing and executing a comprehensive audit program for the evaluation of internal controls established over OCERS's financial and business activities;
- c. Preparing an annual audit plan that identifies audit projects addressing areas of highest risk to OCERS operations;
- d. Auditing management's stewardship of OCERS's trust funds and resources and their compliance with policies and procedures;
- e. Recommending improvements in internal controls to help:
 - 1. Safeguard trust funds and resources,
 - 2. Ensure data is not compromised,
 - 3. Ensure compliance with laws and regulations;
- f. Auditing procedures and records for accuracy and completeness to accomplish and report on intended objectives;
- g. Producing reports on the results of audits, including findings and recommendations;
- h. Following-up on actions taken to correct reported deficiencies;
- ~~Creating and maintaining a mechanism (i.e., OCERS's Ethics, Compliance, and Fraud Hotline) for reporting financial statement fraud, other fraud, and inappropriate activities.~~
- i. Communicating with senior management the CEO and the Audit Committee the impact of resource limitations on the internal audit plan;



OCERS Board Charter Internal Audit Charter

- j. Managing the internal audit function appropriately to fulfill its mandate;
- k. Coordinating with other assurance providers, if applicable; and
Ensuring conformance of the internal audit function with the Standards; and
- l. Conducting special investigations and analysis as needed.

Quality Assurance and Improvement Program

- 8. Internal Audit will maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include an evaluation of the internal audit function’s conformance with the Standards and an evaluation of whether internal auditors apply The Institute of Internal Auditor’s Code of Ethics. The program will also assess the efficiency and effectiveness of the internal audit function and identify opportunities for improvement.
- 6-9. The Director of Internal Audit will communicate to senior management and the Audit Committee on the internal audit function’s quality assurance and improvement program, including results of internal assessments and external assessments. The external assessments are to be conducted at least once every five years by a qualified, independent assessor.

Internal Audit Access to Personnel and Information

~~— Except where prohibited by law, Internal Audit will have complete and unrestricted access to all OCERS personnel, records, files, information systems, and assets. The Director of Internal Audit will inform the Audit Committee whenever significant barriers or resistance to access to personnel or information occurs.~~

Charter History

- 8-10. The Audit 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.
- 9-11. The OCERS Internal Audit Charter was adopted by the Board of Retirement on November 18, 2002 and amended on August 19, 2008; January 17, 2012; July 20, 2015; April 17, 2017; January 13, 2020; ~~and~~ April 17, 2023; and March 28, 2024.

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

04/17/2023

Date



OCERS Board Charter Internal Audit Charter

Introduction

The Audit Committee of OCERS oversees the Internal Audit Department under the following provisions:

Mission and Purpose of the Internal Audit Department

1. The mission of the Internal Audit Department is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.
2. The purpose of the Internal Audit Department is to provide independent, objective assurance and advisory services designed to add value and improve OCERS's operations. Assurance services are an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Advisory services, the nature and scope of which are agreed with the relevant stakeholders, are services that provide advice to OCERS' stakeholders without providing assurance or taking on management responsibilities. Internal Audit assists the Board of Retirement and management to achieve their objectives by testing and reporting on the effectiveness of internal control systems, risk management, and governance processes.

Independence and Objectivity

3. The Director of Internal Audit will ensure that the internal audit function is independent, and internal auditors are objective in performing their work. Independence is the freedom from conditions that threaten the ability of Internal Audit to carry out its responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content.
4. Internal Audit shall not participate in any management activity or management relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization in accordance with the Institute of Internal Auditors' Code of Ethics. If the Director of Internal Audit and/or staff is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence and objectivity.

Internal auditors will:

- a. Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- b. Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- c. Make balanced assessments of all available and relevant facts and circumstances.
- d. Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

Independence is the fundamental principle that guides the reporting relationship of the internal auditor. Internal auditor independence is strongly emphasized by authoritative bodies such as the



OCERS Board Charter Internal Audit Charter

Institute of Internal Auditors, the American Institute of Certified Public Accountants, and the Government Accountability Office. The Director of Internal Audit will follow recognized professional standards established by the Institute of Internal Auditors and be free of operational and management responsibilities that would conflict with the standards. If the Director of Internal Audit determines that independence or objectivity is impaired in fact or appearance, the details of impairment will be communicated to the Audit Committee and appropriate parties.

The Director of Internal Audit will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function.

Authority

- 5. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit function, the Director of Internal Audit will have direct access to senior management and the Board of Retirement. This can be achieved by a dual-reporting relationship. The Director of Internal Audit will report functionally to the Audit Committee and administratively to the Chief Executive Officer.

Functionally reporting to the Audit Committee involves the Audit Committee:

- a. Reviewing and recommending changes to the Internal Audit Charter to the Board of Retirement;
- b. Approving the risk-based Internal Audit plan, approving significant changes to the plan, and obtaining confirmation from the Director of Internal Audit on the adequacy of resources to achieve the plan;
- c. Receiving timely communications from the Director of Internal Audit on the results of audit activities;
- d. Approving all decisions regarding the performance evaluation, appointment, or removal of the Director of Internal Audit;
- e. Approving the compensation and salary adjustments of the Director of Internal Audit; and
- f. Making appropriate inquiries of the Director of Internal Audit to determine whether there is audit scope, budgetary, or resource limitations that impede the ability of Internal Audit to carry out its responsibilities;
- g. Authorizing the internal audit function to have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.

Administrative reporting is the reporting relationship within the OCERS management structure that facilitates the daily operations of the internal audit function, which includes:

- a. Budgeting and management accounting;
- b. Human resource administration, including personnel evaluations, leave request approval, and compensation;
- c. Internal communications and information flows; and



OCERS Board Charter Internal Audit Charter

- d. Administration of the Internal Audit Department’s methodologies.

Objectives and Scope

- 6. The objective of Internal Audit is to assist the Board of Retirement and management in the effective discharge of their fiduciary responsibilities. The Board of Retirement established an Audit Committee to assist in overseeing the audit function within OCERS. Internal Audit will furnish the Audit Committee with audits, analyses, evaluations, recommendations, and information. Objectives include promoting effective internal controls, helping provide assurance that the organization’s assets are safeguarded; maintaining compliance with prescribed laws, Board, and management policies; maintaining the reliability and integrity of OCERS’s data, and enhancing procedures and operating efficiency.

The scope of Internal Audit includes the examination and evaluation of the adequacy of OCERS’s system of internal controls, risk management and governance processes. The scope includes:

- a. Reviewing the reliability and integrity of financial and business information systems, and the means used to identify, measure, classify, and report such information;
- b. Reviewing the systems and processes established to ensure compliance with those methodologies, plans, procedures, laws, and regulations that are fundamental to the operations of OCERS and could have a significant impact on operations, financial reports, and disclosures;
- c. Reviewing the means of safeguarding assets and verifying the existence of such assets;
- d. Monitoring and evaluating the effectiveness of OCERS’s risk management systems, including identifying internal and external risks;
- e. Auditing the accuracy of data transmitted to OCERS by external parties.
- f. Participating in the evaluation of the performance of external auditors and the degree of coordination with Internal Audit;
- g. Reporting periodically to senior management and the Audit Committee the results of the department and the work it performs; and
- h. Providing assessments and advisory services to identify risks and internal controls for projects.

Responsibility

- 7. The Internal Audit Department is established by the OCERS Board of Retirement pursuant to applicable laws and regulations, customs of corporate governance, and best practices to serve the Board of Retirement, as required by the California Government Code 1236. This Charter and all future amendments are approved by the Audit Committee and adopted by the Board of Retirement by a majority vote.

OCERS Internal Audit will adhere to the required elements of the International Professional Practices Framework of the Institute of Internal Auditors, including the Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Global Internal Audit Standards (the Standards), and the Definition of Internal Auditing. In addition, Internal Audit will adhere to the



OCERS Board Charter Internal Audit Charter

Institute of Internal Auditors' Considerations for Implementation as outlined within the International Professional Practices Framework. Further, when appropriate, OCERS Internal Audit follows professional standards promulgated by the Government Accountability Office, the American Institute of Certified Public Accountants, and the Information Systems Audit and Control Association.

OCERS Internal Audit is responsible for:

- a. Establishing methodologies for auditing and directing and performing its technical and administrative functions;
- b. Developing and executing a comprehensive audit program for the evaluation of internal controls established over OCERS's financial and business activities;
- c. Preparing an annual audit plan that identifies audit projects addressing areas of highest risk to OCERS operations;
- d. Auditing management's stewardship of OCERS's trust funds and resources and their compliance with policies and procedures;
- e. Recommending improvements in internal controls to help:
 1. Safeguard trust funds and resources,
 2. Ensure data is not compromised,
 3. Ensure compliance with laws and regulations;
- f. Auditing procedures and records for accuracy and completeness to accomplish and report on intended objectives;
- g. Producing reports on the results of audits, including findings and recommendations;
- h. Following-up on actions taken to correct reported deficiencies;
- i. Communicating with the CEO and the Audit Committee the impact of resource limitations on the internal audit plan;
- j. Managing the internal audit function appropriately to fulfill its mandate;
- k. Coordinating with other assurance providers, if applicable; and
- l. Conducting special investigations and analysis as needed.

Quality Assurance and Improvement Program

8. Internal Audit will maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include an evaluation of the internal audit function's conformance with the Standards and an evaluation of whether internal auditors apply The Institute of Internal Auditor's Code of Ethics. The program will also assess the efficiency and effectiveness of the internal audit function and identify opportunities for improvement.
9. The Director of Internal Audit will communicate to senior management and the Audit Committee on the internal audit function's quality assurance and improvement program, including results of



OCERS Board Charter Internal Audit Charter

internal assessments and external assessments. The external assessments are to be conducted at least once every five years by a qualified, independent assessor.

Charter History

- 10. The Audit 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.
- 11. The OCERS Internal Audit Charter was adopted by the Board of Retirement on November 18, 2002 and amended on August 19, 2008; January 17, 2012; July 20, 2015; April 17, 2017; January 13, 2020; April 17, 2023; and March 28, 2024.

Secretary's Certificate

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

Steve Delaney, Secretary of the Board

Date



OCERS Board Policy Ethics, Compliance, and Fraud Hotline

Purpose and Background

1. The OCERS Ethics, Compliance, and Fraud Hotline (the Hotline) was established to aid management in the detection of activities that are unethical, fraudulent, or not in compliance with OCERS' policies. The Hotline facilitates anonymous reporting by employees, contractors, members, and the general public to report concerns about potential misconduct or inappropriate activities, including but not limited to, harassment, conflict of interest, violation of policy, fraud, and waste of resources.
 - a. The Hotline assists in reinforcing OCERS' efforts to ensure transparency, accountability, fairness, and integrity in the workplace.

Policy Objectives

2. The purpose of this document is to establish a policy for conducting an investigation when a report of potential misconduct or inappropriate activity is made through the Hotline, and for assigning responsibility for taking appropriate actions as a result of the investigation. Workplace complaints against members of the Board or OCERS executive staff are not covered under this policy. Workplace complaints are instead handled under the Protocol for Handling Workplace Complaints Against Board Members and Executives Policy.

Policy Guidelines

3. OCERS management is responsible for the implementation of procedures and controls designed to prevent and detect fraud, misappropriations, deception, wrongdoing, and other inappropriate conduct. Fraud is defined by the Association of Certified Fraud Examiners as a knowing misrepresentation of the truth or concealment of a material fact to induce another to act to his or her detriment. Fraud can include conflict of interest, theft, or breach of fiduciary duty. Each member of the OCERS management team must be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.
4. All allegations of potential misconduct or inappropriate activity raised by any source will be taken seriously and properly investigated. Retaliation against anyone who reports suspected misconduct or inappropriate activity will not be tolerated.
5. OCERS ~~Director of Internal Audit~~ Chief Compliance Officer will be responsible for conducting an investigation as a result of a report being filed on the Hotline. The investigation will be conducted without regard to the alleged wrongdoer's length of service, position, title, or relationship with OCERS.
6. If an accusation is made against the ~~Director of Internal Audit~~ Chief Compliance Officer, then the ~~Director of Internal Audit~~ Chief Compliance Officer or a member of the ~~Internal Audit~~ Compliance department, as appropriate, will inform the Chief Executive Officer, who will then be responsible for directing an investigation.



OCERS Board Policy Ethics, Compliance, and Fraud Hotline

7. Depending on the nature of the complaint, some investigations regarding human resources matters such as matters related to performance appraisals or harassment may be turned over to the Director of Human Resources. ~~Internal Audit~~The Chief Compliance Officer may also seek the assistance of Legal or other informed parties in conducting an investigation.
8. Except as provided in Section 10, below, the Chief Executive Officer will make the final determination regarding action to be taken upon completion of the investigation.
9. The Audit Committee or Chair of the Audit Committee will make the final determination regarding action to be taken upon completion of the investigation where:
 - a. the accusation is against a member of OCERS Senior Executive management;
 - b. the results of an investigation indicate criminal acts have occurred; or
 - c. there are high-level policy implications resulting from an investigation.
10. If a report to the hotline indicates that illegal acts may have been committed, ~~Internal Audit~~the Chief Compliance Officer will refer those reports to General Counsel and the appropriate law enforcement agency or the district attorney. If a report to the hotline indicates that a violation of the Political Reform Act has occurred, such as a conflict of interest, illegal acceptance of gifts or honorarium, or restrictions on activities of former investment officials, then ~~Internal Audit~~the Chief Compliance Officer will refer the report to the California Fair Political Practices Commission (FPPC).
11. The final outcome of all investigations will be reviewed with the Chair of the Audit Committee and a summary will be submitted to the Audit Committee unless deemed confidential by the ~~Director of Internal Audit~~Chief Compliance Officer in consultation with the Chief Executive Officer, the Chair of the Audit Committee and Legal Counsel.
12. The identities of the complainant and the subject of the complaint will remain confidential to the fullest extent possible, consistent with the law and customary practice.

Policy Review and History

13. This policy will be reviewed every three years.
14. The Board adopted this policy on June 06, 2013, and amended on January 1, 2017, May 18, 2020, ~~and April X17, 2023 and April XX, 2024.~~

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 Dalrymple".



OCERS Board Policy Ethics, Compliance, and Fraud Hotline

Steve Delaney Secretary of the Board	4/XX/2023 Date
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<u>Steve Delaney</u> <u>Secretary of the Board</u>	<u>Date</u>
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OCERS Board Policy Ethics, Compliance, and Fraud Hotline

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OCERS Board Policy Ethics, Compliance, and Fraud Hotline

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 12. The identities of the complainant and the subject of the complaint will remain confidential to the fullest extent possible, consistent with the law and customary practice.

Policy Review and History

13. This policy will be reviewed every three years.
14. The Board adopted this policy on June 06, 2013, and amended on January 1, 2017, May 18, 2020, April 17, 2023 and April XX, 2024.

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: April 15, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: SACRS BOARD OF DIRECTORS ELECTION 2024-2025 – DIRECTION TO OCERS' VOTING DELEGATE

Recommendation

Consider the SACRS Nominating Committee's recommended slate of candidates and the list of additional candidates interested in running for the election of SACRS Directors and give direction to OCERS' Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 10, 2024.

Background/Discussion

The election for the SACRS Board of Directors for 2024–2025 will be held on May 10, 2024, during the regular business meeting portion of the SACRS Spring Conference. The Administrator of each regular member County Retirement System is responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on their board agenda. The Administrator is required to acknowledge the completion of these responsibilities with the Nominating Committee. The election will be conducted by an open roll call vote, and OCERS' voting delegate should be prepared to vote the recommended ballot and by each board position separately. Newly elected directors assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer will co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The SACRS Nominating Committee's Recommend Ballot for the 2024—2025 election includes the following candidates:

- President – David MacDonald, Contra Costa CERA
- Vice President – Adele Tagalao, Orange CERS
- Treasurer – Jordan Kaufman, Kern CERA
- Secretary – Zandra Cholmondeley, Santa Barbara CERS
- Regular Member – David Gilmore, San Diego CERA
- Regular Member – Rhonda Bieseimeier, Stanislaus CERA

The candidate submissions are attached for the Board's consideration. As you may recall, on February 21, 2024, the OCERS Board met and took action to nominate OCERS trustee, Adele Tagalao, for the position of Vice President on the SACRS Board of Directors.

The SACRS Nominating Committee also received a Submission Form from the following SACRS members applying for the following positions on the SACRS Board of Directors.

- Daniel Vasquez, Marin CERA
- Alysia Bonner, Fresno CERA

At the SACRS business meeting, OCERS' voting delegate will have the opportunity to cast OCERS' vote as directed by the Board. In accordance with OCERS' SACRS Voting Authority Policy (copy attached), OCERS' voting delegate is the Board Chair, and all other members of the Board and the CEO are alternate delegates. If the Board Chair is unable to attend a SACRS business meeting at which a vote is taking place, the Policy provides that the Vice Chair shall be designated as alternate voting delegate. If both the Chair and Vice Chair are unable to attend, the alternate voting delegate will be determined, among the Board members in attendance at the business meeting, alphabetically by the Board member's last name. The voting delegate may vote by recommended ballot or by each position separately.

Staff requests that the Board direct the OCERS voting delegate/alternate delegates on how to cast OCERS' vote at the election.

Attachments

- (1) SACRS Memorandum dated March 14, 2024 re: SACRS Board of Director Elections 2024-2025 - Elections Notice
- (2) SACRS BOD Election Submissions for Consideration 2024-2025
- (3) Supplemental Candidate Submission Form
- (4) SACRS Voting Authority Policy

Submitted by:



MDS-Approved

Manuel D. Serpa
Deputy General Counsel



March 14, 2024

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Vivian Gray, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2024-2025 - Elections Notice

SACRS BOD 2024-2025 election process began January 1, 2024. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2024	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2024	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 10, 2024	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 10, 2024	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*



The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.

The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections are being held at the SACRS Spring Conference May 7-10, 2024. Elections take place during the Annual Business meeting on Friday, May 10, 2024, in Santa Barbara at the Hilton Santa Barbara Beachfront Resort.

SACRS Nominating Committee Recommended Slate:

- President – David MacDonald, Contra Costa CERA
- Vice President – Adele Tagaloa, Orange CERS
- Treasurer – Jordan Kaufman, Kern CERA
- Secretary – Zandra Cholmondeley, Santa Barbara CERS
- Regular Member – David Gilmore, San Diego CERA
- Regular Member – Rhonda Bieseimeier, Stanislaus CERA

Other Nominations Submitted:

- Daniel Vasquez, Marin CERA
- Alysia Bonner, Fresno CERA

Please prepare your voting delegate to have the ability to vote by the recommended ballot and by each position separately.

If you have any questions, please contact Vivian Gray at vgray@lacera.com.

Thank you for your prompt attention to this timely matter.

Sincerely,

Vivian Gray

Vivian Gray, Trustee, Los Angeles CERA and SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director

Attached: Nominee Submissions

President, David MacDonald, Contra Costa CERA



David J MacDonald, MD



January 19, 2024

SACRS Nominating Committee
Vivian Gray, Chair

Dear Ms. Gray,

I would like to express my interest in running as President for the SACRS' Board of Directors for the 2024/2025 year.

I was first elected to the SACRS board in 2020 and currently serve as the SACRS President. I am also an elected trustee of the CCCERA Retirement Board (since 2016) and currently serve as the CCCERA Board Vice Chair. I appreciate the level of responsibility entrusted to me in looking after our members' retirement plans. I understand the incredible value of a defined benefit plan for my coworkers and our retirees.

I have a long history of dedicated service to my coworkers and union members, and I carry this spirit into my role as an elected trustee. My work with SACRS has meant further education and inspiration from the SACRS organization via its conferences and programs. SACRS has enhanced my abilities to serve as an effective CCCERA trustee.

I desire to continue my service on the SACRS board. My roles on the SACRS board have been incredibly valuable to me. My work in SACRS allows me to further promote, protect and build upon pension programs under CERL for county public employees statewide. We have good momentum with SACRS that will mean the further constructive evolution of our organization.

Thank you for your time and consideration.

Sincerely and respectfully,

David J MacDonald, MD



Providing insight. Fostering oversight.

SACRS Board of Directors Elections 2024-2025

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacara.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: David J. MacDonald, MD
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: dmacdcccera@gmail.com Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: CCCERA
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other - Vice Chair X (elected board member)
Applying for SACRS Board of Directors Position (select only one)	<input checked="" type="radio"/> President X <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	<ul style="list-style-type: none"> * SACRS Board of Directors, Member – 2020-2021 & 2021-2022 * SACRS Vice President – 2022-2023 * SACRS President – 2023-2024 * Vice Chair, CCCERA Board of Retirement * Elected general member trustee of CCCERA since 2016 * President, Physicians', and Dentists of Contra Costa (PDOCC), since 2010 (Union for health care providers working at Contra Costa County). * 30 years serving on the PDOCC Executive Board, including many years as Vice President and President. * 33 years of service to Contra Costa County as a physician working in the Department of Health Services. * Education/Pension Trustee Certificates: <ul style="list-style-type: none"> - Bachelor of Science, Biology – UC Irvine - Doctor of Medicine – UC Irvine - UC Berkeley (SACRS) – Modern Investment Theory & Practice for Retirement Systems - Wharton Business School – Portfolio Concepts & Management - IFEBP – CAPPP program, Trustees Master's Program - CALAPRS Trustee Education – Principles of Pension Governance

Vice President, Adele Tagaloa, OCERS



Serving the Active and Retired Members of:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &
FAMILIES COMMISSION

ORANGE COUNTY
DEPARTMENT OF EDUCATION
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES PUBLIC
AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC LAW
LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND
CAMPUS (CLOSED TO NEW
MEMBERS)

February 21, 2024

By Mail and Electronic Mail [vgray@lacera.com]

Ms. Vivian Gray
SACRS Nominating Committee Chair
SACRS
840 Richards Blvd.
Sacramento, CA 95811

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2024-2025

Dear Ms. Gray:

As a regular member of SACRS, the Orange County Employees Retirement System (OCERS) is entitled, under the SACRS Bylaws, Article VIII, Section 2, to submit nominations for the election of directors for the SACRS Board of Directors.

On February 21, 2024, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Adele Tagaloo, for the position of her choosing on the SACRS Board of Directors and directed me to submit this nomination to the SACRS Nominating Committee. Ms. Tagaloo intends to pursue the position of VICE PRESIDENT of the SACRS Board and will forward her submission form directly to SACRS.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Adele Tagaloo, for election to the position of VICE PRESIDENT of the SACRS Board of Directors at the 2024-2025 SACRS Board of Directors Election to take place on May 10, 2024.**

Please do not hesitate to contact me at (714) 558-6222 if you have any questions or require additional information. Thank you.

Best regards,

Steve Delaney
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator

Adele M. Tagaloa

2223 East Wellington Ave, Suite 100, Santa Ana, CA 92804 | [REDACTED] | atagaloa@ocers.org

February 25, 2024

Ms. Vivian Gray
SACRS Immediate Past President, Nominating Committee Chair
State Association of County Retirement Systems (SACRS)
840 Richards Blvd
Sacramento, CA 95811

Dear Ms. Vivian Gray:

Please accept this letter of my intent to run for SACRS Board of Directors for the office of Vice President.

I believe I am qualified to serve as Vice President based on my thirteen years of leadership positions in my employee labor organization, serving 1.8 million registered voters by providing transparent, accurate and secure elections, over 16 years in the non-profit and private sector and most importantly, as a Trustee on the Orange County Employees Retirement System. Most recently, serving on SACRS Vice President and Chair of the Programming Committee for the year 2023-2024 collaborating to enhance high-quality education for our trustees, with affiliates, staff and other CERL counties ensuring pension security.

