

# OCERS Board Charter Chief Compliance Officer Charter

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## Introduction

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

## Reporting

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

## Authority and Responsibility

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

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

### **Charter Review**

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

### **Charter History**

- 5. The Chief Compliance Office Charter was adopted by the Board of Retirement on April 15, 2024.

### **Secretary's Certificate**

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

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Steve Delaney, Secretary of the Board

4/15/2024

Date

I understand and accept the authority delegated by this Charter.



Kwame Addo, Chief Compliance Officer

4/15/2024

Date