

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

AMENDED

**REGULAR MEETING
Monday, October 21, 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/88315717999</p> <p>Meeting ID: 883 1571 7999 Passcode: 105239</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: 883 1571 7999 Passcode: 105239</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.

- Portia Mina

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes	August 19, 2024
Strategic Planning Workshop Summary	September 10-11, 2024

Recommendation: Approve minutes.

C-3 OUTCOMES FROM THE GOVERNANCE COMMITTEE ON AUGUST 15, 2024

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

- (1) **OCERS Administrative Procedure Regarding Felony Forfeiture** with revisions approved by the Committee;
- (2) **Securities Litigation Policy** with revisions approved by the Committee;
- (3) **Succession Policy** with revisions approved by the Committee;
- (4) **OCERS Administrative Procedure Regarding Required Minimum Distributions** with revisions approved by the Committee;
- (5) **Member Services Customer Service Policy** with revisions approved by the Committee;
- (6) **Legislative Policy** with revisions approved by the Committee;

C-4 OUTCOMES FROM THE DISABILITY COMMITTEE ON AUGUST 19, 2024

Recommendation: The Disability Committee recommends that the Board adopt the following:

- (1) **OCERS Administrative Review and Hearing Policy** with revisions approved by the Committee;
- (2) **OAP Regarding Effective Date of Disability Retirement Allowance** 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: MARK BECKLEY

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as February 10, 2023.

DC-2: LARRY COSTA (DECEASED)

Deputy Sheriff, 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 19, 2024.

DC-3: SEAN GARVEY

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.

- Set the effective date as July 26, 2024.

DC-4: MARK MCDERMOTT

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 27, 2023.

DC-5: MAXWELL NGUYEN

Service Broker, Orange County Transportation Authority (General)

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

- Deny service-connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-6: GEORGE RUIZ

Firefighter, Orange County Fire Authority (Safety)

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

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

DC-7: ALEXANDER VAN

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

DC-8: TODD VANDERHAM

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 March 24, 2023.

DC-9: VIVIAN VU

Social Services Supervisor I, Orange County Social Services (General)

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

- Deny service and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-10: JUDY J WAGNER ESTRIN

Data Entry Technician, Orange County Probation Department (General)

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

- Deny service and non-service connected disability retirement without prejudice due to the member’s decision not to join in the application.

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. As per the OCERS Bylaws, for disability matters before the Board, the applicant or their attorney is allowed to present for a maximum of ten (10) minutes. The opposing counsel is allowed a time limit of seven (7) minutes for argument, followed by a three (3) minute rebuttal from the applicant or their attorney.

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

DA-2: GINA EDWARDS

Information Processing Technician, Orange County Probation Department

Recommendation: Staff recommends the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Findings and Decision in an OCERS Service-Connected Disability Retirement Case (Recommendation), dated July 17, 2024, wherein the Hearing Officer recommends that the Board find the Applicant, Gina Edwards, is not permanently incapacitated and deny Service-Connected Disability Retirement.

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 OCERS 2025-2027 BUSINESS AND STRATEGIC PLAN

Presentation by Steve Delaney, Chief Executive Officer, and Will Tsao, Director of EP MO, OCERS

Recommendation: Approve the OCERS 2025-2027 Business and Strategic Plan as modified.

A-3 2025 STAFFING PLAN

Presentation by Steve Delaney, Chief Executive Officer, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: The Personnel Committee recommends the Board of Retirement approve the following personnel costs in the 2025 OCERS Staffing Plan:

1. **APPROVE THE ADDITION OF 4 NEW POSITIONS TO THE 2025 BUDGETED HEADCOUNT**
 - A. Add one IT Intern position to the Information Technology Department – Extra Help
 - B. Add two Investment Analyst positions to the Investment Department – OCERS Direct
 - C. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct
2. **REMOVE 2 CURRENTLY VACANT POSITIONS FROM THE PROPOSED 2025 BUDGETED HEADCOUNT**
 - A. Deputy General Counsel – OCERS Direct
 - B. Retirement Benefits Technician – County

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.

A-4 OUTCOMES FROM THE BUILDING COMMITTEE ON OCTOBER 3,2024 – PRELIMINARY BUILDING AND SITE PLANS AND CITY ENTITLEMENT PROCESSES

Presentation by Brenda Shott, Assistant CEO, Internal Operations, OCERS

Recommendation: The Building Committee recommends that the Board of Retirement approve the preliminary schematic building design and site plan for the OCERS Replacement Headquarters Project, including a 3-story L-shaped building with surface parking, and direct staff to proceed with the City of Santa Ana’s Project Development Review and Minor Exception process to obtain the required entitlement related approvals.

A-5 VOTING DIRECTION FOR SACRS BUSINESS MEETING

Presentation by Manuel Serpa, General Counsel, OCERS

Recommendation: Give voting direction to OCERS’ delegates for November 15, 2024 SACRS business meeting.

A-6 DESIGNATING OCERS LABOR NEGOTIATOR UNDER GOVT. CODE SECTION 54957.6

Presentation by Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: The Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating compensation with the CEO.

INFORMATION ITEMS

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

I-1 2025 BOARD MEETING CALENDAR

Presentation by Steve Delaney, Chief Executive Officer, 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	October 21, 2024
Death Notices	October 21, 2024

R-2 COMMITTEE MEETING MINUTES

- May 2024 – Governance Committee Minutes
- June 2024- Audit Committee Minutes
- August 2024- Building Committee Minutes
- August 2024- 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 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN EXERCISE EXECUTIVE SUMMARY

Written Report

CLOSED SESSION ITEMS

E-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section § 54957)

Position to be evaluated: Chief Executive Officer

Recommendation: Take appropriate action.

E-2 CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE SECTION 54957.6)

OCERS designated representative as identified in Action Item A-6

Unrepresented employee: OCERS Chief Executive Officer

Recommendation: Take appropriate action.

E-3 CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION (GOVERNMENT CODE SECTION 54956.9(d)(1))

Szewczyk v. OCERS; Orange County Superior Court, Case No. 30-2022-01268984-CU-WM-CJC

Recommendation: Take appropriate action.

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

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
GOVERNANCE COMMITTEE MEETING
November 1, 2024
9:30 A.M.

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

DISABILITY COMMITTEE MEETING
November 18, 2024
8:30 A.M.

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

REGULAR BOARD MEETING

November 18, 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 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.



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Irene Warkentine, Member Services Benefits Analyst
SUBJECT: **OPTION 4 RETIREMENT ELECTION – PORTIA MINA**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for her service retirement allowance as required by her Domestic Relations Order (DRO), effective July 06, 2024. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter, as well as the allowance payable to the member’s ex-spouse.

Submitted by:



I.W. – APPROVED

Irene Warkentine
Member Services Benefits Analyst



Molly Calcagno, ASA, MAAA, EA
 Senior Actuary
 T 415.263.8254
 M 415.265.6078
 mcalcagno@segalco.com

180 Howard Street
 Suite 1100
 San Francisco, CA 94105-6147
 segalco.com

Personal and Confidential

September 5, 2024

Jonathea Tallase
 Member Services Manager
 Orange County Employees Retirement System
 2223 Wellington Avenue
 Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System (OCERS)
 Option 4 Calculation for Portia Mina**

Dear Jonathea:

Pursuant to your request, we have determined the Option 4 benefits payable to Portia Mina and her ex-spouse based on the unmodified benefit and other information provided in the System's request received on September 3, 2024.

The monthly benefits payable to the member and the ex-spouse and the data we used for our calculations are as follows:

Data Element	Data Provided by OCERS
Member's date of birth	[REDACTED]
Date of retirement	July 6, 2024
Plan of membership	General Plan H
Monthly unmodified benefit	\$1,204.83
Ex-spouse's date of birth	[REDACTED]
Ex-spouse's share of unmodified benefit	50.00%

Jonathea Tallase
September 5, 2024
Page 2

Calculations

We calculated the adjustment to the member's unmodified benefit to provide a 50.00% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
Payable to member		
• Annuity:	\$238.27	
• Pension:	364.15	
– Total payable to member	\$602.42	\$0.00
Payable to ex-spouse*	\$543.38	\$543.38

Actuarial assumptions

We have calculated the Option 4 benefits based on the following actuarial assumptions:

Interest

Effective interest rate of 4.136253% per year, which is calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

Mortality Table

Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 40% male and 60% female for members.

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 60% male and 40% female for beneficiaries.

* This is equal to 50.00% of the member's unmodified benefit (i.e., 50.00% × \$1,204.83 or \$602.42) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

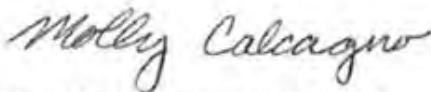
Jonathea Tallase
September 5, 2024
Page 3

Other considerations

The actuarial calculations contained in this letter were prepared under my supervision. I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any comments or questions. As in all matters pertaining to the interpretation and application of the law, Plan, or individual Option 4 Calculation provisions, you should be guided by the advice of the Plan's Legal Counsel.

Sincerely,



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

JY/jl

cc: Irene Warkentine



July 24, 2024

Portia A. Mina



Re: Retirement Election Confirmation – Option 4

Dear Ms. MINA:

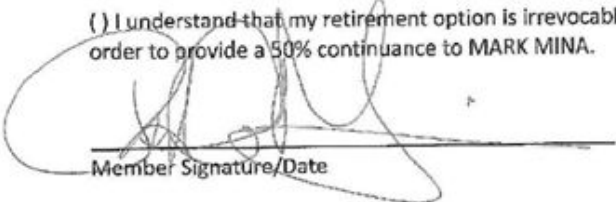
You have elected Option 4 as your retirement option. This option will provide a 50% of your monthly benefit, for the life of the benefit, to:

MARK MINA

This designation is irrevocable; you will not be allowed to change your retirement option or designated beneficiary.

Please complete this form and return to OCERS as soon as possible.

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 50% continuance to MARK MINA.



Member Signature/Date

Sincerely,

A handwritten signature in cursive script, appearing to read "Gema Garcia".

Gema Garcia
Retirement Program Specialist

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

**REGULAR MEETING
Monday, August 19, 2024
9:30 A.M.**

MINUTES

Chair Lopez 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: Charles Packard, Vice Chair; Richard Oates, Arthur Hidalgo, Jeremy Vallone, Wayne Lindholm, Chris Prevatt, Shari Freidenrich

Present via Teleconference: Adele Lopez Tagaloa, Chair, Roger Hilton, Steve Delaney, CEO

Also Present: Suzanne Jenike, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; David Beeson, Director of Investments; Ivan Cao, Staff Attorney; Joon Kim, Staff Attorney; Rosie Baek, Will Tsao, Director of EPMO; Tracy Bowman, Director of Finance; Cynthia Hockless, Director of HR; Nicole McIntosh; Director of Disability; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Maytak Chin, ReedSmith

Absent: Shawn Dewane

Mr. Prevatt arrived at 9:35 a.m.

OATH OF OFFICE – RICHARD OATES AND JEREMY VALLONE

Administered by Orange County Clerk of the Board, Robin Stieler

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.

- James Nasser
- Jerald Hill

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

July 15, 2024

Recommendation: Approve minutes.

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

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

A. Disability Committee Recommendations:

DC-1: THERESA WHITNEY

Eligibility Technician, Orange County Social Services Agency (General)

Recommendation: The Disability Committee:

- Deny service connected disability retirement due to insufficient evidence of permanent incapacity.

B. CEO Recommendations:

DC-2: TYNG KAO

Sr. IT Applications Developer, 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 21, 2023.

DC-3: WILLIAM LACKEY

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 9, 2023.

DC-4: PAUL ROBERTSON

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 10, 2023.

DC-5: SHANI RODRIQUEZ

Deputy Corner, Orange County Sheriff’s Department (General)

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

- Grant service-connected disability retirement.
- Set the effective date as October 20, 2023.

DC-6: ROBERT TORREZ

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 March 10, 2023.

MOTION by Mr. Packard, **seconded** by Mr. Oates, 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-2 CEM BENCHMARKING

Presentation by Steve Delaney, CEO, and Will Tsao, Director of EPMO, OCERS

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

The Board reconvened from break at 10:45 a.m.

Recording Secretary administered the Roll Call attendance.

I-1 ORTHOPEDICS 101 FOR DISABILITY RETIREMENT

Presentation by Dr. Alexander Latteri

WRITTEN REPORTS

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices	August 19, 2024
Death Notices	August 19, 2024

R-2 COMMITTEE MEETING MINUTES

- None

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 2024 OCERS STRATEGIC PLANNING WORKSHOP- AGENDA
Written Report

R-9 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT
Written Report

R-10 SECOND QUARTER 2024 BUDGET TO ACTUALS REPORT
Written Report

R-11 SECOND QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024
Written Report

R-12 OCERS BY THE NUMBERS (2024 EDITION)
Written Report

R-13 THE EVOLUTION OF OCERS’ UAAL (2024 EDITION)
Written Report

R-14 2024 EMPLOYER AND EMPLOYEE CONTRIBUTIONS MATRIX
Written Report

R-15 TENNESSEE CONSOLIDATED RETIREMENT SYSTEM VISIT REPORT
Written Report

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- Talent Management and Succession Planning is being worked on via workshops with Senior Management and LeverageHR consultant firm. Additionally, CEO will reach out to other California systems to survey their budget to headcount ratio to be able to accurately compare systems like detailed in CEM Report.

COUNSEL COMMENTS- None

BOARD MEMBER COMMENTS- None

Meeting **ADJOURNED** at 11:38 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 Lopez Tagaloa
Chairperson

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT**

2024 STRATEGIC PLANNING WORKSHOP
Tuesday, September 10, 2024
8:30 A.M.

Westin South Coast Plaza
686 Anton Blvd.
Costa Mesa, CA 92626

Absent: Jeremy Vallone

Agenda

1. WELCOME & INTRODUCTORY COMMENTS

Mr. Delaney provided introductory comments and an overview of the day's schedule.

2. STATE OF OCERS – AN OVERVIEW

Mr. Delaney shared the current state of OCERS. He compared the current state of the system to the past years and shared challenges and opportunities for 2025 and beyond.

3. FIRESIDE CHAT WITH CHRISTOPHER AILMAN

Ms. Molly Murphy and Mr. Christopher Ailman, Founder of Ailman Advisers, had an in-depth conversation on Mr. Ailman's career in the investment industry for retirement systems such as WSIB and CalSTRS. He reiterated the importance of succession planning and recruiting and retaining talent.

BREAK

4. TOTAL PORTFOLIO APPROACH TO PENSION INVESTMENT MANAGEMENT

Mr. Steve Novakovic, Managing Director at CAIA, shared concepts to consider when taking a total portfolio approach to investment portfolio management.

5. INVESTMENT BEST PRACTICES

Steve McCourt and Allan Emkin from Meketa shared their perspectives on investment best practices given their combined total of over 70 years of experience.

LUNCH

6. VISION 2030 – OCERS AND THE LEVERAGING OF TECHNOLOGY

Mr. Delaney recapped his vision of implementing technology and AI to assist and perfect the OCERS process.

7. KEYNOTE: VISION 2030 AND THE FUTURE OF TECHNOLOGY

Mr. Bill Zielinski, Executive Partner, at Gartner shared different AI initiatives that he has encountered throughout his career at the Social Security Administration.

8. OCERS FUTURE – AN ACTUARIAL VIEWPOINT

With medical advances extending lifespans and AI/technology changing the work force, Mr. Todd Tauzer, Actuary at Segal, shared his research in collaboration with (NIRS) on longevity and potential changes in UAAL. He further reiterated the importance of accurate modeling, risk assessments, and continuing to strive to pay down the UAAL.

BREAK

9. OCERS HEADQUARTER STATUS – THE HEADQUARTERS OF OUR FUTURE

Brenda Shott, Assistant CEO, and representatives from Griffin Structures, Gensler, and Snyder Langston shared updates, their vision, and the anticipated timeline for the new building.

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT**

**2024 STRATEGIC PLANNING WORKSHOP
Wednesday, September 11, 2024
8:30 A.M.**

**Westin South Coast Plaza
686 Anton Blvd.
Costa Mesa, CA 92626**

Absent: Jeremy Vallone

Agenda

1. WELCOME AND INTRODUCTIONS

Mr. Delaney provided introductory comments and an overview of the day's schedule.

2. HEARING FROM OUR STAKEHOLDERS

For more than a decade we have had the honor of hearing from our stakeholders. We heard from Michelle Aguirre, Interim CEO and Chief Financial Officer, County of Orange, and Brendan Starkey, Director of the Public Law Library. Each representative shared about their individual organizations as well as how OCERS has been an asset to their constituents.

3. FROM INTELLIGENT TO TECHNOLOGIZED: A LONG-TERM INVESTOR PLAYBOOK

Dr. Ashby Monk, PhD, Executive Director at Stanford Research Initiative on Long Term Investing, Stanford University, shared about his research on institutional investing and its influence on current pension systems across the globe.

4. FIRESIDE CHAT WITH FORMER VICE PRESIDENT DAN QUAYLE

Ms. Molly Murphy and Mr. Dan Quayle, former Vice President of the United States of America, had an in-depth conversation on his path from the White House to investments. He also shared his outlooks on global affairs juxtaposed with current investment trends.

LUNCH

5. MACRO OUTLOOK AND INVESTMENT IMPLICATIONS

Shanta Chary, Director of Investments at OCERS facilitated a discussion with consultants Laura Wirick, CFA, CAIA, of Meketa, Mike Krems, CFA of Aksia, and Rob Kochis of Townsend on the current market events.

6. INVESTMENT DATA INITIATIVES

Members of the OCERS Investments Team, David Beeson, Director of Investments, Josephine He, CFA, FRM, Investment Officer, and Duc Nguyen, CFA, Sr Investment Analyst, shared their insight into new data and technology offerings that can increase productivity and efficiency.

BREAK

7. PROPOSED 2025-2027 STRATEGIC PLAN/BUSINESS PLAN

Mr. Delaney and the OCERS Leadership Team presented a new change that was well received. OCERS combined the Strategic Plan and the Business Plan into one document. Traditionally, these documents have been presented as separate and individual documents. However, the team agreed that combining these two critical documents into a single document was

appropriate in order to show the linkage between the strategic goals and the business plan initiatives involved in furthering progress on these goals for 2025 and beyond. Additionally, combining the documents simplified OCERS's strategic approach and implementation of the strategic and business plan.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Adele Lopez Tagaloa
Chairman



Memorandum

DATE: October 21, 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 AUGUST 15, 2024**

Recommendation

The Governance Committee recommends that the Board adopt the following:

- (1) **OCERS Administrative Procedure Regarding Felony Forfeiture** with revisions approved by the Committee;
- (2) **Securities Litigation Policy** with revisions approved by the Committee;
- (3) **Succession Policy** with revisions approved by the Committee;
- (4) **OCERS Administrative Procedure Regarding Required Minimum Distributions** with revisions approved by the Committee;
- (5) **Member Services Customer Service Policy** with revisions approved by the Committee;
- (6) **Legislative Policy** with revisions approved by the Committee;

Background/Discussion

The Governance Committee met on August 15, 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 OCERS Administrative Procedure Regarding Felony Forfeiture

Staff recommended to the Committee, and the Committee approved, revisions to the OCERS Administrative Procedure Regarding Felony Forfeiture. The revisions are set forth in underlined/strikeout text in the attached copy of the OAP.

Staff updated the existing OAP in order to improve clarity and efficiency of process for the benefit of members, stakeholders, and the retirement system.

The updated OAP explains in plain language:

- What type of felony conviction triggers application of the felony forfeiture;
- The duties of a member and employer to notify OCERS of the conviction;
- The information and evidence to be gathered by OCERS and provided to the member;
- How the forfeiture will affect a member's retirement status, rights, and benefits;
- The member's right and the procedure to request determination by the Board of Retirement; and

- The time and manner in which the forfeiture will be implemented upon a final determination by staff or the Board.

Revisions to the Securities Litigation Policy

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

The proposed revision includes the following:

- Paragraph 20 is revised to state:

Every three years, or as otherwise directed by the Investment Committee, the General Counsel, with the approval of the CEO, will engage or refresh a pool of at least five firms with demonstrated expertise in securities class actions (the "Monitoring Firms") to advise or represent OCERS in monitoring securities class action filings and settlements that affect the OCERS investment portfolio. Demonstrated expertise shall include the firm's experience providing securities litigation monitoring services for other public pension systems and institutional investors; their experience, relationships, and affiliations with firms in foreign jurisdictions; and the quality of the team proposed to provide services to OCERS, including staffing depth, experience, turnover, and compensation. OCERS will also consider the value provided by diverse and up-and-coming firms in the selection process. The solicitation of Monitoring Firms will be accomplished via a "Request for Qualifications" (RFQ) or as otherwise specified by the Investment Committee. Review of the responses to the RFQs will be performed by a panel selected by the General Counsel that includes a Trustee designated by the Chair of the Investment Committee. The General Counsel will notify the Investment Committee simultaneously upon issuing any solicitation for Monitoring Firms and prior to any award. The initial term for Monitoring Firm agreements will not exceed three years. The General Counsel may also retain one or more consultants or vendors to assist in monitoring securities litigation or in the filing of claims.

- Paragraph 22 is revised to state:

When the Investment Committee or the CEO approves OCERS taking an active role in litigation, they will direct the General Counsel to retain litigation counsel. The Board of Retirement will have final approval of counsel selection. Alternatively, the Investment Committee may delegate to the General Counsel the authority to retain litigation counsel. The retention agreement with litigation counsel shall include a provision for OCERS to be reimbursed for its time and costs as an active participant in the litigation.

In addition, the amount noted in paragraph 24 for the threshold of cases in which reports to the Investment Committee will include a brief analysis of the case's merits has been increased to 2 million dollars to match the active participation loss threshold for domestic cases.

Revisions to the Succession Policy

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

The proposed revisions to the Succession Policy strive to expand its scope to address leadership agency-wide rather than solely the succession of the CEO.

A talent management philosophy statement was added to paragraph 2 as follows:

OCERS prioritizes leadership development to ensure internal candidates are strong contenders for key senior vacancies.

In addition, the policy now references the participation of the Personnel Committee rather than a transition committee in paragraph 8.

A vacancy in one of the Assistant CEO positions was addressed by the addition of paragraph 12:

- 1. In the event that an Assistant CEO position should become vacant, the CEO shall promptly inform the Board and, working with the Personnel Committee, will initiate a process to identify a replacement for the Assistant CEO as soon as practicable.**

The existing policy (in paragraph 13) states the CEO will annually present to the Board an executive staff development plan. This provision has been expanded as follows:

- 13. The CEO will establish and maintain a talent management program designed to effectively manage the transition of senior leaders into executive roles, front-line leaders into senior leadership roles, and staff into leadership roles. The program will aim to source, spot, engage, develop, and retain the best talent. It will include a quarterly review and assessment of the risk of vacancy in senior leadership and the potential of current OCERS staff to become future leaders. The CEO will provide an annual report to the Board on the status of the talent management program.**

Revisions to the OCERS Administrative Procedure Regarding Required Minimum Distributions

Staff recommended to the Committee, and the Committee approved, revisions to the OCERS Administrative Procedure Regarding Required Minimum Distributions. The revisions are set forth in underlined/strikeout text in the attached copy of the OAP.

Staff updated the existing OAP to reflect changes in the increased RMD age and clarify the RMDs process for the benefit of members, stakeholders, and the retirement system. Secure 2.0 Act increased the RMD age to 73 for an individual who attains age 73 before January 1, 2033, and 75 for an individual who attains age 74 after December 31, 2032.

The OAP explains in plain language:

- The age at which RMDs will start applying a member and when a member must begin receiving RMDs from their retirement plans (Required Beginning Date);
- The time and manner in which the retirement system will notify a member of the applicable RMD age and Required Beginning Date;
- The time and manner in which a member must submit a proper retirement application;
- The treatment of a member's accumulated contributions and interests when a member could not be located by the retirement system (Unlocatable Member); and
- An Unlocatable Member's right and the procedure to petition the Board of Retirement to reclaim such member's accumulated contributions and interests.

Revisions to the Member Services Customer Service Policy

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

The proposed revisions consist largely of the addition of measurable goals to track customer service and ensure OCERS offers a very high level of service to our members.

Revisions to the Legislative Policy

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

The proposed revisions to the Legislative Policy strive to remove unnecessary verbiage, correct grammar and typos, and re-word and re-organize the material to enhance clarity and readability. Also, a qualifying statement was added to Section 5.d. as follows:

- d. Support legislative proposals that strengthen the financial condition of the System and promote administrative efficiency **unless inconsistent with the Board's fiduciary duties;**

Attachments.

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



OCERS Administrative Procedure (OAP) Felony Forfeitures

Authority

1. This Administrative Procedure is established pursuant to the Chief Executive Officer (CEO) Charter, section 8.f., which directs the CEO to develop staff policies and procedures to ensure effective and efficient administration of member benefits. The OAP is in conformance with Board Policy, the County Employees Retirement Law (California Government Code section 31450, *et seq.*) (CERL), and the Public Employees' Pension Reform Act (Government Code, sections 7522 - 7522.74) (PEPRA).

Overview

2. PEPRA contains a felony forfeiture law at Government Code sections 7522.72 and 7522.74. Under this law, members of OCERS who are convicted of a felony based on certain enumerated conduct, on or after January 1, 2013, in a state or federal trial court, must forfeit all rights and benefits earned or accrued in any public retirement system from the first date the felony was committed through the date of conviction, and they cannot accrue further benefits. Rights and benefits related to service performed before the first date the felony was committed are not forfeited.
3. The forfeiture applies only when the felony conviction is based on criminal conduct that was:
 - Arising out of or in the performance of their official duties as a public employee;
 - In pursuit of the office or appointment;
 - In connection with obtaining salary, disability retirement, service retirement, or other benefits; or
 - Committed within the scope of official duties against or involving a child that the member had contact with as part of their duties.
4. Once a member is convicted of such a felony, the member and the prosecuting agency must notify the member's employer within 60 days of the conviction, and the employer must notify OCERS within 90 days of the conviction. Whether OCERS is notified by the employer or learns of the conviction through another source, OCERS must comply with the felony forfeiture law. Once notified of the conviction, OCERS' staff will place a hold on the member's account to prevent withdrawals pending a determination of the legal effect of the conviction.

Initial Determination by Staff

5. Once OCERS is notified of the conviction, staff will investigate and obtain information necessary to determine the extent to which the forfeiture may apply. This may include gathering court records, employment records, and any other relevant documents, and communicating with the prosecuting agency and the member's employer. OCERS may exercise its subpoena power to obtain the information.
6. Information gathered by staff will be used to:
 - a. Verify that the PEPRA felony forfeiture law applies to the member's conviction;
 - b. Determine the earliest date the felony was committed;
 - c. As applicable, calculate the amount of overpaid benefits, employee contributions made to the



OCERS Administrative Procedure (OAP) Felony Forfeitures

system during the forfeiture period, adjustment to future benefits due the member, and any reimbursement owed to the system; and

- d. Confirm that any action taken by OCERS complies with the law.
7. For active or deferred members, the forfeiture will apply as follows:
 - a. The member will be treated for all purposes as if they were a deferred member on the first date the felony was committed. OCERS will remove any service credit the member has earned dating back to the first date the felony was committed. This may affect the member's retirement eligibility.
 - b. The member's employee contributions made to the system on and after the first date the felony was committed will be refunded to the member without interest upon the occurrence of a distribution event, unless otherwise ordered by a court or determined by OCERS.
8. For retired members, the forfeiture will apply as follows:
 - a. The member will be treated as if they were a deferred member on the first date the felony was committed for purposes of recalculating their service credit and final average salary ("FAS"). OCERS will remove any service credit the member earned as of the first date the felony was committed. In recalculating FAS, OCERS will exclude compensation that falls within the forfeiture period.
 - b. If after application of the forfeiture rules, the member no longer has sufficient service credit to retire as of the first date the felony was committed, OCERS will rescind the retirement and place the member into deferred status.
 - c. If the member did have sufficient service credit to retire as of the first date the felony was committed, OCERS will recalculate the member's retirement allowance by making appropriate changes to their service credits and final average salary. The effective date of retirement and age at retirement will not change.
 - d. OCERS will determine whether the recalculated retirement allowance results in an overpayment of retirement benefits, in which event OCERS will recoup the overpayment from the member pursuant to this Procedure.
 - e. OCERS will also determine the amount of employee contributions the member made to the system as of the first date the felony was committed. These contributions will be refunded to the member without interest. However, if there has been an overpayment of retirement benefits, OCERS will use the contributions, without interest, to offset the overpayment. Contributions will be refunded to the member to the extent they exceed the amount of overpaid benefits.
 - f. For purposes of this Procedure, "overpayment" of retirement benefits includes compounded interest on the principal amount of the overpayment at OCERS' actuarial assumed rate of interest effective from time to time during the forfeiture period.
9. Staff will send a Notice of Initial Determination to Apply PEPR Felony Forfeiture ("Notice of Initial Determination" or "Notice"), to the member in writing. The Notice of Initial Determination will:
 - a. Include a copy of this Procedure and all documents relied upon by staff to support the initial



OCERS Administrative Procedure (OAP) Felony Forfeitures

determination.

- b. Provide an explanation of the felony forfeiture law, the reason it applies to the member's felony conviction, and changes that will be made to the member's retirement status and benefits. This may include staff's calculation of overpayments, employee contributions, an adjusted retirement allowance, the manner and time in which OCERS will recoup any overpayment, and any other change staff determines should be made to the member's retirement status or benefits.
- c. Identify the ~~"Effective Date"~~ on or around which the forfeiture will be implemented. ~~The Effective Date will be no less than 45 days and no more than 90 days following the date of the Notice.~~
- d. Inform and instruct the member about their right to contest staff's initial determination by requesting the matter be heard and determined by the Board of Retirement (Board).

Request for Determination by Board of Retirement

- 10. The member has the right to contest staff's initial determination by requesting that the matter be heard and determined by the Board. The request must be in writing and provide a statement explaining the basis and extent to which the member disagrees with staff's initial determination. The member may include documents in support of the request. The Board's review and determination will be limited solely to questions of:
 - a. Whether the PEPR felony forfeiture law applies to the member's conviction;
 - b. Whether staff has correctly identified the first date on which the felony was committed; and
 - c. Whether staff has correctly calculated changes to the member's status and benefits.

~~The request must be received by OCERS at least seven (7) with in 45 days before the Effective Date set forth in the Notice of Initial Determination. If the request is not timely received, the member waives their right to have the matter heard and determined by the Board. Staff will then notify the member in writing that they have waived their right and staff's initial determination will be final and implemented as set forth in the Notice placed on the consent agenda of the Board's next regular open meeting that is at least 30 days after the date of the notice that the member has waived their right.~~

- 11. Upon timely receipt of a member's request, the matter will be placed on the Board's next regular open meeting agenda that is at least 45 days after the request is received by OCERS.
- 12. The member (or their attorney if they are represented) and OCERS staff may present to the Board written statements, argument, evidence, and sworn testimony. Any party wishing to do so must deliver to the Board and the other party a **Pre-Hearing Statement** at least fourteen (14) days before the date of the Board meeting. Late submissions will not be considered by the Board unless the Party shows good cause.

The Pre-Hearing Statement must be no more than 10 pages (excluding Exhibits) and include: a statement of the issues; contentions of the Party; a brief summary of the evidence in support of thea Party's contentions; the name, physical and email address, and telephone number of any witness who will testify; and a brief description of the scope of a witness's testimony.

All documents to be presented by a Party must be attached as Exhibits to the Pre-Hearing Statement



OCERS Administrative Procedure (OAP) Felony Forfeitures

and preceded by an appendix that lists the Exhibits in an organized manner.

13. After the matter has been heard, the Board may make a final determination on the issues presented, refer the matter to a Hearing Officer, or take other action it deems appropriate.

In the event the matter is referred to a Hearing Officer, the Board will provide a timeline for the hearing to commence, post-hearing briefing to be filed, and the Proposed Findings of Fact and Recommended Decision to be submitted by the Hearing Officer.

Staff will notify the member in writing of the Board’s action within three (3) business days.

Implementing the Felony Forfeiture

14. Staff will exercise discretion to implement the forfeiture under this Procedure at the earliest practicable time, unless otherwise directed by the Board. ~~Staff will not implement the forfeiture until the Board makes a final determination, whether in response to the member’s request for review and determination, or through consent and approval of staff’s initial determination during a regular open meeting. When the member does not make a timely request for determination by the Board, staff will implement the forfeiture as identified in the Notice of Initial Determination. However, when the member has timely requested the Board to make a determination, staff will not implement the forfeiture until the Board makes a final determination.~~

15. OCERS will exercise discretion to recoup overpaid benefits from the member, their estate, or beneficiaries to the extent permitted by law, including by lump sum payment, installment payment, benefit deduction, or any combination thereof.

16. When a member is owed a refund of their employee contributions, disbursement of the refund will be made by electronic funds transfer to an account of the member in a manner that complies with Internal Revenue Service requirements. OCERS must notify the court and the district attorney (or other prosecuting agency) at least three (3) business days before the disbursement of funds.

The member has the right to challenge OCERS’ administrative determination under the writ procedures set forth in the California Code of Civil Procedure. The filing of a writ petition in court will not prevent OCERS from implementing the forfeiture, unless a court orders otherwise.

17. If the member’s conviction is reversed, and that decision is final, the employee may either: (a) recover the forfeited rights and benefits as adjusted for any refund of employee contributions; or (b) redeposit those employee contributions plus interest that would have accrued during the forfeiture period (as determined by OCERS actuary) and recover the full amount of the forfeited rights and benefits.

This Procedure is not subject to OCERS’ Policy Regarding the Overpayment or Underpayment of Benefits or Contributions.

18. If this Procedure conflicts with any statutory or case law, the statutory or case law will govern.



OCERS Administrative Procedure (OAP) Felony Forfeitures

Authority

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3. The forfeiture applies only when the felony conviction is based on criminal conduct that was:
 - Arising out of or in the performance of their official duties as a public employee;
 - In pursuit of the office or appointment;
 - In connection with obtaining salary, disability retirement, service retirement, or other benefits; or
 - Committed within the scope of official duties against or involving a child that the member had contact with as part of their duties.
4. Once a member is convicted of such a felony, the member and the prosecuting agency must notify the member's employer within 60 days of the conviction, and the employer must notify OCERS within 90 days of the conviction. Whether OCERS is notified by the employer or learns of the conviction through another source, OCERS must comply with the felony forfeiture law. Once notified of the conviction, OCERS' staff will place a hold on the member's account to prevent withdrawals pending a determination of the legal effect of the conviction.

Initial Determination by Staff

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 - b. Determine the earliest date the felony was committed;
 - c. As applicable, calculate the amount of overpaid benefits, employee contributions made to the



OCERS Administrative Procedure (OAP) Felony Forfeitures

- system during the forfeiture period, adjustment to future benefits due the member, and any reimbursement owed to the system; and
- d. Confirm that any action taken by OCERS complies with the law.
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- a. The member will be treated as if they were a deferred member on the first date the felony was committed for purposes of recalculating their service credit and final average salary ("FAS"). OCERS will remove any service credit the member earned as of the first date the felony was committed. In recalculating FAS, OCERS will exclude compensation that falls within the forfeiture period.
 - b. If after application of the forfeiture rules, the member no longer has sufficient service credit to retire as of the first date the felony was committed, OCERS will rescind the retirement and place the member into deferred status.
 - c. If the member did have sufficient service credit to retire as of the first date the felony was committed, OCERS will recalculate the member's retirement allowance by making appropriate changes to their service credits and final average salary. The effective date of retirement and age at retirement will not change.
 - d. OCERS will determine whether the recalculated retirement allowance results in an overpayment of retirement benefits, in which event OCERS will recoup the overpayment from the member pursuant to this Procedure.
 - e. OCERS will also determine the amount of employee contributions the member made to the system as of the first date the felony was committed. These contributions will be refunded to the member without interest. However, if there has been an overpayment of retirement benefits, OCERS will use the contributions, without interest, to offset the overpayment. Contributions will be refunded to the member to the extent they exceed the amount of overpaid benefits.
 - f. For purposes of this Procedure, "overpayment" of retirement benefits includes compounded interest on the principal amount of the overpayment at OCERS' actuarial assumed rate of interest effective from time to time during the forfeiture period.
9. Staff will send a Notice of Initial Determination to Apply PEPRA Felony Forfeiture ("Notice of Initial Determination" or "Notice"), to the member in writing. The Notice of Initial Determination will:
- a. Include a copy of this Procedure and all documents relied upon by staff to support the initial



OCERS Administrative Procedure (OAP) Felony Forfeitures

determination.

- b. Provide an explanation of the felony forfeiture law, the reason it applies to the member's felony conviction, and changes that will be made to the member's retirement status and benefits. This may include staff's calculation of overpayments, employee contributions, an adjusted retirement allowance, the manner and time in which OCERS will recoup any overpayment, and any other change staff determines should be made to the member's retirement status or benefits.
- c. Identify the date on or around which the forfeiture will be implemented.
- d. Inform and instruct the member about their right to contest staff's initial determination by requesting the matter be heard and determined by the Board of Retirement (Board).

Request for Determination by Board of Retirement

10. The member has the right to contest staff's initial determination by requesting that the matter be heard and determined by the Board. The request must be in writing and provide a statement explaining the basis and extent to which the member disagrees with staff's initial determination. The member may include documents in support of the request. The Board's review and determination will be limited solely to questions of:
 - a. Whether the PEPRRA felony forfeiture law applies to the member's conviction;
 - b. Whether staff has correctly identified the first date on which the felony was committed; and
 - c. Whether staff has correctly calculated changes to the member's status and benefits.

The request must be received by OCERS within 45 days of the Notice of Initial Determination. If the request is not timely received, the member waives their right to have the matter heard and determined by the Board. Staff will then notify the member in writing that they have waived their right, and staff's initial determination will be placed on the consent agenda of the Board's next regular open meeting that is at least 30 days after the date of the notice that the member has waived their right.

11. Upon timely receipt of a member's request, the matter will be placed on the Board's next regular open meeting agenda that is at least 45 days after the request is received by OCERS.
12. The member (or their attorney if they are represented) and OCERS staff may present to the Board written statements, argument, evidence, and sworn testimony. Any party wishing to do so must deliver to the Board and the other party a **Pre-Hearing Statement** at least fourteen (14) days before the date of the Board meeting. Late submissions will not be considered by the Board unless the Party shows good cause.

The Pre-Hearing Statement must be no more than 10 pages (excluding Exhibits) and include: a statement of the issues; contentions of the Party; a brief summary of the evidence in support of the Party's contentions; the name, physical and email address, and telephone number of any witness who will testify; and a brief description of the scope of a witness's testimony.

All documents to be presented by a Party must be attached as Exhibits to the Pre-Hearing Statement and preceded by an appendix that lists the Exhibits in an organized manner.

13. After the matter has been heard, the Board may make a final determination on the issues presented,



OCERS Administrative Procedure (OAP) Felony Forfeitures

refer the matter to a Hearing Officer, or take other action it deems appropriate.

In the event the matter is referred to a Hearing Officer, the Board will provide a timeline for the hearing to commence, post-hearing briefing to be filed, and the Proposed Findings of Fact and Recommended Decision to be submitted by the Hearing Officer.

Staff will notify the member in writing of the Board's action within three (3) business days.

Implementing the Felony Forfeiture

14. Staff will exercise discretion to implement the forfeiture under this Procedure at the earliest practicable time, unless otherwise directed by the Board. Staff will not implement the forfeiture until the Board makes a final determination, whether in response to the member's request for review and determination, or through consent and approval of staff's initial determination during a regular open meeting.

15. OCERS will exercise discretion to recoup overpaid benefits from the member, their estate, or beneficiaries to the extent permitted by law, including by lump sum payment, installment payment, benefit deduction, or any combination thereof.

16. When a member is owed a refund of their employee contributions, disbursement of the refund will be made by electronic funds transfer to an account of the member in a manner that complies with Internal Revenue Service requirements. OCERS must notify the court and the district attorney (or other prosecuting agency) at least three (3) business days before the disbursement of funds.

The member has the right to challenge OCERS' administrative determination under the writ procedures set forth in the California Code of Civil Procedure. The filing of a writ petition in court will not prevent OCERS from implementing the forfeiture, unless a court orders otherwise.

17. If the member's conviction is reversed, and that decision is final, the employee may either: (a) recover the forfeited rights and benefits as adjusted for any refund of employee contributions; or (b) redeposit those employee contributions plus interest that would have accrued during the forfeiture period (as determined by OCERS actuary) and recover the full amount of the forfeited rights and benefits.

This Procedure is not subject to OCERS' Policy Regarding the Overpayment or Underpayment of Benefits or Contributions.

18. If this Procedure conflicts with any statutory or case law, the statutory or case law will govern.



OCERS Board Policy Securities Litigation Policy

Purpose and Background

1. The Securities Litigation Policy is intended to establish procedures and guidelines for monitoring and participating in securities class actions in furtherance of the Board of Retirement's fiduciary duties. For purposes of this policy, a securities class action includes, ~~but is not limited to,~~ an action alleging claims under state or federal securities and antitrust laws, as well as similar claims arising under the laws of foreign jurisdictions. The responsibility for overseeing securities litigation is delegated to the Investment Committee.

Principles

2. As a large institutional shareholder, OCERS is frequently a class member in securities class actions that seek to recover damages resulting from corporate fraud and misconduct.
3. The Private Securities Litigation Reform Act, enacted in 1995, allows institutional investors to seek lead plaintiff status in securities class actions pending within the United States under U.S. federal securities laws. The lead plaintiff attains the right to supervise and control the prosecution of such cases. Participation as lead plaintiff by large, sophisticated shareholders such as OCERS has resulted in larger recoveries and lower attorneys' fees.
4. In 2010, the United States Supreme Court in *Morrison v. National Australia Bank* held that investors cannot bring or participate in a U.S. securities class action if their claims are based on securities purchased outside the U.S. As such, investors no longer have the protection of U.S. securities laws for securities purchased on a foreign exchange. In many foreign jurisdictions, however, investors are required to join as a named plaintiff or otherwise join as an active litigant at the commencement of the case as a condition to sharing in any damages awarded or recovered. Such direct participation may be costly and, depending on the jurisdiction, may subject OCERS to the risk of liability for defendant's fees and costs if the claim is unsuccessful. Therefore, OCERS must weigh the potential benefits of action in a foreign jurisdiction carefully.
5. In June 2017, the United States Supreme Court in *CalPERS v. ANZ Securities, Inc.* held that the filing of a securities class action does not "toll" or satisfy the three-year time period (called the statute of repose) for putative class members to assert individual claims for recovery under Sections 11 and 12 of the Securities Act of 1933. The Supreme Court's decision has been extended by lower federal courts to apply to claims brought under the Securities Exchange Act of 1934. As a result, investors can no longer rely on the filing of a securities class action case to preserve the timeliness of their individual claims for recovery of damages and must exercise heightened diligence to protect potentially valuable claims from expiring under the statute of repose.
6. OCERS' goals for participation in securities class actions include:
 - Fulfilling OCERS' fiduciary duties by protecting trust assets and effectively managing claims as assets of the trust fund.
 - Maximizing claim recovery and reducing fees paid to obtain recoveries.
 - Deterring future fraud and corporate malfeasance to better protect fund assets.



OCERS Board Policy Securities Litigation Policy

- Maintaining access to the courts through securities litigation in the best interest of OCERS' members and beneficiaries.

Monitoring of Securities Litigation

- 7. Monitoring of Class Action Filings and Cases.** The Legal Division will monitor securities class actions filings, both domestic and foreign, to identify cases where OCERS is a potential class member. Cases in which the applicable loss threshold (as defined in Section 10 below) is met or where special circumstances exist that justify OCERS' interest in the case will be monitored.
- 8. Active Participation.** Active participation in a domestic case includes seeking lead plaintiff status, opting out of the class action and filing an individual action, or intervening in the class action. Active participation in a foreign case includes joining the case as a named plaintiff or take other affirmative action at the commencement of the case to participate in the litigation.
- 9. Recommendation of the Legal Division.** The Legal Division will recommend to the Investment Committee whether or not OCERS should take an active role in a securities class action. The Legal Division will recommend OCERS take an active role in an action when it has determined that the case is meritorious, the applicable Loss Threshold is met, and it is in OCERS' best interest to take such action. In addition, the Legal Division may also recommend active participation in a securities class action where the Loss Threshold is not met but OCERS will join the case with one or more other institutional investors, OCERS cannot recover without active participation in the case, or OCERS' active participation may otherwise serve the goals of this policy.
- 10. Loss Thresholds.** A case within the United States meets the Domestic Loss Threshold when OCERS' estimated loss is at least \$2 million. The Foreign Loss Threshold, for a case filed in a foreign jurisdiction, is met with an OCERS' estimated loss of at least \$250,000.
- 11. Losses Below Threshold.** If the Legal Division identifies a case where OCERS' losses during the alleged claims period is less than the Loss Threshold but OCERS suffered a loss in excess of the Loss Threshold during a period of time shortly before or after the claims period, the Legal Division will consider whether to seek an adjustment of the claims period. If warranted, the Legal Division will actively monitor the case and participate in a motion to adjust the claims period.
- 12.** The Legal Division's recommendation on whether to take an active role in a domestic or foreign securities litigation case will be presented to the Investment Committee at a regularly scheduled meeting or, where immediate approval is necessary, at a special meeting. In addition, the Chief Executive Officer ("CEO") is authorized to approve taking such action where, after consultation with the General Counsel, it is determined that immediate approval is required to preserve OCERS' rights and the matter cannot be timely presented to the Investment Committee. In the event the CEO exercises such authority, the CEO will simultaneously notify the Chair of the Investment Committee and then provide a full report of the action at the next regularly scheduled Investment Committee meeting, or meeting of the Board of Retirement, whichever is sooner.

Active Participation: Domestic

- 13.** In deciding whether to pursue active participation in a domestic securities litigation cases, the Investment Committee will consider the following factors:



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- a. The size of OCERS' loss;
- b. The merits of the case;
- c. The identity of the lead plaintiff and other parties, if known;
- d. The identity of lead counsel, if known;
- e. The sources of recovery available to satisfy a judgment if plaintiffs prevail;
- f. The availability of internal OCERS' resources to participate in the litigation and the potential burdens of discovery;
- g. Whether OCERS' active participation will increase the likely recovery or otherwise add significant value to the resolution of the case;
- h. The potential impact on the OCERS portfolio from trading restrictions arising from the potential acquisition of inside information in litigation, if any; and
- i. Whether OCERS' active participation would be effective in deterring similar corporate misconduct in the future.

Active Participation: Foreign

14. Notwithstanding the Foreign Loss Threshold having been met, active participation in foreign securities actions will be examined on a case-by-case basis to determine whether the potential benefits of active participation outweigh the potential costs. In deciding whether to pursue active participation in a foreign securities litigation case, the Investment Committee will consider the following factors:

- a. The size of the potential recovery;
- b. OCERS' potential obligation to pay legal fees and costs;
- c. OCERS' potential liability for the legal fees and costs of the opposing party;
- d. The merits of the case in light of the law in that jurisdiction;
- e. How the action is being funded, and which law will apply to the relationship between OCERS and any funders;
- f. The identity of the foreign counsel and the method of their payment;
- g. The potential burdens of discovery; and
- h. The role OCERS will play in decision-making in the case.

Settlements

15. When a settlement is proposed in a case in which OCERS has taken an active role, the Legal Division will provide the Investment Committee with an analysis of the settlement terms. The Investment Committee may approve the settlement or delegate to the CEO or the General Counsel authority to enter into a settlement on terms it deems appropriate.



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16. If the CEO determines that immediate approval of (i) a proffer of a settlement demand, (ii) a grant of settlement authority to litigation counsel, or (iii) a response (including a counteroffer) to a settlement offer is required to preserve OCERS' rights, and the matter cannot be timely presented for approval by the Investment Committee, the CEO is authorized, after consultation with the General Counsel, Chief Investment Officer, and Chair of the Investment Committee, to approve the proffer, grant, or response and notify the Investment Committee at its next regularly scheduled meeting.

Claims Filing and Audits

17. OCERS' custodial bank will be responsible for filing all claims necessary to recover assets in securities class action cases in which OCERS has suffered losses, and the statement of work in the custodial agreement will set forth the claims filing procedures for the custodial bank to follow. If OCERS' custodial bank is not able to file the claim, then the Legal Division, in consultation with the Investment Division, will designate the entity that will be responsible for filing.
18. The custodial bank will submit or make available to OCERS quarterly reports on the securities litigation proceeds recovered and those reports will be provided to the Investment Committee.
19. The Legal Division, in conjunction with the Investment Division, will, from time to time, audit the custodial bank's claims filing process to ensure that OCERS is maximizing recovery from securities litigation settlements and awards. The Legal Division, in conjunction with the Investment Division, may require that the custodial bank change its processes for claim filings.

Retention of Monitoring Firms and Litigation Counsel

20. ~~Every three years, or as otherwise directed by the Investment Committee, The General Counsel, with the approval of the CEO, With the approval of the CEO, the General Counsel, with the approval of the CEO, will engage or refresh a pool of at least five two to five firms with demonstrated expertise in securities class actions (the "Monitoring Firms") to advise or represent OCERS in monitoring securities class action filings and settlements that affect the OCERS investment portfolio. Demonstrated expertise shall include the firm's experience providing securities litigation monitoring services for other public pension systems and institutional investors; their experience, relationships, and affiliations with firms in foreign jurisdictions; and the quality of the team proposed to provide services to OCERS, including staffing depth, experience, turnover, and compensation. OCERS will also consider the value provided by diverse and up-and-coming firms in the selection process. The solicitation of Monitoring Firms will be accomplished via a "Request for Qualifications" (RFQ) or as otherwise specified by the Investment Committee. Review of the responses to the RFQs will be performed by a panel selected by the General Counsel that includes a Trustee designated by the Chair of the Investment Committee. The General Counsel will notify the Investment Committee simultaneously upon issuing any solicitation for Monitoring Firms and prior to any award. The initial term for Monitoring Firm agreements will not exceed three years. The General Counsel may also retain one or more consultants or vendors to assist in monitoring securities litigation or in the filing of claims. The General Counsel may also retain one or more consultants or vendors to assist in monitoring securities litigation or in the filing of claims.~~

21. The Monitoring Firms will:



OCERS Board Policy Securities Litigation Policy

- a. Obtain OCERS' securities trading and holdings information directly from OCERS' custodial bank;
- b. Identify and monitor domestic securities class actions and analyze OCERS' estimated losses in the affected securities;
- c. Provide timely notice and analysis of securities class actions filed in the U.S. where OCERS has suffered losses that meet its Loss Threshold and active participation may be warranted; or where other factors exist that justify OCERS' consideration of the case;
- d. Provide reports of newly-filed domestic securities class actions and OCERS' estimated losses on at least a quarterly basis;
- e. Identify and monitor securities actions in foreign jurisdictions, and provide an analysis of OCERS' estimated losses in the affected securities;
- f. Provide timely notice and analysis of those foreign securities actions where OCERS has suffered losses that meet its Foreign Loss Threshold or where other factors exist that justify OCERS' consideration of the case;
- g. Assist OCERS in joining and filing claims in foreign securities actions in which the Investment Committee approves active participation; and
- h. Assist OCERS in identifying meritorious U.S. securities class actions in which OCERS has substantial losses or significant holdings, determining the relevant statutes of repose, monitoring the progress of the litigation, and evaluating whether to file a protective claim or motion before a significant repose period expires.

~~22. Retainer Agreements with Monitoring Firms will be for terms not exceeding six years. Prior to the expiration of the six-year term, the General Counsel or their designee will conduct a Request for Proposals.~~

~~23.~~22. When the Investment Committee or the CEO approves OCERS taking an active role in litigation, they will direct the General Counsel to retain litigation counsel. The Board of Retirement will have final approval of counsel selection. Alternatively, the Investment Committee may ~~or~~ delegate to the General Counsel the authority to retain litigation counsel ~~for the matter.~~ The retention agreement with litigation counsel shall include a provision for OCERS to be reimbursed for its time and costs as an active participant in the litigation.

~~24.~~23. The General Counsel may rely on Monitoring Firms for preparation of in-depth damages analyses and representation in litigation. However, the General Counsel may, with the approval of the Chief Executive Officer, retain outside counsel on behalf of OCERS to undertake these matters or to assist the Legal Division in carrying out this policy.

Reporting

~~25.~~24. The Legal Division will keep the Investment Committee apprised of major developments on cases in which OCERS is actively participating and will provide reports on its policy-related activities on at least a quarterly basis. The reports will include listings of new securities litigation case filings and new settlements or awards in which OCERS has identified losses. For matters where OCERS'



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estimated losses exceed \$~~24~~ million, the report will include a brief analysis of the merits of the case.

Policy History

The Board adopted this policy on December 15, 2003. The Board amended this policy on December 20, 2004; reviewed this policy with no changes on March 24, 2008; and amended this policy on August 24, 2009, May 20, 2013, March 20, 2017, November 13, 2017, ~~and~~ August 17, 2020, August 24, 2022, 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

08/24/2022

Date



OCERS Board Policy Securities Litigation Policy

Purpose and Background

1. The Securities Litigation Policy is intended to establish procedures and guidelines for monitoring and participating in securities class actions in furtherance of the Board of Retirement's fiduciary duties. For purposes of this policy, a securities class action includes an action alleging claims under state or federal securities and antitrust laws, as well as similar claims arising under the laws of foreign jurisdictions. The responsibility for overseeing securities litigation is delegated to the Investment Committee.

Principles

2. As a large institutional shareholder, OCERS is frequently a class member in securities class actions that seek to recover damages resulting from corporate fraud and misconduct.
3. The Private Securities Litigation Reform Act, enacted in 1995, allows institutional investors to seek lead plaintiff status in securities class actions pending within the United States under U.S. federal securities laws. The lead plaintiff attains the right to supervise and control the prosecution of such cases. Participation as lead plaintiff by large, sophisticated shareholders such as OCERS has resulted in larger recoveries and lower attorneys' fees.
4. In 2010, the United States Supreme Court in *Morrison v. National Australia Bank* held that investors cannot bring or participate in a U.S. securities class action if their claims are based on securities purchased outside the U.S. As such, investors no longer have the protection of U.S. securities laws for securities purchased on a foreign exchange. In many foreign jurisdictions, however, investors are required to join as a named plaintiff or otherwise join as an active litigant at the commencement of the case as a condition to sharing in any damages awarded or recovered. Such direct participation may be costly and, depending on the jurisdiction, may subject OCERS to the risk of liability for defendant's fees and costs if the claim is unsuccessful. Therefore, OCERS must weigh the potential benefits of action in a foreign jurisdiction carefully.
5. In June 2017, the United States Supreme Court in *CalPERS v. ANZ Securities, Inc.* held that the filing of a securities class action does not "toll" or satisfy the three-year time period (called the statute of repose) for putative class members to assert individual claims for recovery under Sections 11 and 12 of the Securities Act of 1933. The Supreme Court's decision has been extended by lower federal courts to apply to claims brought under the Securities Exchange Act of 1934. As a result, investors can no longer rely on the filing of a securities class action case to preserve the timeliness of their individual claims for recovery of damages and must exercise heightened diligence to protect potentially valuable claims from expiring under the statute of repose.
6. OCERS' goals for participation in securities class actions include:
 - Fulfilling OCERS' fiduciary duties by protecting trust assets and effectively managing claims as assets of the trust fund.
 - Maximizing claim recovery and reducing fees paid to obtain recoveries.
 - Deterring future fraud and corporate malfeasance to better protect fund assets.



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- Maintaining access to the courts through securities litigation in the best interest of OCERS' members and beneficiaries.

Monitoring of Securities Litigation

- 7. Monitoring of Class Action Filings and Cases.** The Legal Division will monitor securities class actions filings, both domestic and foreign, to identify cases where OCERS is a potential class member. Cases in which the applicable loss threshold (as defined in Section 10 below) is met or where special circumstances exist that justify OCERS' interest in the case will be monitored.
- 8. Active Participation.** Active participation in a domestic case includes seeking lead plaintiff status, opting out of the class action and filing an individual action, or intervening in the class action. Active participation in a foreign case includes joining the case as a named plaintiff or take other affirmative action at the commencement of the case to participate in the litigation.
- 9. Recommendation of the Legal Division.** The Legal Division will recommend to the Investment Committee whether or not OCERS should take an active role in a securities class action. The Legal Division will recommend OCERS take an active role in an action when it has determined that the case is meritorious, the applicable Loss Threshold is met, and it is in OCERS' best interest to take such action. In addition, the Legal Division may also recommend active participation in a securities class action where the Loss Threshold is not met but OCERS will join the case with one or more other institutional investors, OCERS cannot recover without active participation in the case, or OCERS' active participation may otherwise serve the goals of this policy.
- 10. Loss Thresholds.** A case within the United States meets the Domestic Loss Threshold when OCERS' estimated loss is at least \$2 million. The Foreign Loss Threshold, for a case filed in a foreign jurisdiction, is met with an OCERS' estimated loss of at least \$250,000.
- 11. Losses Below Threshold.** If the Legal Division identifies a case where OCERS' losses during the alleged claims period is less than the Loss Threshold but OCERS suffered a loss in excess of the Loss Threshold during a period of time shortly before or after the claims period, the Legal Division will consider whether to seek an adjustment of the claims period. If warranted, the Legal Division will actively monitor the case and participate in a motion to adjust the claims period.
- 12.** The Legal Division's recommendation on whether to take an active role in a domestic or foreign securities litigation case will be presented to the Investment Committee at a regularly scheduled meeting or, where immediate approval is necessary, at a special meeting. In addition, the Chief Executive Officer ("CEO") is authorized to approve taking such action where, after consultation with the General Counsel, it is determined that immediate approval is required to preserve OCERS' rights and the matter cannot be timely presented to the Investment Committee. In the event the CEO exercises such authority, the CEO will simultaneously notify the Chair of the Investment Committee and then provide a full report of the action at the next regularly scheduled Investment Committee meeting, or meeting of the Board of Retirement, whichever is sooner.

Active Participation: Domestic

- 13.** In deciding whether to pursue active participation in a domestic securities litigation cases, the Investment Committee will consider the following factors:



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- a. The size of OCERS' loss;
- b. The merits of the case;
- c. The identity of the lead plaintiff and other parties, if known;
- d. The identity of lead counsel, if known;
- e. The sources of recovery available to satisfy a judgment if plaintiffs prevail;
- f. The availability of internal OCERS' resources to participate in the litigation and the potential burdens of discovery;
- g. Whether OCERS' active participation will increase the likely recovery or otherwise add significant value to the resolution of the case;
- h. The potential impact on the OCERS portfolio from trading restrictions arising from the potential acquisition of inside information in litigation, if any; and
- i. Whether OCERS' active participation would be effective in deterring similar corporate misconduct in the future.

Active Participation: Foreign

14. Notwithstanding the Foreign Loss Threshold having been met, active participation in foreign securities actions will be examined on a case-by-case basis to determine whether the potential benefits of active participation outweigh the potential costs. In deciding whether to pursue active participation in a foreign securities litigation case, the Investment Committee will consider the following factors:

- a. The size of the potential recovery;
- b. OCERS' potential obligation to pay legal fees and costs;
- c. OCERS' potential liability for the legal fees and costs of the opposing party;
- d. The merits of the case in light of the law in that jurisdiction;
- e. How the action is being funded, and which law will apply to the relationship between OCERS and any funders;
- f. The identity of the foreign counsel and the method of their payment;
- g. The potential burdens of discovery; and
- h. The role OCERS will play in decision-making in the case.