I hold a passion for democracy, organized labor, and education accessibility that encompasses everything in my career and life. Since I have been elected to the OCERS Board of Retirement, trustee education has been one of my main priorities. All though the last two years has proven a challenge for in-person conferences and education, this did not deter me from attending as many different organization's education, on any platform that I could. With that experience, in my opinion, SACRS is the leading organization for public pension organizations.

While attending SACRS Fall Conference in 2021, the level of professionalism and outstanding leadership, solidified my desire to be more than an attendee at SACRS. I have found an organization that understands the challenge and importance of pensions, education and duty, for trustees in our CERL 37 Act Systems. I have shared to many about the fantastic speakers and the subjects that reach beyond pensions. This past year serving as your SACRS Secretary, has allowed me to represent trustees, for example:

- Based on feedback, submitting topics and speakers that would benefit trustees, investment staff, and affiliates
- Commitment to working on long-term goals for all our members

Using my leadership experience, it is my goal to continue to share all the benefits of SACRS to members and to continue to make SACRS the premier pension organization in a changing world.

It would be an honor to serve on the SACRS Board of Directors as Vice President and truly appreciate your consideration.

Sincerely,



Adele Tagaloa
Trustee, General Member-Elected
Orange County Employees Retirement System (OCERS)



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: Adele Tagaloa
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 2223 East Wellington Ave, Suite 100 Santa Ana, CA 92701 Email Address: atagaloa@ocers.org Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: Orange County Employees Retirement System (OCERS)
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input checked="" type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input checked="" type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<ul style="list-style-type: none"> • Vice President, SACRS • Programming Committee Chair, SACRS • Elected General Member Trustee, OCERS, 2020 to present • Over 14 years of service to the County of Orange • Proudly serving 1.8 million registered voters at the Registrar of Voters • Chair, OCERS Disability Committee 2020 to 2022 • Vice Chair, OCERS Investment Committee 2022 • Chair, OCERS Investment Committee 2023 • OCERS Governance Committee member 2022 • Union Steward, Orange County Employees Association (OCEA) 2012 to present • Board of Directors, OCEA 2018 to present <p>Public Pension Trustee Certificates: NCPERS - Accredited Fiduciary Program - Accredited Fiduciary designation 2024 Public Pension Investment Management Program - UC Berkeley CALAPRS Principles of Pension Governance and Principles for Trustees Completed 209 hours of education, 2023</p>

Treasurer, Jordan Kaufman, Kern CERA



Jordan Kaufman
Treasurer and Tax Collector
Chase Nunneley
Assistant Treasurer and Tax Collector

January 16, 2024

Vivian Gray, Nominating Committee Chairman
State Association of County Retirement Systems

Re: Letter of interest to continue on the Board of Directors of SACRS in the position of Treasurer

Dear Vivian and members of the Nominating Committee,

Thank you for the opportunity to express my interest in continuing on the SACRS Board of Directors in the position of Treasurer. I believe that I have the knowledge, experience and motivation to add value to the Board. I am in my third term as the elected Kern County Treasurer-Tax Collector, and I am an 19 year member of the Kern County Employees Retirement Association (KCERA) as a general elected, alternate, and statutory trustee. I have a deep background in public fund investment and retirement plan administration and I am or have been the Treasurer of many organizations and associations.

As the elected Treasurer-Tax Collector, I manage the County's \$6.7 billion treasury pool, provide banking services to over 200 different county agencies and districts, and collect over \$1.6 billion in local property taxes. I am also the Plan Administrator for the County's 457(b) deferred compensation plan with over \$700 million in participant assets.

I am or have been the Treasurer of the following entities: County of Kern; California Association of County Treasurer's and Tax Collectors (CACTTC); United Way of Kern County; Boy Scouts of America Southern Sierra Council; California Statewide Communities Development Authority (CSCDA); and Kern County Management Council.

I have dedicated my career to public service and I am proud to serve the residents of Kern County and the employees of the County of Kern and I feel that I can continue to bring value to SACRS Board of Directors. Thank you in advance for your consideration and feel free to call me if you have any questions at 661-204-1510.

Sincerely,

Jordan Kaufman
Kern County Treasurer-Tax Collector
Deferred Compensation Plan Administrator

Attachment

M:\Administration\SACRS\SACRS Board Letter of Interest.doc

1115 Truxtun Avenue * Bakersfield, CA 93301-4639 * (661) 868-3490 * 800-552-KERN
Fax: (661) 868-3409 * Email: TTC@KernCounty.com * www.kcttc.co.kern.ca.us



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacara.com **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: Jordan Kaufman
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 1115 Truxtun Avenue, 2nd Floor Bakersfield, CA 93301 Email Address: jkaufman@kerncounty.com Phone: 661-204-1510
Name of Retirement System Candidate Currently Serves On	System Name: Kern CERA
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="checkbox"/> Other <u>Statutory</u>
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input checked="" type="checkbox"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>I am the current SACRS Treasurer and am excited for the opportunity to continue in this role. I am in my third term as the elected Kern County Treasurer-Tax Collector with fiduciary responsibility over the \$6.7 billion Treasury Investment Pool and the responsibility of annually collecting over \$1.6 billion in local property taxes. I am also the Plan Administrator for the \$700 million deferred compensation plan for County employees. Prior to being elected, I became the assistant Treasurer-Tax Collector in 2006. Prior to 2006, I spent over a decade in the County Administrative Office where I performed budget and policy analysis and was involved in the issuance of various types of municipal bonds for the County. I am the Treasurer and past Chairman of the United Way of Kern County, Trustee and past Chairman of the Kern County Employees Retirement Association (KCERA), Vice Chair of the California Statewide Communities Development Authority (CSCDA), Treasurer of the Boy Scouts of America Southern Sierra Council. I have a Bachelor of Science degree in Industrial Technology from Cal Poly San Luis Obispo. I live in Bakersfield with my beautiful wife Kristen and we have four children.</p>

Secretary, Zandra Cholmondeley, Santa Barbara CERS

From: [Zandra Cholmondeley](#)
To: [Vivian Gray](#); [Sulema Peterson](#)
Subject: Letter of Intent to serve as Secretary, SACRS Board of Directors
Date: Monday, February 26, 2024 1:19:41 PM

Dear Ms. Gray,

I hereby express my interest in serving as Secretary on the SACRS Board of Directors for the 2024-25 term of office.

I have been a regular attendee at SACRS conferences since 2009, when I joined the Board of Directors the Santa Barbara County Employees' Retirement System as elected retiree trustee. I currently serve as Secretary (2023-24) and have previously served as Secretary on the SACRS Board of Directors in 2013-14. I have also served on the SACRS program committee over the past 11 years and have contributed to the lineup of speakers and panelists at SACRS conferences during this period.

I would be honored to continue to serve as Secretary on the SACRS Board of Directors.

Yours sincerely,
Zandra Cholmondeley,
Elected Retiree Trustee,
Santa Barbara County Employees' Retirement System

Sent from my iPad



Providing insight. Fostering oversight.

**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: Zandra Cholmondeley
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: [REDACTED] Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: Santa Barbara County Employees' Retirement System
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>Zandra Cholmondeley was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS) in November 2008. She joined the SBCERS Board in January 2009 and starting in January 2010, served two terms as Chair of the Board. She currently serves as Secretary on the SACRS Board (2023-24) and previously served as Secretary of this board from 2014-15. She has also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).</p> <p>Zandra retired in July 2008. As Principal Analyst for Santa Barbara County she was charged with overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). Her budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. Special projects experience included implementing fiscal policy for the County Executive Office.</p>

Regular Member, David Gilmore, San Diego CERA

January 24, 2024

Ms. Vivian Gray
Chair
Nominating Committee
State Association of County Retirement Systems

Dear Ms. Gray,

This letter is to state my intention to run for re-election. Attached please find my application for the State Association of County Retirement Systems Board of Directors.

I have been working with retirement education since first joining the county of San Diego almost 27 years ago. Working this past year with the SACRS team has been very educational and has provided a sense of accomplishment. The team is a caring group of individuals that are truly looking to provide a great experience for pension system trustees to learn and grow in their roles as board members.

My goal is to keep supporting the SACRS training mission. I respectfully request and thank you in advance for the consideration of the Nominating Committee in supporting my candidacy for election to the SACRS Board of Directors.

Respectfully


David Gilmore
SDCERA Trustee



Providing insight. Fostering oversight.

**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacara.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: David Gilmore
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: D.Gilmore@sdcera.org Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: San Diego County Employees Retirement Association
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input checked="" type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>I am serving SDCERA for my second term. Currently, I am the Board Chair. I have two more years in this board term. I am a 27 year employee of San Diego County. Currently, I am the Training Division manager for the Sheriff's Department. I have a BBA in Accounting and an MPA in Public Administration. I have served on the SACRS Board for the past year and enjoyed participating in the development of training opportunities for pension trustees from around the state of California.</p> <p>I appreciate your support.</p>

Regular Member, Rhona Bieseimer, Stanislaus CERA

Rhonda Bieseemeier



February 22, 2024

Ms. Vivian Gray
SACRS Nominating Committee Chair

Ms. Sulema Peterson
SACRS Executive Director

Dear Ms. Gray and Ms. Peterson,

My name is Rhonda Bieseemeier and I am interested in serving as a member of the SACRS Board of Directors. I am a strong proponent of furthering and protecting retiree's defined benefit plans.

I have always been impressed by the quality of education I receive through SACRS, both at conferences and through the UC Berkeley Program. The SACRS organization is impressively well- run, providing top-notch presenters to improve member's understanding of investments and other aspects of pension management. The networking opportunities you provide enhance the educational experience.

I would like to stress that once I commit to a position, I am involved and dedicated to assuring that a certain level of excellence is maintained. I recognize that SACRS maintains such a level and I'd like to be a part of its future.

I appreciate that you are willing to consider me for a position on the Board of SACRS.

Sincerely,

Rhonda Bieseemeier

Providing insight. Fostering oversight.



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name: Rhonda Biesemeier
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: [REDACTED] Email Address: [REDACTED] Phone: [REDACTED]
Name of Retirement System Candidate Currently Serves On	System Name: Stanislaus County Employees' Retirement Association (StanCERA)
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)	<p>I was elected as the Retiree Alternate Representative to the StanCERA Board of Retirement in July 2017, and was re-elected for a second term in 2020. In 2023, I was elected as the Retiree Representative and currently serve as a Trustee in that capacity. Since joining the Board in 2017, I have attended numerous SACRS conferences and the SACRS/UC Berkeley Program.</p> <p>I am committed to retirees as evidenced by volunteer positions I have held since retiring in 2008. They include President and board member of the Retired Employees of Stanislaus County (RESCO) 2008 – present and Delegate to the California Retired County Employees Association (CRCEA) 2009 - 2023. Additionally, my current experience as an Equal Rights Commissioner for Stanislaus County would be beneficial in continuing the goals of inclusiveness to which SACRS aspires.</p> <p>I was raised in Modesto, California. I have two accomplished young adult children, two dogs & a cat. My favorite things include spending time with my children and my many friends, meeting new people, participating in community events, traveling, and photography.</p>



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, April 20, 2020, and April 17, 2023.

Secretary's Certificate

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



Steve Delaney
Secretary of the Board

04/17/2023

Date



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **SECOND QUARTER REVIEW OF OCERS BOARD 2024-2026 STRATEGIC PLAN**

Recommendation

Approve the staff proposed metric dashboard to the OCERS 2024-2026 Strategic Plan
Or
Provide direction for alternative modifications

Background

September 15, 2022 OCERS Board reviewed the strategic plans of a dozen other public pension systems, and confirmed that the five primary strategic goals of the OCERS strategic plan were similar to those generally used by others:

- Fund Sustainability
- Excellent Service and Support
- Risk Management
- Talent Management
- Effective Governance

September 13, 2023 OCERS Board concurs that the current version of the strategic plan [2023-2025 see Attachment 1] lacked measurable metrics (or similarly styled Key Performance Indicators [KPIs]).

October 16, 2023 OCERS Board considered and adopted the 2024-2026 Strategic Plan with initial metrics for each goal and objective based on the September 13, 2023 discussion. Board directs that further expansion of those metrics be provided at the next quarterly Strategic Plan review.

January 17, 2024 The Board approved the modifications to the 2024-26 OCERS Strategic Plan metrics that had been earlier adopted on October 16.

Discussion

Continuing work on the addition of measurable goals to the Strategic Plan, which create a basis for accountability.

Based on conversations with the Board in January, Mr. Tsao and I will present via PowerPoint further modifications to the metrics, including adding ranges for measurable goals, and using a green-yellow-red convention to indicate status of a specific goal.

Attachments

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS Quarterly Strategic Plan Update



April 15, 2024

Steve Delaney

Chief Executive Officer, OCERS



A Look Back

- September 2022: OCERS Board reviewed the strategic plans of a dozen other public pension systems, and confirmed that the five primary strategic goals of the OCERS strategic plan were similar to those generally used by others:
 - Fund Sustainability
 - Excellent Service and Support
 - Risk Management
 - Talent Management
 - Effective Governance
- September 2023: Strategic Plan for 2024-2026 is presented with a suggestion that we add metrics/KPIs
- October 2023: First version of 2024-2026 Strategic Plan is adopted with Board direction to return at first quarterly review for further discussion and clarity of metrics/KPIs
- January 2024: Presented proposed metrics which were adopted



Dashboard Creation

- Introduction of a dashboard allows us to remain transparent and hold ourselves accountable for progress towards our Strategic Goals
- Single page design allows for ease of use and draws attention to areas that require more detail



Scorecard Business Rules

- Metrics will be graded by a color designation of red, yellow, or green with different thresholds for each metric because every metric is unique
- Metrics will be measured annually or quarterly and will be designated with an “A” or a “Q” respectively.
 - The measuring period of a metric will be for the most recent period of time



OCERS Strategic Scorecard

Fund Sustainability

A Funded Ratio Status greater than 100%

Q Sharpe Ratio above the peer median

Q Excess net return over the Actuarial Expected Return

Excellent Service and Support

Q 100% Benefit Accuracy

Q First Paid Check within 45-60 Days

A Hours saved by automation **600 hrs.**

Q Bot Utilization Rate

Risk Management

A 100% Form 700 Compliance

Q Establish Compliance Framework (100% in next 2 years)

A 100% Annual Policy Compliance Verification

A 100% Triennial Policy Review

Q IT System Availability (98% uptime)

Talent Management

Q Vacancy Rate (12.9% or better)

Q Turnover Rate (9.4% or better)

Q Employee Engagement Rate (12-hour training rate)

Effective Governance

Q Board Member Training Hours meets CERL Requirements (24 hours every 2 years)

A Annual Budget meets CERL 21 Basis Points Test

Q Capital Projects on Budget and on Schedule

Comments



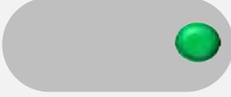
OCERS Strategic Scorecard

Fund Sustainability

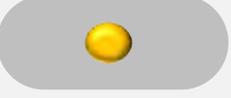
Action Items

- A** **Funded Ratio Status greater than 100%** 

Red = <69%
Yellow = 70-99.99%
Green = 100% or above

- Q** **Sharpe Ratio above the peer median** 

Red = 4th quartile (below 75th percentile)
Yellow = third quartile (between 75th and 50th quartile)
Green = above median

- Q** **Excess net return over the Actuarial Expected Return** 

Red = >31bps below actuarial rate
Yellow = 0-30bps below actuarial rate
Green = >actuarial rate



OCERS Strategic Scorecard

Excellent Service and Support

Action Items

Q

100% Benefit Accuracy

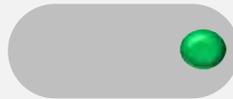
Red = <94%
Yellow = 95-99%
Green = 100%



Q

First Paid Check within 45-60 Days

Red = >61 Days
Yellow = 46-60 Days
Green = <45 Days



A

Hours saved by automation

600 hrs.

Q

Bot Utilization Rate

Red = 0 bots active
Yellow = 1 bot active
Green = All bots (2) active



OCERS Strategic Scorecard

Risk Management

Q

100% Form 700 Compliance

Red = >2 missing
Yellow = 1 missing
Green = 0 missing



Q

Establish Compliance Framework (100% in next 2 years)

Red = <2 Program Elements fully documented and trained
Yellow = 3-4 Program Elements fully documented and trained
Green = 5-6 Program Elements fully documented and trained



A

100% Annual Policy Compliance Verification

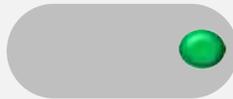
Red = <74%
Yellow = 75-89%
Green = 90-100%



A

100% Triennial Policy Review

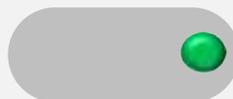
Red = <74%
Yellow = 75-89%
Green = 90-100%



Q

IT System Availability (98% uptime)

Red = <84%
Yellow = 85-94%
Green = 95-100%



Action Items



OCERS Strategic Scorecard

Talent Management

Action Items



Vacancy Rate (12.9% or better)

Red = >21%

Yellow = 13-20%

Green = <12.9%



Turnover Rate (9.4% or better)

Red = >21%

Yellow = 9.5-20%

Green = <9.4%



Employee Engagement Rate
(12-hour training rate)

Red = <74%

Yellow = 75-89%

Green = 90-100%



OCERS Strategic Scorecard

Effective Governance

Action Items

A Board Member Training Hours meets CERL Requirements (24 hours every 2 years)
Red = <69%
Yellow = 70-89%
Green = 90-100%



A Annual Budget meets CERL 21 Basis Points Test
Red = >21 Basis Points
Yellow = 21 Basis Points
Green = <21 Basis Points



Q Capital Projects on Budget and on Schedule
Red = <84%
Yellow = 85-92.4%
Green = 92.5-100%



Action

Recommendation:

Approve the staff proposed metric dashboard to the OCERS 2024-2026 Strategic Plan

Or

Provide direction for alternative modifications



Orange County Employees Retirement System
2223 East Wellington Avenue | Santa Ana | 92701

2024-2026 STRATEGIC PLAN



MISSION, VISION, AND VALUES

MISSION STATEMENT:

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

VISION STATEMENT:

To be a trusted partner providing premier pension administration, distinguished by consistent, quality member experiences and prudent financial stewardship.

VALUES:

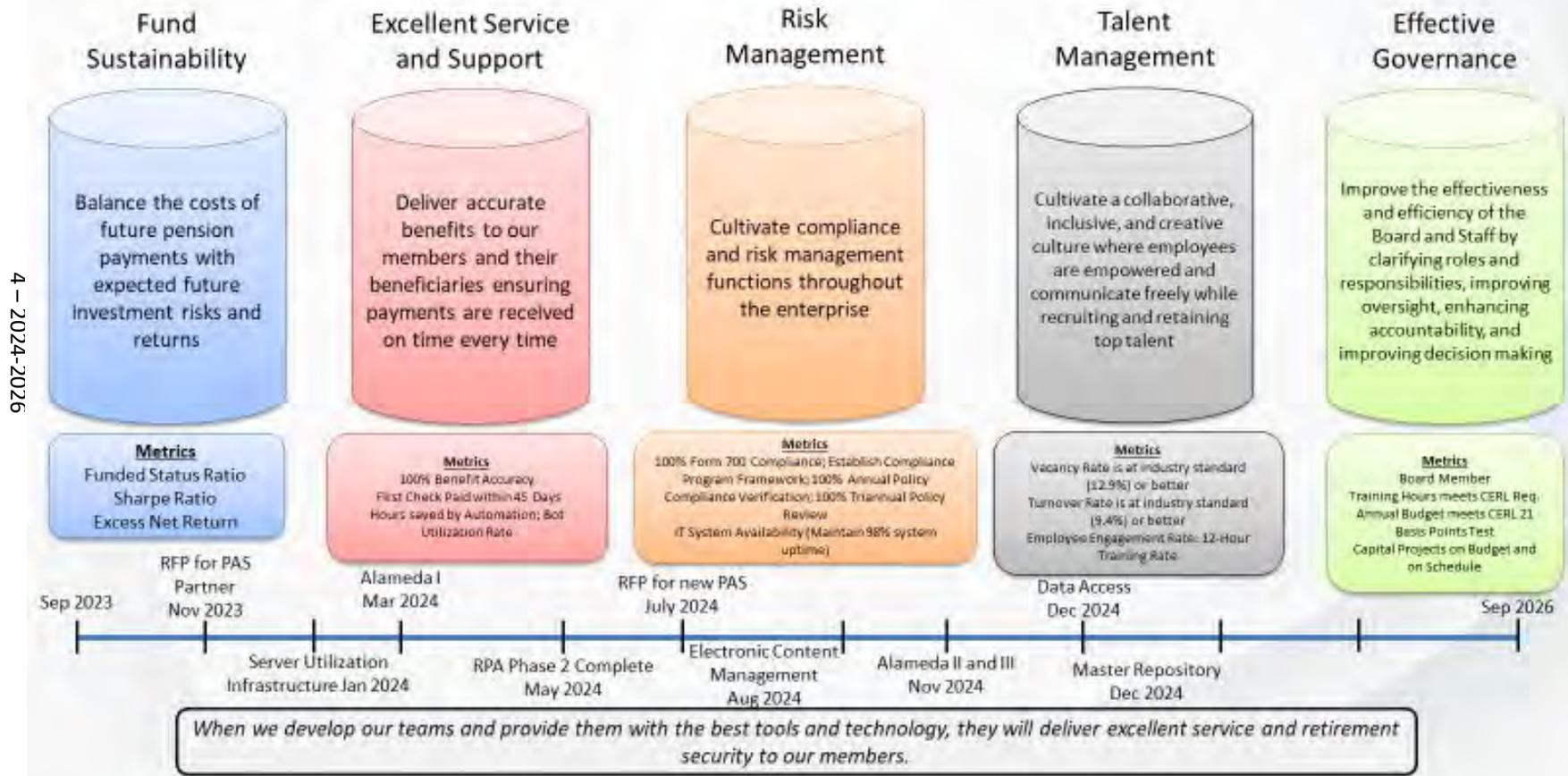
- **O**pen and Transparent
- **C**ommitment to Superior Service
- **E**ngaged and Dedicated Workforce
- **R**eliable and Accurate
- **S**ecure and Sustainable

STRATEGIC PLAN

2024-2026 STRATEGIC GOALS

- Fund Sustainability
- Excellent Service and Support
- Risk Management
- Talent Management
- Effective Governance

OCERS STRATEGIC ROADMAP



4 – 2024-2026

FUND SUSTAINABILITY

BALANCE THE COSTS OF FUTURE PENSION PAYMENTS WITH EXPECTED FUTURE INVESTMENT RISKS AND RETURNS

Performance Metric: Funded Status Ratio greater than 100% (ongoing)

Performance Metric: Sharpe Ratio above the peer median (ongoing)

Performance Metric: Excess net return over Actuarial Expected Return (ongoing)

Objective 1: Achieve Fully Funded Status.

Objective 2: Achieve a Risk-Adjusted Return above the peer median over a trailing 10-year period.

Objective 3: Achieve the OCERS' Actuarial Expected Rate of Return over a trailing 10-year period.

EXCELLENT SERVICE AND SUPPORT

DELIVER ACCURATE BENEFITS TO OUR MEMBERS AND THEIR BENEFICIARIES ENSURING PAYMENTS ARE RECEIVED ON TIME EVERY TIME

Performance Metric: 100% Benefit Accuracy Rate

Performance Metric: First Check Paid within 45 Days

Performance Metric: Hours Saved by Automation (increase by 1% over the next year); Bot Utilization Rate (increase by 1% over the next year)

Objective 1: Provide world-class Service and Support to our Employers, Members, and Payees.

Objective 2: Continuously improve Business Processes and Procedures to be efficient and effective.

RISK MANAGEMENT

CULTIVATE COMPLIANCE AND RISK MANAGEMENT FUNCTIONS THROUGHOUT THE ENTERPRISE

- Performance Metric: 100% Form 700 Compliance
Establish Compliance Program Framework (achieve 100% in next 2 years)
100% Annual Policy Compliance Verification
100% Triennial Policy Review
- Performance Metric: IT System Availability (Maintain 98% system uptime)

Objective 1: Reduce Risk by identifying gaps through Compliance Audit Findings.

