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

GOVERNANCE COMMITTEE MEETING
August 20, 2026
9:30 A.M.

NOTICE OF APPEARANCE VIA TELECONFERENCE

Pursuant to Gov. Code, § 54953, Governance Committee Chair, Ms. Iriss Barriga, will be participating in the Governance Committee Meeting of August 20, 2026 via teleconference from the following location, which is open to the public:

Business Center at The Study at University of Chicago
1227 E 60th St, Chicago, IL 60637

Members of the Committee
Iriss Barriga, Chair
Charles Packard, Vice-Chair
Shari Freidenrich
Roger Hilton

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.

<table>
<tr><th colspan="2">OCERS Zoom Video/Teleconference Information</th></tr>
<tr><td>Join Using Zoom App (Video & Audio)

https://ocers.zoom.us/j/89865668937

Meeting ID: 898 6566 8937
Passcode: 950112

Go to https://www.zoom.us/download to download Zoom app before meeting
Go to https://zoom.us to connect online using any browser.</td><td>Join by Telephone (Audio Only)
Dial by your location
+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)

Meeting ID: 898 6566 8937
Passcode: 950112</td></tr>
<tr><td colspan="2">A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page</td></tr>
</table>

AGENDA

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

OPEN SESSION

1. **CALL MEETING TO ORDER AND ROLL CALL**

2. **BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY) (Government Code section 54953(f))**

3. **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 Committee, 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 Committee; 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

C-1 GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes May 7, 2026

Recommendation: Approve minutes.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee's discussion of the item. **Persons 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 TRIENNIAL REVIEW OF THE PLANNING POLICY
Presentation by Steve Delaney, CEO

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

A-3 OFF-CYCLE REVIEW OF THE CONFLICT OF INTEREST CODE

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Conflict of Interest Code.

A-4 OFF-CYCLE REVIEW OF THE PENSIONABLE COMPENSATION POLICY
Presentation by Joon Kim, Staff Attorney

Recommendation: Approve and recommend that the Board adopt the revision to the Pensionable Compensation Policy.

A-5 OFF-CYCLE REVIEW OF THE RECORDS MANAGEMENT POLICY
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Records Management Policy.

A-6 OFF-CYCLE REVIEW OF THE TRUSTEE EDUCATION POLICY
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Trustee Education Policy.

INFORMATION ITEM

I-1 EMPLOYER DATA PARTNERSHIP PROJECT UPDATE
Presentation by Rafael Lopez, Employer Services Manager

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

INVESTMENT COMMITTEE MEETING
August 26, 2026
9:30 A.M.

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

PERSONNEL COMMITTEE MEETING

August 31, 2026
9:30 A.M.

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

BUILDING COMMITTEE MEETING
September 8, 2026
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.

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

GOVERNANCE COMMITTEE MEETING
Thursday, May 7, 2026
9:30 A.M.

MINUTES

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

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Iriss Barriga, Chair; Charles Packard, Vice-Chair; Shari Freidenrich, Board Member; and Roger Hilton, Board Member.

Also present: Manuel Serpa, General Counsel; Brenda Shott, Deputy CEO; Darren Dang, Chief Technology Officer; Mark Adviento, Director of Member Services; Cynthia Hockless, Director of HR; Joon Kim, Staff Attorney; Michael Rosales, Audio Visual Technician; and Rebeca Gonzalez-Verdugo, Recording Secretary.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes March 19, 2026

MOTION by Mr. Packard, **seconded** by Ms. Freidenrich, 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 ADOPTION OF THE EMPLOYER DATA POLICY
Presentation by Mark Adviento, Director of Member Services; Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Employer Data Policy.

MOTION by Mr. Hilton, **seconded** by Mr. Packard, to adopt staff's recommendations.

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE PUBLIC RECORDS AND DATA REQUEST POLICY
Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Public Records and Data Request Policy.

MOTION by Ms. Freidenrich, **seconded** by Mr. Hilton, to adopt staff's recommendations.

The motion passed **unanimously**.

A-4 TRIENNIAL REVIEW OF THE RULES OF PARLIAMENTARY PROCEDURE POLICY
Presentation by Steve Delaney, CEO; Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the revisions to the Rules of Parliamentary Procedure Policy.

MOTION by Mr. Hilton, **seconded** by Mr. Packard, to adopt staff's recommendations.

The motion passed **unanimously**.

A-5 TRIENNIAL REVIEW OF THE ELECTION PROCEDURES POLICY
Presentation by Manuel Serpa, General Counsel; Cynthia Hockless, Director of HR

Recommendation: Approve and recommend that the Board adopt the revisions to the Election Procedures Policy.

MOTION by Mr. Hilton, **seconded** by Mr. Packard, to adopt staff's recommendations with the revision:

Voting Procedures

2. Ballots must be returned by the individual member either in person~~, via County of Orange "pony" mail,~~ or by mail in the envelope provided by the Registrar.

"Pony" mail, an internal County of Orange mail service, is not endorsed by the Registrar of Voters, as well as presuming such mail could lack a processing date, the Committee directed the elimination of the provision.

The motion passed **unanimously**.

A-6 TRIENNIAL REVIEW OF THE CEO CHARTER
Presentation by Steve Delaney, CEO

Recommendation: Approve and recommend that the Board adopt the CEO Charter with no revisions.

MOTION by Mr. Hilton, **seconded** by Mr. Packard, to adopt staff's recommendations.

The motion passed **unanimously**.

A-7 REVIEW OF THE OAP ON RECIPROCITY
Presentation by Joon Kim, Staff Attorney

Recommendation: Approve and recommend that the Board adopt revisions to the OCERS Administrative Procedure (OAP) regarding Reciprocity.

MOTION by Mr. Hilton, **seconded** by Ms. Freidenrich, to adopt staff's recommendations.

The motion passed **unanimously**.

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT
Chair adjourned meeting at 11:17 a.m.

Submitted by:		**Approved by:**
______________________	______________________	______________________
Manuel Serpa	Steve Delaney	Iriss Barriga
General Counsel/Staff Liaison	Chief Executive Officer/Secretary	Chair

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Steve Delaney, CEO; Manuel D. Serpa, General Counsel

SUBJECT: **TRIENNIAL REVIEW OF THE PLANNING POLICY**

Recommendation

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

Discussion

The Board of Retirement reviews all charters and policies every three years under its Board-approved review schedule. As part of this process, the Governance Committee reviews designated policies before presenting them to the full Board for approval. The Planning Policy, originally adopted on February 19, 2002, and last amended on October 20, 2025, is now before the Committee for review and proposed revision.

Staff is recommending only minor, non-substantive changes aimed at eliminating unnecessary verbiage and typos and rephrasing the material to improve clarity and readability.

The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

SD-Approved

Steve Delaney

CEO

Submitted by:

MDS-Approved

Manuel D. Serpa
General Counsel

OCERS Board Policy

Planning Policy

Purpose and Background

1. The purpose of the OCERS Planning Policy is to provide a framework for developing OCERS' strategic direction and for creating the Strategic and Business Plan, which~~the strategic direction of OCERS and the creation of the Strategic and Business Plan that~~ documents the goals and objectives that underlie OCERS' strategic direction. In performing the planning process, the Board of Retirement recognizes its fiduciary responsibility to provide the prompt delivery of benefits to the OCERS membership while maintaining or reducing costs to participating employers and reducing the likelihood of unpredicted and wide swings in expenses. The Board's duty to members and their beneficiaries takes precedence over any other duty.

Policy Objectives

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

Policy Guidelines

Roles and Responsibilities

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

OCERS Board Policy

Planning Policy

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

Strategic Planning Workshop

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

Formulation of the Strategic and Business Plan

9. Following the Strategic Planning Workshop, the ~~Chief Executive Officer~~CEO will prepare OCERS' Strategic and Business Plan which will include, at a minimum, recommended initiatives to be undertaken or continued, along with the necessary supporting information and planning parameters, ~~such as~~including:
   a. Rationale for undertaking each initiative including financial and non-financial benefits, impact, and consequences of not undertaking the initiative;
   b. Timelines for completion;
   c. Assignment of responsibilities for implementation;
   d. Budget impacts;
   e. Criteria for assessing the success of each initiative; and

OCERS Board Policy

Planning Policy

f. Provisions for reporting to the Board.

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

Review of Strategic and Business Plan Initiatives

14. The ~~Chief Executive Officer~~CEO will provide the Board with a quarterly review, ~~and~~including any recent activities or updates ~~of~~ for each initiative in OCERS' Strategic and Business Plan.

Communications

15. OCERS' Strategic and Business Plan will be posted on OCERS' website and communicated to all OCERS staff, employers, and the public in a timely manner~~to OCERS' website and communicated to all OCERS staff and employers and to the public on a timely basis~~ after Board approval.

Policy Review

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

Policy History

17. The Board adopted this policy on February 19, 2002, and it was revised on May 16, 2005, April 16, 2007, and January 18, 2011, reviewed without changes on March 17, 2014 and revised on July 17, 2017, April 20, 2020, June 19, 2023, ~~and~~ October 20, 2025, and [date].

Secretary's Certificate

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

OCERS Board Policy

Planning Policy

~~10/20/2025~~

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Planning Policy

Purpose and Background

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    d. Implementing OCERS' Strategic and Business Plan.

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

Strategic Planning Workshop

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

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9. Following the Strategic Planning Workshop, the CEO will prepare OCERS' Strategic and Business Plan which will include, at a minimum, recommended initiatives to be undertaken or continued, along with the necessary supporting information and planning parameters, including:
    a. Rationale for undertaking each initiative including financial and non-financial benefits, impact, and consequences of not undertaking the initiative;
    b. Timelines for completion;
    c. Assignment of responsibilities for implementation;
    d. Budget impacts;
    e. Criteria for assessing the success of each initiative; and
    f. Provisions for reporting to the Board.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Planning Policy

10. The CEO will present the proposed OCERS' Strategic and Business Plan to the Board for approval. In approving the plans, the Board will satisfy itself that they are reasonable and support OCERS' mission.
11. In order to ensure adequate resources to implement the initiatives within OCERS' Strategic and Business Plan, the resources needed to implement each business plan initiative will be reflected in the proposed OCERS' budget. If the budgeted funds associated with a particular initiative fail to receive Board approval, OCERS' Strategic and Business Plan will be amended accordingly.
12. Approval of OCERS' Strategic and Business Plan represents an immediate commitment by the Board and management to accomplish the strategic goals and objectives set forth within approved parameters. Because of the long-term nature of a multi-year OCERS' Strategic and Business Plan, adjustments and corrections are more easily accommodated over time. Modification of OCERS' Strategic and Business Plan should occur only in exceptional circumstances.
13. However, if management determines that changing circumstances will prevent it from meeting a particular parameter or require a new initiative, the Board will be informed in a timely manner, and OCERS' Strategic and Business Plan will be adjusted accordingly.

Review of Strategic and Business Plan Initiatives

14. The CEO will provide the Board with a quarterly review, including any recent activities or updates for each initiative in OCERS' Strategic and Business Plan.

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15. OCERS' Strategic and Business Plan will be posted on OCERS' website and communicated to all OCERS staff, employers, and the public in a timely manner after Board approval.