Settlements

15. When a settlement is proposed in a case in which OCERS has taken an active role, the Legal Division will provide the Investment Committee with an analysis of the settlement terms. The Investment Committee may approve the settlement or delegate to the CEO or the General Counsel authority to enter into a settlement on terms it deems appropriate.



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Securities Litigation Policy

16. If the CEO determines that immediate approval of (i) a proffer of a settlement demand, (ii) a grant of settlement authority to litigation counsel, or (iii) a response (including a counteroffer) to a settlement offer is required to preserve OCERS' rights, and the matter cannot be timely presented for approval by the Investment Committee, the CEO is authorized, after consultation with the General Counsel, Chief Investment Officer, and Chair of the Investment Committee, to approve the proffer, grant, or response and notify the Investment Committee at its next regularly scheduled meeting.

Claims Filing and Audits

17. OCERS' custodial bank will be responsible for filing all claims necessary to recover assets in securities class action cases in which OCERS has suffered losses, and the statement of work in the custodial agreement will set forth the claims filing procedures for the custodial bank to follow. If OCERS' custodial bank is not able to file the claim, then the Legal Division, in consultation with the Investment Division, will designate the entity that will be responsible for filing.
18. The custodial bank will submit or make available to OCERS quarterly reports on the securities litigation proceeds recovered and those reports will be provided to the Investment Committee.
19. The Legal Division, in conjunction with the Investment Division, will, from time to time, audit the custodial bank's claims filing process to ensure that OCERS is maximizing recovery from securities litigation settlements and awards. The Legal Division, in conjunction with the Investment Division, may require that the custodial bank change its processes for claim filings.

Retention of Monitoring Firms and Litigation Counsel

20. Every three years, or as otherwise directed by the Investment Committee, the General Counsel, with the approval of the CEO, will engage or refresh a pool of at least five firms with demonstrated expertise in securities class actions (the "Monitoring Firms") to advise or represent OCERS in monitoring securities class action filings and settlements that affect the OCERS investment portfolio. Demonstrated expertise shall include the firm's experience providing securities litigation monitoring services for other public pension systems and institutional investors; their experience, relationships, and affiliations with firms in foreign jurisdictions; and the quality of the team proposed to provide services to OCERS, including staffing depth, experience, turnover, and compensation. OCERS will also consider the value provided by diverse and up-and-coming firms in the selection process. The solicitation of Monitoring Firms will be accomplished via a "Request for Qualifications" (RFQ) or as otherwise specified by the Investment Committee. Review of the responses to the RFQs will be performed by a panel selected by the General Counsel that includes a Trustee designated by the Chair of the Investment Committee. The General Counsel will notify the Investment Committee simultaneously upon issuing any solicitation for Monitoring Firms and prior to any award. The initial term for Monitoring Firm agreements will not exceed three years. The General Counsel may also retain one or more consultants or vendors to assist in monitoring securities litigation or in the filing of claims.
21. The Monitoring Firms will:



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- a. Obtain OCERS' securities trading and holdings information directly from OCERS' custodial bank;
 - b. Identify and monitor domestic securities class actions and analyze OCERS' estimated losses in the affected securities;
 - c. Provide timely notice and analysis of securities class actions filed in the U.S. where OCERS has suffered losses that meet its Loss Threshold and active participation may be warranted; or where other factors exist that justify OCERS' consideration of the case;
 - d. Provide reports of newly-filed domestic securities class actions and OCERS' estimated losses on at least a quarterly basis;
 - e. Identify and monitor securities actions in foreign jurisdictions, and provide an analysis of OCERS' estimated losses in the affected securities;
 - f. Provide timely notice and analysis of those foreign securities actions where OCERS has suffered losses that meet its Foreign Loss Threshold or where other factors exist that justify OCERS' consideration of the case;
 - g. Assist OCERS in joining and filing claims in foreign securities actions in which the Investment Committee approves active participation; and
 - h. Assist OCERS in identifying meritorious U.S. securities class actions in which OCERS has substantial losses or significant holdings, determining the relevant statutes of repose, monitoring the progress of the litigation, and evaluating whether to file a protective claim or motion before a significant repose period expires.
- 22.** When the Investment Committee or the CEO approves OCERS taking an active role in litigation, they will direct the General Counsel to retain litigation counsel. The Board of Retirement will have final approval of counsel selection. Alternatively, the Investment Committee may delegate to the General Counsel the authority to retain litigation counsel. The retention agreement with litigation counsel shall include a provision for OCERS to be reimbursed for its time and costs as an active participant in the litigation.
- 23.** The General Counsel may rely on Monitoring Firms for preparation of in-depth damages analyses and representation in litigation. However, the General Counsel may, with the approval of the Chief Executive Officer, retain outside counsel on behalf of OCERS to undertake these matters or to assist the Legal Division in carrying out this policy.

Reporting

- 24.** The Legal Division will keep the Investment Committee apprised of major developments on cases in which OCERS is actively participating and will provide reports on its policy-related activities on at least a quarterly basis. The reports will include listings of new securities litigation case filings and new settlements or awards in which OCERS has identified losses. For matters where OCERS' estimated losses exceed \$2 million, the report will include a brief analysis of the merits of the case.



OCERS Board Policy Securities Litigation Policy

Policy History

The Board adopted this policy on December 15, 2003. The Board amended this policy on December 20, 2004; reviewed this policy with no changes on March 24, 2008; and amended this policy on August 24, 2009, May 20, 2013, March 20, 2017, November 13, 2017, August 17, 2020, August 24, 2022, 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



OCERS Board Policy Succession Policy

Purpose and Background

1. The ~~Orange County Employees Retirement System ("OCERS Board of Retirement ("Board"))~~ established ~~this~~ Succession Policy to provide continuity in leadership and avoid extended and costly vacancies in key positions. ~~While t~~This policy provides specific steps designed to identify candidates for the Chief Executive Officer ("CEO") position that may become vacant~~due to retirement, resignation, death or a new business opportunity, it also requires the establishment and maintenance of a talent and succession management program applicable to all levels of leadership. Succession planning~~This policy ensures that there are qualified and motivated employees (or a means of recruiting them) who are able to take over when the CEO exits the agency. It also will demonstrate to plan sponsors employers and members that OCERS is committed to the consistent and able to provide excellent service at all times~~delivery of excellent service, including during times of transition.~~

Policy Statement

2. As part of good governance, OCERS must plan for a change – either planned or unplanned – in ~~Executive~~ leadership, which is inevitable for all organizations. Succession planning is a risk mitigation strategy focused on developing and supporting a large, competent, and effective talent pool. The ~~policy~~ goal is to ensure the stability and accountability of the ~~organization~~ agency and sustain uninterrupted service levels to plan sponsors and members ~~until a new permanent leader is identified during periods of leadership transition. OCERS prioritizes leadership development to ensure internal candidates are strong contenders for key senior vacancies.~~
 - The Board of Retirement ("Board") shall be responsible for implementing this policy and its related procedures.

Scope and Coverage

3. ~~This policy should be used in case of an Executive transition that involves the CEO. In such an instance, the Board may also consider temporarily subcontracting of the organizational functions to a trained consultant or other organization(s).~~

Policy Guidelines

Appointment of Interim CEO

- 4.3. In the event of a leave of absence (temporary or permanent) of the CEO, the Board will appoint an Interim CEO. The Interim CEO shall ensure that the organization continues to operate without disruption and that all OCERS' obligations and commitments, as defined in the CEO's charter, are addressed.
- 5.4. Within five (5) business days of a leave of absence, the Board shall appoint an Interim CEO from the recommended list of incumbent positions below or such other candidates as the Board may choose:
 - a. Assistant CEO of Finance and Internal Operations



OCERS Board Policy Succession Policy

- b. Assistant CEO of External Operations
- c. Chief Investment Officer ("CIO")
- d. ~~Chief Legal Officer~~ General Counsel
- e. External consultant (with experience as a CEO)

Authority and Compensation of the Interim CEO

5. Board members are prohibited from seeking or accepting employment as the Interim CEO or as any member of OCERS direct staff while they are serving as a Trustee and for three years after they stop serving as a Trustee unless granted express waiver by the Board.

7.6. The person appointed as Interim CEO shall have the full authority for ~~decision~~ decision-making and independent action as the CEO. The Board shall determine if the Interim CEO is to be given a temporary salary increase while performing the duties of the CEO position.

Board Oversight

9.7. The Board Chair is responsible for monitoring the work of the Interim CEO.

Communication Plan

11.8. Immediately upon transferring the responsibilities to the Interim CEO, the Board Chair will notify staff members of the delegation of authority. ~~As soon as possible~~ after the Interim CEO has assumed the role, Board members and the Interim CEO shall communicate the temporary leadership structure to key external stakeholders as soon as practicable.

Leadership Transition

12.9. In the event that a permanent change in CEO leadership is required, ~~the Board Chair shall appoint an Executive Transition committee within fifteen (15) business days of notification. The, the Personnel e~~Committee shall:

- a. Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.
- b. Review OCERS' Business Plan and conduct a brief assessment of organizational strengths, weaknesses, opportunities, and threats to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next CEO.
- c. Establish a time frame and plan for the recruitment and selection process.
- d. Refer to the CEO's Charter for a sample job description and qualifications.

13.10. It is the policy of the Board to develop a diverse pool of candidates and consider at least three final candidates for its permanent CEO position. OCERS shall implement a recruitment and selection process to include all qualified candidates.

14.11. The Board Chair/Vice-Chair shall communicate with key stakeholders regarding the actions taken by the Board in naming an interim successor, ~~the Board Chair's appointment of the Executive~~

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OCERS Board Policy Succession Policy

~~Transition Committee~~, and the committee’s implementation of the Succession Policy provisions. OCERS shall maintain a current list of key stakeholders who must be contacted, such as plan sponsors and other entities or government agencies that should be made aware of the change in leadership.

Delegation of Authority – Other Executive Positions

- ~~12.~~ The CEO may use this ~~process~~ as guidance for the succession of other key ~~e~~Executives.
- ~~13.~~ In the event that an Assistant CEO position should become vacant, the CEO shall promptly inform the Board and, working with the Personnel Committee, will initiate a process to identify a replacement for the Assistant CEO as soon as practicable.

Talent Management

- ~~16.~~
- ~~17-14.~~ The CEO will establish and maintain a talent management program designed to effectively manage the transition of senior leaders into executive roles, front-line leaders into senior leadership roles, and staff into leadership roles. The program will aim to source, spot, engage, develop, and retain the best talent. It will include a quarterly review and assessment of the risk of vacancy in senior leadership and the potential of current OCERS staff to become future leaders. The CEO will provide an annual report annually present to the Board an executive staff development plan on the status of the talent management program.

Policy Review

- ~~18-15.~~ This policy shall be reviewed every three years by the Governance Committee and may be amended by the Board of Retirement. Governance Committee shall review this policy every three years, and the Board may amend it at any time.

Policy History

- ~~19.~~ The Retirement Board adopted this policy on January 19, 2016. The policy was last 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.

Steve Delaney
Secretary of the Board

1/19/16

Date

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OCERS Board Policy Succession Policy



OCERS Board Policy Succession Policy

Purpose

1. The OCERS Board of Retirement ("Board") established this Succession Policy to provide continuity in leadership and avoid extended and costly vacancies in key positions. While this policy provides specific steps designed to identify candidates for the Chief Executive Officer ("CEO") position that may become vacant, it also requires the establishment and maintenance of a talent and succession management program applicable to all levels of leadership. Succession planning will demonstrate to plan employers and members that OCERS is committed to the consistent delivery of excellent service.

Policy Statement

2. As part of good governance, OCERS must plan for a change – either planned or unplanned – in leadership, which is inevitable for all organizations. Succession planning is a risk mitigation strategy focused on developing and supporting a large, competent, and effective talent pool. The goal is to ensure the stability and accountability of the agency and sustain uninterrupted service levels to plan sponsors and members during periods of leadership transition. OCERS prioritizes leadership development to ensure internal candidates are strong contenders for key senior vacancies.

Policy Guidelines

Appointment of Interim CEO

3. In the event of a leave of absence (temporary or permanent) of the CEO, the Board will appoint an Interim CEO. The Interim CEO shall ensure that the organization continues to operate without disruption and that all OCERS' obligations and commitments, as defined in the CEO's charter, are addressed.
4. Within five (5) business days of a leave of absence, the Board shall appoint an Interim CEO from the recommended list of incumbent positions below or such other candidates as the Board may choose:
 - a. Assistant CEO of Finance and Internal Operations
 - b. Assistant CEO of External Operations
 - c. Chief Investment Officer ("CIO")
 - d. General Counsel
 - e. External consultant (with experience as a CEO)
5. Board members are prohibited from seeking or accepting employment as the Interim CEO or as any member of OCERS direct staff while they are serving as a Trustee and for three years after they stop serving as a Trustee unless granted express waiver by the Board.
6. The person appointed as Interim CEO shall have the full authority for decision-making and independent action as the CEO. The Board shall determine if the Interim CEO is to be given a temporary salary increase while performing the duties of the CEO position.
7. The Board Chair is responsible for monitoring the work of the Interim CEO.



OCERS Board Policy Succession Policy

8. Immediately upon transferring the responsibilities to the Interim CEO, the Board Chair will notify staff members of the delegation of authority. After the Interim CEO has assumed the role, Board members and the Interim CEO shall communicate the temporary leadership structure to key external stakeholders as soon as practicable.

Leadership Transition

9. In the event that a permanent change in CEO leadership is required, the Personnel Committee shall:
 - a. Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.
 - b. Review OCERS' Business Plan and conduct a brief assessment of organizational strengths, weaknesses, opportunities, and threats to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next CEO.
 - c. Establish a time frame and plan for the recruitment and selection process.
 - d. Refer to the CEO's Charter for a sample job description and qualifications.
10. It is the policy of the Board to develop a diverse pool of candidates and consider at least three final candidates for its permanent CEO position. OCERS shall implement a recruitment and selection process to include all qualified candidates.
11. The Board Chair/Vice-Chair shall communicate with key stakeholders regarding the actions taken by the Board in naming an interim successor and the committee's implementation of the Succession Policy provisions. OCERS shall maintain a current list of key stakeholders who must be contacted, such as plan sponsors and other entities or government agencies that should be made aware of the change in leadership.
12. The CEO may use this process as guidance for the succession of other key executives.
13. In the event that an Assistant CEO position should become vacant, the CEO shall promptly inform the Board and, working with the Personnel Committee, will initiate a process to identify a replacement for the Assistant CEO as soon as practicable.

Talent Management

14. The CEO will establish and maintain a talent management program designed to effectively manage the transition of senior leaders into executive roles, front-line leaders into senior leadership roles, and staff into leadership roles. The program will aim to source, spot, engage, develop, and retain the best talent. It will include a quarterly review and assessment of the risk of vacancy in senior leadership and the potential of current OCERS staff to become future leaders. The CEO will provide an annual report to the Board on the status of the talent management program.

Policy Review

15. The Governance Committee shall review this policy every three years, and the Board may amend it at any time.



OCERS Board Policy Succession Policy

Policy History

16. The Board adopted this policy on January 19, 2016. The policy was last revised on October 21, 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 Delaney".

Steve Delaney
Secretary of the Board

October 21, 2024

Date



OCERS Administrative Procedure (OAP) Required Minimum Distributions

I. Purpose

The purpose of this OCERS administrative procedure (OAP) is to describe how OCERS apply the rules governing the mandatory distributions of required minimum distributions (RMDs) of benefits from a Member's retirement plan under Internal Revenue Code Section 401(a)(9), Section 107(c) of Secure 2.0 Act of 2022, and Government Code section 31706.

II. Authority

This OAP is established pursuant to the Chief Executive Officer (CEO) Charter, section 8.f., which directs the CEO to develop staff policies and procedures to ensure effective and efficient administration of member benefits. The OAP is in conformance with Board Policy, the County Employees Retirement Law (California Government Code section 31450, et seq.) (CERL), and the Public Employees' Pension Reform Act (Government Code, sections 7522 - 7522.74) (PEPRA).

III. RMD Age

Under Internal Revenue Code Section 401(a)(9) and Section 107(c) of Secure 2.0 Act of 2022, the applicable age at which RMD applies (RMD Age) is (x) 73 for an individual who attains age 73 before January 1, 2033, and (y) 75 for an individual who attains age 74 after December 31, 2032.¹

IV. Required Minimum Distributions

RMDs and Required Beginning Date

Internal Revenue Code Section 401(a) (9) requires individuals who are no longer working but have not yet retired to begin receiving required minimum distributions (RMDs) from their retirement plans by April 1 of the calendar year after they reach the RMD Age; however, Members who have reached RMD Age and continue to be actively employed by a covered employer of OCERS or a reciprocal retirement system are not subject to RMDs until April 1 of the calendar year following their employment termination (Required Beginning Date).

RMDs are mandatory at the Required Beginning Date and cannot be opt out by a Member.

RMD Notice

Upon attaining 70 years of age, a deferred Member will be notified by OCERS that such Member ~~Gov. Code § 31706:~~

~~— Any member who has left county service and has elected to leave accumulated contributions in the retirement fund or who is deemed to have elected a deferred retirement pursuant to subdivision (b) of Section 31700 and has attained age 70 but has not yet applied for a deferred retirement allowance and who is not a reciprocal member of a retirement system established pursuant to this chapter or the~~

¹ Federal legislation determines the RMD Age threshold, which is subject to change.



OCERS Administrative Procedure (OAP) Required Minimum Distributions

~~Public Employees' Retirement Law shall be notified in writing by the treasurer, or other entity authorized by the board, that the member is eligible to apply for and shall begin receiving a deferred retirement allowance by April 1 of the year following the year in which the member attains age 70. The notification shall be made at the time the deferred member attains age 70 and shall be sent by certified mail to the member's last known address, or to the member's last known employer, as shown by the records of the retirement system. If the member can be located but does not make proper application for a deferred retirement allowance with retirement to be effective by April 1 of the year in which the member attains age 70, the retirement system shall commence paying an unmodified allowance to the member. If the member cannot be located by April 1 of the year following the year in which the member attains age 70, all of the member's accumulated contributions and interest thereon shall be deposited in, and become a part of, the current pension reserve fund of the retirement system. The board may at any time after transfer of proceeds to the reserve fund upon receipt of proper information satisfactory to it, redeposit the proceeds to the credit of the claimant, to be administered in the manner provided under this law. This section shall not apply to a member while the member is actively employed past mandatory retirement age in a retirement system established under the provisions of this chapter or the Public Employees' Retirement Law.~~

~~See also IRC § 401(a)(9) and OCERS Regulation for IRC § 401(a)(9) — Minimum Distributions Rules~~

Procedure

- ~~1. When a deferred member who is not an active member of a reciprocal system as stated in section 31706 has reached age 70, OCERS will notify that member in writing that the member is eligible to apply for retirement and will begin receiving either (x) a retirement allowance on the Required Beginning Date or (y) a one-time April 1 of the year following the calendar year in which the member attains the age of 70.~~
- ~~2. For purposes of this procedure a deferred member of OCERS is a member who has left employment of an OCERS covered employer and elected to leave his or her member contributions on deposit with OCERS.~~
- ~~3. This procedure does not pertain to active members who have reached the age of 70 and are still employed by an OCERS covered employer. Members who continue to be actively employed by an OCERS covered employer are exempt from minimum distributions rules pertaining to OCERS. Minimum distribution of all accumulated contributions and interest. The rules pertaining to other retirement systems may still apply.~~
- ~~4. This procedure does not apply to a deferred member who has reached the age of 70 and is still an active member of a reciprocal county employees retirement system or CalPERS where reciprocity has been established.~~
- ~~5. The notice will be sent via certified mail to the Member's ~~member's~~ last known address or last known employer.~~

Retirement and Withdrawal Application Due Date

If OCERS does not receive a proper retirement application or withdrawal application by the February 1st immediately preceding the Required Beginning Date (Application Due Date), OCERS will file for retirement for eligible Members and start paying an unmodified monthly allowance by the Required Beginning Date;



OCERS Administrative Procedure (OAP) Required Minimum Distributions

however, if a Member is otherwise ineligible for a deferred retirement allowance, then OCERS will make a one-time distribution of all accumulated contributions and interest to such Member by the Required Beginning Date. A member will not be able to change the retirement option past the Application Due Date.

~~6. Member~~ If the member can be located but does not make an application for retirement that will be effective by April 1 of the year following the calendar year in which the member attains the age of 70, OCERS will set up the retirement benefit and begin paying the member an unmodified allowance (Gov. Code § 31760.1).

If the member cannot be located

~~7. If the Member could not be located~~ by April 1 of the year following the Required Beginning Date calendar year in which the member attains the age of 70, all of the Member's accumulated member contributions and interest on such those member contributions will be deposited in the OCERS pension reserve fund.

~~8. The Member or such Member's~~ After deposit of member contributions and interest into the pension reserve fund, the member or a beneficiary ("Claimant") may petition the Board of Retirement to redeposit the Member's accumulated member contributions and interest into the system to the credit of the Claimant. ~~Any such claimant. The claimant must provide information and documentation satisfactory to the Board showing that that claimant is entitled to the credit.~~

~~9. A petition to the Board should be sent to OCERS Member Services Director~~ to be included in. ~~The matter will then be placed on~~ a regular Board meeting agenda.

~~10.1.~~ If the Board determines the information provided is satisfactory, the Member's member contributions and interest will be credited back to the Member's member's account and benefits will be administered according to the CERL County Employees Retirement Law.

~~11.2.~~ If the Board determines the information provided is not satisfactory, the Claimant claimant shall be given the opportunity to provide additional information. If after having had the opportunity to provide additional information, the totality of the information is still not satisfactory to the Board, the Claimant claimant may request an administrative hearing of the matter. Administrative hearings will be conducted in accordance with OCERS' Administrative Hearing Procedures.

Maintaining Current Contact Information

~~12. OCERS' ability to contact a Member may affect the Member's retirement benefits. Members should ensure that their contact information is current with OCERS. If OCERS is unable to determine the age or amount of service of a member, the Board may estimate the member's age and length of service in order to administer benefits under the County Employees Retirement Law (Gov. Code § 31531).~~

~~13. In the event that this procedure conflicts with statutory or case law, that statutory or case law will prevail.~~



OCERS Administrative Procedure (OAP) Required Minimum Distributions

I. Purpose

The purpose of this OCERS administrative procedure (OAP) is to describe how OCERS apply the rules governing the mandatory distributions of required minimum distributions (RMDs) of benefits from a Member's retirement plan under Internal Revenue Code Section 401(a)(9), Section 107(c) of Secure 2.0 Act of 2022, and Government Code section 31706.

II. Authority

This OAP is established pursuant to the Chief Executive Officer (CEO) Charter, section 8.f., which directs the CEO to develop staff policies and procedures to ensure effective and efficient administration of member benefits. The OAP is in conformance with Board Policy, the County Employees Retirement Law (California Government Code section 31450, et seq.) (CERL), and the Public Employees' Pension Reform Act (Government Code, sections 7522 - 7522.74) (PEPRA).

III. RMD Age

Under Internal Revenue Code Section 401(a)(9) and Section 107(c) of Secure 2.0 Act of 2022, the applicable age at which RMD applies (RMD Age) is (x) 73 for an individual who attains age 73 before January 1, 2033, and (y) 75 for an individual who attains age 74 after December 31, 2032.¹

IV. Required Minimum Distributions

RMDs and Required Beginning Date

Internal Revenue Code Section 401(a) (9) requires individuals who are no longer working but have not yet retired to begin receiving required minimum distributions (RMDs) from their retirement plans by April 1 of the calendar year after they reach the RMD Age; however, Members who have reached RMD Age and continue to be actively employed by a covered employer of OCERS or a reciprocal retirement system are not subject to RMDs until April 1 of the calendar year following their employment termination (Required Beginning Date).

RMDs are mandatory at the Required Beginning Date and cannot be opt out by a Member.

RMD Notice

Upon attaining 70 years of age, a deferred Member will be notified by OCERS that such Member is eligible to apply for retirement and will begin receiving either (x) a retirement allowance on the Required Beginning Date or (y) a one-time distribution of all accumulated contributions and interest. The notice will be sent via certified mail to the Member's last known address or last known employer.

¹ Federal legislation determines the RMD Age threshold, which is subject to change.



OCERS Administrative Procedure (OAP) Required Minimum Distributions

Retirement and Withdrawal Application Due Date

If OCERS does not receive a proper retirement application or withdrawal application by the February 1st immediately preceding the Required Beginning Date (Application Due Date), OCERS will file for retirement for eligible Members and start paying an unmodified monthly allowance by the Required Beginning Date; however, if a Member is otherwise ineligible for a deferred retirement allowance, then OCERS will make a one-time distribution of all accumulated contributions and interest to such Member by the Required Beginning Date. A member will not be able to change the retirement option past the Application Due Date.

Member cannot be located

If the Member could not be located by the Required Beginning Date, all of the Member's accumulated contributions and interest on such contributions will be deposited in the OCERS pension reserve fund.

The Member or such Member's beneficiary ("Claimant") may petition the Board of Retirement to redeposit the Member's accumulated contributions and interest into the system to the credit of the Claimant. Any such petition to the Board should be sent to OCERS Member Services Director to be included in a regular Board meeting agenda.

- If the Board determines the information provided is satisfactory, the Member's contributions and interest will be credited back to the Member's account and benefits will be administered according to the CERL.
- If the Board determines the information provided is not satisfactory, the Claimant shall be given the opportunity to provide additional information. If after having had the opportunity to provide additional information, the totality of the information is still not satisfactory to the Board, the Claimant may request an administrative hearing of the matter. Administrative hearings will be conducted in accordance with OCERS' Administrative Hearing Procedures.

Maintaining Current Contact Information

OCERS' ability to contact a Member may affect the Member's retirement benefits. Members should ensure that their contact information is current with OCERS.



OCERS Board Policy

Member Services Customer Service Policy

Background

- 1. The Board’s mission is to provide the highest quality of customer service to OCERS members, Retirees, and beneficiaries, in a cost effective and prudent manner.

Policy Objectives

- 2. Establish measurable goals to manage the customer service levels provided by Member Services staff to plan participants.

Policy Guidelines

- 3. The following are quantifiable goals used for measuring customer service levels:
 - 2. Develop quantifiable goals for measuring customer service levels:
 - a. Member satisfaction – In-person interaction surveys. Goal is 95% positive responses.
 - b. Customer interactions – positive responses to surveys – goal is 95% positive;
 - b. Timeliness – In-person member interactions for walk-in members, seen within 15 minutes. Goal is 95%.
 - c. Benefit Recalculations – unplanned benefit recalculations should be less than 5% of the total number of calculations completed per month.
 - d. Payroll initiations within 45-60 days of the retirement date (with all documentation submitted the month prior to payroll processing). Goal is 95%.
 - d. Payroll initiations within one full month of separation;
 - e. Cost Notifications provided for all Service Credit Purchases within 45 business days of OCERS receipt of all data needed to determination eligibility and perform calculation. Goal is 95%.
 - a. Benefit estimates are available real time 24/7 via member self-service portal;
 - b. Retirement can be initiated electronically via member self-service portal;
 - c. Member Statements are available real time 24/7 via member self-service portal; and
 - d. Member communications (calls and emails) are returned the same business day or within 24 hours. Staff will also update their voicemail and email automatic reply messages to indicate approximate turnaround time in situations when it is known that greater than 24 hours is needed to return calls and emails.
 - f. Member communications (voice mails and emails) will be returned within one business day. Goal is 90%.
 - Staff will update their voicemail and utilize the out-of-office notification on their e-mail to indicate approximate turnaround time in situations when it is known that additional time is needed to return calls and emails.
 - g. Respond to all calls received during business hours in the Member Services phone queues within 60 seconds. Goal is 90%.
 - 3. Regularly monitor goals to ensure ongoing achievement of customer service levels.
 - 4. Annually evaluate goals and make adjustments as needed.
 - 4. Provide a Quality Assurance report to the Audit Committee two times a year.

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OCERS Board Policy

Member Services Customer Service Policy

5. Provide staff with regular training opportunities for continued development in customer service and technical skills. All OCERS staff must complete a minimum of 12 hours of training per year. Goal is 95%

Policy Review

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

Policy History

6.7. This policy was adopted by the Board of Retirement on November 16, 2015 and revised October 15, 2018, ~~and~~ October 17, 2022, and.

Member Service Customer Service Policy
Adopted November 16, 2015
Last Revised October 17, 2022

1 of 2



OCERS Board Policy

Member Services Customer Service Policy

Secretary's Certificate

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

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

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Member Services Customer Service Policy

Background

1. The Board’s mission is to provide the highest quality of customer service to OCERS members, retirees, and beneficiaries in a cost-effective and prudent manner.

Policy Objectives

2. Establish measurable goals to manage the customer service levels provided by Member Services staff to plan participants.

Policy Guidelines

3. The following are quantifiable goals used for measuring customer service levels:
 - a. Member satisfaction – In-person interaction surveys. Goal is 95% positive responses.
 - b. Timeliness – In-person member interactions for walk-in members, seen within 15 minutes. Goal is 95%.
 - c. Benefit Recalculations – unplanned benefit recalculations should be less than 5% of the total number of calculations completed per month.
 - d. Payroll initiations within 45-60 days of the retirement date (with all documentation submitted the month prior to payroll processing). Goal is 95%.
 - e. Cost Notifications provided for all Service Credit Purchases within 45 business days of OCERS receipt of all data needed to determination eligibility and perform calculation. Goal is 95%.
 - f. Member communications (voice mails and emails) will be returned within one business day. Goal is 90%.
 - i. Staff will update their voicemail and utilize the out-of-office notification on their e-mail to indicate approximate turnaround time in situations when it is known that additional time is needed to return calls and emails.
 - g. Respond to all calls received during business hours in the Member Services phone queues within 60 seconds. Goal is 90%.
 - h. Provide a Quality Assurance report to the Audit Committee two times a year.
 - i. Provide staff with regular training opportunities for continued development in customer service and technical skills. All OCERS staff must complete a minimum of 12 hours of training per year. Goal is 95.



OCERS Board Policy
Member Services
Customer Service Policy

Policy Review

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

Policy History

5. This policy was adopted by the Board of Retirement on November 16, 2015, and revised October 15, 2018, October 17, 2022, 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



OCERS Board Policy Legislative Policy

Purpose and Background

1. The purpose of this Legislative Policy is to provide OCERS with a broad framework that OCERS can utilize as a basis for action on legislative matters. The OCERS Board of Retirement (Board) is charged with the responsibility of responsible for administering the System in a manner to assure-ensure prompt delivery of benefits and related services to members and their beneficiaries and managing the assets of the System in a prudent mannerprudently managing the System's assets. Legislation affecting the System must be closely monitored to determine the potential impact on the System and whether action is necessary.

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Policy Objectives

2. The objectives of the Legislative Policy are to:
 - a. Establish a procedure by which the OCERS-Board can adopt an official position on proposed legislation;
 - b. Identify future legislative action in light of the System's needs;
 - c. Facilitate the timely communication of proposed and enacted legislative changes to the Board and staff;
 - d. Provide guidance in communicating OCERS' official legislative positions to third parties; and
 - e. Identify the optimal sources to promote OCERS' official legislative positions.

Roles and Responsibilities

3. The Board will be responsible for:
 - a. Adopting an official OCERS' position for pertinent legislative proposals affecting the System;
 - b. Identifying the ongoing needs of OCERS for future legislative proposals; and
 - c. Analyzing legislative proposals suggested by OCERS' Board members, staff, or interested third parties; and determining appropriate action.
4. Staff will be responsible for:
 - a. Analyzing and reporting on proposed legislation affecting OCERS; (and other public pension funds if relevant); at the beginning of each legislative session;
 - b. Monitoring proposed legislation throughout the legislative session and reporting material modifications and their potential impact on OCERS to the Board;
 - c. Monitoring all chaptered legislation and determining the impact on OCERS;
 - d. Reporting the impact of and, as required, suggesting procedures to implement all chaptered legislation to the Board and staff;
 - e. Communicating with organizations, active and retired OCERS' members, and/or employers, as applicable, to inform them of legislative changes affecting OCERS;



OCERS Board Policy Legislative Policy

- f. Drafting proposed legislation based upon proposals received from OCERS Board members, staff, and interested parties, in coordination with SACRS' Legislative Committee, or other appropriate entities, and presenting the draft legislation to the OCERS Board for consideration; and
- g. Identifying and communicating with elected representatives to serve as authors of OCERS-proposed legislation, when appropriate.

Policy Guidelines

Legislative Principles

- 5. The following legislative principles will guide the Board when considering its position on proposed legislation:
 - a. Promote OCERS' legislative position primarily through organizations in which OCERS participates unless proposed legislation has a specific and unique effect on OCERS;
 - b. Support legislative proposals that strengthen the confidentiality protections for member records;
 - c. Support legislative proposals that clarify statutory interpretation of '37 Act provisions unless inconsistent with OCERS' legally sound interpretation and implementation of the provision;
 - d. Support legislative proposals that strengthen the financial condition of the System and promote administrative efficiency unless inconsistent with the Board's fiduciary duties;
 - e. Oppose legislative proposals that create the potential for increased unfunded actuarial liability without appropriate funding provisions; and
 - f. Oppose legislative proposals that compromise or interfere with OCERS' duty to deliver benefits to participants and beneficiaries.

SACRS' Legislative Committee

- 6. OCERS will attempt to maintain a representative on the SACRS' Legislative Committee. The representative, or any other Board or staff member that participates in the Committee ~~as a guest~~, will adhere to the following standards:
 - a. Represent the official position, if any, taken by the ~~OCERS~~ Board on all legislation considered by the Committee;
 - b. Provide information to the CEO and Board on the ~~activities of the Committee as needed so that the CEO and Board~~ Committee's activities as needed so that they are well-informed regarding legislation ~~that is~~ relevant to OCERS.

Policy Review

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



OCERS Board Policy Legislative Policy

Policy History

8. The OCERS Board adopted this policy on November 17, 2003. The policy was revised on April 16, 2007, June 21, 2010, February 19, 2013, July 20, 2015, August 20, 2018, ~~and~~ April 19, 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.

04/19/2021

Steve Delaney
Secretary of the Board

Date



OCERS Board Policy Legislative Policy

Purpose and Background

1. The purpose of this Legislative Policy is to provide OCERS with a broad framework that OCERS can utilize as a basis for action on legislative matters. The OCERS Board of Retirement (Board) is responsible for administering the System to ensure prompt delivery of benefits and related services to members and their beneficiaries and prudently managing the System's assets. Legislation affecting the System must be closely monitored to determine the potential impact on the System and whether action is necessary.

Policy Objectives

2. The objectives of the Legislative Policy are to:
 - a. Establish a procedure by which the Board can adopt an official position on proposed legislation;
 - b. Identify future legislative action in light of the System's needs;
 - c. Facilitate the timely communication of proposed and enacted legislative changes to the Board and staff;
 - d. Provide guidance in communicating OCERS' official legislative positions to third parties; and
 - e. Identify the optimal sources to promote OCERS' official legislative positions.

Roles and Responsibilities

3. The Board will be responsible for:
 - a. Adopting an official OCERS position for legislative proposals affecting the System;
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 - c. Monitoring all chaptered legislation and determining the impact on OCERS;
 - d. Reporting the impact of-and, as required, suggesting procedures to implement-all chaptered legislation to the Board and staff;
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OCERS Board Policy Legislative Policy

- f. Drafting proposed legislation based upon proposals received from OCERS Board members, staff, and interested parties, in coordination with SACRS' Legislative Committee or other appropriate entities, and presenting the draft legislation to the OCERS Board for consideration; and
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 - b. Support legislative proposals that strengthen the confidentiality protections for member records;
 - c. Support legislative proposals that clarify statutory interpretation of '37 Act provisions unless inconsistent with OCERS' legally sound interpretation and implementation of the provision;
 - d. Support legislative proposals that strengthen the financial condition of the System and promote administrative efficiency unless inconsistent with the Board's fiduciary duties;
 - e. Oppose legislative proposals that create the potential for increased unfunded actuarial liability without appropriate funding provisions; and
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- 6. OCERS will attempt to maintain a representative on the SACRS' Legislative Committee. The representative, or any other Board or staff member that participates in the Committee, will adhere to the following standards:
 - a. Represent the official position, if any, taken by the Board on all legislation considered by the Committee;
 - b. Provide information to the CEO and Board on the Committee's activities as needed so that they are well-informed regarding legislation relevant to OCERS.

Policy Review

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



OCERS Board Policy Legislative Policy

Policy History

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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.

A handwritten signature in blue ink that reads "Steve Delaney". The signature is written over a horizontal line.

Steve Delaney
Secretary of the Board

October 21, 2024

Date



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Nicole McIntosh, Director of Disabilities
SUBJECT: **OUTCOMES FROM THE DISABILITY COMMITTEE MEETING HELD ON AUGUST 19, 2024**

Recommendation

The Disability Committee recommends that the Board adopt the following:

1. **OCERS Administrative Review and Hearing Policy**, with revisions approved by the Committee; and
2. **OAP Regarding Effective Date of Disability Retirement Allowance**, with revisions approved by the Committee.

Background/Discussion

The Disability Committee met on August 19, 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.

OCERS Administrative Review and Hearing Policy

The Administrative Review and Hearing Policy was adopted by the Board of Retirement on February 19, 2002. The Board generally reviews and revises it every three years, though the last review was on May 17, 2023. Staff presents the Policy to the Disability Committee for the off-cycle review. Details of the proposed reviews are below.

The Administrative Review and Hearing Policy has been revised to enhance clarity while ensuring the fair, accurate, and expeditious handling of appeals. In addition, edits were made to remove unnecessary verbiage, correct typos, reduce legalese and re-organize the material to improve readability. The changes have reduced the document length from 23 pages to 20 while maintaining the substance of the provisions.

OAP Regarding Effective Date of Disability Retirement Allowance

The OAP regarding Effective Date of Disability Retirement Allowance describes the legal standard and process for determining the effective date of a member’s disability retirement. The OAP has been revised to reflect the most current legal precedent regarding a member’s receipt of “regular compensation,” and its impact on the effective date of disability retirement.

The governing statute, Government Code section 31724, states that the effective date shall not be earlier than the day following the last day for which the member received regular compensation. The statute does not specifically address situations in which a member receives only sporadic or intermittent regular compensation *after* filing for disability retirement. In such instances, there may be gap periods (e.g., the period between the

date an application was filed and a subsequent date on which the member received sick leave pay) during which the member received no compensation. The question presented by these situations was whether, in the interest of fairness, the member’s disability retirement allowance should cover the gap periods.

OCERS previously employed a compression analysis in these situations in order to deter economic hardship and unfairness to the member, while simultaneously protecting against “double dipping.” The court of appeal, however, held that the Legislature intended *strict* application of Section 31724. As such, in these situations, the effective date must be the day following the last day that the member received regular compensation. (*Astorga v. Retirement Bd. of Santa Barbara County Employees Retirement System* (2016) 245 Cal.App.4th 386.) OCERS will no longer employ a compression analysis, and the OAP has been updated to reflect this change.

Additional, minor edits were made to improve overall clarity.

Attachments

Submitted by:



NM-Approved

Nicole McIntosh
Director of Disabilities



OCERS Board Policy Administrative Review and Hearing Policy (Disability and Non-Disability Benefits)

1. ~~Intent~~Introduction

The Board of Retirement ("Board") of the Orange County Employees Retirement System ("OCERS") intends that this Administrative Review and Hearing Policy ("Policy") ~~and the attached appendix~~ will apply to and govern OCERS' Administrative Review and Administrative Hearing processes for Disability Determinations, Benefit Determinations and other final administrative orders or decisions of the Board. Any person who is entitled to a hearing and who does not request one under this Policy will be deemed to have waived the right to a hearing.

~~Nothing in this Policy will be deemed an acknowledgement by OCERS that any procedure set forth herein, including an administrative hearing, is required by law. The Board retains the right to amend this Policy or vary the process set forth in this Policy in any manner consistent with the law.~~

2. Definitions

The following terms will have the meanings set forth below.

Administrative Hearing; Hearing: The proceedings before a Hearing Officer or the Board on the merits of a particular Request for Administrative Hearing and related Application.

Administrative Record: The documents and other records relied upon by Staff or a fact-finding body in an Administrative Review or Hearing conducted pursuant to this Policy, ~~including any documents submitted on behalf of an Applicant, documents prepared by OCERS or by independent sources that are received by OCERS, any transcripts or recordings of testimony, or any other documents relevant to an Application.~~

~~For purposes of any proceeding following an Administrative Review or Hearing, the Administrative Record also includes written correspondence, Party Pre-Hearing Statements, the Hearing Officer's Proposed Findings of Fact and Recommended Decision, Party objections, hearing transcripts, and other documents relevant to an Application.~~

Administrative Review: The process described in this Policy (including the Rules) by which a Party may seek an administrative review of a Benefit Determination, CEO Determination ~~or Disability Determination~~, or any other final administrative order or decision of the Board.

Applicant; Member: A member of OCERS, or a person or other entity on behalf of a member of OCERS ~~(including but not limited to the e.g.,~~ member's surviving spouse), or any person who claims an interest in the pension or allowance of an OCERS member who files an Application or who seeks Administrative Review of a Benefit Determination.

Application: The submittal, including any amendments thereto, filed with OCERS by or on behalf of an Applicant for either: ~~(i)~~ a disability retirement; ~~or (ii)~~ a service retirement.

Authorization for Disclosure and Use of Protected Health Information: The OCERS form that is filed with the Request for Administrative Hearing authorizing Staff to obtain and use Member medical records.

Benefit Determination: A determination made by Staff in connection with ~~(i)~~ a service retirement Application; ~~(ii) a disability retirement Application with the exception of a Disability Determination; or (iii)~~



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or an Applicant's benefit (e.g., calculation of the amount of the benefit, non-disability benefit effective date, reciprocity determinations).

CEO Determination: A Benefit Determination made by the CEO or the CEO's designee.

Clerk, Clerk of the Hearing Officers: ~~A person or persons; Staff member(s)~~ designated by OCERS General Counsel or their designee to fulfill the ~~duties of providing administrative assistance to the Hearing Officers appointed duties required~~ by OCERS this Policy.

Consolidation/Consolidated Review or Hearings: Where two or more Requests for Administrative Review or Hearing that have common issues of fact or law are consolidated for Administrative Review or Hearing pursuant to Section 8 of this Policy or Rule ~~7~~6 of the Rules.

Days: All days are ~~Business~~Calendar Days unless otherwise noted. Any deadline falling on a weekend or holiday will be due the next business day. Business Days are Monday through Friday, ~~excluding~~ Holidays are federal and State of California Holidays.

Disability Committee, Committee: A committee of the Board, chartered by the Board to review Applications for disability retirement and make recommendations to the Board with respect to Disability Determinations.

Disability Determination: The following determinations: (1) whether the Applicant is permanently incapacitated for performance of their duties; (2) whether the disability was service-connected; ~~and~~ (3) the effective date of the disability retirement; ~~(4) timeliness of the Application; and (5) ineligibility due to termination for cause.~~ Any other determinations affecting a disability retirement Application, including, ~~but not limited to, timeliness of the Application, ineligibility due to termination for cause, and~~ applicability of a disability offset, are Benefit Determinations pursuant to this Policy and subject to a CEO Determination.

Employer: The ~~public agency who employed the OCERS~~Employer of a member whose benefits are at issue in any given matter. The Employer is a Party to an Administrative Review or Hearing but ~~does~~is not ~~needed~~required to participate ~~in an Administrative Review or Hearing.~~ If the Employer initiates an Administrative Review or Hearing, it will act in the role of the Applicant ~~with the corresponding burden of proof.~~

Expedited Administrative Hearing: ~~An alternative administrative Hearing process, set forth in Rule 6 of the Rules.~~

Hearing Officer: A referee appointed pursuant to Government Code section 31533 who is either a member of the State Bar selected under the OCERS Hearing Officer Selection and Retention Policy, or a member of the Board.

Medical Witness: A person who by profession is a physician, surgeon, psychologist, optometrist, dentist, or podiatrist licensed by the State of California or by such other jurisdiction of the United States in which such person maintains a regular practice in good standing with their licensing board.

Party or Parties: OCERS, an Applicant who seeks an Administrative Review or Hearing under this Policy, the Employer, and any other person who may be affected by the Board's decision and who ~~participates~~joins in the Administrative Review or Hearing.

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Pre-Hearing Statements: Statements filed with the Clerk by the Parties pursuant to Rule 98 of the Rules.

Proposed Findings of Fact and Recommended Decision: The recommendation of the Hearing Officer to the Board, as set forth in Rule ~~44 of 13~~ of the Rules.

Request for Administrative Review or Request for Administrative Hearing: The document filed with the Clerk by the Applicant (or in limited cases, the Employer) to ~~seek a review of a decision of the Committee of Staff and~~ initiate the Administrative Review or Administrative Hearing process. ~~Where the Applicant requests a Hearing or the Board refers the matter to a Hearing, the document will be referred to as a Request for Administrative Hearing. Where the Applicant seeks review of a Benefit Determination or CEO Determination, the document will be referred to as a Request for Administrative Review.~~

Respondent: OCERS will always be the primary Respondent. ~~The Employer may,~~ but is not required to respond to the request for Administrative Review or Hearing. Where the Employer initiates a review or hearing, the Applicant ~~may~~must join as a Respondent. ~~Failure to join may result in a denial without prejudice.~~

Rules: The ~~“Orange County Employees Retirement System~~ Administrative Hearing Rules,” attached as an appendix to and made part of this Policy.

~~Staff: OCERS staff members other than the CEO and the CEO’s designee.~~

3. Disability Determination Process

For Disability Determinations:

- A. Staff will investigate all disability retirement Applications to determine (i) whether the Applicant is permanently incapacitated from the performance of their usual duties; (ii) whether the incapacity ~~arose out of and in the course of employment, and is service-connected;~~ (iii) the appropriate effective date of any disability retirement ~~allowance. In undertaking this investigation;~~ (iv) whether the Application is timely; and (v) whether the Applicant is not eligible due to termination for cause. Staff will have ~~the discretion, based on Staff’s review of the Application (including the Applicant’s treating physicians’ medical reports) to determine whether or not to seek further~~require medical examination(s) of the Applicant, and obtain expert medical advice, ~~or expert review of Applicant’s medical records. Upon completion of the to aid its investigation, if~~ If the Staff’s recommendation is to grant the disability retirement Application in full or deny without prejudice because the member has opted not to join an employer-filed application, Staff will forward the recommendation to the CEO. ~~If the Staff’s recommendation is to deny (or grant only in part) the disability retirement Application, Staff’s~~the recommendation will be presented to the Committee. ~~Staff’s recommendations will include recommendations regarding permanent incapacity, service connection, and effective date.~~
- B. When the Staff recommendation is to grant the disability retirement Application in full, the recommendation will be reviewed by the CEO. ~~If, after the CEO reviews the disability retirement Application, the CEO concurs with the Staff recommendation to grant the disability retirement Application in full,~~ the CEO will recommend that the Board grant the Application in full. ~~The CEO’s~~

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recommendation will be placed on the consent agenda at the next regularly scheduled meeting of the Board for action in accordance with Section 5, ~~below~~. Staff will notify the Applicant (and Applicant’s attorney, if any) and the Employer of the date and time of the meeting at which the matter will be presented. If the CEO disagrees with the Staff’s recommendation, the Application will be forwarded to the Committee for review and determination in accordance with Section 3.D. ~~below~~.

- C. When the Staff recommendation is to deny the disability retirement Application without prejudice because the member has opted not to join in an employer-filed application, the recommendation will be reviewed by the CEO. If ~~after the CEO reviews the disability retirement Application~~, the CEO concurs with the Staff recommendation ~~to deny the disability retirement Application~~, the CEO will recommend that the Board deny the ~~disability~~ Application without prejudice. The CEO’s recommendation will be placed on the consent agenda at the next regularly scheduled meeting of the Board for action in accordance with Section 5. ~~below~~. Staff will notify the Employer of the date and time of the meeting at which the matter will be presented. If the CEO disagrees with the Staff’s recommendation, the Application will be forwarded to the Committee for review and determination in accordance with Section 3. D. ~~below~~.
- D. When the Staff recommendation is to deny (or grant only in part) the disability retirement Application or when the CEO disagrees with Staff’s recommendation to grant the disability retirement Application in full, the ~~disability retirement~~ Application and the Staff recommendation under Section 3.A., ~~above~~, will be reviewed by the Committee at a duly ~~noticed meeting of the Committee~~. Staff will give Applicant (and ~~the Applicant’s~~ their attorney, ~~if any~~) and the Employer notice of the date and time of the Committee meeting at which they will have the opportunity to be heard by the Committee.
- E. After the Committee reviews the disability retirement Application under Section 3.D., ~~above~~, the Committee will determine whether to recommend that the Board grant or deny the Application, in full or in part. Staff will notify the Applicant (and ~~Applicant’s~~ their attorney) and the Employer of the Committee’s recommendation. They will also be provided with instructions on how to request an Administrative Hearing to challenge any part of the Committee’s recommendation. ~~Notice will be effective when the message is sent~~ Alternatively, the Committee may direct Staff to further develop the record and return the matter for consideration at a future meeting.
- F. In the event the Committee recommends that the Application be denied in full or in part, the Applicant will have ninety (90) days from the date of the ~~notice required by 3.D., above, Committee action~~ to file a Request for Administrative Hearing with the Clerk ~~(and only the Clerk)~~, as set forth in the Rules. In the event the Committee recommends the Application be granted in full, any other Party including the Employer aggrieved by the recommendation will have ten (10) days from the date of the ~~notice required by 3.D., above, Committee Action~~ to file a written Request for Administrative Hearing as set forth in the Rules.
- G. A Request for Administrative Review or Hearing ~~may only~~ must be filed using the form approved by OCERS. That form must be signed and dated by the Applicant (or ~~the Applicant’s~~ their Attorney) to



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be valid. Forms that are not dated and signed will be rejected by the Clerk. ~~A request submitted in any other form (i.e., email, letter) will be rejected by the Clerk.~~

- H. ~~Where the Committee recommends (i) a grant of a non-service connected disability retirement, but denial of a service-connected disability retirement; or (ii) a grant of either a service-connected or non-service connected disability retirement and the Applicant disputes~~The Applicant may request a Hearing if they dispute the Committee's recommendation regarding (i) permanent incapacity, (ii) service-connection, (iii) the effective date of disability, ~~the Applicant may request a Hearing on the denial of a service-connected disability or the effective date of disability. In such cases, the; (iv) timeliness of the Application; or (v) ineligibility due to termination for cause. Undisputed issues not disputed~~ will not be at issue/considered in the Hearing. ~~Staff will forward those non-disputed/undisputed~~ issues to the Board for final action.
- I. If no Request for Administrative Hearing is filed within the time limit set forth in Section 3.E., above, the Committee's recommendation will be placed on the consent agenda at the next regularly scheduled meeting of the Board for action in accordance with Section 5, below/Board meeting.

4. Benefit Determination Review Process

For Benefit Determinations:

- ~~A. Staff will notify the~~The Member may request a CEO review of the Benefit Determination, ~~and the Member may request a CEO Determination~~ within ninety (90) days of the date of the notice of the Benefit Determination. ~~made by Staff. The CEO Determination will be in the form of a written review completed and returned to the Member within ninety (90) days of receipt of the request for a CEO Determination, and will include a synopsis of the Member's request and citation to any authority relied upon by the CEO in making the CEO Determination. In addition, the written review will include instructions regarding how the Member may request review of the CEO Determination by the Board.~~
- ~~B. A. and served on the Member.~~ The Member will have ninety (90) days from the date of the notice of the CEO Determination provided in 4.A., above, to file a Request for Administrative Review with the Clerk ~~(and only the Clerk).~~ matter will proceed as set forth in Section 8. If no timely the Request for Administrative Review is filed/untimely, the CEO Determination will be final.

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5. Board Action on Disability Determination Upon Recommendation from the CEO or Disability Committee

- A. **Consent Agenda.** ~~Recommendations from the CEO~~The Board will consider on its consent agenda CEO recommendations to grant an Application for disability retirement in full or to deny without prejudice because the ~~member~~Member has opted not to join in an employer-filed application, and Committee recommendations for which there has been no timely Request for an Administrative Hearing under Section 3, ~~above, will be considered by the Board on its consent agenda.~~



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- B. **Removing Items from Consent Agenda/Action.** Any member of the Board may remove an item from the consent agenda to be discussed and voted on separately. Such items will be considered by the Board in closed session as set forth in Section 7, ~~below~~.
- C. **Action on Recommendations from the CEO.** After consideration by the Board, the Board will either ~~(i)~~ adopt the recommendation of the CEO; ~~or (ii)~~ or refer the matter to the Disability Committee for consideration.
- D. **Action on Recommendations from the Disability Committee.** After consideration by the Board, the Board will either ~~(i)~~ adopt the recommendation of the Disability Committee; ~~or (ii)~~ refer the matter to a Hearing Officer for a Hearing (unless a Hearing is waived by the Applicant, in which case the Committee recommendation will be adopted).

6. Board Action on Disability Determinations After Hearing

Following an ~~administrative~~ Administrative Hearing and the Board's receipt of the Hearing Officer's Proposed Findings of Fact and Recommended Decision, the Board will consider the matter at a duly noticed Board meeting ~~of the Board~~ and ~~take action~~ act in accordance with Rule ~~16 of the Rules~~ 15.

7. Closed Sessions for Disability Determinations

Except for matters on the Disability Committee's or Board's consent agenda, the Disability Committee or Board will ~~adjourn to a closed session, pursuant to Cal. Gov't Code § 54957(b), to discuss~~ consider a recommended Disability Determination ~~in connection with an Application for disability retirement, or a Hearing Officer's Proposed Findings of Fact and Recommended Decision in connection with a Disability Determination,~~ in closed session, pursuant to Cal. Gov't Code § 54957(b), unless the Applicant requests the matter be heard in open session.

~~A. Closed Session With Parties Present. Before or after such closed session, the Parties Present. The Committee or the Board will conduct any discussion of an Application, including instances where the Board convenes and conducts its own Hearing, in closed session. Attendance at the closed session will be limited to: 1) the Applicant; 2) counsel for the Applicant as well as any individual deemed by the Board Chair to be essential to the Applicant in the matter; 3) any OCERS disability Staff members and/or attorneys acting as advocates for the Staff recommendation or Committee recommendation; 4) Staff necessary to facilitate the Hearing (including the Recording Secretary, Clerk of the Hearing Officers, and IT Staff to provide technical support); 5) the CEO; 6) the OCERS General Counsel (or their designee); and 7) outside counsel to the Board. Additionally, in the event the Board conducts its own hearing, witnesses called to present testimony may be permitted to attend the closed session to do so.~~

~~Closed Session Without Parties. Before or after the Committee's or Board's consideration of a matter in a closed session under A, above, the Committee or the Board may adjourn to meet in closed session with only the CEO and the OCERS General Counsel (or their designee) to provide legal advice to the Committee or the Board in connection with the merits of the case and the Board's legal obligations.~~

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8. Board Action on CEO Determinations (i.e., CEO Benefit Determinations).

- A. **Board Review of CEO Determinations.** ~~In the case of~~ Upon a timely Request for Administrative Review of a CEO Determination, the Board will consider the matter at a duly noticed regular Board meeting of the Board. Staff will make a recommendation to the Board regarding the issues raised in the CEO Determination and the Applicant (or ~~the Applicant's~~ their attorney) will have the opportunity to be heard.
- B. **Board's Options.** ~~At the meeting, the~~ The Board may choose to hear and conduct the review at that meeting, continue it to a later meeting, or refer the matter to a Hearing Officer ~~for a Hearing to be conducted pursuant to the Rules.~~ If the Board chooses to hear and determine the matter, ~~the Board's~~ sits decision will be final. ~~If the Board chooses to refer the matter to a Hearing, the Board~~ it will identify the factual and legal issues to be considered by the Hearing Officer.

In determining whether to hear and determine the matter or refer the matter to a Hearing Officer, the Board will consider all relevant factors, including, ~~but not limited to,~~ the following:

- ~~1.~~ i. whether the disputed issues are legal, not factual, in nature;
- ~~2.~~ ii. relevant judicial authority on the disputed legal issue(s);
- ~~3.~~ iii. whether the Board and/or a Hearing Officer has previously ruled on substantively similar issue(s);
- ~~4.~~ iv. whether the Applicant is represented by an attorney;
- ~~5.~~ v. the efficient use of OCERS resources; and
- ~~6.~~ vi. the interests of the Applicant in receiving a timely decision.

- C. **Consolidation of Reviews.** When ~~review by~~ the Board ~~of~~ reviews two or more CEO Determinations ~~involves~~ involving common questions of law or fact, ~~the Board~~ it may order a Consolidated Review or Consolidated Hearing of the matters. ~~Consolidation may be ordered for limited purposes or for all purposes.~~

In determining whether to order a Consolidation of the CEO Determinations, the Board will consider all relevant factors, including, ~~but not limited to,~~ the following:

- ~~i.~~ 1. the complexity of the issues involved;
- ~~ii.~~ 2. the potential prejudice to any party, including whether a Consolidation would result in undue delay;
- ~~iii.~~ 3. the avoidance of duplicate or inconsistent orders; and
- ~~iv.~~ 4. the efficient utilization of OCERS resources.

9. Board Action on CEO Determinations After a Hearing.

~~If~~ the ~~case of~~ Board refers a CEO Determination ~~referred by the Board~~ to a Hearing, the Board will consider the Hearing Officer's Proposed Findings of Fact and Recommended Decision at a duly noticed Board meeting ~~of the Board~~ in accordance with Rule ~~16 of the Rules~~ 15. The Board may adopt the Hearing Officer's

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recommendations or make its own determination based on the Administrative Record and the Board's decision will be final.

10. Policy Review

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

11. Policy History

This Policy was adopted by the Board of Retirement on February 19, 2002, amended on August 17, 2020, May 17, 2023, and most recently on-

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Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

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Appendix - Administrative Hearing Rules

Rule 1. Definitions

All capitalized terms contained within these Rules will have the meaning set forth in Section 2 of the OCERS Administrative Review and Hearing Policy.

Rule 2. Filing of Documents

A. Filing of Documents.

- 1. All documents required or permitted to be filed by any Party in connection with a Hearing must be filed with the Clerk.
~~1. Documents will be filed with the Clerk (and only the Clerk).~~
- 2. ~~Filing of documents will be done~~ electronically, except that an unrepresented Applicant ~~(and only the Applicant)~~ may opt to file documents in person or by US Mail. Applicants that opt for filing documents in person or by US Mail, must inform the Clerk of this in writing at the time they file their Request for Administrative Hearing. The Clerk will then inform all other Parties and the Hearing Officer that the Applicant has opted to file documents in person or by US Mail.
 - ~~i.~~ a. Documents filed in person will be deemed filed on the day received by OCERS.
 - ~~ii.~~ b. Documents filed by US Mail will be deemed filed on the date post-marked on the envelope containing the documents.
 - ~~iii.~~ c. Documents filed electronically will be deemed filed on the date electronically received by the Clerk.

B. Service of Documents.

- 1. The Clerk ~~(and only the Clerk)~~ will serve on all Parties and the Hearing Officer any documents filed by a Party or the Hearing Officer within one (1) business day of receipt of the documents by the Clerk. Service by anyone other than the Clerk will be considered defective.
- 2. Service by the Clerk will be electronic and the Clerk's file stamp will constitute proof of service, except where the Applicant has opted to file by US Mail pursuant to Section A.2., above, in which case the Clerk will serve documents on the Applicant by US Mail. ~~In that case, the Applicant will be deemed to have received service three (3) days after the date the Clerk deposits the document in the US Mail. Electronic service will be deemed served upon~~ electronic transmission by the Clerk.