Objective 2: Provide Information Systems that support the Agency's Administrative and Operational needs.

Objective 3: Provide a Safe and Secure Workspace and Public Service Facility.

TALENT MANAGEMENT

CULTIVATE A COLLABORATIVE, INCLUSIVE, AND CREATIVE CULTURE WHERE EMPLOYEES ARE EMPOWERED AND COMMUNICATE FREELY WHILE RECRUITING AND RETAINING TOP TALENT

Performance Metric: Vacancy Rate is at industry standard (12.9%) or better

Performance Metric: Turnover Rate is at industry standard (9.4) or better

Performance Metric: Employee Engagement Rate 12-Hour Training Rate

Objective 1: Recruit and Retain a Diverse High-Performing Workforce to meet Organizational Priorities.

Objective 2: Develop and Empower Every Member of the Team.

Objective 3: Cultivate a Collaborative, Inclusive and Creative Culture.

EFFECTIVE GOVERNANCE

IMPROVE THE EFFECTIVENESS AND EFFICIENCY OF THE BOARD AND STAFF BY CLARIFYING ROLES AND RESPONSIBILITIES, IMPROVING OVERSIGHT, ENHANCING ACCOUNTABILITY, AND IMPROVING DECISION MAKING

Performance Metric: Board Member Training Hours meets CERL Requirements (24 hours every 2 years)

Performance Metric: Annual Budget meets CERL 21 Basis Points Test

Performance Metric: Capital Project on Budget and on Schedule

Objective 1: Employ a Governance Structure that supports a Dynamic System.

Objective 2: Stay within the Statutory Limit of the CERL 21 Basis Points Test.

Objective 3: Continue the build out of the Enterprise Project Management Office.

LOOKING AHEAD 5-10 YEARS

Objective A: Investment best practices as fund approaches \$35 billion

- Address by developing investment technology and team resources needed to manage the anticipated Portfolio (*Molly Murphy*)

Objective B: Short Term (Next 5 Years) - Preparing for the new pension administration system

- Address by determining how to maximize current pension administration system while determining level of next generation technology, including Artificial Intelligence (AI) capabilities to be added to new system (*Suzanne Jenike*)

Objective C: Short Term (Next 5 Years) – Multi-Factor Authentication for Member and Employer Accounts (*Jenny Sadoski*)

Objective D: Long Term (Next 10 Years) – Use of Artificial Intelligence and Machine Learning to Detect Fraudulent Activity and Transactions (*Matt Eakin*)

Vision 2030 (As of September 2023)

Vision 2030 Timeline

2021

- Data Options
- Outreach to Other Systems

2023

- Adopt AI Guidelines
- First RPA Bot created
- Probe use of Chat-GPT
- RFP: PAS Implementation Partner

2025

- Future Proof Modular PAS
- Natural Voice Use of Master Repository

2028

- AI Test Process

2022

- RFP: RPA Bots
- Test Initial RPA Use Cases
- Master Repository Begins
- Multi-Employer Zoom Call Begins

2024

- Test RPA Bots
- RFP for New PAS
- New PAS Begins Construction
- Continue Bot Creation

2027

- GO LIVE - New PAS
- AI Growth Capabilities
- Explore Machine Learning for MOU Application

2030

Calculation of a pension benefit without human intervention begins

11 – 2024-2026



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

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
www.ocers.org



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **OCERS PENSION ADMINISTRATION SYSTEM (V-3): LOOKING TO A NEW PENSION ADMINISTRATION SYSTEM**

Recommendation

Approve the initiation of Phase 1 of the Next Generation PAS Project by hiring an Implementation Partner as selected by Staff utilizing the approved budget for 2024 of \$250K.

Background/Discussion

Mr. Will Tsao and I will review the attached PowerPoint, which includes a summary of our discussions with the Board on this topic over the past months and years.

We will be asking the Board to reapprove use of our earlier 2024 budget request of \$250,000 to allow for the hiring of an implementation partner.

You are NOT being asked to approve a new Pension Administration System.

Working with the implementation partner, we will continue to come to the Board and apprise the Trustees of our system status, and future options augmented by the implementation partner’s expertise.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS PENSION ADMINISTRATION SYSTEM (V-3):



LOOKING TO A NEW PENSION ADMINISTRATION SYSTEM

April 15, 2024

Steve Delaney

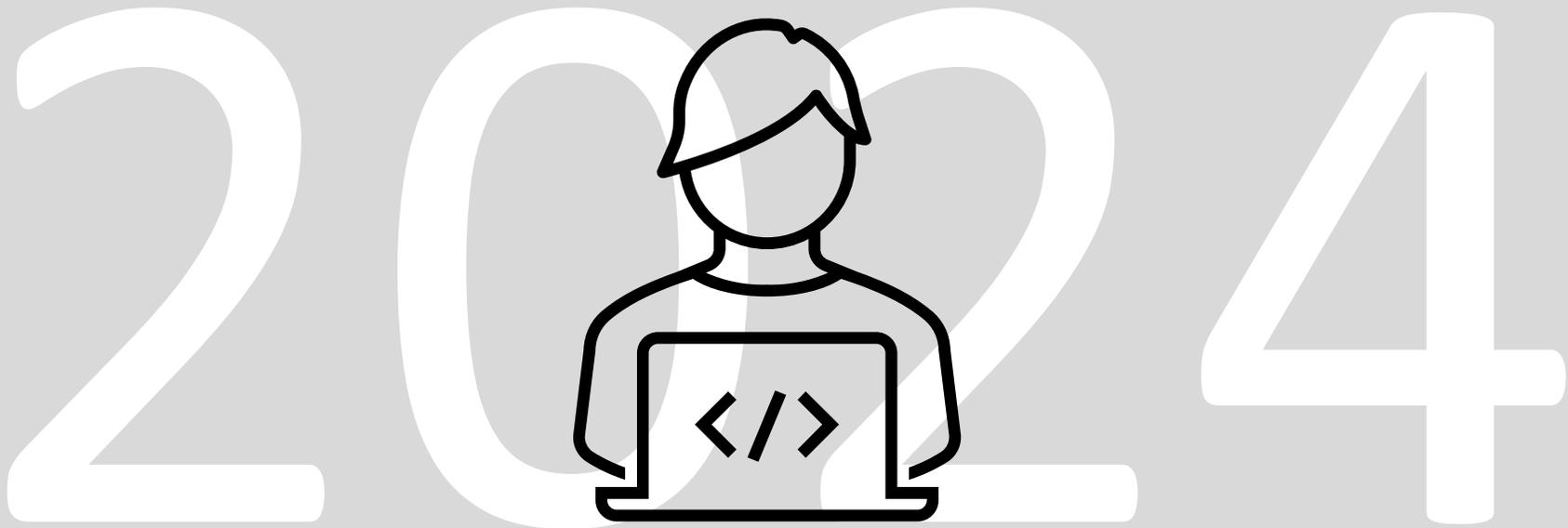
Chief Executive Officer, OCERS



Background

- **Sep 09, 2021:** Vision 2030 presented at Strategic Planning Workshop that mentions the potential need for a new Pension Administration System (PAS)
- **Sep 14, 2022:** Vision 2030 mentions need for new PAS during Strategic Planning Workshop
- **Sep 13, 2023:** Strategic Planning Workshop meeting briefly touched on the need for a new PAS
- **Dec 12, 2023:** Presented the Board with the history of the OCERS PAS
- **Feb 21, 2024:** Presented the Board with the current challenges of our PAS (V3) and the way forward towards a potential upgrade/new system
- **Mar 18, 2024:** Presented the Board the potential risks by not being proactive and upgrading/transitioning to a new system





APRIL 2024

Obtain approval to move forward with Implementation Partner selection

MAY 2024

Onboard the Implementation Partner

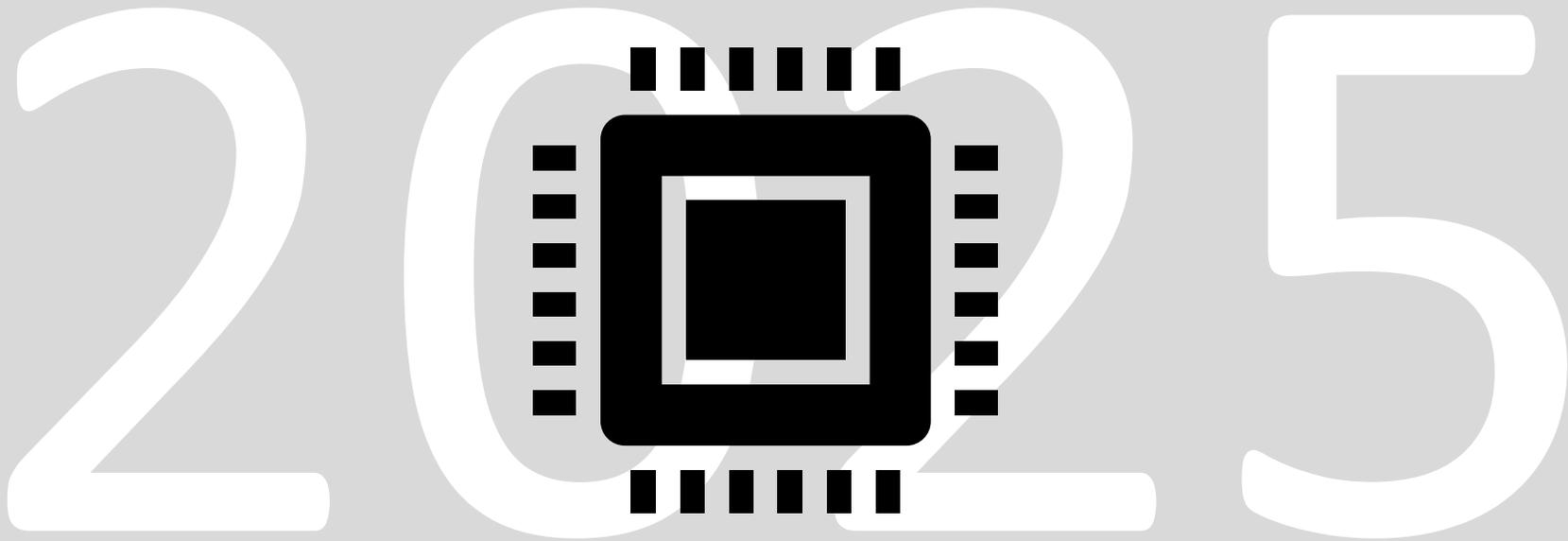
SEPTEMBER 2024

Strategic Plan Update

DECEMBER 2024

RFP for New PAS / Upgrade will be released





MARCH 2025

Board presented with selection and onboard PAS vendor

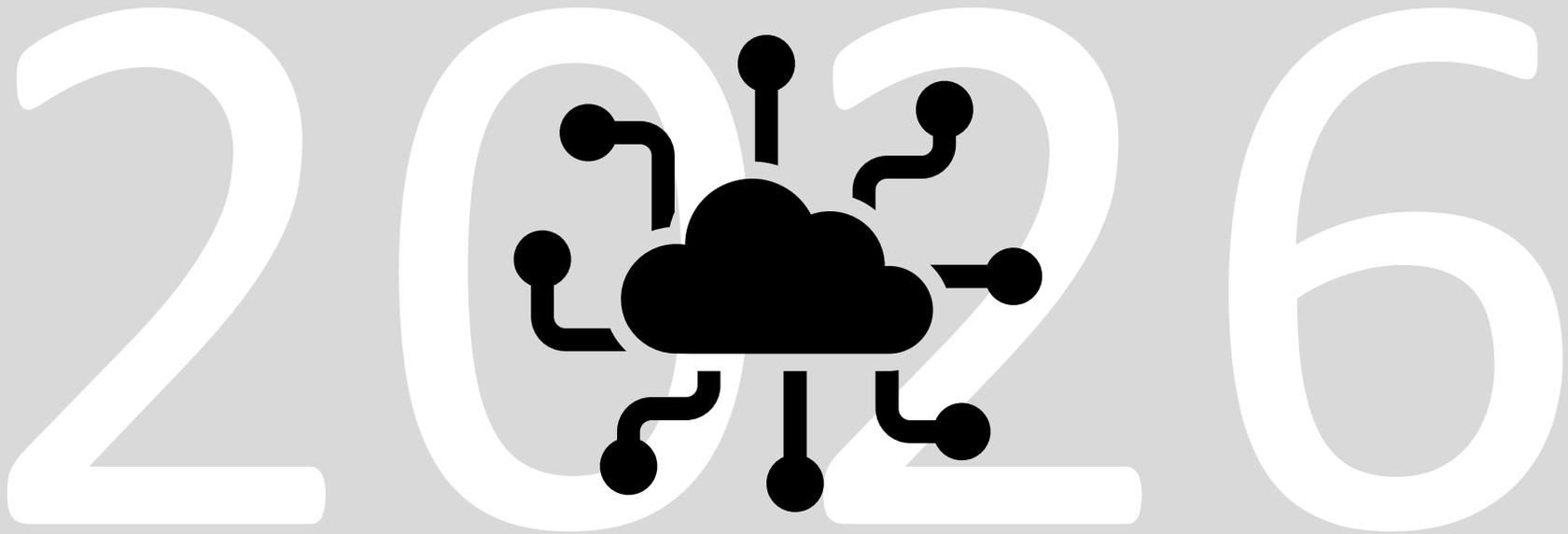
MAY 2025

Detailed roadmap with milestones are laid out by the vendor; begin PAS build/upgrade

NOVEMBER 2025

Halfway mark for Phase 1 to include Service Credit Purchases, Part Account and Work History, Contributions, Disbursements





MARCH 2026

Phase 1 Build/Upgrade Completed;
begin Phase 2 Build to include
Termination, Disability, Benefit Estimate

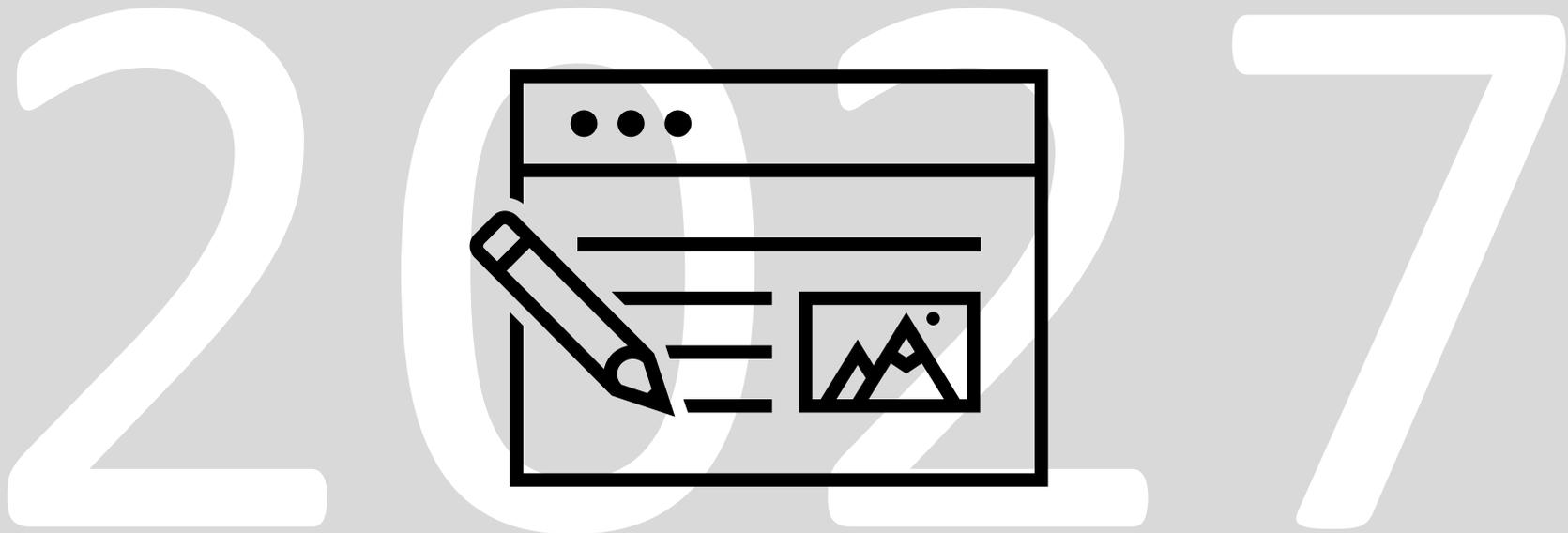
SEPTEMBER 2026

Halfway mark for Phase 2
Build/Upgrade

DECEMBER 2026

Vector check to ensure plan is still on
schedule and all requirements are met as
originally planned





FEBRUARY 2027

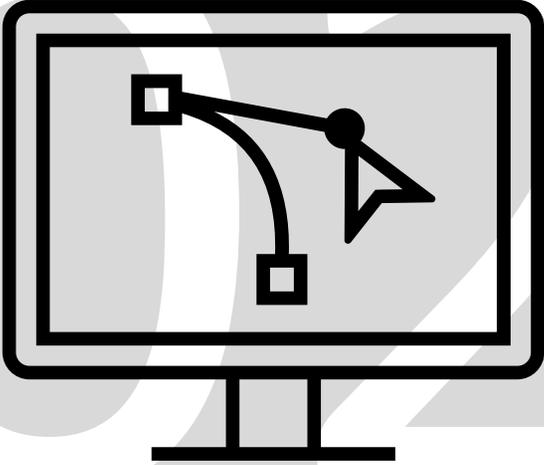
Phase 2 completed; Phase 3 Build/Upgrade to begin

AUGUST 2027

Halfway mark for Phase 3 Build/Upgrade to include Death processing, COLA, 1099R



2028



FEBRUARY 2028

Phase 3 completed; begin building User Acceptance Testing (UAT)

AUGUST 2028

Finish up UAT

DECEMBER 2028

Finish final conversion and determine go live date



Assumptions and Lessons Learned

- As of today, we do not have a firm price estimate yet. We will be relying on the Implementation Partner and their RFP results to give us the best estimate
 - We can use the last PAS project cost as a baseline: \$26-28M
- We will leverage our lessons learned concerning:
 - Vendor support and new technology
 - Implementation should be phased in
 - Ensure we see the functionality from the vendor so that we are positive the system will behave and act according to what we need it to do
 - Open and transparent reporting throughout the project



2030



No human involved in the calculation



Action

Recommendation: Approve the initiation of Phase 1 of the Next Generation PAS Project by hiring an Implementation Partner as selected by Staff utilizing the approved budget for 2024 of \$250K.





Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, OCERS General Counsel
SUBJECT: **BROWN ACT TRAINING**

Presentation

Members of the OCERS legal team will present training on the Brown Act.

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



The Brown Act

Presentation to the OCERS Board of Retirement



Purpose

Preamble to the Ralph M. Brown Act (Gov. Code, § 54950 et seq.)

"In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State **exist to aid in the conduct of the people's business**. It is the intent of the law that their **actions be taken openly** and that their **deliberations be conducted openly**."



Ralph M. Brown Act

Meetings of OCERS' Board of Retirement and its committees must be "open and public." The Board must conduct its business in noticed, open meetings that give the public the right to attend, observe, and comment.

Closed meetings (those held in private) are the exception and are only permitted if they meet defined purposes and follow special requirements.

What is a "Meeting?"

A gathering of a majority of the board members to hear, discuss, or deliberate on matters within OCERS' subject matter jurisdiction.

Attendance by a majority of the members at a purely social or ceremonial occasion is *not* a "meeting," provided the members do not discuss specific business within the agency's jurisdiction.



Meeting Materials – Public Records?

Meeting documents are public records unless exempted by the Public Records Act. The records "must be made available upon request without delay."

Records distributed to the members at the meeting must be available to the public on the day of the meeting.



Serial Meetings

- "Serial meetings" — when a majority of the board uses a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of agency business — are prohibited.
- Examples:
 - Daisy chain: member A communicates with member B, member B communicates with member C, etc., until a quorum of members has communicated about the issue.



Serial Meetings

- Hub and spoke:
 - Member A communicates with Member B, member A communicates with Member C, etc. until a quorum of members has communicated about the issue.
 - A staff member (the hub) briefs the majority of members (the spokes) before a formal meeting, revealing information about the members' respective views.
 - One-way communication from staff to the members does *not* create a serial meeting *if* the members views are not relayed.



Hypothetical Question

Mr. Dee Veloper is meeting with three Board members at a proposed project site. After they discuss whether the project would be eligible for a variance, Dee mentions that the other Board members he spoke to liked the project and would support seeking a variance.

Any issues?



Hypothetical Question

During a break in the board meeting, four of the Board members discuss one of the upcoming agenda items to save time during the meeting – and great news – they are all in agreement. One of those members agrees to catch a fifth member of the Board before they go back into the meeting to see if they can get them to vote with the others.

Any issues?



Notice and Agenda Requirements

For Regular Meetings, the Agenda with brief general descriptions of each item to be discussed must be posted at least 72 hours before the meeting.

- Items may only be *added* to an agenda when:
 - A majority decides there is a dire emergency (e.g., terrorist attack, crippling disaster); or
 - 2/3 of the Board (or all members if less than 2/3 are present) determine there is a need to take immediate action that came to the agency's attention after the agenda was posted.



Matters not on the Agenda

- With narrow and limited exceptions, discussion and action on matters not on the agenda are prohibited. Members may only:
 - Briefly respond to statements/questions from the public,
 - Ask a question for clarification,
 - Make a brief announcement,
 - Make a brief report on their activities,
 - Provide a reference to staff or other sources for factual information,
 - Request staff report back at a later meeting or
 - Direct staff to place the matter on a future agenda.



Rights of the Public

- Every agenda for a regular meeting must provide an opportunity for the public to address the board on any item within the subject matter jurisdiction of the board.
- The public must *also* be allowed to comment on any item listed on the agenda before or during the board's consideration.
- The board may establish procedures for public comment, including reasonable time limitations by topic or speaker. See Rules of Parliamentary Procedure Policy.



Rules of Parliamentary Procedure

- The Chair is to ensure that public comment
 - (1) on any matter within the jurisdiction of the Board or committee is permitted at each meeting of the Board or committee;
 - (2) is limited to three minutes per speaker and to a total of 20 minutes per issue (with the exception of appearances on disability matters); and
 - (3) does not interfere with the orderly conduct of the meeting. The Chair of the Board or committee has the discretion to modify the time limit per speaker should, for example, it be necessary to shorten the time to accommodate a lengthy agenda or a large number of speakers. Similarly, the time limit per speaker may be lengthened to allow additional time for discussion on a complicated matter.



Hypothetical Question

During general public comment, a retired member informs the Board that tomorrow is the deadline to comment on a new county policy that could affect working retirees. The Board discusses the issue and votes to have staff submit a comment letter to the county on behalf of the agency.

Any issues?



Hypothetical Question

At last month's regular meeting during the public comment period, an angry member yelled at one of the Board Members:

YOU SCUMBAG! YOU DON'T CARE ABOUT OTHER PEOPLE. YOU ARE UNFIT TO REPRESENT THIS AGENCY! WE DESERVE BETTER; YOU'RE A CARELESS SOB!

Although the Chair demanded that the member stop her insults, she continued. At the Chair's request, the Clerk shut off the microphone before the member's allotted time to comment was over. The Chair directed the next speaker to begin speaking.

Any issues?



Teleconferencing per AB 2449

A Board member may participate by teleconference in a meeting of the Board if:

- (1) at least a quorum of the Board is present together physically at a place within Orange County, and
- (2) the Board member establishes "just cause" or an "emergency circumstance" that justifies their attendance via teleconference.

The request to participate remotely must be made as soon as possible.