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

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OCERS Board Policy

Planning Policy

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

ORANGE COUNTY
OCERS
EMPLOYEES RETIREMENT SYSTEM

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **OFF-CYCLE REVIEW OF THE CONFLICT OF INTEREST CODE**

Recommendation

Approve and recommend that the Board adopt the revisions to the Conflict of Interest Code.

Discussion

The Political Reform Act of 1974, Government Code sections 81000 *et seq.* (the "Act"), requires certain local public agencies, including OCERS, to adopt conflict of interest codes that identify the agency officials who must file financial disclosures. The Act is enforced by the Fair Political Practices Commission (the "FPPC"). The requirements of a conflict of interest code are set out in FPPC Regulation 18730, which contains the elements of a standard model code. According to Section 82011(b) of the Act, the Orange County Board of Supervisors serves as the code-reviewing body for OCERS, and the County has established disclosure categories for the agencies whose codes it reviews and approves.

The Act requires an agency's conflict of interest code to be reviewed biennially and updated when the agency's titles and positions are added or changed. The Conflict of Interest Code was last amended on July 21, 2025, and is now before the Committee for review and proposed revision.

Since then, two new executive-level position titles have been added: Deputy Chief Executive Officer and Senior Staff Attorney - Investments. Given the contracting authority these positions have under the OCERS Procurement and Contracting Policy, it is appropriate to add these positions as designated filers. Thus, staff now recommends the following revisions to the OCERS Code.

Proposed Revisions

Staff recommends that the following positions be added to the OCERS Code as a "Designated Filer:"

- Deputy Chief Executive Officer
- Senior Staff Attorney - Investments

In addition, the title of the Contracts, Risk and Performance Manager has been changed to Senior Manager, Contracts and Operations Support Services. This change was also made to the revised draft.

Should the Board adopt the recommended amendments to the OCERS Code, it will be forwarded to the County Board of Supervisors. Once approved by the Board of Supervisors, the amendments will become effective and part of the OCERS Code.

The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Code. An unmarked version of the Code is also attached for the Committee's ease of review.

<u>Attachments</u>

Submitted by:

MDS-Approved

____

Manuel D. Serpa
General Counsel

CONFLICT OF INTEREST CODE FOR THE ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

The Political Reform Act, Government Code Sections 81000, et seq. (the "Act"), requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code of Regs. Section 18730; "Section 18730") that contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing, the FPPC may amend Section 18730 to conform to amendments in the Act. Therefore, the terms of Section 18730 and any amendments thereto, along with the attached Exhibits A and B designating positions and establishing disclosure categories, are hereby incorporated by reference and shall constitute the Conflict of Interest Code of the Orange County Employees Retirement System ("OCERS").

DESIGNATED POSITIONS

OCERS employees whose positions are listed in Exhibit A hereto shall file statements of economic interests with the office of the Clerk of the Orange County Board of Supervisors, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). All statements will be retained by the Clerk of the Orange County Board of Supervisors. Consultants designated in Exhibit A will file statements of economic interests with the OCERS Chief Executive Officer, who will retain the original statements for seven years and make them available for public inspection and reproduction (Gov. Code Sec. 81008). The applicable Disclosure Category for each Designated Position is set forth in Exhibit A, and the Disclosure Categories are described in Exhibit B.

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3.(b), are not subject to OCERS' Conflict of Interest Code but are listed here for informational purposes. Unlike the Designated Positions, the reporting obligations of these officials are not limited by reference to a disclosure category. It has been determined that the positions listed below are the OCERS officials who manage public investments:

Members of the Board of Retirement, including the Alternate Member
Chief Executive Officer
Chief Investment Officer
Managing Director of Investments
Director of Investments
Consultants Who Manage Public Investments

Officials who manage public investments shall file statements of economic interests with the ~~Clerk of the Orange County Board of Supervisors~~FPPC, who is the filing officer for these positions.

The disclosure categories and requirements for these positions are set forth in Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200 et seq. They generally require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions, and sources of income (including gifts, loans, and travel payments).

EXHIBIT A

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
LIST OF DESIGNATED POSITIONS

Position	Disclosure Category
Deputy Chief Executive Officer	OC-01
Assistant Chief Executive Officer, External Operations	OC-01
Assistant Chief Executive Officer, Internal Operations	OC-01
General Counsel	OC-01
Chief Technology Officer	OC-01
Chief Information Security Officer	OC-01
Director of Internal Audit	OC-01
Director of Finance	OC-01
Director of Human Resources	OC-11
Director of Information Technology	OC-08
Director of Information Security	OC-08
Director of Member Services	OC-06
Director of Enterprise Project Management Office	OC-06
Director of Disability	OC-06
Director of Communications	OC-06
Chief Compliance Officer	OC-06
Deputy General Counsel	OC-01
Staff Attorney – Investments/Senior Staff Attorney – Investments	OC-01
Investment Officer/Senior Investment Officer	OC-01
Senior Manager of Contracts and Operations Support	OC-06
Investment Analyst/Senior Investment Analyst	OC-01
Consultant	OC-30
~~Senior Manager of Facilities and Operations~~	~~OC-06~~

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3.(b), are NOT subject to the System's code, but are subject to the disclosure requirements of the Act (Government Code Section 87200 et seq., Regs. §18730(b)(3). These positions are listed here for informational purposes only.

Position	Disclosure Category
Board Member/Alternate Board Member	87200 Filer
Chief Executive Officer	87200 Filer
Chief Investment Officer	87200 Filer
Managing Director of Investments	87200 Filer
Director of Investments	87200 Filer
Consultants Who Manage Public Investments	87200 Filer

EXHIBIT B

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
DISCLOSURE CATEGORIES/DESCRIPTIONS

Disclosure Category	Disclosure Description
OC-01	All interests in real property in Orange County, as well as investments, business positions and sources of income (including gifts, loans, and travel payments).
OC-06	All investments in, business positions with and income (including gifts, loans, and travel payments) from sources that provide leased facilities and goods, supplies, equipment, vehicles, machinery, or services (including training and consulting services) of the types used by OCERS.
OC-08	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that develop or provide computer hardware/software, voice data communications, or data processing goods, supplies, equipment, or services (including training and consulting services) used by OCERS.
OC-11	All interests in real property in Orange County, as well as investments in, business positions with and income (including gifts, loans, and travel payments) from sources that are engaged in the supply of equipment or services related to recruitment, employment search & marketing, classification, training, or negotiation with personnel; employee benefits, and health and welfare benefits.
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The CEO may determine that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.

CONFLICT OF INTEREST CODE FOR THE ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

The Political Reform Act, Government Code Sections 81000, et seq. (the "Act"), requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code of Regs. Section 18730; "Section 18730") that contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing, the FPPC may amend Section 18730 to conform to amendments in the Act. Therefore, the terms of Section 18730 and any amendments thereto, along with the attached Exhibits A and B designating positions and establishing disclosure categories, are hereby incorporated by reference and shall constitute the Conflict of Interest Code of the Orange County Employees Retirement System ("OCERS").

DESIGNATED POSITIONS

OCERS employees whose positions are listed in Exhibit A hereto shall file statements of economic interests with the office of the Clerk of the Orange County Board of Supervisors, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). All statements will be retained by the Clerk of the Orange County Board of Supervisors. Consultants designated in Exhibit A will file statements of economic interests with the OCERS Chief Executive Officer, who will retain the original statements for seven years and make them available for public inspection and reproduction (Gov. Code Sec. 81008). The applicable Disclosure Category for each Designated Position is set forth in Exhibit A, and the Disclosure Categories are described in Exhibit B.

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3.(b), are not subject to OCERS' Conflict of Interest Code but are listed here for informational purposes. Unlike the Designated Positions, the reporting obligations of these officials are not limited by reference to a disclosure category. It has been determined that the positions listed below are the OCERS officials who manage public investments:

Members of the Board of Retirement, including the Alternate Member
Chief Executive Officer
Chief Investment Officer
Managing Director of Investments
Director of Investments
Consultants Who Manage Public Investments

Officials who manage public investments shall file statements of economic interests with the FPPC, who is the filing officer for these positions.

The disclosure categories and requirements for these positions are set forth in Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200 et seq. They generally require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions, and sources of income (including gifts, loans, and travel payments).

EXHIBIT A

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
LIST OF DESIGNATED POSITIONS

Position	Disclosure Category
Deputy Chief Executive Officer	OC-01
Assistant Chief Executive Officer, External Operations	OC-01
Assistant Chief Executive Officer, Internal Operations	OC-01
General Counsel	OC-01
Chief Technology Officer	OC-01
Chief Information Security Officer	OC-01
Director of Internal Audit	OC-01
Director of Finance	OC-01
Director of Human Resources	OC-11
Director of Information Technology	OC-08
Director of Information Security	OC-08
Director of Member Services	OC-06
Director of Enterprise Project Management Office	OC-06
Director of Disability	OC-06
Director of Communications	OC-06
Chief Compliance Officer	OC-06
Deputy General Counsel	OC-01
Staff Attorney – Investments/Senior Staff Attorney – Investments	OC-01
Investment Officer/Senior Investment Officer	OC-01
Senior Manager of Contracts and Operations Support Services	OC-06
Investment Analyst/Senior Investment Analyst	OC-01
Consultant	OC-30

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3.(b), are NOT subject to the System's code, but are subject to the disclosure requirements of the Act (Government Code Section 87200 et seq., Regs. §18730(b)(3). These positions are listed here for informational purposes only.

Position	Disclosure Category
Board Member/Alternate Board Member	87200 Filer
Chief Executive Officer	87200 Filer
Chief Investment Officer	87200 Filer
Managing Director of Investments	87200 Filer
Director of Investments	87200 Filer
Consultants Who Manage Public Investments	87200 Filer

EXHIBIT B

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
DISCLOSURE CATEGORIES/DESCRIPTIONS

Disclosure Category	Disclosure Description
OC-01	All interests in real property in Orange County, as well as investments, business positions and sources of income (including gifts, loans, and travel payments).
OC-06	All investments in, business positions with and income (including gifts, loans, and travel payments) from sources that provide leased facilities and goods, supplies, equipment, vehicles, machinery, or services (including training and consulting services) of the types used by OCERS.
OC-08	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that develop or provide computer hardware/software, voice data communications, or data processing goods, supplies, equipment, or services (including training and consulting services) used by OCERS.
OC-11	All interests in real property in Orange County, as well as investments in, business positions with and income (including gifts, loans, and travel payments) from sources that are engaged in the supply of equipment or services related to recruitment, employment search & marketing, classification, training, or negotiation with personnel; employee benefits, and health and welfare benefits.
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The CEO may determine that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Joon Kim, Staff Attorney

SUBJECT: **OFF-CYCLE REVIEW OF THE PENSIONABLE COMPENSATION POLICY**

Recommendation

Approve and recommend that the Board adopt the revision to the Pensionable Compensation Policy.

Discussion

The Board of Retirement has established a three-year review cycle for all charters and policies, and the Governance Committee reviews designated policies before presenting them to the full Board for approval. The Pensionable Compensation Policy was originally adopted on March 18, 2019, and last amended on December 15, 2025.