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Rule 3. Administrative Hearing Request, Scope, and Settlement

Request for Hearing or Review

- A. **Request for Administrative Hearing or Request for Administrative Review.** A written Request for Administrative Hearing or a Request for Administrative Review must be filed with the Clerk within the time frame set forth in Sections 3 and 4 of the Policy. -The Request must include a ~~short and plain~~ statement no more than one (1) page in length of the grounds for the request and a signed Authorization for Use and Disclosure of Protected Health Information- if filing a disability benefit appeal. An Applicant's Request for Administrative Hearing that includes new conditions will be treated as an amended Application and will be returned to Staff for reconsideration.
- B. **Referral from the Board.**- In the event the Board refers a matter to a Hearing Officer for a Hearing (pursuant to Sections 5.D. or 8.B. of the Policy), the referral from the Board will be considered the Request for Administrative Hearing, but for all procedural purposes under these Rules, the request will be deemed to have been filed by the Applicant.
- C. **Permitted Representatives, Attorneys.** Any Party is entitled, at ~~the Party's~~their expense, to be represented by an attorney at any stage of the proceedings. -Such attorney must be ~~a current, an~~ active member of the California State Bar in good standing.- A Party must immediately file with the Clerk a written notice of the hiring, changing, or dismissal of an attorney. -Absent such written designation, OCERS will not recognize any attorney or other individual claiming to represent a Party, including ~~but not limited to,~~ an attorney in fact (under a power of attorney) or the Applicant's spouse.
- D. **Burden of Proof.**- The Applicant will have the burden of proof by a preponderance of the evidence to establish the right to the benefit sought. -Where the Employer files the Request for Administrative Hearing, the Employer will have the burden of proof by a preponderance of the evidence to demonstrate that the Committee's recommendation should be overturned, and the Employer will be bound by ~~all of~~ the procedural rules applicable to the Applicant under these Rules.
- E. **Scope of Hearing.**
 - 1. The Hearing on a Disability Determination will only address the issues of permanent incapacity, service connection, ~~and effective date.~~ All other issues related to a disability retirement, timeliness of the Application are subject to the Benefit Determination process under Sections 4 or 8 of the Policy, and ineligibility due to termination for cause.
 - 2. In accordance with Section 8 of the Policy, the Hearing on a CEO Determination will only address the factual and legal issues that are identified by the Board for consideration by the Hearing Officer.
 - 3. Except as set forth in these Rules, the Hearing Officer will not make a finding or recommendation on any issue that was not raised in the Applicant's Request for Administrative Hearing or included in the Board's referral of the matter to a Hearing. -Likewise, the Hearing Officer will not consider any evidence or make a finding or recommendation on any medical



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condition not included in the disability retirement Application or that was not previously evaluated by Staff, except as provided in subsection 4, ~~below~~.

- 4. If at any time during the Hearing process the Applicant either (i) alleges an injury or disease not listed in the disability retirement Application or (ii) raises an issue that was not previously presented to the Committee, the Hearing process will be suspended by the Hearing Officer and the Application will be treated as an amended Application. The amended Application will be referred ~~back~~ to Staff to be processed. If the Committee subsequently recommends a denial of the amended Application, the matter will be returned to the Hearing Officer who will consider all the medical conditions (those raised in the Application and the amended Application). ~~A new Hearing Date, Pre-Hearing Conference, and deadlines for Pre-Hearing Statements will be set in accordance with Rule 87.~~
- F. **Settlement.** - If at any time during the Hearing process it becomes apparent to Staff that a different result is appropriate, Staff ~~may request that the Hearing Officer will~~ suspend the Hearing and refer a settlement to the Board. ~~If the Board approves a settlement with the Applicant, the Hearing will be dismissed.~~

Rule 4. Assignment of Hearing Officers

- A. **Assignment of Hearing Officer.** -Hearing Officers are selected and placed on the panel pursuant to OCERS' Hearing Officer Selection and Retention Policy. -The Clerk will assign the Hearing Officer on a rotational basis, to ensure to the extent possible ~~that each Hearing Officer on the panel is assigned an equal number of cases.~~ When the Applicant files a Request for Administrative Hearing, the Clerk will serve notice to all Parties, including the Hearing Officer, indicating the name and address of the Hearing Officer to whom the matter is assigned, and that notice will include information regarding the opportunity to challenge a Hearing Officer as set forth below.
- B. **Challenge/Removal of Hearing Officer.** -A Party may object to a Hearing Officer in accordance with the following procedures.
 - 1. **Peremptory Challenge:** Any Party other than OCERS is entitled to one (1) peremptory (without cause) challenge to the ~~assignment of the~~ Hearing Officer ~~assigned~~. The challenge must be filed with the Clerk within ten (10) days of the date of the notice assigning the Hearing Officer. If the Applicant opts for service by US Mail, the time period for filing a challenge will be extended by three (3) days. In the event of a peremptory challenge, the Clerk will re-assign the case to another Hearing Officer selected in the same manner as the first Hearing Officer. ~~In the event no challenge is made to a proposed Hearing Officer, or after the exhaustion of all challenges, the Clerk will notify the Parties that the matter will proceed with the assigned Hearing Officer.~~
 - 2. **Removal for Cause:** Any Party, ~~including OCERS,~~ may challenge a Hearing Officer for cause by filing a request at any time, with supporting declarations made under penalty of perjury and any other evidence upon which the Party is relying. -Any opposing Party will have ten (10) days from the Clerk's service of the challenge for cause on all Parties to file a response ~~to the request to remove for cause.~~ The Clerk will then randomly assign the removal request to another Hearing Officer, who will consider all evidence and arguments for and against removal

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of the Hearing Officer and file a ruling with the Clerk within thirty (30) days from assignment. Cause for removal will be limited to demonstrated bias against a Party or counsel based on a personal or financial relationship (other than the Hearing Officer’s contract with OCERS) that would cause a reasonable person to doubt the Hearing Officer’s ability to render an impartial decision. -If the request for removal is granted, the Clerk will re-assign the case to another Hearing Officer (other than the Hearing Officer who heard the challenge) in the same fashion as selection of the first Hearing Officer.

3. Removal Due to Unforeseen Circumstances: If the service of a Hearing Officer is discontinued due to unforeseen circumstances, such as death, illness, or termination with or without cause, the Parties other than OCERS are entitled to a peremptory challenge to the new Hearing Officer in accordance with subsection B.1 of this Rule.

4. Assignment After Removal Due to Unforeseen Circumstances: -If the service of a Hearing Officer is discontinued due to unforeseen circumstances, such as death, illness, or termination with or without cause, any hearing date will be vacated, and the Clerk will assign a new Hearing Officer pursuant to Rule 4.A ~~above~~ and schedule a new Pre-Hearing Conference pursuant to Rule ~~7~~ below.

C. **Recusal of Hearing Officer.** - If at any time the Hearing Officer determines that there is cause for their recusal, the Hearing Officer will immediately file with the Clerk a statement of recusal, and the Clerk will reassign the case pursuant to Rule 4.A.

D. This Rule 4 does not apply to cases where the Board refers the matter back to the Hearing Officer under Section 8.B. ~~of the Policy~~ or cases that are consolidated under Rule ~~7~~ 6.

Rule 5. Supplemental IME Report Requests, Preparation and Service of Administrative Record

The Applicant will have thirty (30) days from the date of filing their Request for Administrative Hearing to submit additional records to be included in the initial Administrative Record.

Within sixty (60) days of the filing of a Request for Administrative Hearing, Staff will assemble, and the Clerk will serve on the Hearing Officer and ~~each Party~~ the Parties the initial Administrative Record. ~~Except as provided in Rule 6, a~~ Party may object to the admission of items into evidence or seek to admit additional information into evidence as set forth in these Rules, and the Hearing Officer will decide the admissibility of all evidence.

Rule 6. Expedited Administrative Hearing

~~A. Provisions for Expedited Administrative Hearing. Expedited Administrative Hearing is an irrevocable waiver of the Applicant’s right to the process described in Rules 7 through 12. The goal of the Expedited Administrative Hearing process is to complete the Hearing in less than six months. The Hearing Officer’s Proposed Findings of Fact and Recommended Decision will be based only on the Administrative Record and written arguments without in-person testimony or argument.~~

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OCERS Board Policy Administrative Review and Hearing Policy (Disability and Non-Disability Benefits)

Availability of Expedited Administrative Hearing.

~~An Expedited Administrative Hearing is only available for those cases. The Clerk will serve the Administrative Record pursuant to Rule 2.B.2. If a Party requests a hardcopy of the record, one (1) will be provided to them at no cost.~~

~~Pursuant to Rule 10.H., after the Administrative Record has been served, parties are no longer permitted to submit additional medical reports or other documentary evidence except for purposes of impeachment, unless the Party demonstrates good cause to the satisfaction of the Hearing Officer pursuant to Rule 11.I.~~

- ~~1. Should OCERS staff determine that OCERS General Counsel determines the process is appropriate.~~

~~The determination as to whether Expedited Administrative Hearing is appropriate will be made in the sole discretion of the OCERS General Counsel, on a case-by-case basis. In doing so, the General Counsel will consider whether: there are any material facts in dispute; whether the introduction of testimonial evidence is likely to clarify the issues; whether there is controlling legal authority; and whether the Applicant's condition is such that time is of the essence in completing the Hearing process.~~

- ~~3. In the event the General Counsel determines that a matter is appropriate for Expedited Administrative Hearing a supplemental IME report from OCERS' Panel Physician is necessary, the Clerk will notify the Applicant of this determination and the Applicant's right to accept or reject the Expedited Administrative Hearing along with a form in which to do so. The Applicant may file the acceptance or rejection any time prior to the Clerk's service of the Administrative Record on the Parties.~~

~~A. Timeline. The Expedited Administrative Hearing will be conducted according to the following timeline.~~

- ~~5. Within ten (10) days of the date the Clerk serves the Administrative Record in accordance with Rule 5, each party may lodge with the Clerk any additional written evidence that it seeks to rely on in addition to the Administrative Record.~~
- ~~6. Within thirty (30) days of the date the Clerk serves the Administrative Record, the Applicant will file a Statement of Issues of not more than five (5) pages setting forth the Applicant's contentions.~~
- ~~7. Within ten (10) days after the Clerk serves Appellant's Statement of Issues on Respondent, Respondent will file a Statement of Issues of not more than five (5) pages setting forth its contentions.~~

~~8. Within sixty (60) days from the date Respondent files its Statement of Issues, the and Hearing Officer will file the Proposed Findings of Fact and Recommended Decision in conformance with Rule 14. Notwithstanding the timeframes for objections set out in Rule 14C, objections will be filed within ten (10) days, and responses thereto likewise will be filed within ten (10) days of OCERS staff's Request for a~~

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OCERS Board Policy Administrative Review and Hearing Policy (Disability and Non-Disability Benefits)

Supplemental IME Report by serving it upon them. The Hearing Officer may reschedule the hearing date or amend the time periods set for by the Rules upon the showing of good cause, pursuant to Rule 14.

~~Rule 7~~ **Rule 6. Consolidation of Hearings**

In addition to Consolidation by the Board of two or more CEO Determinations pursuant to Section 8.C. of the Policy, cases may be Consolidated in accordance with this Rule ~~7~~6, and this Rule ~~7~~6 will apply to all such Consolidations.

- A. When two or more pending Requests for an Administrative Hearing involve common questions of law or fact, a Hearing Officer, upon request by OCERS or the Applicant, may order the Hearings Consolidated. ~~Consolidation may be ordered for limited purposes or for all purposes.~~

In determining whether to order Consolidated Hearings, the Hearing Officer will consider all relevant factors, including ~~but not limited to the following:~~

1. the complexity of the issues involved;
2. the potential prejudice to any Party, including whether granting Consolidation would unduly delay the resolution of any of the matters involved;
3. the avoidance of duplicate or inconsistent orders; and
4. the efficient utilization of OCERS' resources.

- B. Any Party may file a request with the Clerk ~~(and only the Clerk)~~ to Consolidate two or more pending Hearings irrespective of the procedural stages of the affected Hearings, ~~which~~ and the request will be served by the Clerk on all Parties and the Hearing Officers.

- C. In all cases, the request for Consolidation will be referred to the Hearing Officer first assigned to any of the Hearings. ~~The Hearing Officer may decide the matter on written submittals, or may convene the Parties, either in-person or by phone, to hear further argument on the request for Consolidation. Failure to timely oppose Consolidation will constitute a waiver of objection to an order of Consolidation.~~

- D. If the Hearing Officer orders the Consolidation, all affected Hearings will be transferred to that Hearing Officer.

- E. Upon Consolidation, all hearing dates will be vacated, and the Clerk will schedule a new Pre-Hearing Conference for the Consolidated Hearings. ~~Following the Hearing, the Hearing Officer will have the option of preparing separate Proposed Findings of Fact and Recommended Decisions for each matter that was Consolidated or prepare~~ a single Proposed Findings of Fact and Recommended Decision.

- F. Nothing contained herein will prohibit the Parties from stipulating to Consolidated Hearings. ~~In the event a stipulation is reached, the Parties will file a written stipulation with Clerk, signed by all Parties. The Clerk will then assign the Consolidated Hearings to the first assigned Hearing Officer.~~

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OCERS Board Policy Administrative Review and Hearing Policy (Disability and Non-Disability Benefits)

Rule 87. Pre-Hearing Conference

- A. The Clerk will schedule a Pre-Hearing Conference to be held within ten (10) days of the service of the Administrative Record. ~~The Clerk will use best efforts to schedule the Pre-Hearing Conference at a time convenient to all Parties.~~
- B. The Pre-Hearing Conference will be held telephonically ~~or electronically~~. The Clerk will arrange for a court reporter to transcribe the conference at OCERS' expense. ~~The court reporter will lodge the transcript with the Clerk and serve a copy of the transcript on the Hearing Officer and Parties, no later than thirty (30) day from the date of the conference.~~
- C. The Hearing Officer will not permit the Parties to argue the merits of their positions at the Pre-Hearing Conference, and the Hearing Officer is authorized to suspend the Pre-Hearing Conference if any Party violates this rule. Suspended Pre-Hearing Conferences will be rescheduled to a date that is no more than five (5) days after the originally scheduled Pre-Hearing Conference. Further attempts by a Party to argue the merits of their position will result in the Clerk immediately filing an Order to Show Cause why the case should not be dismissed.
- D. At the Pre-Hearing Conference, the Hearing Officer will advise the Applicant ~~(whether or not the Applicant has initiated the matter)~~ of the following:
 - 1. The Applicant has the right to be represented by an attorney_;
 - 2. Any financial or personal interest that the Hearing Officer ~~may have has~~ in the case, other than the Hearing Officer's contract with OCERS_;
 - 3. The scope of the Hearing and the issues to be decided consistent with the constraints of Rule 3.E., above_;
 - 4. The Hearing ~~will be conducted as if the Disability Determination or CEO Determination had not taken place. This means the Hearing Officer will consider the issues in dispute anew all of the evidence submitted and defenses asserted,~~ without relying on the past findings of the Committee, the Board, or the CEO_;
 - 5. The Hearing Officer's purpose in the process is to find the facts relevant to the Applicant's request and provide an impartial recommendation to the Board_;
 - 6. The Applicant has the burden of proof in establishing by a preponderance of the evidence the right to the benefit sought_;
 - 7. The Applicant must identify witnesses and other evidence when filing the Pre-Hearing Statement, and that failure to include in the Pre-Hearing Statement the witnesses and other evidence they intend to rely on could mean that evidence will be excluded unless the Applicant shows that they could not have discovered the information earlier through the exercise of reasonable diligence_;
 - 8. The timelines required under these Rules for filing documents and for the Hearing, and the consequences of a failure to meet those deadlines, including that the Applicant's case ~~can will~~ be dismissed ~~and~~_;



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Upon the ~~completion~~issuance of the ~~Hearing~~Proposed Findings of Fact and Recommended Decision, the matter will be referred to the Board pursuant to these Rules. -Upon action by the Board, the decision will be final for all purposes.- There will be no requirement for a further written decision from the Board or opportunity for the Board to reconsider its decision. -Any Party aggrieved by the Board’s decision may petition the Superior Court for judicial review as provided by law. -The time for any Party to seek judicial review will be governed by the California Code of Civil Procedure Section 1094.6.

- E. At the Pre-Hearing Conference, each Party will:
 1. Make a good faith effort to identify the witnesses, both expert and non-expert, that it intends to call~~;~~
 2. Identify any witnesses it intends to call who cannot either speak or understand English to permit OCERS to arrange ~~a translator~~an interpreter for the witnesses in accordance with Rule ~~109.K~~7.
 3. Indicate whether it will require an opposing Party’s Medical Witness to appear in person at the Hearing; and
 4. Identify any witnesses the Party seeks to depose and, if possible, set mutually convenient dates for any depositions.

- F. No later than the Pre-Hearing Conference, OCERS, through its counsel, will identify any issues related to eligibility of the Applicant such as timeliness of the Application or ineligibility due to termination for cause, ~~which, if correct would moot the Hearing. The Hearing Officer will give the other Parties an opportunity to respond, and may continue the Pre-Hearing Conference to do so. If the Hearing Officer finds in favor of OCERS on the issue of eligibility, the Hearing process will be suspended, and the issue of eligibility will be referred to the Board in accordance with Section 8 of the Policy and handled as if it were a CEO Determination, if they were not previously raised and considered by the Committee. These issues will then be presented at the Hearing.~~

- G. At the Pre-Hearing Conference, the Clerk will set the date for the Hearing.
 1. The Clerk will confer with the Hearing Officer and Parties to determine a mutually agreeable date for the Hearing (“Hearing Date”), as soon as reasonably practicable, but in all cases the first Hearing Date will be set no later than six (6) months after the date of the Pre-Hearing Conference.
 2. Each Party will provide a good faith estimate of the amount of time it anticipates the Hearing will last. ~~As much as practicable, the~~The Hearing will continue from day-to-day until complete, and the Clerk will schedule all Hearing Dates to which the Hearing Officer and Parties anticipate the Hearing will be continued until complete.
 3. The Clerk will confer with the Parties to establish a Pre-Hearing Statement filing schedule in accordance with Rule ~~98~~9.

- H. Immediately following the Pre-Hearing Conference, the Clerk will issue a Scheduling Order, which will include the Hearing Date(s) and the dates that each Party’s Pre-Hearing Statements are due.



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- I. After the Pre-Hearing Conference, the Hearing Officer may continue the Hearing Date only ~~one (1) time~~ upon a showing of good cause, as set forth in Rule ~~15 below~~ 14.
- J. If neither the Applicant nor the Employer, where the Employer has filed an Application on behalf of the Member ~~(and is therefore also treated as an Applicant under these Rules)~~, participates in the Pre-Hearing Conference, the Clerk will file and serve on all Parties and the Hearing Officer an Order to Show Cause why the matter should not be dismissed, and give ~~at the~~ Applicant ~~(including the or Employer where the Employer has filed an Application on behalf of the Member)~~ five (5) days to respond to the Hearing Officer. Other Parties are permitted, but not required, to submit responses. Unless the Applicant shows good cause why the matter should not be dismissed, the Hearing Officer will dismiss the Hearing, and the matter will proceed as if no Request for Administrative Hearing had been filed in accordance with Section 5 of the Policy ~~and the~~ The Application will be referred to the Board at its next regular meeting ~~immediately following the granting of the Clerk's Order to Show Cause~~.

If the Hearing Officer determines that an Applicant has shown good cause, the Hearing Officer will direct the Clerk to reschedule the Pre-Hearing Conference ~~and the Applicant will be liable to OCERS for any actual costs incurred by OCERS as a result of the delay. Applicant's failure to participate in the rescheduled Pre-Hearing Conference will result in immediate dismissal of their case.~~

Rule ~~98~~ Pre-Hearing Statements

- A. The Applicant will file a Pre-Hearing Statement of up to ten (10) pages, not including exhibits, no later than sixty (60) days prior to the first Hearing Date.
- B. Respondent will file a Pre-Hearing Statement of up to ten (10) pages, not including exhibits, no later than thirty (30) days prior to the first Hearing Date.
- C. Any Party may file ~~supplemental a Supplemental~~ Pre-Hearing ~~Statements~~ Statement of up to five (5) pages, not including exhibits, no later than fourteen (14) days prior to the first Hearing Date.
- D. The Pre-Hearing Statements will include the following:
 - 1. A statement of the issues and contentions of the Party and a brief summary of the evidence to be presented~~;~~
 - 2. A list and redacted copies of any expert's reports, transcripts of depositions of any witnesses, and other documentary evidence on which the Party will rely, if not already in the Administrative Record. All documents will be Bates Stamped by the Applicant (or ~~the Applicant's~~ their Attorney) in sequence with the initial Administrative Record. Duplicate documents will be rejected~~;~~
 - 3. The names, addresses, email addresses (if known) and telephone numbers of any non-expert witnesses whose testimony the Party intends to call as a witness at the Hearing and a brief description of the content of their testimony~~;~~ ~~and~~.



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- 4. The names, addresses, email addresses (if known) and phone numbers of any expert witnesses whom the Party intends to call as a witness at the Hearing and a brief description of the content of their testimony.
- E. If the Applicant disputes the effective date of the disability retirement, the Applicant will raise the effective date as an issue and will state Applicant’s contention in the Pre-Hearing Statement.
- ~~F. If the Applicant fails to timely file a Pre-Hearing Statement, the Clerk will file and serve on all Parties and the Hearing Officer an Order to Show Cause why the case should not be dismissed, and give the Applicant five (5) days to respond to the Hearing Officer. Other Parties are permitted, but not required to submit responses. Unless the Applicant shows good cause for the failure to timely file its Pre-Hearing Statement, the Hearing Officer will dismiss Hearing, and the matter will proceed as if no Request for Administrative Hearing had been filed in accordance with Section 5 of the Policy and the Application will be referred to the Board at its regular meeting immediately following the granting of the Clerk’s Order to Show Cause.~~
- ~~F. If the Hearing Officer determines that the Applicant has shown good cause, the The Hearing Officer may allow the Respondent Parties additional time to file its/their Pre-Hearing Statement or may re-schedule the Hearing within the time requirements of Rule 15. The Applicant will be liable to OCERS for any actual costs incurred by OCERS as a result of the delay. 14, if good cause is shown.~~

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Rule 109. Depositions and Subpoenas

- A. **Depositions:** Witness depositions may be taken by either Party in the presence of a certified court reporter and will be taken under oath or affirmation. The Party taking the deposition will pay all associated costs. ~~If any Any Party offers any portion of any introducing deposition testimony into evidence at the Hearing, that Party will provide a full copy of the full deposition transcript to each adverse Party and the Hearing Officer free of charge.~~
- B. **Subpoenas and Related Fees/Costs:**
 - 1. OCERS will issue a subpoena for the personal appearance of a witness at the Hearing or at a deposition, or for the production of documents (subpoena *duces tecum*), in conformance with California Government Code Section 31535, upon the request of any Party filed at least thirty (30) days before the Hearing Date. Any request for a subpoena submitted less than thirty (30) days of the Hearing Date will not be honored and it will be the responsibility of the Party to subpoena their witness.
 - 2. Each subpoena request must state the witness’s full name, email address (if known), phone number and the complete address of the witness’s place of employment, service address, or residence. ~~OCERS will issue the subpoena; however, the The~~ requesting Party will be responsible for serving the subpoena, scheduling the witness, and ~~pay~~paying all associated witness fees and costs of service and production. ~~The Party requesting oral testimony of an expert witness (including an OCERS Panel Physician) will in all cases be responsible for any expert witness fees.~~ If an employer witness is being subpoenaed, it is the responsibility of the subpoenaing party to coordinate service with that employer.



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- 3. Any fee disputes between a witness and the requesting Party are independent of any proceeding between the Applicant and OCERS. Those fee disputes will be resolved by the requesting Party and the witness in the California courts, not in this forum. The Hearing Officer has no authority to decide any such dispute.

Rule ~~11~~10. Conduct of Hearings

- A. All Hearings will be held at the OCERS' office located at 2223 East Wellington Avenue, Santa Ana, California 92701.
- B. The Clerk will arrange for a court reporter to be present. -Oral evidence will be taken only on oath or affirmation administered by the Hearing Officer or the court reporter.
- C. A written medical report bearing the signature (including a digital signature) of the Medical Witness will be admissible in evidence as the author's direct testimony, on the express condition that the adverse Party has had the opportunity to require the Medical Witness to be present and to cross-examine the witness at the Hearing, or to depose the witness and have the deposition transcript admitted into evidence.
- D. Each Party will have the right to call and examine witnesses; to introduce exhibits, including reports and depositions of medical witnesses; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which Party first called the witness to testify; and to rebut adverse evidence. If an Applicant does not testify by direct examination, OCERS may call and examine the Applicant.
- E. The ~~conduct of the~~ Hearing ~~need will~~ not be ~~conducted according to technical~~ ~~restricted by the~~ rules ~~relating to~~ ~~evidence and witnesses~~. Any relevant evidence will be admitted if it is the sort of evidence on which reasonable persons ~~are accustomed to~~ ~~may~~ ~~rely in the conduct of serious affairs~~ regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. The rules of privilege will be effective to the extent that they are otherwise required by statute ~~to be recognized at the Hearing~~. Irrelevant and unduly repetitious evidence will be excluded.
- F. Hearsay evidence may be used for the express purpose of supplementing or explaining other evidence but will not be sufficient by itself to support a finding unless it would be admissible over objection in civil actions. -This section will not be applicable to written medical reports received into evidence pursuant to Rule ~~11~~10.C.- Every Hearing will proceed as though each Party had made a standing objection to all inadmissible hearsay ~~at the commencement of the Hearing~~.
- G. The court reporter will lodge with the Clerk the transcript of the Hearing ~~and serve a copy on the Hearing Officer and Parties~~, within thirty (30) days of the final Hearing Date.
- ~~H. -The record will be closed to new evidence at the conclusion of the final Hearing Date. -However, if subsequent to the final Hearing Date, a Party discovers or obtains new evidence that is relevant and not repetitive of other evidence already admitted, that Party may lodge the new evidence with the Clerk and request that the Hearing Officer include it in the Administrative Record. The Hearing Officer may require the Parties to provide declarations and argument about inclusion of the new~~



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~~evidence. If, after showing of good cause as defined under Rule 11.I., the Hearing Officer allows inclusion of the new evidence, the opposing Party will be provided an opportunity to submit rebuttal evidence in accordance with Rule 11.I. No rebuttals of the rebuttal will be permitted.~~

~~11.H.~~ No Party may submit a medical report or other documentary evidence not included in the Administrative Record or listed in its Pre-Hearing Statement except for purposes of impeachment, unless the Party demonstrates good cause. Likewise, no Party will be permitted to call a witness not listed in its Pre-Hearing Statement, except for purposes of impeachment, unless the Party demonstrates good cause. For purposes of this Rule, "good cause" means that the relevant evidence or witness could not have been previously produced or identified even with the exercise of reasonable diligence. The Party requesting submission of such evidence or witness will file a written request prior to the Hearing, or if unable to do so in the exercise of reasonable diligence, will make an oral request at the Hearing. The request will state the reason the evidence or witness was not timely produced or identified. After providing a reasonable opportunity for each adverse Party to be heard, the Hearing Officer will rule on such a request. If the evidence is allowed to be admitted into evidence, or the witness is allowed to testify, the Parties will have the right to a continuance to engage in further discovery, obtain rebuttal medical evidence, or depose or cross-examine the Medical Witness ~~in order~~ to comply with Rule ~~11~~10.C. In no event, will good cause permit admission of medical reports or other documentary evidence relating to a new medical condition covered by Rule 3.F.

~~11.I.~~ Each Party will have the right to submit a closing oral argument at the conclusion of the Hearing.

~~11.J.~~ Use of Interpreter Services.

1. If an Applicant or a witness does not speak or understand English sufficiently to participate in the proceedings or provide testimony, an interpreter certified to provide interpretation services in administrative hearings will be provided to that Applicant or witness at OCERS's expense. Notice that an Applicant or witness requires interpreting services will be given to OCERS at the Pre-Hearing Conference or be included in the Party's Pre-Hearing Statement. If a Party fails to provide such notice, then the witness may not be called unless good cause is shown, as set forth Rule ~~11~~10.I.
2. All interpreters must be certified to provide interpreting services in administrative hearings pursuant to Government Code Section 11435.30. The interpreter must not have had any involvement in the issues of the case prior to the Administrative Hearing.
3. If an Applicant objects to the interpreter provided by OCERS, the Applicant may supply their own interpreter, provided that the interpreter is certified under Government Code Section 11435.30. However, time for an Applicant to find and hire an interpreter will not be considered good cause to continue the Hearing. OCERS will pay the chosen interpreter the same amount OCERS would have paid an interpreter hired directly by OCERS. The Applicant will be responsible for any amounts charged by the interpreter that are over the amount OCERS would have paid to an interpreter hired directly by OCERS. Fee disputes between the interpreter and the Applicant will not be resolved in this forum, and the Hearing Officer will not have authority to resolve any fee disputes between interpreters and the Parties.



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Rule ~~12~~11. Resolution of Disputes about Depositions and Conduct of Hearings

The Hearing Officer will resolve disputes about depositions and the conduct of the Hearing. -A request for resolution of a dispute may be made verbally at a Pre-Hearing Conference, at the Hearing, or by written motion filed with the Clerk at any time prior to the Hearing. The Hearing Officer, in the exercise of sound discretion, may permit written argument or briefs.

Rule ~~13~~12. Closing Briefs

- A. Each Party will have the right to submit a written closing brief. -Unless the Parties waive closing briefs, the Parties will adhere to the following schedule with specific filing dates being proposed by the Clerk:
 - 1. The Applicant’s closing brief will be filed no more than thirty days (30) ~~off~~from the date the transcript of the Hearing is lodged with the Clerk.
 - 2. Respondents’ closing briefs will be filed ~~within~~no more than thirty days (30) days ~~off~~from the date the Clerk serves the Applicant’s closing brief on the ~~other~~ Parties.
 - 3. Applicant may file a reply brief no later than fifteen (15) days ~~off~~from the date ~~that~~ the Clerk serves Respondents’ closing briefs on the Applicant.
- B. The Applicant may waive their right to file a reply brief. They must notify the Hearing Officer, Clerk, and Parties no more than five (5) days after Respondent’s closing brief is filed.
- C. Each Party’s closing brief may be supported by facts in the record, the hearing transcript, and citation to law. -The submission of additional evidence will not be permitted. The Applicant’s and ~~Respondents’~~Respondent’s closing briefs will be limited to fifteen (15) pages and the reply brief will be limited to ten (10) pages. -The Clerk may reject briefs exceeding the foregoing limits. A Party may submit a request in writing to the Hearing Officer to be relieved of ~~these~~the page limitations.

Rule ~~14~~13. Hearing Officer’s Findings of Fact and Recommended Decision

- A. **Time for Filing.** The Hearing Officer will file their Proposed Findings of Fact and Recommended Decision with the Clerk no later than sixty (60) days ~~of the date that~~after the Applicant’s reply brief is filed or, if the Parties waived closing briefs, within sixty (60) days of the date the transcript of the Hearing is due (i.e., within 30 days of the final Hearing Date) or actually lodged (if earlier than 30 days after the final Hearing Date).
- B. **Content of Proposed Findings of Fact and Recommended Decision.** The Hearing Officer’s Proposed Findings of Fact and Recommended Decision will include a summary of the following: (1) issues raised by the parties; (2) the testimony; (3) all other evidence received by the Hearing Officer; (4) a factual discussion of matters on which the Hearing Officer relied; (5) conclusions of law with citations to legal authority; and (6) recommended decision. ~~-The summary of the testimony, plus all other evidence received, will be sufficient to satisfy the requirements of Government Code Section 31534(b).~~



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C. Objections/Requests for Clarification. Within ten (10) days from the date that the Hearing Officer files the Proposed Findings of Fact and Recommended Decision with the Clerk, any Party may file with the Clerk objections or written requests for clarification to the Hearing Officer's Proposed Findings of Fact and Recommended Decision. -The Clerk will serve such objections or written requests for clarification on the Hearing Officer ~~as well as and the other Parties. The other Party(ies), who will then~~ have ten (10) -days after service to file a response with the Clerk.

Within thirty (30) days after the later of: (a) the date that Hearing Officer receives the objections or requests for clarification or (b) an adverse party's response to such objections or requests for clarification, the Hearing Officer will:

1. Affirm the Proposed Findings of Fact and Recommended Decision findings, conclusions, and recommendations as originally submitted without change, or
2. Make ~~such~~ changes to the Proposed Findings of Fact and Recommended Decision as the Hearing Officer deems appropriate ~~in light of~~ considering the evidence, the objections or requests for clarification submitted by the Parties, and the responses thereto.

The objections and/or requests for clarification and the response thereto and the Hearing Officer's response to any objections or requests for clarification, will be added to the Administrative Record and submitted for consideration by the Board.

~~Any Party may waive their right to file objections. If they choose to waive that right, they must notify the Hearing Officer, Clerk, and Parties no more than two (2) days after the Hearing Officer's Proposed Findings of Fact and Recommended Decision is filed.~~

Rule ~~15~~14. Continuances and Relief from Orders

- A. The deadlines and timelines established in these Rules are for the purpose of expediting the Hearing process ~~as quickly as reasonably possible in order to give certainty to the Applicant in the retirement process.~~ Therefore, delays, continuances, or relief should be granted for documented good cause (as defined hereafter) and any delay should be the ~~absolute~~ shortest necessary under the circumstances.- If the Hearing Officer believes the request is primarily for the purpose of delay or caused by inattention or lack of preparation of a Party, the request will be denied.
- B. Upon the request of a Party, and until the matter is referred to the Board, the Hearing Officer ~~may~~ has authority to amend or continue the time periods set forth in these rules ~~one (1) time~~, but only for good cause shown by the Party seeking the delay.
- C. Good cause for purposes of this Rule will be only for the following reasons:
 1. The discovery of relevant evidence that, in the exercise of reasonable diligence, could not have been previously produced (in which case there will only be one continuance permitted for each request);
 2. The need to engage in further discovery, obtain rebuttal medical evidence, or depose or cross-examine a Medical Witness (in which case there will only be one continuance permitted for each request), as set forth under Rule ~~11~~10.; or



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- 3. The illness or disability of the Applicant, witness, attorney, or the Hearing Officer which was unknown to the person at the time of the Pre-Hearing Conference (or other time at which the deadline was set) which makes it impossible for the person to participate in the Administrative Hearing process. Relief in these instances will be granted only if the person raises the request as soon as practicable. The Hearing Officer will consider a failure to timely seek relief a waiver by the person.
- D. If a continuance is sought due to an illness or disability affecting an attorney who will not be able to participate in the process within a reasonably short period of time, then the continuance will be for ~~a maximum of no more than~~ sixty (60) days to secure substitute counsel, and the Clerk will schedule a Pre-Hearing Conference pursuant to Rule ~~76~~.
- E. If a continuance is sought due to an illness or disability affecting the Hearing Officer, and the Hearing Officer cannot proceed within the time period set forth in Rule ~~17, below 16~~, the Hearing Officer will be recused, and the Clerk will appoint a new Hearing Officer pursuant to Rule 4 and schedule a new Pre-Hearing Conference pursuant to Rule ~~87~~.
- F. If good cause is found to exist to reschedule a Hearing, the Hearing Officer will order the Clerk to propose new hearing dates no more than sixty (60) days from the date of the previously scheduled hearing. The Hearing Officer will order the Clerk to schedule a Pre-Hearing Conference only if it is determined that the Parties are unable to agree upon a new hearing date proposed by the Clerk.
- G. Until such time as the matter has been referred to the Board, the Hearing Officer will maintain jurisdiction over the matter and, upon any terms as may be just, may relieve a party from an order, or other action taken against that Party through mistake, inadvertence, surprise, or excusable neglect on the part of the Party. Application for this relief will be made within a reasonable time. Once the matter has been placed on the Board agenda, the Hearing Officer will no longer have jurisdiction.

Rule ~~16~~ *Hearing and 15*. Action by the Board

- A. The Clerk will refer ~~to the Board for its consideration~~ the Hearing Officer’s Proposed Findings of Fact and Recommended Decision as well as any related objections/~~requests for clarification, responses thereto, and the Hearing Officer’s response to any objections to the Board for its consideration.~~
- B. The Clerk will place the matter on the agenda of a regular meeting of the Board ~~which will be no later than within~~ one (1) calendar month after the later of the date the Clerk receives the Hearing Officer’s Proposed Findings of Fact and Recommended Decision; or the date the Clerk receives the Hearing Officer’s Response to Objections following any objections ~~or requests for clarification~~ from the Parties.
- C. The Clerk will provide written notice to the Parties, Hearing Officer, and Employer of the time and date of the regular meeting where the matter will be placed on the Board’s agenda for action. The Parties will have the opportunity to be heard at the Board meeting ~~subject to appropriate time limitations as set out in the OCERS By laws. On matters which are on the Board agenda, the Applicant (or their Attorney) is limited to a ten (10) minute presentation; Respondent is limited to a~~



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~~seven (7) minute response; and the Applicant (or their Attorney) is then limited to a three (3) minute rebuttal. The Board Chair (or their designee) has the discretion to extend any Parties' time.~~

D. The Applicant (or their Attorney) may request that their matter be removed from the Board agenda. The Clerk will grant one (1) continuance of the matter to the next regular meeting of the Board. No additional continuances will be granted. If Applicant wishes to delay the referral of their matter to the Board beyond the one-month extension, they will be required to appear before the Board and show cause as to why an additional extension should be granted. If granted, the matter will be referred to the to the next regular meeting of the Board. No additional continuances will be granted.

E. Good cause for this the purposes of this Rule will be granted for the following:

1. The illness of the Applicant or their Attorney.
2. The illness of an Applicant's immediate family member (i.e., Spouse, child, mother, father.)

~~A continuance will not be granted based upon the lack of preparation by the Applicant or their Attorney.~~

~~G.F.~~ Pursuant to Government Code Section 31534, after reviewing the Hearing Officer's Proposed Findings of Fact and Recommended Decision and any related objections/requests for clarification, the Board may:

1. Approve and adopt the Proposed Findings of Fact and Recommended Decision of the Hearing Officer; or
2. Require a transcript or summary of all testimony, plus all other evidence received by the Hearing Officer; and upon receipt thereof, take such action as the Board in its opinion is indicated by such evidence; or
3. Refer the matter back with or without instructions to the Hearing Officer for further proceedings; or
4. Set the matter for hearing before itself. -At such hearing, the Board will hear and decide the matter.

~~H. The Hearing Officer's Proposed Findings of Fact and Recommended Decision (and responses to objections/requests for clarification) will be sufficient to satisfy the requirements of Government Code Section 31534(b) and Rule 16.F.2, above.~~

~~G.~~ In any case where the Board decides to act under Rule ~~1615.F.2~~ or ~~1615.F.4, above,~~ the Board may approve and adopt the Proposed Findings of Fact and Recommended Decision of the Hearing Officer or prepare its own Findings of Fact and Decision, either itself or through direction to Staff with its approval.

~~H.~~ Upon action by the Board, the decision will be final for all purposes. There will be no requirement for a further written decision from the Board or opportunity for the Board to reconsider its decision. In any case where the Board decides to act under Rule 15.F.3. the Clerk will notify the Hearing Officer of the Board's action no more than five (5) days from the Board meeting. The

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Applicant will have thirty (30) days to submit additional evidence. The Hearing Officer will then have sixty (60) days to review the additional evidence and issue their Findings. Any Party will have ten (10) days to file objections, with any opposition due ten (10) days later. The Clerk will place the matter on the Board agenda in accordance with Rule 15.B.

- I. In any case where the Board decides to act under Rule 15.F.4. the Board Chair (or their designee) will act as the Hearing Officer and will establish a hearing date and briefing schedule. Applicant's opening brief will be filed with the Clerk no more than sixty (60) days before the date of the Board hearing. Respondent(s) opening brief will be due no more than thirty (30) before the date of the Board hearing. The Applicant will then have until twenty (20) days before the date of the Board hearing to file a reply brief. Each brief will be no more than five (5) pages in length excluding exhibits. Once the Board hearing date has been set, no continuances will be granted.

At the conclusion of the Board hearing the record will be closed.

A court reporter will be provided at OCERS' expense to transcribe the Hearing. The court reporter will lodge the transcript with the Clerk and serve a copy on the Party(ies), within twenty (20) days from the Hearing.

The Applicant will have thirty (30) days from the date the hearing transcript is lodged to file their closing brief. Respondent will then have thirty (30) days to file its closing brief. Applicant will then have twenty (20) days to file a reply brief. Each brief will be no more than five (5) pages in length.

Following the Hearing before the Board, or consideration of the Hearing Officer's Proposed Findings of Fact and Recommended Decision, a Statement of Decision will be issued and the Clerk will notify the Applicant (or their Attorney), Hearing Officer, and the Employer by email of the Board's final action. Any Party aggrieved by the Board's decision may petition the Superior Court for judicial review as provided by law. -The time for any party to seek judicial review will be governed by the California Code of Civil Procedure Section 1094.6. Immediately following the Board meeting, the Clerk will notify the Applicant (and attorney), Hearing Officer and the Employer by email of the Board's final action. Notice will be effective the date of the Board meeting-

Rule 1716. Dismissal for Failure to Pursue the Administrative Review and Hearing Non-Compliance.

Except as otherwise provided, if ~~as a result of the Applicant's failure (or that of their Attorney) to pursue the case within one year after the filing of a Request for Administrative Hearing (or the Board's referral of case to a Hearing Officer), or the Applicant fails~~ to comply with any of these Rules after two (2) written warnings from the Clerk, the Hearing Officer will dismiss the Hearing and the matter will proceed as if no Request for Administrative Review or Hearing had been filed ~~in accordance with Section 5 of the Policy, and the~~. The Application will be referred to the Board at its next regular meeting immediately following dismissal by the Hearing Officer. The Board's decision will be final.



OCERS Board Policy Administrative Review and Hearing Policy (Disability and Non-Disability Benefits)

1. Introduction

The Board of Retirement (“Board”) of the Orange County Employees Retirement System (“OCERS”) intends that this Administrative Review and Hearing Policy (“Policy”) and the attached appendix will apply to and govern OCERS’ Administrative Review and Administrative Hearing processes for Disability Determinations, Benefit Determinations and other final administrative orders or decisions of the Board. Any person who is entitled to a hearing and who does not request one under this Policy will be deemed to have waived the right to a hearing.

2. Definitions

The following terms will have the meanings set forth below.

Administrative Hearing; Hearing: The proceedings before a Hearing Officer or the Board on the merits of a particular Request for Administrative Hearing and related Application.

Administrative Record: The documents and other records relied upon by Staff or a fact-finding body in an Administrative Review or Hearing conducted pursuant to this Policy.

Administrative Review: The process described in this Policy (including the Rules) by which a Party may seek an administrative review of a Benefit Determination, CEO Determination, or any other final administrative order or decision of the Board.

Applicant; Member: A member of OCERS, or a person or other entity on behalf of a member of OCERS (e.g., member’s surviving spouse), or any person who claims an interest in the pension or allowance of an OCERS member who files an Application or who seeks Administrative Review of a Benefit Determination.

Application: The submittal, including any amendments thereto, filed with OCERS by or on behalf of an Applicant for either a disability retirement or a service retirement.

Authorization for Disclosure and Use of Protected Health Information: The OCERS form that is filed with the Request for Administrative Hearing authorizing Staff to obtain and use Member medical records.

Benefit Determination: A determination made by Staff in connection with a service retirement Application or an Applicant’s benefit (e.g., calculation of the amount of the benefit, non-disability benefit effective date, reciprocity determinations).

CEO Determination: A Benefit Determination made by the CEO or the CEO’s designee.

Clerk, Clerk of the Hearing Officers: Staff member(s) designated by OCERS General Counsel or their designee to fulfill the administrative duties required by this Policy.

Consolidation/Consolidated Review or Hearings: Where two or more Requests for Administrative Review or Hearing that have common issues of fact or law are consolidated for Administrative Review or Hearing pursuant to Section 8 of this Policy or Rule 6 of the Rules.



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Days: All days are Calendar Days unless otherwise noted. Any deadline falling on a weekend or holiday will be due the next business day. Business Days are Monday through Friday. Holidays are federal and State of California Holidays.

Disability Committee, Committee: A committee of the Board, chartered by the Board to review Applications for disability retirement and make recommendations to the Board with respect to Disability Determinations.

Disability Determination: The following determinations: (1) whether the Applicant is permanently incapacitated for performance of their duties; (2) whether the disability was service connected; (3) the effective date of the disability retirement; (4) timeliness of the Application; and (5) ineligibility due to termination for cause. Any other determinations affecting a disability retirement Application, including applicability of a disability offset, are Benefit Determinations pursuant to this Policy and subject to a CEO Determination.

Employer: The Employer of a member whose benefits are at issue in any given matter. The Employer is a Party to an Administrative Review or Hearing but is not required to participate. If the Employer initiates an Administrative Review or Hearing, it will act in the role of the Applicant.

Hearing Officer: A referee appointed pursuant to Government Code section 31533 who is either a member of the State Bar selected under the OCERS Hearing Officer Selection and Retention Policy, or a member of the Board.

Medical Witness: A person who by profession is a physician, surgeon, psychologist, optometrist, dentist, or podiatrist licensed by the State of California or by such other jurisdiction of the United States in which such person maintains a regular practice in good standing with their licensing board.

Party or Parties: OCERS, an Applicant who seeks an Administrative Review or Hearing under this Policy, the Employer, and any other person who may be affected by the Board’s decision and who joins in the Administrative Review or Hearing.

Pre-Hearing Statements: Statements filed with the Clerk by the Parties pursuant to Rule 8 of the Rules.

Proposed Findings of Fact and Recommended Decision: The recommendation of the Hearing Officer to the Board, as set forth in Rule 13 of the Rules.

Request for Administrative Review or Request for Administrative Hearing: The document filed with the Clerk by the Applicant (or in limited cases, the Employer) to initiate the Administrative Review or Administrative Hearing process.

Respondent: OCERS will always be the primary Respondent. The Employer may but is not required to respond to the request for Administrative Review or Hearing. Where the Employer initiates a review or hearing, the Applicant must join as a Respondent. Failure to join may result in a denial without prejudice.

Rules: The “Administrative Hearing Rules,” attached as an appendix to and made part of this Policy.

3. Disability Determination Process

For Disability Determinations:



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- A. Staff will investigate all disability retirement Applications to determine (i) whether the Applicant is permanently incapacitated from the performance of their usual duties; (ii) whether the incapacity is service-connected; (iii) the effective date of any disability retirement; (iv) whether the Application is timely; and (v) whether the Applicant is not eligible due to termination for cause. Staff will have discretion to require medical examination(s) of the Applicant and obtain expert medical advice to aid its investigation. If the Staff's recommendation is to grant the disability retirement Application in full or deny without prejudice because the member has opted not to join an employer-filed application, Staff will forward the recommendation to the CEO. If the Staff's recommendation is to deny (or grant only in part) the disability retirement Application, the recommendation will be presented to the Committee.
- B. When the Staff recommendation is to grant the disability retirement Application in full, the recommendation will be reviewed by the CEO. If the CEO concurs with the Staff recommendation, the CEO will recommend that the Board grant the Application in full. The CEO's recommendation will be placed on the consent agenda at the next regularly scheduled meeting of the Board for action in accordance with Section 5. Staff will notify the Applicant (and Applicant's attorney, if any) and the Employer of the date and time of the meeting at which the matter will be presented. If the CEO disagrees with the Staff's recommendation, the Application will be forwarded to the Committee for review and determination in accordance with Section 3.D.
- C. When the Staff recommendation is to deny the disability retirement Application without prejudice because the member has opted not to join in an employer-filed application, the recommendation will be reviewed by the CEO. If the CEO concurs with the Staff recommendation, the CEO will recommend that the Board deny the Application without prejudice. The CEO's recommendation will be placed on the consent agenda at the next regularly scheduled meeting of the Board for action in accordance with Section 5. Staff will notify the Employer of the date and time of the meeting at which the matter will be presented. If the CEO disagrees with the Staff's recommendation, the Application will be forwarded to the Committee for review and determination in accordance with Section 3. D.
- D. When the Staff recommendation is to deny (or grant only in part) the disability retirement Application or when the CEO disagrees with Staff's recommendation to grant the disability retirement Application in full, the Application and the Staff recommendation under Section 3.A., will be reviewed by the Committee at a duly noticed meeting. Staff will give Applicant (and their attorney) and the Employer notice of the date and time of the Committee meeting at which they will have the opportunity to be heard by the Committee.
- E. After the Committee reviews the disability retirement Application under Section 3.D., the Committee will determine whether to recommend that the Board grant or deny the Application, in full or in part. Staff will notify the Applicant (and their attorney) and the Employer of the Committee's recommendation. They will also be provided with instructions on how to request an Administrative Hearing to challenge any part of the Committee's recommendation. Alternatively, the Committee may direct Staff to further develop the record and return the matter for consideration at a future meeting.



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- F. In the event the Committee recommends that the Application be denied in full or in part, the Applicant will have ninety (90) days from the date of the Committee action to file a Request for Administrative Hearing with the Clerk, as set forth in the Rules. In the event the Committee recommends the Application be granted in full, any other Party including the Employer aggrieved by the recommendation will have ten (10) days from the date of the Committee Action to file a written Request for Administrative Hearing as set forth in the Rules.
- G. A Request for Administrative Review or Hearing must be filed using the form approved by OCERS. That form must be signed and dated by the Applicant (or their Attorney) to be valid. Forms that are not dated and signed will be rejected by the Clerk.
- H. The Applicant may request a Hearing if they dispute the Committee’s recommendation regarding (i) permanent incapacity, (ii) service-connection, (iii) the effective date of disability; (iv) timeliness of the Application; or (v) ineligibility due to termination for cause. Undisputed issues will not be considered in the Hearing. Staff will forward those undisputed issues to the Board for final action.
- I. If no Request for Administrative Hearing is filed within the time limit set forth in Section 3.E., the Committee's recommendation will be placed on the consent agenda at the next regularly scheduled Board meeting.

4. Benefit Determination Review Process

For Benefit Determinations:

- A. The Member may request a CEO review of a Benefit Determination within ninety (90) days of the date of the notice of the Benefit Determination made by Staff. The CEO Determination will be completed within ninety (90) days of receipt of the request and served on the Member. The Member will have ninety (90) days from the date of the notice of the CEO Determination to file a Request for Administrative Review with the Clerk and the matter will proceed as set forth in Section 8. If the Request for Administrative Review is untimely, the CEO Determination will be final.

5. Board Action on Disability Determination Upon Recommendation from the CEO or Disability Committee

- A. **Consent Agenda.** The Board will consider on its consent agenda CEO recommendations to grant an Application for disability retirement in full or to deny without prejudice because the Member has opted not to join in an employer-filed application and Committee recommendations for which there has been no timely Request for an Administrative Hearing under Section 3.
- B. **Removing Items from Consent Agenda/Action.** Any member of the Board may remove an item from the consent agenda to be discussed and voted on separately. Such items will be considered by the Board in closed session as set forth in Section 7.
- C. **Action on Recommendations from the CEO.** After consideration by the Board, the Board will either adopt the recommendation of the CEO or refer the matter to the Disability Committee for consideration.



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- D. **Action on Recommendations from the Disability Committee.** After consideration by the Board, the Board will either adopt the recommendation of the Disability Committee or refer the matter to a Hearing Officer for a Hearing (unless a Hearing is waived by the Applicant, in which case the Committee recommendation will be adopted).

6. Board Action on Disability Determinations After Hearing.

Following an Administrative Hearing and the Board's receipt of the Hearing Officer's Proposed Findings of Fact and Recommended Decision, the Board will consider the matter at a duly noticed Board meeting and act in accordance with Rule 15.

7. Closed Sessions for Disability Determinations

Except for matters on the Disability Committee's or Board's consent agenda, the Disability Committee or Board will consider a recommended Disability Determination or a Hearing Officer's Proposed Findings of Fact and Recommended Decision in connection with a Disability Determination in closed session, pursuant to Cal. Gov't Code § 54957(b), unless the Applicant requests the matter be heard in open session. Before or after such closed session, the Committee or the Board may meet in closed session with only the CEO and the OCERS General Counsel (or their designee) to provide legal advice to the Committee or the Board in connection with the Board's legal obligations.

8. Board Action on CEO Determinations (i.e., CEO Benefit Determinations).

- A. **Board Review of CEO Determinations.** Upon a timely Request for Administrative Review of a CEO Determination, the Board will consider the matter at a duly noticed regular Board meeting. Staff will make a recommendation to the Board regarding the issues raised in the CEO Determination and the Applicant (or their attorney) will have the opportunity to be heard.
- B. **Board's Options.** The Board may choose to hear and conduct the review at that meeting, continue it to a later meeting, or refer the matter to a Hearing Officer. If the Board chooses to hear and determine the matter, its decision will be final. If the Board chooses to refer the matter to a Hearing, it will identify the factual and legal issues to be considered by the Hearing Officer.

In determining whether to hear and determine the matter or refer the matter to a Hearing Officer, the Board will consider all relevant factors, including the following:

1. whether the disputed issues are legal, not factual, in nature;
2. relevant judicial authority on the disputed legal issue(s);
3. whether the Board and/or a Hearing Officer has previously ruled on substantively similar issue(s);
4. whether the Applicant is represented by an attorney;
5. the efficient use of OCERS resources; and
6. the interests of the Applicant in receiving a timely decision.



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C. **Consolidation of Reviews.** When the Board reviews two or more CEO Determinations involving common questions of law or fact, it may order a Consolidated Review or Consolidated Hearing of the matters. Consolidation may be ordered for limited purposes or for all purposes.

In determining whether to order a Consolidation of the CEO Determinations, the Board will consider all relevant factors, including the following:

1. the complexity of the issues involved;
2. the potential prejudice to any party, including whether a Consolidation would result in undue delay;
3. the avoidance of duplicate or inconsistent orders; and
4. the efficient utilization of OCERS resources.

9. Board Action on CEO Determinations After a Hearing.

If the Board refers a CEO Determination to a Hearing, the Board will consider the Hearing Officer’s Proposed Findings of Fact and Recommended Decision at a duly noticed Board meeting in accordance with Rule 15. The Board may adopt the Hearing Officer’s recommendations or make its own determination based on the Administrative Record and the Board’s decision will be final.

10. Policy Review

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

11. Policy History

This Policy was adopted by the Board of Retirement on February 19, 2002, amended on August 17, 2020, May 17, 2023, and most recently 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



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Appendix - Administrative Hearing Rules

Rule 1. Definitions

All capitalized terms contained within these Rules will have the meaning set forth in Section 2 of the OCERS Administrative Review and Hearing Policy.

Rule 2. Filing of Documents

A. Filing of Documents.

1. All documents required or permitted to be filed by any Party in connection with a Hearing must be filed with the Clerk.
2. Documents will be filed electronically, except that an unrepresented Applicant may opt to file documents in person or by US Mail. Applicants that opt for filing documents in person or by US Mail, must inform the Clerk of this in writing at the time they file their Request for Administrative Hearing. The Clerk will then inform all other Parties and the Hearing Officer that the Applicant has opted to file documents in person or by US Mail.
 - a. Documents filed in person will be deemed filed on the day received by OCERS.
 - b. Documents filed by US Mail will be deemed filed on the date post-marked on the envelope containing the documents.
 - c. Documents filed electronically will be deemed filed on the date electronically received by the Clerk.

B. Service of Documents.

1. The Clerk will serve on all Parties and the Hearing Officer any documents filed by a Party or the Hearing Officer within one (1) business day of receipt of the documents by the Clerk. Service by anyone other than the Clerk will be considered defective.
2. Service by the Clerk will be electronic and the Clerk's file stamp will constitute proof of service, except where the Applicant has opted to file by US Mail pursuant to Section A.2., in which case the Clerk will serve documents on the Applicant by US Mail. In that case, the Applicant will be deemed to have received service three (3) days after the date the Clerk deposits the document in the US Mail. Electronic service will be deemed served upon electronic transmission by the Clerk.

Rule 3. Request for Hearing or Review

- A. Request for Administrative Hearing or Request for Administrative Review.** A written Request for Administrative Hearing or a Request for Administrative Review must be filed with the Clerk within the time frame set forth in Sections 3 and 4 of the Policy. The Request must include a statement no more than one (1) page in length of the grounds for the request and a signed Authorization for Use and Disclosure of Protected Health Information if filing a disability benefit appeal. An Applicant's



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Request for Administrative Hearing that includes new conditions will be treated as an amended Application and will be returned to Staff for reconsideration.

- B. **Referral from the Board.** In the event the Board refers a matter to a Hearing Officer for a Hearing (pursuant to Sections 5.D. or 8.B. of the Policy), the referral from the Board will be considered the Request for Administrative Hearing, but for all procedural purposes under these Rules, the request will be deemed to have been filed by the Applicant.
- C. **Permitted Representatives, Attorneys.** Any Party is entitled, at their expense, to be represented by an attorney at any stage of the proceedings. Such attorney must be an active member of the California State Bar in good standing. A Party must immediately file with the Clerk a written notice of the hiring, changing, or dismissal of an attorney. Absent such written designation, OCERS will not recognize any attorney or other individual claiming to represent a Party, including an attorney in fact (under a power of attorney) or the Applicant's spouse.
- D. **Burden of Proof.** The Applicant will have the burden of proof by a preponderance of the evidence to establish the right to the benefit sought. Where the Employer files the Request for Administrative Hearing, the Employer will have the burden of proof by a preponderance of the evidence to demonstrate that the Committee's recommendation should be overturned, and the Employer will be bound by the procedural rules applicable to the Applicant under these Rules.
- E. **Scope of Hearing.**
 - 1. The Hearing on a Disability Determination will only address the issues of permanent incapacity, service connection, effective date, timeliness of the Application, and ineligibility due to termination for cause.
 - 2. In accordance with Section 8 of the Policy, the Hearing on a CEO Determination will only address the factual and legal issues that are identified by the Board for consideration by the Hearing Officer.
 - 3. Except as set forth in these Rules, the Hearing Officer will not make a finding or recommendation on any issue that was not raised in the Applicant's Request for Administrative Hearing or included in the Board's referral of the matter to a Hearing. Likewise, the Hearing Officer will not consider any evidence or make a finding or recommendation on any medical condition not included in the disability retirement Application or that was not previously evaluated by Staff, except as provided in subsection 4.
 - 4. If at any time during the Hearing process the Applicant either (i) alleges an injury or disease not listed in the disability retirement Application or (ii) raises an issue that was not previously presented to the Committee, the Hearing process will be suspended by the Hearing Officer and the Application will be treated as an amended Application. The amended Application will be referred to Staff to be processed. If the Committee subsequently recommends a denial of the amended Application, the matter will be returned to the Hearing Officer who will consider all the medical conditions (those raised in the Application and the amended Application). A new Hearing Date, Pre-Hearing Conference, and deadlines for Pre-Hearing Statements will be set in accordance with Rule 7.



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- F. **Settlement.** If at any time during the Hearing process it becomes apparent to Staff that a different result is appropriate, Staff will suspend the Hearing and refer a settlement to the Board. If the Board approves a settlement with the Applicant, the Hearing will be dismissed.