Teleconferencing per AB 2449

"Just cause" is restricted to the following:

- (1) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely;
- (2) a contagious illness that prevents a member from attending in person;
- (3) a need related to a physical or mental disability, as defined; or
- (4) travel while on official business of OCERS or another state or local agency.



Teleconferencing per AB 2449

"Emergency circumstance" is "a physical or family medical emergency that prevents a member from attending in person."

The Board member must request that the Board allow them to participate in the meeting remotely due to emergency circumstances, and the Board must take formal action to approve the request.



Teleconferencing per AB 2449

- Before taking any action in the meeting, the member must disclose if other individuals aged 18 or older are in the room at the remote location with them and their relationship with those individuals.
- They must participate through both audio and visual technology.
- Remote participation is limited to 3 consecutive months or 20% of regular meetings per year. If there are less than 10 meetings per year, remote participation is limited to 2 meetings only.
- A member is limited to two virtual attendances based on "just cause" per calendar year.



Closed Sessions

A closed session is a meeting conducted in private without the attendance of the public or press. The Board is authorized to meet in closed session only to the extent expressly authorized by the Brown Act.

The grounds for convening a closed session are called "exceptions" because they are exceptions to the general rule that meetings must be conducted openly.



Before and After

Before going into closed session, a representative of the body must announce the items to be discussed in closed session.

Once the closed session has concluded, the agency must reconvene in open session where it may be required to report votes and actions taken.



Confidentiality

- Persons whose participation in the closed session is not essential to the business at hand, or who must be recused from participation, must be excluded.
- In closed session, the agency may only discuss the specific items covered in its agenda announcement.
- Confidentiality of information acquired at a closed session must be maintained.



Remedies and Penalties

- Criminal: A member who attends a meeting in violation of the Brown Act and intends to deprive the public of information to which the member knows or has reason to know the public is entitled is guilty of a misdemeanor.
- Civil:
 - Actions by mandamus, injunction, or declaratory relief
 - May be commenced by the D.A. or any interested party
 - Actions taken in violation can be declared null and void
 - Agency has opportunity to cure before suit may be filed
 - Attorney's fees and costs may be awarded against the agency



Hypothetical Question

The building committee has four board members. Another board member who is not on the committee attends one of the committee meetings, asks questions of a contractor during their presentation, and participates in the committee's deliberations on an agenda item but doesn't vote on the matter.

Any issues?





Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Jenny Sadoski, Director of Information Technology
SUBJECT: **CLOUD STRATEGY DISCUSSION**

Background/Discussion

Over the past ten years, OCERS Board and staff have had numerous discussions about cloud computing and what it means to OCERS. With direction from the Board, we adopted a measured approach to evaluate what it means to move to the cloud. And we have engaged a “cloud leaning” strategy to evaluate cloud-based options when opportunities presented themselves, such as new implementations, and have made the move to the cloud, if it was to OCERS advantage to do so.

The attached presentation walks us through where we have been, our “cloud leaning” strategy, and our future direction to continue to migrate to the cloud. This will allow us to leverage the benefits of cloud computing to provide enhanced scalability, agility, security, and to support OCERS digital transformation and business objectives, such as machine learning and artificial intelligence.

Submitted by:



JS - Approved

Jenny Sadoski
Director of Information Technology



OCERS Cloud Strategy: Update

April 15, 2024

Brenda Shott & Jenny Sadoski

Assistant CEO & Director of IT



Background

- OCERS started talking about “the cloud” back in 2016.
- Measured approach to adopting cloud opportunities.
 - Virtualization of servers
 - Move away from physical hardware to servers running as software
 - Data center migration for business continuity
 - Distribute our virtualized infrastructure, securely between dual locations to add resiliency to OCERS operations
- Board concerns and aspirations regarding the cloud
 - Reduce future costs of buying new hardware
 - Large upfront costs, that occur every several years to keep equipment current
 - Security and risks of member data in the cloud.
 - Increased cyber security threats
 - Ensure protection and privacy of member data
 - Improve processes and customer service
 - Mobile apps
 - Reduce manual work and improve processing times
 - More analytics and metrics



A Measured Approach

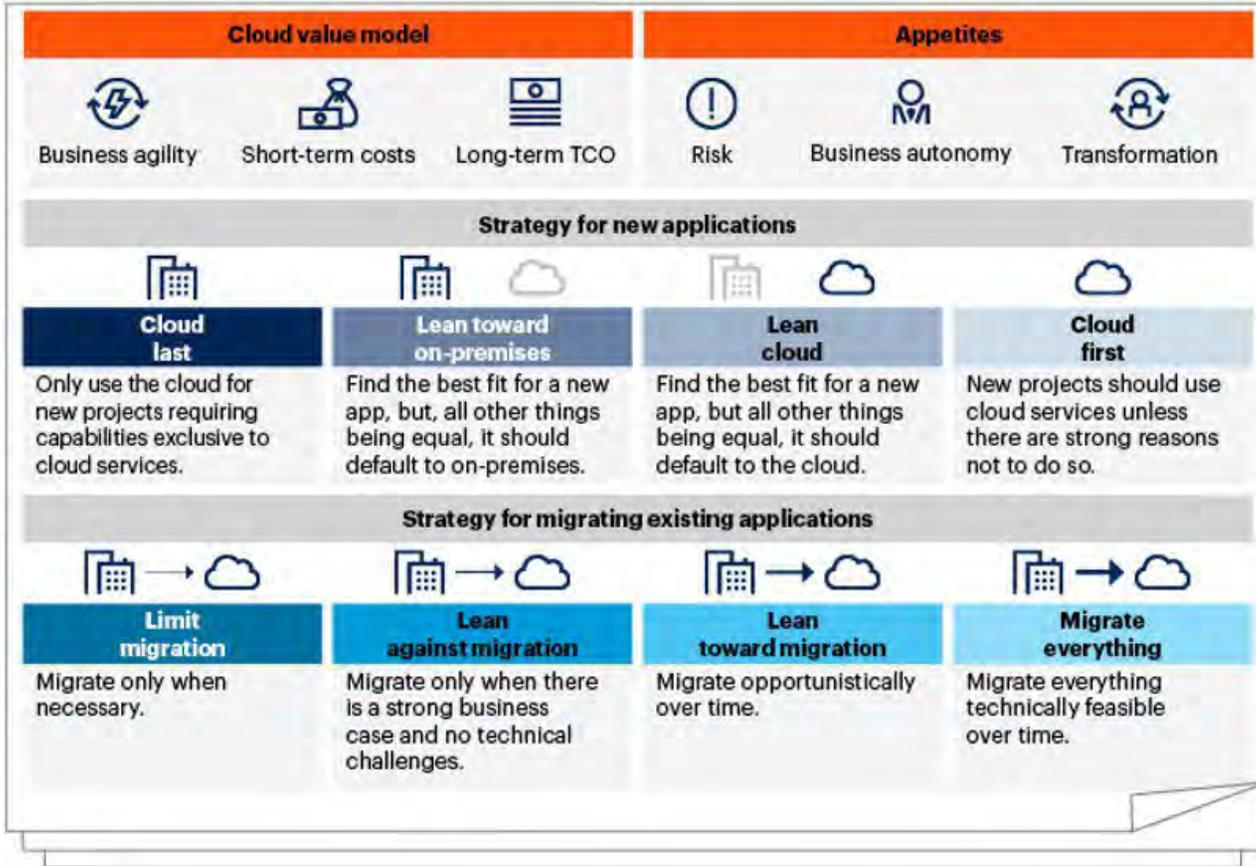
- Evaluate what it means to move to the cloud
 - **Application placement**
 - **Cloud value model**
 - the balance between agility, short-term costs and long-term total cost of ownership
 - **Organizational appetites**
 - risk, transformation and business autonomy from central IT
- Deliberate in timing
- Adopt a “Cloud Leaning” strategy
 - explore cloud solutions when opportunities present themselves.



The "Cocktail Napkin" Cloud Strategy

OCERS Cloud Strategy

CLOUD LEANING





Lean cloud

Find the best fit for a new app, but all other things being equal, it should default to the cloud.



Lean toward migration

Migrate opportunistically over time.

Source: Gartner

Why move to the cloud?

Business Advantages

- Enhanced collaboration and workplace flexibility
- Faster deployments, easy to change and add/remove services
- Integration and interoperability
- Improved customer experience
- **Enable digital transformation and modernization of IT infrastructure**
- **Cloud services can unlock new business initiatives that would not be financially viable outside of the cloud model (e.g., machine learning or artificial intelligence)**
- Retargeting of capital investments

Technology Advantages

- Improved security*
- Scalability and flexibility: pay for what you need when you need it
- Cost transparency
- Consolidation of data centers
- Reduce “end of life” woes
- Higher availability and business resiliency
- Growth and sustainability



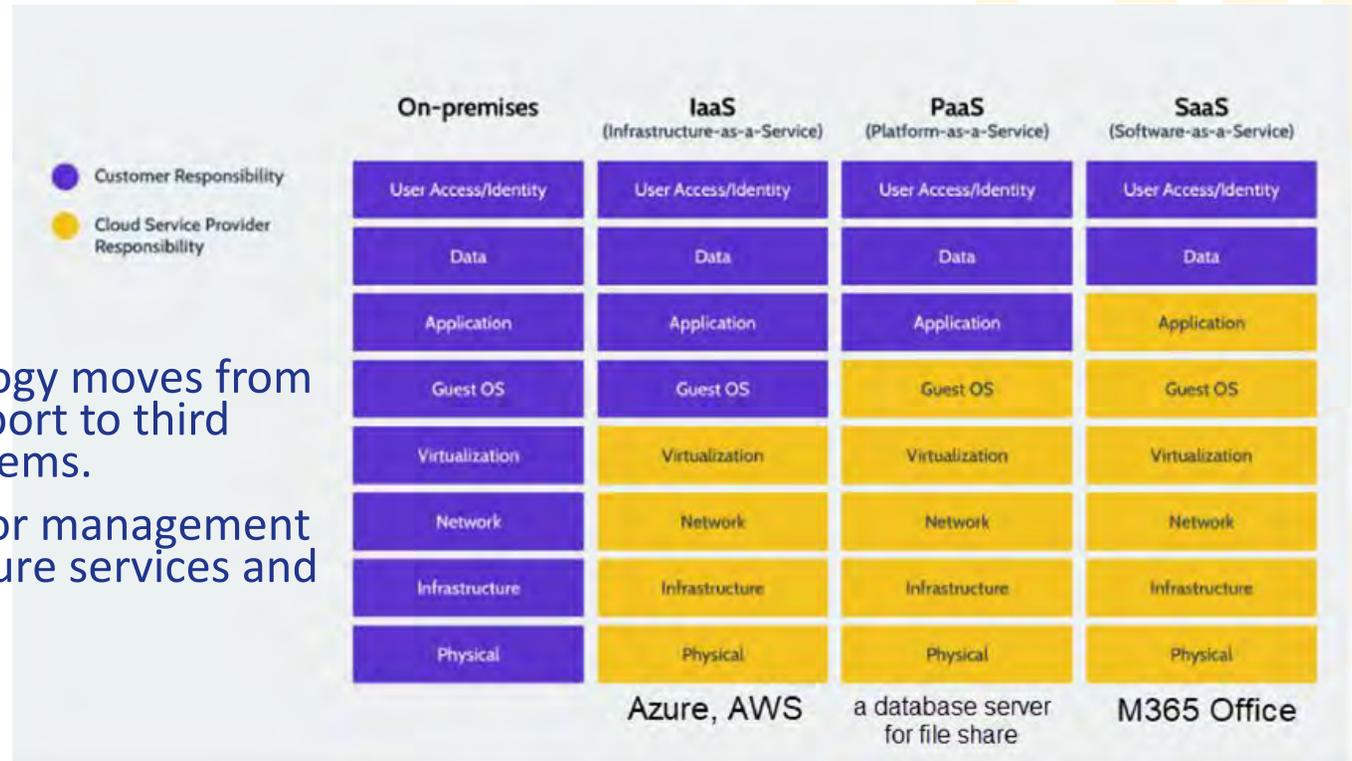
Other considerations to be aware of

- Cloud doesn't necessarily mean less expensive
 - Opportunities for cost savings
 - Total cost of ownership likely the same or more over the long run.
- Business transformation
 - Cloud will **change** how we work.
 - Manage change
- Ensuring security when moving our member data into the cloud
- Information Technology maintenance and support becomes a shared responsibility between OCERS and third-party providers



Changes in Roles and Responsibilities

- Information Technology moves from providing direct support to third party support of systems.
- Requires more vendor management and oversight to ensure services and security



Current cloud-based solutions in use

- Cloud-based services already in use at OCERS
 - Microsoft 365 (Office productivity Suite, OneDrive, Exchange (email) online)
 - DocuSign
 - Financial Accounting System
 - Contracts Management System
 - Diligent Board
 - Staff Training videos built using Artificial Intelligence tools
 - Robotic Process Automation (RPA)
 - And more applications and services in our Investments, Member Services, Information Security , Information Technology departments, etc.



Cloud-based solutions in the works

- Continued adoption of Microsoft's 365 Cloud platform
 - 2024 – Migrate to SharePoint online, expand Power BI Platform for reporting, Power Automate, AI Builder and Teams adoption
 - 2025 – explore Infrastructure as a Service (IaaS) and Platform as a Service (PaaS) to migration database applications and file shares
 - 2025 - Deployment of Co-Pilot to staff to enable Enterprise ChatGPT
 - Artificial Intelligence tools and data analytics
- New disability case management solution
 - Using cloud-based solution to manage disability workflows and documentation



Future possibilities for cloud-based solutions

- **Pension Administration Solution**
 - PAS software
 - Integrations to other supporting modules such as call center, intelligent workflows, electronic content management (Documents and Forms)
- **Mobile app**
- **Enhanced OCERS web site**
 - Virtual assistants using artificial intelligence and ChatGPT
- **Infrastructure as a Service (IaaS) and Platform as a Service (PaaS)**
 - Migrate data center to the cloud



Q & A





Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Suzanne Jenike, Assistant CEO, External Operations, OCERS
SUBJECT: **UPDATE ON THE WORK ASSOCIATED TO THE ALAMEDA IMPLEMENTATION**

Presentation

On April 15, staff will give the Board an update on work associated to the Alameda implementation project.

Submitted by:



SJ-Approved

Suzanne Jenike
Assistant CEO, External Operations



Retirement Board Meeting

April 15, 2024

Application Notices

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ACEVEDO, JOHN	Public Defender	1/16/2024
ACEVEDO, TANYA	OC Public Works	2/23/2024
ALASKA, ROBERT	OC Community Resources	3/8/2024
ALBERT, GEORGIE	Sheriff's Dept	2/29/2024
AREVALO, GENARO	OCTA	2/16/2024
AVILA, SAUL	Registrar of Voters	2/28/2024
BENSON, JOHN	OCWR	2/9/2024
BIBOLET, ELSA	OCTA	2/3/2024
BRAHAM, DARREN	Sheriff's Dept	2/3/2024
BROWN, VIVIAN	Child Support Services	3/8/2024
CHANG, LANDY	OCTA	2/25/2024
CHRISTENSEN, KAREN	County Counsel	3/8/2024
COCO, KIMBERLY	Social Services Agency	2/2/2024
COOK, THOMAS	Superior Court	1/26/2024
CROWDER, YVETTE	OCTA	1/28/2024
DAVIS SALAZAR, LESLEE	Sheriff's Dept	2/9/2024
DE LA CRUZ, DORIS	Sheriff's Dept	3/8/2024
DOWNEY, DAWN	Sheriff's Dept	2/9/2024
DULSON, MICHELE A	Law Library	2/23/2024
DUNFORD, JANICE	Child Support Services	2/1/2024
EGURROLA, DENISE	Superior Court	2/9/2024
ESPINOZA, PETER	Social Services Agency	2/23/2024
FIGUEROA, MAUREEN	OC Community Resources	2/9/2024
FLORES DE LEON, VERONICA	Social Services Agency	1/12/2024
FONTAINE, PAMELA	Superior Court	2/23/2024
FORRESTER, DAVID	Fire Authority (OCFA)	2/23/2024
GARCIA, MARTIN	Social Services Agency	2/9/2024



Retirement Board Meeting

April 15, 2024

Application Notices

GARCIA, RUBEN	Health Care Agency	3/8/2024
GARCIA-BARONA, MERCEDES	Probation	2/26/2024
GENTILE, JULIE	Social Services Agency	2/6/2024
GLASTETTER, LEAH	Social Services Agency	2/23/2024
GONZALES, JANIE	Social Services Agency	3/8/2024
GONZALEZ, ROCIO	Social Services Agency	2/23/2024
GRAMLEY, JAN	Sanitation District	1/22/2024
GRINSTEAD, BRANDON	Fire Authority (OCFA)	2/9/2024
GUERRERO, BLANCA	Social Services Agency	2/7/2024
GUERRERO, HENRY	Sheriff's Dept	3/8/2024
HARRISON, ROMELIA	Social Services Agency	12/22/2023
HAUCK, TINA	Superior Court	3/8/2024
HERNANDEZ, KAREN	Superior Court	1/26/2024
HERNANDEZ, PEDRO	Superior Court	1/26/2024
HOEY, BRIGETTE	Fire Authority (OCFA)	1/20/2024
HORTON, DESIREE	Fire Authority (OCFA)	2/14/2024
HSU, DELICIA	Registrar of Voters	2/15/2024
HURTADO, VICTORIA	District Attorney	3/8/2024
IGLESIAS, SYLVIA	Social Services Agency	3/8/2024
JONES, DAVID	Registrar of Voters	2/23/2024
JOSON, VENERANDO	Child Support Services	3/18/2024
KENNEDY, KURT	County Executive Office (CEO)	2/23/2024
KNEEPKENS, JAMES	OCTA	12/29/2023
LANE, BLANCA	Probation	2/9/2024
LARREA, MARIA	Child Support Services	2/23/2024
LAWRENCE, PETER	Fire Authority (OCFA)	12/29/2023
LEUNG, WILLIAM	Sheriff's Dept	3/8/2024
LLOYD, RANDALL	Sheriff's Dept	12/30/2023
LOPEZ, CHRISTOPHER	Probation	1/10/2024



Retirement Board Meeting

April 15, 2024

Application Notices

LUTZ, EDWARD	Sheriff's Dept	2/23/2024
MAGANA, MANUEL	Sheriff's Dept	3/8/2024
MAKKAWI, JENNIFER	Sheriff's Dept	1/26/2024
MARCHI, JULIA	Health Care Agency	3/8/2024
MARQUEZ, GRADY	Fire Authority (OCFA)	2/23/2024
MCKENNEY, DARRELL	Sheriff's Dept	3/1/2024
MESRITZ, JONAH	Fire Authority (OCFA)	2/8/2024
MILLER, TODD	Fire Authority (OCFA)	1/27/2024
MORGAN, DAVID	Fire Authority (OCFA)	2/9/2024
MUNGUIA, JOSE	OCTA	1/29/2024
MUNOZ, CARLOS	Social Services Agency	2/9/2024
NGUYEN, HUY	Public Defender	2/20/2024
NGUYEN, THUYTIEN	Social Services Agency	3/8/2024
PAPA, ROBERTA	Social Services Agency	2/23/2024
PARKS, DARYL	Fire Authority (OCFA)	2/14/2024
PAYNE, BRENT	Social Services Agency	2/23/2024
QUEROL, KENNETH	Sheriff's Dept	2/23/2024
ROBERGE, SHELIA	Health Care Agency	2/9/2024
ROUNTREE, JEFFREY	John Wayne Airport	2/23/2024
RUIZ, SALVADOR	District Attorney	1/26/2024
SAMKHEM, NINA	Social Services Agency	2/14/2024
SANTOYO, CONSUELO	Child Support Services	3/8/2024
SELAYANDIA, FRED	Sheriff's Dept	2/9/2024
SHOEMAKER, CELANE	Social Services Agency	2/23/2024
SMITH ELVIA	Probation	2/16/2024
SMITH, MARGARETHE	Health Care Agency	3/8/2024
SMITH, RACHEL	Probation	1/26/2024
SNYDER, BRETT	Sheriff's Dept	3/8/2024
STABILE, PATRICIA	Health Care Agency	3/8/2024



Retirement Board Meeting

April 15, 2024

Application Notices

STOCKBRIDGE, BRIAN	Sheriff's Dept	3/8/2024
TEICHMANN, PETER	Sheriff's Dept	2/29/2024
TIPPETT, BRAD	OC Public Works	2/6/2024
TJANDRA, MARGARETA	Probation	2/23/2024
TREAT, SHAWNA	OCERS	3/8/2024
VEYNA, RUTHIE	Superior Court	2/23/2024
YAWN, JAMES	Fire Authority (OCFA)	2/23/2024
ZAPPAS, NICHOLAS	Sheriff's Dept	2/9/2024



Retirement Board Meeting

April 15, 2024

Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER

RETIRED MEMBERS	AGENCY/EMPLOYER
BAILEY, NANCY	Assessor
BENIGSDORF, LEON	Sheriff's Dept
CODER, SUE	Superior Court
COLWELL, ELMER	OC Public Works
DANIELS, LESLIE	Health Care Agency
DAY, CHARLES	OC Public Works
DESAI, ROHIT	Sanitation District
EVANS, MAURICE	District Attorney
FORD, LA JOY	Sheriff's Dept
FRASER, FRANK	UCI
HATA, SETSU	Health Care Agency
HERZOG, MARLA	Health Care Agency
HILDENBRANDT, LEON	OC Public Works
HINKSTON, JANET	Health Care Agency
KINDER, JAMES	OCTA
KUSZMAUL, LEONARD	Fire Authority (OCFA)
LOPEZ, OFELIA	City of San Juan Capistrano
MARSHALL, RONALD	County Executive Office (CEO)
MC GINNIS, TONI	Health Care Agency
MC GUIR, TOMMY	OCTA
MIDDLETON, ROBERTA	County Executive Office (CEO)
MILLER, BRUCE	Social Services Agency
MORENO, GUILLERMO	Law Library
OAKES, RICHARD	OCTA
OWENS, LOIS	District Attorney
PATCHIN, DANIEL	Sheriff's Dept
POPER, CHARLES	OCTA
QUINONES, VICTORIA	Sheriff's Dept
RESTOR, ROBERT	OCTA
ROQUE, MARIA	Health Care Agency
SCHUMACHER, MICHAEL	County Executive Office (CEO)
TRAN, THANH	Social Services Agency
TUKUA, JULE	Superior Court
WADE, RONALD	Sanitation District
WIBAWA, PETER	Social Services Agency
WILLIAMS, CHARLENE	Probation



Retirement Board Meeting

April 15, 2024

Death Notices

WRIGHT, DONALD	Sanitation District
YOUNG, MADYE	UCI

SURVIVING SPOUSES	
BALLANTYNE, CANDEE	
BEACH, MARCIA	
BEST, FAY	
CONNER, LUCY	
FRATTO, BERNARD	
GALLAGHER, PHYLLIS	
JORALEMON, PATRICIA	
KING, CATHERINE	
LAWRENCE, DAVID	
OSBORNE, MARY	
ROBLES, RALPH	
ROSENZWEIG, SYLVIA	
SOWERS, BOBBY	

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

**GOVERNANCE COMMITTEE MEETING
Thursday, November 16, 2023
9:30 a.m.**

MINUTES

The Chair called the meeting to order at 9:33 a.m.

Recording Secretary administered the roll call.

Attendance was as follows:

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

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; Brenda Shott, Assistant CEO, Internal Operations; Rosie Baek, Staff Attorney; Anthony Beltran, Audio Visual Technician; Bill Singleton, Paralegal; Marielle Horst, Executive Secretary; Amanda Evenson, Executive Secretary; Rebeca Gonzalez-Verdugo, Recording Secretary.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

August 24, 2023

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

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 OFF-CYCLE REVIEW OF THE SECURITIES LITIGATION POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve, and recommend the Board adopt, revisions to the Securities Litigation Policy as presented.