Staff has proposed this off-cycle review to revise Section 6(b) of the Policy, which enumerates items of compensation to be excluded from Pensionable Compensation. The revision is needed to clarify that Longevity Incentive Pay, while excluded when paid in the form of a one-time or ad hoc payment, may be pensionable when it is compensation related to the member's Normal Working Hours.

The proposed revision is set forth below and contained in the underlined text of the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

- Longevity Incentive Pay <u>in the form of a one-time or ad hoc payment, or otherwise outside of Normal Working Hours</u>

This revision is consistent with OCERS Administrative Procedure for Compensation Earnable and Pensionable Compensation Analysis & Determination Procedure, which correctly states "Longevity Incentive – that is not one time or ad hoc" is pensionable compensation:

	Compensation Earnable Legacy (GC 31461)	Pensionable Compensation PEPRA (GC 7522.34)
Longevity Incentive – that is not one time or ad hoc	Yes	Yes

<u>Attachments</u>

Submitted by:

JK-Approved

Joon Kim

Staff Attorney

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Pensionable Compensation Policy

Purpose and Background

1. Effective January 1, 2013, the State of California enacted the Public Employees Pension Reform Act of 2012, Government Code sections 7522, et seq. (PEPRA).
2. PEPRA created a new class of pension plan members composed of: (1) individuals who become a member of any public retirement system for the first time on or after January 1, 2013, (2) individuals who do not have reciprocity with another public retirement system and become a member of OCERS for the first time on or after January 1, 2013, and (3) individuals who are OCERS members who had a break in service of more than six months and returned to active membership in OCERS with a different participating employer in OCERS (together, PEPRA Members).
3. Under Government Code section 7522.34 (Section 7522.34), the items of compensation that are to be included in a retiring PEPRA Member's final compensation are defined as “Pensionable Compensation.”
4. The purpose of this policy is to set forth OCERS' interpretation of the term “Pensionable Compensation” as defined in Section 7522.34, in the context of the specific pay items utilized by OCERS’ employers.

Policy Objectives

5. The objective of this policy is to ensure that OCERS fully complies with applicable law when calculating a PEPRA Member's retirement benefit.

Policy Guidelines

6. **Pensionable Compensation**. OCERS will calculate Pensionable Compensation for PEPRA Members in accordance with the following guidelines.

   (a) Pay Items Included in Pensionable Compensation.[1]

   Pensionable Compensation means (i) the normal monthly rate of pay or base pay of the member; (ii) paid in cash; (iii) to similarly situated members of the same group or class of employment; (iv) for services rendered on a full-time basis; (v) during Normal Working Hours (defined below); (vi) pursuant to Publicly Available Pay Schedules (defined below); and (vi) subject to the limitations of Section 6(b), below.

   Subject to the requirements set forth in the preceding paragraph above, Pensionable Compensation includes the following items of compensation:

   Base Salary and Wages (gross of any employee contributions to deferred compensation plans), and includes additional compensation for scheduled meal periods, plus the following skill-based

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

or shift-based premium pay items (Premium Pay or Assignment Pay), and others substantially similar to them, as listed below:

- Bilingual Pay
- Educational Pay
- Aircraft Rescue Firefighting Pay
- Paramedic Pay
- Motorcycle Pay
- Emergency Dispatch Pay
- Field Training Officer Pay
- Shift Differential Pay
- Confined Space Pay

(b) Pay Items Excluded From Pensionable Compensation.

The following items of compensation will be excluded from Pensionable Compensation:

- Any compensation determined by the Board (i) to have been paid to increase a member's retirement benefit or (ii) to be inconsistent with the requirements of subsection (a) above
- Overtime, other than as defined in Section 207(k) of Title 29 of the United States Code.
- Payments for additional services rendered outside of Normal Working Hours, whether paid in a lump sum or otherwise
- Employer contributions to deferred compensation plan or retirement system
- Flexible benefits ("Cafeteria Plan") provided in-kind or paid in cash
- Automobile, uniform, or other allowances
- Payments for unused vacation, annual leave, personal leave, sick leave, holiday pay or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid
- Expense reimbursements and in-kind advantages (e.g., food, lodging, board, laundry, fuel)
- Fees, licenses, or memberships provided to or for a member by employer
- Any bonus paid in addition to the compensation defined in (a) above
- Any ad hoc or one-time pay of any sort
- Longevity Incentive Pay in the form of a one-time or ad hoc payment, or otherwise outside of Normal Working Hours
- Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Pensionable Compensation Policy

- Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment but is received by the member while employed.

(c) Definition of Normal Working Hours.

- Normal Working Hours are hours that (i) are required to be worked as part of the employee's regular duties; (ii)) ordinarily worked by all persons in the same grade or class of positions during the period in question, and at the same rate of pay, as that of the employee; and (iii) are not and cannot be served voluntarily by the employee. "Ordinarily worked" does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

7. **Publicly Available Pay Schedule.** In accordance with Section 7522.34, OCERS will exclude from Pensionable Compensation any pay code or item of compensation that is not included in a Publicly Available Pay Schedule. Publicly Available Pay Schedule means a document or documents that reflect the amount or category of pay and that meets all of the following requirements:

   (a) Has been duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meetings laws;

   (b) Identifies the position title for every employee position;

   (c) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;

   (d) Is posted on the employer's internet website. If not on the website, it will be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours; and

   (e) Does not reference a document which is not available in accordance with (d), above, in lieu of disclosing the pay rate.

   The requirement for a Publicly Available Pay Schedule can be met by posting on the employer's website the applicable labor memoranda of understanding, compensation resolutions, or ordinances, and all salary schedules or matrices, so long as, taken together, the documents contain all required information. The employer need not create a new document to comply with this requirement.

   If an employer fails to meet the requirements of Paragraph 6(a) above, the Board, in its sole discretion, may determine an amount that will be considered to be the applicable pay rate, taking into consideration all information the Board deems relevant, including the following:

   (a) Documents approved by the employer's governing body in accordance with the requirements of public meetings laws and maintained by the employer;

   (b) The last pay rate listed on a conforming pay schedule with the same employer for the position at issue;

   (c) The last pay rate for the member listed on a conforming pay schedule with the same employer for a different position.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Pensionable Compensation Policy

Policy Review

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

Policy History

9. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended on June 21, 2021, ~~and~~ December 15, 2025, 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.

~~12/15/2025~~

Steve Delaney
Secretary of the Board

Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Pensionable Compensation Policy

Purpose and Background

1. Effective January 1, 2013, the State of California enacted the Public Employees Pension Reform Act of 2012, Government Code sections 7522, et seq. (PEPRA).
2. PEPRA created a new class of pension plan members composed of: (1) individuals who become a member of any public retirement system for the first time on or after January 1, 2013, (2) individuals who do not have reciprocity with another public retirement system and become a member of OCERS for the first time on or after January 1, 2013, and (3) individuals who are OCERS members who had a break in service of more than six months and returned to active membership in OCERS with a different participating employer in OCERS (together, PEPRA Members).
3. Under Government Code section 7522.34 (Section 7522.34), the items of compensation that are to be included in a retiring PEPRA Member's final compensation are defined as “Pensionable Compensation.”
4. The purpose of this policy is to set forth OCERS' interpretation of the term “Pensionable Compensation” as defined in Section 7522.34, in the context of the specific pay items utilized by OCERS’ employers.

Policy Objectives

5. The objective of this policy is to ensure that OCERS fully complies with applicable law when calculating a PEPRA Member's retirement benefit.

Policy Guidelines

6. **Pensionable Compensation**. OCERS will calculate Pensionable Compensation for PEPRA Members in accordance with the following guidelines.

   (a) Pay Items Included in Pensionable Compensation.[1]

   Pensionable Compensation means (i) the normal monthly rate of pay or base pay of the member; (ii) paid in cash; (iii) to similarly situated members of the same group or class of employment; (iv) for services rendered on a full-time basis; (v) during Normal Working Hours (defined below); (vi) pursuant to Publicly Available Pay Schedules (defined below); and (vi) subject to the limitations of Section 6(b), below.

   Subject to the requirements set forth in the preceding paragraph above, Pensionable Compensation includes the following items of compensation:

   Base Salary and Wages (gross of any employee contributions to deferred compensation plans),

[1] A list of pay items by employer can be found at the following link: https://www.ocers.org/find-your-employer

and includes additional compensation for scheduled meal periods, plus the following skill-based or shift-based premium pay items (Premium Pay or Assignment Pay), and others substantially similar to them, as listed below:

- Bilingual Pay
- Educational Pay
- Aircraft Rescue Firefighting Pay
- Paramedic Pay
- Motorcycle Pay
- Emergency Dispatch Pay
- Field Training 0fficer Pay
- Shift Differential Pay
- Confined Space Pay

(b) Pay Items Excluded From Pensionable Compensation.

The following items of compensation will be excluded from Pensionable Compensation:

- Any compensation determined by the Board (i) to have been paid to increase a member's retirement benefit or (ii) to be inconsistent with the requirements of subsection (a) above
- Overtime, other than as defined in Section 207(k) of Title 29 of the United States Code.
- Payments for additional services rendered outside of Normal Working Hours, whether paid in a lump sum or otherwise
- Employer contributions to deferred compensation plan or retirement system
- Flexible benefits ("Cafeteria Plan") provided in-kind or paid in cash
- Automobile, uniform, or other allowances
- Payments for unused vacation, annual leave, personal leave, sick leave, holiday pay or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid
- Expense reimbursements and in-kind advantages (e.g., food, lodging, board, laundry, fuel)
- Fees, licenses, or memberships provided to or for a member by employer
- Any bonus paid in addition to the compensation defined in (a) above
- Any ad hoc or one-time pay of any sort
- Longevity Incentive Pay in the form of a one-time or ad hoc payment, or otherwise outside of Normal Working Hours
- Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the

benefit of the member, and which was converted to and received by the member in the form of a cash payment.

- Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment but is received by the member while employed.

(c) Definition of Normal Working Hours.

- Normal Working Hours are hours that (i) are required to be worked as part of the employee's regular duties; (ii)) ordinarily worked by all persons in the same grade or class of positions during the period in question, and at the same rate of pay, as that of the employee; and (iii) are not and cannot be served voluntarily by the employee. "Ordinarily worked" does not include time served on a temporary or emergency basis. Moreover, a single employee shall not constitute a grade or class.

7. **Publicly Available Pay Schedule.** In accordance with Section 7522.34, OCERS will exclude from Pensionable Compensation any pay code or item of compensation that is not included in a Publicly Available Pay Schedule. Publicly Available Pay Schedule means a document or documents that reflect the amount or category of pay and that meets all of the following requirements:

   (a) Has been duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meetings laws;

   (b) Identifies the position title for every employee position;

   (c) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;

   (d) Is posted on the employer's internet website. If not on the website, it will be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours; and

   (e) Does not reference a document which is not available in accordance with (d), above, in lieu of disclosing the pay rate.

   The requirement for a Publicly Available Pay Schedule can be met by posting on the employer's website the applicable labor memoranda of understanding, compensation resolutions, or ordinances, and all salary schedules or matrices, so long as, taken together, the documents contain all required information. The employer need not create a new document to comply with this requirement.