Rule 4. Assignment of Hearing Officers

- A. **Assignment of Hearing Officer.** Hearing Officers are selected and placed on the panel pursuant to OCERS' Hearing Officer Selection and Retention Policy. The Clerk will assign the Hearing Officer on a rotational basis, to ensure to the extent possible that each Hearing Officer on the panel is assigned an equal number of cases. When the Applicant files a Request for Administrative Hearing, the Clerk will serve notice to all Parties, including the Hearing Officer, indicating the name and address of the Hearing Officer to whom the matter is assigned, and that notice will include information regarding the opportunity to challenge a Hearing Officer as set forth below.
- B. **Challenge/Removal of Hearing Officer.** A Party may object to a Hearing Officer in accordance with the following procedures.
 - 1. **Peremptory Challenge:** Any Party other than OCERS is entitled to one (1) peremptory (without cause) challenge to the Hearing Officer assigned. The challenge must be filed with the Clerk within ten (10) days of the date of the notice assigning the Hearing Officer. If the Applicant opts for service by US Mail, the time period for filing a challenge will be extended by three (3) days. In the event of a peremptory challenge, the Clerk will re-assign the case to another Hearing Officer selected in the same manner as the first Hearing Officer.
 - 2. **Removal for Cause:** Any Party may challenge a Hearing Officer for cause by filing a request at any time, with supporting declarations made under penalty of perjury and any other evidence upon which the Party is relying. Any opposing Party will have ten (10) days from the Clerk's service of the challenge for cause on all Parties to file a response. The Clerk will then randomly assign the removal request to another Hearing Officer, who will consider all evidence and arguments for and against removal of the Hearing Officer and file a ruling with the Clerk within thirty (30) days from assignment. Cause for removal will be limited to demonstrated bias against a Party or counsel based on a personal or financial relationship (other than the Hearing Officer's contract with OCERS) that would cause a reasonable person to doubt the Hearing Officer's ability to render an impartial decision. If the request for removal is granted, the Clerk will re-assign the case to another Hearing Officer (other than the Hearing Officer who heard the challenge) in the same fashion as selection of the first Hearing Officer.
 - 3. **Removal Due to Unforeseen Circumstances:** If the service of a Hearing Officer is discontinued due to unforeseen circumstances, such as death, illness, or termination with or without cause, the Parties other than OCERS are entitled to a peremptory challenge to the new Hearing Officer in accordance with subsection B.1 of this Rule.
 - 4. **Assignment After Removal Due to Unforeseen Circumstances:** If the service of a Hearing Officer is discontinued due to unforeseen circumstances, such as death, illness, or termination with or without cause, any hearing date will be vacated, and the Clerk will assign a new Hearing Officer pursuant to Rule 4.A and schedule a new Pre-Hearing Conference pursuant to Rule 6.



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- C. **Recusal of Hearing Officer.** If at any time the Hearing Officer determines that there is cause for their recusal, the Hearing Officer will immediately file with the Clerk a statement of recusal, and the Clerk will reassign the case pursuant to Rule 4.A.

- D. This Rule 4 does not apply to cases where the Board refers the matter back to the Hearing Officer under Section 8.B. or cases that are consolidated under Rule 6.

Rule 5. Supplemental IME Report Requests, Preparation and Service of Administrative Record

The Applicant will have thirty (30) days from the date of filing their Request for Administrative Hearing to submit additional records to be included in the initial Administrative Record.

Within sixty (60) days of the filing of a Request for Administrative Hearing, Staff will assemble, and the Clerk will serve on the Hearing Officer and the Parties the initial Administrative Record. A Party may object to the admission of items into evidence or seek to admit additional information into evidence as set forth in these Rules, and the Hearing Officer will decide the admissibility of all evidence.

The Clerk will serve the Administrative Record pursuant to Rule 2.B.2. If a Party requests a hardcopy of the record, one (1) will be provided to them at no cost.

Pursuant to Rule 10.H., after the Administrative Record has been served, parties are no longer permitted to submit additional medical reports or other documentary evidence except for purposes of impeachment, unless the Party demonstrates good cause to the satisfaction of the Hearing Officer.

Should OCERS staff determine that a supplemental IME report from OCERS' Panel Physician is necessary, the Clerk will notify the Applicant and Hearing Officer of OCERS staff's Request for a Supplemental IME Report by serving it upon them. The Hearing Officer may reschedule the hearing date or amend the time periods set for by the Rules upon the showing of good cause, pursuant to Rule 14.

Rule 6. Consolidation of Hearings

In addition to Consolidation by the Board of two or more CEO Determinations pursuant to Section 8.C. of the Policy, cases may be Consolidated in accordance with this Rule 6, and this Rule 6 will apply to all such Consolidations.

- A. When two or more pending Requests for an Administrative Hearing involve common questions of law or fact, a Hearing Officer, upon request by OCERS or the Applicant, may order the Hearings Consolidated. Consolidation may be ordered for limited purposes or for all purposes.

In determining whether to order Consolidated Hearings, the Hearing Officer will consider all relevant factors, including:

1. the complexity of the issues involved;
2. the potential prejudice to any Party, including whether granting Consolidation would unduly delay the resolution of any of the matters involved;



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3. the avoidance of duplicate or inconsistent orders; and
 4. the efficient utilization of OCERS' resources.
- B. Any Party may file a request with the Clerk to Consolidate two or more pending Hearings irrespective of the procedural stages of the affected Hearings, and the request will be served by the Clerk on all Parties and the Hearing Officers.
- C. In all cases, the request for Consolidation will be referred to the Hearing Officer first assigned to any of the Hearings. The Hearing Officer may decide the matter on written submittals, or may convene the Parties, either in-person or by phone, to hear further argument on the request for Consolidation. Failure to timely oppose Consolidation will constitute a waiver of objection to an order of Consolidation.
- D. If the Hearing Officer orders the Consolidation, all affected Hearings will be transferred to that Hearing Officer.
- E. Upon Consolidation, all hearing dates will be vacated, and the Clerk will schedule a new Pre-Hearing Conference for the Consolidated Hearings. Following the Hearing, the Hearing Officer will prepare a single Proposed Findings of Fact and Recommended Decision.
- F. Nothing contained herein will prohibit the Parties from stipulating to Consolidated Hearings. In the event a stipulation is reached, the Parties will file a written stipulation with Clerk, signed by all Parties. The Clerk will then assign the Consolidated Hearings to the first assigned Hearing Officer.

Rule 7. Pre-Hearing Conference

- A. The Clerk will schedule a Pre-Hearing Conference to be held within ten (10) days of the service of the Administrative Record.
- B. The Pre-Hearing Conference will be held telephonically. The Clerk will arrange for a court reporter to transcribe the conference at OCERS' expense. The court reporter will lodge the transcript with the Clerk and serve a copy of the transcript on the Hearing Officer and Parties, no later than thirty (30) day from the date of the conference.
- C. The Hearing Officer will not permit the Parties to argue the merits of their positions at the Pre-Hearing Conference, and the Hearing Officer is authorized to suspend the Pre-Hearing Conference if any Party violates this rule. Suspended Pre-Hearing Conferences will be rescheduled to a date that is no more than five (5) days after the originally scheduled Pre-Hearing Conference. Further attempts by a Party to argue the merits of their position will result in the Clerk immediately filing an Order to Show Cause why the case should not be dismissed.
- D. At the Pre-Hearing Conference, the Hearing Officer will advise the Applicant of the following:
1. The Applicant has the right to be represented by an attorney.
 2. Any financial or personal interest that the Hearing Officer may have in the case, other than the Hearing Officer's contract with OCERS.



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3. The scope of the Hearing and the issues to be decided consistent with the constraints of Rule 3.E., above.
4. The Hearing Officer will consider the issues in dispute anew, without relying on the past findings of the Committee, the Board, or the CEO.
5. The Hearing Officer's purpose in the process is to find the facts relevant to the Applicant's request and provide an impartial recommendation to the Board.
6. The Applicant has the burden of proof in establishing by a preponderance of the evidence the right to the benefit sought.
7. The Applicant must identify witnesses and other evidence when filing the Pre-Hearing Statement, and that failure to include in the Pre-Hearing Statement the witnesses and other evidence they intend to rely on could mean that evidence will be excluded unless the Applicant shows that they could not have discovered the information earlier through the exercise of reasonable diligence.
8. The timelines required under these Rules for filing documents and for the Hearing, and the consequences of a failure to meet those deadlines, including that the Applicant's case will be dismissed.

Upon the issuance of the Proposed Findings of Fact and Recommended Decision, the matter will be referred to the Board pursuant to these Rules. Upon action by the Board, the decision will be final for all purposes. There will be no requirement for a further written decision from the Board or opportunity for the Board to reconsider its decision. Any Party aggrieved by the Board's decision may petition the Superior Court for judicial review as provided by law. The time for any Party to seek judicial review will be governed by the California Code of Civil Procedure Section 1094.6.

- E. At the Pre-Hearing Conference, each Party will:
 1. Make a good faith effort to identify the witnesses, both expert and non-expert, that it intends to call.
 2. Identify any witnesses it intends to call who cannot either speak or understand English to permit OCERS to arrange an interpreter for the witnesses in accordance with Rule 9.K.
 3. Indicate whether it will require an opposing Party's Medical Witness to appear in person at the Hearing; and
 4. Identify any witnesses the Party seeks to depose and, if possible, set mutually convenient dates for any depositions.
- F. No later than the Pre-Hearing Conference, OCERS, through its counsel, will identify any issues related to eligibility of the Applicant such as timeliness of the Application or ineligibility due to



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termination for cause, if they were not previously raised and considered by the Committee. These issues will then be presented at the Hearing.

- G. At the Pre-Hearing Conference, the Clerk will set the date for the Hearing.
 - 1. The Clerk will confer with the Hearing Officer and Parties to determine a mutually agreeable date for the Hearing (“Hearing Date”), as soon as reasonably practicable, but in all cases the first Hearing Date will be set no later than six (6) months after the date of the Pre-Hearing Conference.
 - 2. Each Party will provide a good faith estimate of the amount of time it anticipates the Hearing will last. The Hearing will continue from day-to-day until complete, and the Clerk will schedule all Hearing Dates to which the Hearing Officer and Parties anticipate the Hearing will be continued until complete.
 - 3. The Clerk will confer with the Parties to establish a Pre-Hearing Statement filing schedule in accordance with Rule 8.
- H. Immediately following the Pre-Hearing Conference, the Clerk will issue a Scheduling Order, which will include the Hearing Date(s) and the dates that each Party’s Pre-Hearing Statements are due.
- I. After the Pre-Hearing Conference, the Hearing Officer may continue the Hearing Date only upon a showing of good cause, as set forth in Rule 14.
- J. If neither the Applicant nor the Employer, where the Employer has filed an Application on behalf of the Member, participates in the Pre-Hearing Conference, the Clerk will file and serve on all Parties and the Hearing Officer an Order to Show Cause why the matter should not be dismissed, and give the Applicant (or Employer) five (5) days to respond to the Hearing Officer. Other Parties are permitted, but not required, to submit responses. Unless the Applicant shows good cause why the matter should not be dismissed, the Hearing Officer will dismiss the Hearing, and the matter will proceed as if no Request for Administrative Hearing had been filed in accordance with Section 5 of the Policy. The Application will be referred to the Board at its next regular meeting.

If the Hearing Officer determines that an Applicant has shown good cause, the Hearing Officer will direct the Clerk to reschedule the Pre-Hearing Conference. Applicant’s failure to participate in the rescheduled Pre-Hearing Conference will result in immediate dismissal of their case.

Rule 8. Pre-Hearing Statements

- A. The Applicant will file a Pre-Hearing Statement of up to ten (10) pages, not including exhibits, no later than sixty (60) days prior to the first Hearing Date.
- B. Respondent will file a Pre-Hearing Statement of up to ten (10) pages, not including exhibits, no later than thirty (30) days prior to the first Hearing Date.
- C. Any Party may file a Supplemental Pre-Hearing Statement of up to five (5) pages, not including exhibits, no later than fourteen (14) days prior to the first Hearing Date.
- D. The Pre-Hearing Statements will include the following:



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1. A statement of the issues and contentions of the Party and a brief summary of the evidence to be presented.
 2. A list and redacted copies of any expert’s reports, transcripts of depositions of any witnesses, and other documentary evidence on which the Party will rely, if not already in the Administrative Record. All documents will be Bates Stamped by the Applicant (or their Attorney) in sequence with the initial Administrative Record. Duplicate documents will be rejected.
 3. The names, addresses, email addresses (if known) and telephone numbers of any non-expert witnesses whose testimony the Party intends to call as a witness at the Hearing and a brief description of the content of their testimony.
 4. The names, addresses, email addresses (if known) and phone numbers of any expert witnesses whom the Party intends to call as a witness at the Hearing and a brief description of the content of their testimony.
- E. If the Applicant disputes the effective date of the disability retirement, the Applicant will raise the effective date as an issue and will state Applicant’s contention in the Pre-Hearing Statement.
- F. The Hearing Officer may allow the Parties additional time to file their Pre-Hearing Statement or may re-schedule the Hearing within the time requirements of Rule 14, if good cause is shown. .

Rule 9. Depositions and Subpoenas

- A. **Depositions:** Witness depositions may be taken by either Party in the presence of a certified court reporter and will be taken under oath or affirmation. The Party taking the deposition will pay all associated costs. Any Party introducing deposition testimony into evidence will provide a copy of the full deposition transcript to each Party and the Hearing Officer.
- B. **Subpoenas and Related Fees/Costs:**
1. OCERS will issue a subpoena for the personal appearance of a witness at the Hearing or at a deposition, or for the production of documents (subpoena *duces tecum*), in conformance with California Government Code Section 31535, upon the request of any Party filed at least thirty (30) days before the Hearing Date. Any request for a subpoena submitted less than thirty (30) days of the Hearing Date will not be honored and it will be the responsibility of the Party to subpoena their witness.
 2. Each subpoena request must state the witness’s full name, email address (if known), phone number and the complete address of the witness’s place of employment, service address, or residence. The requesting Party will be responsible for serving the subpoena, scheduling the witness, and paying all associated witness fees and costs of service and production. The Party requesting oral testimony of an expert witness (including an OCERS Panel Physician) will in all cases be responsible for any expert witness fees. If an employer witness is being subpoenaed, it is the responsibility of the subpoenaing party to coordinate service with that employer.



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3. Any fee disputes between a witness and the requesting Party are independent of any proceeding between the Applicant and OCERS. Those fee disputes will be resolved by the requesting Party and the witness in the California courts, not in this forum. The Hearing Officer has no authority to decide any such dispute.

Rule 10. Conduct of Hearings

- A. All Hearings will be held at the OCERS' office located at 2223 East Wellington Avenue, Santa Ana, California 92701.
- B. The Clerk will arrange for a court reporter to be present. Oral evidence will be taken only on oath or affirmation administered by the Hearing Officer or the court reporter.
- C. A written medical report bearing the signature (including a digital signature) of the Medical Witness will be admissible in evidence as the author's direct testimony, on the express condition that the adverse Party has had the opportunity to require the Medical Witness to be present and to cross-examine the witness at the Hearing, or to depose the witness and have the deposition transcript admitted into evidence.
- D. Each Party will have the right to call and examine witnesses; to introduce exhibits, including reports and depositions of medical witnesses; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which Party first called the witness to testify; and to rebut adverse evidence. If an Applicant does not testify by direct examination, OCERS may call and examine the Applicant.
- E. The conduct of the Hearing will not be restricted by the rules of evidence. Any relevant evidence will be admitted if it is the sort of evidence on which reasonable persons may rely. The rules of privilege will be effective to the extent that they are otherwise required by statute. Irrelevant and unduly repetitious evidence will be excluded.
- F. Hearsay evidence may be used for the express purpose of supplementing or explaining other evidence but will not be sufficient by itself to support a finding unless it would be admissible over objection in civil actions. This section will not be applicable to written medical reports received into evidence pursuant to Rule 10.C. Every Hearing will proceed as though each Party had made a standing objection to all inadmissible hearsay.
- G. The court reporter will lodge with the Clerk the transcript of the Hearing and serve a copy on the Hearing Officer and Parties, within thirty (30) days of the final Hearing Date.
- H. The record will be closed to new evidence at the conclusion of the final Hearing Date. No Party may submit a medical report or other documentary evidence not included in the Administrative Record or listed in its Pre-Hearing Statement except for purposes of impeachment, unless the Party demonstrates good cause. Likewise, no Party will be permitted to call a witness not listed in its Pre-Hearing Statement, except for purposes of impeachment, unless the Party demonstrates good cause. For purposes of this Rule, "good cause" means that the relevant evidence or witness could not have been previously produced or identified even with the exercise of reasonable diligence. The Party requesting submission of such evidence or witness will file a written request prior to the



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Hearing, or if unable to do so in the exercise of reasonable diligence, will make an oral request at the Hearing. The request will state the reason the evidence or witness was not timely produced or identified. After providing a reasonable opportunity for each adverse Party to be heard, the Hearing Officer will rule on such a request. If the evidence is allowed to be admitted into evidence, or the witness is allowed to testify, the Parties will have the right to a continuance to engage in further discovery, obtain rebuttal medical evidence, or depose or cross-examine the Medical Witness to comply with Rule 10.C. In no event, will good cause permit admission of medical reports or other documentary evidence relating to a new medical condition covered by Rule 3.F.

- I. Each Party will have the right to submit a closing oral argument at the conclusion of the Hearing.
- J. Use of Interpreter Services.
 - 1. If an Applicant or a witness does not speak or understand English sufficiently to participate in the proceedings or provide testimony, an interpreter certified to provide interpretation services in administrative hearings will be provided to that Applicant or witness at OCERS's expense. Notice that an Applicant or witness requires interpreting services will be given to OCERS at the Pre-Hearing Conference or be included in the Party's Pre-Hearing Statement. If a Party fails to provide such notice, then the witness may not be called unless good cause is shown, as set forth Rule 10.I.
 - 2. All interpreters must be certified to provide interpreting services in administrative hearings pursuant to Government Code Section 11435.30. The interpreter must not have had any involvement in the issues of the case prior to the Administrative Hearing.
 - 3. If an Applicant objects to the interpreter provided by OCERS, the Applicant may supply their own interpreter, provided that the interpreter is certified under Government Code Section 11435.30. However, time for an Applicant to find and hire an interpreter will not be considered good cause to continue the Hearing. OCERS will pay the chosen interpreter the same amount OCERS would have paid an interpreter hired directly by OCERS. The Applicant will be responsible for any amounts charged by the interpreter that are over the amount OCERS would have paid to an interpreter hired directly by OCERS. Fee disputes between the interpreter and the Applicant will not be resolved in this forum, and the Hearing Officer will not have authority to resolve any fee disputes between interpreters and the Parties.

Rule 11. Resolution of Disputes about Depositions and Conduct of Hearings

The Hearing Officer will resolve disputes about depositions and the conduct of the Hearing. A request for resolution of a dispute may be made verbally at a Pre-Hearing Conference, at the Hearing, or by written motion filed with the Clerk at any time prior to the Hearing. The Hearing Officer, in the exercise of sound discretion, may permit written argument or briefs.

Rule 12. Closing Briefs

- A. Each Party will have the right to submit a written closing brief. Unless the Parties waive closing briefs, the Parties will adhere to the following schedule with specific filing dates being proposed by the Clerk:



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1. The Applicant's closing brief will be filed no more than thirty days (30) from the date the transcript of the Hearing is lodged with the Clerk.
 2. Respondents' closing briefs will be filed no more than thirty days (30) days from the date the Clerk serves the Applicant's closing brief on the Parties.
 3. Applicant may file a reply brief no later than fifteen (15) days from the date the Clerk serves Respondents' closing briefs on the Applicant.
- B. The Applicant may waive their right to file a reply brief. They must notify the Hearing Officer, Clerk, and Parties no more than five (5) days after Respondent's closing brief is filed.
- C. Each Party's closing brief may be supported by facts in the record, the hearing transcript, and citation to law. The submission of additional evidence will not be permitted. The Applicant's and Respondent's closing briefs will be limited to fifteen (15) pages and the reply brief will be limited to ten (10) pages. The Clerk may reject briefs exceeding the foregoing limits. A Party may submit a request in writing to the Hearing Officer to be relieved of the page limitations.

Rule 13. Hearing Officer's Findings of Fact and Recommended Decision

- A. **Time for Filing.** The Hearing Officer will file their Proposed Findings of Fact and Recommended Decision with the Clerk no later than sixty (60) days after the Applicant's reply brief is filed or, if the Parties waived closing briefs, within sixty (60) days of the date the transcript of the Hearing is due (i.e., within 30 days of the final Hearing Date) or actually lodged (if earlier than 30 days after the final Hearing Date).
- B. **Content of Proposed Findings of Fact and Recommended Decision.** The Hearing Officer's Proposed Findings of Fact and Recommended Decision will include a summary of the following: (1) issues raised by the parties; (2) the testimony; (3) all other evidence received by the Hearing Officer; (4) a factual discussion of matters on which the Hearing Officer relied; (5) conclusions of law with citations to legal authority; and (6) recommended decision.
- C. **Objections/Requests for Clarification.** Within ten (10) days from the date that the Hearing Officer files the Proposed Findings of Fact and Recommended Decision with the Clerk, any Party may file with the Clerk objections or written requests for clarification to the Hearing Officer's Proposed Findings of Fact and Recommended Decision. The Clerk will serve such objections or written requests for clarification on the Hearing Officer and the Parties who will then have ten (10) days after service to file a response with the Clerk.

Within thirty (30) days after the later of: (a) the date that Hearing Officer receives the objections or requests for clarification or (b) an adverse party's response to such objections or requests for clarification, the Hearing Officer will:

1. Affirm the Proposed Findings of Fact and Recommended Decision findings, conclusions, and recommendations as originally submitted without change, or



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2. Make changes to the Proposed Findings of Fact and Recommended Decision as the Hearing Officer deems appropriate considering the evidence, the objections or requests for clarification submitted by the Parties, and the responses thereto.

The objections and/or requests for clarification and the response thereto and the Hearing Officer's response to any objections or requests for clarification, will be added to the Administrative Record and submitted for consideration by the Board.

Rule 14. Continuances and Relief from Orders

- A. The deadlines and timelines established in these Rules are for the purpose of expediting the Hearing process. Therefore, delays, continuances, or relief should be granted for documented good cause (as defined hereafter) and any delay should be the shortest necessary under the circumstances. If the Hearing Officer believes the request is primarily for the purpose of delay or caused by inattention or lack of preparation of a Party, the request will be denied.
- B. Upon the request of a Party, and until the matter is referred to the Board, the Hearing Officer has authority to amend or continue the time periods set forth in these rules, but only for good cause shown by the Party seeking the delay.
- C. Good cause for purposes of this Rule will be only for the following reasons:
 1. The discovery of relevant evidence that, in the exercise of reasonable diligence, could not have been previously produced (in which case there will only be one continuance permitted for each request);
 2. The need to engage in further discovery, obtain rebuttal medical evidence, or depose or cross-examine a Medical Witness (in which case there will only be one continuance permitted for each request), as set forth under Rule 10.I; or
 3. The illness or disability of the Applicant, witness, attorney, or the Hearing Officer which was unknown to the person at the time of the Pre-Hearing Conference (or other time at which the deadline was set) which makes it impossible for the person to participate in the Administrative Hearing process. Relief in these instances will be granted only if the person raises the request as soon as practicable. The Hearing Officer will consider a failure to timely seek relief a waiver by the person.
- D. If a continuance is sought due to an illness or disability affecting an attorney who will not be able to participate in the process within a reasonably short period of time, then the continuance will be for no more than sixty (60) days to secure substitute counsel, and the Clerk will schedule a Pre-Hearing Conference pursuant to Rule 6.
- E. If a continuance is sought due to an illness or disability affecting the Hearing Officer, and the Hearing Officer cannot proceed within the time-period set forth in Rule 16, the Hearing Officer will be recused, and the Clerk will appoint a new Hearing Officer pursuant to Rule 4 and schedule a new Pre-Hearing Conference pursuant to Rule 7.



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- F. If good cause is found to exist to reschedule a Hearing, the Hearing Officer will order the Clerk to propose new hearing dates no more than sixty (60) days from the date of the previously scheduled hearing. The Hearing Officer will order the Clerk to schedule a Pre-Hearing Conference only if it is determined that the Parties are unable to agree upon a new hearing date proposed by the Clerk.
- G. Until such time as the matter has been referred to the Board, the Hearing Officer will maintain jurisdiction over the matter and, upon any terms as may be just, may relieve a party from an order, or other action taken against that Party through mistake, inadvertence, surprise, or excusable neglect on the part of the Party. Application for this relief will be made within a reasonable time. Once the matter has been placed on the Board agenda, the Hearing Officer will no longer have jurisdiction.

Rule 15. Action by the Board

- A. The Clerk will refer the Hearing Officer's Proposed Findings of Fact and Recommended Decision as well as any related objections to the Board for its consideration.
- B. The Clerk will place the matter on the agenda of a regular meeting of the Board within one (1) calendar month after the later of the date the Clerk receives the Hearing Officer's Proposed Findings of Fact and Recommended Decision; or the date the Clerk receives the Hearing Officer's Response to Objections following any objections from the Parties.
- C. The Clerk will provide written notice to the Parties, Hearing Officer, and Employer of the time and date of the regular meeting where the matter will be placed on the Board's agenda for action. The Parties will have the opportunity to be heard at the Board meeting. On matters which are on the Board agenda, the Applicant (or their Attorney) is limited to a ten (10) minute presentation; Respondent is limited to a seven (7) minute response; and the Applicant (or their Attorney) is then limited to a three (3) minute rebuttal. The Board Chair (or their designee) has the discretion to extend any Parties' time.
- D. The Applicant (or their Attorney) may request that their matter be removed from the Board agenda. The Clerk will grant one (1) continuance of the matter to the next regular meeting of the Board. No additional continuances will be granted. If Applicant wishes to delay the referral of their matter to the Board beyond the one-month extension, they will be required to appear before the Board and show cause as to why an additional extension should be granted. If granted, the matter will be referred to the to the next regular meeting of the Board. No additional continuances will be granted.
- E. Good cause for this the purposes of this Rule will be granted for the following:
 - 1. The illness of the Applicant or their Attorney.
 - 2. The illness of an Applicant's immediate family member (i.e., Spouse, child, mother, father.)
- F. Pursuant to Government Code Section 31534, after reviewing the Hearing Officer's Proposed Findings of Fact and Recommended Decision and any related objections/requests for clarification, the Board may:



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1. Approve and adopt the Proposed Findings of Fact and Recommended Decision of the Hearing Officer; or
 2. Require a transcript or summary of all testimony, plus all other evidence received by the Hearing Officer; and upon receipt thereof, take such action as the Board in its opinion is indicated by such evidence; or
 3. Refer the matter back with or without instructions to the Hearing Officer for further proceedings; or
 4. Set the matter for hearing before itself. At such hearing, the Board will hear and decide the matter.
- G. In any case where the Board decides to act under Rule 15.F.2. or 15.F.4., the Board may approve and adopt the Proposed Findings of Fact and Recommended Decision of the Hearing Officer or prepare its own Findings of Fact and Decision, either itself or through direction to Staff with its approval.
- H. In any case where the Board decides to act under Rule 15.F.3. the Clerk will notify the Hearing Officer of the Board's action no more than five (5) days from the Board meeting. The Applicant will have thirty (30) days to submit additional evidence. The Hearing Officer will then have sixty (60) days to review the additional evidence and issue their Findings. Any Party will have ten (10) days to file objections, with any opposition due ten (10) days later. The Clerk will place the matter on the Board agenda in accordance with Rule 15.B.
- I. In any case where the Board decides to act under Rule 15.F.4. the Board Chair (or their designee) will act as the Hearing Officer and will establish a hearing date and briefing schedule. Applicant's opening brief will be filed with the Clerk no more than sixty (60) days before the date of the Board hearing. Respondent(s) opening brief will be due no more than thirty (30) before the date of the Board hearing. The Applicant will then have until twenty (20) days before the date of the Board hearing to file a reply brief. Each brief will be no more than five (5) pages in length excluding exhibits. Once the Board hearing date has been set, no continuances will be granted.

At the conclusion of the Board hearing the record will be closed.

A court reporter will be provided at OCERS' expense to transcribe the Hearing. The court reporter will lodge the transcript with the Clerk and serve a copy on the Party(ies), within twenty (20) days from the Hearing.

The Applicant will have thirty (30) days from the date the hearing transcript is lodged to file their closing brief. Respondent will then have thirty (30) days to file its closing brief. Applicant will then have twenty (20) days to file a reply brief. Each brief will be no more than five (5) pages in length.

Following the Hearing before the Board, or consideration of the Hearing Officer's Proposed Findings of Fact and Recommended Decision, a Statement of Decision will be issued and the Clerk will notify the Applicant (or their Attorney), Hearing Officer, and the Employer by email of the Board's final action. Any Party aggrieved by the Board's decision may petition the Superior Court for judicial



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review as provided by law. The time for any party to seek judicial review will be governed by the California Code of Civil Procedure Section 1094.6.

Rule 16. Dismissal for Non-Compliance.

Except as otherwise provided, if the Applicant fails to comply with any of these Rules after two (2) written warnings from the Clerk, the Hearing Officer will dismiss the Hearing and the matter will proceed as if no Request for Administrative Review or Hearing had been filed. The Application will be referred to the Board at its next regular meeting following dismissal by the Hearing Officer. The Board's decision will be final.



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

I. Purpose

This OCERS Administrative Procedure ("OAP") describes the applicable legal standards and processes for determining the effective date of a member's disability retirement.

II. Authority

This OAP is established by OCERS' Chief Executive Officer ("CEO") pursuant to the CEO Charter, in conformance with applicable Board policies and in compliance with the provisions of the County Employees Retirement Law (Title 3, Division 4, Part 3, Chapter 3 & 3.9 of the California Government Code, sections 31450, et seq.) ("CERL") and the Public Employees' Pension Reform Act (Government Code sections 7522, et seq.) ("PEPRA"). The primary legal authority governing the effective date of a disability retirement is Government Code Section 31724 ("Section 31724"), which provides that if the Board approves a disability retirement application, the Effective Date of disability retirement will generally be **the later of**:

- a) The Application Date (as defined in Section III below); or
- b) The day following the last day for which the member received Regular Compensation (as defined by the CERL and Sections III and IV below).

III. Definitions

The terms used in this OAP are defined below.

- **4850 Pay** means any compensation paid to a member for a leave of absence pursuant to California Labor Code section 4850. 4850 Pay is usually paid only to safety members.
- **Application Date** means the date a completed application for disability retirement is filed with OCERS.
- **Earlier Effective Date** means the date an application for disability retirement is "deemed filed" under the second paragraph of Section 31724 due to delay in when the actual filing of the application was delayed by reason of administrative oversight on the part of OCERS or the inability of the member to ascertain the permanency of their incapacity until after the date following the day for which the member last received Regular Compensation.
- **Effective Date** means the date on which a disability retirement becomes effective and the date from which a disability retirement allowance is first payable.
- **Regular Compensation -- Types of Pay Considered to be Regular Compensation**
In addition to the member's Regular Pay, Regular Compensation also includes the following types of pay received while the member is on leave:
 - a) 4850 Pay;
 - b) annual leave/sick leave/vacation pay when received for time taken off;



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

- c) holiday pay, comp time, or other paid time off;
 - d) catastrophic leave pay donated by co-workers, provided contributions are withheld; and
 - e) supplemental Workers' Compensation pay in excess of Temporary Total Disability payable pursuant to Workers' Compensation (TTD), provided contributions are withheld.
- **Regular Compensation -- Types of Pay Not Considered to be Regular Compensation**
The types of pay that are NOT considered Regular Compensation include:
 - a) TTD payments;
 - b) accrued time paid in a lump sum (e.g., terminal pay, OCTA hardship pay); and
 - c) any other pay for which no contributions are withheld and/or work for which service credit is not earned.
 - **Regular Pay** is a type of Regular Compensation and means compensation of any kind or amount that the employer pays to the member:
 - a) at the member's regular rate of pay;
 - b) for employment in the member's regular position;
 - c) for actually working or for an absence from work; and
 - d) for which contributions are withheld and service credit is earned.

IV. Determining Disability Effective Date

General Rule -- Application Date is the Effective Date

In most cases, the Effective Date will be the Application Date.

EXAMPLE 1

- a) Member receives Regular Compensation for regular pay periods through December 1, 2017.
- b) Member submits application for disability retirement on February 1, 2018.
- c) Member ~~was will be~~ granted a disability retirement ~~(and the allowance will be payable)~~ with an Effective Date of February 1, 2018, ~~(unless they are~~ granted an earlier effective date as detailed below).

Exception -- Day After Final Date of Regular Compensation is the Effective Date

If, after the Application Date, the member ~~continues to receive~~ Regular Compensation (as defined in Section III above), then the Effective Date will be the day after the last day of Regular Compensation.

EXAMPLE 2

- ~~a. Member submits application for disability retirement on February 1, 2018.~~
- ~~b. Member continues to receive Regular Compensation through June 1, 2018.~~

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OCERS Administrative Procedure (OAP)
Effective Date of Disability Retirement Allowance

- ~~a) Member will be granted a disability retirement with an Effective Date of June 2, 2018.~~
- ~~b) Member continues to receive Regular Compensation through June 1, 2018.~~
- ~~c) Member will be granted a disability retirement with an Effective Date of June 2, 2018.~~



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

Compression of Hours—Delay in Final Date of Regular Compensation

When a member is away from work due to illness or injury for an extended period of time and receives Regular Compensation intermittently or in amounts less than the full amount of the member's Regular Pay for a single pay period (usually 80 hours), the intermittent nature of the Regular Compensation may unreasonably extend the Effective Date of the disability retirement allowance under a strict interpretation of the language of Section 31724.

OCERS has determined that such intermittent Regular Compensation should be "compressed" by aggregating the hours for which intermittent Regular Compensation was received into full Regular Pay periods, typically 80 hours a pay period. This form of aggregation or compression provides a fair and accurate Effective Date without resulting in an unfair advantage or overstating a member's disability allowance.

EXAMPLE 3 — Effective Date as the day after the last day of Regular Compensation ~~without compression:~~

- a) Member submits application for disability retirement on February 1, 2020.
- ~~b) Member received last full Regular Pay for the 80-hour pay period ending on February 13, 2020.~~
- ~~c) Member continues to subsequently receive Regular Compensation in the form of intermittent sporadic or intermittent payments of annual leave and catastrophic leave payments equal to 160 hours through the paid leave, last occurring pay period ending on June 4, 2020.~~
- ~~d) Member will be granted a disability retirement with an Effective Date would be of June 5, 2020.~~
- ~~c) _____~~

EXAMPLE 4 — Effective Date the day after last day of Regular Compensation ~~with compression:~~

- ~~a) Member submits application for disability retirement on February 1, 2020.~~
- ~~b) Member received last full Regular Pay for the 80-hour pay period ending on February 13, 2020.~~
- ~~c) Member continues to receive Regular Compensation in the form of intermittent payments of annual leave and catastrophic leave totaling 160 hours through the pay period ending on June 4, 2020.~~
- ~~d) The 160 hours of intermittent payments are compressed into two full 80-hour pay periods and added to the period ending March 12, 2020.~~
- ~~e) The Effective Date becomes March 13, 2020, eighty-three days earlier than without compression.~~

Compressing the hours associated with intermittent payments of Regular Compensation into full 80-hour pay periods results in an earlier last Regular Compensation date and thus an earlier Effective Date, and disability benefits start sooner. This compression process protects a member from the adverse impact intermittent Regular Compensation would otherwise have on their Effective Date.

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OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

Request for an Earlier Effective Date

Pursuant to Section 31724³, a member may request the Board approve an earlier Effective Date if the member can establish that the delay in filing the member's application was due to 1) an administrative oversight ~~on the part of OCERS~~; or 2) an inability on the part of the member to ascertain the permanency of their incapacity until after the date following the day for which the member last received Regular Compensation.

Delay due to administrative oversight. If a member ~~is able to demonstrate~~s that the timely filing of their disability retirement application was delayed ~~or not recognized~~ due to administrative oversight (e.g., an error on the part of OCERS or the member's employer), an earlier Effective Date will be granted, and the Effective Date will be the day after the last day of Regular Compensation.

Inability to ascertain permanent incapacity. If a member ~~is able to demonstrate~~s that they ~~member was/were~~ not able to ascertain the permanency of their incapacity until **after** the date the member last received Regular Compensation, an earlier Effective Date will be granted; and the Effective Date will be the day after the last day of Regular Compensation. ~~However, if the Board determines that the member unreasonably delayed in filing the disability retirement application until after the member knew or should have known of the permanency of their incapacity, the Board may conclude that entitlement to an earlier Effective Date has not been established.~~

¹ The second paragraph of Section 31724 states:

When it has been demonstrated to the satisfaction of the board that the filing of the member's application was delayed by administrative oversight or by inability to ascertain the permanency of the member's incapacity until after the date following the day for which the member last received regular compensation, such date will be deemed to be the date the application was filed.

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OCERS Administrative Procedure (OAP)
Effective Date of Disability Retirement Allowance



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

I. Purpose

This OCERS Administrative Procedure (“OAP”) describes the applicable legal standards and processes for determining the effective date of a member’s disability retirement.

II. Authority

This OAP is established by OCERS’ Chief Executive Officer (“CEO”) pursuant to the CEO Charter, in conformance with applicable Board policies and in compliance with the provisions of the County Employees Retirement Law (Title 3, Division 4, Part 3, Chapter 3 & 3.9 of the California Government Code, sections 31450, et seq.) (“CERL”) and the Public Employees’ Pension Reform Act (Government Code sections 7522, et seq.) (“PEPRA”). The primary legal authority governing the effective date of a disability retirement is Government Code Section 31724 (“Section 31724”), which provides that if the Board approves a disability retirement application, the Effective Date of disability retirement will generally be **the later of**:

- a) The Application Date (as defined in Section III below); or
- b) The day following the last day for which the member received Regular Compensation (as defined by the CERL and Sections III and IV below).

III. Definitions

The terms used in this OAP are defined below.

- **4850 Pay** means any compensation paid to a member for a leave of absence pursuant to California Labor Code section 4850. 4850 Pay is usually paid only to safety members.
- **Application Date** means the date a completed application for disability retirement is filed with OCERS.
- **Earlier Effective Date** means the date an application for disability retirement is "deemed filed" when the actual filing of the application was delayed by reason of administrative oversight or the inability of the member to ascertain the permanency of their incapacity until after the date following the day for which the member last received Regular Compensation.
- **Effective Date** means the date on which a disability retirement becomes effective and the date from which a disability retirement allowance is first payable.
- **Regular Compensation -- Types of Pay Considered to be Regular Compensation**
In addition to the member’s Regular Pay, Regular Compensation also includes the following types of pay received while the member is on leave:
 - a) 4850 Pay;
 - b) annual leave/sick leave/vacation pay when received for time taken off;



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

- c) holiday pay, comp time, or other paid time off;
- d) catastrophic leave pay donated by co-workers, provided contributions are withheld; and
- e) supplemental Workers’ Compensation pay in excess of Temporary Total Disability payable pursuant to Workers’ Compensation (TTD), provided contributions are withheld.

• **Regular Compensation -- Types of Pay Not Considered to be Regular Compensation**

The types of pay that are NOT considered Regular Compensation include:

- a) TTD payments;
- b) accrued time paid in a lump sum (e.g., terminal pay, OCTA hardship pay); and
- c) any other pay for which no contributions are withheld and/or work for which service credit is not earned.

• **Regular Pay** is a type of Regular Compensation and means compensation of any kind or amount that the employer pays to the member:

- a) at the member's regular rate of pay;
- b) for employment in the member's regular position;
- c) for actually working or for an absence from work; and
- d) for which contributions are withheld and service credit is earned.

IV. Determining Disability Effective Date

General Rule -- Application Date is the Effective Date

In most cases, the Effective Date will be the Application Date.

EXAMPLE 1

- a) Member receives Regular Compensation for regular pay periods through December 1, 2017.
- b) Member submits application for disability retirement on February 1, 2018.
- c) Member will be granted a disability retirement with an Effective Date of February 1, 2018, unless they are granted an earlier effective date as detailed below.

Exception – Day After Final Date of Regular Compensation is the Effective Date

If, after the Application Date, the member receives Regular Compensation (as defined in Section III above), then the Effective Date will be the day after the last day of Regular Compensation.

EXAMPLE 2

- a) Member submits application for disability retirement on February 1, 2018.
- b) Member continues to receive Regular Compensation through June 1, 2018.
- c) Member will be granted a disability retirement with an Effective Date of June 2, 2018.



OCERS Administrative Procedure (OAP) Effective Date of Disability Retirement Allowance

EXAMPLE 3

- a) Member submits application for disability retirement on February 1, 2020.
- b) Member subsequently receives Regular Compensation in the form of sporadic or intermittent paid leave, last occurring on June 4, 2020.
- c) Member will be granted a disability retirement with an Effective Date of June 5, 2020.

Request for an Earlier Effective Date

Pursuant to Section 31724¹, a member may request the Board approve an earlier Effective Date if the member can establish that the delay in filing the member’s application was due to 1) an administrative oversight; or 2) an inability on the part of the member to ascertain the permanency of their incapacity until after the date following the day for which the member last received Regular Compensation.

Delay due to administrative oversight. If a member demonstrates that the timely filing of their disability retirement application was delayed due to administrative oversight (e.g., an error on the part of OCERS or the member's employer), an earlier Effective Date will be granted, and the Effective Date will be the day after the last day of Regular Compensation.

Inability to ascertain permanent incapacity. If a member demonstrates that they were not able to ascertain the permanency of their incapacity until **after** the date the member last received Regular Compensation, an earlier Effective Date will be granted; and the Effective Date will be the day after the last day of Regular Compensation.

¹ The second paragraph of Section 31724 states:

When it has been demonstrated to the satisfaction of the board that the filing of the member's application was delayed by administrative oversight or by inability to ascertain the permanency of the member's incapacity until after the date following the day for which the member last received regular compensation, such date will be deemed to be the date the application was filed.



Memorandum

DATE: October 16, 2023
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **OCERS 2025-2027 BUSINESS AND STRATEGIC PLAN**

Recommendation

Approve the OCERS 2025-2027 Business and Strategic Plan as modified.

Background

At the September 2024 Strategic Planning Workshop, Mr. Tsao and I presented a new draft version of the OCERS strategic plan, modified to include the upcoming 2025 business plan. That combined document is now titled the OCERS 2025-2027 BUSINESS AND STRATEGIC PLAN.

During the September presentation I had shared with the Board that OCERS staff's recent discussions with the Texas County and District Retirement System (TCDRS) regarding that system's impressive movement to digitalization had us possibly rethinking some of our proposed efforts in 2025 and beyond.

Mr. Tsao and I will review the attached presentation with the Board on Monday, October 21, and we will include some thoughts on how the TCDRS journey may be relevant to our own Vision 2030 goals.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



Proposed 2025-2027 Strategic and Business Plan

October 21, 2024

Steve Delaney, Chief Executive Officer
Will Tsao, Director of EP MO



Mission, Vision, and Values

Mission Statement

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

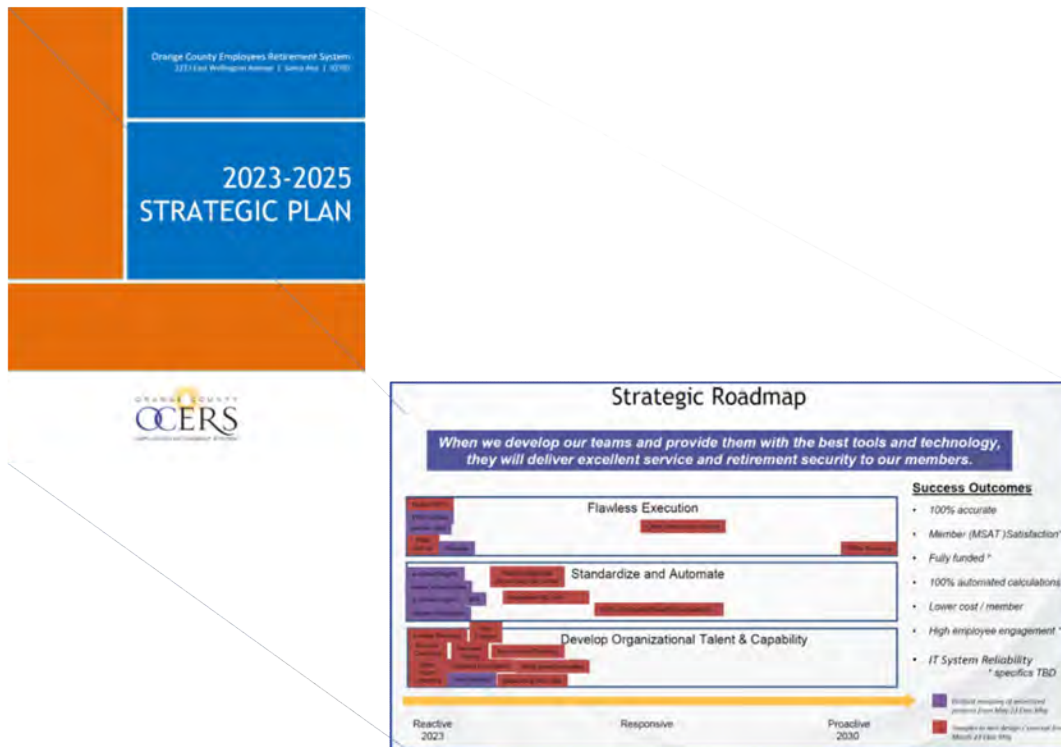
Vision Statement

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

Values

Open and Transparent
Commitment to Superior Service
Engaged and Dedicated Workforce
Reliable and Accurate
Secure and Sustainable

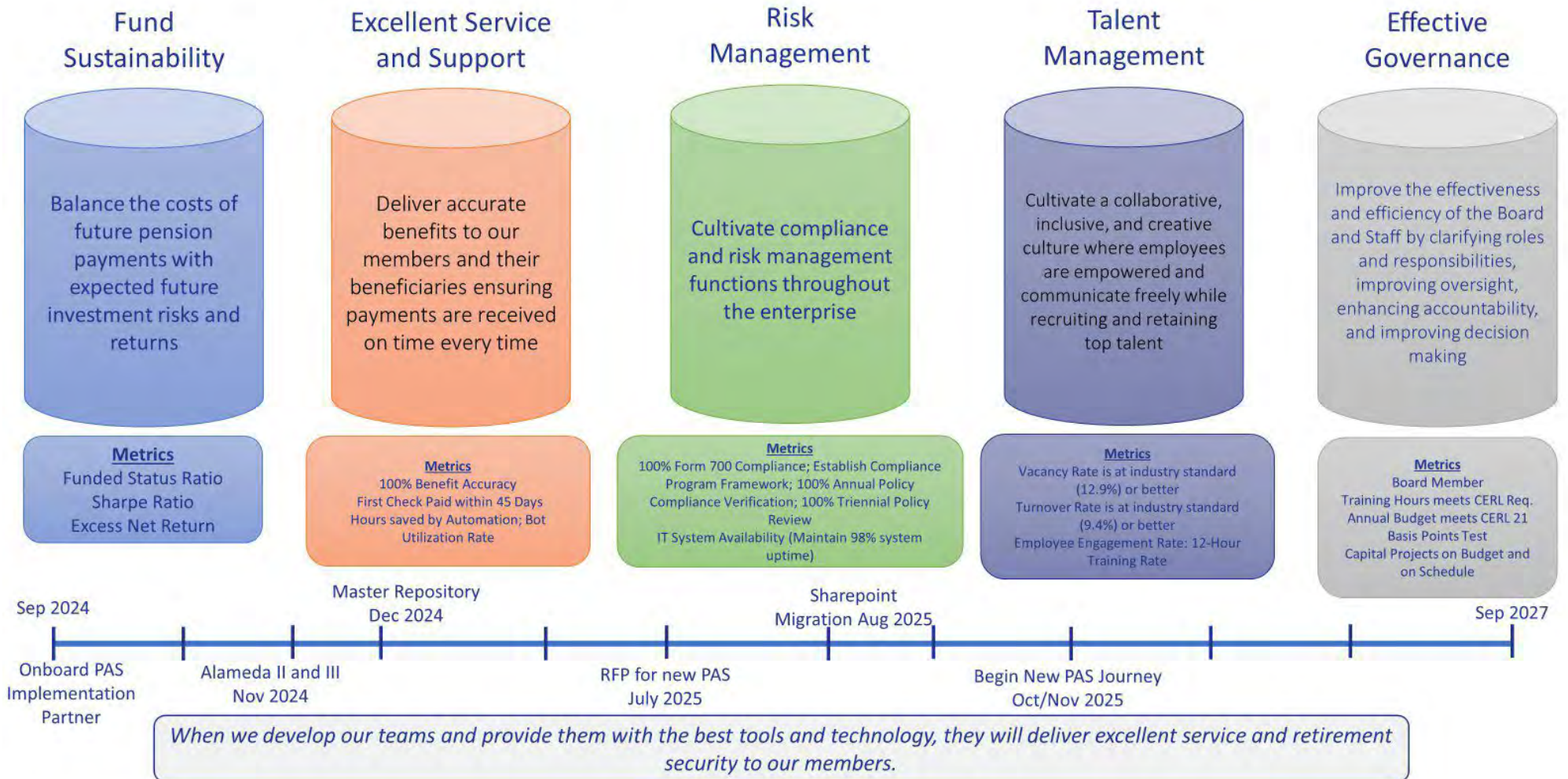
A Year Ago



- Developed a Strategic Roadmap from the Senior's offsite
- Gave us perspective on what areas of our Strategic Plan needed tweaking to ensure we stay the course towards Vision 2030
- Added performance metrics to help us



OCERS STRATEGIC ROADMAP



New Look, Same Mission

- Traditional Strategic and Business Plan format has gone largely unchanged for over 7 years and has often raised questions about the distinction between the two
- This year, we have combined our strategic and business plan into one document to simplify and streamline our business strategy
- Shows the linkage between the strategic goal and the initiatives we aim to accomplish in the following years to further our progress towards meeting our goal



FUND SUSTAINABILITY

Balance the costs of future pension payments with expected future investment risks and returns

- Performance Metric: Funded Status Ratio greater than 100%
- Performance Metric: Sharpe Ratio above peer median
- Performance Metric: Excess net return over Actuarial Expected Return



Fund Sustainability

Objective 1: Achieve Fully Funded Status

- **Initiative 1A:** Create contingency plans based upon different hypothetical scenarios that show impacts, potential risks, and other data that would enable us to proactively make/provide sound, financial decisions/recommendations to governance and stakeholders (ongoing: Investments)
- **Initiative 1B:** Foster collaborative communication designed to keep stakeholders better informed as they make their decisions (ongoing: Investments)

Objective 2: Achieve a Risk-Adjusted Return Above the Peer Median Over a Trailing 10-Year Period

- **Initiative 2A:** Utilize consultants, custodians, technology solutions, and risk management tools to monitor and simulate portfolio risks to aid in the design and execution of risk-aware investment strategies (ongoing: Investments)

Objective 3: Achieve the OCERS' Actuarial Expected Rate of Return Over a Trailing 10-Year Period

- **Initiative 3A:** Create and execute asset allocation models designed to achieve the actuarial expected return with a greater than 50% probability based on a 20-year investment horizon (ongoing: Investments)



EXCELLENT SERVICE AND SUPPORT

Deliver accurate benefits to our members and their beneficiaries ensuring payments are received on time every time

- Performance Metric: 100% Accurate
- Performance Metric: First Check Paid within 45 Days
- Performance Metric: Hours Saved by Automation (increase by 1% over the next year); Bot Utilization (increase by 1% over the next year)



Excellent Service and Support

Objective 1: Provide world-class service and support to our Employers, Members, and Payees

- **Initiative 1A:** Provide retirement and benefits education and resources.
 - Create educational videos for our members for viewing on our website (2025: Communications)
 - Targeted Postcards (2025: Communications/Operations Support Services)
 - Update and redesign Summary Plan Descriptions (SPD) (2025: Communications/Legal)
 - Plan and execute the OCERS 80th Anniversary Celebration Event (2025: Communications/All)
- **Initiative 1B:** Enhance User Experience
 - Continue updating forms including fillable PDF functionality (2025: Communications/Member Services)
 - Investigate options for secure messaging from members and employers to submit proof documents and member affidavits (2027: Member Services/Information Technology)
 - Increase customer surveys and survey satisfaction analytics (2025: Communications/Member Services)



Excellent Service and Support

Objective 2: Continuously improve business processes and procedures to be efficient and effective

- **Initiative 2A:** Work with all employers regarding the data requirements needed to automate the reporting of data through their payroll system (ongoing)
- **Initiative 2B:** Continue preparation work for the next generation Pension Administration System.
 - Execute Phase 2 of master repository for procedures and business process documents (2026: Enterprise Project Management Office/All)
 - Procure a new Pension Administration System (2025 and beyond: Executive/All)
 - Implement V3 data validation and clean-up procedures (2025: Member Services)
- **Initiative 2C:** Continue the investigation and implementation of Intelligent Automation initiatives.
 - Implement an Electronic Content and Document Management System (Enterprise Project Management Office; Deferred to PAS)
 - SharePoint Migration (2025: Information Technology/All)
 - Continue implementing Robotic Process Automation use cases: Phase 2 (2025 and beyond: Information Technology/Member Services)
 - Leverage Azure Power Platform (2025: Information Technology/All)



RISK MANAGEMENT

Cultivate compliance and risk management functions throughout the enterprise

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



Risk Management

Objective 1: Reduce risk by identifying gaps through compliance monitoring

- **Initiative 1A:** Continue building an agency-wide Compliance Program that reflects industry frameworks and best practices (2025 and beyond: Compliance)
- **Initiative 1B:** Develop Risk Management Performance Metrics (2027: Compliance/All)

Objective 2: Provide information systems that support the agency's administrative and operational needs

- **Initiative 2A:** Investigate and upgrade systems to reduce risk and eliminate single points of failure
 - Plan and implement Azure Cloud Migration (2025: Information Technology)
 - Explore the use of Artificial Intelligence (AI) and Machine Learning (ML) to detect fraudulent transactions in Member Self Service Portal (2025: Information Security/Information Technology/Member Services)

Objective 3: Provide a safe and secure workspace and public service facility

- **Initiative 3A:** Design and build a replacement OCERS headquarters facility (through 2027: Operations Support Services/All)



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



Talent Management

Objective 1: Recruit and Retain a diverse high-performing workforce to meet organizational priorities

- **Initiative 1A:** Pursue moving the workforce to be 100% employed by OCERS as a single agency.
 - Continue to develop a proposed plan for transitioning County positions assigned to OCERS to be employees of OCERS
 - Pursue legislation to allow 100% OCERS direct workforce (2025 and beyond: Legal/Executive)
- **Initiative 1B:** Develop a long-range Agency-wide staffing plan.
 - Prepare Department organization charts indicating additional positions to be recommended and address backfilling positions to dedicate Subject Matter Experts to the next-generation Pension Administration System project (2025: Human Resources/All)
 - Revamp the Careers webpage on the OCERS website (2025: Human Resources/All)
- **Initiative 1C:** Create and implement a talent management program to assist in succession planning (2025: Executive/All)



Talent Management

Objective 2: Develop and empower every member of the team

- **Initiative 2A:** Launch in-depth training programs to enhance employee skills in key areas. (2025 and beyond: Human Resources/All)
 - Advance the creation of tailored training initiatives for individual career development, cross-departmental collaboration, and mid-level leadership development (2025: Human Resources/All)
 - Develop and implement an Artificial Intelligence training program to enhance employees' proficiency in using AI technologies (2025: Human Resources/Information Security/Information Technology)

Objective 3: Cultivate a collaborative, inclusive, and creative culture

- **Initiative 3A:** Continue to implement talent maximization strategies that promote diverse, equitable, and inclusive workplace. (2025: Human Resources/All)
- **Initiative 3B:** Enhance mental health awareness.
 - Expand onsite mental health awareness resources (2025 and beyond: Human Resources/Executive)



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 Projects on Budget and on Schedule



Effective Governance

Objective 1: Employ a governance structure that supports a dynamic system

- **Initiative 1A:** Create a governance structure for Artificial Intelligence
 - Create an effective AI oversight committee (2025: Executive)

Objective 2: Stay within the statutory limit of CERL 21 Basis Points Test

- **Initiative 2A:** Continue to monitor and report the basis points test through the budget process (ongoing)

Objective 3: Continue to build out the Enterprise Project Management Office

- **Initiative 3A:** Continue to ensure Enterprise-wide projects are allocated as Work-In-Progress (WIP) properly and prioritized as appropriate (ongoing)



Recommendation

- Approve the 2025-2027 Strategic and Business Plan as modified

Or

- Provide direction for alternative modifications



Questions?





Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: 2025 STAFFING PLAN

Recommendation

The Personnel Committee recommends the Board of Retirement approve the following personnel costs in the 2025 OCERS Staffing Plan:

- 1. APPROVE THE ADDITION OF 4 NEW POSITIONS TO THE 2025 BUDGETED HEADCOUNT**
 - A. Add one IT Intern position to the Information Technology Department – Extra Help
 - B. Add two Investment Analyst positions to the Investment Department – OCERS Direct
 - C. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct
- 2. REMOVE 2 CURRENTLY VACANT POSITIONS FROM THE PROPOSED 2025 BUDGETED HEADCOUNT**
 - A. Deputy General Counsel – OCERS Direct
 - B. Retirement Benefits Technician – County

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.

Background/Discussion

Each year, I collaborate with Department Heads to evaluate the staffing plan and identify the talent required to support OCERS operations. This year, we introduced a more rigorous process for the OCERS Leadership team to request new positions, developed by our HR Consultant, Leverage HR. The new process includes two layers of review for new position requests, first by a roundtable of OCERS Directors and Senior Executives before they can be presented to the Personnel Committee. As a result of this process, we are requesting approval for four (4) new positions.

At the Personnel Committee meeting held on August 27, 2024, the Committee approved the addition of two (2) Full-Time Equivalent (FTE) positions and one (1) Extra Help position, increasing OCERS total headcount for the proposed 2025 staffing plan from 133 to 136. The Committee also requested further justification for a Project Analyst for the Enterprise Project Management Office (EPMO). After internal discussions, we determined that the most effective way to support the EPMO is by repurposing a currently vacant and budgeted Staff Assistant career ladder from the Disabilities department to the EPMO. As a result, we have withdrawn this item from our request.

At the Strategic Planning Workshop and Education Forum held on September 10-11, 2024, executive management and I presented Vision 2030, which included a proposal to create a new position for a Chief Technology Officer (CTO) to address OCERS technological needs as we move closer to achieving our goals for Vision 2030.

On October 8, 2024, the Personnel Committee approved the recommendation to the OCERS Board for the addition of a new Chief Technology Officer position and reallocating resources by removing two currently vacant positions: Deputy General Counsel and Retirement Benefits Technician. The net impact of this recommendation results in a decrease of one (1) position from previously approved headcount, reducing the proposed staffing plan headcount for 2025 from 136 as approved by the Committee in August down to 135.

A summary of the request is listed below, and a detailed description is attached to this memo.

These requests will result in a net increase of two (2) positions, bringing OCERS' budgeted headcount from 133 to 135.