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 and the Board’s involvement.

A-3 TRIENNIAL REVIEW OF THE ACTUARIAL VALUATION POLICY

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

Recommendation: Approve, and recommend the Board adopt, revisions to the Actuarial Valuation Policy as presented.

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

- 6. “Annually, the Ad Hoc Actuarial Extract Review Committee will work...”
- 7. “Each year the Ad Hoc Actuarial Extract Review Committee will review...”
- 11. “The accurate, complete, and timely...”
- 15. “At least every 5 years...”

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 None.

COMMITTEE MEMBER COMMENTS

None

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None

COUNSEL COMMENTS

None

ADJOURNMENT

Chair adjourned meeting at 10:24 a.m.

Submitted by:

Approved by:

Manuel Serpa
General Counsel/Staff Liaison

Steve Delaney
Chief Executive Officer/Secretary

Chris Prevatt
Chair

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

**AUDIT COMMITTEE MEETING
FRIDAY, JANUARY 19, 2024
9:30 A.M.**

MINUTES

OPEN SESSION

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

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Charles Packard, Chair; Adele Tagaloa, Vice Chair; Shari Freidenrich, Ex-Officio Member; Chris Prevatt; Board Member

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO Internal Operations; Manuel Serpa, General Counsel; David Kim, Director of Internal Audit; Mark Adviento, Senior Internal Auditor; Jenny Davey, Internal Auditor; Esther Hong, Internal Auditor; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Marielle Horst, Recording Secretary; Anthony Beltran, Audio Visual Technician.

Guests via Zoom: Alfred Ko and Tyler Larchick, RSM; Susan Verghese, Institute of Internal Auditors (IIA) Quality Services

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 APPROVE AUDIT COMMITTEE MEETING MINUTES

Audit Committee Meeting Minutes

December 12, 2023

MOTION by Ms. Freidenrich, **seconded** by Mr. Prevatt, to approve the Minutes.

The motion passed **unanimously**.

CLOSED SESSION ITEMS

Orange County Employees Retirement System
January 19, 2024
Audit Committee Meeting

The Committee adjourned to closed session at 9:34 a.m.

E-1 THREAT TO PUBLIC SERVICES OR FACILITIES

(Government Code Section § 54957)

Consultation with OCERS Director of Cyber Security

Recommendation: Take appropriate action.

OPEN SESSION

The Committee reconvened to open session at 9:52 a.m.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

Mr. Serpa reported no reportable action was taken during closed session.

ACTION ITEMS

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

None.

A-2 CONSIDERATION OF 2024 RISK ASSESSMENT AND 2024 AUDIT PLAN

Presentation by David Kim, Director of Internal Audit

Recommendation: Receive and file.

Mr. Kim presented the proposal for the 2024 Audit Plan, which included four first-time audits: Healthcare Agency, Public Law Library, Orange County Employees Retirement System (OCERS), and Cost of Living Adjustments (COLA). Continuing audits include Final Average Salary (FAS) calculations, as well as the implementation of Alameda.

Ms. Freidenrich commented that she appreciates Internal Audit for continuing to expand on audit areas that have not been previously reviewed. Ms. Tagaloa and Mr. Prevatt suggested Internal Audit reduce the number of FAS calculation audits to one in the fourth quarter and instead rely on the controls in place from the Quality Assurance team. In addition, Ms. Freidenrich suggests implementing quarterly reports from the Quality Assurance team. Internal Audit might then be called in on future occasions for additional audits during the year.

Ms. Freidenrich also suggested revising the scope of the Alameda 2 recalculation audit, lessening the breadth of the audit but still providing some independent input to CEO Delaney on the work being accomplished. Mr. Delaney concurred that while confident in his team's work, Internal Audit confirmation would be of value.

After discussion, the committee directed Internal Audit to adjust the Audit Plan and return in March while continuing to work on employer audits.

Orange County Employees Retirement System
January 19, 2024
Audit Committee Meeting

MOTION by Ms. Freidenrich, **seconded** by Mr. Prevatt, to receive and file.

The motion passed **unanimously**.

A-3 EXTERNAL QUALITY PEER REVIEW REPORT

Presentation by Susan Verghese, IIA Quality Services

Recommendation: Receive and file.

Ms. Verghese presented the findings of the External Quality Peer Review Report and found that OCERS Internal Audit scored consistently higher than the universe of Internal Audit organizations reviewed by the IIA since 2013, specifically around Internal Audit governance, Internal Audit staff, Internal Audit management, and Internal Audit processes. Stakeholders view Internal Audit as a partner and how Internal Audit is operating. This level of the survey results is not seen frequently.

MOTION by Ms. Freidenrich, **seconded** by Ms. Tagaloa, to receive and file.

The motion passed **unanimously**.

WRITTEN REPORTS

R-1 REPORTING OF INTERNAL AUDIT KEY PERFORMANCE INDICATORS

Written Report

Mr. Kim reviewed the Key Performance indicators, noting that the KPIs were referenced from other Internal Audit organizations, and can be adjusted going forward.

R-2 MANAGEMENT ACTION PLAN VERIFICATION REPORT

Written Report

STAFF COMMENTS

Ms. Horst reviewed the 2024 calendar with the Committee Members. The following dates were confirmed for future Audit Committee meetings: March 28, June 6, October 9, and December 12, 2024.

COMMITTEE MEMBER COMMENTS

Ms. Tagaloa welcomed Mr. Prevatt to the Audit Committee and commented that all committees should work in collaboration, especially with the Personnel Committee. Mr. Packard also welcomed Mr. Prevatt to the Audit Committee.

CHIEF EXECUTIVE OFFICER

NONE

COUNSEL COMMENTS

Orange County Employees Retirement System
January 19, 2024
Audit Committee Meeting

NONE

ADJOURNMENT

Chair Packard adjourned the meeting at 10:58 a.m.

Submitted by:

Submitted by:

Approved by:

David Kim
Committee Liaison

Steve Delaney
Secretary to the Board

Charles Packard
Chair



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORKPLAN**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

MAY

- Preliminary December 31, 2023 Actuarial Valuation
- Review of OCERS Multiple Plans
- Quarterly Unaudited Financial Statements
- Quarterly Budget vs Actual Report

JUNE

- December 31, 2023 Actuarial Valuation- Final Approval
- OCERS 2024 Business Plan Mid-year Review
- GASB 68 Valuation and Audit Report
- Audited Financial Statements and Annual Comprehensive Financial Reports
- CIO Comments

JULY

- Ethics Training
- Approve Early Payment Rates for Fiscal Year 2024-2026
- Strategic Planning Workshop – Proposed Agenda
- SEGAL Cost Illustrations
- Quarterly 2024-2026 Strategic Plan Review
- Contract Status for Named Services Providers
- Quarterly Travel and Training Expense Report

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2024 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight	Receive Quality of Member Services Report (I)	STAR COLA Posting (I)	Approve 2024 STAR COLA (A)	SACRS Board of Directors Election (A)	Preliminary December 31, 2023 Valuation (I)	Mid-Year Review of 2024 Business Plan Progress (I)	Approve Early Payment Rates for Fiscal Year 2024-26 (A)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Adopt 2025 Board Meeting Calendar (A)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
	Receive OCERS Innovation Report (I)	Approve 2024 COLA (A)	Quarterly Budget vs Actual Report (I)	Quarterly Travel and Training Expense Report (I)	Quarterly Unaudited Financial Statements (I)	Approve December 31, 2023 Actuarial Valuation & Funded Status of OCERS (A)	Quarterly Travel and Training Expense Report (I)	Receive OCERS by the Numbers (I)	Annual OCERS Employer Review (I)	Approve 2025-2027 Strategic Plan (A)	Approve 2025 Administrative (Operating) Budget (A)	
	Annual Disability Statistics Report (I)	Annual Overpaid And Underpaid Plan Benefits Report (I)	Quarterly Unaudited Financial Statements (I)	Quarterly 2024-2026 Strategic Plan Review (A)	Quarterly Budget vs Actual Report (I)	Approve 2023 Comprehensive Annual Financial Report (A)	Quarterly 2024-2026 Strategic Plan Review (A)	Receive Evolution of the UAAL (I)	State of OCERS (I)	Approve 2025 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
	Quarterly Travel and Training Expense Report (I)	Annual Report of Contracts >\$100,000 (I)						Quarterly Unaudited Financial Statements (I)	Annual 2024-2026 Strategic Plan Review (A)	Employer & Employee Pension Cost Comparison (I)	Quarterly Unaudited Financial Statements (I)	
	Quarterly 2024-2026 Strategic Plan Review (A)							Employer Employee Contribution Matrix (I)	Propose 2025 Board Meeting Calendar (I)	SACRS Business Meeting Direction (A)		
								Receive Quality of Member Services Report (I)	Quarterly Travel and Training Expense Report (I)			
Board Governance												Adopt Annual Work Plan for 2025 (A)
												Vice-Chair Election (A)
												Receive 2025 Board Committee Appointments (A)
Regulation / Policies	Communication Policy Fact Sheet (I)											
Compliance	Status of Board Education Hours for 2023 (I)	Annual Policy Compliance Report (I)	Semi Annual Business Continuity Disaster Recovery Updates (I)	Form 700 Due (A)		Receive Financial Audit (I)				Semi Annual Business Continuity Disaster Recovery Updates (I)		
	Annual Information Security Summary (closed session) (I)											

(A) = Action (I) = Information



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report Background/Discussion

1. **Quiet Period Policy Guidelines**

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

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

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed Requests for Proposals (RFP):

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

Distributed RFP’s

The RFP and RFQ’s noted below are subject to the quiet period until such time as a contract is finalized.

- Σ An RFP was distributed in September 2023 for a Pension Administration Project Oversight Consultant. The need for this consultant is to help guide OCERS into selecting and implementing a new Pension Administration System. Four proposals were received that are currently being evaluated.
- Σ An RFP for SharePoint Migration Services was distributed in November 2023. These services are needed to help OCERS migrate/upgrade our current SharePoint (OCERS internal Intranet) solution. Seven Proposals were received. Evaluations continuing based on possible project scope changes.
- Σ An RFP for OCERS Replacement Headquarters Project DBE Services was distributed in February 2024. This Request for Proposal was sent to four qualified candidates. Proposals from each candidate were received that are currently being evaluated.
- Σ An RFP was distributed in February 2024 for Employment Counsel Services. The current vendor six-year agreement expires late April, so we are bidding-out these services at this time. Six proposals were received that are currently being evaluated.



Memorandum

- Σ An RFP was distributed in March 2024 for Investment Counsel Services. The current vendor(s) six-year agreement expires at the end of June, so we are bidding-out these services at this time. Proposals are due April 22nd.

Submitted by:





Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: BOARD COMMUNICATIONS

Written Report

Background/Discussion

To ensure that the public has free and open access to those items that could have bearing on the decisions of the Trustees of the Board of Retirement, the OCERS Board has directed that all written communications to the entire Board during the interim between regular Board meetings be included in a monthly communications summary.

News Links

The following news and informational item was provided by the CEO for distribution to the entire Board:

From Mary-Joy Coburn, Director of Communications:

- ∑ NASRA News Clips

Other Items: (See Attached)

- ∑ Monthly summary of OCERS staff activities and updates, starting with an overview of key customer service metrics, for the month of February 2024.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



MONTHLY ACTIVITIES AND UPDATE REPORT



FEBRUARY 2024

ocers.org



OCERS Activities and Update Report

February 2024

To the members of the OCERS Board of Retirement,
 The following is my regular monthly summary of OCERS’ team activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for FEBRUARY 2024.

MEMBER SERVICES MONTHLY METRICS

Retirement Applications Received				Customer Service Statistics						
Month	2022	2023	2024	Month	Unplanned Recalculations	Member Satisfaction Approval Rate	Calls Received via Call Center	Calls Direct to Extension	Calls Received by Operator	Total Calls (monthly)
January	346	244	278	January	0	98%	2,528	3,143	857	6,528
February	151	152	151	February	0	98%	2,877	3,262	916	7,055
March	120	135		March						
April	47	54		April						
May	65	60		May						
June	73	45		June						
July	54	28		July						
August	58	45		August						
September	42	46		September						
October	70	54		October						
November	78	50		November						
December	86	39		December						
Grand Total	1190	952	429	Grand Total	0	98%	5,405	6,405	1,773	13,583

MEMBER SURVEY RESPONSES

“I just wanted to offer compliments and recognition to this team member. In a very short amount of time, this team member became familiar and well versed at his role. (much faster than I did). He very quickly began jumping in the phone queue and taking calls, and meeting with walk-ins. He has also always handled the SOD role with composure. He is always friendly, pleasant, and helpful to our members and his colleagues. He is always reliable, sometimes starting early and finishing late, in order to address members’ needs. He’s an asset to our department, and a joy to work with. Of course our whole team is outstanding in my opinion, but I felt the need to single out this team member for accomplishing so much in such little time. “

- **February 2024**

“The RPS I spoke to was professional and very helpful. The RPS walked me through everything to get me the information I was after. I wanted to let management know what a valuable employee you had. But then you likely already know that.”

- **January 2024**



OCERS Activities and Update Report February 2024

ACTIVITIES

EMPLOYER DATA

As we have reported at the Board meeting, on February 13 OCERS' Membership Division sponsored the first of a series of quarterly informational meetings via Zoom for ALL of our participating employers, outlining the improved data we need to allow our automated systems to take on more of the benefit calculation process.

The team will next write to each individual employer to provide specific guidance for each, followed by outreach presentations to the employer executive teams by CEO Delaney, and Asst CEOs Jenike and Shott. Follow up quarterly meetings for all employers will build on our progress.



OCERS Activities and Update Report

February 2024

UPDATES

COMMUNICATIONS

Ms. Coburn reports:

In February, we unveiled ‘Dear Benny,’ our new retirement benefits advice column to our members, and the feedback was overwhelmingly positive. Benny will now be a regular feature in our quarterly newsletter and will also have a permanent spot on our website, providing timely responses to member inquiries. You can find ‘Ask Benny’ here: <https://www.ocers.org/ask-benny>

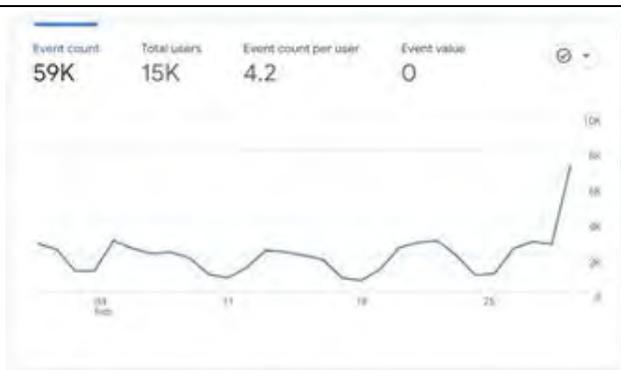
We’re forging ahead with our efforts to strengthen our relationship with our employer’s communications teams to better support our members. In January, we met with the Orange County Fire Authority (OCFA), and in February we engaged with the Sheriff’s Department Video Production Unit, part of the Public Affairs and Community Engagement Division. Our discussion delved into the vital role of video in crisis communication within public service. We’re eager to continue these dialogues and foster greater collaboration for the benefit of all our members.

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	741 (+63 since Feb 2024)
Twitter (X)	607 (+3 since Feb 2024)
Instagram	145 (+11 since Feb 2024)
Facebook	210 (+4 since Feb 2024)

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

OCERS WEBSITE



Top Pages Visited	Views
Homepage	24,577
Benefits Calculator	2,582
Cola and Star Cola	2,508
Board Committee Meetings	2,090
Members	1,189

For the period between February 1st and February 29th, the agency website had 54,133 views.



OCERS Activities and Update Report

February 2024

MEMBER SERVICES

Mr. Ardeleanu reports:

The Customer Service team participated in several events during the month of February 2024. The various events were well attended, with members fully engaged and asking lots of great retirement-related questions.

- ∑ 02.08.2024 – OC Sanitation District Retirement online Information Meeting – Gema Garcia
- ∑ 02.09.2024 – OCFA Firefighter Academy 59 –Kamron Nahavandi
- ∑ 02.14.2024 – OCERS in-person Pre-Retirement Seminar –David Viramontes
- ∑ 02.20.2024 – OCTA Retirement online Seminar – Christine Guerrero
- ∑ 02.21.2024 – OCTA Base Visit – Aileen Daag & Christine Guerrero
- ∑ 02.27.2024 – OCTA in-person Seminar – Aileen Daag & Christine Guerrero
- ∑ 02.28.2024 – OCERS online Pre-Retirement Seminar – Steven Ismael

SERVICE CREDIT PURCHASE UPDATE

OCERS SCP PROJECT REPORT			
Status	2023	2024	
	As of 12/31/23	Jan	Feb
New	0	88*	22
In Queue	218	218	240
Processed	0	-66	-60
Ending	218	240	202

*January 2024 reflects an elevated number of SCP requests due to members filing for retirements to meet the 4/1/2024 COLA.

INVESTMENTS

Ms. Walander-Sarkin reports:

As of January 31, 2024, the portfolio year-to-date is up 0.3% net of fees, while the one-year return is up 7.9%. The fund value now stands at \$22.4 billion. The OCERS Investments Team did not close on any new investments in February. A number of OCERS' Investments Team members did an onsite visit to CalSTRS to discuss portfolio leverage, internal trading, and AI during the month of February. Additionally, the OCERS Investments Team worked on preparing the items for the March Investment Committee Meeting during the month. Finally, OCERS posted the search for two new Investment Officer positions in February.



OCERS Activities and Update Report February 2024



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the April 15, 2024 meeting of the OCERS Board of Retirement.



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: LEGISLATIVE UPDATE

Written Report

State Legislative Update

The California Legislature reconvened on January 3, 2024, for the second year of the 2023 – 24 Legislative Session. The Legislature reconvened from Spring Recess on April 1st.

New or updated information since the last report to the Board is indicated in bold text.

SACRS Sponsored Bills

None to report.

Bills That Would Amend the CERL or Other Laws (PEPRA, the Brown Act, etc.) That Apply to OCERS

AB 817 (Pacheco, Wilson)

The Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction.

Existing law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met (nonemergency provisions). Existing law imposes different requirements for notice, agenda, and public participation, as prescribed, when a legislative body is using alternate teleconferencing provisions. The nonemergency provisions impose restrictions on remote participation by a member of the legislative body and require the legislative body to specific means by which the public may remotely hear and visually observe the meeting.

This bill, until January 1, 2026, would authorize a subsidiary body, defined as a legislative body that serves exclusively in an advisory capacity and that is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

(STATUS: Introduced; Read first time on 02/13/23. Referred to Com. on L. GOV.; from committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV.; read second time and amended on 03/16/23. Re-referred to Com. on L. GOV. on 03/20/23. In committee: Hearing postponed by committee on 04/25/23. From committee: Amend, and do pass as amended on 01/16/24. Read second time and amended. Ordered returned to second reading on 01/17/24. Read second time. Ordered to third reading 01/18/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 01/25/24.)

AB 2284 (Grayson)

PEPRA generally requires a public retirement system, as defined, to modify its plan or plans to comply with the act. PEPRA, among other things, establishes new defined benefit formulas and caps on pensionable compensation. The CERL authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL generally vests management of each retirement system in a board of retirement. CERL defines "compensation earnable" by a member, for the purpose of calculating benefits, to mean the average compensation, as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and the same rate of pay, subject to certain exceptions. This bill would authorize a retirement system, to the extent it has not defined "grade" in the above-described circumstances, to define "grade" to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping.

(STATUS: Introduced on 02/08/24. Referred to Com. On P.E. & R. on 02/26/24.)

AB 2715 (Boener)

Existing law, the Ralph M. Brown Act, generally requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Existing law authorizes a legislative body to hold a closed session on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a closed session to consider or evaluate matters related to cybersecurity, as specified, provided that any action taken on those matters is done in open session.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced on 02/14/24. Referred to Com. on L. GOV. on 03/04/24.)

SB 1189 (Limon)

The CERL authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL authorizes the board of retirement to appoint a retirement administrator, chief financial officer, chief operations officer, chief investment officer, and general counsel. This bill would also authorize the board to appoint a chief technology officer.

(STATUS: Introduced on 02/14/24. Referred to Com. on L., P.E. & R. on 02/21/24.)

Other Bills of Interest

AB 2421 (Low)

The Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, provisions relating to higher education, and provisions relating to the the San Francisco Bay Area Rapid Transit District, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law. This bill would also prohibit a local public agency employer, a state employer, a public school employer, a higher education employer, or the district from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

(STATUS: Introduced on 02/13/24. Referred to Com. on P.E. & R. on 02/26/24.)

AB 2770 (Members McKinnor, Boerner, Hart, Stephanie Nguyen, and Luz Rivas) – Committee Bill
Teachers' Retirement Law, establishes CalSTRS, and sets forth the provisions for its administration and the delivery of benefits to its members. Existing law authorizes a member to request to purchase additional service credit and to redeposit accumulated retirement contributions returned to the member, as provided. Existing law specifies the basis for the contribution amount, depending on whether the member is or is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional service credit. Existing law requires additional regular interest to be added to the contributions, as specified, if the member is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional service credit. This bill would revise that interest calculation. The bill would require the member to sign and return the completed statement of contributions and interest required from CalSTRS to purchase service credit at a specific cost no later than 35 calendar days from the date of the offer. The bill would also require a member to sign and return the completed election to repay accumulated retirement contributions from CalSTRS to redeposit at a specific cost no later than 35 calendar days from the date of the offer. Existing law authorizes members to request to redeposit all or a portion of specified contributions with regular interest from the date of refund to the date of payment. This bill would instead authorize members to

request to redeposit all or a portion of specified contributions with regular interest from the date of refund to the date CalSTRS receives the request to redeposit. This bill would also make various technical changes.

The CERL, prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions. Existing law provides that participants in certain membership categories may be entitled to special benefits if the injury that causes their disability arises in the course of their employment. Existing law creates a presumption, for purposes of qualification for disability retirement benefits for specified members, that certain injuries, including post-traumatic stress disorder, as defined, arose out of, or in the course of, the member's employment. Existing law authorizes the presumption relating to these injuries to be rebutted by evidence to the contrary, but unless controverted, the applicable governing board of a public retirement system is required to find in accordance with the presumption. Existing law repeals the provisions related to post-traumatic stress disorder on January 1, 2025.

This bill would instead repeal the provisions related to post-traumatic stress disorder on January 1, 2029. Existing law prescribes the procedures the retirement board must follow to pay a member their accumulated contributions, if the service of a member is discontinued other than by death or retirement, including requiring the board to send to the member, a registered or certified letter, return receipt requested, as specified. Existing law also requires the board to attempt to locate a person or estate entitled to payment of a member's accumulated contributions or any other benefit that fails to claim the payment or cannot be located through means that the board in its sound discretion deems reasonable including, but not limited to, a registered or certified letter, return receipt requested, as specified. This bill would remove the return receipt requirements.

The Judges' Retirement Law prescribes retirement benefits for judges, as defined, who were first elected or appointed to judicial office before November 9, 1994. Existing law establishes the Judges' Retirement System II, which provides retirement and other benefits to its members and is administered by CalPERS. Existing law requires a judge who leaves judicial office before accruing at least 5 years of service to be paid the amount of the judge's contributions to the system.