   If an employer fails to meet the requirements of Paragraph 6(a) above, the Board, in its sole discretion, may determine an amount that will be considered to be the applicable pay rate, taking into consideration all information the Board deems relevant, including the following:

   (a) Documents approved by the employer's governing body in accordance with the requirements of public meetings laws and maintained by the employer;

   (b) The last pay rate listed on a conforming pay schedule with the same employer for the position at issue;

   (c) The last pay rate for the member listed on a conforming pay schedule with the same employer for a different position.

Policy Review

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

Policy History

9. The Board of Retirement adopted this policy on March 18, 2019, and this policy was amended on June 21, 2021, December 15, 2025, and .

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

Date

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **OFF-CYCLE REVIEW OF THE RECORDS MANAGEMENT POLICY**

Recommendation

Approve and recommend that the Board adopt the revisions to the Records Management Policy.

Discussion

The Board of Retirement reviews all charters and policies every three years under its Board-approved review schedule. As part of this process, the Governance Committee reviews designated policies before presenting them to the full Board for approval. The Records Management Policy, originally adopted on November 15, 2021, and last amended on October 20, 2025, is now before the Committee for review and proposed revision.

Staff is recommending policy amendments at this time to add reference to the new requirements to retain ethics training and "fiscal and financial training" proof of completion records under SB 827, which went into effect January 1, 2026. Proof of completion records must be retained for five years. Accordingly, the retention of Trustee participation records was added as a category for the Executive Department, which is responsible for maintaining them. Participation records for executives were added as a category within the Human Resources department, which retains them.

Another addition was made to the Human Resources retention schedule to accommodate recently issued regulations from the California Civil Rights Council (CRC) that clarify how California's anti-discrimination laws apply to the use of artificial intelligence and automated decision systems in employment decision-making. The new regulations require that an employer retain the data used to run Artificial Intelligence or Automated Decision-making System tools, the outputs generated (including scores or rankings), the criteria applied to job or promotion candidates, and the results of any testing or evaluations for four years.

In the section on Member Services records, the reference to employer payroll records on microfiche and the need to retain them permanently were removed because the only such microfiche records the department has are from the 1990s, and there is no longer any administrative use for which they are necessary.

Also, the reference in the Compliance section to initially bringing this policy to employees' attention and instituting a formal reminder process has been removed as those actions have already been taken. Other non-substantive changes were made to the document to improve clarity. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

MDS-Approved

____

Manuel D. Serpa
General Counsel

OCERS Board Policy

Records Management Policy

Authority and Purpose

The OCERS Board of Retirement (Board) has the authority to establish efficient records management procedures and to provide for the maintenance and disposal of records within its jurisdiction (Gov. Code § 31537). In addition, OCERS has leveraged the guidelines for local government record retention provided by the California Secretary of State in drafting this policy.

This Records Management Policy establishes timeframes for the retention and destruction of OCERS' records in a manner compliant with binding statutes and regulations. This policy recognizes that effective records management ensures that records are kept only as long as they have administrative, fiscal, or legal value. The Policy includes an up-to-date record retention schedule to ensure that OCERS' obsolete records are properly and timely destroyed and to enable efficient responses to public record requests. Retaining expired records is costly and makes it more difficult to find the records needed for OCERS business.

Policy Objectives

The objectives of the policy are to ensure that:

- OCERS maintains its records for the time period necessary to fulfill its function;
- OCERS properly disposes of records once the retention period has passed; and
- OCERS' staff is informed of the requisite retention periods for agency records.

Definitions

For purposes of this policy, the following definitions apply:

1. **Records –** Documents and files created, received, owned, or used by OCERS, regardless of physical form or how the record has been stored. For records created by OCERS, this policy only applies to records in their final form, that is, records that have been finalized or approved for the OCERS' activity related to the record's content. Material kept only for convenience or reference is not generally subject to a specific retention schedule. For example:
    - Informal notes, working papers, and calculations.
    - Library and reference material.
    - Rough drafts.
2. **Records Retention Schedule or Retention Schedule –** The table below designates the period each record must be retained before disposal. The Records are listed by Division and document category.
3. **Retention Period** – The length of time a record must be retained to fulfill its administrative, fiscal, or legal function. The required retention period is listed in the Retention Schedule.
4. **Drafts** – Drafts consist of works in progress, preliminary drafts, and copies of notes that have either not been finalized or approved. Preliminary drafts and notes are to be disposed of once the document or file they apply to has been finalized. The Retention Schedule does not apply to draft documents and files. It is OCERS' policy that such preliminary drafts and notes are not to be retained.

OCERS Board Policy

Records Management Policy

Retention and Disposition of Records

The Board's policy is that records should be retained only as long as they serve the administrative, legal, or fiscal purposes for which they were created, after which they should be disposed of as soon as practicable and in a secure manner.

Records have administrative value when they are created to help accomplish the functions for which OCERS is responsible and have administrative value only as long as they assist OCERS in performing current or future work. Their administrative use is exhausted when the transactions to which the records relate are complete.

Records have legal value when they contain evidence of OCERS' legally enforceable rights or obligations. Examples are records that provide the basis for action, such as legal recommendations and opinions; documents representing transactions and agreements, such as leases, titles, and contracts; and records evidencing action in particular cases, such as claim forms, filings, and pleadings.

Fiscal records pertain to OCERS' financial transactions, for example, budgets, ledgers, financial statements, and payrolls. After some fiscal records have served their function, additional retention may be necessary to protect OCERS against court action, to support audits, or to comply with IRS rules.

Proper disposal of outdated records also protects any confidential information included in the records. Additionally, if records were never destroyed, the agency's file cabinets and computer networks would fill up with obsolete records that are no longer useful or necessary to the conduct of OCERS' business. The volume of such records would make it more and more challenging to search for and find records that are still valuable and necessary to OCERS' operations or responsive to discovery and public record requests.

The Retention Schedule specifies the time period that at least one version of a designated record must be retained. For example, paper records may be disposed of at any time after they are saved in a digital format or transferred to an electronic recordkeeping system. Once the retention period has passed, all record copies should be disposed of as soon as practicable or, at the latest, by the end of that calendar year. Copies of the record should be disposed of regardless of format or location, i.e., paper and digital versions, located on- or off-site. Records will be disposed of as follows:

- All paper records will be destroyed by placing them in the secure shredding bins located in the OCERS' office.
- All electronic records will be purged from OCERS' systems manually by the user or automatically by the system configured to automatically purge or delete the records per the established retention period.

Electronic Mail

Unless otherwise required by law, a litigation hold, or Board Policy, email communications will not be retained for more than two years. OCERS' email database will archive all emails older than one year and then automatically delete emails older than two years.

Exceptions to the Retention Schedule

OCERS Board Policy

Records Management Policy

CEO Approval

The Chief Executive Officer ("CEO") may authorize the retention of a record beyond the period shown on the Retention Schedule by designating it as an archival record and providing a revised disposal date. Requests to exceed the time periods in the Retention Schedule must be approved in writing by the CEO or their designee.

Litigation Holds

Whenever a division within OCERS learns that litigation against OCERS is reasonably anticipated, threatened, or pending, the division must notify the Legal Division. The Legal Division will analyze the potential for litigation and, as needed, issue a litigation hold letter to the appropriate parties. **OCERS' staff must comply with the directives of the Legal Division for the retention of records pursuant to a litigation hold letter, even if those directives require the retention of a record beyond the period stated in the Retention Schedule.**

Compliance

It is the responsibility of the Director of each Department (or Senior Executive where there is no Director within the applicable Division) to:

- ensure this policy is communicated to every team member in the Department/Division;
- ~~ensure the Department/Division is initially brought into full compliance with this policy;~~
- ~~institute a periodic reminder system and process for ensuring the Department/Division remains in full compliance with this policy;~~
- require each team member in the Department/Division to certify to the Director on an annual basis that the Department/Division is in full compliance with this policy; and
- review the record categories listed in the Retention Schedule on at least an annual basis to confirm that the record categories continue to be accurate and reflective of the types of records maintained by the related Department/Division and promptly inform the Legal Division if any modifications are necessary.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy

Records Management Policy

Record Retention Schedule

Board of Retirement

Record Category	Description/Citations	Retention Period
Board Meeting agendas, materials, and minutes	Materials for any meeting of the Board or Board Committee.	Permanent
Digital Recordings of Board Meetings	Gov. Code § 54953.5(b) allows for destruction of recordings 30 days after the recording is made. However, the board voted on October 21, 2013, to change the retention period to permanent.	Permanent
Board Policies and Charters		Permanent
Board Resolutions		Permanent
Employer Sponsor Agreements and MOUs		Permanent
Board of Supervisors Resolutions		Permanent
Actuarial Reports		Permanent

Compliance

Record Category	Description/Citations	Retention Period
Compliance Program Documents	Foundational documents that outline the purpose, scope, goals, roles, and responsibilities of Compliance Program elements.	Active + 7 years
Ethics & Fraud Hotline Case Reports	Including reports received from hotline vendor~~NAVEX~~, interview & investigation reports, supporting documentation, communication records, and documents received from external sources.	7 years (after case closure)
Compliance Risk Assessment Reports	Including reports detailing operational risk, evaluation of risks related to non-compliance with laws, rules, regulations, internal policies, and procedures.	7 years
Compliance Control Monitoring Documents	Including reports or files of control monitoring activities, department attestations, and management reports.	7 years
Compliance Performance Reports	Includes key metrics measuring program effectiveness, e.g., Ethics & Fraud Hotline case disposition, training activity, and summarized risk assessment and control monitoring results.	7 years
Compliance Communication & Training Records	Including records of compliance related communication, awareness campaign material, training material, distribution schedules, policy	5 years

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Record Category	Description/Citations	Retention Period
	acknowledgements and completion tracking reports.	
Other Compliance Reports	Including process due diligence reviews conducted in response to external events.	3 years

Disability

Record Category	Description/Citations	Retention Period
Disability Files	Disability Files consist of all records relating to a member's disability application, including: • Disability application packet • Medical records and reports • Workers' Compensation file documents • Investigator Reports • Employer File documents • Correspondence regarding the disability application ERISA §§107, 209 (for guidance only)	Active + 6 years* Disability files are considered "Active" until all administrative proceedings have concluded and the Board has made a final decision. * Certain Disability File records are scanned into the pension administration system and retained permanently in the member file, including: ▪ Disability Application ▪ Employee and Employer statements ▪ Employer accommodation document ▪ Physician's statement of disability ▪ Attorney designation form ▪ Workers' Compensation statement ▪ Supervisor's statement ▪ IME reports ▪ Disability correspondence between OCERS and member, including earlier effective date requests ▪ Board release

Executive Division

Record Category	Description/Citations	Retention Period
OCERS' Business Plan	Combined with the Strategic Plan as of 2024	Active + 5 years
OCERS' Strategic Plan	Combined with Business Plan as of 2024	Active + 5 years
OCER' Strategic and Business Plan		Permanent~~Active + 5 years~~

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Executive Charters		Permanent
Evolution of the UAAL		Permanent
Annual Employer Report		Permanent
Proof of Trustee completion of required Ethics and Fiscal and Financial Training sessions.	Gov. Code §§ 53235, 53238	5 years