1. APPROVE THE ADDITION OF 4 POSITIONS TO THE 2025 BUDGETED HEADCOUNT

1A. ADD ONE POSITION TO THE INFORMATION TECHNOLOGY DEPARTMENT

Having an intern as an additional resource to focus on first-level support requests and routine department activities allows current IT Operations team members more time to focus on higher-priority technical items. This will help maintain the organization’s efficiency and effectiveness and reduce delays.

OCERS is constantly evolving, and our IT needs are growing in complexity. To stay competitive and innovative, we must ensure that our IT Operations department is well-equipped with the skills and manpower needed to support our operations. Hiring an IT Intern for the IT Operations team can help address some of the pressing challenges and opportunities in this regard.

- **Cost-Effective:** Hiring an intern is a cost-effective approach to addressing our IT needs. Interns are typically paid less than full-time employees, making them a budget-friendly solution for supporting our IT Operations department.
- **Talent Pipeline:** An internship program can serve as a talent pipeline for future full-time hires. We can identify high-potential candidates during their internship and potentially offer them positions in our agency upon graduation.
- **Increased Productivity:** With additional support from an intern, we can keep up with routine maintenance and support tasks, leading to increased overall productivity and faster resolution of technical issues. Interns are often highly motivated and can quickly adapt to new technologies. Their eagerness to learn and prove themselves will enable us to maintain and improve our IT infrastructure in a more efficient manner.

Position Title	Salary Range	Proposed Budgeted Salary	2025 Budget Impact – Salary and Fringe	Annual Budget Impact – Salary and Fringe
IT Operations Intern (full year)	\$21,076 (960 hours max)	\$21,076	\$21,076	\$21,076

1B. ADD TWO POSITIONS TO THE INVESTMENT DIVISION

The Investment Analysts provide support for investments, analytics, and operations functions within the Investments Division. The analysts are on a rotational position across six asset classes plus portfolio analytics/operations. Analysts provide analytical and operational support for all funds within an asset class.

Currently, each analyst supports 53 funds on average. With the proposed addition of two new positions, each analyst would support 37 funds on average.

The positions will reduce the fund load for each analyst. This will increase the amount of time an analyst has to provide analytical support and monitoring support for each fund in the portfolio. In addition, the additional resources will be valuable to improved data management across the portfolio.

OCERS’ Assets Under Management (AUM) have grown from \$14+ billion to \$23+ billion since 2017. OCERS’ internal modelling predicts that the AUM of the system will be nearly \$30 billion by 2027. With the addition of co-investments, the OCERS Investments Team estimates that there should be one-headcount position for every \$1.5 billion in AUM. The Investments Division strives to hire slowly and remain slightly behind AUM growth. That way, there is a buffer in case a market correction occurs. In addition, the Investments Team continues to explore technology solutions to improve efficiencies before hiring staff.

Position Title	Salary Range	Proposed Budgeted Salary	2025 Budget Impact – Salary and Fringe	Annual Budget Impact – Salary and Fringe
Investment Analyst (full year)	\$87,821 - \$127,340	\$107,580	\$166,750	\$166,750
Investment Analyst (Q4 2025)	\$87,821 - \$127,340	\$107,580	\$41,687	\$166,750

1C. ADD THE POSITION OF A CHIEF TECHNOLOGY OFFICER TO THE EXECUTIVE DEPARTMENT

As OCERS advances towards its Vision 2030 goals, aiming to fully automate the retirement benefit calculation process, it has become evident that the surge of new technologies post-ChatGPT presents a significant opportunity for integration across all departments. To better capitalize on these innovations, the creation of a dedicated Chief Technology Officer (CTO) role is worth considering. While our current Director of Information Technology excels in managing OCERS' day-to-day IT needs, the rapid evolution of technology is prompting many organizations to adopt both tactical and strategic leadership roles. Establishing both an IT Director and a CTO could provide valuable benefits, particularly given the growing size and complexity of OCERS.

- **Strategic Focus:** Responsible for shaping the organization's long-term technology strategy and vision, developing a roadmap for adopting and integrating new technologies.
- **Innovation:** Identifies and evaluates emerging technologies, assesses their potential impact, and ensures technology initiatives align with the agency’s broader business objectives.
- **Leadership:** This position plays a key role in high-level decision-making, driving technological innovation, and ensuring technology investments support the organization's growth and future direction.
- **Strategic Focus:** Concentrates on the organization's long-term technology strategy and vision.
- Develops the roadmap for adopting and integrating new technology.
- **Innovation:** Identifies emerging technologies, evaluates their potential impact, and aligns technology initiatives with the agency’s overall business goals.
- **Leadership:** Often involved in high-level decision-making, driving technological innovation, and ensuring that technology investments support the company's growth and future direction.

Position Title	Salary Range	Proposed Budgeted Salary	Annual Budget Impact – Salary and Fringe
ADD: Chief Technology Officer – OCERS Direct	\$194,578 - \$301,594	\$248,086	\$384,533
REMOVE: Deputy General Counsel – OCERS Direct	\$156,627 - \$242,771	\$(228,800)	\$(354,640)
REMOVE: Retirement Benefits Technician - County	\$44,366- \$58,905	\$(58,905)	\$(91,303)

2. REMOVE 2 CURRENTLY VACANT POSITIONS FROM THE PROPOSED 2025 BUDGETED HEADCOUNT

- A. Deputy General Counsel – OCERS Direct
- B. Retirement Benefits Technician – County

Conclusion:

I am proposing the addition of four (4) new positions and the removal of two (2) currently vacant positions from the 2025 Staffing Plan. These requests will result in a net increase of two (2) positions, bringing OCERS' budgeted headcount from 133 to 135. The total annual cost for these positions is outlined above, with an estimated increase in personnel expenses of \$293,166. Due to the timing of these hires, the projected budget impact for 2025 is anticipated to be \$168,103.

Attachments

1. 2025 Staffing Plan – Presentation
2. 2025 Staffing Plan - Appendix
3. 2025 Staffing Plan - Information Technology Request Memo
4. 2025 Staffing Plan - Investments Request Memo
5. 2025 Staffing Plan – CTO Request Memo
6. Appendix 1 OCERS Organizational Chart 2024
7. Appendix 2 OCERS Organizational Chart 2025

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



2025 Staffing Plan

PRESENTATION

Steve Delaney
Chief Executive Officer

Cynthia Hockless
Director of Human Resources



2024 Budgeted Headcount:

2024	
Total Budgeted Headcount	133
OCERS Direct	59
County	70
Extra Help OCERS Direct	0
Extra Help County	4



Recommendation:

- 1. Approve the addition of 4 new positions to the 2025 Budgeted Headcount**
 - A. Add one IT Intern position to the Information Technology Department – Extra Help
 - B. Add two Investment Analyst positions to the Investment Department – OCERS Direct
 - C. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct

- 2. Remove 2 currently vacant positions from the proposed 2025 Budgeted Headcount**
 - A. Deputy General Counsel – OCERS Direct
 - B. Retirement Benefits Technician – County

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.





2025 Staffing Plan

INFORMATION TECHNOLOGY

Jenny Sadoski
Director of Information Technology



Recommendation:

Approve the addition of one IT Operations Intern with a proposed 2025 budget impact of \$21,076:

Position Title	Salary Range	Proposed Budgeted Salary	2025 Budget Impact – Salary and Fringe	Annual Budget Impact – Salary and Fringe
IT Operations Intern (full year)	\$21,076 (960 hours max)	\$21,076	\$21,076	\$21,076



Background:

Increased workload:

- As OCERS grows and we add more people, consultants and technology, the need for support increases
- Adoption of new policies means updates to our processes to meet new compliance requirements
- Increased requests for technology solutions to reduce manual work and take advantage of new emerging technologies
- More challenging and complexed technologies being implemented

Sustain existing infrastructure while implementing new IT solutions technology, and bridging the gap in between:

- Migrating on-premise servers to the cloud (i.e. file servers), or implementing new cloud-based solutions (i.e.
- Microsoft 365 expansion to deploy Teams, SharePoint, Power Automate, Power BI, CoPilot and AI Intelligence
- New Pension Administration solution, which will include new Customer Relations, workflow, electronic document management, and other component solutions.
- New Building requirement



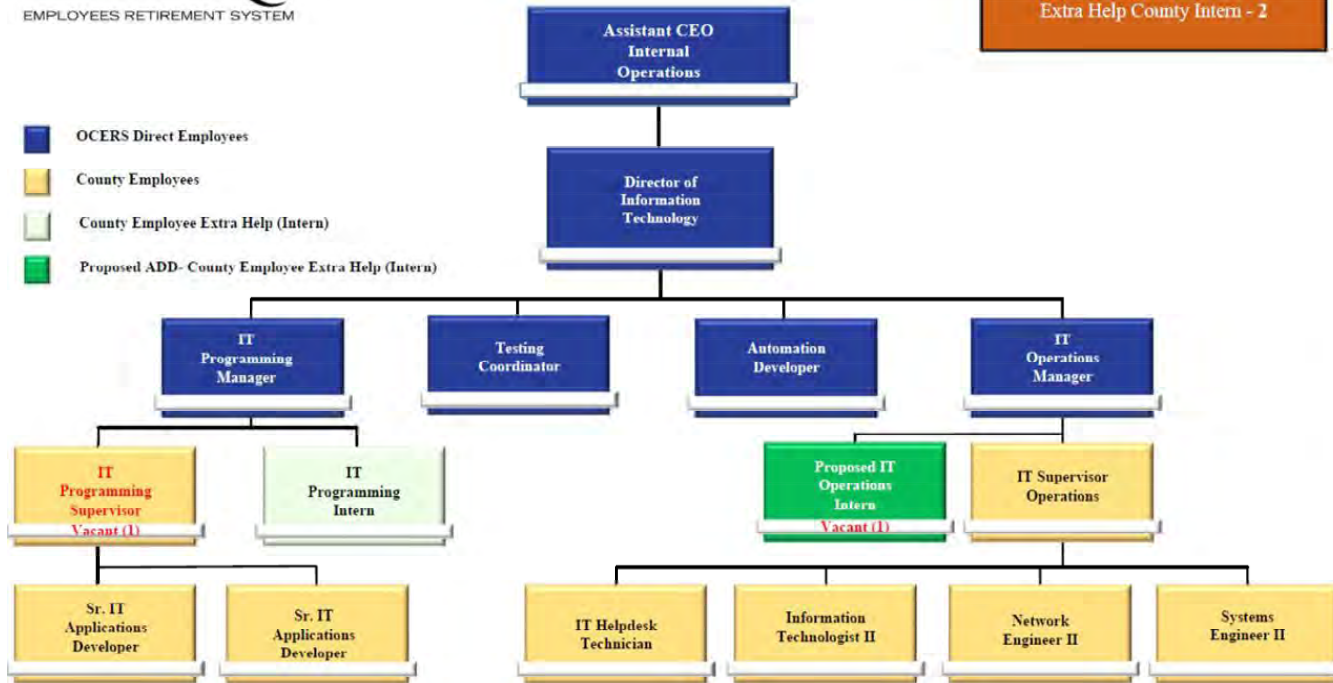
Organizational Plan:



2025 Proposed Information Technology Organization Chart

Total Proposed Information Technology Employees 2025: 15
 County – 8; OCERS Direct – 5
 Extra Help County Intern - 2

- OCERS Direct Employees
- County Employees
- County Employee Extra Help (Intern)
- Proposed ADD- County Employee Extra Help (Intern)





2025 Staffing Plan

INVESTMENTS

David Beeson
Director of Investments



Recommendation:

Approve the addition of two Investment Analysts with a 2025 budget impact of \$208,437 and future annual budget impact of \$333,500:

Position Title	Salary Range	Estimated Budgeted Salary	2025 Budget Impact – Salary and Fringe	Annual Budget Impact – Salary and Fringe
Investment Analyst (full year)	\$87,821 - \$127,340	\$107,580	\$166,750	\$166,750
Investment Analyst (Q4 2025)	\$87,821 - \$127,340	\$107,580	\$41,687	\$166,750

Impact of incentive compensation:

- Full year analyst: 2025 participation; first payment in 2026
- Q4 analyst: not eligible in 2025; 2026 participation; first payment in 2027



Position Description: Investment Analyst

- Entry level position for the Investments Department
- Provides support for investments, analytics and operations functions
- Rotational position across six asset classes plus Portfolio Analytics/Operations

Core duties include:

- Analyze investment manager returns, risk attribution, strategy execution and style consistency
- Create and coordinate reports supporting various meetings/activities (i.e. IC meetings, ACFR, Segal)
- Compile and support Public Records Act request reporting
- Review, execute and track all portfolio cash activity (i.e. capital calls, distributions, transfers, fee payments)
- Validate custodian statements, valuations and other activity
- Monitor compliance to all investment portfolio guidelines and asset allocation targets/ranges
- Summarize and document all investment manager meeting discussions in OCERS' due diligence platform
- Manage data supporting OCERS' internal portfolio analytics platform
- Coordinate and document investment manager onboarding activities (i.e. legal, operational, executive)
- Assist OCERS' Investment Officers in support of investment manager selections, projects, etc.



Background: Governance Evolution

Predicted growth of assets:

- OCERS' Assets Under Management ("AUM") have grown from \$14+ billion to \$23+ billion since 2017.
- OCERS' internal modeling predicts that the AUM of the system will be nearly \$30 billion by 2027.

Governance and process changes:

- Prior to 2017, OCERS portfolio was directed by its investment consultants and approved by its Investment Committee, with staff execution.
- Since 2018, OCERS' Investment Committee has delegated authority for certain investment decisions to its Chief Investment Officer with guidance from the Committee and support from internal staff in consultation with three external investment consulting firms.
- Since 2021, OCERS has been deploying capital into private equity co-investments, with the potential to expand the portfolio over time



Background: Execution Results

With approval from the Investment Committee and under CIO delegated authority, OCERS' Investments Department has been moving certain investment functions in-house, requiring additional staff.

Governance best practices, with CIO/Staff execution, have yielded meaningful results:

- ***Improved Returns:*** For the trailing three- and five-year periods ended June 30, OCERS' total portfolio returns, net of fees, have ranked in the top 10% and 12%, respectively, based on the InvMetrics Public DB (greater than \$1B) universe
- ***Cost Savings:*** At the current target of 15% of AUM, removing the future use of private equity fund-of-funds saves an estimated \$25 million annually in investment manager fees and performance carry

Future cost savings completely offset total Investments Department compensation, inclusive of the impact of the requested positions:

- Estimated annual cost savings = \$25 million
- Estimated annual Investments Department total compensation = <\$5 million
- ***Estimated annual net savings = \$20 million***



Department Staffing Objectives:

Develop and maintain subject matter expertise in each asset class:

- Deep and broad, education-based generalist model
- Required cross-training and continuing education to support leave coverage/succession planning

Manage fund/relationship load:

- Investment Officer: maintain investment manager relationships and source new investments
 - Current: 27 relationships
- Investment Analyst: provide analytical and operational support for all funds within an asset class
 - Current: 53 funds
 - With proposed new hire additions: 37 funds

Hire slowly and methodically (as shown on charts on next slide):

- Stay consistent and slightly behind AUM growth
- Allow a buffer for market corrections
- Build a culture of engagement, innovation and strategic thinking

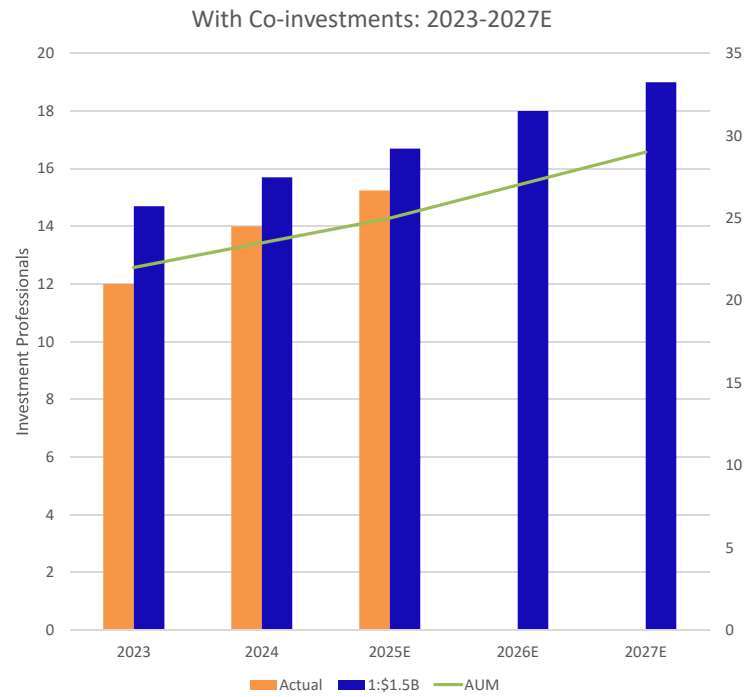
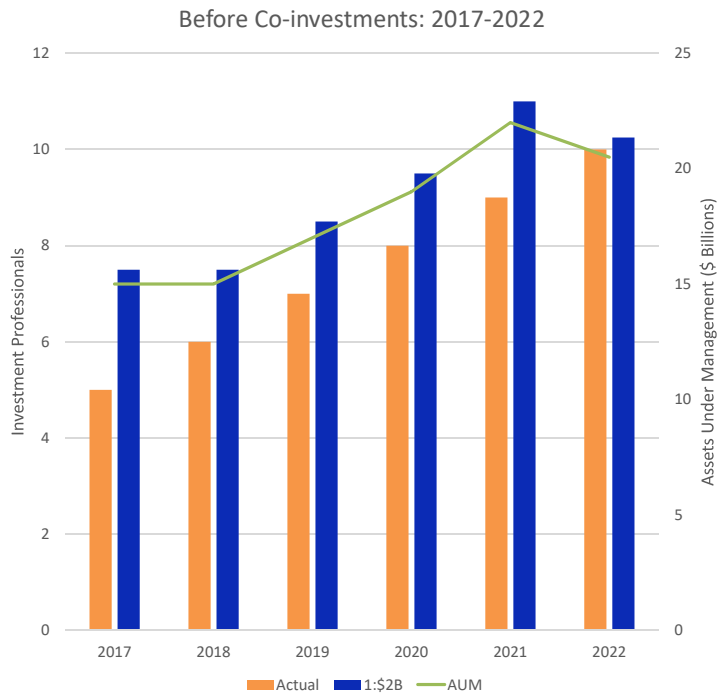
Use technology to enhance productivity and decision making:

- Explore technology solutions before hiring staff
- Improve data management and analysis capabilities
 - Planned expansion of risk management software platform in 2H 2025
 - Ramp up of OCERS' AI/automation initiatives



Incremental Staffing:

Planned and Purposefully Behind Target



Organizational Plan:





2025 Staffing Plan

EXECUTIVE DEPARTMENT

Steve Delaney
Chief Executive Officer



Recommendation:

Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct and fund with the removal of the following two vacant positions:

- a) Deputy General Counsel – OCERS Direct
- b) Retirement Benefits Technician – County

Position Title	Salary Range	Proposed Budgeted Salary	Annual Budget Impact – Salary and Fringe
ADD: Chief Technology Officer – OCERS Direct	\$194,578 - \$301,594	\$248,086	\$384,533
REMOVE: Deputy General Counsel – OCERS Direct	\$156,627 - \$242,771	\$(228,800)	\$(354,640)
REMOVE: Retirement Benefits Technician– County	\$44,366 - \$58,905	\$(58,905)	\$(91,303)
Net Estimated Cost Savings of adding CTO and removing 2 positions		\$(39,619)	\$(61,418)



The Addition of a Chief Technology Officer:

1. Isn't OCERS overstaffed?
 - A. Comparative numbers
 - B. What others don't do
2. Add Technology making a change – The example of Texas County and District Retirement System (TCDRS)
3. Technology making a change – The example of OCERS Disability Division
4. Agency Talent Needs Review – A new approach
5. Upskilling
6. What would a Chief Technology Officer do?



The Evolving Technological Landscape:

1. **Rapid Technological Advancements:** Emerging technologies (AI, blockchain, IoT) transform public service delivery.
2. **Public Expectations:** Citizens demand digital services that are seamless and efficient.
3. **Cybersecurity Threats:** Increasing risk of data breaches and cyberattacks necessitates robust technology leadership.
4. **Coordinating Cross-Departmental Technology Initiatives:** Centralized technology leadership improves collaboration across various agency departments.
5. **Data-Driven Decision Making:** Utilizing analytics to inform policy and operational decisions leads to better outcomes.



Organizational Plan:



Thank you!

Questions?



Recommendation:

- 1. Approve the addition of 4 new positions to the 2025 Budgeted Headcount**
 - A. Add one IT Intern position to the Information Technology Department – Extra Help
 - B. Add two Investment Analyst positions to the Investment Department – OCERS Direct
 - C. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct

- 2. Remove 2 currently vacant positions from the proposed 2025 Budgeted Headcount**
 - A. Deputy General Counsel – OCERS Direct
 - B. Retirement Benefits Technician – County

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.



Total Estimated Net Impact of Proposed 2025 Staffing Changes:

Position Title	Salary Range	Estimated Budgeted Salary	2025 Budget Impact – Salary and Fringe	Annual Budget Impact – Salary and Fringe
Investment Analyst (full year)	\$87,821 - \$127,340	\$107,580	\$166,750	\$166,750
Investment Analyst (Q4 2025)	\$87,821 - \$127,340	\$107,580	\$41,687	\$166,750
IT Operations Intern (full year)	\$21,076 (960 hours max)	\$21,076	\$21,076	\$21,076
ADD: Chief Technology Officer – OCERS Direct	\$194,578 - \$301,594	\$248,086	\$384,533	\$384,533
REMOVE: Deputy General Counsel – OCERS Direct	\$156,627 - \$242,771	\$(228,800)	\$(354,640)	\$(354,640)
REMOVE: Retirement Benefits Technician– County	\$44,366 - \$58,905	\$(58,905)	\$(91,303)	\$(91,303)
Total Estimated Net Cost Impact		\$196,617	\$168,103	\$293,166





Proposed 2025 Staffing Plan Preview

APPENDIX

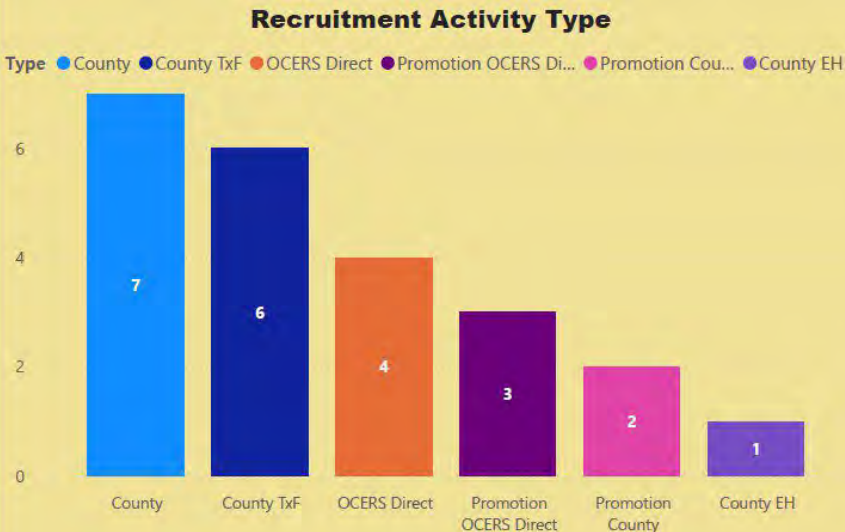
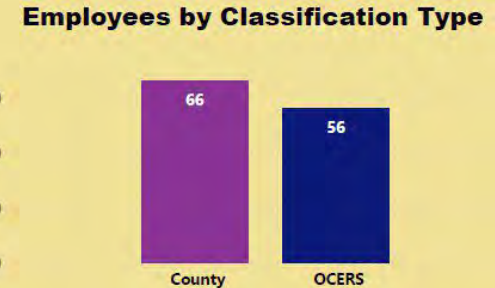
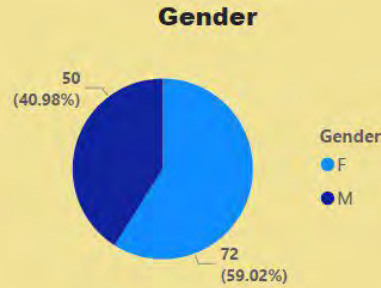
Steve Delaney
Chief Executive Officer

Cynthia Hockless
Director of Human Resources



2024 Human Resources Summary Dashboard: (Effective 7/26/2024)

122 Total Employees
133 Budgeted Heacount
18 New Hires
5 Promotions



2024 Human Resources Summary Dashboard: (Effective 7/26/2024)

9
Separations

7.26%
Turnover Rate

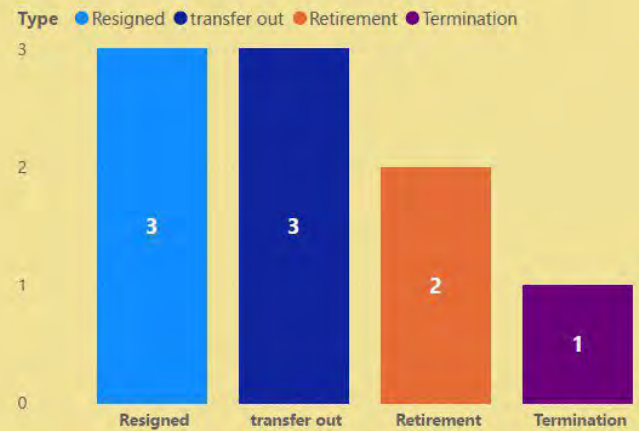
11
Vacancies

8.27%
Vacancy Rate

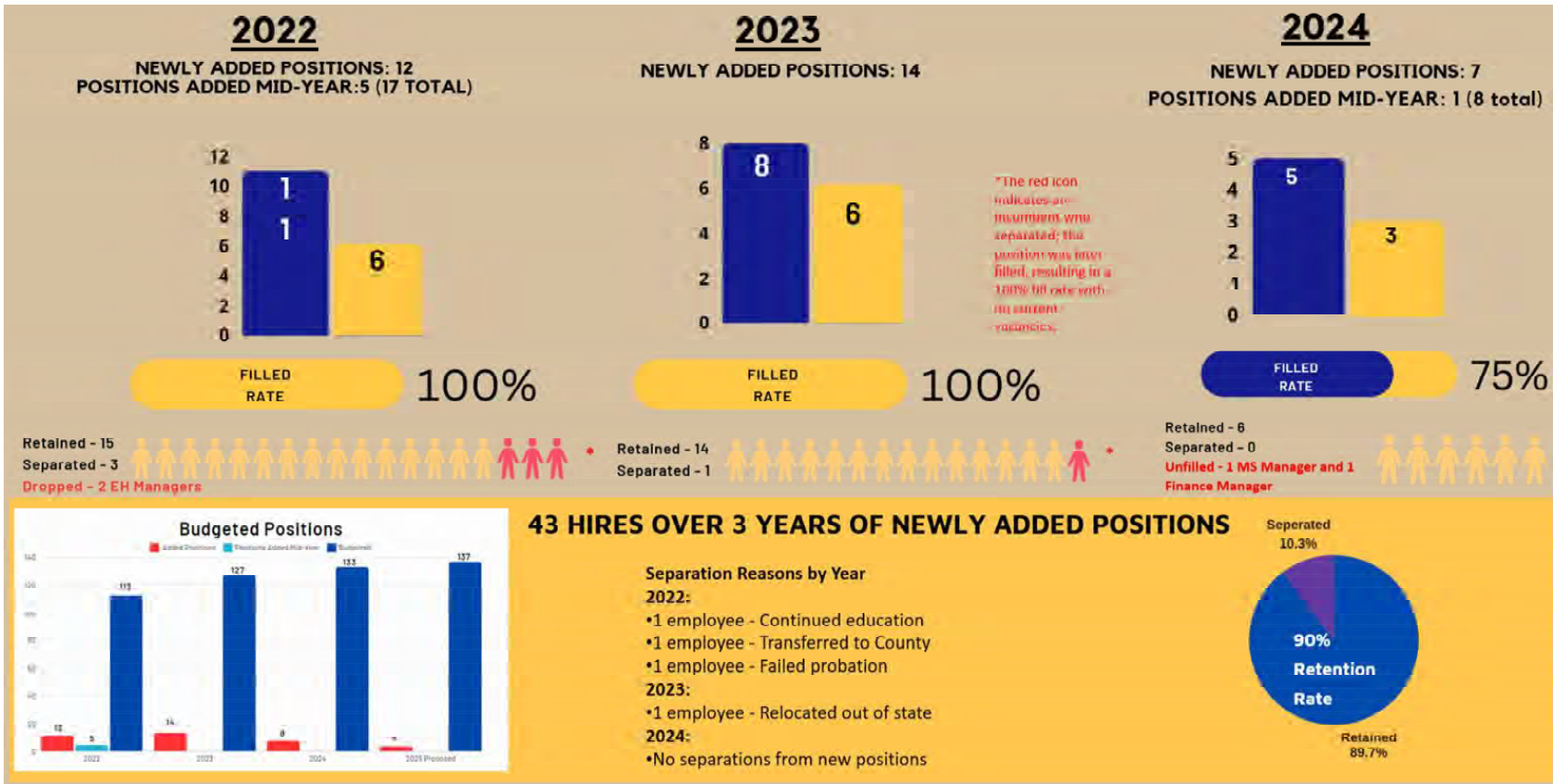
Separations by Department



Separations by Reason



Retention of Newly Added Positions:





Memorandum

DATE: August 27, 2024
TO: Members of the Personnel Committee
FROM: Jenny Sadoski, Director of Information Technology
SUBJECT: PROPOSED 2025 STAFFING PLAN PREVIEW – IT OPERATIONS INTERN

Recommendation

Approve the addition of one IT Operations Intern in the Information Technology department.

New Position Request:

1. **Working Title:** IT Operations Intern (extra help)
 - a) **Position Type:** Extra Help
 - b) **Additional Headcount** will be created if position approved
 - c) **Existing classification:** Extra Help
 - d) **What new work will be done:** The IT Operations Intern position would serve as an additional resource to provide first level technical support. This position would work on end user helpdesk requests, department operational activities and technical support for projects, while gaining real world experience, learning, and mentoring to augment their current studies and future work experience.
 - e) **What work currently isn't being done (or done out of class):** None.
 - f) **What growth in workload is anticipated:** The IT Operations team has seen a steady increase in the number of requests for technical support, infrastructure support, planned project work and unplanned work over the over the past several years. The increase is due to several factors including:
 - The growth and expansion of the organization, which has resulted in more employees, vendors, and clients, who require technical support.
 - The implementation of new technologies and software solutions, such as cloud computing, robotic process automation, Microsoft 365, have opened new opportunities, which have increased the complexity and diversity of the technical issues and level of support needed.
 - Internal department activities
 - Technical support for various ongoing and projects such as Alameda, robotic process automation, Microsoft 365 expansion, current and new building activities, and continued V3 support, all requiring resources to provide research, evaluate, implement, testing, remediation, and training.
 - New building requirements
 - The lack of adequate training and documentation for team members, limits department self-service and problem-solving abilities.



Memorandum

High level IT Operations statistics:

- Helpdesk Requests: 254 average number of monthly helpdesk tickets
- Endpoints: 251 devices
- Virtual machines: 84
- Helpdesk Requests: 254 average number of monthly helpdesk tickets
- Onboarding: 37 over the past 12 months
- Offboarding: 16 over the past 12 months
- Meeting Support: 36 Board and Committee meetings in 2023
- Vendor Support: Support for Roboyo, Vitech
- Projects: Robotic Process Automation, SharePoint migrations, Dashlane password manager deployment, Building Wi Fi upgrade

g) **Is there any savings that will be achieved?** Yes, hiring an intern is a cost-effective approach to addressing our IT needs. Interns are typically paid less than full-time employees, making them a budget-friendly solution for supporting our IT department.

h) **Will the position do work that will eliminate current risks?** Having an intern to provide an additional resource to focus on first level support requests, and routine department activities, allowing current IT Operations team members more time to focus on higher priority technical items. This will help to maintain the efficiency and effectiveness of the organization, reduce delays, and which have impacted its performance and profitability.

2. **Justification:** Our agency is constantly evolving, and our IT needs are growing in complexity. To stay competitive and innovative, we must ensure that our IT department is well-equipped with the skills and manpower needed to support our operations. Hiring an IT Operations Intern can help us address some of the pressing challenges and opportunities in this regard.

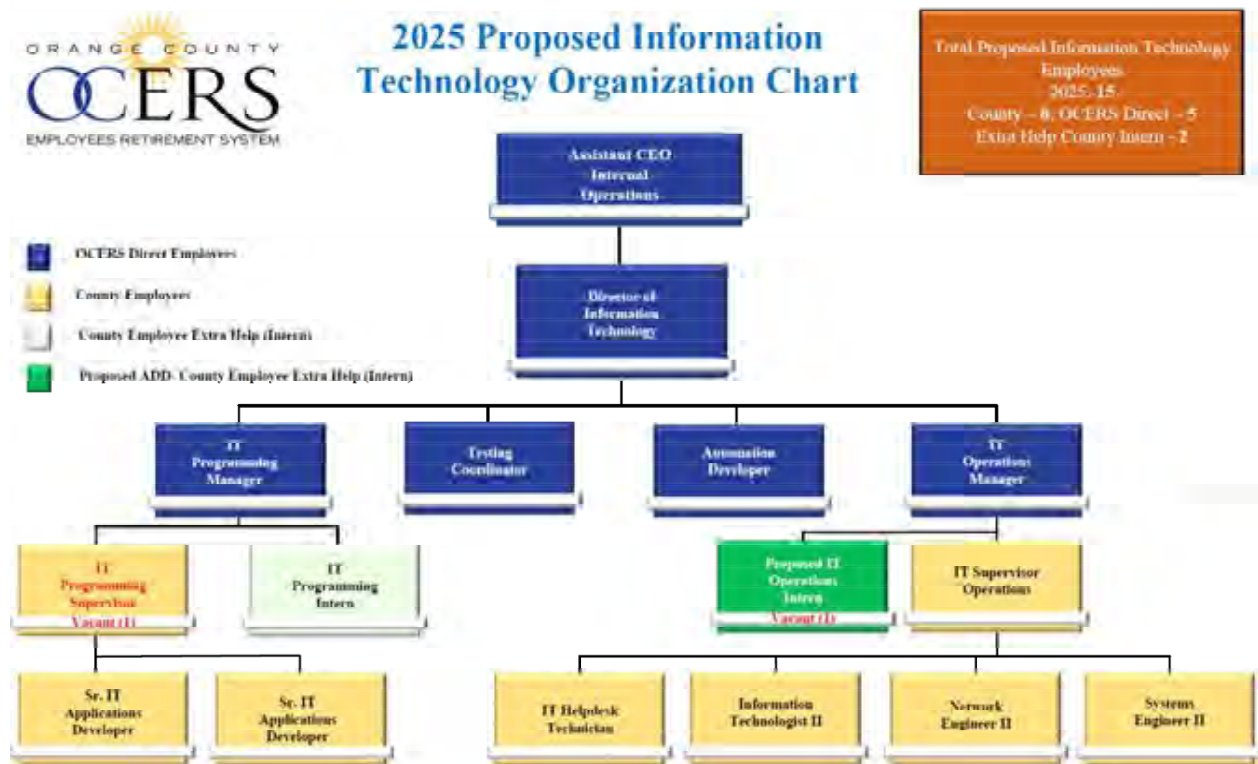
- **Skill Augmentation:** Our IT Programming and Operations teams are stretched thin with ongoing projects and maintenance tasks. An intern can assist our experienced developers in accomplishing more strategic and complex projects and the operational changes needed to implement them.
- **Fresh Perspective:** Interns bring a fresh perspective and often have knowledge of the latest programming languages, tools, and trends. This can lead to innovative solutions and improvements in our existing systems.
- **Cost-Effective:** Hiring an intern is a cost-effective approach to addressing our IT needs. Interns are typically paid less than full-time employees, making them a budget-friendly solution for supporting our IT Operations department.
- **Mentoring Opportunities:** Bringing in an intern provides mentoring opportunities for our senior technologists. Mentoring not only helps the intern grow but also enhances the skillset and leadership capabilities of our existing team members.
- **Talent Pipeline:** An internship program can serve as a talent pipeline for future full-time hires. We can identify high-potential candidates during their internship and potentially offer them positions in our agency upon graduation.



Memorandum

- **Increased Productivity:** With additional support from an intern, we can keep up with routine maintenance and support tasks, leading to increased overall productivity and faster resolution of technical issues. Interns are often highly motivated and can quickly adapt to new technologies. Their eagerness to learn and prove themselves will enable us to maintain and improve our IT infrastructure in a more efficient manner.
- **Diverse Perspectives:** Internships often attract candidates from diverse backgrounds, which can contribute to a more inclusive and innovative work environment.

3. **Proposed agency chart:**



4. **Estimated hiring salary:** \$21,076 (\$21/hr for 960 hours)

5. **Estimate Hire Date:** Q1 of 2025

Conclusion:

In conclusion, hiring an IT Operations Intern can help to maintain department efficiencies and effectiveness, provide excellent service and support to our end users, vendors, employers, members, and reduce risks associated with delays, cost, scalability, knowledge transfer, long-term commitments, innovation, contractor dependence, and external recruitment. While interns may require some initial training and guidance, their presence can ultimately contribute to a more flexible, cost-effective, and resilient workforce, which helps mitigate various agency risks.



Memorandum

I respectfully request your approval for the creation of this intern position and the allocation of resources to support their role within our IT department. Thank you for considering this proposal, and I am happy to provide any additional information or answer any questions you may have regarding this request.

Submitted by:



JS - Approved

Jenny Sadoski
Director of Information Technology



Memorandum

DATE: August 27, 2024
TO: Members of the Personnel Committee
FROM: David Beeson, Director of Investments
SUBJECT: PROPOSED 2025 STAFFING PLAN PREVIEW – TWO INVESTMENT ANALYSTS

Recommendation

Approve the addition of two Investment Analysts in the Investments Division.

New Positions Request:

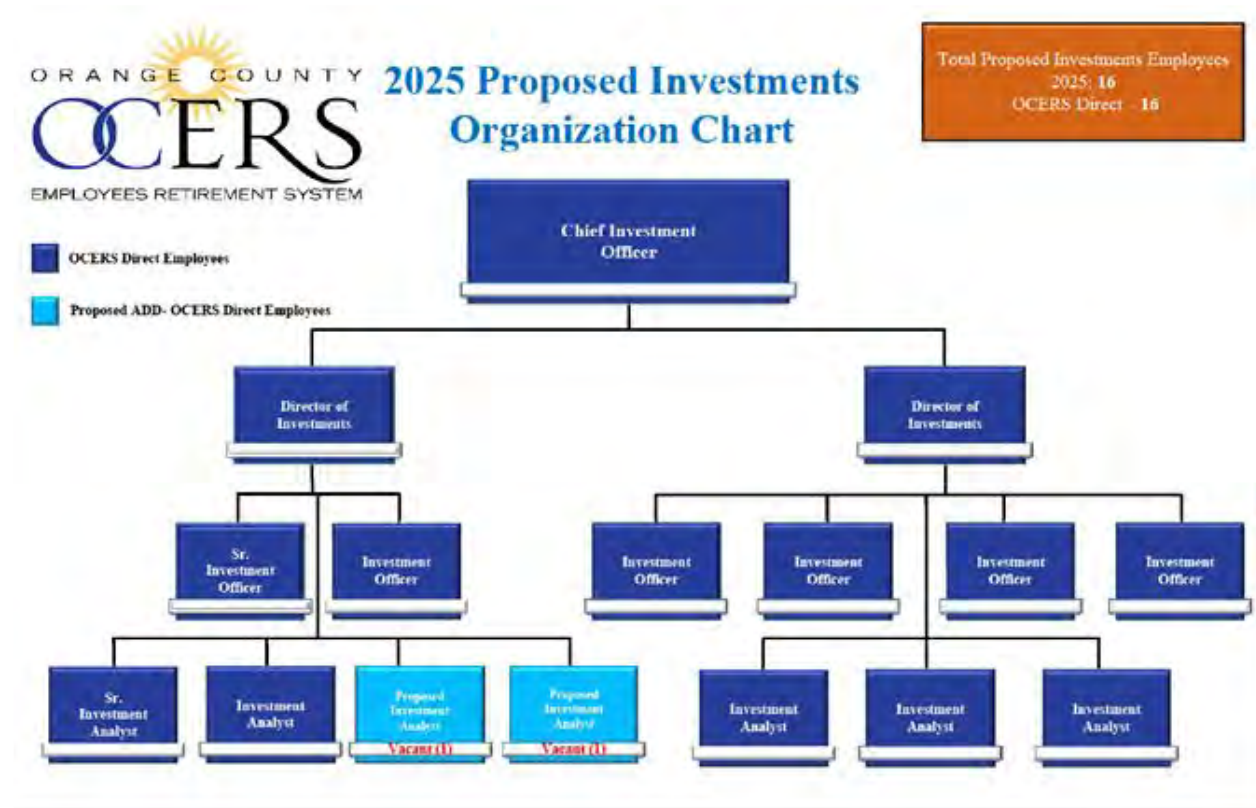
1. **Working Title:** Investment Analyst (two positions)
 - a) **Position Type:** OCERS Direct
 - b) **Additional Headcount** will be created if position approved
 - c) **Existing classification:** Investment Analyst
 - d) **What new work will be done:** The Investment Analysts provide support for investments, analytics, and operations functions within the Investments Division. The analysts are on a rotational position across six asset classes plus portfolio analytics/operations. Analysts provide analytical and operational support for all funds within an asset class. Currently, each analyst supports 53 funds on average. With the proposed addition of two new positions, each analyst would support 37 funds on average.
 - e) **What work currently isn't being done (or done out of class):** None.
 - f) **What growth in workload is anticipated:** As the OCERS AUM continues to grow, the portfolio continues to become more complex and add additional line items, which requires additional resources to manage the portfolio. The addition of co-investments has also added a new layer of workload for the team as these transactions need to be researched and closed within two to four weeks. The OCERS Investments Team is also underway in improving data management and analysis capabilities. The team is planning to expand the risk management software platform in 2H 2025 which will require additional workload.
 - g) **Is there any savings that will be achieved?** OCERS' Investments Team directly investing the private equity allocation into funds provides significant savings. At the current private equity target of 15% of AUM, removing the future use of private equity fund-of-funds saves an estimated \$25 million annually in investment manager fees and performance carry. The estimated cost for the annual Investments Department total compensation is less than \$5 million. The expanded use of co-investments that the analysts provide operational support for also help lower fees since they are typically structured at low or no management fees or carried interest.
 - h) **Will the position do work that will eliminate current risks?** The positions will reduce the fund load for each analyst. Each analyst would move from supporting 53 funds on average to 37 funds. This will increase the amount of time an analyst has to provide analytical support and monitoring support for each fund in the portfolio. In addition, the additional resources will be valuable to improved data management across the portfolio.



Memorandum

2. **Justification:** OCERS’ Assets Under Management (AUM) have grown from \$14+ billion to \$23+ billion since 2017. OCERS’ internal modelling predicts that the AUM of the system will be nearly \$30 billion by 2027. With the addition of co-investments, the OCERS Investments Team estimates that there should be one-headcount position for every \$1.5 billion in AUM. The Investments Departments strives to hire slowly and remain slightly behind AUM growth. That way, there is a buffer in case a market correction occurs. In addition, the Investments Team continues to explore technology solutions to improve efficiencies before hiring staff.

3. **Proposed agency chart:**



4. **Estimated hiring salary:** \$107,580 (Annual Salary and Fringe: \$166,750)

5. **Estimate Hire Date:** End of 2024 and Q4 2025

Conclusion:

Since 2018, OCERS’ Investment Committee has delegated authority for manager hires and terminations to its Chief Investment Officer with support from internal staff in consultation with three external investment consulting firms. In addition, OCERS has been deploying capital directly into private equity funds since 2018 and launched the co-investment program within private equity in Q2 2021. Future cost savings of removing the use of private equity fund-of-funds completely offset total Investments Division compensation (inclusive of the impact of the requested positions).



Memorandum

In addition, the OCERS Investments Team strives to develop and maintain subject matter expertise in each asset class. The Investments Team monitors existing relationships and constantly meets with potential managers in each asset class in case there are strategies that would improve the portfolio. OCERS' Investments Team conducted 677 total meetings and calls in 2023. Required cross-training and education in other asset classes is part of the team culture. This helps to support any needs that may arise due to leave coverage or succession planning.

Submitted by:



DB - Approved

David Beeson
Director of Investments



Memorandum

DATE: October 8, 2024
TO: Members of the Personnel Committee
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: PROPOSED 2025 STAFFING PLAN – CHIEF TECHNOLOGY OFFICER

Recommendation

Approve and recommend the Board of Retirement approve the following items related to the 2025 staffing plan to be presented at the October 21, 2024, Board meeting:

1. Approve the addition of one (1) new position and remove two (2) currently vacant positions to the proposed 2025 proposed staffing plan
 - B. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct and fund with the removal of the following two vacant positions:
 - a. Deputy General Counsel – OCERS Direct
 - b. Retirement Benefits Technician – County

New Position Request:

1. **Working Title:** Chief Technology Officer
 - a. **Position Type:** Regular Full-time – OCERS Direct
 - b. **Additional Headcount** will be created if the position is approved but offset by removing two vacant positions.
 - c. **Existing classification:** Senior Executive
 - d. **What new work will be done:**
 - Dedicated Focus on Technology
 - Strategic Alignment of Business and Technology
 - Transform Business Operations/Maximize Operational Efficiencies
 - Improve the Total Stakeholder Experience
 - Drive Innovation
 - e. **What work currently isn't being done (or done out of class):** None. Additionally, it's not that these duties aren't being executed by OCERS today, but technology expertise needs to be raised to a Senior Executive level to elevate the importance, enhance the focus, and create a strategic technology vision and direction for OCERS.
 - f. **What growth in workload is anticipated:** The vision for the five primary roles and responsibilities of the CTO:

1. Information Technology Vision & Strategy (Chief Information Officer – CIO Role)
 2. Information Security Vision & Strategy (Chief Information Security Officer – CISO Role)
 3. Existing Technology Vision & Strategy (Chief Information Officer – CIO Role)
 4. Emerging Technology Vision & Strategy (Chief Technology Officer – CTO Role)
 5. Business Strategy & Alignment (Included in All 3 Roles - CIO, CISO, CTO)
- g. **Are there any savings that will be achieved?** I propose removing two currently vacant positions to fund the newly created CTO position. These requests will result in a net decrease of one (1) position, reducing OCERS' proposed budgeted headcount for the fiscal year 2025 staffing plan from 136 to 135.
- h. **Will the position do work that will eliminate current risks?**

Adding a Chief Technology Officer (CTO) to an organization can help mitigate several risks, including:

- **Technology Strategy Misalignment:** A CTO ensures that technology investments align with OCERS overall business strategy. Without this leadership, there is a risk of fragmented tech decisions that don't support business goals.
- **Technology Obsolescence:** The CTO keeps the company updated with emerging technologies, preventing the use of outdated systems that could reduce competitiveness or increase operational inefficiencies.
- **Scalability Challenges:** As a company grows, technology systems must scale. A CTO ensures the tech stack can handle increased demand, reducing risks related to scalability.
- **Lack of Innovation:** Without a CTO, OCERS may miss opportunities to innovate or optimize processes through technology, potentially losing ground to competitors.

The CTO will play a vital role in addressing technology-related risks and ensuring that OCERS tech ecosystem is secure, scalable, and aligned with long-term goals.

2. Justification:

As OCERS continues down the path of Vision 2030, with the goal of removing humans from the calculation process when finalizing retirement benefits, it has become clear that the opportunities for OCERS to better integrate the explosion of new technology post-ChatGPT across all departments could well be better served by creating a focused strategic technology position, a Chief Technology Officer.

Our Director of Information Technology is impressively meeting OCERS day-to-day IT needs. Even so, the advance of technology is leading many systems to begin thinking of engaging both tactical and strategic leadership positions.

Having both a Director of Information Technology (IT) and a Chief Technology Officer (CTO) can offer distinct advantages, depending on the size and complexity of the organization. Here's a breakdown of their roles and how they might complement each other:

Director of IT:

- **Operational Focus:** Primarily responsible for the day-to-day management of IT systems, infrastructure, and support.
- **Execution:** Oversees IT staff, manages IT projects, ensures systems are running smoothly, and handles operational issues.

- **Implementation:** Focuses on implementing existing technology solutions and maintaining current IT infrastructure.

Chief Technology Officer (CTO):

- **Strategic Focus:** Concentrates on the long-term technology strategy and vision for the organization. Develops the roadmap for adopting and integrating new technology.
- **Innovation:** Identifies emerging technologies, evaluates their potential impact, and aligns technology initiatives with the agency's overall business goals.
- **Leadership:** Often involved in high-level decision-making, driving technological innovation, and ensuring that technology investments support the company's growth and future direction.

In a larger organization or one with complex technology needs, having both roles allows for a clear division of responsibilities:

- **Strategic vs. Operational:** The CTO can focus on strategic initiatives and future technology trends, while the Director of IT manages the day-to-day operations and ensures current systems are functioning efficiently.
- **Innovation vs. Maintenance:** The CTO can drive innovation and new technology adoption, while the Director of IT ensures that existing systems are properly maintained and supported.

This separation can lead to better alignment of technology with business objectives, more efficient management of technology resources, and a clearer focus on both current operational needs and future growth.

3. **Estimate Hiring Salary:** \$248,086 (Salary and Fringe: \$384,533)

4. **Estimate Hire Date:** Q1 of 2025

Conclusion

Establishing a Chief Technology Officer (CTO) position alongside the Director of IT would allow OCERS to capitalize on emerging technologies fully. This dual leadership structure offers distinct advantages by ensuring the organization's immediate IT needs are met while steering long-term technological innovation and strategy in a way that aligns with OCERS' evolving goals and complexity.

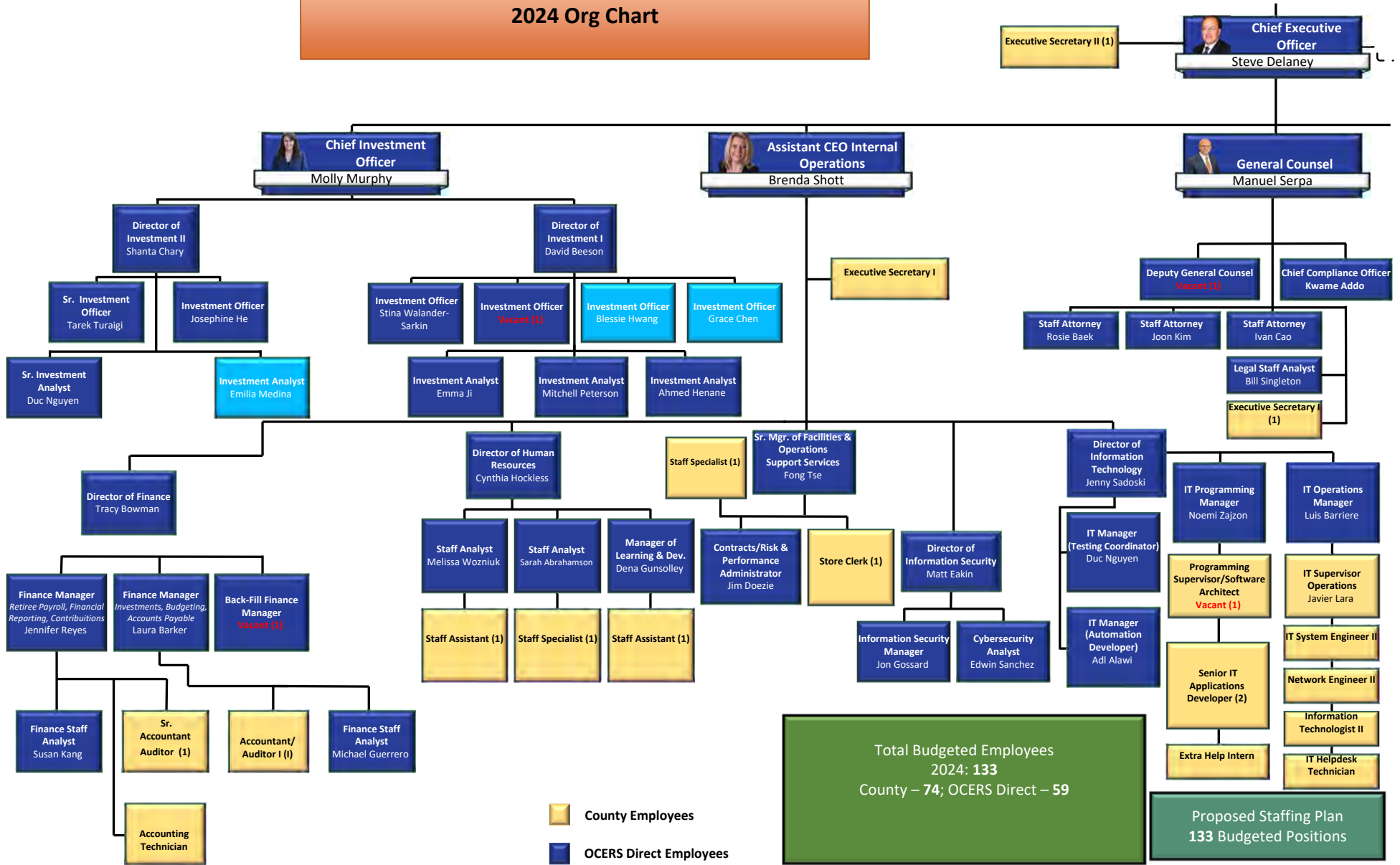
Submitted by:

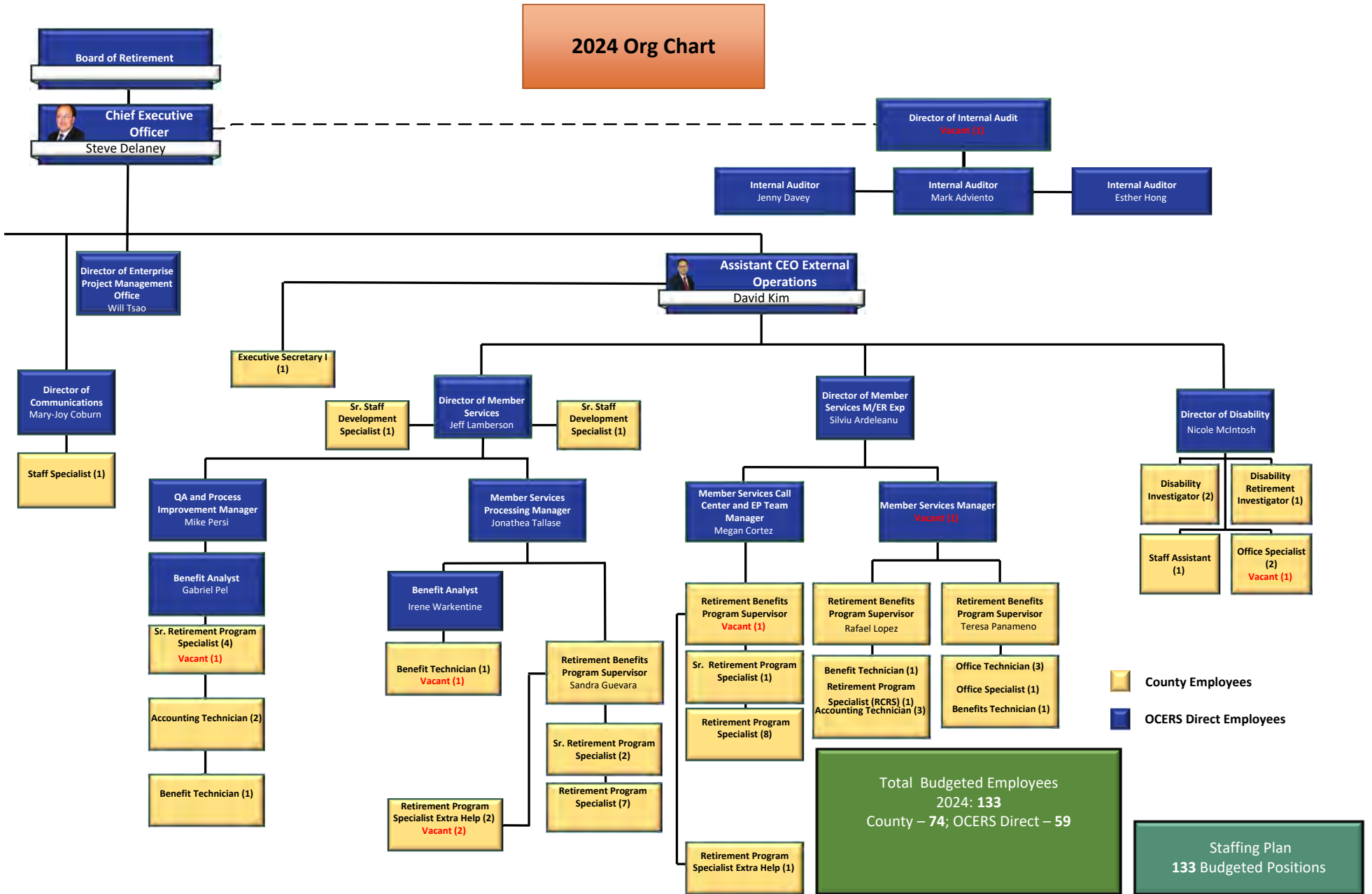


SD - Approved

Steve Delaney
Chief Executive Officer

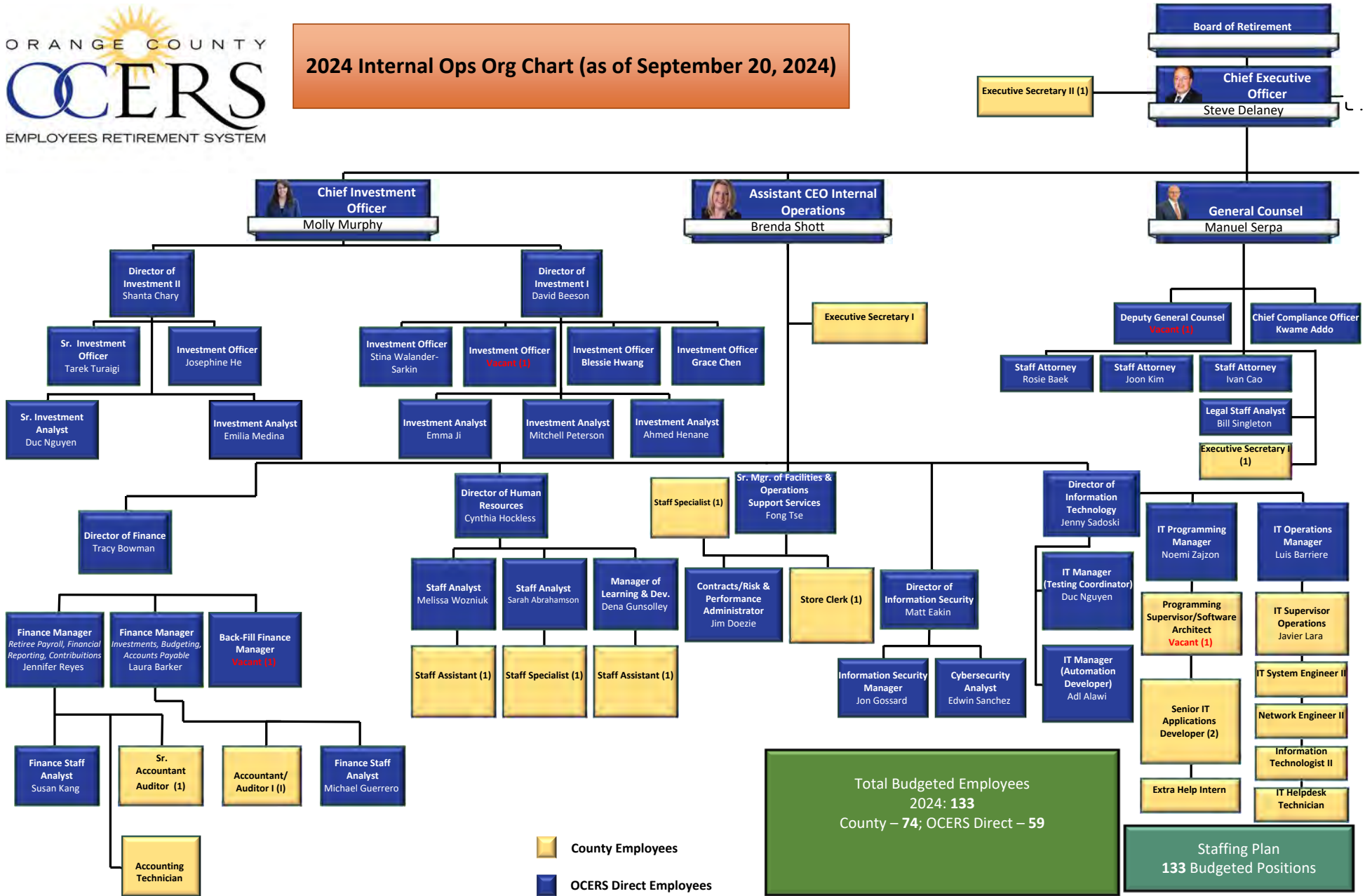
2024 Org Chart

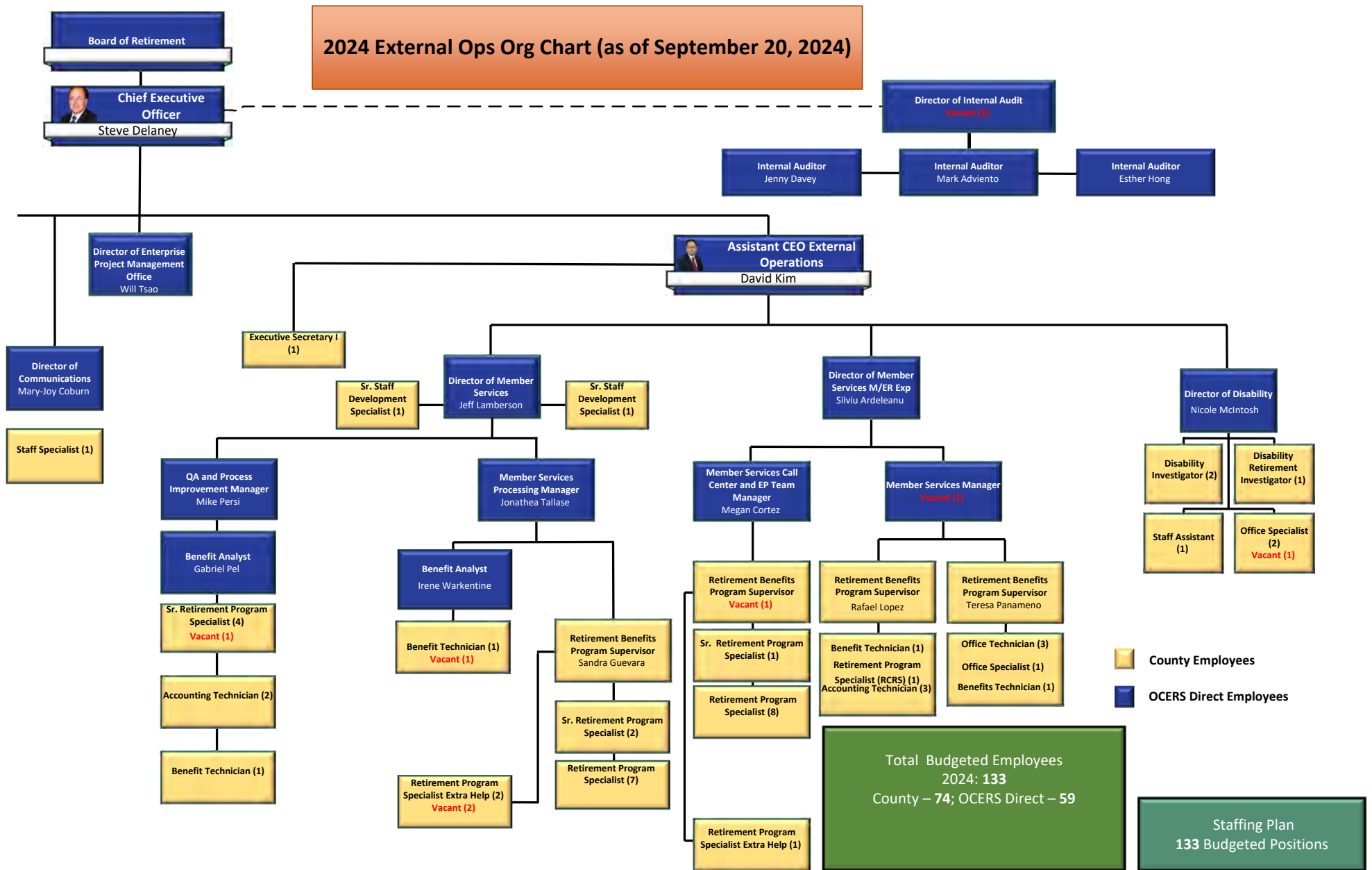




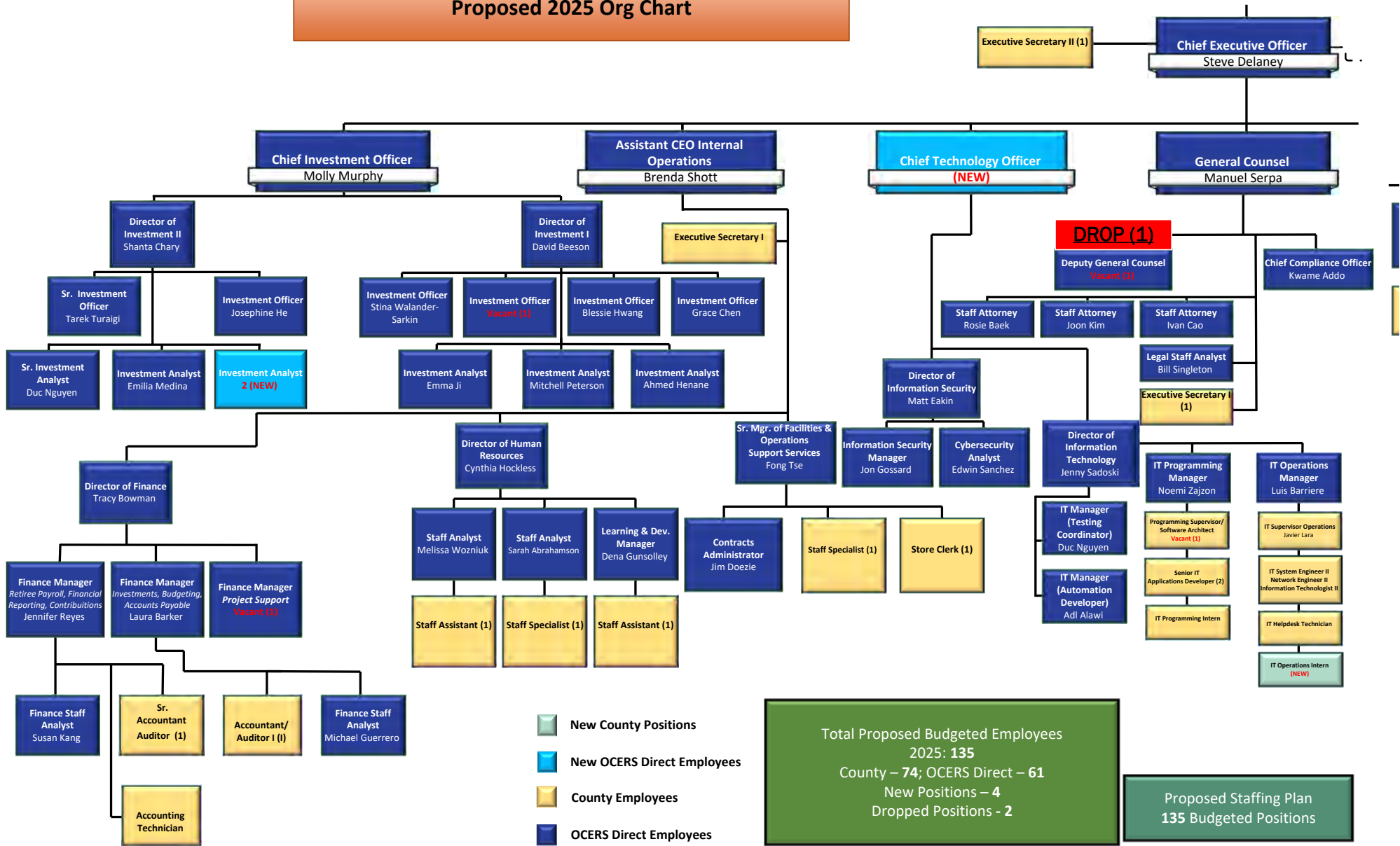


2024 Internal Ops Org Chart (as of September 20, 2024)





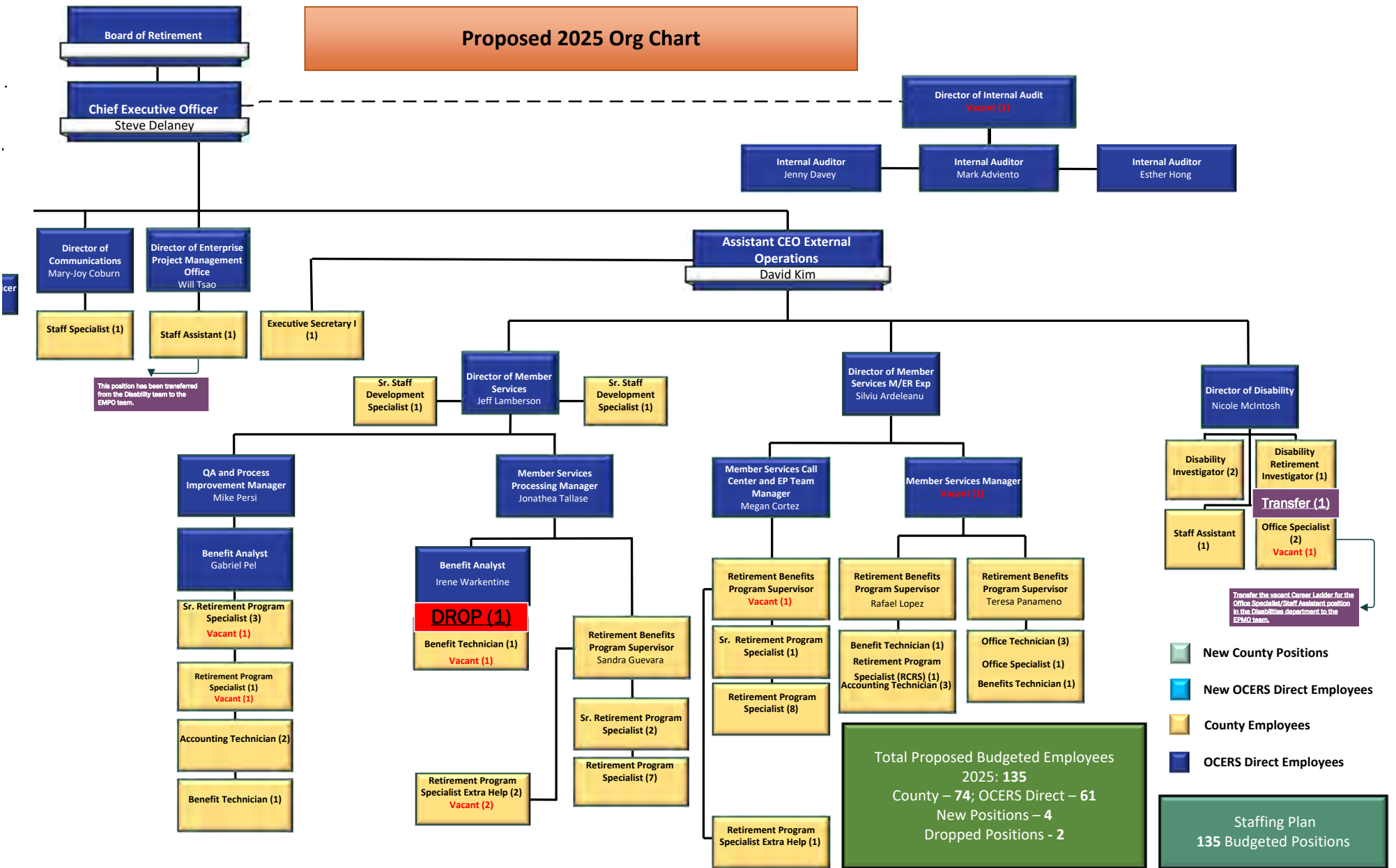
Proposed 2025 Org Chart



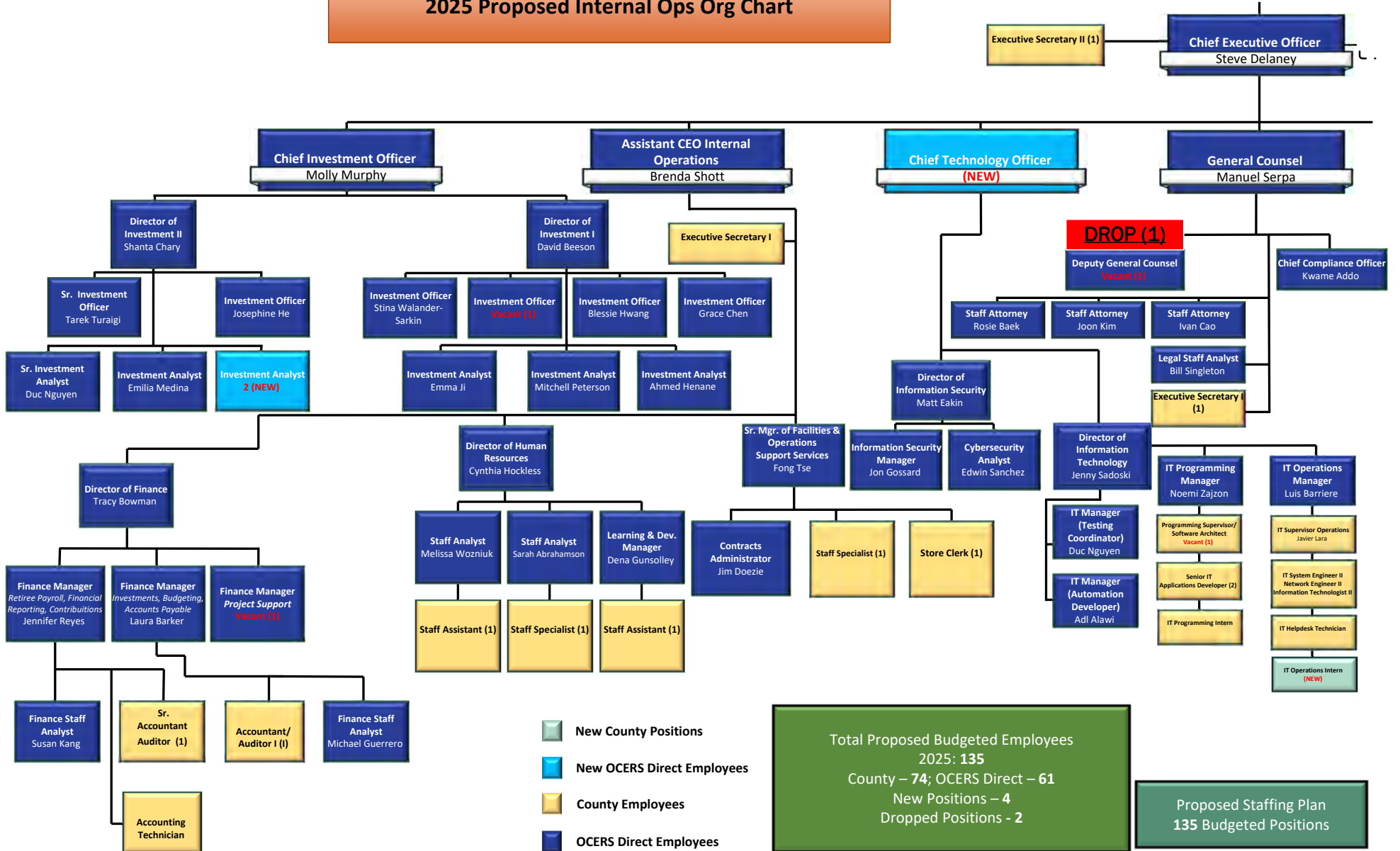
- New County Positions
- New OCERS Direct Employees
- County Employees
- OCERS Direct Employees

Total Proposed Budgeted Employees
 2025: 135
 County – 74; OCERS Direct – 61
 New Positions – 4
 Dropped Positions - 2

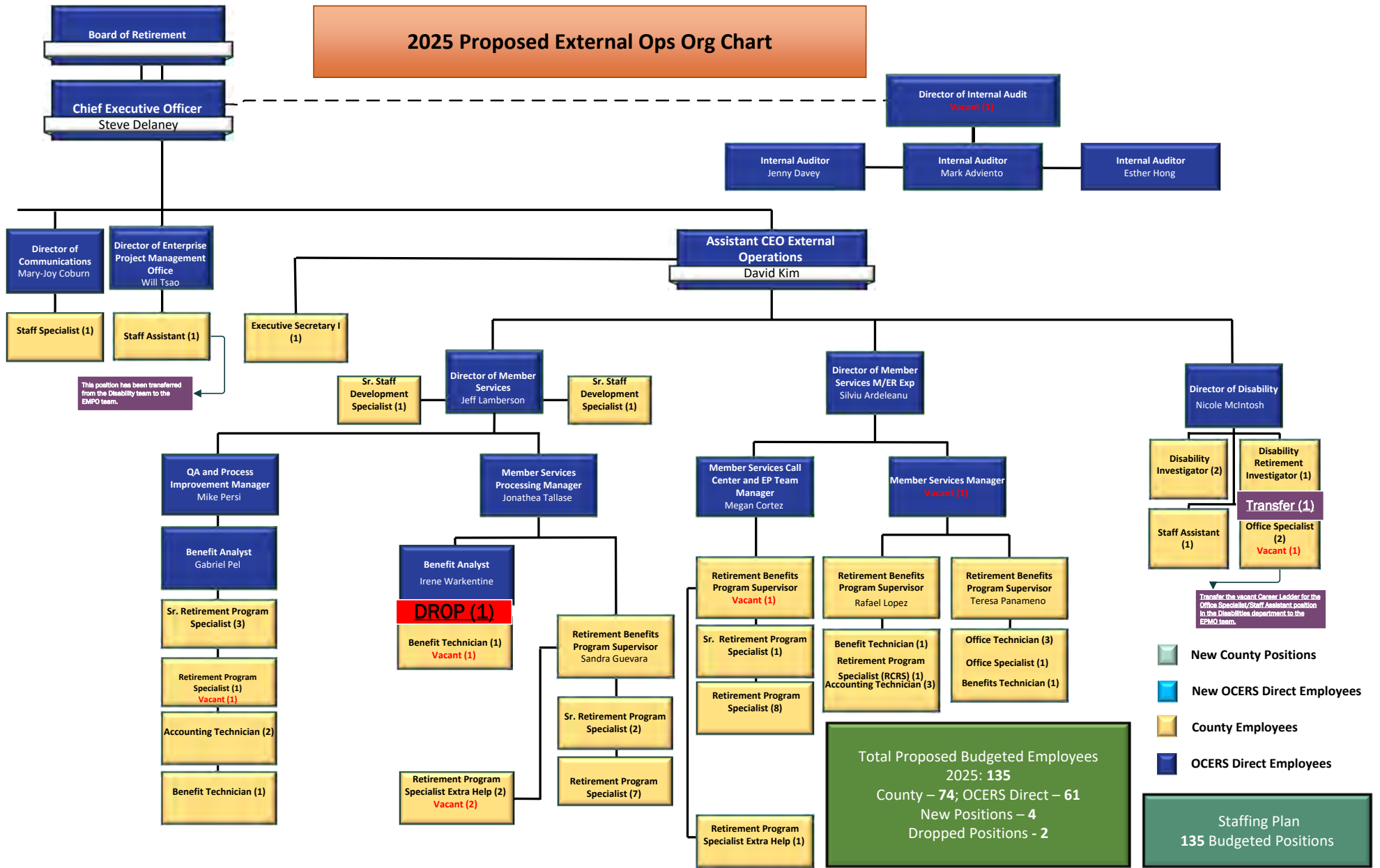
Proposed Staffing Plan
 135 Budgeted Positions



2025 Proposed Internal Ops Org Chart



2025 Proposed External Ops Org Chart



10-21-2024 REGULAR BOARD MEETING - A-3 2025 STAFFING PLAN

System	Total Members	Total AUM	Budgeted Positions	Filled Positions	Mbrs per Budg Position
Alameda	26000+	12B	84 full time budgeted positions, not including 5 project positions and 2 temporary positions	81	310
Contra Costa	25000	11.8B	76	72	329
Fresno	21211	6.8B	37	35	573
Imperial	4471 (as of 6/2023)	1.2B	9	9	497
Kern	23000	6B (Total AAL: \$7.9 Billion (I include AAL because I believe AAL is more important than AUM as it relates to operational workload if currently underfunded)	41 (Admin Expense Ratio: 8.74 basis points)	37	561
Los Angeles	195776	79.9B Pension Plan; 4.06B OPEB Trust	540: 503 Pension Plan; 37 Retiree healthcare	433: 399 for the pension plan and 34 for Retiree Healthcare	389
Marin	7487	3.4B	20	18	374
Mendocino	3745	741M	6	5	624
Merced	6000	1.2B	14	13	429
Orange (OCERS)	53000	24B	133	122	398
Sacramento	32000	14	75	59	426
San Bernadino	48000	15B	82	75	585
San Diego	51300	19.1B	62	62	827
San Joaquin	16000	4.5B	21	20	762
San Mateo	14665	6.7B	23	23	638
Santa Barbara	11800	4.5B	27	23	437
Sonoma	11767	3.5B	15	15	784
Stanislaus	10500	3B	16	12FT, 3PT	656
Tulare	11169	2.2B	15	15	745
Ventura	22000	8B	40 positions, but 4 of those are fixed term for Alameda	All but 2 are filled: we currently have a vacancy for an Accounting Manager (who reports to the CFO), and for a new Investment Officer that will report to the CIO. Both recruitments are in the final selection stages.	611
San Francisco ERS	78000	\$36bn DB, \$5.5 DC and over \$1bn Retiree Healthcare Trust Fund		135, growing to 154	



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations
SUBJECT: **OUTCOMES FROM THE BUILDING COMMITTEE ON OCTOBER 3,2024 – PRELIMINARY BUILDING AND SITE PLANS AND CITY ENTITLEMENT PROCESSES**

Recommendation

The Building Committee recommends that the Board of Retirement approve the preliminary schematic building design and site plan for the OCERS Replacement Headquarters Project, including a 3-story L-shaped building with surface parking, and direct staff to proceed with the City of Santa Ana’s Project Development Review and Minor Exception process to obtain the required entitlement related approvals.

Background

Since the Board of Retirement’s June 17, 2024, approval to contract with Snyder Langston, LLC along with Gensler as the project Design Build Entity (DBE), significant progress has been made in refining the building’s size, exploring site options, and defining project features. The project team (including Snyder Langston, Gensler, Griffin Structures, and staff) has also identified key constraints that must be addressed and opportunities to enhance the project’s potential. To align with the Building Committee’s objectives, the project team has focused on designing a building that minimizes the impact on the current headquarters’ parcel, meets parking requirements without necessitating a separate parking structure, and avoids the lengthy California Environmental Quality Act (CEQA) approval process. A two-story building would require either an encumbrance on the Wellington parcel or the construction of a parking structure to satisfy city zoning requirements, both of which would be costly. Consequently, a three-story design emerges as the more cost-effective and efficient solution to meet future needs while also achieving the Committee’s objectives mentioned above.

Project Schematic Design

The DBE team generated three (3) building options and presented them to the Board of Retirement (Board) at its September 2024 OCERS Strategic Planning Workshop.

Upon receiving the Board’s comments on the building options, the Project Team further developed the project’s schematic design options and performed preliminary cost estimate comparisons. The team reviewed the options and concluded that an L-shaped 3-story building would deliver desirable features that a comparably-cost rectangular building will not be able to offer, including:

- A prominent Boardroom that is separated from the OCERS work/employee areas.
- A narrower building “depth” allows additional natural light penetration into the interior spaces.
- An airy and well-lit welcoming atrium.
- A more distinctive presence along the Tustin Avenue frontage.
- Provides more outdoor deck amenities opportunities for employees.

Zoning Modifications Requirement

To build a three-story building on the Tustin Ave parcel, approval of a Minor Exception to the existing City zoning

requirements is necessary. The current zoning requirements for the Tustin Ave parcel include a height limit of 35 feet. The preliminary site design for a three-story building exceeds this limit and requires a discretionary action known as a Minor Exception for approval. The Minor Exception process would be in addition to the ministerial Development Project Review process required for any new building of a certain size in the City. The proposed Minor Exception is a request to increase the height limit by 25%, which translates to an additional 8.75 feet, resulting in a new total height limit of 43.75 feet. This adjustment will enable OCERS to construct the three-story building as planned and is within the authority of the City's Planning Department's Zoning Administrator, which is a staff-level position.

To assist with navigating the entitlement process with the City of Santa Ana, staff retained the services of a professional entitlement consulting firm: EPD Solutions, Inc (EPD). EPD has a thorough knowledge of the City's planning and building processes and has successfully worked with the City of Santa Ana Planning and Building Agency (City) on many other large developments. EPD has assisted the project team in securing written city staff support for an administrative building height Minor Exception.

In addition to the building height restriction, the City requires our project to provide a minimum of three (3) onsite parking spaces for every 1,000 square feet of gross building square footage or equivalently 210 standard-sized onsite parking spaces (inclusive of handicapped spaces) for the estimated 70,000 square feet building. However, City staff informed the team that the project, with adequate documentation and justifications, could request administrative relief of up to a 20% parking requirement reduction. Accordingly, our Operations Support Services Department has collected actual parking counts on our headquarters parking lot (HQ Lot) since February 2024 for high occupancy days. Staff reports that the highest parking demand of our HQ Lot over the past eight (8) months was 151 spaces. The proposed project schematic design and site plan provide 180 onsite parking spaces which exceeds the City's reduced requirement of 168 spaces (210 X 80%) and exceeds our 151 spaces peak demand by 20%.

Building Committee Recommendation

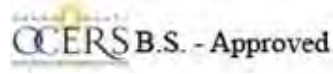
The Building Committee (Committee) has discussed these entitlement issues with the Project Team and recommends that the Board approve the preliminary schematic design which includes a three-story L-shaped building with surface parking (see attachments). If approved, the next steps of the process will require the project team to complete and submit the Development Project Review and Minor Exception application to the city and secure the requisite approvals.

As the Project progresses through the city entitlement and plan check processes, it is possible that the City could require changes to the submitted plans and drawings. In case of any material conditions of approval that impact the project's direction, the Project Team will bring such instances to the Committee and/or the Board for review and approval.

Attachments

1. OCERS Replacement HQ Building – preliminary schematic design and site plan

Submitted by:



Brenda Shott, CPA
Assistant CEO, Finance and Internal Operations

DESIGN PRINCIPLES

01

**OUTDOOR
CONNECTIVITY**



02

INTERACTIVE



03

WELCOMING



04

SAFE & SECURE



05

HEALTHY



06

RESPONSIBLE

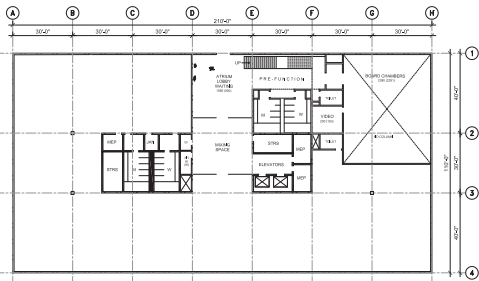
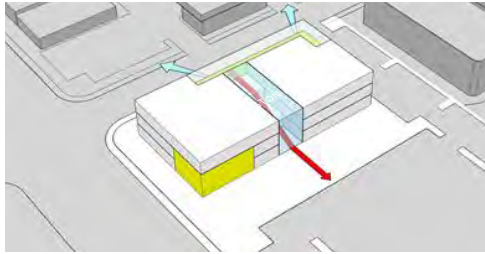


OCERS Future HQ Vision Statement:

“OCERS’ new headquarters will feature a holistic design that combines understated sophistication with modern innovation, enhancing the overall user experience. It will blend timeless elegance with forward-thinking innovation, providing a secure, inviting, and inspiring environment. We aim to foster a professional environment that is comfortable and open, encouraging collaboration and growth while reflecting OCERS’ commitment to superior service and excellence.”

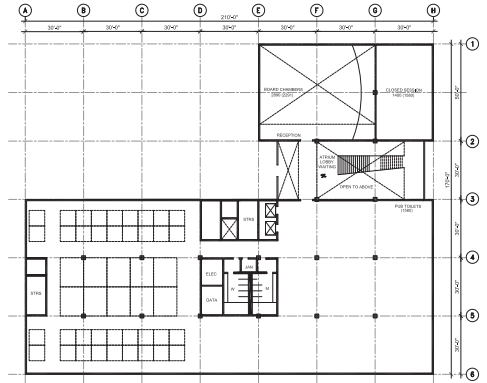
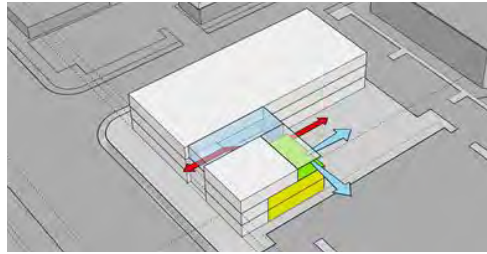
L-SHAPE SCHEME COSTING DISCUSSION

RECTANGLE



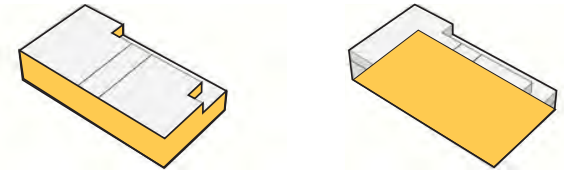
BASELINE TARGET

L-SHAPED



+2.6 % COST

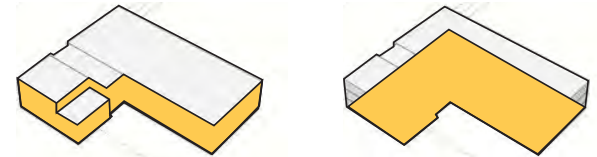
RECTANGLE



SKIN TO FLOOR RATIO

0.51

L-SHAPED

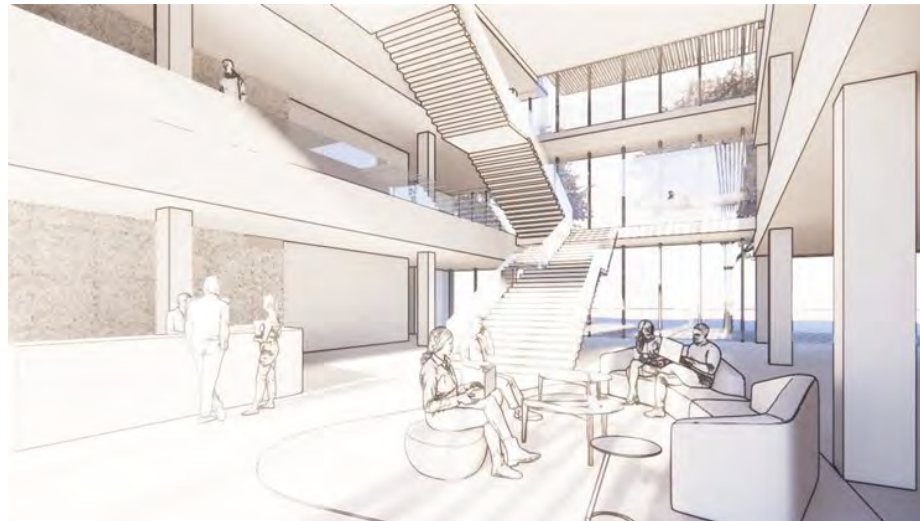
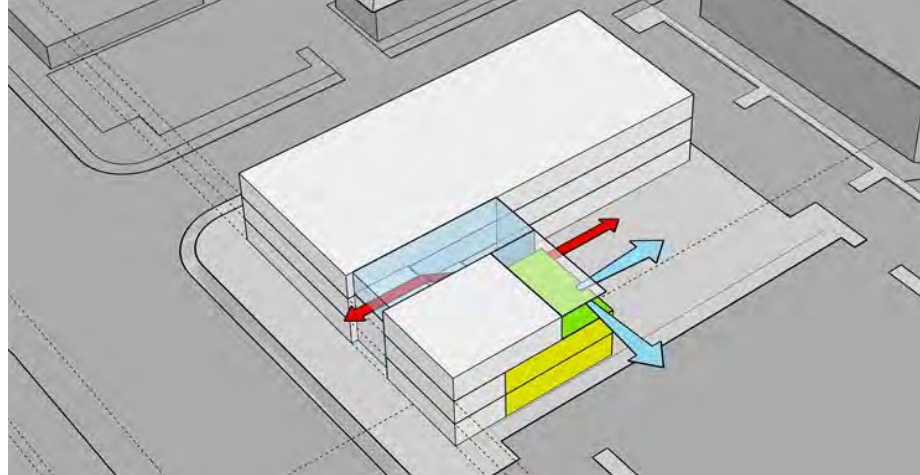


SKIN TO FLOOR RATIO

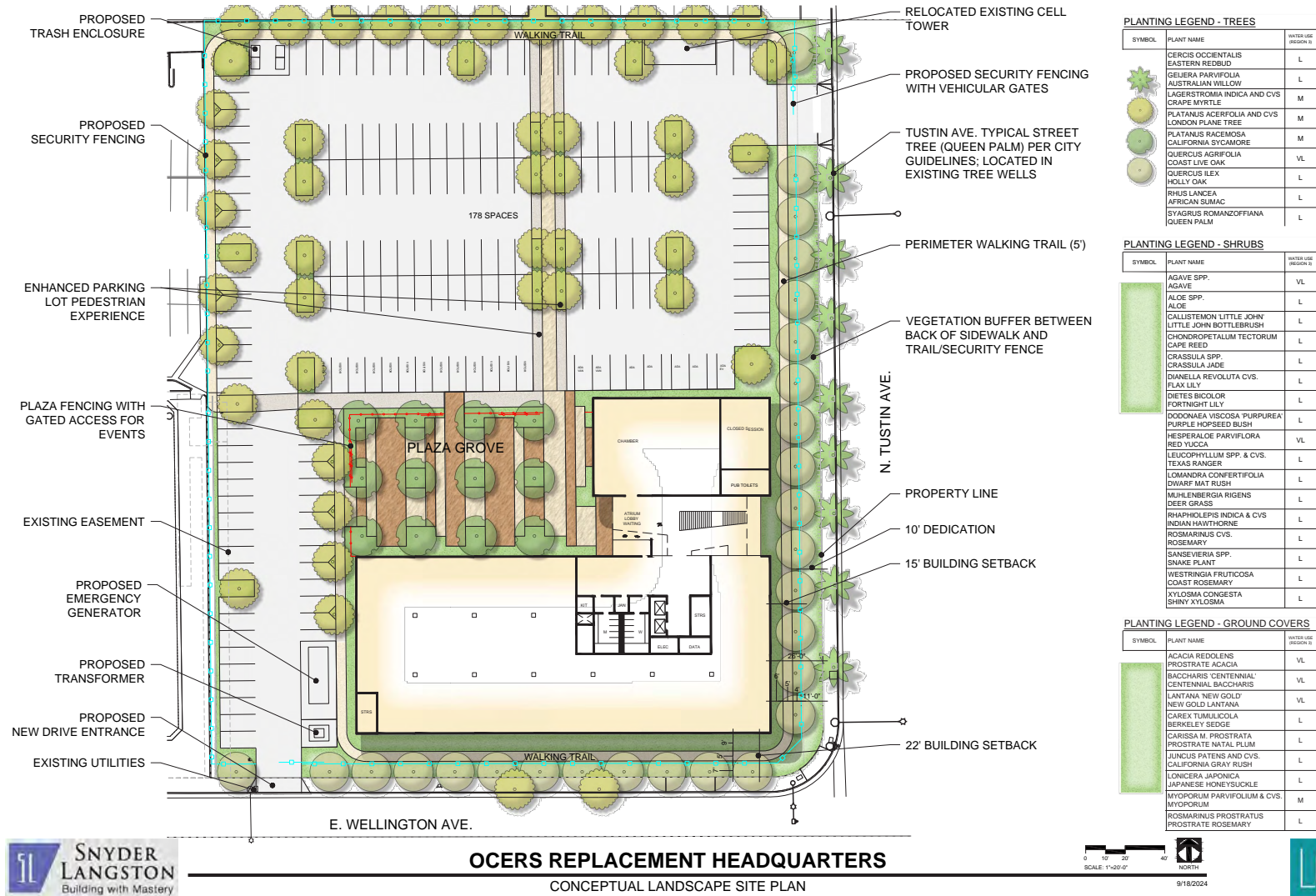
0.60

SKIN TO FLOOR RATIO =
PROPORTION OF EXTERNAL WALL AREA
DIVIDED BY
GROSS FOOTPRINT FLOOR AREA

L-SHAPED

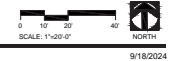


ATRIUM VIEW

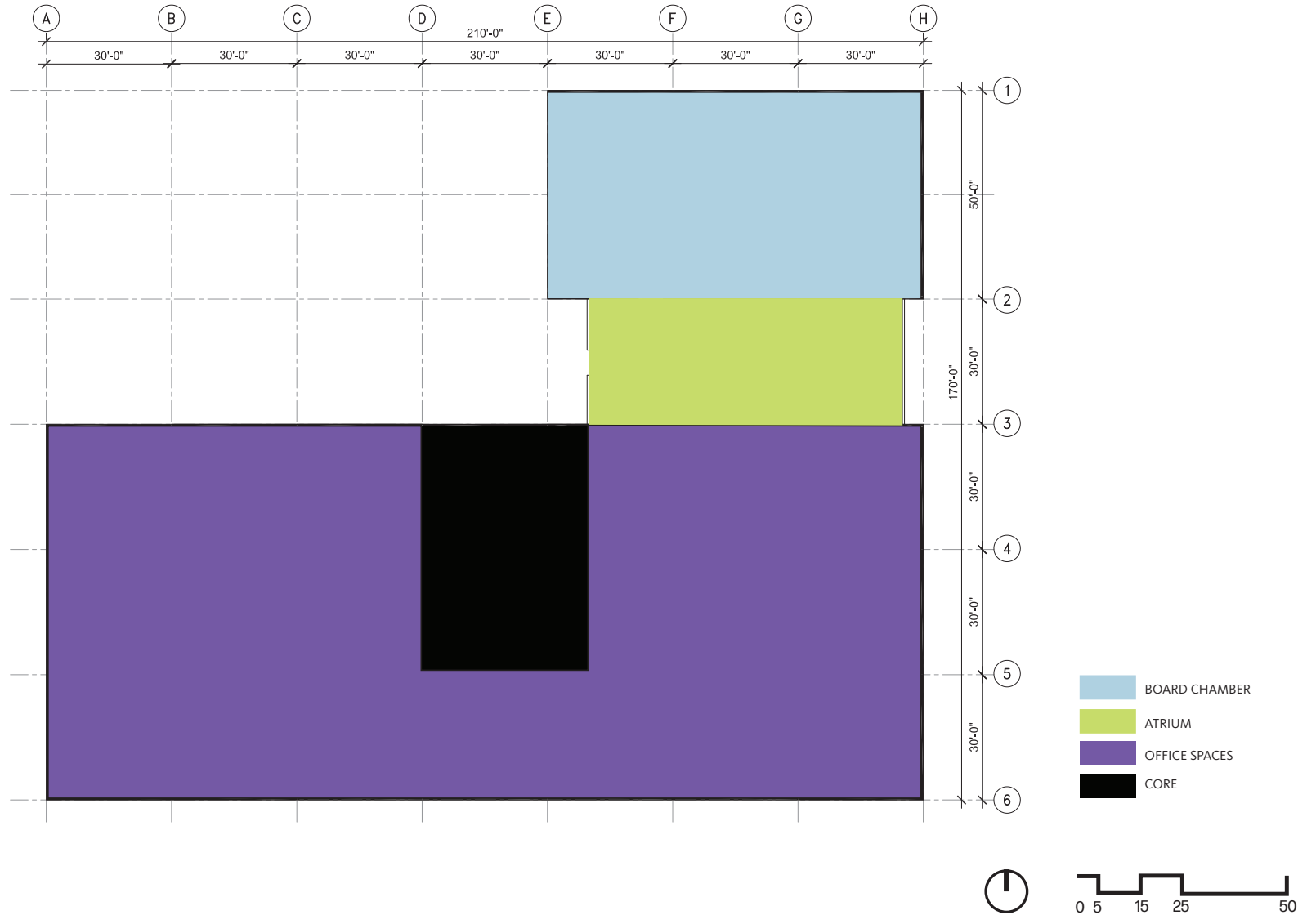


OCERS REPLACEMENT HEADQUARTERS

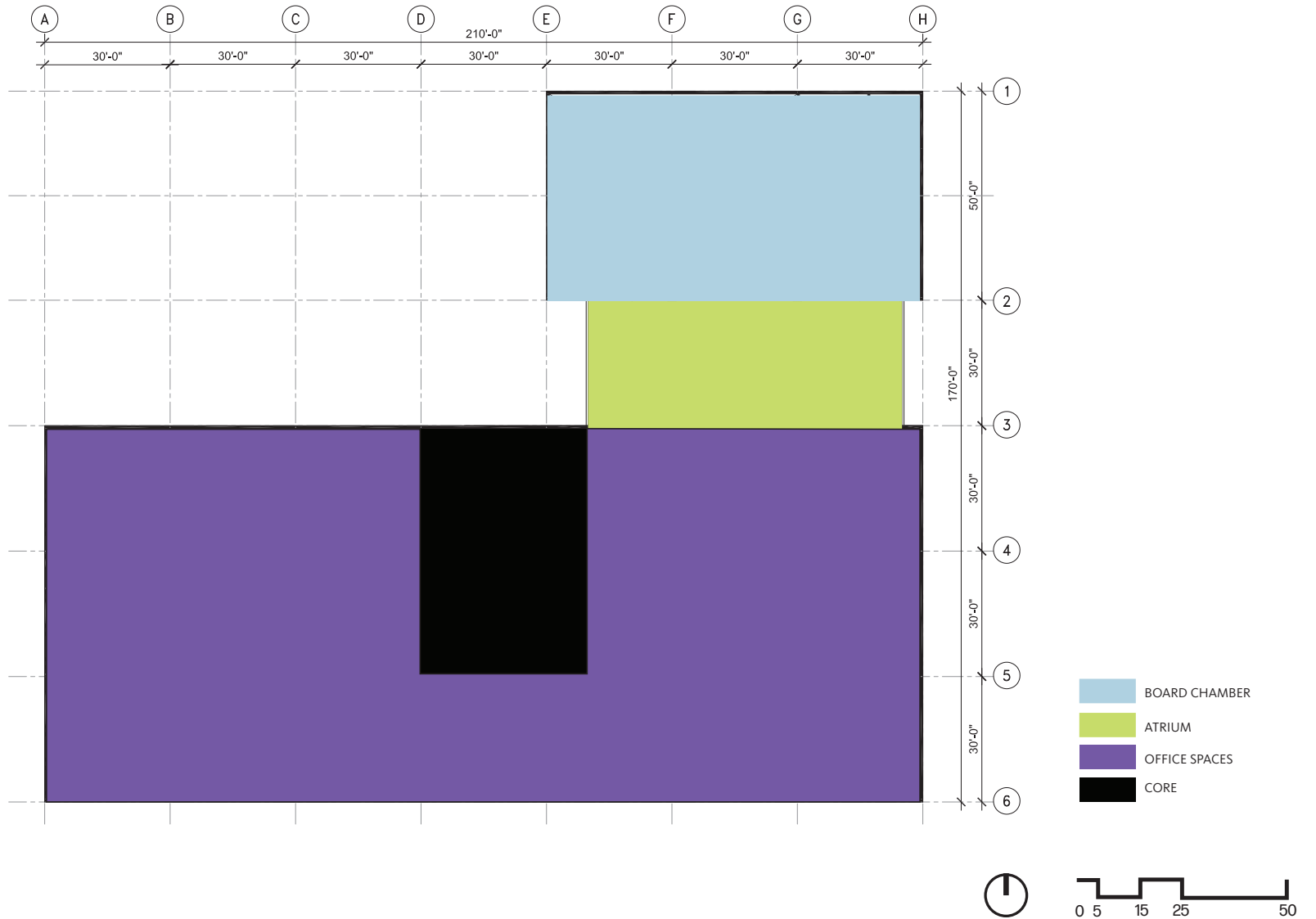
CONCEPTUAL LANDSCAPE SITE PLAN



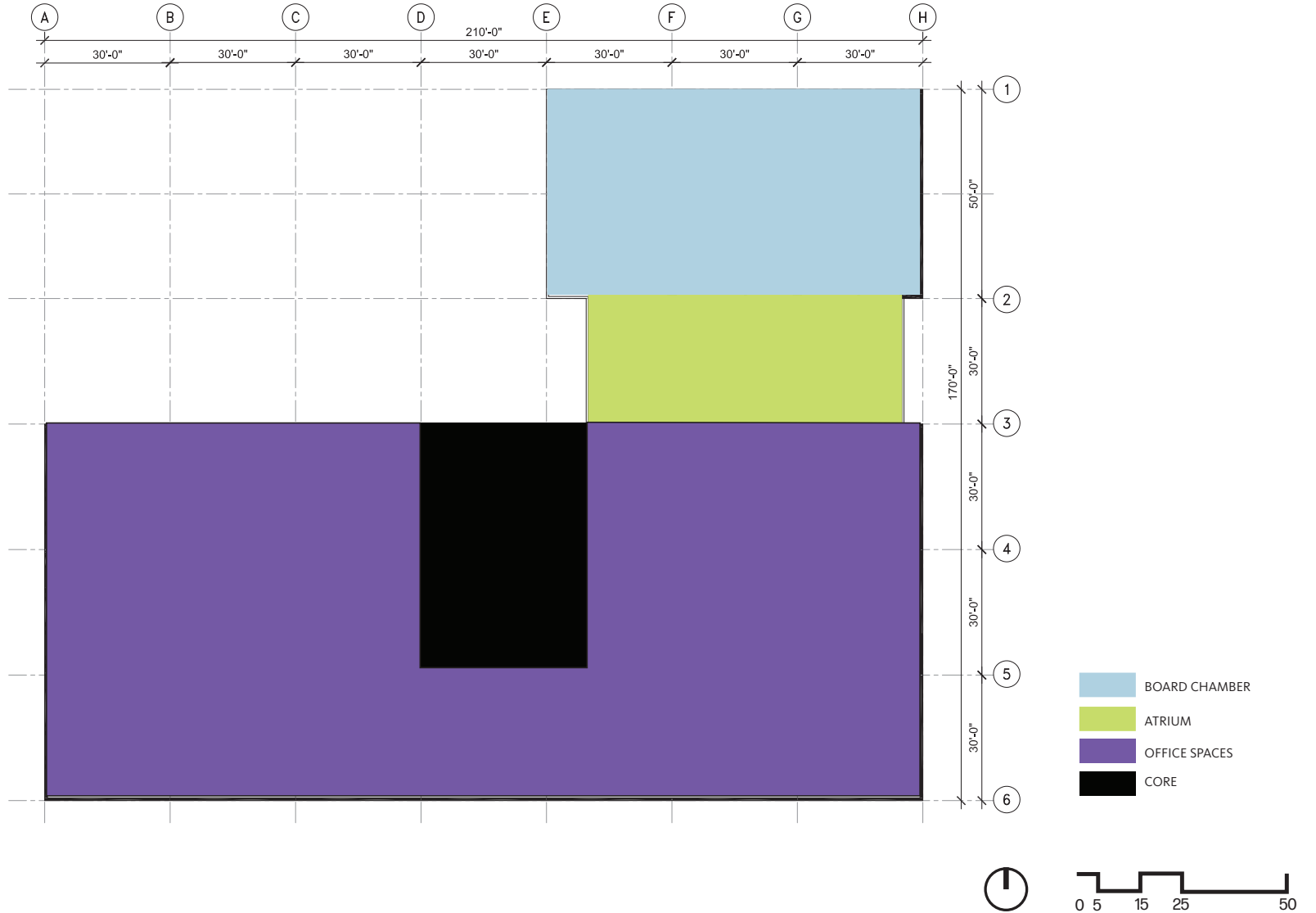
GROUND FLOOR PLAN



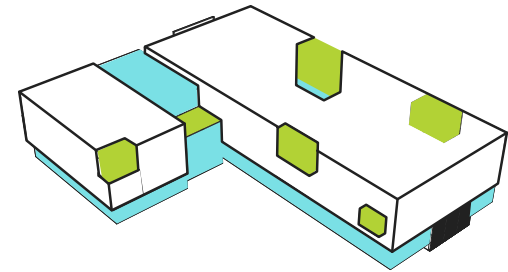
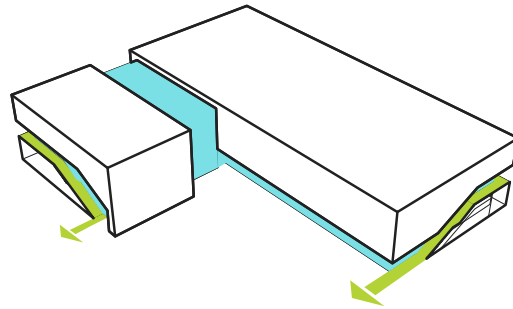
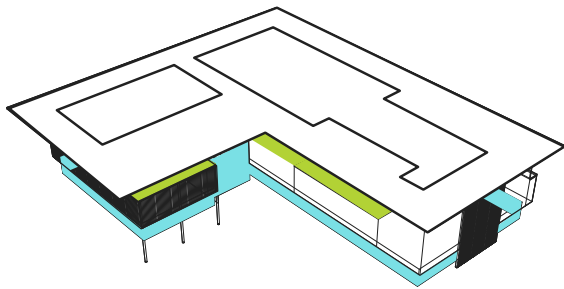
SECOND FLOOR PLAN



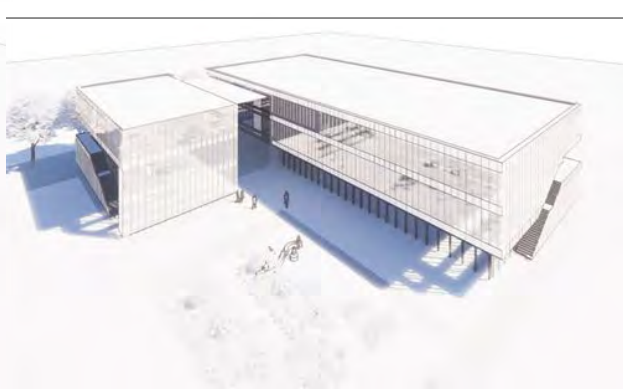
THIRD FLOOR PLAN



THREE CONCEPTS



CANOPY



OUTDOOR WALKWAY

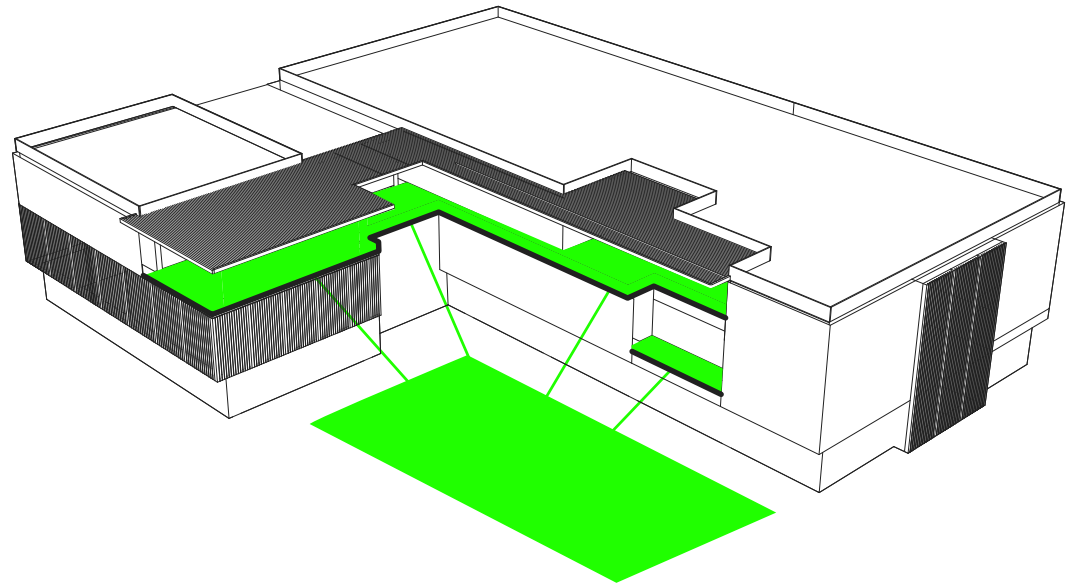


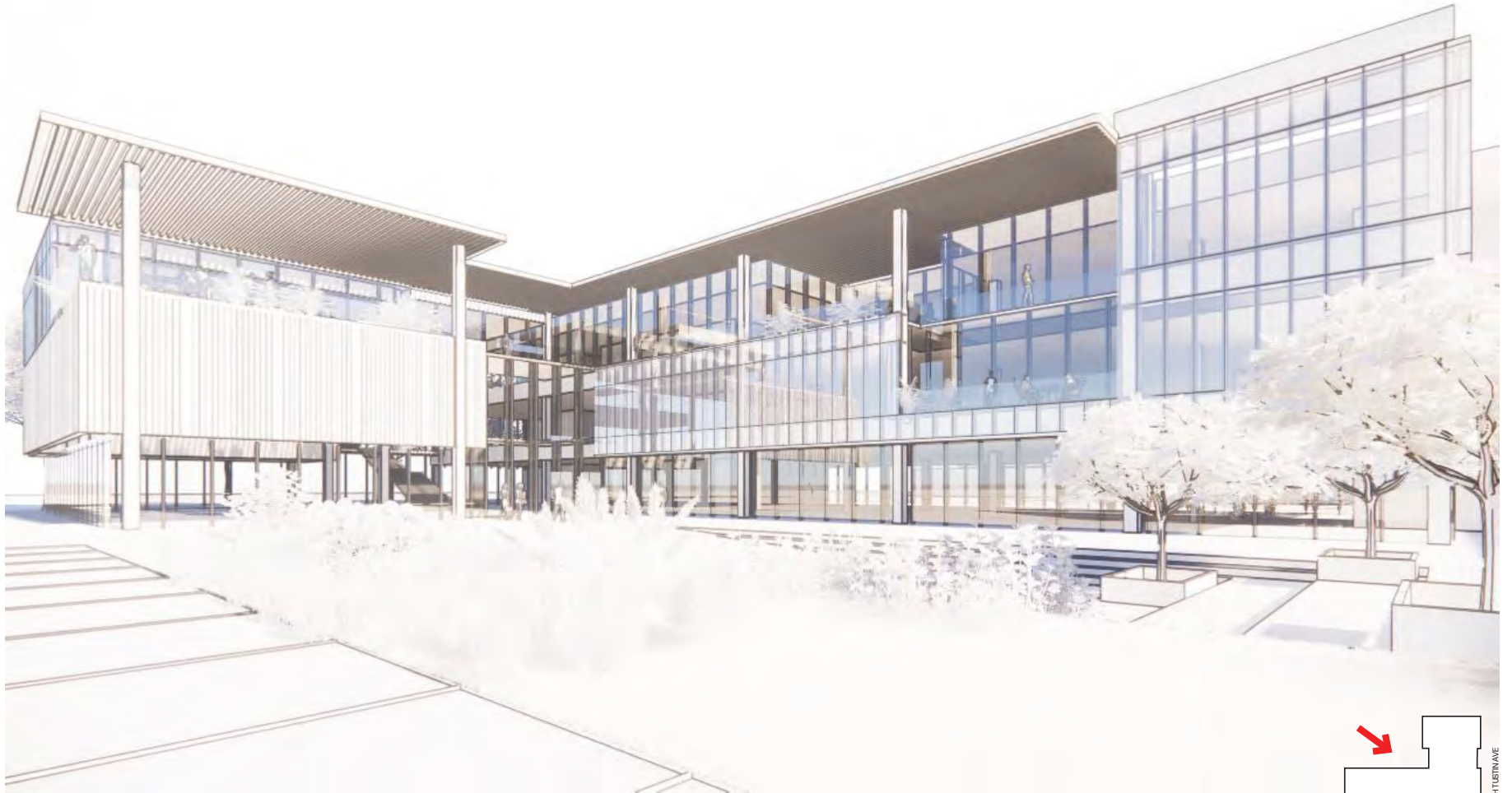
POCKET TERRACES

CONCEPT

The Heart of Interaction

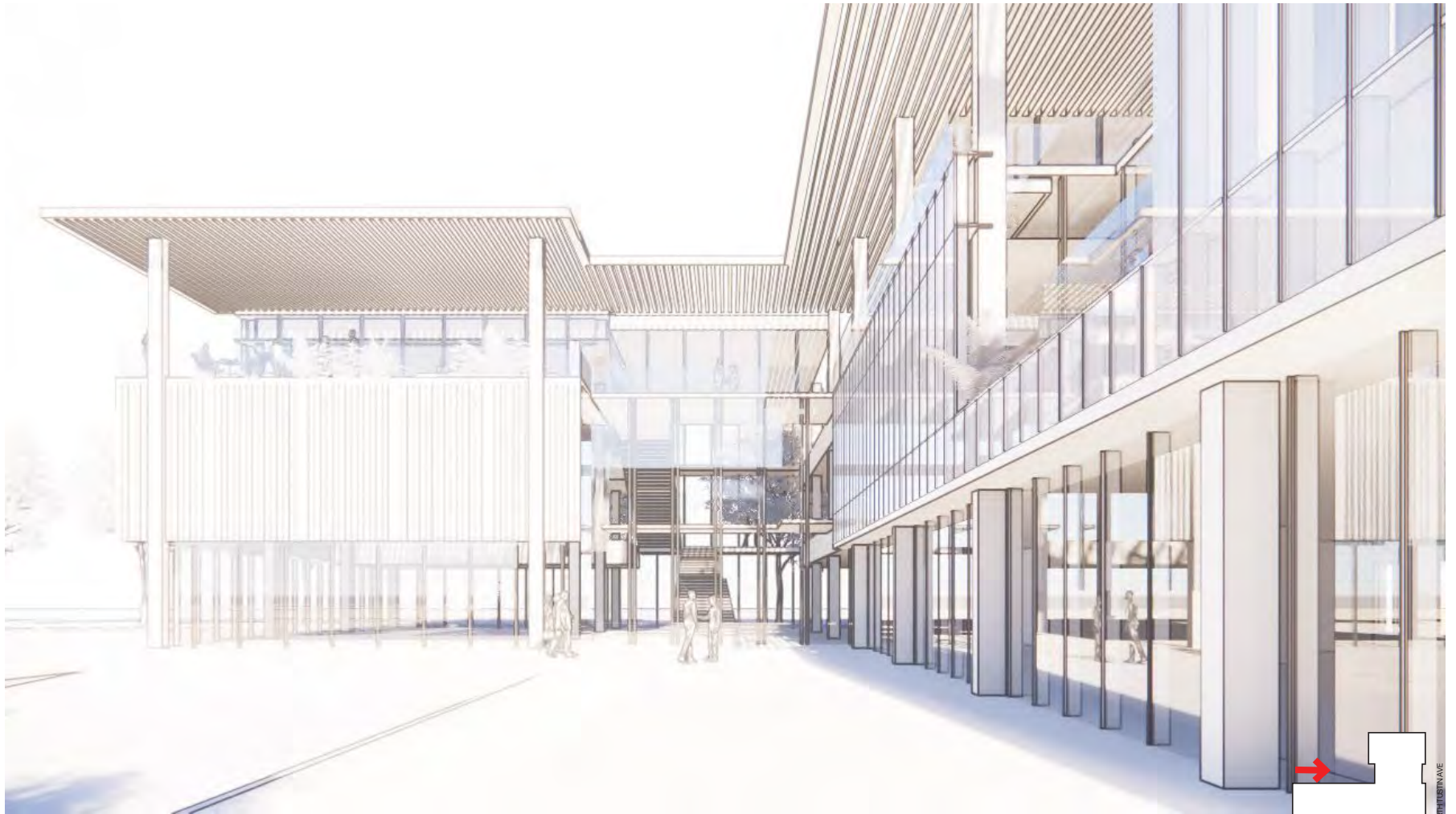
The Main Plaza At the core of the design serving as a dynamic space where employees can come together, connect, and recharge. This open space acts as the building's social heart—a place filled with energy, activity, and possibilities. The plaza features a variety of amenities: outdoor seating areas, greenery, and adaptable spaces that can host anything from casual meetings to community events. The architecture around the plaza is open and inviting, using glass facades and minimal structural obstructions to create a seamless connection between indoor and outdoor spaces, with all the open space amenities and terraces opening up to this area as well.





