

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

**GOVERNANCE COMMITTEE MEETING
March 5, 2021
9:00 a.m.**

Members of the Committee

- Frank Eley, Chair
- Charles Packard, Vice Chair
- Wayne Lindholm
- Roger Hilton

Pursuant to Executive Order N-29-20, certain provisions of the Brown Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, this meeting will be conducted by video/teleconference only. None of the locations from which the Committee members will participate will be open to the public.

Members of the public who wish to observe and/or participate in the meeting may do so via the Zoom app or via telephone. 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.

OCERS Zoom Video/Teleconference information	
<p>Join Using the Zoom App (Video & Audio) https://ocers.zoom.us/j/95882719928</p> <p>Meeting ID: 958 8271 9928 Passcode: 184656</p> <p>Go to https://www.zoom.us/download to download Zoom app before meeting</p> <p>Go to https://zoom.us to connect online using any browser.</p>	<p>Join by Telephone (Audio Only) Dial by your location</p> <ul style="list-style-type: none"> +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US (Tacoma) +1 929 436 2866 US (New York) +1 301 715 8592 US (Germantown) +1 312 626 6799 US (Chicago) <p>Meeting ID: 958 8271 9928 Passcode: 184656</p>

AGENDA

This agenda contains a brief general description of each item to be considered. The Committee may take action on any item listed on this 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

CALL MEETING TO ORDER AND ROLL CALL

PUBLIC COMMENT

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. Members of the public who wish to provide comment at this time may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad. When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

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

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

October 6, 2020

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. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing *9, at the time the item is called.**

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

A-2 TRIENNIAL REVIEW OF LEGISLATIVE POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation: Review, approve and recommend that the Board approve revisions to the Legislative Policy, as presented.

A-3 TRIENNIAL REVIEW OF THE EXTRAORDINARY EXPENSE RECOVERY POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation: Review, approve and recommend that the Board approve revisions to the Extraordinary Expense Recovery Policy, as presented.

A-4 TRIENNIAL REVIEW OF THE COST IMPACTING POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation: Review, approve and recommend that the Board approve revisions to the Cost Impacting Policy, as presented.

A-5 TRIENNIAL REVIEW OF THE DISPOSITION OF SURPLUS PROPERTY POLICY

Presentation by Brenda Shott, Asst. CEO, Internal Operations and Finance

Recommendation: Review, approve and recommend that the Board approve revisions to the Disposition of Surplus Property Policy, as presented.

A-6 TRIENNIAL REVIEW OF THE MEMBER SERVICES CUSTOMER SERVICE POLICY

Presentation by Suzanne Jenike, Asst. CEO, External Operations

Recommendation: Review, approve and recommend that the Board approve revisions to the Member Services Customer Service Policy, as presented.

A-7 SCHEDULE NEXT COMMITTEE MEETING

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

DISABILITY COMMITTEE MEETING

March 15, 2021

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

March 15, 2021

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

INVESTMENT COMMITTEE MEETING

March 24, 2021

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.

Governance Committee Meeting
October 6, 2020

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

**GOVERNANCE COMMITTEE MEETING
October 6, 2020
9:00 a.m.**

MINUTES

The Vice Chair called the meeting to order at 9:00 a.m.

Present via Zoom Video conference pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020:

Frank Eley, Vice Chair; Charles Packard, Roger Hilton

Also present via Zoom:

Steve Delaney, Chief Executive Officer; Gina Ratto, General Counsel; Suzanne Jenike, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

Absent:

Shawn Dewane, Chair

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

August 4, 2020

MOTION by Packard, **seconded** by Hilton, to approve the Minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 TRIENNIAL REVIEW OF THE RESERVES AND INTEREST-CREDITING POLICY

Presentation by Brenda Shott, Asst. CEO, Internal Operations

Recommendation: Approve and recommend that the Board adopt proposed revisions to the Reserves and Interest-Crediting Policy as presented.

Governance Committee Meeting
October 6, 2020

MOTION by Packard, **seconded** by Hilton, to approve and recommend the Board adopt the proposed revisions to the Reserves and Interest-Crediting Policy as presented.

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE OCERS BOARD POLICY ON ELECTION PROCEDURES

Presentation by Gina Ratto, General Counsel

Recommendation: Approve and recommend the Board adopt revisions to the Board Policy on Election Procedures as presented.