Finance

Record Category	Description/Citations	Retention Period
Accounts Payable Ledgers and Schedules, including Vendor Files, Invoices from Vendors, Employee/Board Member Expense Reports and 1099s		7 years
Accounts Receivable Ledgers and Schedules, including invoices to customers, employees, employers, and members		7 years
Actuarial Support Records and Reports Accounting Support	Consists of accounting schedules provided to Actuary in support of preparing the valuation, including financial statements, reserve schedule, contributions and benefit payments by rate group, and covered payroll. Guidelines for retention of Final Actuarial Report can be found under Board section of the Retention Schedule.	7 years
Agency Administrative Budget, including department budget templates, presentation materials, and other supporting documentation	Final budget will be included in retention guidelines for Board materials under the Board section of the Retention Schedule.	5 years
Audited Financial Statements/Annual Report		Permanent
Bank Statements/Reconciliations, Cancelled Checks, and Deposit Slips		7 years
Cash Disbursements Journal		Permanent
Cash Receipts Journal		Permanent
Chart of Accounts		Permanent
Contribution Accounting Records for EE & ER Retirement Contributions	Finance is responsible for the accounting activity of EE & ER contributions, but retention of permanent and other EE/ER records (transmittals, contribution rates, etc.) is maintained in	7 years

	the Pension Administration Software and the responsibility of Member Services.	
Fixed Assets and Depreciation Schedules	26 USC §168(e) (IRS depreciation rules)	Permanent
General Ledger and General Journal		Permanent
Investment Accounting Records, including Highlights and Notes Reconciliations, Health Care Trust & Custodial Statements, and Capital Call/Commitment Schedule	Capital call, data, and attachments processed through State Street Bank's eCFM platform are available from State Street for 7 years.	7 years
OCERS Employees Payroll Accounting Records, including Payroll Summaries and Journal Entries	Finance is responsible for recording journal entries for payroll activity, but retention of OCERS employee records (timesheets, PAN forms, etc.) is the responsibility of Human Resources.	7 years
Other Financial Reports	Records not specifically listed (e.g., annual State Controller's Report, annual census report, and other miscellaneous documents) will follow a default 7-year retention consistent with retention period of most other accounting records.	7 years
Retirement Payroll Accounting Records, including Reconciliations and Payroll Tax Records	Finance is responsible for the accounting activity of Retiree Payroll, but retention of permanent and other member/retiree records (FAS calculations, deposit forms, EFT/Check copies, etc.) is maintained in the Pension Administration Software System and is the responsibility of Member Services.	7 years

Human Resources

Record Category	Description/Citations	Retention Period
Employee Personnel Files	Including, e.g., performance evaluations, disciplinary actions and family leave records. Civil Rights Act of 1964 (Title VII) Americans with Disabilities Act (ADA) GINA, FMLA 29 CFR §§ 1602.14, 1627.3 Labor Code § 1198.5, CCP §337	Termination + 7 years "Termination" refers to date employee is no longer employed by OCERS for any reason.
Payroll Records	Including time keeping records and wage attachment or garnishment records Cal Labor Code § 1174, CCP §337 29 CFR §§ 1602.31, 1620.33(b), 1627.3	Termination + 7 years

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Record Category	Description/Citations	Retention Period
Recruitment Process Records	Including job postings, résumés, applications, background checks, ~~and~~ any scored components, and includes retaining the data used to run Artificial Intelligence or Automated Decision-making System tools, the outputs generated (including scores or rankings), the criteria applied to job or promotion candidates, and the results of any testing or evaluations. Age Discrimination in Employment Act (ADEA) ADA Title VII Gov. Code § 12946; 2 CCR §§ 11013, 11008.1	Termination + 7 years For non-hires: 4~~3~~ years from no-hire decision.
Form I-9	8 CFR § 274a.2	Later of date of hire + 3 years or Termination + 1 year
Employment Benefits	Including plan descriptions, reports, and amendments. Employee Retirement Income Security Act (ERISA)	Active + 6 years
OSHA and CAL/OSHA Forms and Records	Occupational Safety and Health Administration (OSHA), e.g., 29 CFR §§1904.2, 1904.33. CAL/OSHA: Cal Labor Code § 6300, 8 CCR 14300.33	5 years
Disability Records and Employee Medical Files	ADA, GINA, FMLA	Termination + 7 year
Workers' Comp Records		Termination + 7years
Proof of Executive completion of required Ethics and Fiscal and Financial Training sessions.	Gov. Code §§ 53235, 53238	5 years

Information Security

Record Category	Description/Citations	Retention Period
Information Security Advisory and Audit Committee Material		3 years
IS Audit and Assessment Reports		7 years
Information Security Event Notifications		1 year
Security Incident Reports	Including supporting documentation	5 years
System Summary Reports	E.g., email security, and Rapid 7	3 years
Business Continuity Program Documentation	Including meeting materials, recovery documents, plan documents, and summary reports.	5 years

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Information Technology

Record Category	Description/Citations	Retention Period
IT Asset Inventory		Life of Asset
Agency Reports generated by IT		1 year
IT Programming/Operations Requests		1 year
Hardware and Software Reference Material and User Guides	To include design specification documents	Active
IT Audit and Assessment Reports		7 years
Hardware and Software Serial Numbers and Activation Keys		Life of Product
IT Project Documentation		Project life + 1 year
Server Data Backups		1 year

Internal Audit

Record Category	Description/Citations	Retention Period
Audit Reports and Work Papers	PCAOB – Auditing Standard No. 3. Securities and Exchange Commission, RIN 3235-AI74, Retention of Records Relevant to Audits and Reviews.	7 years

Investments

Record Category	Description/Citations	Retention Period
Capital Call Letters/Wire Transfers	Redundant with Finance Dept and State Street	Active + 5 years
Investment Performance Reports		7 years
Investment Manager, Custodian, and Consultant Correspondence; Portfolio Reviews	Correspondence includes work paper, pacing studies from Investment Consultants and Investment Manager Search Materials from Consultants	7 years
Form ADV	Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Adviser	7 years
Investment Manager Contracts	Including separately managed accounts, limited partnerships, mutual funds, and collective trust funds.	Active + 7 years

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Legal

Record Category	Description/Citations	Retention Period
Administrative Record and related filings for hearings, appeals, and writs of both member and non-member actions	Cases are considered "Active" until all writs and appeals have been fully adjudicated.	Active + 5 years
Securities Litigation Reports from Outside Counsel		4 years
Log of California Public Records Requests and Responses		4 years

Member Services

Record Category	Description/Citations	Retention Period
Member File	The Member account in the pension administration system application. Including: • 1099's • Support Orders and Tax Levies • Dissolution documents • Member identification documents • Death Certificates • Transaction requests CCP §§ 704.110, 706.031; 26 USC §§ 6322, 6333; ERISA §§ 107, 209; Gov. Code § 31532 CCP § 338	Permanent
Member Services Actuarial Reports	Including member specific documents provided by actuaries regarding 415 calculations or option 4 calculations.	Permanent
Employer Records	P~~Including microfiche and p~~ayroll records in digital format ERISA §§ 107, 209; CCP § 338; Civ. Code §§ 1798.3, 1798.21, 1798.24, 1798.27, 1798.77; Gov. Code § 31532	Permanent

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Operational Support Services

Record Category	Description/Citations	Retention Period
Contracts and Agreements (including OCERS' RFP and the successful bidder's RFP Response), and related due diligence documentation	Agency-wide contracts other than those for investment managers and for the purchase of real estate. E.g., hardware and software licenses and agreements, medical provider contracts, professional services agreements, etc. CCP §337	Active + 4 years
Unfilled RFPs and RFP Responses of unsuccessful bidders		4 years
Real Estate Contracts	Contracts for the purchase of real property.	Duration of ownership + 10 years
Insurance Policies		Active +7 years

Policy Review

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

Policy History

This policy was adopted by the Board on November 15, 2021, and revised on December 9, 2024,~~ and~~ October 20, 2025, and [date]. It replaced the Record Retention Policy and Guidelines adopted by the Board on October 23, 2003.

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 ~~10/20/2025~~

Steve Delaney
Secretary of the Board

Date

OCERS Board Policy

Records Management Policy

Authority and Purpose

The OCERS Board of Retirement (Board) has the authority to establish efficient records management procedures and to provide for the maintenance and disposal of records within its jurisdiction (Gov. Code § 31537). In addition, OCERS has leveraged the guidelines for local government record retention provided by the California Secretary of State in drafting this policy.

This Records Management Policy establishes timeframes for the retention and destruction of OCERS' records in a manner compliant with binding statutes and regulations. This policy recognizes that effective records management ensures that records are kept only as long as they have administrative, fiscal, or legal value. The Policy includes an up-to-date record retention schedule to ensure that OCERS' obsolete records are properly and timely destroyed and to enable efficient responses to public record requests. Retaining expired records is costly and makes it more difficult to find the records needed for OCERS business.

Policy Objectives

The objectives of the policy are to ensure that:

- OCERS maintains its records for the time period necessary to fulfill its function;
- OCERS properly disposes of records once the retention period has passed; and
- OCERS' staff is informed of the requisite retention periods for agency records.

Definitions

For purposes of this policy, the following definitions apply:

1. **Records –** Documents and files created, received, owned, or used by OCERS, regardless of physical form or how the record has been stored. For records created by OCERS, this policy only applies to records in their final form, that is, records that have been finalized or approved for the OCERS' activity related to the record's content. Material kept only for convenience or reference is not generally subject to a specific retention schedule. For example:
    - Informal notes, working papers, and calculations.
    - Library and reference material.
    - Rough drafts.
2. **Records Retention Schedule or Retention Schedule –** The table below designates the period each record must be retained before disposal. The Records are listed by Division and document category.
3. **Retention Period** – The length of time a record must be retained to fulfill its administrative, fiscal, or legal function. The required retention period is listed in the Retention Schedule.
4. **Drafts** – Drafts consist of works in progress, preliminary drafts, and copies of notes that have either not been finalized or approved. Preliminary drafts and notes are to be disposed of once the document or file they apply to has been finalized. The Retention Schedule does not apply to draft documents and files. It is OCERS' policy that such preliminary drafts and notes are not to be retained.

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Retention and Disposition of Records

The Board's policy is that records should be retained only as long as they serve the administrative, legal, or fiscal purposes for which they were created, after which they should be disposed of as soon as practicable and in a secure manner.

Records have administrative value when they are created to help accomplish the functions for which OCERS is responsible and have administrative value only as long as they assist OCERS in performing current or future work. Their administrative use is exhausted when the transactions to which the records relate are complete.

Records have legal value when they contain evidence of OCERS' legally enforceable rights or obligations. Examples are records that provide the basis for action, such as legal recommendations and opinions; documents representing transactions and agreements, such as leases, titles, and contracts; and records evidencing action in particular cases, such as claim forms, filings, and pleadings.

Fiscal records pertain to OCERS' financial transactions, for example, budgets, ledgers, financial statements, and payrolls. After some fiscal records have served their function, additional retention may be necessary to protect OCERS against court action, to support audits, or to comply with IRS rules.