Under the Judges' Retirement System II, a judge is eligible to retire upon attaining both 65 years of age and 20 or more years of service, or upon attaining 70 years of age with a minimum of 5 years of service . Existing law, on and after January 1, 2024, and until January 1, 2029, additionally authorizes a judge who is 60 years of age and has 15 years or more of service or 65 years of age and has 10 years or more of service who is not eligible to retire pursuant to the provisions described above to elect to retire and defer receipt of a monthly allowance, subject to specified formulations . Existing law grants a judge who elects to retire under the provisions operative January 1, 2024, benefits and options given to a judge who elects to retire upon attaining both 65 years of age and 20 or more years of service, or upon attaining 70 years of age with a minimum of 5 years of service, including, among others, requiring the retirement allowance to be increased for the cost of living. Existing law also permits a member of the Judges' Retirement System II to select from various optional settlements for the purpose of structuring their retirement benefits. This bill would make various technical changes to these provisions of the Judges' Retirement Law.

(STATUS: Introduced on 02/15/24. . Referred to Com. on L., P.E. & R. on 03/04/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/11/24. Re-referred to Com. On P.E. & R. on 03/12/24.)

SB 908 (Cortese) – Amended in Senate on 03/20/24 – This bill was amended Fentanyl: child deaths bill and is no longer applicable.

The California Public Records Act requires a state or local agency to make public records available for public inspection, except as specified. Under existing law, a public record includes any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by a state or local agency regardless of physical form or characteristics. This bill would prohibit an elected or appointed official or employee of a public agency from creating or sending a public record using a nonofficial electronic messaging system unless the official or employee sends a copy of the public record to an official electronic messaging system, as specified. By imposing additional duties on local agencies, the bill would create a state-mandated local program.

The Legislative Open Records Act requires that legislative records be open to inspection at all times during normal business hours of the Legislature and that any person has the right to inspect any legislative record, except as specified. Existing law defines legislative records to mean any writing prepared on or after December 2, 1974, that contains information relating to the conduct of the public's business prepared, owned, used, or retained by the Legislature. This bill would prohibit a Member of the Legislature, legislative officer, standing, joint, or select committee or subcommittee of the Senate and Assembly, or agency or employee of the Legislature from creating or sending a legislative record using a nonofficial electronic messaging system unless the Member of the Legislature, legislative officer, standing, joint, or select committee or subcommittee of the Senate and Assembly, or agency or employee of the Legislature sends a copy of the legislative record to an official electronic messaging system, as specified.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make a legislative finding to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(STATUS: Introduced; read first time on 01/30/24.)

SB 962 (Padilla) Applies only to San Diego Unified Port District

PEPRA generally requires a public retirement system, as defined, to modify its pension plan or plans to comply with the act and, among other things, requires a public employer that offers a defined benefit pension plan to provide specified retirement formulas for new members, as defined. PEPRA permits a public employer to adopt a new defined benefit formula, on or after January 1, 2013, that is not consistent with PEPRA, if that formula is determined and certified by the chief actuary and the board of that employer's retirement system to not have a greater risk or greater cost to the sponsoring employer than the defined benefit formula required by PEPRA, and the plan is approved by the Legislature. This bill would approve a specified defined benefit formula applicable to employees of the San Diego Unified Port District. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced; read first time on 01/30/24. Referred to Com. On L., P.E. & R. on 02/14/24.)

SB 1240 (Alvarado-Gill) – Applies only to El Dorado County Fire Protection District and Diamond Springs Fire Protection District.

The PERL establishes CalPERS, which provides a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. PERL authorizes any public agency to make its employees members of CalPERS by contract. Under existing law, when a contracting agency is succeeded by another agency, the successor agency may become a contracting agency of PERS.

Existing law provides that if the successor agency contracts with PERS, the contract of the former agency shall merge with the contract of the succeeding agency. Existing law authorizes specified successor agencies to provide employees the defined benefit plan or formula that those employees received from their respective contracting agency employer prior to the consolidation.

This bill would authorize a successor agency for the El Dorado County Fire Protection District and the Diamond Springs Fire Protection District to provide employees the defined benefit plan or formula that those employees received from their respective employer prior to the annexation.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of El Dorado. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/15/24. Referred to Com. on L., P.E. & R. on 02/29/24. From committee with author's amendments. Read second time and amended. Re-referred to Com. on L., P.E. & R. on 03/21/24. Set for hearing April 10.)

SB 1499 (Glazer)

The Personal Income Tax Law, in modified conformity with federal income tax laws, generally allows various deductions in computing the income that is subject to taxes imposed by that law, including a deduction for qualified retirement contributions. The Consolidated Appropriations Act, 2023, among other things, expanded the deduction for qualified retirement contributions by indexing catch-up limitations for persons 50 years of age or older to inflation, increasing catch-up limits for persons 60 to 63 years of age, inclusive, and increasing contribution limits for simple plans, as defined. This bill would conform state law to the above-referenced changes to federal law. Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. The bill would also include additional information required for any bill authorizing a new tax expenditure. This bill would take effect immediately as a tax levy. (STATUS: Introduced on 02/16/24. Referred to Com. on REV. & TAX. on 02/29/24. Set for hearing April 10.)

Bills that Apply to CalPERS and/or CalSTRS Only

AB 1997 (McKinnor) – Amended in Assembly on 03/11/2024 – Section 22104.8(d) was added to the Education Code. The text of the bill did not change.

Teachers' Retirement Law establishes the CalSTRS and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, creditable service, and age at retirement, subject to certain variations. CalSTRS is administered by the Teachers' Retirement Board. Existing law requires employers and employees to make contributions to the system based on the member's creditable compensation. Existing law defines terms for the purposes of CalSTRS.

Existing law defines "annualized pay rate" to mean the salary or wages, as described, a person could earn during a school term for an assignment if creditable service were performed for that assignment on a full-time basis. Existing law establishes a pay rate when creditable service is not performed on a full-time basis because a member is performing activities pursuant to specified law.

This bill would redefine "annualized pay rate" to mean the salary, as described, a person could earn during a school term in a position subject to membership if creditable service were performed for that position on a full-time basis, to be determined pursuant to a publicly available pay schedule by a prescribed method. The bill, if no annualized pay rate exists for a position subject to membership, would deem all compensation earned in that position "supplemental pay," as prescribed.

Existing law defines “compensation earnable” for these calculations to be the sum of the average annualized pay rate, determined as the quotient obtained when salary or wages, as described, paid in a school year is divided by the service credited for that school year and remuneration that is paid in addition to salary or wages for the school year, as prescribed.

This bill would revise the definition of “compensation earnable” to be the sum of the average annualized pay rate, determined as the quotient obtained when salary earned in a school year is divided by the service credited for that salary and special pay, as prescribed.

Existing law defines “creditable compensation” to mean cash payments from an employer to all persons in the same class of employees for performing creditable service in that position of salary or wages pursuant to contract and remuneration that is paid in addition to salary or wages, as prescribed. Existing law alternatively defines “creditable compensation” for members who are subject to PEPRA, as prescribed.

This bill would repeal both of those provisions and redefine “creditable compensation” to mean cash remuneration that includes base pay and supplemental pay, as prescribed.

Existing law defines “creditable service” to mean specified activities relating to education performed for employers, including specified K-12 employers, community college employers, and charter school employers. This bill would redefine “creditable service” to mean service in a position subject to membership. The bill would for this purpose define “position subject to membership” to mean prescribed positions at various educational institutions. The bill would also include in that definition certain positions in which a member performed creditable service before the operative date of the added definition of “position subject to membership,” provided that the same member remains continuously employed to perform service in that position on and after that date.

Existing law establishes alternate definitions for “credited service” for members based on whether they are subject to PEPRA. This bill would instead define “credited service” to mean service for which the required contributions have been paid and service for which required contributions would have been paid in absence of prescribed limits.

Existing law defines “service” to mean work performed for compensation in a position subject to coverage under the defined benefit program, except as otherwise specifically provided in existing law, providing the contributions on compensation for that work are not credited to a defined benefit supplement program. This bill would redefine “service” to mean work performed for compensation, except as otherwise specifically provided in existing law.

Existing law establishes a cap on the amount of compensation that is taken into account in computing benefits payable for a member who first joins the program on or after July 1, 1996. This bill would additionally specify a cap for a member subject to PEPRA.

Existing law provides for the computation of service to be credited for service performed before July 1, 1972, or on or after July 1, 1972. This bill would provide for the computation of service to be credited for service performed on or after a date determined by the board as described below. This bill would require the board to determine a date when CalSTRS has the capacity to implement the above-described changes and to post the date on the STRS internet website no later than July 1, 2028. The bill would make those provisions with the changes operative on the date determined by the board, would make the existing provisions inoperative on that same date, and would repeal those existing provisions on July 1, 2028. The bill would provide that the changes

are consistent with prescribed principles that support the integrity of the retirement fund. The bill would require the board to adopt regulations to the extent required in order to continue to administer the bill accordingly.

Existing law creates the Teachers' Retirement Fund, which is continuously appropriated for specified purposes, into which certain moneys are deposited, including employee contributions. By making the changes to creditable compensation that affect contributions to the fund, the bill would make an appropriation. (STATUS: Introduced; read first time on 01/30/24. May be heard in committee March 1. Referred to Com. On P.E. & R. on 02/12/24. **From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/11/24. Re-referred to Com. on P.E. & R. on 03/12/24.**

SB 1379 (Dodd) – Applies only to Solano County

CalPERS provides pension and other benefits to members of the system and prescribes limitations on the service that retired members may perform, without the member reinstating in the system, for employers that participate in the system. PEPRa also prescribes limitations on the activities of retired members of these retirement systems, which supersede the provisions of CalPERS with which they conflict. Under both CalPERS and PEPRa, a retired member is generally subject to a limit of 960 hours of employment within a calendar or fiscal year, depending on the administrator of the system, for specified employers without reinstating in the system.

This bill would create an exception for the above-described limit for retired members hired by the City of Vallejo or the County of Solano to perform a function or functions regularly performed by a peace officer, any evidence or dispatch personnel, or any administrative or records personnel. The bill would repeal these provisions on January 1, 2029. This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Solano. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/16/24. Referred to Com. On L., P.E. & R. on 02/29/24. Set for Hearing April 10.)

Divestment Proposals (CalPERS and CalSTRS Only)

None to report.

Attachments:

2024 Tentative Legislative Calendar

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel

2024 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised 11/4/22

DEADLINES

JANUARY						
S	M	T	W	TH	F	S
	<u>1</u>	2	<u>3</u>	4	5	6
7	8	9	<u>10</u>	11	<u>12</u>	13
14	<u>15</u>	16	17	18	<u>19</u>	20
21	22	23	24	25	26	27
28	29	30	<u>31</u>			

- [Jan. 1](#) Statutes take effect (Art. IV, Sec. 8(c)).
- [Jan. 3](#) **Legislature Reconvenes** (J.R. 51(a)(4)).
- [Jan. 10](#) Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- [Jan. 12](#) Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the **odd-numbered year** (J.R. 61(b)(1)).
- [Jan. 15](#) Martin Luther King, Jr. Day.
- [Jan. 19](#) Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)).

Last day to **submit bill requests** to the Office of Legislative Counsel.
- [Jan. 31](#) Last day for each house to **pass bills introduced** in that house in the odd-numbered year (J.R. 61(b)(3), (Art. IV, Sec. 10(c)).

FEBRUARY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	<u>16</u>	17
18	<u>19</u>	20	21	22	23	24
25	26	27	28	29		

- [Feb. 16](#) Last day for bills to be **introduced** (J.R. 61(b)(4), (J.R. 54(a)).
- [Feb. 19](#) Presidents' Day.

MARCH						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	<u>21</u>	22	23
24	25	26	27	28	<u>29</u>	30
31						

- [Mar. 21](#) **Spring Recess** begins upon adjournment of this day's session (J.R. 51(b)(1)).
- [Mar. 29](#) Cesar Chavez Day observed.

APRIL						
S	M	T	W	TH	F	S
	<u>1</u>	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	<u>26</u>	27
28	29	30				

- [Apr. 1](#) Legislature Reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- [Apr. 26](#) Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house (J.R. 61(b)(5)).

MAY						
S	M	T	W	TH	F	S
			1	2	<u>3</u>	4
5	6	7	8	9	<u>10</u>	11
12	13	14	15	16	<u>17</u>	18
19	<u>20</u>	21	22	23	<u>24</u>	25
26	<u>27</u>	<u>28</u>	29	30	31	

- [May 3](#) Last day for **policy committees** to hear and report to the floor **non-fiscal** bills introduced in their house (J.R. 61(b)(6)).
- [May 10](#) Last day for **policy committees** to meet prior to May 28 (J.R. 61(b)(7)).
- [May 17](#) Last day for **fiscal committees** to hear and report to the floor bills introduced in their house (J.R. 61(b)(8)).

Last day for **fiscal committees** to meet prior to May 28 (J.R. 61(b)(9)).
- [May 20-24](#) **Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61(b)(10)).
- [May 24](#) Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).
- [May 27](#) Memorial Day.
- [May 28](#) Committee meetings may resume (J.R. 61(b)(12)).

*Holiday schedule subject to Senate Rules committee approval

2024 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised 11/4/22

JUNE						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

[June 15](#) Budget Bill must be passed by **midnight** (Art. IV, Sec. 12(e)(3)).

[June 27](#) Last day for a legislative measure to qualify for the Nov. 5 General Election ballot (Elections Code Sec. 9040).

JULY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

[July 3](#) Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).

Summer Recess begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

[July 4](#) Independence Day.

AUGUST						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

[Aug. 5](#) Legislature Reconvenes from **Summer Recess** (J.R. 51(b)(2)).

[Aug. 16](#) Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(14)).

[Aug. 19-31](#) **Floor Session only.** No committees, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(15)).

[Aug. 23](#) Last day to **amend** on the floor (J.R. 61(b)(16)).

[Aug. 31](#) Last day for **each house to pass bills.** (Art. IV, Sec. 10(c), (J.R. 61(b)(17)).

Final Recess begins upon adjournment (J.R. 51(b)(3)).

*Holiday schedule subject to Senate Rules committee approval

IMPORTANT DATES OCCURRING DURING FINAL STUDY RECESS

2024

[Sept. 30](#) Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

[Nov. 5](#) General Election

[Nov. 30](#) Adjournment *Sine Die* at midnight (Art. IV, Sec. 3(a)).

[Dec. 2](#) 12 Noon convening of the 2025-26 Regular Session (Art. IV, Sec. 3(a)).

2025

[Jan. 1](#) Statutes take effect (Art. IV, Sec. 8(c)).



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

Written Report

Background/Discussion

At the Board's request, OCERS' executive staff produced a calendar and running list of upcoming OCERS Travel Policy approved conferences and Board education opportunities.

Attachment:

1. Annual Calendar with Travel Policy Section 10 conferences (dates boxed in red) and scheduled Board and Committee meeting dates
2. Legend and details for Travel Policy Section 10 conferences
3. Appendix of additional pre-approved conferences and Board education opportunities.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

2024 Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March						
Su	Mo	Tu	We	Th	Fr	Sa
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3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Federal Holidays 2024

Jan 1	New Year's Day	May 27	Memorial Day	Sep 2	Labor Day	Nov 28	Thanksgiving Day
Jan 15	Martin Luther King Day			Sep 27	Native American Day	Dec 25	Christmas Day
Feb 19	Presidents' Day	Jul 4	Independence Day	Nov 11	Veterans Day		

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Federal Holidays
Regular Board Meeting
Disability Committee Meeting
Strategic Planning Workshop
Investment Committee Meeting

Audit Committee Meeting
Building Committee Meeting
Governance Committee Meeting
Personnel Committee Meeting
Informational Update Meeting

04-15-2024 Regular Board Meeting - R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1/21/2024	1/22/2024	NCPERS	Pension Comm Summit	Washington DC	
1/22/2024	1/24/2024	NCPERS	Legislative Conference	Washington DC	
1/28/2024	1/30/2024	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	
2/24/2024	2/26/2024	NASRA	Winter Meeting	Washington DC	
2/26/2024	2/27/2024	NIRS	Annual Conference	Washington DC	
3/2/2024	3/5/2024	CALAPRS	General Assembly	Rancho Mirage	
5/7/2024	5/10/2024	SACRS	Spring Conference	Santa Barbara, CA	
5/19/2024	5/22/2024	NCPERS	Annual Conference & Exhibition (ACE)	Seattle WA	
6/17/2024	6/19/2024	NCPERS	Chief Officers Summit	Nashville, TN	
7/14/2024	7/17/2024	NAPO	Annual Convention	Nashville, TN	
8/3/2024	8/7/2024	NASRA	Annual Conference	Pittsburgh, PA	
8/18/2024	8/20/2024	NCPERS	Public Pension Funding Forum	Boston, MA	
9/24/2024	9/26/2024	NCPERS	Public Pension HR Summit	Denver, CO	
10/27/2024	10/30/2024	NCPERS	Public Safety Conference	Palm Springs, CA	
11/3/2024	11/6/2024	CRCEA	Contra Costa (CCREA)	Contra Costa	
11/12/2024	11/15/2024	SACRS	Fall Conference	Monterey, CA	
N/A	N/A	NCPERS	FALL Conference	N/A	None in 2024

The following are upcoming conferences and Board education opportunities, pre-approved under the Travel Policy section 12 (highlighted in yellow) and section 14. Note that conferences pre-approved under section 14 AND require overnight accommodations are subject to the limit of three events per year.

March 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
3/3/2024	3/6/2024	WithIntelligence	Women's Private Equity Summit	Phoenix, AZ	Section 14
3/4/2024	3/6/2024	CII	2024 Spring Conference: Governance as a Guidepost	Washington DC	Section 14
3/6/2024	3/7/2024	IFEBP	Investments Institute	Rancho Mirage	Section 14
3/6/2024	3/7/2024	Pacific Pension Inst (PPI)	2024 Winter Roundtable	Napa, CA	Section 14
3/6/2024	3/6/2024	Markets Group	8TH ANNUAL REAL ESTATE WEST FORUM	San Francisco, CA	Section 14
3/10/2024	3/12/2024	P&I	2024 Defined Contribution East Conference	Orlando, FL	Section 14
3/17/2024	3/19/2024	Opal	Real Estate Investment Summit 2024	West Palm Beach, FL	Section 14
3/17/2024	3/19/2024	Opal	ESG & Impact Investing Forum 2024	West Palm Beach, FL	Section 14
3/18/2024	3/20/2024	Markets Group	ALTSLA	Los Angeles, CA	Section 14
3/19/2024	3/21/2024	IREI	2024 Editorial Advisory Board Meeting – Real Assets Adviser	New Orleans	Section 14
3/21/2024	3/22/2024	PREA	2024 Spring Conference	Nashville, TN	Section 14
3/27/2024	3/29/2024	CALAPRS	Advanced Principals of Pension Governance for Trustees at UCLA	Los Angeles, CA	Section 12

April 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
4/7/2024	4/8/2024	Opal	Data and AI Executive Summit 2024	Atlanta, GA	Section 14
4/7/2024	4/10/2024	Investment and Wealth Inst	Investment and Wealth Experience 2024	Las Vegas, NV	Section 14
4/8/2024	4/10/2024	IREI	2024 Spring Editorial Advisory Board Meeting – Institutional Real Estate Americas	Charleston, SC	Section 14
4/9/2024	4/10/2024	P&I	2024 Private Markets Conference	Chicago	Section 14
4/9/2024	4/10/2024	SuperReturn	SuperReturn US West	Los Angeles, CA	Section 14
4/15/2024	4/19/2024	Wharton	Investment Strategies and Portfolio Management	Philadelphia	Section 12
4/15/2024	4/17/2024	WithIntelligence	Pension Bridge The Annual 2024	Half Moon Bay, CA	Section 14
4/21/2024	4/24/2024	PRISM	2024 PRISM Conference	Austin, TX	Section 14

May 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
5/7/2024	5/7/2024	Markets Group	8TH ANNUAL PACIFIC NORTHWEST INSTITUTIONAL FORUM	Seattle WA	Section 14
5/18/2024	5/19/2024	NCPERS	Trustee Educational Seminar (TEDS)	Seattle WA	Section 12
5/18/2024	5/19/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Seattle WA	Section 12
5/18/2024	5/19/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Seattle WA	Section 12
5/29/2024	5/29/2024	Institutional Investor	2024 Asia Single Family Office Roundtable	Singapore	Section 14

June 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
6/4/2024	6/4/2024	Markets Group	3RD ANNUAL SOUTHERN CALIFORNIA INSTITUTIONAL FORUM	Los Angeles, CA	Section 14
6/5/2024	6/7/2024	IREI	2024 Visions, Insights & Perspective (VIP) Infrastructure	Washington DC	Section 14
6/11/2024	6/12/2024	P&I	2024 Sustainable Returns Conference	Chicago	Section 14
6/11/2024	6/13/2024	WithIntelligence	Women's Private Credit Summit	Chicago	Section 14
6/18/2024	6/18/2024	P&I	2024 Retirement Income Conference	Chicago	Section 14
6/22/2024	6/23/2024	IFEBP	Trustee Institute: Level 2	Las Vegas, NV	Section 14
6/24/2024	6/26/2024	IFEBP	Advanced Trustees and Administrators Institute	Las Vegas, NV	Section 14
6/24/2024	6/26/2024	IFEBP	Trustee Institute: Level 1 (New Trustees)	Las Vegas, NV	Section 14

July 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
7/10/2024	7/12/2024	Pacific Pension Inst (PPI)	2024 SUMMER ROUNDTABLE	Amsterdam, Netherlands	Section 14
7/14/2024	7/17/2024	SACRS	SACRS/UC Berkeley	Berkeley, CA	Section 12
7/22/2024	7/24/2024	Opal	Public Funds Summit East 2024	Newport, RI	Section 14
7/22/2024	7/24/2024	WithIntelligence	Pension Bridge Private Equity Exclusive 2024	Chicago	Section 14

August 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
8/26/2024	8/29/2024	CALAPRS	Principles of Pension Governance for Trustees at Pepperdine University	Malibu	Section 12

September 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
9/9/2024	9/11/2024	CII	2024 Fall Conference: Brooklyn, NY	Brooklyn, NY	Section 14
9/9/2024	9/11/2024	IREI	2024 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas	Half Moon Bay, CA	Section 14
9/12/2024	9/12/2024	P&I	2024 Influential Women in Institutional Investing	Chicago	Section 14
9/24/2024	9/27/2024	CALAPRS	Administrators Institute	Carmel-By-The-Sea	Section 12

October 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
10/14/2024	10/18/2024	Wharton	Investment Strategies and Portfolio Management	Philadelphia	Section 12
10/15/2024	10/16/2024	Markets Group	7TH ANNUAL PRIVATE EQUITY SAN FRANCISCO FORUM	San Francisco, CA	Section 14
10/16/2024	10/17/2024	WithIntelligence	Pension Bridge Alternatives 2024	NY, NY	Section 14
10/21/2024	10/23/2024	Global ARC	21st Annual Global ARC Boston	Boston, MA	Section 14
10/23/2024	10/25/2024	PREA	34th Annual Institutional Investor Conference	Washington DC	Section 14
10/23/2024	10/25/2024	Pacific Pension Inst (PPI)	2024 ASIA PACIFIC ROUNDTABLE	Hong Kong	Section 14
10/26/2024	10/27/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Palm Springs, CA	Section 12
10/26/2024	10/27/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Palm Springs, CA	Section 12
10/26/2024	10/27/2024	NCPERS	Program for Advanced Trustee Studies (PATS)	Palm Springs, CA	Section 12

November 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
11/10/2024	11/13/2024	IFEBCP	70th Annual Employee Benefits Conference	San Diego, CA	Section 14
11/12/2024	11/12/2024	Inst Limited Partners Association	ILPA Summit 2024	TBD	Section 14

11/12/2024	11/12/2024	Markets Group	8TH ANNUAL PRIVATE WEALTH SOUTHERN CALIFORNIA FORUM	Los Angeles, CA	Section 14
11/20/2024	11/22/2024	IREI	2024 iREOC Annual Membership Meeting	Austin, TX	Section 14

December 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
12/4/2024	12/6/2024	Opal	CLO Summit 2024	Dana Point, CA	Section 14
12/4/2024	12/4/2024	Markets Group	11TH ANNUAL REAL ESTATE GLOBAL FORUM	NYC	Section 14
12/10/2024	12/11/2024	Markets Group	11TH ANNUAL NORTHERN CALIFORNIA INSTITUTIONAL FORUM	Napa, CA	Section 14

Ad Hoc/No schedule available yet

Global Financial Markets Inst	Ad Hoc	Section 12
IFEBP	Public Employee Benefits Institute- Not Yet Scheduled	Section 14
Inst Shareholder Services Media Solutions	No Schedule Available Yet	Section 14



Memorandum

DATE: April 3, 2024
TO: Members of the Board of Retirement
FROM: Tracy Bowman, Director of Finance
SUBJECT: **FIRST QUARTER 2024 TRAVEL AND TRAINING EXPENSE REPORT**

Written Report

Background/Discussion

In accordance with OCERS' Travel Policy, the Chief Executive Officer is required to submit a quarterly report to the Board of Retirement on conference attendance and related expenditures incurred by OCERS' Board Members and staff. Attached is the First Quarter 2024 Travel and Training Expense Report that includes all expenses submitted through March 31, 2024.