MOTION by Packard, **seconded** by Hilton, to approve the proposed revisions to the Election Procedures as presented with the following additional revisions (red and underlined text below) as proposed by the Committee members:

“Nomination Petition for Election

The Nomination Petition for Election must contain:

1. The name, address (work or home), and signature of the candidate.
2. The designation of the seat on the Board to which the candidate seeks election.
3. A ballot designation selected by the candidate that contains no more than than 40 characters.
4. All individuals signing the Nomination Petition for Election must be members of the election group at the time of signature. The printed name and last four digits of the signer’s social security number must accompany the signature. The Registrar will not accept electronic signatures.
5. The Nomination Petition for Election filed by a candidate for a General Member or Safety Member position must include at least seventy-five (75) signatures of current active employee members of OCERS from the same election group as the candidate for election.
6. The Nomination Petition for Election filed by a candidate for the Retired Member position must include at least twenty-five (25) signatures of retired members of OCERS.”

“Voting Procedures

1. After making their ballot selection(s), the voter must sign the outside of the provided envelope and return it to the Registrar with the completed ballot inside.
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.
3. Ballots must be ~~returned to~~ received by the Registrar on or before 9:00 a.m. on the date of the election.”

Governance Committee Meeting
October 6, 2020

“Recount

A candidate may request a recount of ballots to be performed by the Registrar. A recount request must be in writing and filed with the Registrar within five (5) days of the Registrar’s certification of the election.

The candidate making the request or a third party on behalf of the candidate will pay the cost of the recount. The Registrar will provide the requestor an estimate of the cost, and a deposit of the estimated amount must be provided before the recount will be commenced. The recount will commence no more than seven (7) days following the receipt of the request for recount and continued on each following business day until concluded. The Registrar will notify the CEO and all candidates for the office being recounted and post a Notice of Recount at least one (1) day before the recount at the office of the Registrar.

A recount is only valid if every vote received per the Registrar’s election procedures is recounted. The results will be posted in the office of the Registrar and at the OCERS’ office.”

In addition, the Committee directed staff to work with Vice Chair Eley to draft and include a revision or revisions to the Election Schedule to ensure candidates have at least 28 days to collect signatures on their Nomination Petitions for Election and to incorporate those changes in the version of the Election Procedures that is presented to the Board for approval.

The motion passed unanimously.

COMMITTEE MEMBER COMMENTS

None.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None.

COUNSEL COMMENTS

Ms. Ratto noted that the Committee has completed the review process for all Policies and Charters that were scheduled to be reviewed this year.

ADJOURNMENT

The meeting adjourned at 9:54a.m.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Shawn Dewane, Chair



Memorandum

DATE: March 5, 2021
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: TRIENNIAL REVIEW OF THE LEGISLATIVE POLICY

Recommendation

Review, approve and recommend that the Board approve revisions to the Legislative Policy as presented.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Legislative Policy (Policy) was adopted by the Board on November 17, 2003, and was last reviewed on August 20, 2018. The Policy is scheduled for review and approval by the Board, after review by the Governance Committee, in 2021. The Policy sets forth procedures for, among other things, the Board to adopt an official position on proposed legislation; identify future legislative action; facilitate timely communication of proposed and enacted legislative changes to the Board and staff; provide guidance in communicating OCERS' official legislative positions to third parties; and identify optimal sources to promote OCERS' official legislative positions.

Staff has reviewed the Policy and recommends only clarifying, non-substantive revisions to the Policy. A copy of the Policy, with proposed changes indicated in underlined/strikeout text, is attached.

Attachment

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Policy Legislative Policy

Purpose and Background

1. The purpose of ~~this~~ the Legislative ~~P~~ ol~~icy~~ is to provide ~~OCERS~~ the organization with a broad framework, ~~which it~~ that ~~OCERS~~ can utilize as a basis for action. The ~~OCERS~~ Board is charged with the responsibility of administering the System in a manner to assure ~~appropriate and~~ prompt delivery of benefits and related services to ~~members~~ plan participants and their beneficiaries and ~~of~~ managing the assets of the System in a prudent manner. Legislation affecting the System must be closely monitored to determine the potential impact on the System and whether action is necessary.

Policy Objectives

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

Roles and Responsibilities

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



OCERS Board Policy Legislative Policy

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

Policy Guidelines

Legislative Principles

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

SACRS' Legislative Committee

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

Policy Review

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



OCERS Board Policy Legislative Policy

Policy History

- 8. The **OCERS** Board adopted this policy on November 17, 2003. The policy was revised on April 16, 2007, June 21, 2010, February 19, 2013, July 20, 2015, ~~and August 20, 2018~~, and April 19, 2021.

