

Purpose

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

Principles

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

Roles

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

Policy Guidelines

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

Policy Review

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

Policy History

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



4/15/2024

Steve Delaney
Secretary of the Board

Date