View from Parking Lot to the Main Plaza and Building





View from Main Plaza to the Atrium and Main Entrance





View from North West



View from North West

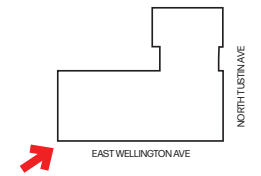


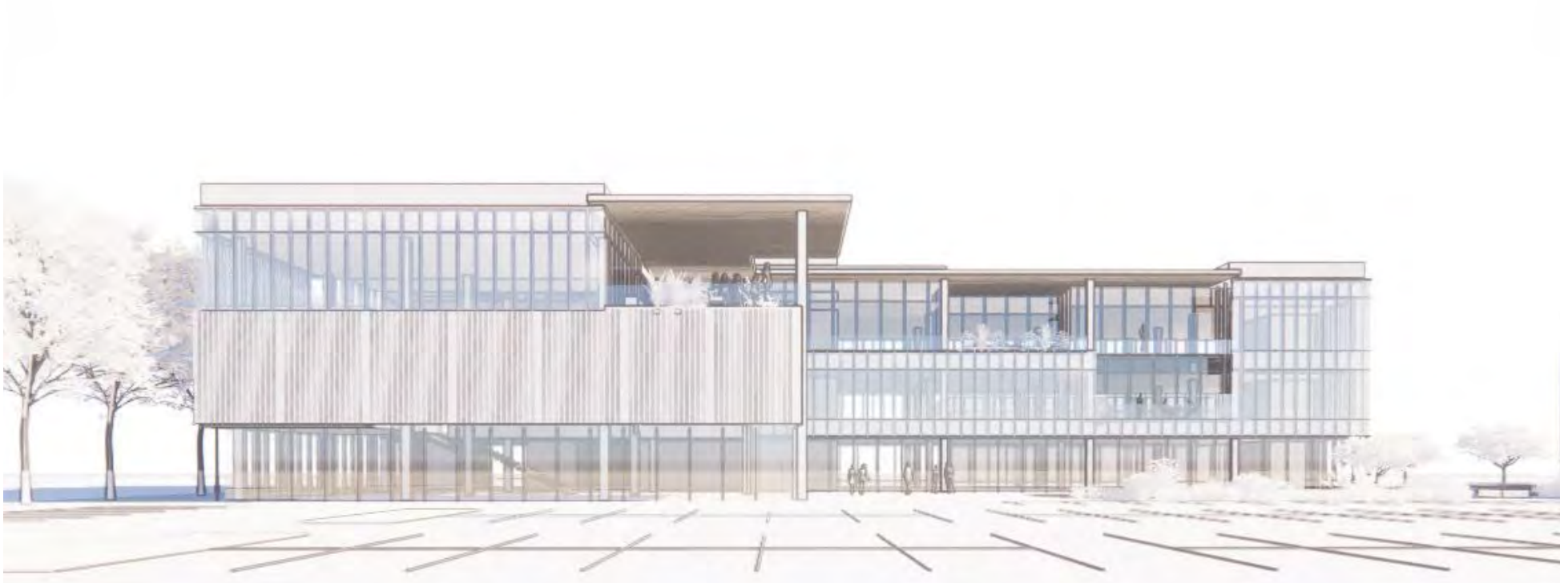


View from South East

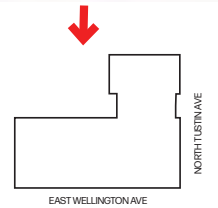


View from South West





North Elevation





Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: **VOTING DIRECTION FOR SACRS BUSINESS MEETING**

Recommendation

Give voting direction to OCERS' delegates for the November 15, 2024 SACRS business meeting.

Background/Discussion

SACRS will hold its next Business Meeting on November 15, 2024. At the meeting, OCERS, as a member of SACRS, will be asked to vote on matters presented to the membership for a vote.

Voting by OCERS at the SACRS business meeting is determined in accordance with the Board's SACRS Voting Authority Policy. The Policy provides that:

- The Board Chair will be designated as OCERS' primary voting delegate;
- If the Board Chair is unable to attend the SACRS business meeting, the Vice Chair will be designated as the alternate voting delegate;
- If the Board Chair and Vice Chair are both unable to attend the business meeting, the alternate voting delegate will be determined, among the Board members in attendance, alphabetically by the Board member's last name; and
- Finally, the OCERS Administrator (CEO) will also be designated as an alternate voting delegate.

At the Board's October 21, 2024 meeting, the Board will be asked to give direction to OCERS' delegates on the matters that will require a vote of the membership at the SACRS business meeting on November 15, 2024. Attached is the SACRS Board of Directors Proposed Legislation for 2025. The SACRS Board approved the proposed legislation at its board meeting in September. To enable SACRS to introduce the proposed legislation in January 2025, the language will need to be voted on by the membership at the November 15 business meeting to accept (yes vote) or decline to carry (no vote).

OCERS Staff supports the proposed legislation. We will inform the Board on October 21 if additional items requiring a vote of the membership are added to the SACRS agenda.

Section 7 of the Policy provides the following direction to OCERS' voting delegates:

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 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.

A copy of the Policy is also attached.

Attachments

Submitted by:



MDS - Approved

Manuel D. Serpa
General Counsel



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

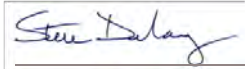
- 8. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

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



August 16, 2024

RE: SACRS Legislative Proposals 2025

Dear SACRS Board of Directors,

The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2025 legislative session. These proposals reflect the input of SACRS member systems and are intended to provide technical and administrative clarity to various sections of the County Employees Retirement Law of 1937 (CERL).

The following proposed amendments to the CERL correct drafting omissions following the implementation of PEPRA in 2013:

- Three-Year Final Compensation (Government Code Section 31462.05): This amendment clarifies how the three-year final compensation period is calculated when a member has less than 36 months of service, consistent with similar sections of law.
- Safety Designation (Government Code Section 31470.14): This amendment clarifies that service for miscellaneous positions that are converted to safety positions after January 1, 2013, cannot be retroactively enhanced.

We thank the Legislative Committee for reviewing these proposals and engaging in a collaborative, deliberative process to achieve consensus on issues. These amendments represent process improvements that will provide administrative efficiencies to retirement systems and members.

Respectfully,

/s/

David Nelsen and Eric Stern
Co-Chairs, Legislative Committee

ATTACHMENT

- SACRS 2025 Legislative Proposal – Draft Language

SACRS 2025 Legislative Proposal
DRAFT LANGUAGE
As of August 16, 2024

31462.05.

(a) For a member who is subject to the California Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1) for all or any portion of their membership in the county retirement system, "final compensation" as defined in Section 7522.32 shall apply. The computation for any absence shall be based on the pensionable compensation of the position held by the member at the beginning of the absence.

(b) If a member has less than three years of service, that member's final compensation shall be determined by dividing the total pensionable compensation by the number of months of service credited to the member and multiplying by 12.

~~(c) When determining final compensation for a member who does not have three consecutive years of earned pensionable compensation due to an absence, the compensation for any absence shall be based on the pensionable compensation of the position held by the member immediately prior to the absence.~~

31470.14.

(a) Local prosecutors, local public defenders, and local public defender investigators are eligible.

(b) Except as provided in subdivision (c) and notwithstanding Sections 31639.7 and 31639.75, past service as a general member shall be converted to safety service if the past service was rendered in a position that has subsequently been reclassified as a safety position pursuant to this section before January 1, 2013. On or after January 1, 2013, any enhancement to safety service shall be subject to Section 7522.44. For local prosecutors, as described in paragraph (2) of subdivision (a) of Section 31469.2, service in the office of a district attorney and a local child support agency shall be considered service for the district attorney for purposes of this section.

(c) Notwithstanding any other provision of this chapter, within 90 days after this section becomes operative in the county, or on the first day of the calendar month following his or her entrance into service, whichever is later, a local prosecutor, local public defender, or local public defender investigator may file a written election not to become a local safety member pursuant to this section.

(d) Notwithstanding any other provision of this chapter, local prosecutors, local public defenders, and local public defender investigators shall be subject to the benefit formula contained in Section 31664 or 31664.2, or any other benefit formula applicable to safety members that does not provide benefits greater than those benefits provided under Section 31664.2, as designated in the resolution described in subdivision (e). A local prosecutor, local public defender, or local public defender investigator shall not be deemed to be a county peace officer, as defined in Section 31469.1, for any purpose under this chapter.

(e) This section shall not be operative in a county unless and until the board of supervisors, by resolution adopted by majority vote, makes this section operative in the county. A resolution to make this section operative in the county shall include all local prosecutors, local public defenders, and local public defender investigators described in Section 31469.2.

(f) A provision in a memorandum of understanding that an employer is not obligated to meet and confer regarding wages, hours, or conditions of employment during the term of the memorandum shall not be construed to preclude meetings regarding the provisions of this section between an employer and local prosecutors, local public defenders, and local public defender investigators prior to the expiration of the term of the memorandum of understanding.

(g) This section does not apply to any person described in Section 31469.2 who dies prior to the date this section becomes applicable in the county.



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: DESIGNATING OCERS LABOR NEGOTIATOR UNDER GOVT. CODE SECTION 54957.6

Background/Discussion

The Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating compensation with the CEO.

Paragraph 14 of OCERS Chief Executive Officer Performance Evaluation Policy states as follows:

“In establishing the Chief Executive Officer’s salary, the Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating for these purposes. As directed by the Board, the designated representative will negotiate with the Chief Executive Officer the salary, salary schedule and/or compensation paid in the form of fringe benefits that will be paid to the Chief Executive Officer subject to final action by the Board.”

Government Code Section 54947.6 of the Brown Act, provides that prior to meeting in closed session with its negotiator(s), the Board must hold an open session in which it identifies its designated labor representative.

Attachments:

1. CEO Performance Evaluation Policy
2. CEO Charter

Submitted by:



CH - Approved

Cynthia Hockless
Director of Human Resources



OCERS Board Policy

Chief Executive Officer Performance Evaluation Policy

Background and Objectives

1. The Board of Retirement supervises the Chief Executive Officer. Formal evaluation procedures and practices are required. This process shall be performed on an annual basis.
2. The objectives of this policy are to:
 - a. Assist the Board in arriving at and communicating clear and meaningful goals and performance targets for the Chief Executive Officer;
 - b. Ensure that the Chief Executive Officer receives meaningful, objective, and timely feedback that will allow the Chief Executive Officer to perform, over time, at the highest levels possible; and
 - c. Enable the Board to hold the Chief Executive Officer accountable for performance.

Roles

3. The Board will be responsible for evaluating the performance of the Chief Executive Officer.
4. The Chair and Vice Chair will be responsible for coordinating the evaluation process. The Board may use a third party to facilitate the process.

Policy Guidelines

Process and Timelines

5. The Chief Executive Officer's performance review period will be September through August.
6. The Chief Executive Officer will discuss the following items with the Chair during the month of November each year:
 - a. Proposed CEO evaluation criteria for the coming year;
 - b. Proposed weights for each of the above criteria; and
 - c. Proposed CEO Evaluation Form for the coming year.
7. In addition, the CEO's performance for the review period will be evaluated using the same rating metrics as are used by OCERS in evaluating the performance of OCERS direct employees, and may be based on the following seven categories based on the goals stated in the OCERS Strategic Plan:
 - a. Fund Sustainability
 - b. Excellent Service and Support
 - c. Risk Management
 - d. Talent Management
 - e. Effective Governance



OCERS Board Policy

Chief Executive Officer Performance Evaluation Policy

- f. Communications
- g. Other criteria that the Board determines is appropriate.

The Board will attempt to ensure that the criteria:

- a. Are objective and measurable; and
 - b. Pertain only to outcomes over which the Chief Executive Officer has a reasonable degree of control.
8. The Chair will distribute the CEO Evaluation Package to each member of the Board in September of each year. The Evaluation Package will include copies of the Evaluation Form to be completed by each Board member, Business Plan, and the CEO's self-evaluation. The Chief Executive Officer's self-evaluation report is designed to assist the Board in the evaluation process. It should describe the extent to which the CEO believes the evaluation criteria were met over the past year, as well as all relevant supporting data. Supporting data may be confirmed by internal audit material where appropriate. The report may also describe any additional accomplishments during the year.
9. The Board shall treat this material as confidential. Completed individual Evaluation Forms will be returned to the Chair or the designated third party with a copy to the Vice Chair within the time frame specified. The Chair will ensure that all data is tabulated and summarized in a Master CEO Evaluation Form and treated as confidential until released to the Board.
10. Evaluation of the Chief Executive Officer will be completed by November each year. The evaluation process itself will be conducted in executive session. The Chair will distribute a copy of the Master CEO Evaluation Form and invite discussion by the Board. At the conclusion of discussion, the Chief Executive Officer will join the Board for review and discussion of his/her performance along with any suggestions for improvement. The Board may have preliminary discussions in October, but will complete the process by November.
11. Upon completion of the Master CEO Evaluation Form, the Chair and the Chief Executive Officer will sign the Master CEO Evaluation Form and cause it to be placed in the Chief Executive Officer's personnel file.

Documentation

12. The Individual and Master CEO Evaluation Form(s) may take any format the Board deems appropriate, but must allow Board members an opportunity to provide general comments.

Compensation

13. The Board of Retirement will consider the Chief Executive Officer's compensation during the months of October and November.
14. In establishing the Chief Executive Officer's salary, the Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating for



OCERS Board Policy Chief Executive Officer Performance Evaluation Policy

these purposes. As directed by the Board, the designated representative will negotiate with the Chief Executive Officer the salary, salary schedule and/or compensation paid in the form of fringe benefits that will be paid to the Chief Executive Officer subject to final action by the Board.

Policy Review

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

Policy History

16. This policy will be implemented in February 19, 2002. This policy was revised May 16, 2005, May 19, 2008, March 22, 2010, January 21, 2014 , November 14, 2016, August 19, 2019 and August 21, 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.

8/21/2023

Steve Delaney
Secretary of the Board

Date



OCERS Board Charter CEO Charter

Introduction

1. The Board of Retirement (Board) will appoint a Chief Executive Officer (CEO) who will serve at its pleasure. The CEO is the most senior executive of OCERS and is not subject to county civil service and merit system rules. This charter sets out the roles and responsibilities of the CEO.

Duties and Responsibilities

Leadership and Policy Analysis

2. The CEO will provide leadership for the OCERS staff in implementing the programs necessary to achieve the mission, goals and objectives established by the Board. The CEO will manage the day-to-day affairs of OCERS in accordance with policies established by the Board, and may delegate duties to senior management as necessary. In so doing, the CEO will solicit advice and counsel from the Board, the Board Chair, or individual Board members, as appropriate.
3. The CEO will provide support to the Board and its committees in establishing all policies of the Board including identifying and analyzing issues requiring Board policy, and providing well-supported policy recommendations for consideration by the Board or its committees.
4. The CEO will be responsible for ensuring that all policies of the Board and provisions of the County Employees Retirement Law, with the exception of governance policies pertaining to the conduct of the Board, are properly implemented.

Governance

5. The CEO will:
 - a. Recommend to the Governance Committee policies to help ensure appropriate governance practices;
 - b. Implement Board-approved governance policies, charters, and By-Laws; and
 - c. Assist with Board member education and travel.
6. The CEO will serve as Secretary to the Board and, as such, will carry out the following duties:
 - a. Coordinate meetings, agendas, schedules and presentations for both Board and committee meetings in accordance with the Ralph M Brown Act (California Government Code §§54950, *et seq.*);
 - b. Maintain minutes of Board and committee meetings;
 - c. Sign minutes upon approval of the Board;
 - d. Sign subpoenas; and
 - e. Serve as OCERS' filing officer for purpose of compliance with the California Political Reform Act and regulations of the Fair Political Practices Commission.



OCERS Board Charter CEO Charter

Investments

7. The CEO will:
 - a. Employ a Chief Investment Officer (CIO) with appropriate education and experience in institutional investing;
 - b. Carry out the duties described in this section through the CIO and other professional investment staff;
 - c. Recommend to the Investment Committee an Investment Policy Statement which will include investment objectives;
 - d. Recommend to the Investment Committee strategies for achieving OCERS' investment objectives;
 - e. Ensure the implementation of the strategies approved by the Board by establishing manager structures for each asset class, which includes among other things determining:
 - i. The number of investment manager mandates to be established; and
 - ii. The size of each investment manager mandate.
 - f. Ensure execution of portfolio rebalancing and portfolio transitions;
 - g. Ensure that necessary research is performed into investment trends, issues and opportunities that may have implications for the OCERS investment program;
 - h. Ensure all necessary investment manager due diligence is performed in accordance with the Investment Policy Statement of the Board; and
 - i. Oversee the CIO's hiring and termination of investment managers.

Benefits Administration

8. The CEO will:
 - a. Recommend to the Board, as necessary, policies to ensure effective and efficient administration of member benefits;
 - b. Ensure accurate payment of benefits to members, and address problems or errors in accordance with established policies and procedures;
 - c. In consultation with medical evaluators and legal counsel, recommend disability applications to the Board and the Disability Committee for each of their consideration;
 - d. Maintain accurate records of member accounts;
 - e. Ensure delivery of high standards of service to members including calculations and counseling; and
 - f. Develop staff policies and procedures to ensure effective and efficient administration of member benefits.



OCERS Board Charter CEO Charter

Operations

9. The CEO will:
 - a. Recommend to the Board, as appropriate, Board policies designed to help ensure effective operations;
 - b. Develop and recommend to the Board a business plan and updates to the plan as necessary;
 - c. Recommend the annual Operating Budget to the Board;
 - d. Transfer funds within a category of expenditures (i.e., Salaries and Benefits; Services and Supplies; Capital Projects) within the approved Operating Budget;
 - e. Execute contractual agreements in accordance with the Procurement and Contracting Policy and authorize payments related to the administration of OCERS, consistent with the Operating Budget and OCERS' internal controls;
 - f. Account for and ensure appropriate collection, deposit and distribution of funds as required;
 - g. Implement internal operational control policies;
 - h. Ensure the appropriate design, acquisition, implementation, and maintenance of all technological systems required to administer OCERS;
 - i. Maintain the records of OCERS in a permanent and readily accessible format and in accordance with the Record Retention Policy and Guidelines;
 - j. Assist the Audit Committee in coordinating operational audits; and
 - k. Maintain an effective working relationship with the County, other participating employers and key stakeholders such as REAOC and member labor unions.

Finance, Actuarial and Accounting

10. The CEO will:
 - a. Recommend to the Audit Committee as appropriate, financial and accounting policies;
 - b. Implement appropriate internal financial controls to safeguard the assets of the OCERS;
 - c. Assist the Audit Committee in coordinating the annual financial audit;
 - d. Coordinate the actuarial valuation, actuarial experience studies, and actuarial audits;
 - e. Cause to be prepared an annual comprehensive financial report on the operations of OCERS for Board approval; and
 - f. File in the office of the County Auditor and with the Board of Supervisors a sworn statement which will exhibit the financial condition of the OCERS at the close of the preceding calendar year and its financial transactions for the year ending on that day as required by Government Code §31597.



OCERS Board Charter CEO Charter

Human Resources

11. The CEO will:
 - a. Recommend human resources and compensation policies to the Board;
 - b. Assess the human resources needs of OCERS and its employees and establish and implement appropriate human resources programs, procedures and employee benefits, consistent with the human resources and compensation policies of the Board;
 - c. Hire, manage and terminate senior management, and approve all personnel decisions concerning OCERS staff; and
 - d. Implement and lead agency training, talent development and succession planning.

Legislation and Litigation

12. The CEO will:
 - a. Recommend legislative proposals for approval by the Board;
 - b. Conduct and oversee the assigning, directing, and handling of litigation, claims, demands, disputes or legal proceedings involving OCERS and report material developments in these matters to the Board on a timely basis;
 - c. In consultation with legal counsel, provide recommendations to the Board concerning the initiation and settlement of litigation, including administrative appeals, involving OCERS; and
 - d. Oversee the development and implementation of plans to comply with newly enacted legislation and court rulings, as applicable.

Communications

13. The CEO will:
 - a. Ensure effective and timely communications with stakeholders on matters relating to the administration of OCERS. Such communications may include press releases, newsletters, presentations, and internet communications; and
 - b. In situations that call for an official spokesperson to speak on behalf of OCERS, jointly determine with the Chair, on an issue-by-issue basis, who will act in such capacity.

Appointment of Service Providers

14. The CEO will cause the necessary due diligence to be performed for Named Service Providers, as listed in the Board Procurement and Contracting Policy, and will provide the Board with appropriate recommendations, in accordance with the Procurement and Contracting Policy and the Investment Policy Statement of the Board.
15. The CEO may hire other service providers, consistent with the Operating Budget and the Procurement and Contracting Policy and other policies of the Board, provided that the Board has not specifically retained the authority to hire such service providers.



OCERS Board Charter CEO Charter

Monitoring and Reporting

16. The CEO will provide the Board with relevant, appropriate and timely information to enable it to properly carry out its oversight and fiduciary responsibilities. Furthermore, the CEO will apprise the Board in a timely manner of all significant issues, problems, or developments pertaining to OCERS and provide recommended courses of action as appropriate.
17. The CEO will:
 - a. Oversee the regular review of all policies of OCERS to ensure they are being followed and continue to meet OCERS' needs;
 - b. Oversee the activities of the Investment Division and report annually to the Board regarding the administrative oversight of the division, including identifying any issues that arose during the reporting period;
 - c. Oversee the funded status of OCERS and all issues that may reasonably have a significant impact on such status;
 - d. Oversee the investment performance of the Fund, the component asset classes, and the investment managers retained to manage the assets of the Fund;
 - e. Oversee management's response to the findings of the annual financial audit, and of any internal audits that may be performed;
 - f. Oversee employees and service providers of OCERS to ensure compliance with the OCERS policies;
 - g. Oversee the activities and performance of key service providers including the actuary, financial auditor, investment consultant, legal counsel, and custodian on a regular basis;
 - h. Oversee the activities and performance of senior management;
 - i. Oversee the collection of all payments due to OCERS and the payment of all amounts due by OCERS to ensure accuracy and timeliness;
 - j. Oversee OCERS' compliance with applicable laws and regulations; and
 - k. In conjunction with legal counsel, oversee the status of all claims, demands, disputes and legal proceedings involving OCERS and report to the Board as appropriate.

Emergency Authority

18. In emergency situations, the CEO, after making reasonable attempts to contact the Board Chair and Vice Chair, will have the authority to act on matters not expressly stated within this charter provided that:
 - a. The action is, in the CEO's judgment, necessary to protect the System, its employees, the Fund, or System assets from loss or harm that is reasonably likely to occur if action is delayed for the scheduling of a notices meeting of the Board or its committees; and



OCERS Board Charter CEO Charter

- b. The CEO promptly reports to the Board the emergency action taken, and the reasons why the CEO determined action was immediately necessary.

Charter Review

- 19. The Governance Committee will review this charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the charter remains relevant and appropriate.
- 20. This charter was adopted by the Board on November 18, 2002, and amended on August 25, 2008, July 20, 2015, April 18, 2018, March 18, 2019, 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.

APRIL 17, 2023

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **2025 BOARD MEETING CALENDAR**

Presentation

Background/Discussion

Attached is a list of the proposed Board meeting, Investment Committee, Disability Committee, and Strategic Workshop dates for 2025. Please note that the first Investment Committee meeting is scheduled for Friday, March 7th due to consultants and anticipated returns availability.

Dates in 2025 for other Board Committee meetings such as Audit, Governance, and Personnel will be determined after those committees are assigned in December 2024.

Also attached is a list of important conferences that may be of interest in 2025. This is provided to assist you in your personal calendaring.

Attachments:

- 2025 Board and Investment Committee Calendar with Popular Conferences Boxed in Red
- 2025 Conference Dates by Conference Organizers

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

2025 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
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March						
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23	24	25	26	27	28	29
30	31					

April						
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20	21	22	23	24	25	26
27	28	29	30			

May						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July						
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27	28	29	30	31		

August						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September						
Su	Mo	Tu	We	Th	Fr	Sa
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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
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26	27	28	29	30	31	

November						
Su	Mo	Tu	We	Th	Fr	Sa
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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 2025

Jan 1	New Year's Day	May 26	Memorial Day	Sep 1	Labor Day	Nov 27	Thanksgiving Day
Jan 20	Martin Luther King Day			Sep 26	Native American Day	Dec 25	Christmas Day
Feb 17	Presidents' Day	Jul 4	Independence Day	Nov 11	Veterans Day		

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

Updated: 10/11/2024

10-21-2024 REGULAR BOARD MEETING - I-1 2025 BOARD MEETING CALENDAR

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1/26/2025	1/27/2025	NCPERS	Pension Comm Summit	Washington DC	
1/27/2025	1/29/2025	NCPERS	Legislative Conference	Washington DC	
2/2/2025	2/4/2025	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	
3/1/2025	3/3/2025	NASRA	Winter Meeting	Washington DC	
3/3/2025	3/4/2025	NIRS	Annual Conference	Washington DC	*Estimated
3/2/2025	3/5/2025	CALAPRS	General Assembly	Napa, CA	
5/13/2025	5/16/2025	SACRS	Spring Conference	Rancho Mirage, CA	
5/18/2025	5/21/2025	NCPERS	Annual Conference & Exhibition (ACE)	Denver, CO	
6/16/2025	6/18/2025	NCPERS	Chief Officers Summit	New York	
July 2025		NAPO	ANNUAL CONVENTION		
8/9/2025	8/13/2025	NASRA	Annual Conference	Seattle WA	
Aug 2025		NCPERS	Public Pension Funding Forum	Chicago, IL	
Sep 2025		NCPERS	Public Pension HR Summit		
Oct 2025		NCPERS	FALL Conference		
Nov 2025		CRCEA	Contra Costa (CCREA)		
11/11/2025	11/14/2025	SACRS	Fall Conference	Huntington Beach, CA	
Oct 2026		NCPERS	Public Safety Conference		none for 2025

SACRS 2025 CONFERENCES		
Spring Conference	May 13-16, 2025	Rancho Mirage, CA
Fall Conference	November 11-14, 2025	Huntington Beach, CA
SACRS/UC Berkeley Program	July 13-16, 2025	Berkeley, CA

CALAPRS 2025 CONFERENCES		
General Assembly	March 2-5, 2025	Napa, CA
Advanced Principals of Pension Governance for Trustees at UCLA	**March 2025	Los Angeles, CA
Principles of Pension Governance for Trustees	**August 2025	TBD

NASRA 2025 CONFERENCES		
Winter Meeting	March 1-3, 2025	Washington, DC
Annual Conference	August 9-13, 2025	Seattle, WA
NIRS*	** March 3-4, 2025	Washington, DC

NCPERS 2025 CONFERENCES		
Pension Comm Summit	January 26-27, 2025	Washington, D.C.
Legislative Conference	January 27-29, 2025	Washington, D.C.
Trustee Educational Seminar (TEDS)	May 17-18, 2025	Denver, CO
NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	May 17-18, 2025 October 2025	Denver, CO TBD
NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	May 17-18, 2025 October 2025	Denver, CO TBD

Annual Conference & Exhibition (ACE)	May 18-21, 2025	Denver, CO
Public Pension Funding Forum	Aug 2025	Chicago, IL
Program for Advanced Trustee Studies (PATs)	October 2025	TBD
FALL Conference	October 2025	TBD

IFEBP 2024 CONFERENCES		
Public Employee Benefits Institute Certificates	Various Visit IFEBP.ORG	Various Visit IFEBP.ORG
Health Benefits Conference & Expo	January 27-29, 2025	St Pete Beach, FL
Advanced Trustees and Administrators Institute	Feb 9-12, 2025 June 22-25, 2025	Orlando, FL Nashville, TN
70th Annual Employee Benefits Conference	Nov 9-12, 2025	Honolulu, HI
Trustee Institute: Level 1 (New Trustees)	Feb 10-12, 2025 June 23-25, 2025 Nov 8-10, 2025	Orlando, FL Nashville, TN Honolulu, HI
Trustee Institute: Level 2	Feb 8-9, 2025 June 21-22, 2025 Nov 8-9, 2025	Orlando, FL Nashville, TN Honolulu, HI

NAPO 2025 CONFERENCES		
Annual Police, Fire, EMS, & Municipal Employees Pension & Benefits Seminar	February 2-4, 2025	Las Vegas, NV
Annual Meeting	July 2025	TBD



Retirement Board Meeting

October 21, 2024

Application Notices

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ANDERSON, BETH	John Wayne Airport	6/28/2024
ARMIJO, DAVID	Transportation Corridor Agency (TCA)	11/6/2020
ARNOLD, YVETTE	Social Services Agency	7/27/2024
ARZAGA, EUGENIA	Health Care Agency	8/9/2024
BARRIOS, DAVID	Social Services Agency	7/26/2024
BASS, KEVIN	Fire Authority (OCFA)	8/12/2024
BASTRERI, ROBERT	Sheriff's Dept	8/9/2024
BELANGER, LOLLY	Child Support Services	7/10/2024
BIGGINS, JENNIFER	Superior Court	8/23/2024
BROUGHAM, ERIC	OCWR	8/23/2024
BROWN, WENDY	OC Public Works	6/28/2024
BUI, PAULINE	Health Care Agency	7/20/2024
COBB, BRUCE	Sheriff's Dept	7/26/2024
D'AMICO, JASON	Health Care Agency	7/26/2024
DAVIS, GRACIE	OCTA	8/11/2024
DAVIS, JENNIFER	Social Services Agency	7/12/2024
DAWSON, STEVEN	OC Public Works	8/9/2024
DE LA LUZ, SANDRA	Social Services Agency	7/26/2024
DE PADUA, ROBERTO	Sheriff's Dept	8/9/2024
DONATONI, MELINDA	Treasurer-Tax Collector	7/5/2024
EFE, TOLGA	OCTA	7/27/2024
FARIA, JOSEPH	District Attorney	8/9/2024
FLORES, MARK	Fire Authority (OCFA)	8/9/2024
GALLEA, MICHELLE	Social Services Agency	7/19/2024
GARCIA, PATRICIA	Fire Authority (OCFA)	6/12/2024
GASTEIGER, JEFFREY	Sheriff's Dept	6/29/2024
GIALAMAS, DEAN	Sheriff's Dept	6/29/2024
GILTNER, WENDY	Auditor Controller	7/16/2024



Retirement Board Meeting
October 21, 2024
Application Notices

GOMEZ, SYLVIA IRENE	Health Care Agency	7/17/2024
GONZALES, CARMEN	Sheriff's Dept	7/26/2024
GUTIERREZ, LORENA	Social Services Agency	7/12/2024
HAMILTON, GREGORY	District Attorney	7/12/2024
HARRIS, ALICIA	Social Services Agency	8/23/2024
HARRISON, JOSEPH	Health Care Agency	7/12/2024
HILL, JERALD	Fire Authority (OCFA)	3/29/2024
HILL, MICHAEL	Public Defender	7/12/2024
HOWARD - MOONEY, MELINDA	Social Services Agency	7/26/2024
HUBBARD, SHEILA	Probation	8/23/2024
HUMPHREY, RYAN	Fire Authority (OCFA)	7/26/2024
HURTADO, CIRILO	Health Care Agency	7/12/2024
JAMES, DANIEL	Health Care Agency	7/5/2024
JENNINGS, LISA	Sheriff's Dept	7/12/2024
KANAMORI, KIMBERLY	County Executive Office (CEO)	8/9/2024
KAROLYS, ANDREA	Health Care Agency	6/29/2024
KELLY, SHAQUINTA	Probation	8/20/2024
KILTZ, TAMI	Sheriff's Dept	7/26/2024
KIM, FRANK	County Executive Office (CEO)	7/12/2024
KLEIN, PATRICIA	Health Care Agency	8/23/2024
KNORR, CHRISTOPHER	OCWR	7/17/2024
LAPPIN, OLGVANNA	Sheriff's Dept	8/12/2024
LE, CHRISTOPHER	OC Community Resources	6/29/2024
LEMMON, DAVID	Sheriff's Dept	8/9/2024
MACIAS, JOSE	OC Public Works	8/23/2024
MARTIN, KATRINA	Social Services Agency	8/22/2024
MARTINEZ, LYNDIA	Social Services Agency	6/28/2024
MORRIS, HOLLY	Social Services Agency	7/21/2024
MUDGE, WILLIAM	OC Vector Control District	6/1/2024
MUMFORD, JEANINE	Health Care Agency	8/1/2024



Retirement Board Meeting
October 21, 2024
Application Notices

NGUYEN, MINH YEN	Social Services Agency	8/23/2024
NIETO, ADRIANA	County Executive Office (CEO)	7/12/2024
OCHOA, JUAN	Registrar of Voters	8/9/2024
OROZCO, IRASEMA	Health Care Agency	7/12/2024
ORTIZ-HANEY, YVONNE	Health Care Agency	7/31/2024
PITTMAN, WILLIE	OCTA	7/23/2024
POER, THOMAS	Probation	6/21/2024
POLAND, SHAWNNA	Health Care Agency	8/23/2024
POLIVOI, SHAWN	Social Services Agency	7/30/2024
PRADO, JESSIE	OC Public Works	7/12/2024
PRINCE, MATTHEW	Sheriff's Dept	7/20/2024
PRINCE, WILLIAM	Health Care Agency	8/16/2024
RAMIREZ, MICHAEL	OCTA	7/12/2024
RANSON, EVELYN	OCTA	6/21/2020
RIENZO, YOLANDA	Health Care Agency	6/28/2024
SANCHEZ, RAFAEL	OCTA	7/29/2024
SOTO, ELIZABETH	Social Services Agency	7/12/2024
TATRO, IRIS	Cemetery District	7/26/2024
TORRES, ROBERT	Superior Court	7/26/2024
TRAN, BAO	Social Services Agency	8/9/2024
TRAN, EDITH	Sanitation District	7/19/2024
VU, CATHERINE	Assessor	6/29/2024
WAGNER ESTRIN, JUDY	Probation	8/1/2024
WILLIAMS, MICHAEL	Health Care Agency	6/28/2024
WILSON, KEVIN	Registrar of Voters	8/23/2024
YAMAMOTO, LESLIE	OCTA	7/11/2024



Retirement Board Meeting

October 21, 2024

Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
CARNAGGIO, ANNA	Social Services Agency
DUNNING, TERRI	Superior Court
EASTLAND, CHRISTIINA	OCTA
HALL, CHRISTINA	Superior Court
REID, MAXWELL	OCTA
TAFUA, LISA	Probation
VUONG, DAVID	Social Services Agency

RETIRED MEMBERS	AGENCY/EMPLOYER
ALFARO, HECTOR	OC Public Works
BAKER, THOMAS	City of San Juan Capistrano
BARROW, RICHARD	Sheriff's Dept
BICKNELL, MARY	Health Care Agency
BONGCARAS, EULOGIO	Law Library
BRIGMAN, ARTHUR	Probation
CAMPBELL, SUSAN	Registrar of Voters
CHARLTON, BARBARA	Probation
CIOBAN, EUGEN	Sheriff's Dept
COLEMAN, BILL	OCTA
COMSA, PAUL	Sheriff's Dept
DE ROUEN, ELAINE	Social Services Agency
DENNEY, JACK	Sheriff's Dept
DOSHI, AROON	John Wayne Airport
DOVIE, FRANK	OCTA
FITE, ANDREA	OCTA
FRANKLIN, CHARLES	Probation
FULLADOSA, VICTOR	Assessor
GELDMACHER, TEJA	OC Community Resources
GILL, DANIEL	OCTA
GOMEZ, FANNY	Social Services Agency
GOYA, DAVID	OC Public Works
HUTT, RICHARD	Sheriff's Dept
IBBOTSON, JAMES	OC Public Works
JEWELL, PAULINE	Law Library
KAY, ALBERT	Registrar of Voters
KIMMEL, DENNIS	OCTA
KNIGHT, CAROLYN	
LE, KHOI	Social Services Agency
LEWIS, THOMAS	Fire Authority (OCFA)
LINDSAY, CAROLEE	Sheriff's Dept
LOFGREN, MARIAN	Health Care Agency



Retirement Board Meeting

October 21, 2024

Death Notices

MADRID, DANIEL	Health Care Agency
MARTEL, BARBARA	Superior Court
MAYTORENA, SUE	OCTA
MCGURRELL, EILEEN	Assessor
MENNES, ROBERT	Sheriff's Dept
MOCCO, NANCY	County Clerk/Recorder
MOORE, STEVEN	OC Public Works
MORALES, LAURA	District Attorney
MORONES, HENRY	OC Public Works
MURPHY, MICHAEL	Fire Authority (OCFA)
NANDI, BINA	Sheriff's Dept
NELSON, RONALD	County Counsel
NGUYEN, NAM	Sheriff's Dept
NORRIS, MARY	Social Services Agency
O'CONNOR, JEFFREY	OCTA
ORTEGA, ALEX	OC Public Works
PALMQUIST, ALVIN	Sanitation District
PHAN, JENNIFER	Social Services Agency
PHIPPS, RICHARD	Probation
POMEROY, LINDA	Superior Court
REIDY, DAVID	UCI
RILEY, CHRISTINE	OC Public Works
ROSAS, FRANK	OC Public Works
ROWE, BILLIE	OCTA
SCHEELE, VICTORIA	Social Services Agency
SCHULTHESS, ELLEN	Sheriff's Dept
SHELTON, GARY	OC Public Works
SIPE, RUSSELL	OC Vector Control District
SPENCER, JANIS	Probation
SPRINGFIELD, JOYCE	Health Care Agency
STANTON, SARA	Social Services Agency
STASCO, VELORES	Fire Authority (OCFA)
THOMAS, KATHLEEN	Health Care Agency
THOMAS, ODESSA	Sheriff's Dept
TRAN, TON	Social Services Agency
WATSON, DANIEL	Sheriff's Dept
WETTS, MEGAN	OC Community Resources

SURVIVING SPOUSES	
FOSTER, EVA	
GRANVILLE, JOANNE	
HANNA, SHARRON	
HUETTL-COURTNEY, KATHLEEN	



Retirement Board Meeting

October 21, 2024

Death Notices

HUNT, ANNIE	
JOHNSTON, NANCY	
JONES, JOANNA	
KEENAN, KAY	
LAMBOOY, JOHANNA	
MARQUEZ, TONY	
NELSON, LORRAINE	
PINES, HELEN	
RIVAS, JACQUELYN	
TRUJILLO, MARGARET	

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

**GOVERNANCE COMMITTEE MEETING
Thursday, May 23, 2024
9:30 a.m.**

MINUTES

The Chair called the meeting to order at 9:36 a.m.

Recording Secretary administered the roll call.

Attendance was as follows:

Present: Chris Prevatt, Chair; Roger Hilton, Board Member; Richard Oates, Board Member.

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; Suzanne Jenike, Assistant CEO, External Operations; Joon Kim, Staff Attorney; Brenda Shott, Assistant CEO, Internal Operations; Will Tsao, Director of Enterprise Project Management Office; Kwame Addo, Chief Compliance Officer; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Bill Singleton, Paralegal; Amanda Evenson, Executive Secretary; Jeff Lamberson, Director of Retirement Operations - Member Services; Carolyn Nih, Executive Secretary; David Kim, Director of Internal Audit; Rosie Baek, Staff Attorney; Tracy Bowman, Director of Finance; Marielle Horst, Executive Secretary; Anthony Beltran, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary.

Absent: Arthur Hidalgo, Vice-Chair

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

March 21, 2023

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

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 TRIENNIAL REVIEW OF THE COST IMPACTING POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Cost Impacting Policy with no revisions.

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

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE EXTRAORDINARY EXPENSE RECOVERY POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Extraordinary Expense Recovery Policy without revision. Alternatively, recommend the Board repeal the Extraordinary Expense Recovery Policy.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendation to approve and recommend that the Board adopt the Extraordinary Expense Recovery Policy without revision.

The motion passed **unanimously**.

A-4 OFF-CYCLE REVIEW OF THE MEMBERSHIP ELIGIBILITY REQUIREMENTS POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Review and recommend the Board of Retirement adopt, the revisions to the Membership Eligibility Requirements Policy as presented.

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

The Committee provided direction to staff to meet with Employers for potential revisions to section 4.c.i-iv of the Policy.

The Committee recommended the following revision to the Policy: to remove the sentence from Paragraph 5, which reads:

“5. ... The Board also hereby delegates the authority to grant such exceptions to the Chief Executive Officer, who will report any exceptions to the Chair of the Board of Retirement (Board).”

The Committee recessed for break at 11:09 a.m.

The Committee reconvened from break at 11:24 a.m.

The Chair administered the Roll Call attendance.

A-5 REVIEW OF OCERS ADMINISTRATIVE PROCEDURE REGARDING FELONY FORFEITURE

Presentation by Joon Kim, Staff Attorney

Recommendation: Review, approve, and recommend the Board of Retirement adopt the revised OCERS Administrative Procedure (OAP) regarding Felony Forfeiture, as presented.

After discussion, Committee consensus was to return the OCERS Administrative Procedure back to staff for further development.

The Committee provided direction to staff to include Board notification of the initial determination at the Regular Board meeting.

A-6 OFF-CYCLE REVIEW OF THE SECURITIES LITIGATION POLICY

Presentation by Manuel Serpa, General Counsel

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

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

The Committee provided direction to staff to clarify the Monitoring Firms search and selection process, which may include an RFQ or as otherwise specified by the Board and consider emerging firms. The Committee provided additional direction to include that one Board member will be involved in the selection of the monitoring firm, which may be appointed by the Board Chair.

INFORMATION ITEMS

I-1 EMPLOYER DATA POLICY AND GUIDELINES - UPDATE

Presentation by Steve Delaney, Chief Executive Officer

COMMITTEE MEMBER COMMENTS

None.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None.

COUNSEL COMMENTS

None.

ADJOURNMENT

Chair adjourned meeting at 12:34 p.m.

Submitted by:

Approved by:

Orange County Employees Retirement System
May 23, 2024
Governance Committee Meeting – Minutes

Page 4

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
THURSDAY, JUNE 6, 2024
9:30 A.M.**

MINUTES

OPEN SESSION

Chair Packard called the meeting to order at 9:29 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

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

Also Present: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO of External Operations, Brenda Shott, Assistant CEO of Internal Operations; Manuel Serpa, General Counsel; David Kim, Director of Internal Audit; Kwame Addo, Chief Compliance Officer; Silviu Ardeleanu, Director of Member Services; Jeff Lamberson, Director of Member Services; Jenny Davey, Internal Auditor; Jennifer Reyes, Finance Manager; Laura Barker, Finance Manager; David Beeson, Director of Investments; Anthony Beltran, Audio Visual Technician; Marielle Horst, Recording Secretary.

Guests: Kory Hogan and Aaron Hamilton, Moss Adams

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 APPROVE AUDIT COMMITTEE MEETING MINUTES

Audit Committee Meeting Minutes

March 28, 2024

MOTION by Ms. Freidenrich, **seconded** by Ms. Lopez Tagaloa, to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

Orange County Employees Retirement System
June 6, 2024
Audit Committee Meeting

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

None.

A-2 2023 FINANCIAL STATEMENT AUDIT

Introduction by Brenda Shott, Assistant CEO of Finance and Internal Operations, and Jennifer Reyes, Finance Manager, OCERS

Presentation by Kory Hoggan and Aaron Hamilton, Moss Adams

Recommendations:

1. Approve OCERS' audited financial statements for the year ended December 31, 2023;
2. Direct staff to finalize OCERS' 2023 Annual Comprehensive Financial Report (Annual Report);
3. Approve the Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2023; and
4. Receive and file Moss Adams LLP's (Moss Adams) "OCERS' Report to the Audit Committee for the Year Ended December 31, 2023" and their "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards."

Ms. Reyes presented the 2023 Annual Comprehensive Financial Report and noted the report has been nominated for several awards, including the GFOA Certificate of Achievement for Excellence in Financial Reporting; Public Pension Standards Award for Funding and Administration 2023; and American Advertising Award. Ms. Shott thanked staff for their work on the Annual Report. Mr. Hogan noted the GFOA award has been obtained 16 years in a row and speaks to the experience and technical expertise of staff.

Mr. Hamilton informed the Committee that there were no findings in the Audit.

Ms. Lopez Tagaloa congratulated the Finance Department on their work and would like to know if we receive the gold award for the AAA graphic design nomination.

MOTION by Ms. Freidenrich, **seconded** by Mr. Prevatt, to accept the Audit Report.

An **AMENDED MOTION** by Ms. Freidenrich, **seconded** by Mr. Prevatt to approve all staff's recommendations.

The motion passed **unanimously**.

A-3 GASB 68 VALUATION AND AUDIT REPORT

Presentation by Jennifer Reyes, Finance Manager

Recommendations:

Orange County Employees Retirement System
June 6, 2024
Audit Committee Meeting

1. Approve OCERS' audited Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2023; and
2. Approve the Governmental Accounting Standards Board (GASB) Statement 68 Actuarial Valuation as of December 31, 2023 for distribution to Employers.

Ms. Reyes presented the GASB 68 Valuation and Audit Report, noting Moss Adams issued a clean unmodified opinion on the 2023 schedule and related notes.

MOTION by Ms. Lopez Tagaloa, **seconded** by Ms. Freidenrich, to approve staff's recommendations.

The motion passed **unanimously**.

A-4 ORANGE COUNTY TRANSPORTATION AUTHORITY EMPLOYER AUDIT

Presentation by David Kim, Director of Internal Audit

Recommendation: Receive and file.

Mr. Kim presented the OCTA Employer Audit, noting there were two observations.

Ms. Freidnrich provided directions to staff to add more dollars to the report. Additionally, Ms. Freidenrich inquired why this was an "important" observation and not a "priority". Mr. Kim noted the reason it was labeled as an "important" observation is that it was not a systemic issue. Mr. Kim also noted relevant dollar amounts from the report.

Mr. Prevatt questions whether the counting of Extra Help hours aligns with OCERS Membership Eligibility Requirements policy and emphasizes the need to address this policy at the Governance Committee. He suggests that the calculation for Extra Help should focus on the start date rather than the fiscal or calendar year. Mr. Kim indicated that Extra Help hours are audited according to OCERS policy. Mr. Prevatt directed Mr. Delaney to present this policy to the Governance Committee for better tracking of Extra Help employees working over a year.

Ms. Freidenrich noted pay item issues, such as van pay, should be a "priority" issue. Mr. Prevatt directed Internal Audit, that if it is related to pensionable pay items, it should be a "critical" issue, regardless of the dollar amount.

Mr. Packard asked if there was enough guidance provided to the employers following audits. Mr. Kim commented that Member Services' upcoming new employer data policy plus Member Services' existing annual review of pay items would provide this guidance to the employers.

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

The motion passed **unanimously**.

CLOSED SESSION ITEMS

Orange County Employees Retirement System
June 6, 2024
Audit Committee Meeting

The Committee adjourned to closed session at 11:05 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 12:12 p.m.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

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

INFORMATION ITEM

I-1 BIENNIAL REPORT ON THE OPERATION AND EFFECTIVENESS OF THE OCERS COMPLIANCE PROGRAM

Presentation by Kwame Addo, Chief Compliance Officer

Mr. Addo presented the Compliance activities, including a survey that had a 65% participation rate. To help advertise the Ethics & Fraud Hotline, a flyer was developed that will be placed in common areas throughout the office. Ms. Freidenrich provided design feedback on the flyer.

Additionally, Mr. Addo touched on the Management Action Plan, which will officially transition certain aspects of the process from Internal Audit to Compliance within three months. Mr. Prevatt would like a Gantt chart to help the Committee visualize how the Compliance Program would be developed. This would help ask for additional staffing resources.

Mr. Addo discussed the Operational Risk Management Report which has transitioned to Compliance from Operations and Support Services.

Lastly, Mr. Addo provided detailed information on the planned Compliance Awareness Activities. Mr. Prevatt suggested our training should be developed in short specified training sessions, rather than general long sessions. Mr. Prevatt asked if the Compliance Department would be able to build this out for each department, which Mr. Addo confirmed was part of the plan.

Mr. Addo acknowledged and recognized Ms. Rebeca Gonzalez-Verdugo and Mr. William Singleton for their work with the Compliance Department.

I-2 MEMBER SERVICES BENEFIT CALCULATIONS QUALITY ASSURANCE REPORT

Presentation by Jeff Lamberson, Director of Retirement Operations, Member Services, and Suzanne Jenike, Assistant CEO, External Operations

Orange County Employees Retirement System
June 6, 2024
Audit Committee Meeting

Ms. Jenike presented the processes of calculating the Final Average Salary using automation, noting how errors are caught and reported. Ms. Jenike sought direction from the Committee on how often they would like reports, to which she suggested the first year semi-annually, and then annually the following years. The Audit Committee agreed with Ms. Jenike's suggestion of semi-annual reporting. Ms. Freidenrich requested important findings be reported to the Committee.

WRITTEN REPORTS

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

R-1 MANAGEMENT ACTION PLAN VERIFICATION REPORT

Written Report

R-2 STATUS UPDATE OF 2024 AUDIT PLAN

Written Report

STAFF/COUNSEL/CHIEF EXECUTIVE OFFICER/COMMITTEE MEMBER COMMENTS

None.

ADJOURNMENT

Chair Packard adjourned the meeting at 12:45 p.m.

Submitted by:

Submitted by:

Approved by:

Mark Adviento
Committee Liaison

Steve Delaney
Secretary to the Board

Charles Packard
Chair

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

**BUILDING COMMITTEE MEETING
Friday, August 30, 2024
9:30 A.M.**

MINUTES

Chair Lindholm called the meeting to order at 9:32 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Chris Prevatt, Vice Chair; Arthur Hidalgo, Board Member; Jeremy Vallone, Board Member

Also Present: Steve Delaney (Zoom), CEO; Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Roger Torriero, Griffin Structures; Deryl Robinson, Griffin Structures; Tristen Nichols, Griffin Structures; John Rochford, Snyder-Langston; Adam Schneider, Snyder-Langston; Nicholas Acevedo, Gensler; Jaimelynn Shah, Gensler; Jeremy Krout (Zoom), EPD Solutions; Selena Kelaher, EPD Solutions; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 COMMITTEE MEETING MINUTES:

Building Committee Meeting Minutes

May 31, 2024
July 19, 2024

Recommendation: Approve minutes.

A **Motion** by Mr. Hidalgo, **seconded** by Mr. Prevatt, to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

Orange County Employees Retirement System
August 30, 2024
Building Committee Meeting – Minutes

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

No items were trailed from the Consent Agenda.

A-2 OCERS REPLACEMENT HEADQUARTERS PROJECT – ENTITLEMENT PROCESS

Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS, and OCERS’ Project Owner’s Representative/Program Manager, Griffin Structures

Recommendation: Direct staff to proceed with a three-story building design for the OCERS Replacement Headquarters Project.

After discussion, a **Motion** by Mr. Hidalgo, **seconded** by Mr. Vallone, to approve the staff recommendation.

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 OCERS REPLACEMENT HEADQUARTERS PROJECT – QUARTERLY UPDATE

Presentation by Roger Torriero, Griffin Structures, and Deryl Robinson, Griffin Structures

I-2 OCERS HEADQUARTERS VISIONING SESSION SUMMARY

Presentation by Jaimelynn Shah, Gensler, and Nick Acevedo, Gensler

The Committee adjourned to Closed Session at 10:39 A.M.

CLOSED SESSION

E-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)

Property: 1200 N. Tustin Ave., Santa Ana, CA 92705

Agency negotiator: Brenda Shott

Negotiating parties: All existing tenants under lease at the above-noted property.

Under negotiation: Price and payment terms of lease, lease renewal, or lease renegotiation.

Recommendation: Take appropriate action.

The Committee returned from Closed Session at 11:05 A.M.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION - Mr. Serpa noted there was no reportable action for item E-1.

Mr. Hidalgo departed the meeting at 11:10 A.M.

- 1. TOUR AND DISCUSSION – 11:30 A.M.**
- THE BOARDWALK**
- 18565 JAMBOREE ROAD**
- IRVINE, CA 92612**

Orange County Employees Retirement System
August 30, 2024
Building Committee Meeting – Minutes

Page 3

Gensler escorted the Committee members and Staff on a tour through The Boardwalk.

Mr. Vallone departed the meeting at 12:00 P.M.

2. TOUR AND DISCUSSION – 12:15 P.M.
GENSLER
4675 MACARTHUR COURT, SUITE 100
NEWPORT BEACH, CA 92660

Gensler escorted the Committee members and Staff on a tour through the Gensler Orange County Office.

CEO/COMMITTEE MEMBER/COUNSEL/STAFF COMMENTS

None.

ADJOURNMENT

The meeting **ADJOURNED** at 12:45 P.M.

Submitted by:

Submitted by:

Approved by:

Brenda Shott
Staff Liaison to the Committee

Steve Delaney
Secretary to the Committee

Wayne Lindholm
Chair

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

**PERSONNEL COMMITTEE MEETING
Tuesday, August 27, 2024
9:30 A.M.**

MINUTES

OPEN SESSION

Chair Hilton called the meeting to order at 9:38 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Roger Hilton, Chair; Charles Packard, Board Member; Richard Oates, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO of Internal Operations; Suzanne Jenike, Assistant CEO of External Operations; David Kim, Assistant CEO of External Operations; Molly Murphy, Chief Investment Officer; Manuel Serpa, General Counsel; Cynthia Hockless, Director of Human Resources; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Will Tsao, Director of Enterprise Project Management Office; Matt Eakin, Director of Information Security; Jenny Sadoski, Director of Information Technology; Tracy Bowman, Director of Finance; David Beeson, Director of Investments; Maggie Williams-Dalgart, Gallagher; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary; Vanessa Chavez, Retirement Program Specialist; Chris Prevatt (Zoom), Board Member; Shari Freidenrich (Zoom), Board Member; Charles Barfield (Zoom), OCEA; Julie Lam (Zoom), County of Orange

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 PERSONNEL COMMITTEE MEETING MINUTES

Personnel Committee Meeting Minutes

July 8, 2024

Recommendation: Approve minutes.

A **Motion** by Mr. Packard, **seconded** by Mr. Oates, to approve staff's recommendation to approve the minutes.

Orange County Employees Retirement System
August 27, 2024
Personnel Committee Meeting

The motion passed **unanimously**.

ACTION ITEMS

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

A-2 PROPOSED 2025 STAFFING PLAN PREVIEW

Presentation by Steve Delaney, CEO, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: Approve and recommend the Board of Retirement include the following personnel costs in the 2025 OCERS Budget to be presented at the October 21, 2024, Board meeting:

1. Approve the addition of 4 new positions to the 2025 budgeted headcount
 - A. Add one IT Intern to the Information Technology Department – Extra Help

After discussion, a **Motion** by Mr. Oates, **seconded** by Mr. Hilton, to approve and recommend the Board of Retirement add an IT Intern position to the Information Technology Department.

The motion passed **unanimously**.

- B. Add two Investment Analyst positions to the Investment Division

A **Motion** by Mr. Packard, **seconded** by Mr. Oates, to approve and recommend the Board of Retirement add two Investment Analyst positions to the Investment Division.

The motion passed **unanimously**.

- C. Add one Project Analyst position to the Enterprise Project Management Office

Chair Hilton requested that the discussion regarding adding a position to the Enterprise Project Management Office be postponed until after receiving more information on the CEM Benchmarking and other efficiencies.

The Committee recessed for break at 10:45 a.m.

The Committee reconvened from break at 11:03 a.m.

The Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Packard, Mr. Oates, and Chair Hilton.

A-3 OCERS CLASSIFICATION AND COMPENSATION STUDY

Presentation by Cynthia Hockless, Director of Human Resources, OCERS, and Maggie Williams-Dalgart, MPA, SPHR, Gallagher

Recommendation: Receive and file.

Orange County Employees Retirement System
August 27, 2024
Personnel Committee Meeting

Chair Hilton left the meeting at 11:37 a.m.

Chair Hilton returned to the meeting at 11:42 a.m.

After a presentation from Ms. Williams-Dalgart from Gallagher, a **Motion** by Mr. Oates, **seconded** by Mr. Packard, to receive and file. The Committee will continue to work with staff to provide future direction on this process.

The motion passed **unanimously**.

The Committee recessed for break at 11:56 a.m.

The Committee reconvened from break at 11:58 a.m.

The Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Packard, Mr. Oates, and Chair Hilton.

INFORMATION ITEMS

I-1 UPDATE ON OUTREACH REGARDING EMPLOYER DATA

Presentation by Silviu Ardeleanu, Director of Member Services & Employer Relations Section, and Suzanne Jenike, Assistant CEO of External Operations, OCERS

Mr. Ardeleanu provided an update regarding the employer data outreach progress.

I-2 CONSIDERING THE VALUE OF A CHIEF TECHNOLOGY OFFICER

Presentation by Steve Delaney, CEO, OCERS

Mr. Delaney discussed the value, purpose, and need for the role of a Chief Technology Officer.