Secretary's Certificate

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

 Steve Delaney
 Secretary of the Board

08/20/2018

Date



Memorandum

DATE: March 5, 2021
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: TRIENNIAL REVIEW OF THE EXTRAORDINARY EXPENSE RECOVERY POLICY

Recommendation

Review, approve and recommend that the Board approve revisions to the Extraordinary Expense Recovery Policy, as presented.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Extraordinary Expense Recovery Policy (Policy) was adopted by the Board on May 26, 2009, and was last reviewed on August 20, 2018. The Policy is scheduled for review and approval by the Board, after review by the Governance Committee, in 2021. The Policy sets forth guidelines for the Board and staff to identify expenses that are incurred by the System as a result of requests by third parties (other than Public Records Act requests and employer and member data requests) that are outside the ordinary course and scope of business of the System, and a mechanism for recovering such expenses from the responsible parties.

Staff has reviewed the Policy recommends changes to (i) reflect that in 2020, the Board combined the Plan Sponsor, Member and Stakeholder Data Request Policy and the policy governing public records requests in a new policy titled the OCERS Public Records and Data Request Policy, and (ii) add clarity to the Policy.

A copy of the Policy, with proposed revisions indicated in underlined/strikeout text, is attached.

Attachment

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Policy

Extraordinary Expense Recovery Policy

Purpose and Background

1. The Extraordinary Expense Recovery Policy is intended to establish guidelines and codify existing practices by which OCERS' Board of Retirement and staff can identify expenses incurred as a result of requests by third parties, other than expenses related to public records requests, ~~which are handled in accordance with OCERS' Public Records Request Policy, or and employer and stakeholder~~ data requests, which are handled in accordance with OCERS' Public Records and Plan-Sponsor, Member and Stakeholder Data Request Policy, that are outside of the ordinary course and scope of the business of the ~~Retirement~~ System ("Extraordinary Expenses"), and establish a mechanism for recovering such expenses from the responsible party(ies).

Policy Objectives

2. The objectives of the policy are to ensure that:
 - a. OCERS expends trust funds on authorized administrative expenses consistent with the law;
 - b. There are clear expectations when third parties cause OCERS to incur Extraordinary Expenses;
 - c. The identification of Extraordinary Expenses is clearly defined; and
 - d. The method for recovering Extraordinary Expenses is clearly defined.

Policy Guidelines

3. The following guidelines will be used to identify Extraordinary Expenses:
 - a. OCERS CEO, or his or her designee, will gather the following information:
 - i. The name of the person or organization responsible for the expense;
 - ii. The purpose of the expense;
 - iii. The amount of the expense;
 - iv. Whether the expense benefits OCERS' membership generally, or a significant number of employers, plan sponsors, and to what extent; and
 - v. Whether the expense is necessary for the administration of the sSystem.
 - b. Upon review of all of the above-listed information, the CEO or his or her designee will initially determine whether the expense is beneficial to the membership generally or to a significant number of employers, plan sponsors and whether it is necessary for the administration of the sSystem. If, in the discretion of the CEO or his or her designee, the expense is not beneficial to the membership generally or to a significant number of employers, plan sponsors or not necessary for the administration of the sSystem, the CEO or his or her designee will determine the amount of the expense and make a recommendation to the Board for recovery of the full amount of the expense.



OCERS Board Policy Extraordinary Expense Recovery Policy

- c. If the CEO or his or her designee initially determines that the party responsible for the expense should reimburse OCERS, the issue will be placed on a Board ~~of Retirement~~ agenda for consideration by the ~~full~~ Board in a public meeting.
- d. The CEO or his or her designee will notify the responsible party of the date and time of the Board ~~of Retirement~~ meeting at which the Board’s consideration will take place. The responsible party may be heard on the matter in open session.
- e. If the Board determines that OCERS should be reimbursed for the Extraordinary Expenses, the CEO or his or her designee will provide a written request to the responsible party for reimbursement, detailing the amount of reimbursement requested and a brief statement as to the reason why the Board determined that the party was responsible for the Extraordinary Expenses. The written request will specify that payment is to be received by OCERS within 90 days of the request.
- f. The Board, in its discretion, may allow the party to reimburse OCERS through an installment payment plan that is reasonably designed to allow OCERS to recoup the entire expense plus reasonable interest.
- g. If the responsible party fails to reimburse OCERS within 90 days from the date of the written request or fails to make payments under an installment payment plan, OCERS ~~will~~shall take appropriate action under the law to recover the amount of the Extraordinary Expenses.