Proper disposal of outdated records also protects any confidential information included in the records. Additionally, if records were never destroyed, the agency's file cabinets and computer networks would fill up with obsolete records that are no longer useful or necessary to the conduct of OCERS' business. The volume of such records would make it more and more challenging to search for and find records that are still valuable and necessary to OCERS' operations or responsive to discovery and public record requests.

The Retention Schedule specifies the time period that at least one version of a designated record must be retained. For example, paper records may be disposed of at any time after they are saved in a digital format or transferred to an electronic recordkeeping system. Once the retention period has passed, all record copies should be disposed of as soon as practicable or, at the latest, by the end of that calendar year. Copies of the record should be disposed of regardless of format or location, i.e., paper and digital versions, located on- or off-site. Records will be disposed of as follows:

- All paper records will be destroyed by placing them in the secure shredding bins located in the OCERS' office.
- All electronic records will be purged from OCERS' systems manually by the user or automatically by the system configured to automatically purge or delete the records per the established retention period.

Electronic Mail

Unless otherwise required by law, a litigation hold, or Board Policy, email communications will not be retained for more than two years. OCERS' email database will archive all emails older than one year and then automatically delete emails older than two years.

Exceptions to the Retention Schedule

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CEO Approval

The Chief Executive Officer ("CEO") may authorize the retention of a record beyond the period shown on the Retention Schedule by designating it as an archival record and providing a revised disposal date. Requests to exceed the time periods in the Retention Schedule must be approved in writing by the CEO or their designee.

Litigation Holds

Whenever a division within OCERS learns that litigation against OCERS is reasonably anticipated, threatened, or pending, the division must notify the Legal Division. The Legal Division will analyze the potential for litigation and, as needed, issue a litigation hold letter to the appropriate parties. **OCERS' staff must comply with the directives of the Legal Division for the retention of records pursuant to a litigation hold letter, even if those directives require the retention of a record beyond the period stated in the Retention Schedule.**

Compliance

It is the responsibility of the Director of each Department (or Senior Executive where there is no Director within the applicable Division) to:

- ensure this policy is communicated to every team member in the Department/Division;
- require each team member in the Department/Division to certify to the Director on an annual basis that the Department/Division is in full compliance with this policy; and
- review the record categories listed in the Retention Schedule on at least an annual basis to confirm that the record categories continue to be accurate and reflective of the types of records maintained by the related Department/Division and promptly inform the Legal Division if any modifications are necessary.

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Record Retention Schedule

Board of Retirement

Record Category	Description/Citations	Retention Period
Board Meeting agendas, materials, and minutes	Materials for any meeting of the Board or Board Committee.	Permanent
Digital Recordings of Board Meetings	Gov. Code § 54953.5(b) allows for destruction of recordings 30 days after the recording is made. However, the board voted on October 21, 2013, to change the retention period to permanent.	Permanent
Board Policies and Charters		Permanent
Board Resolutions		Permanent
Employer Sponsor Agreements and MOUs		Permanent
Board of Supervisors Resolutions		Permanent
Actuarial Reports		Permanent

Compliance

Record Category	Description/Citations	Retention Period
Compliance Program Documents	Foundational documents that outline the purpose, scope, goals, roles, and responsibilities of Compliance Program elements.	Active + 7 years
Ethics & Fraud Hotline Case Reports	Including reports received from hotline vendor, interview & investigation reports, supporting documentation, communication records, and documents received from external sources.	7 years (after case closure)
Compliance Risk Assessment Reports	Including reports detailing operational risk, evaluation of risks related to non-compliance with laws, rules, regulations, internal policies, and procedures.	7 years
Compliance Control Monitoring Documents	Including reports or files of control monitoring activities, department attestations, and management reports.	7 years
Compliance Performance Reports	Includes key metrics measuring program effectiveness, e.g., Ethics & Fraud Hotline case disposition, training activity, and summarized risk assessment and control monitoring results.	7 years
Compliance Communication & Training Records	Including records of compliance related communication, awareness campaign material, training material, distribution schedules, policy	5 years

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Record Category	Description/Citations	Retention Period
	acknowledgements and completion tracking reports.	
Other Compliance Reports	Including process due diligence reviews conducted in response to external events.	3 years

Disability

Record Category	Description/Citations	Retention Period
Disability Files	Disability Files consist of all records relating to a member's disability application, including: • Disability application packet • Medical records and reports • Workers' Compensation file documents • Investigator Reports • Employer File documents • Correspondence regarding the disability application ERISA §§107, 209 (for guidance only)	Active + 6 years* Disability files are considered "Active" until all administrative proceedings have concluded and the Board has made a final decision. * Certain Disability File records are scanned into the pension administration system and retained permanently in the member file, including: ▪ Disability Application ▪ Employee and Employer statements ▪ Employer accommodation document ▪ Physician's statement of disability ▪ Attorney designation form ▪ Workers' Compensation statement ▪ Supervisor's statement ▪ IME reports ▪ Disability correspondence between OCERS and member, including earlier effective date requests ▪ Board release

Executive Division

Record Category	Description/Citations	Retention Period
OCERS' Business Plan	Combined with the Strategic Plan as of 2024	Active + 5 years
OCERS' Strategic Plan	Combined with Business Plan as of 2024	Active + 5 years
OCER' Strategic and Business Plan		Permanent

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Executive Charters		Permanent
Evolution of the UAAL		Permanent
Annual Employer Report		Permanent
Proof of Trustee completion of required Ethics and Fiscal and Financial Training sessions.	Gov. Code §§ 53235, 53238	5 years

Finance

Record Category	Description/Citations	Retention Period
Accounts Payable Ledgers and Schedules, including Vendor Files, Invoices from Vendors, Employee/Board Member Expense Reports and 1099s		7 years
Accounts Receivable Ledgers and Schedules, including invoices to customers, employees, employers, and members		7 years
Actuarial Support Records and Reports Accounting Support	Consists of accounting schedules provided to Actuary in support of preparing the valuation, including financial statements, reserve schedule, contributions and benefit payments by rate group, and covered payroll. Guidelines for retention of Final Actuarial Report can be found under Board section of the Retention Schedule.	7 years
Agency Administrative Budget, including department budget templates, presentation materials, and other supporting documentation	Final budget will be included in retention guidelines for Board materials under the Board section of the Retention Schedule.	5 years
Audited Financial Statements/Annual Report		Permanent
Bank Statements/Reconciliations, Cancelled Checks, and Deposit Slips		7 years
Cash Disbursements Journal		Permanent
Cash Receipts Journal		Permanent
Chart of Accounts		Permanent
Contribution Accounting Records for EE & ER Retirement Contributions	Finance is responsible for the accounting activity of EE & ER contributions, but retention of permanent and other EE/ER records (transmittals, contribution rates, etc.) is maintained in	7 years

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	the Pension Administration Software and the responsibility of Member Services.	
Fixed Assets and Depreciation Schedules	26 USC §168(e) (IRS depreciation rules)	Permanent
General Ledger and General Journal		Permanent
Investment Accounting Records, including Highlights and Notes Reconciliations, Health Care Trust & Custodial Statements, and Capital Call/Commitment Schedule	Capital call, data, and attachments processed through State Street Bank's eCFM platform are available from State Street for 7 years.	7 years
OCERS Employees Payroll Accounting Records, including Payroll Summaries and Journal Entries	Finance is responsible for recording journal entries for payroll activity, but retention of OCERS employee records (timesheets, PAN forms, etc.) is the responsibility of Human Resources.	7 years
Other Financial Reports	Records not specifically listed (e.g., annual State Controller's Report, annual census report, and other miscellaneous documents) will follow a default 7-year retention consistent with retention period of most other accounting records.	7 years
Retirement Payroll Accounting Records, including Reconciliations and Payroll Tax Records	Finance is responsible for the accounting activity of Retiree Payroll, but retention of permanent and other member/retiree records (FAS calculations, deposit forms, EFT/Check copies, etc.) is maintained in the Pension Administration Software System and is the responsibility of Member Services.	7 years

Human Resources

Record Category	Description/Citations	Retention Period
Employee Personnel Files	Including, e.g., performance evaluations, disciplinary actions and family leave records. Civil Rights Act of 1964 (Title VII) Americans with Disabilities Act (ADA) GINA, FMLA 29 CFR §§ 1602.14, 1627.3 Labor Code § 1198.5, CCP §337	Termination + 7 years "Termination" refers to date employee is no longer employed by OCERS for any reason.
Payroll Records	Including time keeping records and wage attachment or garnishment records Cal Labor Code § 1174, CCP §337 29 CFR §§ 1602.31, 1620.33(b), 1627.3	Termination + 7 years

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

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Record Category	Description/Citations	Retention Period
Recruitment Process Records	Including job postings, résumés, applications, background checks, any scored components, and includes retaining the data used to run Artificial Intelligence or Automated Decision-making System tools, the outputs generated (including scores or rankings), the criteria applied to job or promotion candidates, and the results of any testing or evaluations. Age Discrimination in Employment Act (ADEA) ADA Title VII Gov. Code § 12946; 2 CCR §§ 11013, 11008.1	Termination + 7 years For non-hires: 4 years from no-hire decision.
Form I-9	8 CFR § 274a.2	Later of date of hire + 3 years or Termination + 1 year
Employment Benefits	Including plan descriptions, reports, and amendments. Employee Retirement Income Security Act (ERISA)	Active + 6 years
OSHA and CAL/OSHA Forms and Records	Occupational Safety and Health Administration (OSHA), e.g., 29 CFR §§1904.2, 1904.33. CAL/OSHA: Cal Labor Code § 6300, 8 CCR 14300.33	5 years
Disability Records and Employee Medical Files	ADA, GINA, FMLA	Termination + 7 year
Workers' Comp Records		Termination + 7years
Proof of Executive completion of required Ethics and Fiscal and Financial Training sessions.	Gov. Code §§ 53235, 53238	5 years

Information Security

Record Category	Description/Citations	Retention Period
Information Security Advisory and Audit Committee Material		3 years
IS Audit and Assessment Reports		7 years
Information Security Event Notifications		1 year
Security Incident Reports	Including supporting documentation	5 years
System Summary Reports	E.g., email security, and Rapid 7	3 years
Business Continuity Program Documentation	Including meeting materials, recovery documents, plan documents, and summary reports.	5 years

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Information Technology

Record Category	Description/Citations	Retention Period
IT Asset Inventory		Life of Asset
Agency Reports generated by IT		1 year
IT Programming/Operations Requests		1 year
Hardware and Software Reference Material and User Guides	To include design specification documents	Active
IT Audit and Assessment Reports		7 years
Hardware and Software Serial Numbers and Activation Keys		Life of Product
IT Project Documentation		Project life + 1 year
Server Data Backups		1 year

Internal Audit

Record Category	Description/Citations	Retention Period
Audit Reports and Work Papers	PCAOB – Auditing Standard No. 3. Securities and Exchange Commission, RIN 3235-AI74, Retention of Records Relevant to Audits and Reviews.	7 years

Investments

Record Category	Description/Citations	Retention Period
Capital Call Letters/Wire Transfers	Redundant with Finance Dept and State Street	Active + 5 years
Investment Performance Reports		7 years
Investment Manager, Custodian, and Consultant Correspondence; Portfolio Reviews	Correspondence includes work paper, pacing studies from Investment Consultants and Investment Manager Search Materials from Consultants	7 years
Form ADV	Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Adviser	7 years
Investment Manager Contracts	Including separately managed accounts, limited partnerships, mutual funds, and collective trust funds.	Active + 7 years