Submitted by:

A rectangular stamp with the OCERS logo on the left and the text "OCERS T.B. - Approved" on the right, underlined.

Tracy Bowman
Director of Finance

04-15-2024 Regular Board Meeting - R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
FIRST QUARTER 2024
Submitted Through March 31, 2024

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2024 YTD Total Expense	2023 Total*
FREIDENRICH	3/2-3/5/24	CALAPRS General Assembly 2024 & Investment Round Table	Rancho Mirage, CA	Training	-	300.00	-	-	854.66	-	-	854.66	-
Sub Total					-	300.00	-	-	854.66	-	-	854.66	2,593.30
HIDALGO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	110.95
HILTON	1/28-1/30/24	NAPO's 35th Annual Pension & Benefits Seminar	Las Vegas, CA	Training	32.16	-	46.68	185.80	516.84	154.67	-	936.15	-
	2/24-2/26/24	NASRA 2024 Joint Winter Meeting	Washington, DC	Conference	53.60	-	45.28	337.96	1,247.64	226.19	-	1,910.67	-
Sub Total					85.76	-	91.96	523.76	1,764.48	380.86	-	2,846.82	11,922.70
OATES	1/28-1/30/24	NAPO's 35th Annual Pension & Benefits Seminar	Las Vegas, CA	Training	-	-	46.68	144.98	284.47	71.73	-	547.86	-
	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	150.08	250.00	-	-	554.66	-	-	954.74	-
Sub Total					150.08	250.00	46.68	144.98	839.13	71.73	-	1,502.60	12,354.57
PACKARD					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,753.66
PREVATT	2/24-2/26/24	NASRA 2024 Joint Winter Meeting	Washington, DC	Conference	-	-	150.20	77.79	1,247.64	190.25	-	1,665.88	-
	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	162.14	250.00	98.64	-	831.99	-	-	1,342.77	-
Sub Total					162.14	250.00	248.84	77.79	2,079.63	190.25	-	3,008.65	16,520.80
TAGALOA	1/22-1/24/24	NCPEERS 2024 Legislative Conference	Washington, DC	Training	-	-	57.71	-	1,040.07	103.02	-	1,200.80	-
	1/28-1/30/24	NAPO's 35th Annual Pension & Benefits Seminar	Las Vegas, CA	Training	-	-	46.68	-	536.84	113.51	-	697.03	-
	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	142.04	250.00	-	-	277.33	-	-	669.37	-
Sub Total					142.04	250.00	104.39	-	1,854.24	216.53	-	2,567.20	19,776.09
WALLONE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,010.37
BOARD Total					540.02	1,050.00	491.87	746.53	7,092.14	859.37	-	10,779.93	68,042.44
DELANEY	1/23/24	IREI 2024 Visions, Insights & Perspectives (VIP) Americas	Carlsbad, CA	Conference	81.07	-	-	-	-	5.00	-	86.07	-
	1/28-1/30/24	NAPO's 35th Annual Pension & Benefits Seminar	Las Vegas, CA	Training	-	-	96.46	663.96	90.60	38.90	-	889.92	-
	2/8/24	CALAPRS Administrators Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	2/24-2/26/24	NASRA 2024 Joint Winter Meeting	Washington, DC	Conference	-	-	69.38	666.20	802.82	230.81	-	1,769.21	-
	3/2-3/5/24	CALAPRS General Assembly 2024 & Investment Round Table	Rancho Mirage, CA	Training	-	300.00	-	-	-	-	-	300.00	-
	3/19/24	CALAPRS Compliance Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	7/14-7/17/24	NAPO's 46th Annual Convention	Nashville, TN	Conference	-	-	-	852.20	-	-	-	852.20	-
Sub Total					81.07	400.00	165.84	2,182.36	893.42	274.71	-	3,997.40	18,670.17
EVENSON	4/10/24	CALAPRS Administrative Assistants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total					-	150.00	-	-	-	-	-	150.00	-
JENIKE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	9,523.76
NIH	4/10/24	CALAPRS Administrative Assistants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total					-	50.00	-	-	-	-	-	50.00	100.00
SHOTT	2/26-2/27/24	Gartner CIO Leadership Forum 2024	Phoenix, AZ	Training	12.06	-	40.64	406.34	413.88	183.78	-	1,056.70	-
	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	139.36	250.00	-	-	564.66	15.54	-	969.56	-
	6/9-6/12/24	GFOA 118th Annual Conference	Orlando, FL	Conference	-	515.00	-	-	-	-	-	515.00	-
Sub Total					151.42	765.00	40.64	406.34	978.54	199.32	-	2,541.26	5,471.50
TSAO	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	129.98	250.00	-	-	554.66	-	-	934.64	-
	3/11-3/13/24	Gartner 2024 NA Data & Analytics Summit	Orlando, FL	Training	-	3,825.00	52.33	266.20	765.00	325.17	-	5,233.70	-
	5/13-5/16/24	Leading in a Data-Driven World: Quantitative Intuition	Online	Training	-	9,550.00	-	-	-	-	-	9,550.00	-
Sub Total					129.98	13,625.00	52.33	266.20	1,319.66	325.17	-	15,718.34	-
EXECUTIVE Total					362.47	14,990.00	258.81	2,854.90	3,191.62	799.20	-	22,457.00	33,765.43

04-15-2024 Regular Board Meeting - R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
FIRST QUARTER 2024
Submitted Through March 31, 2024

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Req. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2024 YTD Total Expense	2023 Total*
BEESON	2/6/24	CalSTRS Visit	Sacramento, CA	Due Diligence	-	-	6.49	339.95	-	146.93	-	493.39	-
	3/4-3/7/24	NY 2024 Annual Meeting/Due Diligence	New York, NY	Meeting/Due Diligence	-	-	133.12	741.20	1,287.27	294.02	-	2,455.61	-
	5/6-5/8/24	Milken Institute Global Conference	Beverly Hills, CA	Conference/Due Diligence	-	-	-	-	1,173.35	-	-	1,173.35	-
Sub Total							139.61	1,081.15	2,460.62	440.97	-	4,122.35	5,582.87
CHARY	2/6/24	CalSTRS Visit	Sacramento, CA	Due Diligence	-	-	-	551.96	-	96.25	-	979.54	-
Sub Total							-	551.96	331.33	96.25	-	979.54	4,595.43
CHEN	3/3-3/6/24	Women's Private Equity Summit 2024	Phoenix, AZ	Due Diligence	-	-	-	464.20	1,348.23	415.14	-	2,227.57	-
Sub Total							-	464.20	1,348.23	415.14	-	2,227.57	5,926.97
HE	2/6/24	CalSTRS Visit	Sacramento, CA	Due Diligence	-	-	14.63	480.08	-	72.98	-	567.69	-
Sub Total	3/18/24	ALTSIA Conference	Los Angeles, CA	Due Diligence/Conference	-	-	-	-	-	24.20	-	24.20	-
Sub Total							14.63	480.08	-	97.18	-	591.89	769.45
HENANE	3/26/24	ILPA Real Assets	Online	Training	-	999.00	-	-	-	-	-	999.00	-
Sub Total	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	1,099.00	-	-	-	1,099.00	-
JJ	3/20-3/21/24	ILPA Institute - Investment Due Diligence	San Francisco, CA	Due Diligence	-	1,699.00	85.28	205.95	566.01	223.60	-	2,779.84	-
Sub Total							85.28	205.95	566.01	223.60	-	2,779.84	1,257.84
MEDINA	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	100.00	-	-	-	100.00	-
MURPHY	2/6/24	CalSTRS Visit	Sacramento, CA	Due Diligence	-	-	-	551.96	-	-	-	551.96	-
Sub Total	3/5-3/8/24	Forbes & Mika Brzezinski with Know Your Value Celebration	Abu Dhabi, United Arab Emirates	Due Diligence	-	-	188.22	755.80	4,923.65	401.68	-	6,269.35	-
Sub Total	4/29-5/1/24	Institutional Investors Allocators. Acknowledgement	Beverly Hills, CA	Due Diligence	-	-	-	-	300.49	-	-	300.49	-
Sub Total							188.22	1,307.76	5,224.14	401.68	-	7,121.80	8,365.46
NGUYEN, D							-	-	-	-	-	-	-
Sub Total							-	-	-	-	-	-	4,387.50
PETERSON							-	-	-	-	-	-	-
Sub Total							-	-	-	-	-	-	1,839.09
TURIAGI	2/26-2/27/24	Pension Bridge Private Credit	Carlsbad, CA	Due Diligence	71.69	-	103.09	-	1,159.55	76.00	-	1,410.33	-
Sub Total							71.69	103.09	1,159.55	76.00	-	1,410.33	1,232.69
WALANDER-SARKIN	5/26-6/7/24	Paris Due Diligence and Super Return Berlin	Paris, France	Due Diligence	-	-	-	3,892.90	562.02	-	-	4,454.92	-
Sub Total							-	3,892.90	562.02	-	-	4,454.92	2,406.56
INVESTMENTS Total					71.69	2,898.00	530.83	7,984.00	11,651.90	1,750.82	-	24,887.24	36,562.86
CLARK	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total	5/13-5/16/24	CAPIO 2024 Annual Conference	Indian Wells, CA	Conference	-	675.00	-	-	-	-	-	675.00	-
Sub Total							-	775.00	-	-	-	775.00	-
COBURN	1/21-1/22/24	NCPERS 2024 Pension Communications Summit	Washington, DC	Training	-	400.00	129.74	417.81	1,040.07	279.25	-	2,266.87	-
Sub Total	3/2-3/5/24	CALAPRS General Assembly 2024	Rancho Mirage, CA	Training	137.35	250.00	32.14	-	554.66	-	-	974.15	-
Sub Total	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total	5/13-5/16/24	CAPIO 2024 Annual Conference	Indian Wells, CA	Conference	-	675.00	-	-	-	-	-	675.00	-
Sub Total	Various	CALAPRS Management Academy: Module 1, 2, & 3	Pasadena, CA	Training	-	3,500.00	-	-	-	-	-	3,500.00	-
Sub Total					137.35	4,925.00	161.88	417.81	1,594.73	279.25	-	7,516.02	-
COMMUNICATIONS Total					137.35	5,700.00	161.88	417.81	1,594.73	279.25	-	8,291.02	-
ADDO	3/19/24	CALAPRS Compliance Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	150.00	-	-	-	150.00	7,107.56
BAEK	2/9/24	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	1,257.12
CAO	2/9/24	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	5,152.44
GONZALEZ-VERDUGO	4/10/24	CALAPRS Administrative Assistants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	150.00	-	-	-	150.00	945.18
KIM, J	2/9/24	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	-
SERPA	2/9/24	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total	3/19/24	CALAPRS Compliance Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	100.00	-	-	-	100.00	3,745.30
SINGLETON	2/9/24	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	269.59
LEGAL Total							-	600.00	-	-	-	600.00	18,477.19
ARDELEANU	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	100.00	-	-	-	100.00	-
CORTEZ	2/15/24	CALAPRS Benefits Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	50.00
HORST	4/10/24	CALAPRS Administrative Assistants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total							-	50.00	-	-	-	50.00	50.00
IBARRA	Various	LEAN Six Sigma Black Belt	Online	Training	-	1,499.00	-	-	-	-	-	1,499.00	-
Sub Total							-	1,499.00	-	-	-	1,499.00	-
LOPEZ	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total							-	100.00	-	-	-	100.00	50.00
MALDONADO							-	-	-	-	-	-	-
Sub Total							-	-	-	-	-	-	50.00
SHARMA-RAMKISHUN							-	-	-	-	-	-	-
Sub Total							-	-	-	-	-	-	50.00
VARGAS							-	-	-	-	-	-	-
Sub Total							-	-	-	-	-	-	1,792.81
MEMBER SERVICES Total							-	1,799.00	-	-	-	1,799.00	2,042.81

04-15-2024 Regular Board Meeting - R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
FIRST QUARTER 2024
Submitted Through March 31, 2024

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2024 YTD Total Expense	2023 Total*
BARKER					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	135.00
BOWMAN	2/5/24	GFOA Correctly Calculating Net Investment in Capital Assets	Online	Training	-	35.00	-	-	-	-	-	35.00	-
Sub Total					-	35.00	-	-	-	-	-	35.00	3,115.20
DURIGON	4/5/24	CALAPRS Accountants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total					-	50.00	-	-	-	-	-	50.00	50.00
GUERRERO	Various	CALAPRS Management Academy: Module 1, 2, & 3	Pasadena, CA	Training	-	3,500.00	-	-	-	-	-	3,500.00	-
Sub Total					-	3,500.00	-	-	-	-	-	3,500.00	-
KANG	Various	CALAPRS Management Academy: Module 1, 2, & 3	Pasadena, CA	Training	-	3,500.00	-	-	-	-	-	3,500.00	-
Sub Total					-	3,500.00	-	-	-	-	-	3,500.00	185.00
LAM					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	100.00
NGUYEN T	4/26/24	CALAPRS Overview in Retirement Plan Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total					-	100.00	-	-	-	-	-	100.00	-
REYES					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,573.47
FINANCE Total					-	7,185.00	-	-	-	-	-	7,185.00	6,158.67
BRAYBOY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,239.45
MCINTOSH					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,028.81
RODRIGUEZ					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	120.00
DISABILITY Total					-	-	-	-	-	-	-	-	4,388.26
ABRAHAMSON	4/15-4/18/24	Workhuman Live 2024	Austin, TX	Training	-	1,346.25	-	344.96	-	-	-	1,691.21	-
Sub Total					-	1,346.25	-	344.96	-	-	-	1,691.21	3,406.52
GUNSOLLEY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,411.72
HOCKLESS					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,268.12
NGUYEN					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	749.00
WOZNIUK					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	469.00
HUMAN RESOURCES Total					-	1,346.25	-	344.96	-	-	-	1,691.21	10,304.36
ADVIENTO	1/30-2/2/24	CSMFO 2024 Annual Conference	Anaheim, CA	Conference	-	885.00	-	-	-	25.00	-	910.00	-
	3/11/24	IIA 2024 General Audit Management Conference	Online	Training	-	1,575.00	-	-	-	-	-	1,575.00	-
	7/15/24	IIA 2024 International Conference	Online	Training	-	1,495.00	-	-	-	-	-	1,495.00	-
	10/21/24	IIA 2024 Ignite: Emerging Leaders Conference	Online	Conference	-	1,395.00	-	-	-	-	-	1,395.00	-
Sub Total					-	5,350.00	-	-	-	25.00	-	5,375.00	6,663.00
DAVEY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,654.00
HONG					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,454.00
KIM	1/30-2/2/24	CSMFO 2024 Annual Conference	Anaheim, CA	Conference	-	635.00	-	-	-	25.00	-	660.00	-
Sub Total					-	635.00	-	-	-	25.00	-	660.00	7,107.63
INTERNAL AUDIT Total					-	5,985.00	-	-	-	50.00	-	6,035.00	17,878.63
EAKIN					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,967.21
GOSSARD					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	5,566.21
INFORMATION SECURITY Total					-	-	-	-	-	-	-	-	8,533.42
BARRIERE	1/17/24	ISSA-LA Rogue AI Injection into the Enterprise	Los Angeles, CA	Training	-	17.85	-	-	-	-	-	17.85	-
	4/22-4/24/24	ISACA 2024 LA Spring Conference	Universal City, CA	Conference	-	750.00	-	-	-	-	-	750.00	-
Sub Total					-	767.85	-	-	-	-	-	767.85	2,139.41
FELIX					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,662.74
LARA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	7,924.11
NANDI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,217.87
SADOSKI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	179.00
ZAJZON					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,540.96
INFORMATION TECHNOLOGY Total					-	767.85	-	-	-	-	-	767.85	18,664.09
Total					1,111.53	42,321.10	1,443.39	12,348.20	23,530.39	3,738.64	-	84,493.25	224,818.16



Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: **UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER**

Written Report

Background

OCERS is currently conducting elections for the Safety Member, Alternate Safety Member and General Member positions on the Board of Retirement. OCERS requested two separate elections to be held concurrently.

The Registrar of Voters has provided OCERS with an election schedule. Using the attached schedules, OCERS notified eligible members about the Board of Retirement election scheduled for **June 18, 2024**, through U.S. mail.

The nomination period began on **March 18, 2024, and ends at 5:00 P.M. on April 17, 2024**. We are following the schedule and will continue to provide updates as we progress.

Attachments:

1. Response Letter from the Registrar of Voters with Calendar of Events – Safety
2. Response Letter from the Registrar of Voters with Calendar of Events – General

Submitted by:



CH – Approved

Cynthia Hockless
Director of Human Resources

BOB PAGE
Registrar of Voters



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7556
ocvote.gov

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

January 22, 2024

Ms. Cynthia Hockless
Director of Human Resources
Orange County Employees Retirement System
2223 Wellington Avenue, Suite 100
Santa Ana, CA 92701

Dear Ms. Hockless:

This is in response to your December 21, 2023 letter requesting the Registrar of Voters' Office to conduct a Special Election for the position of Safety Member and Alternate Safety Member for the term of office from July 1, 2024 through June 30, 2027.

The election schedule is as follows:

1 SAFETY MEMBER AND 1 ALTERNATE MEMBER

- March 1 and March 15 (E-109 and E-95) The Orange County Retirement office shall notify the Safety Members of the Retirement System that an election will be conducted on June 18, 2024. The notice shall include the filing period, qualifications and requirements to be a candidate for Safety Member and Alternate Member of the Orange County Retirement Board of Directors and shall be provided with the payrolls on March 1, 2024 and March 15, 2024.
- March 11 (E-99) The Retirement Office shall provide the number of eligible Safety Members to the Registrar of Voters' Office.
- March 11 (E-99) The Retirement Office shall provide the Registrar of Voters' Office with Willingness to Serve forms.
- March 18 (E-92) First day the Nomination Petition is available for pick up from the Registrar of Voters' Office. A Safety Member requires 75 nomination signatures.
- April 17 (E-62) Last day to file the Nomination Petition, Willingness to Serve Form, and Biographical Statement with the Registrar of Voters' office by 5:00 p.m.

April 18 (E-61)	Random draw will be held to determine the candidate placement on the ballot.
April 29 (E-50)	Retirement Office shall provide the Registrar of Voters with names and addresses of eligible Safety Members in an electronic format.
May 13 (E-36)	Mailing of ballots begins.
June 18 (E-0)	Tally voted ballots at the Registrar of Voters' Office.
June 25 (E+7)	Deadline to receive mailed ballots. Ballots that are mailed must be postmarked on or before election day and received by the Registrar of Voters no later than seven (7) calendar days after Election Day.
July 1 (E+13)	Term begins for Safety Member and Alternate Member. Term expires on June 30, 2027.
July 23 (E+35)	Certificate of Election on Board of Supervisors' agenda.

If you have any questions, I can be reached at (714) 567-7568.



Sincerely, Marcia Nielsen
Candidate and Voter Services Manager



BOB PAGE
Registrar of Voters



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7556
ocvote.gov

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

January 22, 2024

Ms. Cynthia Hockless
Director of Human Resources
Orange County Employees Retirement System
2223 Wellington Avenue, Suite 100
Santa Ana, CA 92701

Dear Ms. Hockless:

This is in response to your December 21, 2023 letter requesting the Registrar of Voters' Office to conduct a Special Election for the position of General Member for the term of office from January 1, 2025 through December 31, 2027.

The election schedule is as follows:

1 GENERAL MEMBER

- March 1 and March 15 (E-109 and E-95) The Orange County Retirement office shall notify the General Members of the Retirement System that an election will be conducted on June 18, 2024. The notice shall include the filing period, qualifications and requirements to be a candidate for General Member of the Orange County Retirement Board of Directors and shall be provided with the payrolls on March 1, 2024 and March 15, 2024.
- March 11 (E-99) The Retirement Office shall provide the number of eligible General Members to the Registrar of Voters' Office.
- March 11 (E-99) The Retirement Office shall provide the Registrar of Voters' Office with Willingness to Serve forms.
- March 18 (E-92) First day the Nomination Petition is available for pick up from the Registrar of Voters' Office. A General Member requires 75 nomination signatures.
- April 17 (E-62) Last day to file the Nomination Petition, Willingness to Serve Form, and Biographical Statement with the Registrar of Voters' office by 5:00 p.m.

- | | |
|-------------------------------|--|
| April 18
(E-61) | Random draw will be held to determine the candidate placement on the ballot. |
| April 29
(E-50) | Retirement Office shall provide the Registrar of Voters with names and addresses of eligible General Members in an electronic format. |
| May 13
(E-36) | Mailing of ballots begins. |
| June 18
(E-0) | Tally voted ballots at the Registrar of Voters' Office. |
| June 25
(E+7) | Deadline to receive mailed ballots. Ballots that are mailed must be postmarked on or before election day and received by the Registrar of Voters no later than seven (7) calendar days after Election Day. |
| July 23
(E+35) | Certificate of Election on Board of Supervisors' agenda. |
| January 1,
2025
(E+197) | Term begins for General Member. Term expires on December 31, 2027. |

If you have any questions, I can be reached at (714) 567-7568.



Sincerely, Marcia Nielsen
Candidate and Voter Services Manager





Memorandum

DATE: April 15, 2024
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: Reed Smith, LLP Performance Survey Report

Written Report
Background/Discussion

1. Performance Review Guidelines

According to the Procurement & Contracting Policy (Section II.E.2, page 7), the performance of every contracted Named Service Provider will be reviewed at least every three years.

2. Contracts with Named Service Providers

The performance of Named Services Providers (as defined in the Procurement & Contracting Policy (Section II.E.2, page 7) will be solicited from and reported to the Board of Retirement:

“The performance of Named Service Providers, will be reviewed at least every three years.” “The results of the performance reviews of Named Service Providers will be summarized and reported to the Board.”

3. Review of Fiduciary Counsel – Reed Smith, LLP

Pursuant to the above referenced policy, a performance survey was distributed for Reed Smith, LLP on January 30, 2024 for the period of January 2021, through December, 2023. The notes below summarize the results:

- Σ Reed Smith personnel were rated as being very reliable and responsive to requests and issues
- Σ Most respondents are very satisfied with the advice and outcomes from Reed Smith
- Σ No improvements were noted
- Σ The overall performance rating for the majority of those surveyed resulted in a “A” grade
- Σ A concern was noted about the loss of institutional knowledge as Mr. Harvey Leiderman has retired

4. Performance Review Action Item(s)

- Σ The contract with Reed Smith, LLP expires June 30, 2024. The contract will be extended for another year.