Policy Review

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

Policy History

- 5. The OCERS Board of Retirement adopted this policy on May 26, 2009. The Board revised this policy on February 19, 2013, July 20, 2015, ~~and~~ August 20, 2018, and April 19, 2021.

Secretary’s Certificate

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

Steve Delaney
Secretary of the Board

08/20/2018

Date



Memorandum

DATE: March 5, 2021
TO: Members of the Governance Committee
FROM: Gina M. Ratto, General Counsel
SUBJECT: TRIENNIAL REVIEW OF THE COST IMPACTING POLICY

Recommendation

Review, approve, and recommend that the Board approve proposed revisions to the Cost Impacting Policy, as presented.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to more efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

The Cost Impacting Policy (Policy) was adopted by the Board on May 17, 2011, and was last reviewed on August 20, 2018. The Policy is scheduled for its triennial review and approval by the Board, after review by the Governance Committee, in 2021. The Policy sets forth a process for the Board to follow when the Board is considering decisions that may have a material impact on employer or member financial interests.

Staff has reviewed the Policy and recommends one change that is somewhat substantive.

Section 1 (“Background”) of the Policy includes two general statements about the types of Board actions that may affect employers and members:

“The Board of Retirement recognizes that *some of its actions* can materially impact employers' and members' financial interests.” (Emphasis added.)

“OCERS believes it prudent, when considering *such impactful decisions....*” (Emphasis added.)

Section 2 (“Policy Guidelines”) of the Policy includes more narrow language about the types of Board actions that would be covered by the Policy, and appears to limit application of the Policy to the Board’s adoption or modification of policies or regulations:

“In the ordinary course of conducting its business, the Board intends to introduce the *adoption or modification of policies or regulations* that can materially impact employers' and members' financial interests....” (Emphasis added.)

Staff suspects the Board intended the Policy to apply to any actions of the Board that would materially impact employers' and members' financial interests, not only actions to adopt or modify policies or regulations. Accordingly, staff proposes the following revision to Section 2 for the Committee's consideration:

In the ordinary course of conducting its business, the Board intends to introduce actions, including without limitation, the adoption or modification of policies or regulations, that can materially impact employers' and members' financial interests, at an initial duly noticed, public meeting, followed by subsequent duly noticed, public meeting(s), as appropriate, to consider the proposal, alternative proposals and comments from stakeholders, the Board, OCERS staff and consultants.

Staff also proposes a clarifying revision to Section 3.e.

A copy of the Policy, with proposed revisions indicated in underlined/strikeout text, is attached.

Attachment

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Policy Cost Impacting Policy

Background

1. The Board of Retirement recognizes that some of its actions can materially impact employers' and members' financial interests. OCERS believes it prudent, when considering such impactful decisions, to provide appropriate notice and an opportunity for stakeholders to be heard on such matters before taking final action. The Board retains full authority to adopt, modify or repeal OCERS' policies.

Policy Guidelines

2. In the ordinary course of conducting its business, the Board intends to introduce actions, including without limitation, the adoption or modification of policies or regulations, that can materially impact employers' and members' financial interests, at an initial duly noticed, public meeting, followed by subsequent duly noticed, public meeting(s), as appropriate, to consider the proposal, alternative proposals and comments from stakeholders, the Board, OCERS staff and consultants.

Policy Review

3. Absent exigent circumstances, the Board will use the following procedure when taking action on cost-impacting decisions covered by this policy:
 - a. No action on any such proposal will be taken at the introductory meeting other than scheduling, direction to staff and consultants and other related matters;
 - b. Action to be taken on proposals relating to the subject of the proposed action will be taken at one or more subsequent duly-noticed public meetings;
 - c. At the meeting where the Board decides to take action (i.e., vote) on a cost-impacting decision, if only a single alternative is presented and discussed (not counting maintaining the *status quo* if that also is an alternative), the vote will constitute the Board's final determination on the matter;
 - d. However, at the meeting where the Board decides to take action (i.e., vote) on a cost-impacting decision, if more than a single alternative is presented and discussed (not counting maintaining the *status quo* if that also is an alternative), the Board's vote will be considered a tentative determination on the matter and will become the Board's final determination *only if* the Board votes to ratify the tentative determination at a subsequent duly-noticed public meeting without material changes; and
 - e. If material changes to the tentative determination are made at the meeting where the ratification vote is taken, that vote (with the changes) will become the Board's final determination on the matter *only if* the Board votes to ratify it at a subsequent duly-noticed public meeting without additional material changes.
4. Challenges to any Board action based on a claim that the procedures in this policy were not properly followed must be brought and fully resolved prior to the end of the next regularly-



OCERS Board Policy Cost Impacting Policy

scheduled Board meeting following the Board meeting where the final vote or final ratification vote on the challenged action takes place.