OCERS Board Policy

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Legal

Record Category	Description/Citations	Retention Period
Administrative Record and related filings for hearings, appeals, and writs of both member and non-member actions	Cases are considered “Active” until all writs and appeals have been fully adjudicated.	Active + 5 years
Securities Litigation Reports from Outside Counsel		4 years
Log of California Public Records Requests and Responses		4 years

Member Services

Record Category	Description/Citations	Retention Period
Member File	The Member account in the pension administration system application. Including: • 1099's • Support Orders and Tax Levies • Dissolution documents • Member identification documents • Death Certificates • Transaction requests CCP §§ 704.110, 706.031; 26 USC §§ 6322, 6333; ERISA §§ 107, 209; Gov. Code § 31532 CCP § 338	Permanent
Member Services Actuarial Reports	Including member specific documents provided by actuaries regarding 415 calculations or option 4 calculations.	Permanent
Employer Records	Payroll records in digital format ERISA §§ 107, 209; CCP § 338; Civ. Code §§ 1798.3, 1798.21, 1798.24, 1798.27, 1798.77; Gov. Code § 31532	Permanent

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Operational Support Services

Record Category	Description/Citations	Retention Period
Contracts and Agreements (including OCERS' RFP and the successful bidder's RFP Response), and related due diligence documentation	Agency-wide contracts other than those for investment managers and for the purchase of real estate. E.g., hardware and software licenses and agreements, medical provider contracts, professional services agreements, etc. CCP §337	Active + 4 years
Unfilled RFPs and RFP Responses of unsuccessful bidders		4 years
Real Estate Contracts	Contracts for the purchase of real property.	Duration of ownership + 10 years
Insurance Policies		Active +7 years

Policy Review

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

Policy History

This policy was adopted by the Board on November 15, 2021, and revised on December 9, 2024, October 20, 2025, and [date]. It replaced the Record Retention Policy and Guidelines adopted by the Board on October 23, 2003.

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

Steve Delaney
Secretary of the Board

Date

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Manuel D. Serpa, General Counsel

SUBJECT: **OFF-CYCLE REVIEW OF THE TRUSTEE EDUCATION POLICY**

Recommendation

Approve and recommend that the Board adopt the revisions to the Trustee Education Policy.

Discussion

The Board of Retirement reviews all charters and policies every three years under its Board-approved review schedule. As part of this process, the Governance Committee reviews designated policies before presenting them to the full Board for approval. The Trustee Education Policy, originally adopted on February 19, 2002, and last amended on October 20, 2025, is now before the Committee for review and proposed revision.

Additions to the policy have been made to reference the requirements of SB 827, effective January 1, 2026, which mandate that Trustees receive at least two hours of "fiscal and financial training" with statutorily prescribed content every two years. The requisite subject matter for the training was added as Section 11. Section 12 addresses the requirements that ethics and fiscal and financial training providers must provide proof-of-completion certificates and that such records must be retained for at least five years.

Other non-substantive changes were made to the document to improve readability. The proposed revisions are set forth in underlined/strikeout text in the attached copy of the Policy. An unmarked version of the Policy is also attached for the Committee's ease of review.

Attachments

Submitted by:

MDS-Approved

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Manuel D. Serpa
General Counsel

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

~~OCERS Board Policy~~

~~Trustee Education Policy~~

Purpose

1. It is the policy of the Board of Retirement to ensure that individual Trustees have sufficient knowledge of the issues and challenges facing OCERS to craft policies to guide the administration of the plan and effectively monitor their implementation based on ongoing exposure to up-to-date benefit, financial, investment, and policy information, and together with staff are properly trained to perform their respective duties.
2. ~~Effective January 1, 2013,~~ Trustees are required to complete a minimum of 24 hours of Trustee education within the first two (2) years of assuming office and for every subsequent two-year period in which the Trustee serves on the Board (Gov. Code § 31522.8).
3. SB 827, effective January 1, 2026, enacted Gov. Code § 53238, which requires that Trustees receive at least two hours of "fiscal and financial training" with statutorily prescribed content every two years.[1] Fiscal and financial training received as part of the 24 hours of Trustee education will satisfy this requirement.

~~3.~~4. Trustees are also required to complete two hours of ethics training every two years. (Gov. Code § 53235) Ethics training received as part of the 24 hours of Trustee education will satisfy this requirement.

~~4.~~5. Trustees are also required to complete two hours of harassment prevention training every two years (Gov. Code § 12950.1). Harassment prevention training is in addition to the 24-hour education requirement set forth in Gov. Code § 31522.8.

~~5.~~6. To that end, each Trustee is encouraged to regularly participate in educational opportunities that will enable the competent discharge of their position's obligations and meet the statutory requirements for continuing education.

Policy Objectives

~~6.~~7. This policy's objective is to ensure that all Trustees have adequate opportunities to acquire the knowledge they need to carry out their fiduciary duties.

Policy Guidelines

~~7.~~8. Trustees agree to develop and maintain knowledge of relevant issues pertaining to the administration of OCERS throughout their terms.

[1] The Orange County Treasurer serving on the OCERS Board is exempt from SB 827's fiscal training requirement because elected county treasurers are already subject to more extensive continuing education requirements under Government Code sections 27000.8 and 27000.9.

~~8.~~ 9. Trustees agree to pursue appropriate education across a range of pension-related areas rather than limiting their education to specific areas. General pension-related areas to be pursued include:

a. Pension funding;
b. Institutional investments and investment program management;
c. Investment performance measurement;
d. Actuarial science;
e. Benefits structure and administration;
f. Disability retirements;
g. Due process in benefit determinations;

h. Pension law;

i. Organizational structure, methods, and practices;

j. Budgeting;

k. Governance and fiduciary duty; and

l. Ethics.

~~9.~~10. Trustees agree that at least two hours of education they receive will qualify as ethics training relevant to the Trustees' public service. Subject matter that qualifies for ethics training includes:

a. Laws relating to personal financial gain by public servants, including laws prohibiting bribery and conflict-of-interest laws.

b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

c. Government transparency laws, including financial interest disclosure requirements and open government laws.

d. Laws relating to fair processes include common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

11. Trustees agree that at least two hours of education they receive will qualify as fiscal and financial training, as defined by Gov. Code § 53238. Subject matter that qualifies for fiscal and financial training must include:

a. Laws and principles relating to financial administration and short- and long- term fiscal management, including, but not limited to, the role and responsibilities of financial administration, financial policies, municipal budgets and budget processes, and financial reporting and auditing.

b. Laws and principles relating to, but not limited to, capital financing and debt management, mechanisms for local agency revenues, pensions and other postemployment benefits, cash management and investments, the prudent investor standard, and the ethics of safeguarding public resources.

c. General fiscal and financial planning principles and any pertinent laws relevant to the local agency o~~ffi~~fficial's public service and role in overseeing the local agency's operations, and relevant to the local agency's procurement and contracting practices and responsibilities.

12. Training providers that deliver or produce the ethics and the fiscal and financial training education referenced in sections 10 and 11 must provide participants with proof of completion. OCERS must maintain records documenting completion of both ethics training and fiscal training for at least five years.

~~10.~~13. Educational tools for trustees, as detailed in the Board Member Travel Policy, include:

a. External conferences, seminars, workshops, roundtables, courses, or similar sessions (henceforth referred to as collectively as "conferences");

b. Industry association meetings or events;

c. In-house educational seminars or briefings;

d. Periodicals, journals, textbooks, and similar materials; and

e. Electronic media, including CD ROM-based education, Internet-based education, and video-based education.

~~11.~~14. On an ongoing basis, the Chief Executive Officer and the Chief Investment Officer will identify appropriate educational opportunities based on the needs of individual Trustees or the Board as a whole. Current information on educational programs, conferences, and seminars is provided in the Board Member Travel Policy.

~~12.~~15. Standards for determining the appropriateness of a potential educational opportunity shall include:

a. The extent to which the opportunity is expected to provide Trustees with the knowledge they need to carry out their roles and responsibilities;

OCERS Board Policy
OCERS Board Policy

Trustee Education Policy

b. The extent to which the opportunity meets the requirements of this policy; and

c. The cost-effectiveness of the program in light of travel, lodging, and related expenses.

~~1.~~16. ~~Beginning January 1, 2013,~~ Trustees will acquire at least 24 hours of Trustee education within the first two (2) years of assuming office and for every subsequent 2-year period for which the Trustee serves on the Board.

a. ~~a.~~ Trustees will endeavor to complete 24 hours of education in the remainder of the first and second calendar year after appointment. For Trustees appointed later in November or December, the first education year will commence on January 1 of the subsequent calendar year.

b. ~~b.~~ After the initial two years after assuming office, education hours will be tracked on a calendar year basis, with each Trustee required to complete 24 hours of education within each two-year period.

c. ~~c.~~ OCERS staff will track hours on an odd-and-even-year basis with Trustees grouped according to the year of term commencement.

d. ~~d.~~ For example, if a Trustee assumes office on April 1, ~~2016~~2026, they will be expected to complete 24 hours of education by December 31, ~~2017~~2027. After January 1, ~~2018~~2028, their education will be tracked on a rolling basis with completion of the 24-hour requirement on December 31, ~~2019, 2021, 2023~~2029, 2031, 2033, etc.

~~13.~~17. Trustees will attempt to meet the following minimum goals:

a. To gradually achieve a useful level of understanding in each of the topic areas listed in paragraph 8 above;

b. To attend at least one conference annually. Trustees are encouraged to attend conferences, on occasion, that address pension topics other than investments; and

c. Participate in any in-house educational seminars or briefings that are organized by the Chief Executive Officer and Chief Investment Officer, including:

i. The educational component of the annual Strategic Planning Session;

ii. Individual sessions at regular Board meetings; and

iii. Workshops available to Board and staff members.

~~14.~~18. The Board shall maintain a record of Trustee compliance with this policy, and the Chief Executive Officer or his designee will ensure that the policy and annual compliance report are placed on the OCERS website.

Attendance at Conferences & Industry Association Meetings

~~15.~~19. Approval for attendance and reimbursement of travel expenses in connection with educational conferences and industry association meetings will be in accordance with the Travel Policy.

~~16.~~20. The Board will periodically review the programs, training, or educational sessions that qualify for Trustee education.

Harassment Prevention Training

~~17.~~21. As an employer of over five employees, OCERS must provide two hours of harassment and abusive conduct prevention training to all "supervisory employees" every two years and (effective calendar year 2020) one hour of prevention training to all nonsupervisory employees.

~~18.~~22. Trustees are considered "supervisory employees" under the statute since Trustees may influence the terms and conditions of employment for OCERS employees.

~~19.~~23. The Chief Executive Officer, working with the Legal Division and outside vendors, will schedule appropriate training for Trustees every two years.