CEO/COMMITTEE MEMBER/COUNSEL/STAFF COMMENTS

None.

Chair Hilton **ADJOURNED** the meeting at 12:21 P.M.

Submitted by:

Submitted by:

Approved by:

Cynthia Hockless
Liaison

Steve Delaney
Secretary to the Board

Roger Hilton
Chair



Memorandum

DATE: October 21, 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

NOVEMBER

- Administrative and Investment OCERS Annual Budget
- CEO Personnel Review and Compensation Discussion
- Quarterly Unaudited Financial Statements
- Quarterly Budget vs Actual Report
- Quarterly Travel and Training Expense Report

DECEMBER

- Adopt Annual Work Plan
- Annual Employer Report
- Election of the Vice-Chair
- List of Next Year's Committee Assignments
- REAOC Annual Update
- CIO Comments

JANUARY 2025

- Annual Disability Statistics
- Annual OCERS Innovations
- Annual Preview of "Year in Review" Communication Plan
- Board Education Report
- Communication Policy Fact Sheet
- Form 700 Filing Requirements
- Annual Information Security Summary (Closed Session)
- CIO Comments

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: October 21, 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.

- An RFP for Independent Medical Evaluation Services was distributed in July. This RFP is to select at least one vendor that can coordinate medical examinations for the OCERS Disability department. Four Proposals were received September 13th that are currently being evaluated.
- We are planning to distribute an RFP for Information Technology Audit & Consulting Services in late October. This is to bid-out services currently performed by RSM whose 6-year maximum contract expires June of 2025.

Submitted by:



JD - Approved

Jim Doezie
Contracts, Risk and Performance Administrator



Memorandum

DATE: October 21, 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 Steve Delaney, Chief Executive Officer:

- CEM BENCHMARKING REPORT - Response to Trustee Question (see attached)
- The NCPERS Monitor Newsletter

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 JUNE, JULY, AUGUST 2024.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



MONTHLY ACTIVITIES AND UPDATE REPORT



JUNE 2024

ocers.org



OCERS Activities and Update Report

JUNE 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 JUNE 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	68	March	0	98%	2,300	3,647	611	6,558
April	47	54	82	April	2	98%	2,070	2,526	572	5,168
May	65	60	63	May	1	98%	1,818	3,007	511	5,336
June	73	45	43	June	0	98%	1,325	2,102	461	3,888
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	685	Grand Total	3	98%	12,918	17,687	3,928	34,533

MEMBER SURVEY RESPONSES

- “The RPS was very helpful and patient with my questions and provided me with excellent customer service.” – June 2024*
- “The RPS was efficient and professional. The RPS was very helpful and went above and beyond to have my concerns resolved.” – May 2024*
- “I wanted to reach out to share some positive feedback about the RPS’s exceptional service. The member visited OCERS today seeking assistance with her tax withholding. She expressed her satisfaction and gratitude for the excellent service provided by OCERS, particularly with the RPS’s assistance. The member mentioned feeling initially confused about her taxes but left feeling calm and blessed after receiving information from the RPS. Kudos to the RPS for a job well done!!” – April 2024*



OCERS Activities and Update Report

JUNE 2024

ACTIVITIES

COMPLIANCE

The Compliance Team hosted an Open House to introduce the program in person to OCERS staff and answer questions. This new program ensures that we continue to uphold the highest standards of integrity and responsibility at OCERS. They had a great turnout and engagement with insightful questions, and feedback from team members.



ENCOURAGING THE TEAM TO LEARN MORE ABOUT AI

At my suggestion, a small group of team members recently formed a lunch time AI info group. They will meet once a month, during the lunch hour, to share videos and discuss their own experiences in delving further into the possibilities of AI. Having completed our initial AI Guidelines policy and distributed that to the full team, my hope is that we will spark some internal creativity that will lead to greater application within the OCERS platform in the coming months and years. The photo is of the inaugural group meeting in the Trabuco Conference Room.





OCERS Activities and Update Report

JUNE 2024

UPDATES

COMMUNICATIONS

Ms. Coburn reports:

In June, the Communications Team participated in the CALAPRS Communications Roundtable, where they connected with fellow communications professionals in the pension system and gained valuable insights. Additionally, they collaborated with the Compliance Team to plan a program launch featuring an introductory video from CEO Steve Delaney and a Fireside Chat with Chief of Compliance Kwame Addo.

Introduction with Steve Delaney: <https://youtu.be/WFekWhkP5w>

Fireside Chat video with Kwame Addo: <https://youtu.be/we-p9QPofeA>



Figure 1 L-R: Stefani Clark, Communications Specialist; Mary-Joy Coburn, Director of Communications; Kwame Addo, Chief Compliance Officer; Rebeca Gonzalez-Verdugo, Executive Secretary



OCERS Activities and Update Report

JUNE 2024

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	805 (+20 since May 2024)
Twitter (X)	607
Instagram	164 (+7 since May 2024)
Facebook	211 (+2 since May 2024)

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

OCERS WEBSITE



Top Pages Visited	Views
Homepage	22,169
About OCERS	2,868
Benefits Calculator	2,171
Board Committee Meetings	1,618
Active Member Information	877

For the period between June 1st through June 30th the agency website had 49,101 views.

EMPLOYEE RESOURCE GROUP PRESENTATION / GOVERNANCE

Ms. Wozniuk reports:

In continuing with our commitment to enhancing our training initiatives and fostering a collaborative and inclusive workplace, OCERS has launched a DEI refresher training program named "Inclusion LAUNCH." This initiative aims to empower our team members with essential skills and insights crucial for promoting diversity, equity, and inclusion in the workplace. The program consists of four interactive modules: "LAUNCH Diversity @ Work," "Bias @ Work," "Microaggressions @ Work," and "Allyship @ Work." Each module will be sequentially introduced to our staff in six-week intervals to allow for engagement and practical application of the concepts learned. Additionally, we are exploring the implementation of inclusive leadership activities tailored to the specific needs of OCERS. Recent discussions with three sister systems have provided valuable insights and guidance, informing our strategic decisions as we move forward. These initiatives demonstrate our ongoing dedication to creating an environment where every member of OCERS feels valued, respected, and empowered to contribute their best.



OCERS Activities and Update Report

JUNE 2024

MEMBER SERVICES

Mr. Ardeleanu reports:

Recognizing face-to-face meetings are valuable to understanding business needs, the OCERS Employer Team met with OCFA on 6.11.24 to discuss payroll data transmittals, and the need for complete data including paid time off and holiday comp pay. This was a productive meeting, with OCFA staff eager to meet and discuss additional OCERSA data needs. The employer payroll team also provided additional resources to OCFA, including location of Pre-Retirement seminars for OCFA members, Summary Plan Description location, and location of Pay Items and the process to add new pay items. Additional Employer meetings are being scheduled with, the City of San Juan Capistrano, OC Sanitation and with Transportation Corridor Agencies (TCA) in July. In response to a request, the Employer Team also met with County Payroll staff on 6.27.24 to review Holiday Comp and Cash-out reporting.

Additionally, the Employer Payroll team continues to work with individual Employers, assisting with corrections needed for individual members. OCERS staff also continues to meet internally to review how OCERS can assist Employers provide necessary transmittal data.

During June 2024, OCERS staff assisted San Juan Capistrano staff, with necessary information needed to successfully set up and submit Transmittal Data files after implementation of a new payroll system. OCERS values our relationships with all Employers and we look forward to assisting whenever and wherever possible.

The Employer Payroll team provided a Reciprocity refresher presentation and Q&A for OC Superior Court and OC Public Law Library staff.

And finally, a status update was provided by Silviu Ardeleanu, Member & Employer Relations Director at the June 26, 2024 Informational Update Meeting.

SERVICE CREDIT PURCHASE UPDATE:

Mr. Lamberson Reports:

June proved to be a great month for our project team. The SCP team continues to make excellent progress on the Service Credit Purchase/Buy-Back project. As you can see in the chart below, we have reduced our 2023 items as of the end of June to 79 transactions from 218 at the beginning of January. We will continue to work on clearing all 2023 requests while working to bring our 2024 requests within a 120-day turnaround timeline. The chart we have been showing below reflects the **counts per SCP request**. I am including an additional aging chart below that reflects our queue aged by individual Member instead of individual SCP request. In other words, one member may have multiple purchase requests for different periods in our queues. Looking at the bottom 2 charts, we have 26 members that have a total of 79



OCERS Activities and Update Report

JUNE 2024

requests (from the second chart) in our queues for 2023. For 2024 we have 78 members that have 97 requests remaining in our queues at the end of June.

OCERS SCP PROJECT REPORT							
Status	2023	2024					
	As of 12/31/23	Jan	Feb	Mar	Apr	May	Jun
New	0	88	46	62	51	11	54
In Queue	218	218	240	226	221	256	210
Processed	0	-66	-60	-67	-16	-57	-88
Ending	218	240	226	221	256	210	176

AGING	
2023 Remaining at the end of June	79
2024 Remaining at the end of June	97
Total	176

Counts by Member			
	2023	2024	Grand Total
Grand Total	26	78	103



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the August 19, 2024 meeting of the OCERS Board of Retirement.



MONTHLY ACTIVITIES AND UPDATE REPORT



JULY 2024

ocers.org



OCERS Activities and Update Report

JULY 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 JULY 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
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April	47	54	82	April	2	98%	2,070	2,526	572	5,168
May	65	60	63	May	1	98%	1,818	3,007	511	5,336
June	73	45	43	June	0	98%	1,325	2,102	461	3,888
July	54	28	52	July	0	98%	1,457	2,019	548	4,024
August	58	45		August						
September	42	46		September						
October	70	54		October						
November	78	50		November						
December	86	39		December						
Grand Total	1190	952	737	Grand Total	3	98%	14,375	19,706	4,476	38,557

MEMBER SURVEY RESPONSES
<i>“The RPS was super informative and provided extremely useful knowledge regarding my retirement options.” – July 2024</i>
<i>“The RPS was very helpful and patient with my questions and provided me with excellent customer service.” – June 2024</i>
<i>“The RPS was efficient and professional. The RPS was very helpful and went above and beyond to have my concerns resolved.” – May 2024</i>



OCERS Activities and Update Report

JULY 2024

ACTIVITIES

CALAPRS Management Academy Graduates

Congratulations to the newest California Association of Public Retirement Systems (CALAPRS) Management Academy graduates! This program is designed for new and existing managers and leaders within California pension systems to collaborate with peers, tackle current challenges, and acquire tools for effective leadership. We proudly announce that Mary-Joy Coburn, Director of Communications; Michael Guerrero, Finance Staff Analyst; Susan Kang, Finance Staff Analyst; and Will Tsao, Director of Enterprise Project Management Office, completed this year’s intensive program.

We look forward to seeing how they apply their newfound knowledge and expertise to benefit OCERS and the broader community.



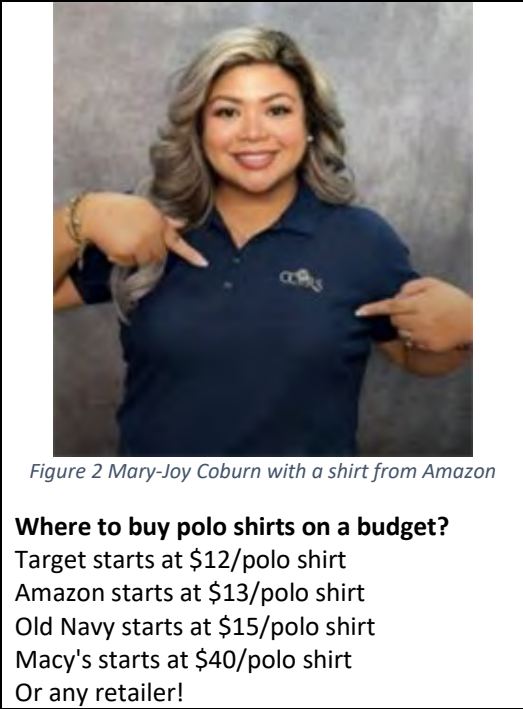
Polo Shirts – Embroidery Ordering Process

OCERS does not supply polo shirts to staff. However, we recently share the following information for those interested in purchasing them.

To purchase your own, here are the recommended steps:
 Purchase your favorite brand of navy blue polo shirt and drop off to American Embroidery. They require at least five business days to work on your order.

Check the details below for more information:
 American Embroidery
 15455 Red Hill Ave., Ste D
 Tustin, CA 92780
 714-760-4844

You pay \$10+ for each embroidery.
 The Communications Team have already provided the vendor with our art file (white OCERS font with yellow sunburst) and we've covered the setup fee.





OCERS Activities and Update Report

JULY 2024

Talent Management Coaching Session- July 25

The OCERS senior team spent a full day on July 25 with the leverage coaching team. Our focus was adding a formal “Talent Management” to our current succession planning process. Aware the OCERS Board wants to see an emphasis on a formalized progressive succession planning program, this class was a great start in adding an additional tool to our ongoing efforts. I will be providing further detail on these efforts at the September Strategic Planning Workshop.

BCP/DR Tabletop Exercise - July 30

On Tuesday, July 30th, 2024, members of the OCERS' Crisis Management Team (CMT) and select Department Recovery Team Leaders participated in an exercise to test and improve OCERS business continuity program and Crisis Management Plan. The exercise was conducted as a two-hour tabletop exercise focusing on an Investments event which quickly grew to encompass various departments. The facilitators presented exercise participants with a scenario that posed a realistic set of events that required activation of the Crisis Management Team. Participants were unaware of the scenario prior to the start of the exercise with the exception of the Business Continuity Coordinators, who coordinated with Riskconnect consultants to develop the scenario. The facilitators gave participants updates and new information to stimulate communication during a real crisis.



OCERS Activities and Update Report

JULY 2024

UPDATES- DEPARTMENTS

INVESTMENTS

Ms. Walander-Sarkin reports:

As of June 30, 2024, the portfolio year-to-date is up 6.5% net of fees, while the one-year return is up 11.5%. The fund value now stands at \$ 23.6 billion. OCERS' Investments Team closed on one re-up private equity fund, one new private equity fund, and one private equity co-investment in July. Additionally, the Investments Team issued a termination notice for an equity neutral REIT manager within the unique strategies allocation during the month. Following the external investment counsel RFP process, OCERS' Investments Team participated in kickoff calls along with the OCERS Legal Team with the additional three new investment counsels in OCERS' pool of counsels. Finally, the OCERS Investments Team worked on a target list for a potential secondary sales transaction and selected a broker after evaluating the proposals from the approved list of secondary sales brokers in July.

HUMAN RESOURCES

Ms. Hockless reports:

In July, the HR Department diligently screened 105 applications, facilitated 13 Zoom interviews, and conducted eight onsite interviews.

YEAR-TO-DATE OVERVIEW:

As of July 26, 2024, OCERS had a budgeted workforce of 133 positions. At that time, there were 122 employees on payroll, leaving 11 vacancies and resulting in a **vacancy rate** of **8.27%**. July experienced two new separations, bringing the year-to-date total to nine and yielding a **turnover rate** of **7.26%**.

UPCOMING STAFF INITIATIVES

In the upcoming months, our HR Department will continue to advance several key initiatives:

- Continuing the work on the Classification and Compensation study.
- Facilitating the recruitment of a new Director of Internal Audit, Member Services Manager, IT Supervisor, and Accounting Technician.
- Delivering customized Communications Strategies training.

Promoting onsite Health & Wellness initiatives.



OCERS Activities and Update Report

JULY 2024

COMMUNICATIONS

Ms. Coburn reports:

In July, the Communications Team dedicated their efforts to finalizing the *OCERS By the Numbers* material, the Summer Edition of the *At Your Service Newsletter*, and producing educational videos for both internal and external use. They also arranged for various swag items in preparation for the upcoming community outreach and health benefits fairs. The team is looking forward to connecting with many of members in person over the next few months.

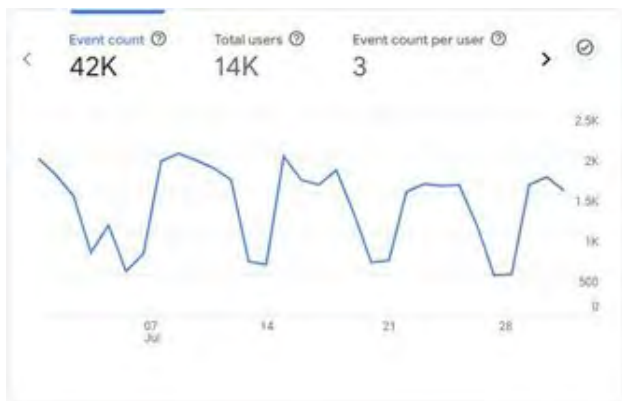
Additionally, Director Mary-Joy Coburn attended the International Foundation of Employee Benefits Plans for Communications & Technology leaders and completed the CALAPRS Management Academy, where she learned more communications and leadership strategies to benefit the organization.

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	883 (+26 since July 2024)
Twitter (X)	611 (+1 since July 2024)
Instagram	169 (+1 since July 2024)
Facebook	213

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

OCERS WEBSITE



Top Pages Visited	Views
Homepage	15,964
Benefits Calculator	2,157
About OCERS	2,049
Board Committee Meetings	1,520
Active Member Information	890

For the period between July 1st through July 31st, the agency website had 41,858 views.



OCERS Activities and Update Report

JULY 2024

MEMBER SERVICES

MEMBER SERVICES OUTREACH/SEMINARS

Mr. Ardeleanu reports:

The Customer Service team participated in several events during the month of July 2024. The various events were well attended, with members engaged and asking relevant questions.

- 07.10.2024 – OCERS In-Person Pre-Retirement Seminar – Nicholas Holt
- 07.23.2024 – OCFA Retiree Workshop – Aileen Daag
- 07.24.2024 – OCERS Virtual Pre-Retirement Seminar – David Viramontes
- 07.26.2024 – Firefighter Academy 60 Orientation – Kamron Nahavandi

EMPLOYER DATA

Mr. Ardeleanu reports:

The Employer Payroll (EP) team continued to meet with Employers during the month of July, meeting with teams from San Juan Capistrano and Orange County Sanitation District. Both were productive meetings, discussing current payroll data transmittals and exception errors, as well as the need for all employer to provide paid time off and holiday compensation pay data for completeness. The team also reminded both Employers of the resources available on the OCERS website including Pay Items, as well as the Employer Self Service (ESS) Guide available in the ESS Portal.

The EP team will continue to reach out to Employers, to meet with all employers to discuss missing information and discuss how OCERS can assist with individual member correction updates and missing information, as well as Employer-level updates. For August, a visit is planned with Orange County Transit Authority (OCTA) and with the Transportation Corridor Agencies (TCA).

A status update was also provided by Silviu Ardeleanu, Member & Employer Relations Director at the July 24, 2024, Informational Update Meeting.

SERVICE CREDIT PURCHASE UPDATE

Mr. Lamberson Reports:

I am very pleased to report July was a very impressive month for the project team. As you can see in the chart below, the team has fully cleared all 218 SCP requests from 2023 as of the end of July. The team also reduced our 2024 remaining transactions down below the standard 120-day turnaround timeline and are in reach at the end of July of being under our 45-business day goal for turning around SCP requests where we have all necessary data in our offices to complete the transaction. For 2024 we have 32 members that have 41 requests remaining in our queues at the end of July. I would like to congratulate the SCP Project team (Mike Persi, Gabe Pel, Robert Flores, Deborah Pleitez, Susan Hoque, Olga Gomez and Marius Ugarcovici) for their dedicated work over the last year to accomplish this goal. Great job!



OCERS Activities and Update Report

JULY 2024

OCERS SCP PROJECT REPORT								
Status	2023	2024						
	As of 12/31/23	Jan	Feb	Mar	Apr	May	Jun	Jul
New	0	88	46	62	51	11	54	15
In Queue	218	218	240	226	221	256	210	176
Processed	0	-66	-60	-67	-16	-57	-88	-150
Ending	218	240	226	221	256	210	176	41

AGING	Transactions Remaining	Members Impacted
2023	0	0
2024	41	32
Total	41	32

UPDATES- PROJECTS

VISION 2030

At the end of July, Roboyo deployed the Retirement Processing bot, which automates Steps 9-11 of the retirement application workflow. This bot, which was previously managed by seven specialists, finalizes applications by handling salary calculations, generating the first Benefit Letter, and completing the final review, ensuring timely closure of retirement cases. Additionally, we developed an internal bank account verification report that integrates data from Retirement Applications before reaching the PAS system, allowing Member Services to address any bank account issues weeks in advance. Another bot was internally created to gather and cross-check account information across different systems against Active Directory. Separately, we initiated migration plans to transition SharePoint from on-premises to the cloud, beginning with security setup and permission decisions. Over the coming months, we will focus on design, content, and migration, paving the way for greater AI-based tool integration and aligning with our Vision 2030 objectives.



OCERS Activities and Update Report

JULY 2024

ALAMEDA PROJECT

Alameda I

The final group of Alameda recalculations have been processed. The OCERS team recalculated a total of 439 retirements for Alameda I. Members who had a benefit impact of more than \$100 per month are required to repay overpaid benefits to OCERS in a lump sum or over time. The Retired Employees Association of Orange County (REAOC) submitted a request asking that all impacted payees who must repay overpaid benefits, be given an option to extend the repayment period to the member's expected lifetime, as determined by an actuary. Working with Board leadership, it was determined that such an option is permissible under existing policy. As a result, staff sent out letters to 83 impacted payees with repayment options including the lifetime repayment period. Payees must respond by 8/11/24 if they want the lifetime option. Repayments will take effect 9/1/2024, unless the payee already has a repayment plan in place.

Alameda II – Members subject to the Orange County Board of Supervisors Resolution

We have been working on recalculating retirement allowances to either restore or include on-call/canine pay in benefits for employees of the Office of the District Attorney (OCDA) and Orange County Sheriff's Department (OCSD) covered by the Orange County Board of Supervisors Resolution (Resolution). We completed benefit recalculations for seven OCSD members who retired before 8/1/2020 and had Alameda pay items removed. Their on-call/canine pay has been restored and their benefit will increase effective 7/1/2024. We also completed benefit recalculations for three OCSD and four OCDA members who retired on/after 8/1/2020 and did not have their on-call/canine pay included in their benefit. We have recalculated their allowance to increase it and they will see the increase on 8/1/2024 and 9/1/2024 respectively. We have 84 OCSD member accounts pending review for potential benefit recalculation.

The County started reporting pensionable on-call and canine pay and taking biweekly payroll deductions of employee contributions for OCSD on 7/12/2024 (PP 16). The County is also in the process of identifying the on-call and canine pay that is pensionable back to 9/11/2020 (gap contributions). (The County started reporting pensionable on-call pay and taking contributions for the OCDA on 9/22/2023 and has completed gap contribution calculations back to 9/11/2020.)

As directed by the Board, we will recoup contributions and interest previously refunded and collect missing contributions from 9/11/20 to date the County started reporting pensionable on-call and canine pay (gap contributions) from impacted OCDA and OCSD members, interest free and extend the time-period for payment installment plan.

MASTER REPOSITORY PROJECT (MRP)

In July, we successfully produced five final documents in collaboration with Contiem. However, to ensure the Master Repository Project (MRP) remains on track for completion by December 31, 2024, we have decided to terminate our contract with the vendor on August 16, 2024, and shift the project internally. To enhance our chances of meeting the



OCERS Activities and Update Report

JULY 2024

deadline, we are transferring the responsibility of managing the project to the Enterprise Project Management Office (EPMO). Additionally, we have initiated the hiring of two technical writers and assigned a dedicated internal staff member to support the EPMO in driving the project's progress. These actions are aimed at streamlining our efforts and ensuring the MRP is completed successfully and on time.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the October 21, 2024 meeting of the OCERS Board of Retirement.



MONTHLY ACTIVITIES AND UPDATE REPORT



August 2024

ocers.org



OCERS Activities and Update Report

AUGUST 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 AUGUST 2024.

Retirement Applications Received				Customer Service Statistics						
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May	65	60	63	May	1	98%	1,818	3,007	511	5,336
June	73	45	43	June	0	98%	1,325	2,102	461	3,888
July	54	28	52	July	0	98%	1,457	2,019	548	4,024
August	58	45	45	August	0	98%	1,496	2,582	562	4,640
September	42	46		September						
October	70	54		October						
November	78	50		November						
December	86	39		December						
Grand Total	1190	952	782	Grand Total	3	98%	15,871	22,288	5,038	43,197

MEMBER SURVEY RESPONSES
<p><i>“I met with the RPS today and he is terrific. Professional, friendly and informative. He was able to answer my questions clearly. I feel more comfortable about this exciting but daunting process! I spoke with a different RPS earlier today on the phone, as I’m with HCA, and he has also provided me with great information and support. Notably, both gentlemen acknowledged the anxiety and apprehension felt by many members as we embark on this process. This human touch is very much appreciated!” – August 2024</i></p>
<p><i>“The RPS was super informative and provided extremely useful knowledge regarding my retirement options.”– July 2024</i></p>
<p><i>“The RPS was very helpful and patient with my questions and provided me with excellent customer service.” – June 2024</i></p>



OCERS Activities and Update Report

AUGUST 2024

ACTIVITIES

Gensler OCERS New Headquarters Visioning Session- August 13

On August 13, the Executive Management Team visited Gensler’s Newport Beach office to envision a new headquarters. The Gensler team led the OCERS team in various exercises to better understand the needs and wants of OCERS. The Gensler team then reported out the findings from the exercises at the August 30th Building Committee Meeting and as you saw discussed at the September Strategic Planning Workshop.



Suzanne Jenike’s Retirement Party- August 14

On August 14, the OCERS family celebrated Ms. Suzanne Jenike’s 25 years of member service as we gathered outside the building under a tent to honor that service and share our sincere thanks with Ms. Jenike for her long tenure.



Visit to OC Sanitation Board- August 28

On August 28, Ms. Murphy and I met with The Board of the Orange County Sanitation District to share an update on the OCERS financial progress. It had been five years since we last met with their board and found the evenings presentation and discussion helpful to all parties.



ACLEM Year in Review- August 30

On August 30, Ms. Jenike met with the ACLEM (Association of County Law Enforcement Managers) labor team. This was a second meeting to discuss the 2023 OCERS Year in Review. ACLEM had been our first visit earlier this year, and due to staffing changes, they requested a repeat visit.



OCERS Activities and Update Report

AUGUST 2024

UPDATES- DEPARTMENTS

INVESTMENTS

Ms. Walander-Sarkin reports:

As of July 31, 2024, the portfolio year-to-date is up 7.7% net of fees, while the one-year return is up 10.9%. The fund value now stands at \$23.9 billion. OCERS' Investments Team closed on one re-up private income strategies fund and one new private income strategies fund in August. The OCERS Investments Team received approval to expand co-investments within private markets; including up to 10% of both the annual private real assets and private income strategies commitments; and a maximum of three deals per year (up to \$20 million per transaction) for unique strategies. The Investments Team and Aksia completed the private equity asset class review and the 2025 private equity pacing plan during the month. The private equity pacing plan includes committing up to \$750 million in 2025. The Investments Team also completed the Unique Strategies asset class review during August. Finally, the Investments Team held prep calls and meetings during August for each of the investment topics for the upcoming Strategic Planning Workshop.

OPERATIONS SUPPORT SERVICES

Mr. Tse reports:

Facilities and Operations Support

- Repaired HQ rooftop HVAC equipment for 2nd floor.
- Repaired rooftop HVAC equipment for the Tustin medical office building.
- Made electrical system repairs throughout the HQ building.
- Replaced earthquake-damaged Interview Room #2 window.
- Distributed an RFP for Independent Medical Examiner Services in August for the Disability department. Proposals are due September 13th.
- Started the 3-year Moss Adams Performance review survey. It is current with the reviews due back September 13th.

HUMAN RESOURCES

Ms. Hockless reports:

In August, OCERS promoted the current Director of Internal Audit to Assistant CEO, External Operations. The current Senior Internal Auditor was temporarily promoted to Interim Director of Internal Audit, a position he will hold until a permanent hire is made.

As of August 29, 2024, OCERS had a budgeted workforce of 133 positions. At that time, there were 122 employees on payroll, leaving 12 vacancies and resulting in a **vacancy rate** of **9.02%**. August experienced no new separations, bringing the year-to-date total to nine and yielding a **turnover rate** of **7.38%**.



OCERS Activities and Update Report

AUGUST 2024

COMMUNICATIONS

Ms. Coburn reports:

The Communications Department recently published the Summer Edition of the *At Your Service* newsletter, featuring Assistant CEO of External Operations Suzanne Jenike on the cover in honor of her 25 years of dedicated service to OCERS members. Director Mary-Joy Coburn also collaborated with the Learning and Organizational Development Team to deliver public speaking training for our staff, enhancing our presentation skills to continue offering world-class service to our members. In addition, we refreshed our materials in preparation for the upcoming health and benefits fairs this fall, and we look forward to meeting members in person at their respective employer events.

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	926 (+43 since August 2024)
Twitter (X)	614 (+3 since August 2024)
Instagram	172 (+3 since August 2024)
Facebook	216 (+3 since August 2024)

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

OCERS WEBSITE



Top Pages Visited	Views
Homepage	16,525
About OCERS	2,790
Benefits Calculator	2,202
Board Committee Meetings	1,662
Active Member Information	1,090

For the period between August 1st through August 31st, the agency website had 43,335 views.



OCERS Activities and Update Report

AUGUST 2024

MEMBER SERVICES

MEMBER SERVICES OUTREACH/SEMINARS

Mr. Ardeleanu reports:

The Customer Service team participated in two events during the month of August 2024. The events were well attended, with members engaged and asking relevant retirement questions.

- 08.14.2024 – OCERS In-Person Pre-Retirement Seminar – Erika Gonzalez
- 08.28.2024 – OCERS Virtual Pre-Retirement Seminar – Gema Garcia

EMPLOYER DATA

Mr. Ardeleanu reports:

The Employer Payroll (EP) team continued to meet with Employers during the month of August, meeting with teams from In-Home Supportive Services (IHSS) and Orange County Transportation Authority (OCTA). As with other meetings, we discussed payroll data transmittals and exception errors, as well as the need for all Employers to provide paid time off and holiday compensation pay data for data completeness.

A status update was provided by Silviu Ardeleanu, Member & Employer Relations Director at the August 28, 2024, Employer Informational Update Meeting.

SERVICE CREDIT PURCHASE UPDATE

Mr. Lamberson Reports:

I am very pleased to report that within the first week of August we have completed the SCP Backlog project. As you can see in the charts below, the team has managed to reduce our 2024 remaining transactions down below the **new standard 45-Business day** turnaround goal for turning around SCP requests where we have all necessary data in our offices to complete the transaction. At the end of August 2024, we have 17 members that have 28 requests remaining in our queues. **Our oldest request in our queue was received 32 business days before August 31, 2024.**

Again, I would like to congratulate the SCP Project team (Mike Persi, Gabe Pel, Robert Flores, Deborah Pleitez, Susan Hoque, Olga Gomez, and Marius Ugarcovici) for their dedicated work over the last year to accomplish this goal. Great job! We celebrated with the team in August by hosting a pizza party with the Member Services team.



OCERS Activities and Update Report

AUGUST 2024

OCERS SCP PROJECT REPORT									
Status	2023	2024							
	As of 12/31/23	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
New	0	88	46	62	51	11	54	15	57
In Queue	218	218	240	226	221	256	210	176	41
Processed	0	-66	-60	-67	-16	-57	-88	-150	-70
Ending	218	240	226	221	256	210	176	41	28

AGING	Transactions Remaining	Members Impacted
2023	0	0
2024	28	17
Total	28	17



OCERS Activities and Update Report

AUGUST 2024

UPDATES- PROJECTS

VISION 2030

In August, significant progress was made toward the Vision 2030 plan, focusing on three key initiatives. The development of a bot to extract data from handwritten Affidavit forms for Internal Audit is underway, marking the organization's first venture into using AI to process handwritten documents. Early testing of handwriting recognition shows promising potential, with further improvements planned to enhance accuracy. Additionally, the SharePoint Online migration advanced with the establishment of governance protocols and cloud security infrastructure, laying a strong foundation for the upcoming content migration. We also began analyzing the status of reports to prepare for migration to Power BI, aiming to present data in a more visually appealing and easier-to-understand format. These developments underscore our commitment to innovation and a secure, efficient future.

ALAMEDA PROJECT

Alameda I

In August, we received 41 responses from the 83 impacted payees who were sent letters in July regarding their repayment options. Of these responses:

- 35 elected Lifetime Expectancy Repayment
- 4 elected Standard Repayment
- 2 elected Lump Sum Repayment

The remaining 42 payees did not return a response. Of the 42, 35 were already making repayments and required no changes to their account. The remaining 7 payees were new standard repayment setups.

Alameda II – Members subject to the Orange County Board of Supervisors Resolution

In August, we completed recalculations for five OCSD members who retired before 8/1/2020, reversing previous Alameda-related adjustments and restoring on-call/canine pay. These members will see an increase in their benefits effective 9/1/2024. Additionally, recalculation worksheets were prepared for OCSD members who retired on or after 8/1/2020, to include on-call/canine pay in their benefit calculations.

On 8/30/2024, we issued Contribution Refund and Gap Contributions Repayment letters to impacted District Attorney (DA) active and retired members. These letters outline the requirement to repay any refunded contributions and gap contributions, with interest-free repayment options approved by the Board, including lifetime repayment plans.

In collaboration with the County, we received a listing of 240 impacted OCSD members along with their individual gap contribution and interest calculations. OCERS staff completed verification of these calculations, and the County is currently preparing the contribution adjustment transmittal file to report the contributions for the gap period.



OCERS Activities and Update Report AUGUST 2024

MASTER REPOSITORY PROJECT (MRP)

Due to concerns with meeting our 2024 goals, OCERS terminated our vendor contract with Contiem in mid-August. The Master Repository Project (MRP) was then transitioned smoothly to our proposed internal approach, now overseen by the Enterprise Project Management Office (EPMO). Mr. Tsao now oversees our internal writing team, which consists of two newly hired technical writers and a dedicated internal staff member.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the October 21, 2024 meeting of the OCERS Board of Retirement.



Memorandum

DATE: October 21, 2024
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: LEGISLATIVE UPDATE

Written Report

State Legislative Update

The 2023 – 24 Legislative Session has ended. The Legislature adjourned for final recess on August 31. September 30 was the last day for the Governor to sign or veto bills. Bills enacted on or before October 2 will take effect January 1, 2025.

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 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 group or class, as specified. The bill would specify that these provisions shall not become operative in a county until the board of supervisors of that county, by resolution adopted by majority vote, makes the provisions applicable in that county.

(STATUS: Introduced on 02/08/24. Referred to Com. On P.E. & R. on 02/26/24. From committee: Amend, and do pass as amended on 04/17/24. Read second time and amended. Ordered returned to second reading on 04/18/24. Read second time. Ordered to third reading on 04/22/24. Read third time and amended. Ordered to

third reading on 05/20/24. Read third time. Passed. Ordered to the Senate on 05/23/24. In Senate. Read first time. To Com. on RLS. for assignment on 05/24/24. Referred to Com. on L., P.E. & R. on 06/05/24. From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. on 06/10/24. In committee: Hearing postponed by committee on 06/13/24. From committee: Amend, and do pass as amended on 06/26/24. Read second time and amended. Ordered to third reading on 06/27/24. **Read third time. Passed. Ordered to the Assembly. In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 28 pursuant to Assembly Rule 77 on 08/26/24. Assembly Rule 77 suspended. Senate amendments concurred in. To Engrossing and Enrolling on 08/27/24. Enrolled and presented to the Governor on 09/05/24. Signed by the Governor on 09/28/24.)**

AB 2301 (Assembly Members Nguyen, Hoover, McCarty, and Flora, Senators Dodd, Niello, and Ashby) – Applies only to Sacramento Area Sewer District

The CERL authorizes a county to establish a retirement system, as specified, in order to provide pension benefits to county, city, and district employees. Under that law, all officers and employees of a district become members of the county's retirement association on the first day of the calendar month after adoption, by specified vote thresholds, of a resolution by the governing body of the district providing for inclusion of the district in the retirement association and, if the county board of supervisors is not the governing body of the district, the board of retirement consents by majority vote.

This bill would enact the Sacramento Area Sewer District Pension Protection Act of 2024, which, on and after the effective date of a resolution of the Board of Retirement of the Sacramento County Employees' Retirement Association consenting to membership by employees of the Sacramento Area Sewer District as described above, would provide that all employees of the county allocated exclusively to the successor entity, would be deemed to be employees of the sewer district and that all duties and obligations in the employment relationship would be assumed by the sewer district. The bill would specify that the sewer district is a "district" for purposes of the County Employees Retirement Law of 1937. The bill would provide that the sewer district would assume the rights, obligations, and status previously occupied by the County of Sacramento with regard to the portion of the county safety plan, which is that portion of the county's defined benefit plan attributed to retirement system members and beneficiaries of the Sacramento Area Sewer District, as specified, to the replacement benefits program, and to all benefit provisions, including optional benefits, within the County Employees Retirement Law of 1937 or the Public Employees' Pension Reform Act of 2013, as those rights exist at the time of the transfer of rights, duties, and obligations to the sewer district. The bill would state that its provisions are severable. This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Sacramento. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/12/24. Referred to Com. On P.E. & R. on 02/26/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/21/24. Re-referred to Com. on P.E. & R. on 04/01/24. From committee: Do pass. To Consent Calendar on 04/03/24. Read second time. Ordered to Consent Calendar on 04/04/24. From Consent Calendar by request of Assembly Member Essayli. To Third Reading on 04/11/24. Read third time. Urgency clause adopted. Passed. Ordered to the Senate on 04/15/24. In Senate. Read first time. To Com. on RLS. for assignment on 04/15/24. Referred to Com. on L., P.E. & R. on 05/01/24. From committee: Do pass. To Consent Calendar on 06/05/24. Read second

time. Ordered to Consent Calendar on 06/06/24. Read third time. Urgency clause adopted. Passed. Ordered to the Assembly. In Assembly. Ordered to Engrossing and Enrolling on 06/13/24. Enrolled and presented to the Governor at 4 p.m. on 06/25/24. Signed by the Governor on 07/02/24.)

AB 2474 (Lackey)

The CERL authorizes counties and districts to establish retirement systems in order to provide pension benefits to their employees and their beneficiaries and prescribes the rights, benefits, and duties of members in this regard. CERL defines compensation and compensation earnable for purposes of its provisions. PEPRAs prescribed various limitations on public employees, employers, and retirement systems concerning, among other things, the types of remuneration that may be included in compensation that is applied to pensions.

Under CERL, the board of retirement is required to comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member, as described, authorizing the treasurer or other entity authorized by the board to deliver the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit to any specified bank, savings and loan institution, or credit union to be credited to the account of the retired member or survivor of a deceased retired member. This bill would also define “account of the retired member or survivor of a deceased retired member” to include an account held in a living trust or an income-only trust, as specified.

This bill, until January 1, 2028, would additionally authorize the board of retirement for the County of Los Angeles to have the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit be delivered to a prepaid account, as defined, in accordance with certain procedures. Under CERL, any person entitled to the receipt of benefits may authorize the payment of the benefits to be directly deposited by electronic fund transfer into the person’s account at the financial institution of the person’s choice, as specified.

This bill, until January 1, 2028, would authorize the board of retirement for the County of Los Angeles to permit a person entitled to receive benefit payments to have them deposited into a prepaid account, as described. This bill would also require the retirement system for the County of Los Angeles, no later than November 30, 2027, to submit a report to specified legislative committees that includes certain information regarding the implementation of these provisions.

Under CERL, any person who has retired may be employed and paid in a position requiring special skills or knowledge for a period of time not to exceed 90 working days or 720 hours, whichever is greater, in any one fiscal year or any other 12-month period designated by the board of supervisors. That law authorizes a county to extend, as specified, that period of time, not to exceed 120 working days or 960 hours, whichever is greater, in any one fiscal year or any other 12-month period, as specified. That law also authorizes other specified retired members to be reemployed and paid in a position requiring special skills or knowledge for a period of time not to exceed 120 working days or 960 hours, whichever is greater, in any one fiscal year. That law further authorizes this employment without reinstatement into the system, termination or suspension of their retirement allowance, or deductions to their salary as contributions to the system.

Under PEPRAs, a retired person is prohibited from serving, or being employed by, as specified, a public employer in the same public retirement system from which the retiree receives the benefit without reinstatement from

retirement, unless an exception applies. Under PEPRA, one of those exceptions authorizes a retired person to serve without reinstatement if appointed by the appointing power of a public employer during an emergency to prevent stoppage of public business or because the retired person has skills needed to perform work of limited duration. That law limits those appointments to a total for all employers in that system of 960 hours or other equivalent limit, in a calendar or fiscal year, depending on the administrator of the system.

This bill would prohibit a person who has been retired under CERL from being employed in any capacity thereafter by a county or district of the retirement system unless the person has first been reinstated from retirement or is authorized under CERL or PEPRA. The bill would prohibit a person whose employment without reinstatement is authorized from acquiring service credit or retirement rights under CERL with respect to that employment. The bill would require a retired member employed in violation of specified provisions of CERL and PEPRA to reimburse the retirement system for any allowance received during the period in violation and to pay other related amounts, as specified.

The bill would also require a public employer that employs a retired member in violation of CERL or PEPRA, if the retired member is reinstated, to pay the retirement system an amount of money equal to the employer contributions that would otherwise have been paid, plus interest, for the period of time that the member was employed in violation of these provisions, and to contribute toward reimbursement for reasonable administrative expenses of the system. The bill would further authorize the board of a retirement system under CERL to assess certain fees upon an employer that fails to enroll a retired member without reinstatement, subject to certain procedural and notice requirements.

(STATUS: Introduced on 02/13/24. Referred to Com. on P.E. & R. on 02/26/24. From committee: Amend, and do pass as amended. To Consent Calendar on 04/17/24. Read second time and amended. Ordered returned to second reading on 04/18/24. Read second time. Ordered to Consent Calendar on 04/22/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 04/25/24. Referred to Com. on L., P.E. & R. on 05/05/24. From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. on 05/28/24. In committee: Hearing postponed by committee on 06/03/24. From committee: Amend, and do pass as amended. To Consent Calendar on 06/12/24. Read second time and amended. Ordered to consent calendar on 06/13/24. Read third time. Passed. Ordered to the Assembly. In Assembly. Concurrence in Senate amendments pending. May be considered on or after June 22 pursuant to Assembly Rule 77 on 06/20/24. Senate amendments concurred in. To Engrossing and Enrolling on 06/27/24. Signed by the Governor on 07/15/24.)

AB 2715 (Boener)

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 legislative body to hold a closed session with other law enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information, as defined, relating to cybersecurity.

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. In committee: Set, first hearing. Hearing canceled at the request of author on 04/09/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended on 04/24/24. Re-referred to Com. on L. GOV. on 04/25/24. From committee: Do pass. on 05/01/24. Read second time. Ordered to third reading on 05/02/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 05/16/24. Referred to Coms. On L. GOV. and JUD. on 05/29/24. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on JUD. on 06/05/24. From committee: Do pass on 06/26/24. Read second time. Ordered to third reading on 06/27/24. **Signed by the Governor on 09/14/24.**)

AB 3025 (Valencia)

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 authorizes a board of retirement to correct errors in the calculation of a retired member's monthly allowances or other benefits under CERL in certain circumstances, including if the member caused their final compensation to be improperly increased or otherwise overstated at the time of retirement, and the system applied that overstated amount as the basis for calculating the member's monthly retirement allowance or benefits under CERL, subject to certain limitations.

The PERL also authorizes its board of administration to adjust retirement payments due to errors or omissions, including for cases in which the retirement systems that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with PEPRA and other specified laws and is thus impermissible.

This bill would require a retirement system established under CERL, upon determining that the compensation reported for a member is disallowed compensation, to require the employer, as defined, to discontinue reporting the disallowed compensation. The bill would require, for an active member, the retirement system to credit all **employer** contributions made on the disallowed compensation against future contributions to the benefit of the employer that reported the disallowed compensation, and return any **member** contribution paid by, or on behalf of, that member, to the member directly and indirectly through the employer that reported the disallowed compensation, except in certain circumstances in which a system has already initiated a process, as

defined, to recalculate compensation. The bill would require the system, for a retired member, survivor, or beneficiary whose final compensation was predicated upon the disallowed compensation, to credit the **employer** contributions made on the disallowed compensation against future contributions, to the benefit of the employer that reported the disallowed compensation, to return and member contributions paid by, or on behalf of, that member, to the member directly, and to permanently adjust the benefit of the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation. The bill would establish other conditions required to be satisfied with respect to a retired member, survivor, or beneficiary when final compensation was predicated upon disallowed compensation, including, among others, requiring a specified payment to be made by the employer that reported contributions on the disallowed compensation to the retired member, survivor, or beneficiary, as appropriate. The bill would authorize a retirement system that has initiated a process prior to January 1, 2024, to permanently adjust the benefit of the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation to use that system in lieu of specified provisions that the bill would enact. The bill would also require certain information regarding the relevant retired member, survivor, or beneficiary needed for purposes of these provisions to be kept confidential by the recipient.

This bill would authorize an employer to submit to a retirement system for review a compensation item proposed to be included in an agreement, as specified, on and after January 1, 2025, that is intended to form the basis of a pension benefit calculation and would require the system to provide guidance on the matter. The bill would prescribe a process in this regard. The bill would specify that it does not affect or otherwise alter a party's right to appeal any determination regarding disallowed compensation made by the system after July 30, 2020.

(STATUS: Introduced on 02/16/24. Referred to Com. on P.E. & R. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/18/24. Re-referred to Com. on P.E. & R. on 03/19/24. From committee: Amend, and do pass as amended on 05/01/24. Read second time and amended. Ordered returned to second reading on 05/02/24. Read second time. Ordered to third reading on 05/06/24. Read third time. Passed. Ordered to the Senate on 05/06/24. In Senate. Read first time. To Com. on RLS. for assignment on 05/21/24. Referred to Coms. On L., P.E. & R. and JUD. on 05/29/24. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on JUD. on 06/12/24. From committee: Amend, and do pass as amended on 06/26/24. Read second time and amended. Ordered to third reading on 06/27/24. **Read third time and amended. Ordered to second reading on 08/13/24. Read second time. Ordered to third reading on 08/14/24. Read third time. Passed. Ordered to the Assembly. In Assembly. Concurrence in Senate amendments pending. May be considered on or after August 22 pursuant to Assembly Rule 77 on 08/20/24. Senate amendments concurred in. To Engrossing and Enrolling on 08/22/24. Enrolled and presented to the Governor on 08/28/24. Signed by the Governor on 09/22/24.)**

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. From committee: Do pass. Ordered to consent calendar on 04/17/24. Read second time. Ordered to consent calendar on 04/18/24. Read third time. Passed. Ordered to the Assembly on 04/25/24. In Assembly. Read first time. Held at Desk on 04/25/24. Referred to Com. on P.E. & R. on 05/06/24. From committee: Do pass. Ordered to consent calendar on 06/19/24. Read second time. Ordered to consent calendar on 06/20/24. Read third time. Passed. Ordered to the Senate on 06/24/24. In Senate. Ordered to engrossing and enrolling on 06/27/24. Signed by the Governor on 07/15/24.)

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 **provide** 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. The bill would require at least one staff member of the local agency to be present at a designated primary physical meeting location during the meeting. The bill would require the local agency to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting. 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. Referred to Coms. On L. GOV. and JUD. on 05/01/24. In committee: Set, first hearing. Hearing canceled at the request of author on 05/21/24. From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L. GOV. on 05/29/24. Died in committee on 06/05/24.)

Other Bills of Interest

AB 2421 (Low)

The Meyers-Milias-Brown Act, the Ralph C. Dills Act, and provisions relating to judicial employees, public schools, higher education, the San Francisco Bay Area Rapid Transit District, the Santa Cruz Metropolitan Transit District, the Sacramento Regional Transit District, and other public transit employees, prohibits employers from taking certain actions relating to employee organizations. This includes 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 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 judicial officer, 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. The bill would provide that communications between an employee and their employee representative would not be confidential if, at any time, the representative was a witness or party to any of the events forming the basis of a potential administrative disciplinary or criminal investigation. (STATUS: Introduced on 02/13/24. Referred to Com. on P.E. & R. on 02/26/24. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/03/24. In committee: Set, first hearing. Referred to suspense file on 04/24/24. From committee: Do pass. on 05/16/24. Read second time. Ordered to third reading on 05/20/24. Read third time. Passed. Ordered to the Senate on 05/22/24. In Senate. Read first time. To Com. on RLS. for assignment on 05/23/24. Referred to Coms. On L., P.E. & R. and JUD. on 06/05/24. In committee: Set, first hearing. Hearing canceled at the request of author 06/06/24. From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. on 06/17/24. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on JUD. on 06/26/24. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 07/03/24. **In committee: Referred to APPR suspense file on 08/05/24. In committee: Held under submission on 08/15/24.)**

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. From committee: Do pass and re-refer to Com. on APPR. with

recommendation: To Consent Calendar. Re-referred to Com. on APPR. on 04/03/24. From committee: Do pass. To Consent Calendar on 04/17/24. Read second time. Ordered to Consent Calendar on 04/18/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 04/25/24. Referred to Com. on L., P.E. & R. on 05/08/24. From committee: Do pass and re-refer to Com. on APPR with recommendation: To Consent Calendar. Re-referred to Com. on APPR. on 06/05/24. From committee: Be ordered to second reading file pursuant to Senate Rule 28.8 and ordered to Consent Calendar on 06/27/24. Read second time. Ordered to Consent Calendar on 06/18/24. Read third time. Passed. Ordered to the Assembly. In Assembly. Ordered to Engrossing and Enrolling on 06/20/24. Signed by the Governor on 07/15/24.)

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. From committee: Do pass as amended on 04/18/24. Read second time and amended. Ordered to third reading on 04/18/24. Read third time and amended. Ordered to second reading on 05/20/24. Read second time. Ordered to third reading on 05/21/24. Read third time. Urgency clause adopted. Passed. Ordered to the Assembly on 05/23/24. In Assembly. Read first time. Held at Desk on 05/24/24. Referred to Com. on P.E. & R. 06/03/24. From committee: Do pass. Ordered to consent calendar 06/19/24. Read second time. Ordered to consent calendar 06/20/24. Read third time. Urgency clause adopted. Passed. Ordered to the Senate 06/26/24. In Senate. Ordered to engrossing and enrolling on 06/27/24. Signed by the Governor on 07/15/24.)

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-El Dorado 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. From committee: Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. Re-referred to Com. on APPR. on 04/10/24. From committee: Be ordered to second reading pursuant to Senate Rule 28.8 and

ordered to consent calendar on 04/22/24. Read second time. Ordered to consent calendar on 04/23/24. Read third time. Urgency clause adopted. Passed. Ordered to the Assembly. In Assembly. Read first time. Held at Desk on 04/25/24. Referred to Com. on P.E. & R. on 05/06/24. From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R. on 05/08/24. From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. Re-referred to Com. on APPR. on 06/19/24. **From committee: Do pass. Ordered to consent calendar on 08/07/24. Read second time. Ordered to consent calendar on 08/08/24. Read third time. Urgency clause adopted. Passed. Ordered to the Senate. In Senate. Concurrence in Assembly amendments pending on 08/15/24. Ordered to special consent calendar on 08/20/24. Assembly amendments concurred in. (Ayes 33. Noes 0. Page 5297.) Ordered to engrossing and enrolling on 08/22/24. Enrolled and presented to the Governor on 08/27/24. Signed by the Governor on 09/28/24.)**

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. From committee with author's amendments. Read second time and amended. Re-referred to Com. on REV. & TAX. on 04/03/24. From committee: Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. Re-referred to Com. on APPR. on 04/10/24. Placed on APPR suspense file on 04/22/24. From committee: Do pass. Read second time. Ordered to third reading on 05/16/24. Ordered to special consent calendar on 05/20/24. Read third time. Passed. Ordered to the Assembly on 05/23/24. In Assembly. Read first time. Held at Desk on 05/24/24. Referred to Com. on REV. & TAX. on 06/03/24.)

Bills that Apply to CalPERS and/or CalSTRS Only

AB 1997 (McKinnor)

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 PEPR, 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 PEPR. 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 PEPR.

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. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 04/01/24. Re-referred to Com. on P.E. & R. on 04/02/24. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/03/24. In committee: Set, first hearing. Referred to suspense file on 04/17/24. From committee: Do pass on 05/16/24. Read second time. Ordered to third reading on 05/20/24. Read third time. Passed. Ordered to the Senate on 05/21/24. In Senate. Read first time. To Com. on RLS. for assignment on 05/22/24. Referred to Com. on L., P.E. & R. on 05/29/24. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 06/12/24. In committee: Referred to suspense file on 06/24/24. **From committee: Do pass on 08/15/24. Read second time. Ordered to third reading on 08/19/24. Ordered to special consent calendar on 08/23/24. Read third time. Passed. Ordered to the Assembly. In Assembly. Ordered to Engrossing and Enrolling on 08/28/24. Enrolled and presented to the Governor on 09/10/24. Signed by the Governor on 09/27/24.)**

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. PEPRAs 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 PEPRAs, 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 from the above-described limit for hours worked by a retired person **in an appointment by the Solano County Sheriff's Office** to perform a function or functions regularly performed by a deputy sheriff, evidence technician, or communications operator, subject to meeting certain requirements. **The bill would limit the number of appointments made under these provisions to 20.** The bill would repeal these provisions on January 1, 2027. 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. April 10 set for first hearing canceled at the request of author. Set for hearing April 24. From committee: Do pass as amended and re-refer to Com. on APPR. on 04/24/24. Read second time and amended. Re-referred to Com. on APPR. on 04/25/24. From committee: Be ordered to second reading pursuant to Senate Rule 28.8. on 05/13/24. Read second time. Ordered to third reading on 05/14/24. Read third time. Urgency clause adopted. Passed. Ordered to the

Assembly on 05/21/24. In Assembly. Read first time. Held at Desk on 05/22/24. Referred to Com. on P.E. & R. on 05/28/24. From committee: Do pass as amended and re-refer to Com. on APPR. on 06/19/24. Read second time and amended. Re-referred to Com. on APPR. on 06/20/24. **From committee: Do pass on 08/07/24. Read second time. Ordered to third reading on 08/08/24. Read third time. Urgency clause adopted. Passed. Ordered to the Senate. In Senate. Concurrence in Assembly amendments pending on 08/12/24. Assembly amendments concurred in. Ordered to engrossing and enrolling. 08/20/24. Enrolled and presented to the Governor on 08/23/24. Signed by the Governor on 09/29/24.)**

Divestment Proposals (CalPERS and CalSTRS Only)

SB 252 (Gonzalez, Stern, Weiner, and Portantino)

Existing law prohibits the boards of the PERS and CalSTRS from making new investments or renewing existing investments of public employee retirement funds in a thermal coal company, as defined. Existing law requires the boards to liquidate investments in thermal coal companies on or before July 1, 2017, and requires the boards, in making a determination to liquidate investments, to constructively engage with thermal coal companies to establish whether the companies are transitioning their business models to adapt to clean energy generation. Existing law provides that it does not require a board to take any action unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

This bill would prohibit the boards of the PERS and CalSTRS from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company, as defined. The bill would require the boards to liquidate investments in a fossil fuel company on or before July 1, 2031. The bill would temporarily suspend the above-described liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets, as specified, and would make this suspension provision inoperative on January 1, 2035. The bill would provide that it does not require a board to take any action unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

This bill would require the boards, commencing February 1, 2025, and annually thereafter, to file a report with the Legislature and the Governor, containing specified information, including a list of fossil fuel companies of which the board has liquidated their investments. The bill would provide that board members and other officers and employees shall be held harmless and be eligible for indemnification in connection with actions taken pursuant to the bill's requirements, as specified.

(STATUS: Introduced on 01/30/23. Referred to Coms. on L., P.E. & R. and JUD. on 02/09/23. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on JUD. on 04/13/23. From committee: Do pass as amended and re-refer to Com. on APPR. on 04/19/23. Read second time and amended. Re-referred to Com. on APPR. on 04/20/23. From committee: Do pass as amended. Read second time and amended. Ordered to second reading on 05/18/23. Read second time. Ordered to third reading 05/22/23. Read third time. Passed. Ordered to the Assembly. In Assembly. Read first time. Held at Desk on 05/25/23. Referred to Com. on P.E. & R. on 06/08/23. Set for first hearing canceled at the request of author 06/19/24.)

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: October 21, 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
					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						

April						
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				

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		

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

10-21-2024 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	IFEBP	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: September 30, 2024

TO: Members of the Board of Retirement

FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations, and
Luis Barriere, Information Technology Operations Manager

SUBJECT: BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN EXERCISE EXECUTIVE SUMMARY

Written Report

Background/Discussion

Recognizing that business continuity and disaster recovery planning are critical components of meeting our obligation to generate member payments each month and perform other core processes, OCERS engaged the services of Riskconnect to assist with the creation and maintenance of a formal business continuity (BC) and disaster recovery (DR) program. This process consists of conducting business impact analyses for each of the major departments within OCERS, identifying and prioritizing core business processes, defining recovery time objectives, creating and maintaining department recovery plans, and agency-wide crisis management and crisis communication plans. OCERS has a Crisis Management Team (CMT) which meets quarterly to review and discuss BC/DR matters. Additionally, the CMT conducts a tabletop exercise annually, in which the BC/DR team role-plays scenarios involving the loss of one or more of the following areas: facility, technology, personnel, and/or critical third-party vendors.

The objectives of the tabletop exercises are to:

- Review the business continuity program as a whole
- Use a simulated crisis scenario to validate plan content and strategies
- Build awareness regarding crisis management and business continuity roles and responsibilities
- Increase participation, education, and confidence in managing a crisis that affects ongoing operations
- Identify gaps and improvement opportunities

Exercise Approach

On Tuesday, July 30th, 2024, OCERS' Crisis Management Team (CMT) and select Department Recovery Team Leaders participated in an exercise to test and improve OCERS business continuity program and Crisis Management Plan. The exercise was conducted as a two-hour tabletop exercise focusing on an investment-related event which quickly grew to encompass various departments. The facilitators presented exercise participants with a scenario that posed a realistic set of events that required the activation of the Crisis Management Team. Participants were unaware of the scenario prior to the start of the exercise with the exception of the Business Continuity Coordinators, who coordinated with Riskconnect consultants to develop the scenario. The facilitators gave participants updates and new information to stimulate



Memorandum

communication during a real crisis. The facilitators gave participants updates and new information to stimulate communication during a real crisis. During the exercise, participants were given time to:

- Discuss how to respond and recover
- Use plans to guide and support decision-making
- Discuss the use of tools and resources to assist in the response and recovery effort

Exercise Results

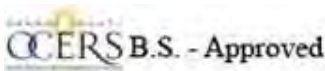
Strengths

- The team quickly identified the individuals/departments that would need to be engaged to research and respond to the scenario.
- Information Technology and Information Security teams were well-versed in the steps they would need to take.
- Roles and responsibilities were well understood by all participants.
- Although the scenario warranted heavy participation from Investments, Executive, Legal, Communications, IT, and Info Sec representatives, there was active participation and engagement from all participants.
- The team was confident in their ability to respond to the scenario and use the tools available to them.

Exercise Summary

The exercise was considered successful as it allowed us to highlight our strengths and identify opportunities for improvement. We look forward to continuing this program and developing additional exercises in the future.

Submitted by:



Brenda Shott
Assistant CEO, Internal Operations



Luis Barriere
Information Technology Operations Manager