Policy Review

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

Policy History

- 6. This policy was adopted by the OCERS' Board of Retirement on May 17, 2011. It was revised on December 19, 2011, July 20, 2015, ~~and~~ August 20, 2018, and April 19, 2021.

Secretary's Certificate

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

	08/20/2018
Steve Delaney Secretary of the Board	Date



Memorandum

DATE: February 23, 2021
TO: Members of the Governance Committee
FROM: Brenda Shott, Assistant CEO Finance and Internal Operations
SUBJECT: TRIENNIAL REVIEW OF THE DISPOSTION OF SURPLUS PROPERTY POLICY

Recommendation

Approve, and recommend that the Board approve proposed revisions to the Disposition of Surplus Property Policy as presented.

Background/Discussion

The Board of Retirement (including the Investment Committee) has formally adopted over 40 charters and policies and has established a review schedule that requires review of every charter and policy every three years. At its February and June 2015 meetings, on recommendation of the Governance Committee, the Board approved a streamlined procedure to efficiently manage the scheduled review of the charters and policies. Pursuant to this process, certain of the charters and policies are to be first reviewed by the Governance Committee before presentation to the Board for approval.

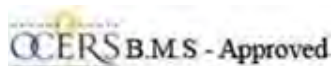
The Disposition of Surplus Property Policy (Policy) is scheduled for review and approval by the Board, after review by the Governance Committee, in 2021. The Policy sets forth guidelines for discarding equipment, furniture and other miscellaneous property that is no longer of use to OCERS.

Staff has reviewed the Policy and does not recommend any substantive changes at this time.

A copy of the Policy, with proposed non-substantive changes indicated in underlined/strikeout text and a clean revised version are both attached.

Attachments

Submitted by:



Brenda Shott
Assistant CEO, Finance and Internal Operations



OCERS Board Policy

Disposition of Surplus Property Policy

Purpose and Background

1. The CEO is accountable for all OCERS property. When property is no longer needed now or in the foreseeable future a process for the proper disposition is needed.

Policy Guidelines

2. Surplus Property is defined as all furniture, equipment or other tangible assets owned by OCERS that is determined by the CEO or the Assistant CEO, Finance and Internal Operations, to be obsolete, damaged or no longer useable or required for use by OCERS.
3. The method used to dispose of Surplus Property will be selected from the list in Section 4 by either the CEO or the Assistant CEO, Finance and Internal Operations. Using the method selected, the actual disposition of Surplus Property will be coordinated by the [Administrative Operations Support Services Department](#).
4. Surplus Property will be disposed of in one of the following preferred methods:
 - a. Sale by Auction or direct solicitation of bids
 - b. Donation of items with an estimated value of less than \$5,000 per lot to any California public institution including but not limited to, public libraries, school districts, plan sponsors, or interested charities.
 - c. E-waste recycling
 - d. Recycling
 - e. Trash
5. Disposition of Surplus Property that is a capital asset and, as a lot, has an estimated market value that exceeds \$5,000 must be approved by the Board of Retirement.
6. Surplus Property approved for disposition by the Board under Section 5 will be publicly advertised on OCERS' web-site and mailed to a minimum of three firms active in the purchase of like property. Sealed bids shall be accepted from interested parties with the property sold to the highest bidder. The total of bids for individual items must exceed that of lot bids or the highest lot bidder will be awarded the sale. Property for which OCERS does not receive bids may be disposed by any of the methods listed in Section 5 of this Policy with every attempt being made to receive fair market value for the property.
7. Proceeds from the sale of Surplus Property will be remitted to the Finance department to be deposited into OCERS' Pension Trust Fund and accounted for in accordance with Generally Accepted Accounting Principals.
8. Electronic equipment such as hard drives and other recordable media (rewritable and non-rewritable) **will not be** included in any surplus sale or other routine means of disposing of equipment (e-waste recycling, etc.).