Orientation Program

~~20.~~24. Working with the Chief Investment Officer and OCERS' professional advisors, the Chief Executive Officer will hold an orientation program covering the general topic areas outlined in paragraph 8 above and designed to introduce new Trustees to all pertinent operations of the System and highlight the knowledge bases required of a Trustee. The aim of the orientation program will be to ensure that new Trustees are in a position to contribute fully to the Board of Retirement and committee deliberations and effectively carry out their fiduciary duties as soon as possible after joining the Board.

~~21.~~25. As part of the orientation process, new Trustees will, within 30 days of their election or appointment to the Board of Retirement:

a. Be briefed by the Chief Executive Officer on the history and background of OCERS;

b. Be oriented by the Chair on current issues before the Board;

c. Be introduced to members of senior management;

d. Be provided a tour of OCERS offices by the Chief Executive Officer;

e. Be briefed by the General Counsel on their fiduciary duties, conflict of interest guidelines, the County Employees Retirement Law of 1937, Proposition 162, The Brown Act, other pertinent legislation, and the Board's Policies and Charters; and

f. Be provided with an iPad (or other electronic device) with access to a document repository containing the following:

  i. A Trustee Reference Manual (the contents of which are listed in the Appendix);

  ii. A listing of upcoming recommended educational opportunities; and

  iii. Other relevant information and documentation deemed appropriate by the Chief Executive Officer~~.~~

~~22.~~26. During the course of their first 12 months on the Board of Retirement, new Trustees will endeavor to attend a seminar on the principles of pension management or a comparable program.

~~23.~~27. The Chief Executive Officer will review and, if necessary, update all orientation material. Trustees are responsible for maintaining their Trustee Reference Manuals by ensuring that they contain the most up-to-date materials. A master copy of the Trustee Reference Manual will be available for use by Trustees at the OCERS office.

ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

OCERS Board Policy ~~OCERS Board Policy~~

Trustee Education Policy ~~Trustee Education Policy~~

Policy Review

~~24.~~28. The Board of Retirement will review this policy at least every three years to ensure it remains relevant and appropriate.

Policy History

~~25.~~29. The Board of Retirement adopted this policy on February 19, 2002.

~~26.~~30. The policy was revised on May 16, 2005, March 24, 2008, June 18, 2012, November 19, 2012, July 20, 2015, December 19, 2016, September 25, 2019, October 17, 2022, May 19, 2025, ~~and~~ October 20, 2025~~.~~, and [date].

Secretary's Certificate

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

	~~10/20/2025~~
Steve Delaney	Date
Secretary of the Board	

OCERS Board Policy

Trustee Reference Manual

A Trustee Reference Manual will include the following materials:

a. OCERS Board Handbook;

b. Relevant sections of the *County Employees Retirement Law of 1937*;

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d. Most recent plan description and member handbook;

e. Copies of Board policies;

f. Most recent Annual Report;

g. Most recent actuarial valuation and financial statements;

h. Most recent actuarial experience study;

i. Most recent asset/liability study;

j. Most recent investment performance report;

k. Most recent Strategic and Business Plan and budget;

l. Organizational chart;

m. Names and phone numbers of the trustees and the Chief Executive Officer;

n. Listing of current committee assignments;

o. Listing of current service providers; and

p. Glossary of key pension administration terms and definitions.

~~p.~~

OCERS Board Policy

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OCERS
EMPLOYEES RETIREMENT SYSTEM

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Secretary's Certificate

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Steve Delaney Secretary of the Board	Date

APPENDIX 1

Trustee Reference Manual

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m. Names and phone numbers of the trustees and the Chief Executive Officer;

n. Listing of current committee assignments;

o. Listing of current service providers; and

p. Glossary of key pension administration terms and definitions.

Memorandum

DATE: August 20, 2026

TO: Members of the Governance Committee

FROM: Rafael Lopez, Employer Services Manager; Mark Adviento, Director of Employer Services and Quality Assurance

SUBJECT: **EMPLOYER DATA PARTNERSHIP PROJECT UPDATE**

Background

This memo closes out the Employer Data Partnership Project (formerly the Employer Data Project).

Over the past two years, OCERS staff worked with plan employers to improve the completeness, accuracy, and timeliness of payroll and member data. The project has met its primary goals. Employers now report pensionable paid time off (PTO), specifically vacation and holiday compensation, in a substantially standardized and consistent manner. This supports Vision 2030 and future automated benefit calculations. The project also produced the Employer Data Policy, which the Board adopted on May 18, 2026. This memo summarizes the project deliverables, highlights employer data readiness, and describes how the project's deliverables have been incorporated into normal ongoing operations.

Tools and Training

The project delivered some lasting improvements. Staff published the Employer Handbook as the shared technical reference for payroll reporting. In addition, staff built and rolled out enhanced payroll exception reports so employers can spot and fix reporting issues early in the process. Staff also completed a series of virtual employer training sessions and used them as models for later meetings. Together, these tools moved every employer to more accurate and complete data reporting.

Employer Data Policy Adopted

A major project milestone was the Employer Data Policy. Staff developed the policy with the Governance Committee across multiple meetings and shared it with employers and County Counsel. The Governance Committee reviewed the final policy and recommended it for adoption, and the Board adopted it on May 18, 2026. This policy put OCERS' employer data reporting expectations into a formal governance framework for the first time. In addition, it codifies existing reporting requirements under CERL and PEPRA, sets a quarterly review method with cure windows before any fee applies, gives employers appeal rights to the Board, and delays any fees until 2028. Employer data expectations are now clear and consistent going forward.

The Employer Handbook, the exception reports, and the standardized reporting practices are now in place and will continue to be used as normal business tools.

Employer Coordination

Throughout the project, staff met with employers many times to work through the differences in their payroll systems and the differing levels of payroll staffing and experience across employers. Some employers needed more support than others, and staff adjusted the number and depth of meetings to fit each one. The goal was to bring everyone to the more uniform reporting needed for the new Pension Administration System (PAS). These efforts were supported by weekly internal Employer Data Partnership meetings throughout the project.

Employer Data Readiness for Automation

Staff tracked each employer's progress on key payroll data needed to support automated benefit calculations, focusing on two areas of pensionable PTO: vacation leave and holiday compensation.

Significant progress has been made in standardizing the reporting of these data elements, establishing the foundation needed to support future automation under the Pension Administration System (PAS).

OCERS is coordinating with IT to migrate historical holiday compensation data collected from employers as part of the project into V3, our current pension administrative system. Once combined with the holiday compensation data now reported through payroll transmittals, this information is expected to significantly reduce or eliminate the need for members to provide timesheets and paystubs in support of benefit calculations.

The Employer Data Partnership Project is now closed, and its deliverables have been incorporated into normal ongoing operations.

Attachment.

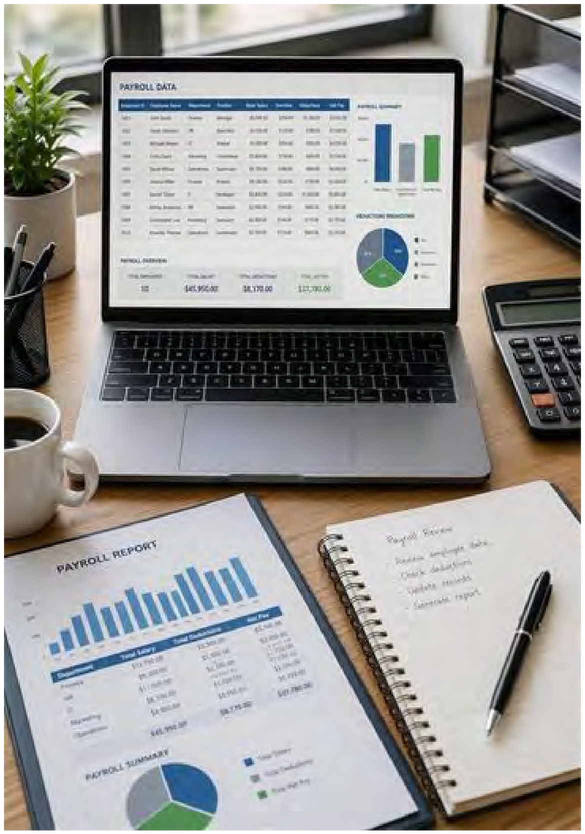
Submitted by:

MA-Approved

Mark Adviento
Director of Employer Services and Quality Assurance

RL-Approved

Rafael Lopez
Employer Services Manager



ORANGE COUNTY OCERS EMPLOYEES RETIREMENT SYSTEM

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Employer Data Partnership Project

PROJECT UPDATE AND CLOSE-OUT | GOVERNANCE COMMITTEE | AUGUST 20, 2026

Rafael Lopez, Employer Services Manager

Mark Adviento, Director of Employer Services and Quality Assurance

What the Project Delivered

Two years of collaboration with employers to improve payroll reporting of member data quality

01

Employer Handbook & Employer Data Policy

Set Standards for Data Requirements

Provide payroll reporting instructions and data standards for employers.

02

Exception Reports

Data Quality Tools

Help employers identify and correct reporting issues.

03

Employer Training

Education and outreach

Prepared employers to use the new reporting tool.

Employer Data Policy Adopted

Adopted by the Board on May 18, 2026, following review by the Governance Committee

Supports accurate benefits

Establishes clear expectations for employer reporting so benefits can be calculated correctly.

Creates a consistent framework

Brings employer reporting requirements into a single Board-approved policy, a first for OCERS.

Promotes data quality and accountability

Provides a structured process for identifying and correcting employer payroll reporting issues.

Allows time for implementation

Employers have time until 2028 before fee provisions become effective.

Readiness for Automation and Close-Out

Standardized employer data lays the foundation for automation in the new Pension Administration System (PAS)

Progress Made

Employer engagement was tailored

Staff worked with employers who had differing payroll systems and capabilities.

Pensionable Paid Time Off reporting is standardized

Vacation and holiday compensation are now reported consistently.

Historical data is moving into PAS

Prior vacation and holiday compensation data is being moved into V3.

EXPECTED MEMBER AND EMPLOYER IMPACT

- Reduces the need for timesheets/paystubs.
- Improves accuracy of estimates and final calculations.
- Paves the way for straight-through processing.

The Employer Data Partnership Project is closed

Its deliverables continue as normal business tools in support of Vision 2030.

Employer Data Readiness Snapshot

▯ = Standardized and Implemented

Employer	Vacation Data Reporting	Holiday Compensation Data Reporting
County of Orange*	▯	▯
Orange County Fire Authority (OCFA)*	▯	▯
Orange County Transportation Authority (OCTA)*	▯	▯
OC San (Orange County Sanitation District)*	▯	▯
Superior Court*	▯	▯
Transportation Corridor Agencies (TCA)**	▯	▯
Children and Families Commission*	▯	▯
OCERS*	▯	▯
LAFCO*	▯	▯
City of San Juan Capistrano*	▯	▯
IHSS Public Authority**	▯	▯
Cemetery District*	▯	▯
Law Library*	▯	▯

** Historical Holiday Comp data obtained and soon to be migrated into V3*
*** Aligning paid time off reporting with the standard process used by all other participating employers*

Thank you!

Mark Adviento

Director of Employer Services and QA

☎ (714) 569-4817

madviento@ocers.org

Rafael Lopez

Employer Services Manager

☎ (714) 558-6207

rlopez@ocers.org

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