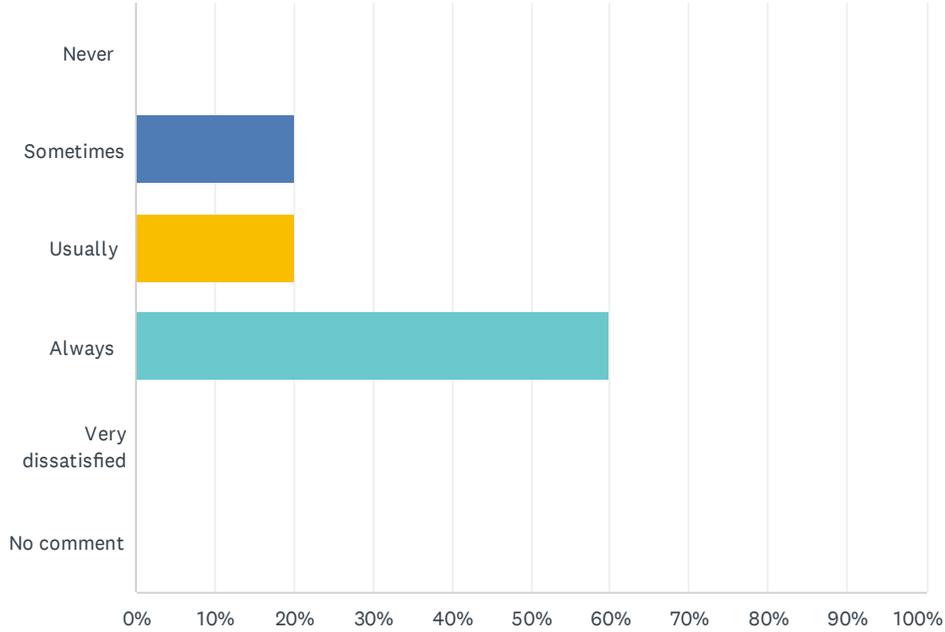
JD - Approved

Jim Doezie
 Contracts, Risk and Performance Administrator

Reed Smith LLP - Performance Review Survey - 2024

Q1 Did Reed Smith meet your general performance expectations?

Answered: 10 Skipped: 0

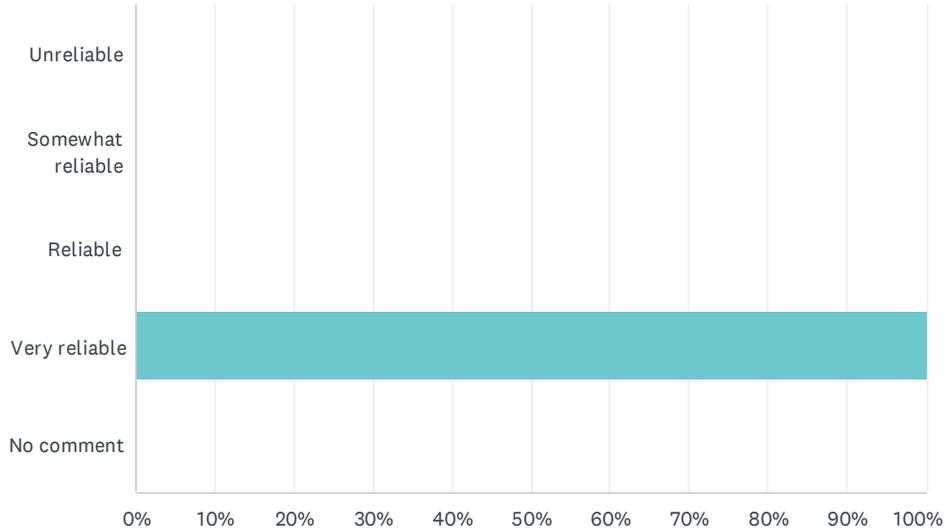


ANSWER CHOICES	RESPONSES
Never	0.00% 0
Sometimes	20.00% 2
Usually	20.00% 2
Always	60.00% 6
Very dissatisfied	0.00% 0
No comment	0.00% 0
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q2 How reliable is Reed Smith in following through on your requests for legal opinions and advice?

Answered: 10 Skipped: 0

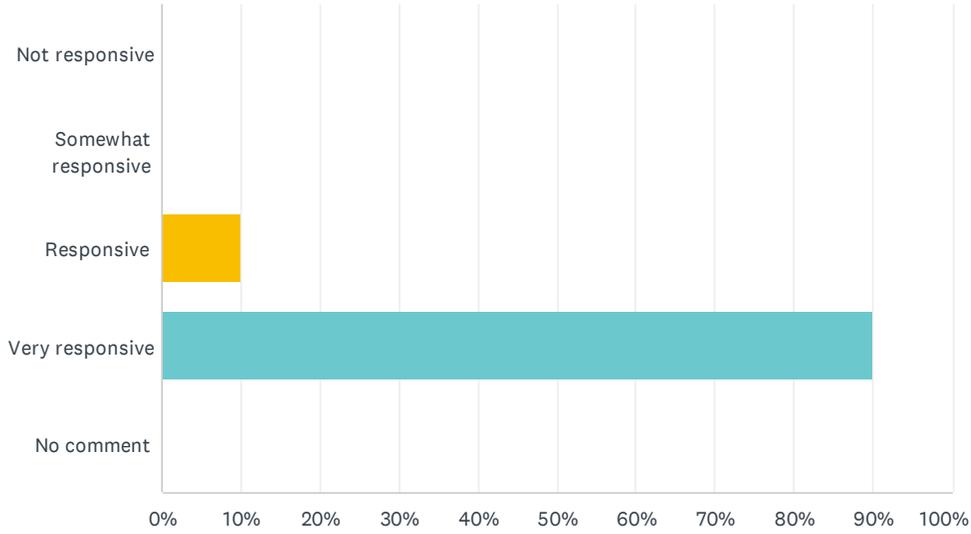


ANSWER CHOICES	RESPONSES
Unreliable	0.00% 0
Somewhat reliable	0.00% 0
Reliable	0.00% 0
Very reliable	100.00% 10
No comment	0.00% 0
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q3 How responsive has Reed Smith been to information requests, issues, or problems?

Answered: 10 Skipped: 0

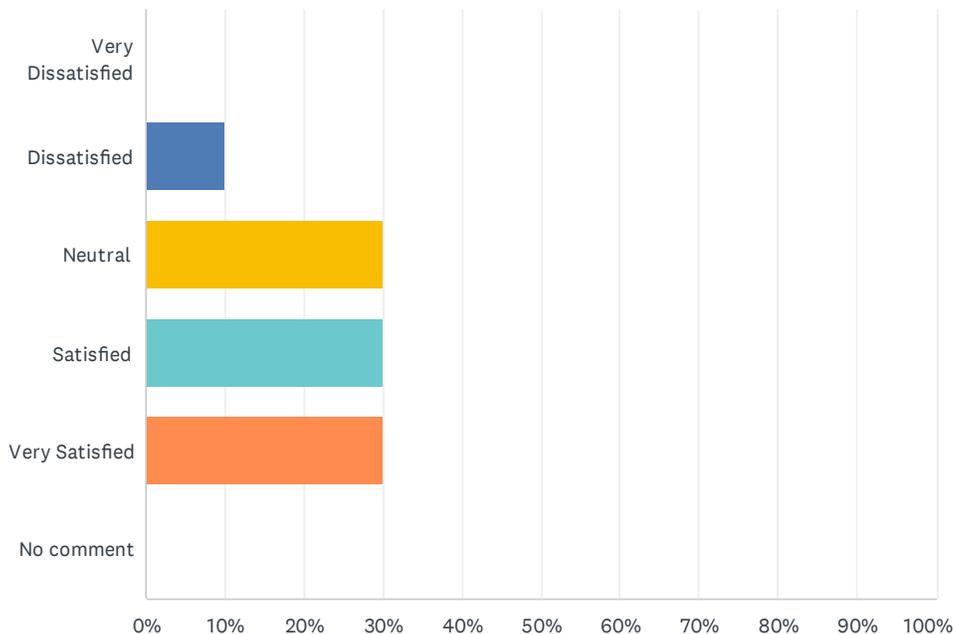


ANSWER CHOICES	RESPONSES	
Not responsive	0.00%	0
Somewhat responsive	0.00%	0
Responsive	10.00%	1
Very responsive	90.00%	9
No comment	0.00%	0
TOTAL		10

Reed Smith LLP - Performance Review Survey - 2024

Q4 Harvey Leiderman has been the lead attorney for these services. Based upon your experience so far, are you satisfied with the level of knowledge and expertise shown by Maytak Chin, who is now Harvey's successor?

Answered: 10 Skipped: 0

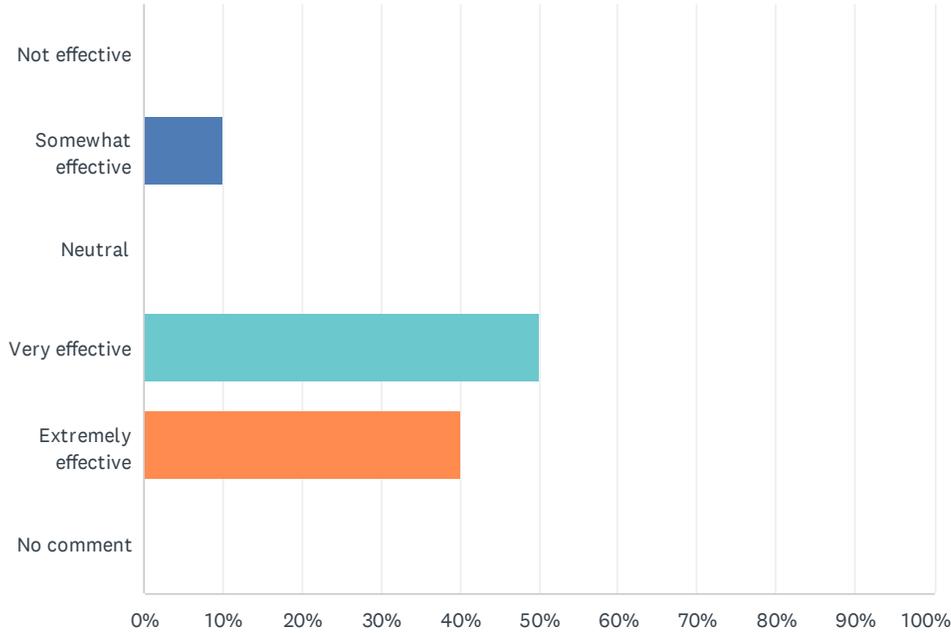


ANSWER CHOICES	RESPONSES
Very Dissatisfied	0.00% 0
Dissatisfied	10.00% 1
Neutral	30.00% 3
Satisfied	30.00% 3
Very Satisfied	30.00% 3
No comment	0.00% 0
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q5 How effective is Reed Smith in providing guidance to the Board and staff on meeting your fiduciary obligations?

Answered: 10 Skipped: 0

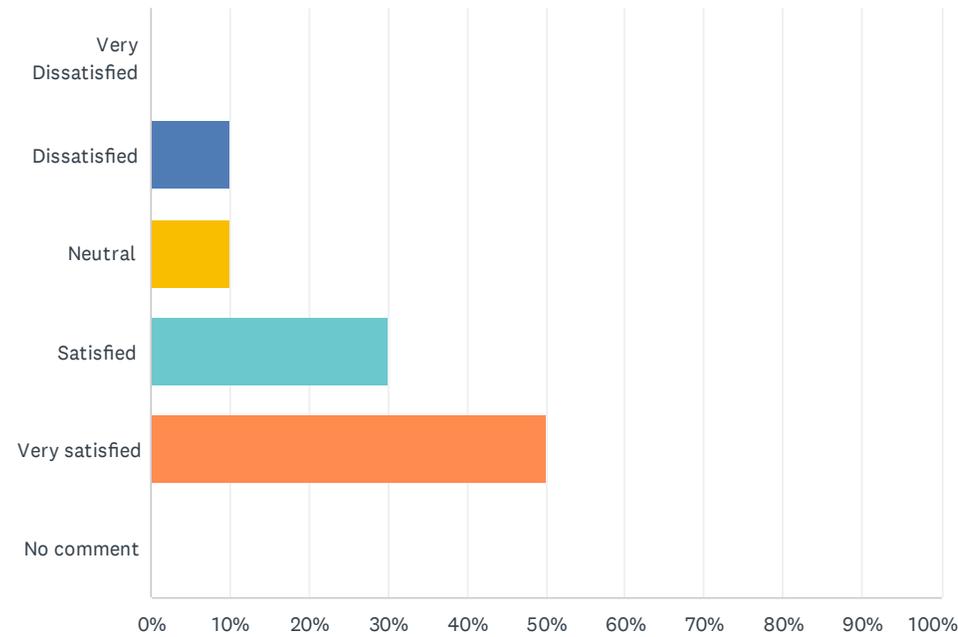


ANSWER CHOICES	RESPONSES
Not effective	0.00% 0
Somewhat effective	10.00% 1
Neutral	0.00% 0
Very effective	50.00% 5
Extremely effective	40.00% 4
No comment	0.00% 0
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q6 How satisfied are you with the outcomes related to the fiduciary advice provided by Reed Smith?

Answered: 10 Skipped: 0

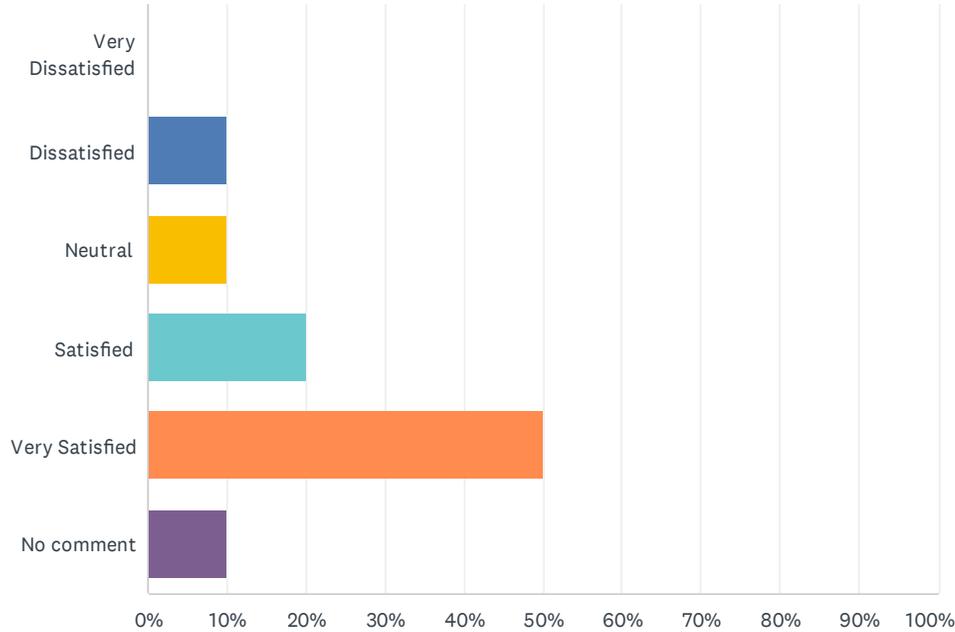


ANSWER CHOICES	RESPONSES
Very Dissatisfied	0.00% 0
Dissatisfied	10.00% 1
Neutral	10.00% 1
Satisfied	30.00% 3
Very satisfied	50.00% 5
No comment	0.00% 0
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q7 How satisfied are you with the fiduciary advice provided by Reed Smith to ensure OCERS complies with PEPRA and the binding case law that interprets it? (e.g., the Alameda decision)

Answered: 10 Skipped: 0

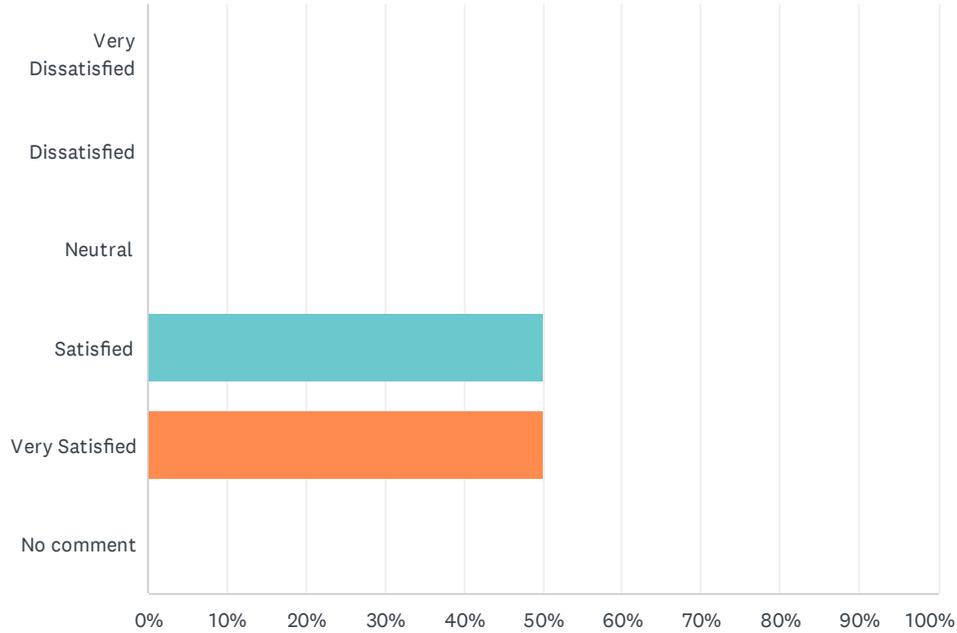


ANSWER CHOICES	RESPONSES
Very Dissatisfied	0.00% 0
Dissatisfied	10.00% 1
Neutral	10.00% 1
Satisfied	20.00% 2
Very Satisfied	50.00% 5
No comment	10.00% 1
TOTAL	10

Reed Smith LLP - Performance Review Survey - 2024

Q8 How satisfied are you with the value of the in-person meetings with Reed Smith?

Answered: 10 Skipped: 0

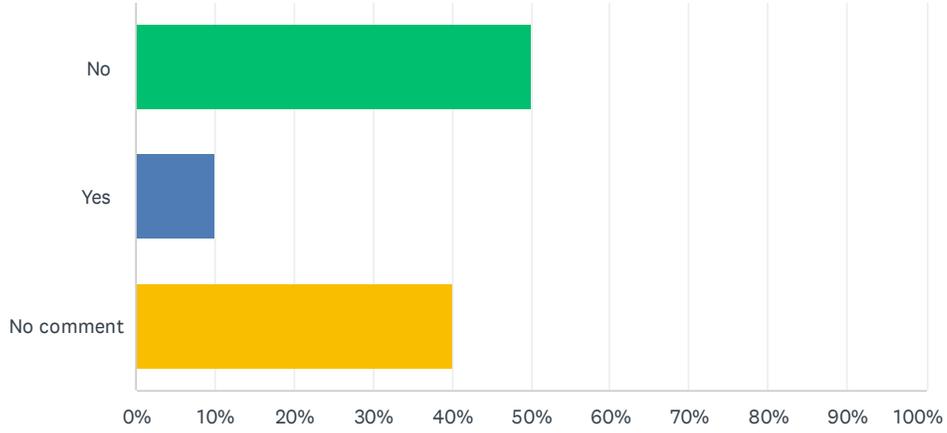


ANSWER CHOICES	RESPONSES	
Very Dissatisfied	0.00%	0
Dissatisfied	0.00%	0
Neutral	0.00%	0
Satisfied	50.00%	5
Very Satisfied	50.00%	5
No comment	0.00%	0
TOTAL		10

Reed Smith LLP - Performance Review Survey - 2024

Q9 Are changes required in order to continue business with Reed Smith?

Answered: 10 Skipped: 0

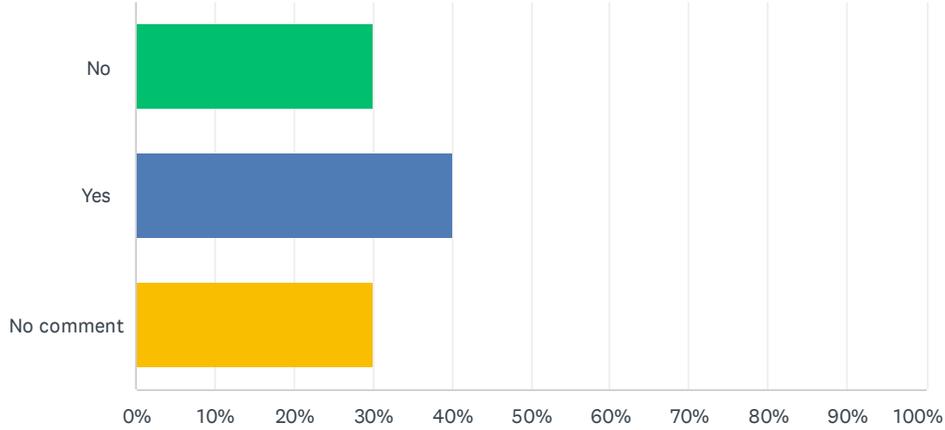


ANSWER CHOICES	RESPONSES	
No	50.00%	5
Yes	10.00%	1
No comment	40.00%	4
TOTAL		10

Reed Smith LLP - Performance Review Survey - 2024

Q10 The term of the existing contract ends June 30, 2024. Should OCERS issue an RFP at this time to explore other options for Fiduciary Counsel?

Answered: 10 Skipped: 0

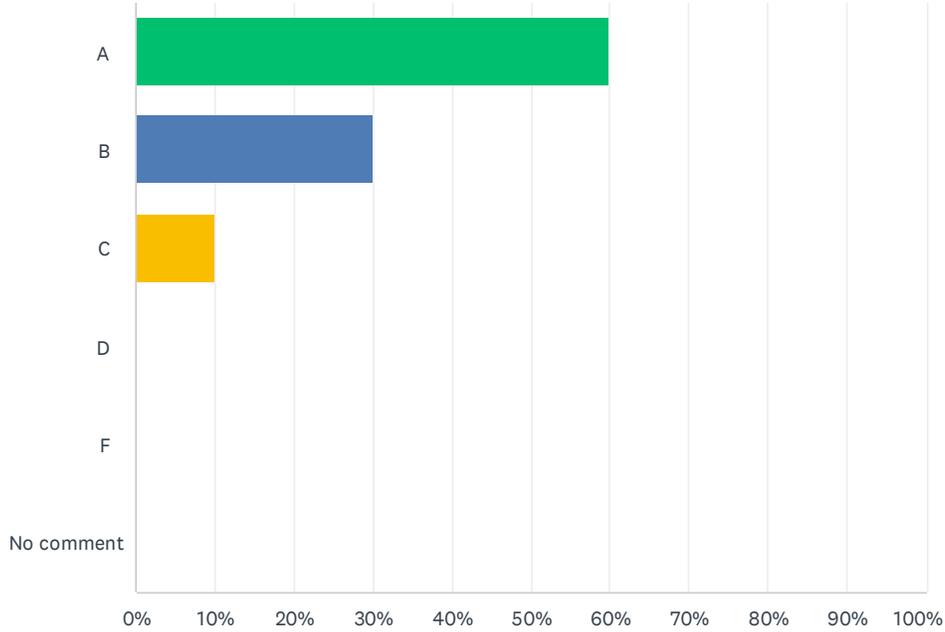


ANSWER CHOICES	RESPONSES	
No	30.00%	3
Yes	40.00%	4
No comment	30.00%	3
TOTAL		10

Reed Smith LLP - Performance Review Survey - 2024

Q11 What is your overall performance rating for Reed Smith?

Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES	
A	60.00%	6
B	30.00%	3
C	10.00%	1
D	0.00%	0
F	0.00%	0
No comment	0.00%	0
TOTAL		10

Reed Smith LLP - Performance Review Survey - 2024

Q12 Do you have any comments, concerns, or suggestions about Reed Smith's performance?

Answered: 4 Skipped: 6