OCERS Board Policy

Disposition of Surplus Property Policy

- a. All hard drives and other rewriteable media (tapes, etc.) will be removed and erased by OCERS IT Staff in accordance with the U.S. Department of Defense 5220.22-M “National Industrial Security Program Operating Manual” (NISPOM) standards.
 - b. Erased hard drives and rewritable media will then be submitted to an authorized third party vendor to be physically destroyed. OCERS will retain a copy of the “Certificate of Destruction” affidavit provided by the vendor in accordance with OCERS’ Records and Retention Policy.
 - c. Rewriteable and non-rewriteable CD’s and DVD’s will be shredded by OCERS’ IT staff per OCERS’ regular paper shredding process.
9. Board members and/or employees of OCERS are are not permitted to bid on or receive Surplus Property.
10. Records of disposition will be kept for a minimum of four years after disposition in accordance with OCERS’ Records Retention Policy.

Policy Review

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

Policy History

- 12. The Board of Retirement adopted this policy on December 20, 1999. The policy was revised August 25, 2008, May 17, 2011, November 19, 2012, December 14, 2015, ~~and~~ October 15, 2018 and March 15, 2021.

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

10/15/2018

Date



OCERS Board Policy

Disposition of Surplus Property Policy

Purpose and Background

1. The CEO is accountable for all OCERS property. When property is no longer needed now or in the foreseeable future a process for the proper disposition is needed.

Policy Guidelines

2. Surplus Property is defined as all furniture, equipment or other tangible assets owned by OCERS that is determined by the CEO or the Assistant CEO, Finance and Internal Operations, to be obsolete, damaged or no longer useable or required for use by OCERS.
3. The method used to dispose of Surplus Property will be selected from the list in Section 4 by either the CEO or the Assistant CEO, Finance and Internal Operations. Using the method selected, the actual disposition of Surplus Property will be coordinated by the Operations Support Services Department.
4. Surplus Property will be disposed of in one of the following preferred methods:
 - a. Sale by Auction or direct solicitation of bids
 - b. Donation of items with an estimated value of less than \$5,000 per lot to any California public institution including but not limited to, public libraries, school districts, plan sponsors, or interested charities.
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OCERS Board Policy

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Policy Review

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

Policy History

- 12. The Board of Retirement adopted this policy on December 20, 1999. The policy was revised August 25, 2008, May 17, 2011, November 19, 2012, December 14, 2015, October 15, 2018 and March 15, 2021.

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: March 5, 2021
TO: Members of the Governance Committee
FROM: Suzanne Jenike, Assistant CEO, External Operations
SUBJECT: **TRIENNIAL REVIEW OF THE MEMBER SERVICES CUSTOMER SERVICE POLICY**

Recommendation

Review, approve, and recommend that the Board approved the Member Services Customer Service Policy, as presented.

Background

Staff reviewed the Member Services Customer Services Policy with the Governance Committee in 2015, 2018 and today as part of the required triennial review. We believe that the Policy appropriately captures the performance measures the Member Services team uses to ensure quality services are provided to members and plan participants. We do not recommend any changes at this time.

A copy of the Policy is attached.

Submitted by:



SJ-Approved

Suzanne Jenike
Assistant Chief Executive Officer
External Operations



OCERS Board Policy

Member Services Customer Service Policy

Background

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

Policy Objectives

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

Policy Guidelines

3. Develop quantifiable goals for measuring customer service levels:
 - a. Customer interactions – positive responses to surveys – goal is 95% positive;
 - b. Benefit Recalculations – unplanned benefit recalculations should be less than 5% of the total;
 - c. Payroll initiations within one full month of separation;
 - d. Benefit estimates are available real time 24/7 via member self-service portal;
 - e. Retirement can be initiated electronically via member self-service portal;
 - f. Member Statements are available real time 24/7 via member self-service portal; and
 - g. Member calls are returned the same business day or within 24 hours. Staff will update their voicemail messages to indicate approximate turnaround time in situations when it is known that greater than 24 hours is needed to return calls.
4. Regularly monitor goals to ensure ongoing achievement of customer service levels.
5. Annually evaluate goals and make adjustments as needed.

Policy Review

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

Policy History

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



OCERS Board Policy

Member Services Customer Service Policy

Secretary's Certificate

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

Steve Delaney
Secretary of the Board

10/15/18
Date